

*Magazines Canada Business Media Summit White Paper #3*

# **Publishing Leadership Today for Tomorrow's Readers**

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# Publishing Leadership Today for Tomorrow’s Readers

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# Publishing Today for Tomorrow's Readers

## INTRODUCTION

The following pages are based on the presentations delivered at Magazines Canada's third annual Business Media Leadership Summit. The event was made possible by the financial support of the Alliance for Audited Media, EquiSoft and the Ontario Media Development Corporation.

This is the third Magazines Canada Business Media White Paper to be published in as many years. The first, *Plotting a Course across Canada's Business Media Landscape*, provided an historical overview of the Canadian business media and looked at how it has evolved.

The second white paper, *Planning For Growth Across a Turbulent Horizon*, looked at how business media publishers are coping with the many challenges of planning and managing multi-platform portfolios in an era of rapid, ongoing change.

This 2015 white paper builds upon the experiences detailed in its predecessors. It draws heavily upon the proceedings and discussions of Magazines Canada's third annual Business Media Leadership Summit. With its delegate list comprised of senior management from across the country's business media, the Summit represents a rare opportunity to take a snapshot of the industry's thinking and concerns.

The Canadian business media has worked itself into a novel position. The concerns around developing new revenue streams to help offset the largely ongoing decline in print advertising spending have pretty much been addressed—if the prevailing opinion at the Summit is any indication.

Missing at the 2015 event were the almost-plaintive inquiries such as: “How do I start an event... How can I get people to pay for my online offerings... What should I do until print bounces back?”

In their place were any number of common-sensible, measured observations about how the new event hire is thriving, digital revenues are growing at an “acceptable” rate, and print isn't bouncing back.

However, delegates were also questioning resource allocation in their multiple-revenue-stream world. Hiring, training, compensation—reworking the corporate culture—were among the subjects covered by both the agenda and delegate conversations throughout the event. Central to their thinking is a need to simplify internal and external processes.

Multiple revenue streams have brought with them complicated processes and too many people being asked to do too many things. In the effort to get new things underway, processes were laid upon processes and tasks upon tasks. The old was not rung out with the new. The need for organizational clarity is pressing.

“Doing more with less” became the new standard by which people and organizations measured themselves. It proved, however, to be a short-sighted and flawed one. Across the industry it became clear for all to see: resources were being stretched too thin; staff and management felt that they were being exploited.

Equally pressing is the need to formulate an effective strategy against what some would argue is the biggest threat yet to business media: the commoditization of content. All media suppliers have been facing this challenge for some time. It is especially acute in the business media sector because of their provision of such specialized content.

Multi-platform publishing had become ubiquitous long before terms such as article, feature, item and piece were thrown into a box termed “content.” Regardless of the medium or the type of material being created and delivered—long-form journalism, live business media news feeds, sports, e-newsletters—it was now simply “content.” The new label stripped away centuries of respect for specialized skill sets.

“Content” was like brake pads, breakfast cereal or toothpaste. Its production was faceless and mechanical. It could be stored in warehouses until needed. And if the expiry date happened to pass, it could be resold on a bulk basis at still lower rates.

In some media organizations all titles that contained the word “editor” were scrapped. In all forward-thinking media organizations—especially those in the business media category—the need to re-instill a deep-seated respect both internally and externally for the skills and intellectual capital required to engage and deliver audiences is paramount.

Ironically, the needs to simplify and address content commoditization are intertwined. Solutions to both are reliant upon a clear understanding of the publishing business’s needs—as well as those of its readers, advertisers and members. That understanding cannot be clear or pragmatic enough.

## THE READER, THE READER, THE READER

“If we as publishers aren’t always putting our readers first, we are at risk,” were the opening remarks from Jörg Mühle, Managing Director of eMedia GmbH and Director of Sales and Strategy for heise online, of Hanover, Germany. With his 20+ years of business media experience in the intensely competitive German market (3,000 business media titles serving 80 million Germans), Mühle provided both insights and truisms. The publisher that adheres to Mühle’s operating principles is unlikely to be in trouble.

Mühle’s parent company was founded in 1949. It focuses on the IT sector with a variety of print, digital and event offerings. The organization employs some 550 people and generates annual revenues of C\$165 million. The operating philosophy, while simple, can be a tough one to follow. The organization promotes free speech, encouraging a critical press with a clear separation of content and advertising, and a focus on meeting reader needs and delivering value.

