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Compiled by John Kelly

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Bed Bath Tries to Move Beyond the Coupon

Home goods retailer tests a paid membership model that offers a 20% discount on purchases and free shipping
Bed Bath & Beyond Inc. is attempting to scale back those big paper coupons that are stuffed in mailboxes across the country. Instead, the home goods retailer is testing a membership model that for $29 a year offers a 20% discount on all purchases and free shipping. The paid subscription aims to generate other streams of revenue, increase customer loyalty, improve margins and better compete with Amazon.com Inc.'s Prime membership program. "The coupon is clearly and has been strongly associated with us," Chief Executive Steven Temares said on the retailer's recent earnings call. "But really, we need to be working and we are working on becoming a lot more intelligent about our marketing and making it much more personalized."

The invitation-only program was launched less than two weeks after Bed Bath & Beyond reported a 17% drop in profit and slowing sales growth in its most recent quarter. In the quarter ended in August, the company reported yet another increase in coupon usage with a slight decrease in average coupon amount. Coupon redemptions have squeezed the retailer's margins for the past 15 quarters, according to UBS analysts. The company's shares have fallen about 25% over the past year.

It is the latest attempt by a retailer to move away from the promotions and discounts that proliferated after the recession and onto a paid-membership program. Restoration Hardware Holdings Inc., Lands' End Inc. and Barnes and Noble Inc. have also introduced similar offers. Wal-Mart Stores Inc. earlier this year began offering free two-day shipping to members of its $49-a-year ShippingPass program.

Tom Caporaso, who runs marketing technology company Clarus Commerce LLC, said Bed Bath & Beyond's new program is seeking to change shopper's reliance on its coupons. "This is a way to wean themselves away from offering that to all customers, and see if certain customers will raise their hand to pay a fee to get access to these benefits," Mr. Caporaso said. Bed Bath & Beyond's program, called Beyond+, is still in the testing phase. It started last week and has closed for new members. The company hasn't said how many customers it admitted and didn't respond to requests for comment.

Analysts from Wedbush Securities Inc. said the program "appears attractive for frequent shoppers" and is the best attempt to date to stem lost market share. After the 20% discount, Wedbush said, items from Bed Bath & Beyond would be on average 13% cheaper than Amazon.

But the program falls short of what members get from Amazon's Prime. Its shipping-free window is between three to seven days while Prime's is a two-day offer. And Prime also offers a range of other services, such as video streaming and photo storage, and a wider array of inventory. Beyond+ perks don't extend to purchases made at the retailer's other nameplates, such as Buy Buy Baby Inc. and Harmon Stores Inc.

The program benefits customers who spend $145 or more annually at the retailer, according to UBS analysts. On average Bed Bath & Beyond shoppers visit and buy from its stores 2.84 times a year and spend an average of $120 per trip, UBS said.

Moving customers away from coupons won't be easy. The retailer has developed a reputation for accepting multiple coupons per order, and honoring them beyond their expiration dates. One shopper, Danelle Staebler, learned about the membership program from a friend who posted about it on Facebook. She then commented, "What am I going to do with the 30,000 coupons I've been hoarding?" Ms. Staebler, 38, said she visits the store about four times a year, but always armed with the coupons that she has been collecting for over a decade. Last weekend, she found a stack of coupons from 2004 that she promptly used to buy hooks and a liner for her shower curtain, and laundry

Ms. Staebler said she likely wouldn't join the membership program if the retailer expands it nationally because "I don't buy a ton of stuff there and when I do I have my coupons."

http://www.wsj.com/articles/bed-bath-tries-to-move-beyond-the-coupon-1475746974

Retail Next: The Biggest, Busiest Shopping Days of the Year will be…

Move over Black Friday.

The biggest shopping day in terms of holiday sales is expected to be Friday, Dec. 23, while the biggest day in terms of store traffic is expected to be Saturday, Dec. 17, according to RetailNext Inc. (See lists at end of story.) It's the first time in many years that Black Friday failed to top either of the lists.

"As retailers have continued the trend to open more stores on Thanksgiving Day, it has pilfered away both sales and traffic from Black Friday," said Shelley E. Kohan, VP of retail consulting at RetailNext. "This year, with Christmas falling on a Sunday, most shoppers will want to cut short their shopping early on Saturday, Dec. 24, leaving the day before, Friday, as retail's biggest opportunity for sales. For store visits, Super Saturday will lead the way, with Black Friday a very close second."

