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McHUGH EXPERT INTERVIEW

Using Your Association Web Site to Sell More Advertising: An Interview with Richard L. Barwis, IV, Cornerstone Media

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Selling advertising and sponsorships are tough going for associations in today's economy. One vehicle associations can use for achieving more advertising and sponsorship sales is their Web site. However, many associations fail to maximize high-margin revenue for Web ad sales and sponsorships. We will explore this topic with Richard L. Barwis, IV author of How To Build Association Advertising Sales Revenue With Magazines, Web sites & Electronic Media.

- **Q** How can associations use their expertise in selling print advertising to succeed in the sales of Web advertising?
- A Knowledge of the audience and understanding the value of that audience to the vendor is key here ...the vehicle, whether in print, or online is simply the channel for connecting the advertiser with the audience.

The advertising representative and publisher should be positioned to assist the advertiser with expertise about the audience and market rather than simply touting the product. Give the advertiser fresh, interesting ideas, useful information and analysis to help the advertiser be successful, and you'll be successful, too.

Selling and closing skills, knowledge of material requirements, for both print and electronic, is an important part of helping the advertiser buy.

- **Q** Some board members and association executives are dead set against Web advertising as they consider the association's Web site to be sacrosanct and feel that Web advertising "cheapens" the association's Web site. How would you reply to this objection?
- **A** While some board members and association executives may feel advertising on the association Web site is "too commercial," many associations have learned that judicious use of Web site advertising is both a service to members and a way to generate income that boosts association funding.

Consider the fact that an association's board and executive leaders have a fiduciary responsibility to address revenue opportunities. And sponsorships and advertising are sources of revenue that should not be ignored.

While most associations agree that it is perfectly OK to accept advertising in the association print magazine—and in fact, it's usually seen as a mark of the acceptance and value of the association—many of the same associations fail to take advantage of the business reality that the Web site serves the same purpose as their magazine. The Web site is simply another communication vehicle, little different in function from the print journal.

If they still have a concern about appearing commercial you can address it by offering a limited selection of advertising opportunities and maintaining a "members only" area of the site free of commercial messages.

- What are the risks and benefits of Web advertising? Will Web ad sales cannibalize print ad sales? How can Web ad sales compliment print ad sales?
- A According to "Media Posts' Media Daily News," online advertising in 2009 "contributed a relatively small part of total magazine advertising revenues despite an economic downturn that decimated print ad revenues."

However, while online advertising is growing, it is not keeping pace with a rapidly increasing online audience that has driven online display ad impressions up 21% in 2009, according to comScore Ad Metrix (U.S.) February 2010 that tracks online advertising activity.

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Benefits? Profit margins for online advertising are substantially greater than print as online eliminates the cost of paper, printing, postage, etc.

It's not a matter of cannibalization, it's a matter of addressing and exploiting a market shift that publishers must be positioned to take advantage of.

Q If an association wants to offer a Web advertising option, what is the logical starting point?

A good place to start is with the design of the Web site itself. It's not uncommon to find association Web sites incompatible with online advertising units.

The site should be designed to contain standard advertising units, referred to as IMU's or "Interactive Marketing Units." The specifications for these units can be obtained from the Interactive Advertising Bureau (IAB) http://www.iab.net>.

The next step is to track the activity on the site, including the number of unique visitors, which pages get the most traffic, etc. Advertising rates would then be established based upon the audience and Web site activity.

Q Does selling ads and sponsorship via the Web site add substantial new costs to the sales budget? What sort of additional costs can people expect if they sell ads at their Web site?

A Digital advertising 'cost-of-sales' is no different than print. However, the dollar value of a Web advertising program in some cases can be less than print, thus compensation for the representative may require a different formula.

Supporting digital sales operationally will require a knowledgeable Web production person, or outside supplier to publish and administer Web advertisements. Putting the ads onto the site, tracking results, whether

sold on a CPM basis or period of time (i.e., monthly, quarterly or annually), and billing are critical operational aspects of selling and accepting digital advertising and administering online advertising business.