Like all business media publishers, Mühle’s world has been pummelled over the last several years. The number of active advertisers has plummeted 64% since 2000. His solutions are deceptively simple. The company launched a loyalty program that encouraged new advertising categories. It developed a reader-paid series of webinars that delivered premium material unavailable in its print or digital offerings. A Job Fair was launched, bringing together readers and advertisers. Investment was made in a price-comparison website that captures traffic from all German-speaking countries. Partnerships were struck with the IT category’s largest Trade Show organizer. And, new titles were launched for audience niches—niches that generated newsstand sales of 100,000 copies. As he encouraged his audience to do so, Mühle is not afraid of thinking big.

Regardless, challenges remain. These include operating at an increasingly greater pace while being increasingly innovative. All staff must be conversant on all platforms. Current readers must be retained and new ones engaged. Staying in direct contact with advertisers is vital—as are competitive strategies that undercut the scale of Google, Facebook and LinkedIn with reader insights and category knowledge.

Mühle also had a cautionary warning. Brand awareness should not be overlooked at the expense of a focus on KPIs or ROI. Equally important? There is strength in numbers. Business media publishers should be actively working together and not in isolation.

### MEETING READER NEEDS

- Times are changing, but publishing is still an exciting place to be
- Directories were and are a good place for business media publishers
- Successful extensions depends on a strong core brand that is reader-driven
- High production values drive sales and readership
- Don’t “reproduce” print content online
- A crowded marketplace is no excuse for not succeeding
- Shrinking hard copy sales is a global reality
- Shrinking advertiser pools is a global reality
- We must always be looking for new revenue streams
- You can make webinars work by putting the reader first
- If you ask your readers how you can help them, they will tell you
- Use what you have
- Try things
- Be clever
- Seek partners
- Be on the lookout for new audiences
- Your challenges are those of all publishers
- Make the most of your readers’ trust

## ATTRACTING, TRAINING, RETAINING & COMPENSATING SALES TEAMS

The business media publisher's dreams have been answered: multiple revenue streams that encompass print, digital, events and custom publishing have become pretty much commonplace in firms of all sizes and stripes.

The business media publisher's nightmare: finding, training, keeping and paying sales staff capable of working across multiple platforms—and in many cases audiences—is a full-time occupation with few “right” answers and countless wrong ones.

Or, in the words of Dan Ambrose, the business media publisher's challenge is similar to that of a captain trying to navigate his or her way through a raging storm. The Oregon-based principal of ambro.com provides strategy consulting and advertising sales training to the media industry. His extensive business media publishing experience includes stints at Hearst Magazines Division and Ziff Davis.

Sales is hard, acknowledges Ambrose. How do we sell more? Training and practice. He also argues that audience access is threatened with becoming a commodity. This is being forced upon publishers of all stripes by the agency community and is best met by sticking close to the client with an ongoing stream of insights into the client's customers and market.

Drawing on a lengthy list of nautical metaphors, Ambrose boils it all down to leadership, and integrating the fundamentals of good leadership into an organization's culture. He likens the competition from “the Internet” and digital enterprises to navigating in a storm and fighting a sometimes unseen enemy at sea. The environment not only surprises, it is beyond anyone's control and forces one to constantly be changing path. The solution? A well-motivated and well-trained crew that is flexible, respected and focused on the goal.

### DEALING WITH TALENT

**Attract:** Key to attracting talent is making the position one which current employees will want to share with their friends and acquaintances.

**Retain:** Salespeople take on the risks and (too often) the pain of rejection in return for a sense of independence. Providing your sales team with the right balance of structure, resources and freedom—and seeking and listening to their input—will ensure a good, ongoing flow of information from the front lines and an engaged team.

**Compensate:** The best practice in advertising sales compensation is a 50/50 balance of salary and commission. This is important because too much salary breeds complacency, and too much commission makes salespeople unmanageable. Commissions should be simple: the same rate on all products and services so that they can concentrate on being “client centric” rather than pushing one magazine, site or event over another. Commissions should double at an agreed-upon level of performance the salesperson is certain they will achieve.

**Train:** Major league baseball players take batting practice every day. There is no reason why major league salespeople won't benefit from ongoing attention and practice too. Sales training should be comprised of weekly or monthly mini-sessions that are part of the regular meeting schedule. In addition, each year there should be a day or two aimed at bringing in new ideas and new techniques. Ad sales skills can be put into three big buckets:

- **Getting appointments**
  - Organization, discipline, skills
- **Persuasion**
  - Logic that starts with shared assumptions
- **Interaction**
  - Opening
  - Presenting
  - Probing
  - Closing

As the advertising sales process becomes increasingly complex—with multiple elements that must be presented to multiple buying influences—publishers must recognize that successful execution requires more time than it did in the past. It also requires additional resources in the form of Account Coordinators who have client-contact, which allows salespeople to cover more territory without being bogged down in details. These Account Coordinators are in the ideal position to learn the company’s culture, implement its operating philosophy and move into sales roles.

Market Research is another acknowledgement to the increasingly complex world of advertising sales. Because getting appointments is more difficult than ever, business media publishers should be investing in the information that will allow their sales teams to offer more than just a pitch: they should be equipped to offer “owned and proprietary insights” into their prospects’ markets and their buyers’ path-to-purchase.

The flexibility required to succeed in a constantly changing environment is achieved by marrying any number of traits and behaviours—not the least of which is open-mindedness. Training should be built into all sales meetings and not done on an “extra-curricular” basis that exists outside of regular business routines. And, senior management participation in sales training is essential to retention.

Providing adequate Travel & Entertainment (T&E) budgets is important as well. Easily scrapped in the post-2008 days of “discretionary spending” elimination, T&E budgets are essential to building relationships, as well as instilling salespeople with confidence and a sense of independence.

The sales team must also be provided with appropriate presentation and collateral material that is consistent, concise (no more than 20 slides) and customer-focused. This material should be partially driven by the research referred to above. It should be delivered to the sales team with the understanding that “good sales reps don’t necessarily make good writers.” Their job is to deliver the company’s story against a wide variety of customer needs and, in so doing, act as a sales consultant.

## MAKING READER RESEARCH PART OF YOUR PUBLISHING DNA

Just as business media publishers have become proficient at developing multiple revenue streams, they appear to have gained a new—or renewed—interest in (or appreciation for) getting closer to their readers. But not just getting closer to their readers—doing so in a deliberate manner that yields an ongoing stream of reader insights that are actionable and can be used to strengthen their offerings while generating new financial rewards.

Once confined to annual readership studies (that were conducted when convenient), reader research has assumed its rightful level of respect in most Canadian business media publishing operations—if the show of hands among Summit delegates is any indication. Virtually all attendees indicated that ongoing reader research is an integrated part of their businesses. Thus, Tricia Benn, VP Strategy at MDC Partners Inc., and Chief Marketing & Strategy Officer of Northstar and Managing Director of its U.S. business, was speaking to the converted.

As much art as science, good research is that which provides actionable insights into readers, advertisers and where they converge—how they do business together. This is of far more value than “big data,” which in and of itself is not the answer. It is but one of many research tactics that the business media publisher can deploy.

Benn argues that someone in the organization has to be in charge of insights/research. She calls this person the Chief Insights Officer—or for publishers, a Chief Audience Officer. And while this title might be deemed as too lofty by many in the business media community, it conveys the essence of what is being sought. In any industry, it is all about asking the right questions. In the business media publishing industry, it is the editor who knows what those questions are—even if he/she doesn't know that they know. That being said, it is a role that at various times could be held by any member of the publishing team.

Creating such a position—regardless of what it is called—could provide clarity for advertisers and customers. It would also demonstrate internally just how seriously the organization is taking the need to gather and act upon reader insights in a disciplined and ongoing manner. The position need not be a full-time one to generate positive, measurable results.

As simplistic as it might seem, recognizing and maintaining the distinction between strategy and tactics is central to actionable research, as this enables identifying the right problem—or posing the right questions. Too often, tactics precede the strategy that they are intended to implement. The right strategic framework will articulate both the current position and the goal. This truism can be applied to any data set or information that is being applied to an editorial or sales challenge.

### A READER INSIGHT CHECKLIST

- Ask the right questions
- Start at the beginning
- Let the data drive the conclusions—keep an open mind
- Know your magazine's “core essence”: what do you stand for?
- Use reader insights and content to build community
- Measuring results enables the change you're seeking
- The whole organization needs to be customer-centric
- Make sure your structure supports your reader engagement strategy
- Don't confuse data with insights

Recognizing the many challenges facing business media publishers, it is essential to acknowledge that the competitive landscape is wide, fluid and constantly changing. Publishers are competing against “everything” because the reader only has so much time in the day. Benn argues that this must be taken into account when assessing the competitive landscape. Doing so helps accumulate ammunition against the commoditization struggle referred to above.

Benn says that success in such an environment depends on “owning” the “core essence” of the magazine. This core essence is defined as where the interest of readers and advertiser overlap around Content, Communication, Community and News. Securing that ownership in the multi-platform world is extremely difficult. It cannot be done without reader insights.

As with effective sales management and training, making actionable audience insights part of an organization’s operating DNA requires the commitment and involvement of the senior leadership. It is the company’s executive that must demonstrate the courage to “go where your customers take you.” It is an outstanding goal, but one that cannot be achieved without reader research.