• How can associations use social media to promote advertising sales?

A Social media, like Facebook and Twitter, can be excellent tools for generating interest, and of great value to editors enabling them to keep current with audience interests.

From an advertising sales viewpoint social media can be employed to inform followers of upcoming content such as special topic issues and inform advertisers of an upcoming ad deadline.

But in order for social media to be effective, first you must create a dialogue and build an audience of followers.

One progressive marketer, JetBlue, has attracted 1.6 million followers on Twitter. JetBlue's senior VP marketing took advantage of this following to broadcast the fact that JetBlue is seeking a new, digital savvy advertising agency — and the first test is to see which agencies respond to his message via Twitter.

While still in its infancy, there is no question social media will continue to grow and become more valuable as marketers increasingly leverage this channel to build relationships with decision-makers and find ways to monetize it.

Q Does your book cover electronic newsletters and e-mail marketing? Can electronic newsletters be profitable?

A Yes it does. The book is written to serve as a primer showing how e-newsletters and e-mail marketing

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can be effectively used to target niche groups of members, serve as a recruitment tool and generate revenue. E-newsletters can be cost-neutral or be a profit center when sponsorships and advertisements are sold to vendors.

E-mail marketing opens up the opportunity to rent the organization's opt-in e-mail list enabling marketers to target the whole audience or individual segments and deliver their promotional message. E-mail marketing can be quite profitable for the publisher. Key is having a top-notch, opt-in list made up of people who are good prospects for purchasing the marketers' products and services.

• What advice do you have on virtual tradeshows?

A While live, on-site events such as seminars and tradeshows have grown to be a significant revenue stream for associations, the soft economy has been felt in declining attendance at in-person events.

Virtual tradeshows can supplement live, on-site events, even provide additional events that attract members who don't generally attend traditional shows. A virtual tradeshow can save time and money for everyone involved. When developed, promoted and sold right, they draw attendees and provide the exposure exhibitors want and are willing to pay for.

• What are three benefits in your book for the reader?

- A 1) The book gives specific steps for leveraging print and online media to enhance communications with members and capitalize on revenue opportunities.
- 2) It contains a comprehensive Digital Media Checklist that provides step-by-step guidance for successfully developing a digital media program.

3) The book includes an excellent chapter written by Jack McHugh presenting important information about copyright and the association Web site that shouldn't be missed.

Q Where can one order your book?

A The book is available on the Cornerstone Media Web site <www.cornerstone-media.biz>

Richard Barwis is one of the founders of Cornerstone Media, established in 1992. He has sold literally millions of dollars of advertising for publications ranging from The Wall Street Journal to PM Network, the monthly magazine for the world's largest project management association, where he increased advertising revenue more than 650%.

Richard has launched new media, re-built struggling media and has been project manager for literally hundreds of media projects. He creates media kits, designs, produces print and digital media, and is expert at helping associations identify and exploit revenue opportunities.

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ABOUT JOHN B. MCHUGH, PUBLISHING CONSULTANT

John B. "Jack" McHugh, a 30-year veteran of the publishing business, is a successful publishing consultant. He is the author of the *McHugh Publishing Management Series*—80 practical publications on all aspects of publications management, which are available free at www.johnbmchugh.com.

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In the book publishing business, McHugh has worked as an executive for Houghton Mifflin, Wadsworth, and Saint Mary's Press. McHugh is also an experienced association-publishing executive. For seven years, he was Publisher and Director of Programs at the American Society for Quality, a 100,000-member professional association based in Milwaukee, WI. For a two-year period, McHugh served as the Interim Publisher at the Project Management Institute, a Newtown Square, PA. based, 240,000-member professional association.

Jack McHugh's specialties include book publishing, executive recruiting, journal publishing, rights and permissions, organizational design, and startups. McHugh has advised a variety of association publishers including: Alliance for Children and Families, ASCD, ASTM, AWHONN, Boy Scouts of America, International Employee Benefit Foundation, NSTA, Police Executive Research Foundation, SAE, SMACNA and SNAME.

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