Market-driven change is a fact of life in all industries. The greater the degree to which research is part of the organization’s DNA, the greater its ability to be on the right side of market-driven change. Given that mobile will become the primary means of conducting surveys, business media publishers should be taking this into account with all of their digital planning.

Research generates data, which yields insights. Data alone is of little value. It is a commodity. Insights are a currency that business media publishers can use in any number of ways.

Reader insights can be used to ensure that all of a magazine’s or website’s material is indeed addressing genuine needs. Insights can help with the decisions around resource alignment and priorities. They can be used to create measureable goals in terms of overall readership as well as the engagement of specific audience segments.

In an increasingly complex world, it is appealingly simple: well-applied reader research enables the business media publisher to increase the value of its audience. Research-driven editorial content can be used to create new value, new revenues and further specialization of knowledge in a specific field—all of which, again, staves off the threat of commoditization. And, it can represent still one more non-traditional source of revenue.

## THE LESSONS OF 2014

In the spirit of Summit keynote Jorg Muhle's call for business media publishers to work together and learn from each other, all delegates participated in a discussion around the lessons of 2014. Compared to the struggles encountered immediately following the 2008–2009 collapse, 2014 was a bountiful year. Regardless, opportunities had to be pursued aggressively; revenues went to those who worked hardest (read, smartest); deciding where to invest capital was never more challenging; and margin for error was never slimmer.

The discussion was moderated by Diane Kleer, VP Production/Group Publisher, Annex Business Media and Ellen Kral, Group Publisher & CEO, Kenilworth Media Inc., who between them have more than 50 years of business media publishing experience.

The takeaways:

- Selling a majority interest in my company was a huge learning experience. Quality and profitability are your two best friends: if you can produce them, people will listen.
- We started an awards program but the sponsors were slow to pony up. After announcing a big-name speaker, sponsorships started coming in. We had thought that sponsors would come first, speakers second.
- Plan around the worst-case scenario.
- Hiring someone without sales experience, but with a background in the field served by the magazine was the right thing to. She is bringing ideas to the table that are out of the box and that the market loves.
- CASL was an awakening for many of us as to how we manage our emails.
- We started acting like an agency and providing the services that agencies provide to our clients. It has worked very well for us and allowed us to extend our magazine brands to produce brochures, videos, etc.
- It can be a good thing to be acquired. It provides great learning opportunities.
- We have to invest in delivering what clients and agencies want.
- Hire slow, fire fast.
- Adverse market conditions create custom publishing opportunities.
- Advertisers will come to you because of your flagship brands. It is a textbook case of “retreat to quality.”
- Put it in writing—a good contract is your best friend.
- CASL provided us with an opportunity to learn more about our readers.
- We have to think outside the box—readers need material beyond the “specialized content” that our brands are known for.
- Don't be afraid to trust your gut.
- We need to be more reader-centric—it's not about us.
- Don't create complex websites that get between you and your readers.
- What works in one market doesn't necessarily work in another.
- Are you staying on top of what your readers want?

- Sometimes you have to pull your readers along into the 21st century—introduce them to new things.
- All editors are expected to call five readers monthly.
- We did a survey of our advertisers to see what they expected in terms of customer service and things like their buying cycles and practices. Our sales reps were reluctant, but we have learned a lot that can be used every day.
- We instituted a “Go/No-Go Date” at which we review every new project and decide whether we should proceed as originally planned. Involving the staff in the process teaches them the costs and implications of every stage of a project.
- Get staff in on the ground floor of new idea development.
- It’s okay to steal ideas from other magazines—even consumer magazines.
- Chemistry and teamwork go so far in what we do.
- You don’t need to provide incentives to get people to bring ideas or new thinking forward—you have to create an environment and forum for them to do so.
- The cross-pollination of ideas among all members of the publishing team is really important.
- Manage your expectations—don’t try to be what you’re not.
- Don’t erode your brand by pandering to advertisers.
- Don’t disregard what your editors can bring to the table in terms of new ideas that will generate new revenues.
- Write for your readers and try to challenge them.

## WHERE IS THE NEXT GENERATION OF READERS?

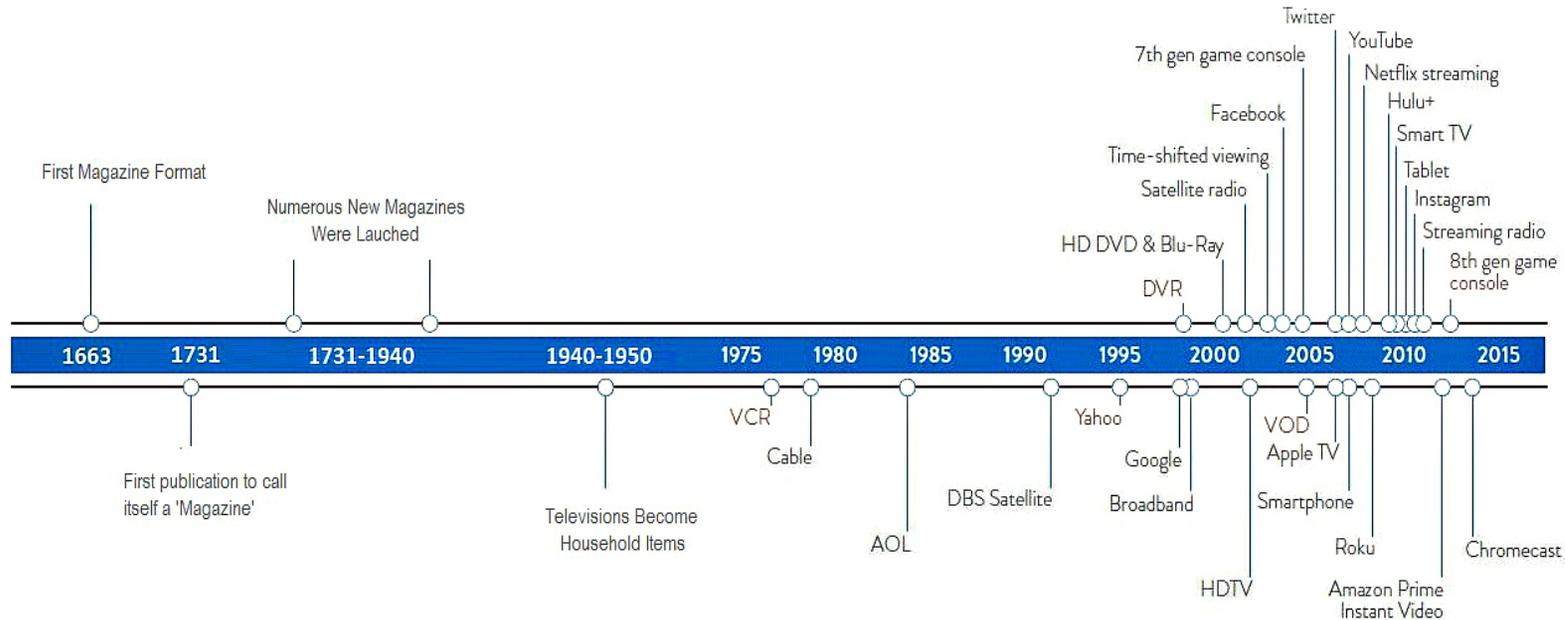
It would be safe—and fair—to say that over the last few years, Canada’s business media publishers have gained ground in terms of serving their readers across multiple platforms. The challenges—and unanswered questions—posed by CASL (Canadian Anti-Spam Legislation) notwithstanding, reader needs are both anticipated and met. That being said, more and more publishers are being kept up at night wondering whether they will be as successful with the next generation of their readers.

Beginning with Generation X (those currently between the ages of 35 and 47) each successive generation has relied to a demonstrably lesser degree on traditional media—not just print, but network television and broadcast radio as well. For example, GenXers derisively refer to their parents watching “appointment television.” The implications for all in the media industry are huge. For those in the business media sector the risks are perhaps highest because their niche audiences tend to be so small.

Thus, a panel of circulation and readership experts was struck to think through, discuss and share the many implications that this complicated subject holds. Moderated by Joan Brehl, Vice President & General Manager, Alliance for Audited Media (AAM), the panelists were Camile Diodati, Director, Publisher Services, EquiSoft; Vesna Moore, Director of Circulation and CASL Compliance Officer, Annex Newcom Joint Venture L.P.; and Scott Wheatley, an independent consultant with newspaper and magazine experience—both business media and consumer.

Long-established media consumption patterns are being reshaped by younger readers. Whenever the subject arises, Millennials are touted as never having known life without cell phones and the Internet. But this overlooks the depth of Internet penetration in Canada: almost 28 million users out of a population of some 34 million. Clearly, Millennials are not the country’s only Internet users. This is good news for business media publishers.

## From Then to Now



Adapted with permission from Nielsen original

### WHAT THIS TABLE MEANS

At first glance overwhelming, this timeline demonstrates the enduring value of magazines. It is highly unlikely that the market will bear all of the entrants that have arrived on the scene since activity started to spike in 1995. Websites, webinars, digital editions and e-newsletters are all firmly embedded in this deep penetration. At time of writing, Google, the ubiquitous tool that has become a verb, is processing over 40,000 search queries per second. That number is probably higher today.

But behind this staggering level of search activity is the fact that Google ranks print media high in its searches. Why? Because it recognizes that print media is trusted by its readers, is ideal for targeting audiences, is manned by professional journalists with high fact-checking standards, and has countless legacies of enduring brand value.

There will always be a need for reliable, relevant content. The more reliable, relevant and timely, the greater its value. How does the business media publisher ensure these criteria are being met? By making reacquainting the brand with its readers a shared responsibility that is a large and visible part of standard operating procedures. The list of insights that can be gained from the reader is endless—and will vary from industry to industry:

- What are advertisers asking about your reader?
- Where or how do readers want to engage with your magazine?
- What makes your readers distinct?
- What would your readers like to see your brand do for them?
- What do your readers think of your competitors?
- What do your readers do when they aren't reading your magazine?
- How can you be of more value to your readers?

When done properly, with the right degree of rigour, this “ongoing reader dialogue” will be an unending source of ideas for stories, events, special supplements and new ways to meet advertiser needs.

Just as changing reader consumption habits are forcing a reassessment of meeting information needs, the same sort of critical thinking must be applied to sourcing and qualifying readers. This has been an evolutionary process, but as with everything else the pace of change has picked up in recent years. The telephone still works—but at a price. Websites, emails/newsletters, social media groups, SEO/SEM should be in constant rotation. And even faxes should not be disregarded. Most important of all is flexibility and constantly being on the lookout for new means of qualifying and engaging readers.

Regardless of the source of a reader, delivering what he or she wants/expects/needs is nothing more than business media publishing 101. Data from the U.S. on business media reader wants reveals that:

- 75% want optimized B2B websites that are easily viewed or navigated on a smartphone or tablet
- 73% want a free digital version
- 63% want publishers to make existing digital magazines more valuable by offering interactive features like videos, slideshows, audio clips and more
- 59% want more unique content in digital magazines that is not included in the print magazine
- 45% want to view publications in apps via Apple's Newsstand or other digital newsstands

This list is by no means comprehensive but it provides a solid starting point for both research and planning.

## DEALING WITH CASL

For well over a year all discussions around engaging readers through emails and e-newsletters has been overshadowed by Canada's Anti-Spam Legislation (CASL), which came into effect on July 1, 2014. Initial predictions were incorrect and the sky has not fallen. That being said, CASL has its pros and cons.

### The Pros:

- It helps ensure ongoing quality of lists
- It lends credibility to a list
- Compliance can provide a competitive advantage
- The better-qualified list can increase open/click rates
- It helps to better manage reader needs and expectations

### The Cons:

- It may put Canadian marketers at a disadvantage
- It demands corporate resources and added expenses to maintain compliance
- It cannot ensure global management of spam coming into the Canadian marketplace
- It makes email prospecting in Canada extremely difficult
- The legislation can be vague and hard to interpret

Ultimately, the better the business media publisher knows its readers, the greater its ability to meet their future needs. Effectively and actively managing for today's reader is the best means of securing tomorrow's.

## HOW TO STAGE PROFITABLE EVENTS

Events, whether they be six-person seminars that take place over breakfast or multi-day conferences with 100-plus delegates, have become a staple of business media publishing. This was evidenced by the fact that almost all of the Summit attendees acknowledged that they are staging events under their magazine brands. And it was echoed by Brooklyn, NY-based speaker Chad Kaydo.

Kaydo is the author of *The X Letter*, an email and website about experiences, brands and culture. He served as the founding editor-in-chief of *BizBash*, a magazine and website for the event industry, and speaks with the same degree of easy authority about intimate, invitation-only CEO meet-and-greets as he does about rock concerts. After all, they are both just events.

Bringing readers and advertisers together is a logical extension of the business media brand. In person, however, the business media brand can assume a new depth and breadth. Conservative programming can be delivered in an exciting and engaging setting. The basic goal is bring the magazine to life, knowing that good ideas can come from anywhere. The cardinal rules for executing successful events are not dissimilar from those that apply to successful business media publishing. What are the secrets to staging profitable events?

1. Don't stage unprofitable events
2. The attendee (reader) should be the center of everything
3. Listen to your audience
4. Your attendees might not be your readers, i.e., events are a good way to attract new readers
5. Events don't have to look like events, i.e., they can be held anywhere and don't necessarily require elaborate staging
6. Content is marketing (this white paper's observations about content commoditization notwithstanding)—editors rule
7. Treat topics right—think about how a subject is best addressed: is it a speaker, panel or Q&A? Use a combination of the three to make the agenda more dynamic and engaging—just as sentence and paragraph lengths are varied
8. Logistics people should run logistics, content people should run content
9. Treat a trade show like a real show—a table in a corner with a couple of brochures meets no one's needs
10. Banish the term "added value"—events can be bundled into an ad sale, but not included at no charge
11. There is no sponsorship price model (until you make one)—the only rules are the ones that you make: work up from costs and the value to the advertiser/sponsor; start high
12. Don't sell your stage, just as you don't sell your cover; consider identifying sponsors when they are panel participants just as you would advertorial
13. Turn sponsors into storytellers—they have plenty to contribute to an agenda
14. Tech can add value for attendees *and* sponsors—seek ways to create interactive exchanges between attendees and sponsors, creating an enriched experience as well as new and unique value for both

Revenues and profits aside, events represent an unparalleled means of deepening relationships with readers and advertisers alike. They also represent a proprietary source of new and relevant material for magazine pages, e-newsletters and websites.

## ATTRIBUTES OF SUCCESSFUL COMPANIES

Too much has been written—and for too long—about the inevitability of change and its pace. What many in the current generation of business media publishers (and the world at large) fail to recognize is that the cottage industry that bemoans the rate of business and cultural evolution has been in place for a few hundred years.

It is widely acknowledged that as the pace of change continues to accelerate—due largely to technology’s evolution and penetration into all aspects of personal and professional activities—ongoing change is the “new normal.” This applies to business media as well.

What else has technology wrought? It has eliminated the traditional barriers to entry into the media business. Again, this applies to the business media category as well.

Among the results of this new evolutionary landscape is a redefining of the attributes required for corporate success. Kennen Williams, president of San Francisco’s Noll & Associates, a management training and consulting organization, has been studying this area since the early 1990s—after spending 20 years in the media business. His observations provided the Summit delegates with a number of actionable insights.

Williams says that high-performing organizations have three common characteristics:

1. Leaders who excel at change
2. A defined culture that supports vision
3. The organization itself is constantly developing

All media products have a three-phase life cycle. Historically, the phases were of equal length. Today, the pace of change has compressed phases one and two, meaning that products mature at a far greater rate than they did in the past. This means two things for business media publishers: the need for an ongoing supply of new products (or revenue sources) isn’t going away any time soon. Second, a “perpetual maturity” phase is the new normal and will be with us for the foreseeable future.

Launches need to be constant for a number of reasons, not least of which is that 85% of them will fail. Even less encouraging: not one will replace revenue lost through the attrition of print advertising.

In this tough new world, the ability to learn faster than competitors is the only sustainable competitive advantage. This “rule” applies on both an individual and corporate basis. The successful application of this rule requires the right corporate culture. Achieving that culture doesn’t mean blowing up the current one—simply tweaking it.

The organization’s culture is what tells people how to behave when no one is watching. It is a “living handbook” of standards, expectations and behaviours. People have to know the intimate details of the culture in which they’re operating. They also have to be taught how to do so. This means change. Unfortunately, not many companies do a good job helping people with the psychological implications of change.

## **FIVE STEPS TO CREATE LASTING CHANGE**

1. Explain a positive and compelling reason for the change; the reason(s) have to be real and tangible; there must be negative consequences for changing; those consequences have to be clearly explained
2. Define what is ending; be very clear about what will no longer be done or accepted
3. Gather your allies: the informal leaders with influence across the organization
4. Remove the obstacles to change; provide the tools for successful change
5. Acculturate the change: over-communicate; don't promote old school thinkers into leadership positions; be prepared for turnover

None of this cultural change can happen unless individuals are empowered. That means a great deal more than telling the staff that "you can do it" at a company-wide pep rally. Empowerment is the instilling of authority on an individual basis.

## **FIVE STEPS TO EMPOWERMENT**

1. Watch & review
2. Participate & review
3. Conduct with supervision & review
4. Conduct & review
5. Complete freedom

- Will all staff embrace the demands and changes required to assume these new attributes? No.
- Are all staff capable of making the required alterations in attitude and behaviours? No.
- Will some pay lip service to the new vision and then fail to do what is required of them? Yes.
- Don't be afraid to fire those who won't quit, but won't change. Their ongoing presence will prevent the cultural changes being sought.
- The most important attribute for the organization to acquire and instil is in itself empowering: create a culture of learning. When people learn, they will change.

## CONCLUSION: SIMPLIFY

*Publishing today for tomorrow's readers* represents an achievable and practical operating maxim for the business media publisher in both the current and foreseeable business environment. As evidenced, the diversification challenges of the recent past have largely been met. The simplification challenges that have followed them are not daunting and can be met as well.

Simply, diversify. Diversify, simplify.

If one of these two actions is part of the business media publishing day, the business will be better for it. **Which is more important? Simplify.** Doing so will always uncover new opportunities.

- The greatest risk in terms of publishing for tomorrow's readers is that of **content commoditization**. Given the business media publisher's stock in trade being the provision of *specialized knowledge*, with critical thinking and actions they have a leg up in this regard. Leveraging this inherent advantage requires producing increasingly specialized and sophisticated material that is unavailable elsewhere. Maintaining this advantage will demand a sound working knowledge of the basics of business media publishing and ensuring that understanding is shared by all team members—and then aggressively promoted to all of the publisher's publics.
- A magazine is not a package or parcel of content.
- A magazine is a thoroughly conceived assembly of material—written and/or visual— assembled in a deliberate manner to engage the reader with enduring value on a regular basis.
- A magazine is an intellectual and physical construct. It has a structure (departments) designed to support a core of features or essays—again, written or visual.
- When the editors and designers get it right, the many elements of that construct support and propel each other, creating an issue that is remembered by the entire publishing team and reader as a special experience. The whole is greater than the sum of the parts.
- Publishers who fail to appreciate these facts and then aggressively promote them among all of their publics are putting their businesses at risk. Only by dealing with the facts will they be addressing the threat of content commoditization.
- Google Analytics and other such tools make it easy to stay on top of what's engaging readers and what isn't—on a constant basis. Are enough business media operations using them as effectively as they might? Probably not. How many business media publishers have an "Analytics Editor" on staff, charged with ensuring that analytics are being tracked in a timely manner and applied to the development of story ideas and reader engagement at the brand level? Probably not enough.

The issues facing the business media publisher are global in nature. So too are the solutions. A narrow approach to the business is a short and direct road to failure. Ongoing, open-minded reader research will ensure that the material being published is relevant, needed and relied upon. Providing those insights is perhaps the most important function of business media leadership. The investment in those insights will bear fruit not just among readers and advertisers but internally as well, creating an enduring culture of service and respect—paving the way for engaging tomorrow's readers. ☐

## The Authors

**John Milne** is president of Breakwell & Company, a business communications and publishing consulting organization. Breakwell focuses on better serving audience needs through linking their behaviour to specific delivery mechanisms. This focus deepens and expands the reader experience, creating new value for advertisers. Over a 35-year career in business publishing, John earned national writing awards as well as launching award-winning publications for both Maclean Hunter Limited and Rogers Publishing. As senior vice-president, Business & Professional Publishing at Rogers Publishing, he effectively led Canada's largest and best-known business media brands, both in English and French, through the transition from print to multiple platforms, earning a reputation for identifying and developing high-margin, sustainable revenue streams. He is a respected and sought-after public speaker with well-established Canadian and professional networks.

**D. B. Scott (David)**, the President of Impresa Communications Limited, has built a solid reputation as a consultant, writer, teacher, market researcher, publisher and editor. His concentration and specialty is the magazine industry. He has been called on for advice in such critical areas as strategic planning, content development, marketing, launches and relaunches, redesigns, audience surveys and focus groups, meeting facilitation and review and development of production and publishing systems. He is the academic coordinator for the Magazine and Web Publishing program at Ryerson University's Chang School of Continuing Education. He is particularly well known for his daily blog, *Canadian Magazines*, which has been published since 2005.

## RESOURCES

*The Reader First! Insights into B2B Magazine Media*, 2015 Business Media Leadership Summit, keynote speaker Jörg Mühle (video: 45 minutes)

*Attracting, Training, Retraining & Compensating Sales Teams*, Dan Ambrose, [armbro.com](http://armbro.com)

*Where is the Next Generation of Readers?* Joan Brehl, Camile Diodati, Vesna Moore, Scott Wheatley

*Making Reader Research Part of Your Publishing DNA*, Tricia Benn, VP Strategy at MDC Partners Inc.

*Fall 2014 Trends for Live Events & Experiences*, Chad Kaydo, publisher of The X Letter

*The Next Tech Trends for Live Events & Experiences*, Chad Kaydo, publisher of The X Letter

*Attributes of Successful Companies*, Kennen Williams, President of Noll & Associates

## MAGAZINES CANADA

Magazines Canada is the national trade association representing Canadian-owned, Canadian-content consumer, cultural, specialty, professional and business media magazines. French and English member titles offer a wide range of topics including business, professional, news, politics, sports, arts and culture, leisure, lifestyle, women and youth, made available on multiple platforms. The association focuses on government affairs, services to the advertising trade, circulation marketing and the development of career skills for and the recognition of excellence among the people who work in Canada's magazine media. Visit [magazinescanada.ca](http://magazinescanada.ca).



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