RetailNext is predicting a 3.2% year-over-year lift in sales, driven in part by a 14.9% increase in sales through digital channels.

"There will be slight degrees of variability in early November due to the U.S. Presidential election," added Kohan, "but the residual angst from Election 2016 will subside by Thanksgiving. As compared to last year, there are two additional shopping days between Thanksgiving and Christmas, and when coupled with generally positive economic indicators, the retail industry looks for a strong close to the year."

Here is how RetailNext sees the holiday period playing out:

Top 10 Biggest Shopping Days (Sales)

1. Friday, Dec. 23
2. Super Saturday, Dec. 17
3. Black Friday, Nov. 25
4. Thursday, Dec. 22
5. Wednesday, Dec. 21
6. Sunday, Dec. 18
7. Saturday, Dec. 24
8. Saturday, Dec. 10

9. Friday, Dec. 16
10. Saturday, Dec. 3

Top 10 Busiest Shopping Days (Shopper Visits)

1. Super Saturday, Dec. 17
2. Black Friday, Nov. 25
3. Friday, Dec. 23
4. Saturday, Dec. 10
5. Monday, Dec. 26
6. Sunday, Dec. 18
7. Saturday, Dec. 24
8. Thursday, Dec. 22
9. Wednesday, Dec. 21
10. Saturday, Dec. 3

http://www.chainstoreage.com/article/retail-next-biggest-busiest-shopping-days-year-will-be

Charles Arlinghaus: Closing a Newspaper Should Wake you up

On Sept. 30, The Citizen newspaper of Laconia closed its doors. The loss for the community is significant and forces us to take a hard look at the myths surrounding newspapers, news and civic engagement.

No one gets their news from Twitter, even the people who think they do. One of the most persistent and annoying myths about news gathering and reporting comes from the guy waving his cellphone at you and saying, “I don’t read newspapers. I get all my news from Twitter.”

In reality what he means is that someone he follows on Twitter or other social media posts links to stories that he clicks on. But the ultimate reporting was not done by my friend with his own blog reacting to news, or by the guy posting the link or by the social media company. Someone read the document or produced the report — gathered the news — that we repost or tweet or link to.

At one time, there were only a few gatherers of information, and it limited us. A big newspaper would decide what mattered. Other papers followed, and the limited number of broadcast outlets took their lead from that insular group. Those very few aggregators of information followed each other. The lead dog nationally and in almost every locale was a newspaper. Not because of a conspiracy, but because it was easier.

About 20 years ago, I was a guest on a local radio talk program in a New Hampshire city. Waiting for the program to start, I realized I was sitting where the news broadcaster had sat earlier. He didn’t leave a script behind because he didn’t use a script. Instead, the front page of the local daily sat in front of me with two or three sentences from each of four or five stories highlighted. I sat there at the top of the hour listening to them replay a tape of his initial broadcast and followed in the highlighted paper word for word — not that he credited any of the reporters or the paper itself.

People listening didn’t get their news from the radio. Ultimately, they got their news from the newspaper reporters. Without the newsgathering force, none of the local stories would have been covered, printed or rebroadcast. No one would have tweeted the story. Your friend would not have posted the story on Facebook with a snarky comment attached about what an idiot the mayor was and how his grandmother would do a better job zoning.

Much is made of the decline of newspapers as if we worry about the paper and ink industries. The real worry is newsgathering, and not just in the industry publishing these words. Think about local radio news. It was not long ago that many local radio stations in New Hampshire had newsgathering operations. Awards were tiered to distinguish large newsrooms from smaller ones. But even the small stations might have two reporters who didn’t just read stories out of the newspaper or off The Associated Press wire, but went out and committed journalism on their own.

Today, only NHPR has a news shop. Some local talk hosts may make news in their interviews, but reporting and information gathering has to happen elsewhere. The guy on Facebook who is his own editor has fewer sources to edit. His troops, the people who go to events, read documents and gather the information, are diminishing. Two decades ago, the State House newsroom was running out of space, and wanted to take over additional square footage. A half dozen newspapers had beat reporters stalking the halls and noticing things. Today, that small room is plenty big and a nice place to think quietly. Only two papers have reporters and the AP remains but with a reduced presence.

The reduced workforce doesn't just limit the number of subjects your curmudgeonly Twitter friend can cover. It impoverishes us all. More people covering more things makes government more accountable. A greater availability of data helps, but it is no substitute for dozens of community radio reporters and a vibrant collection of information gatherers telling us what's going on, whether that information is reported to us on a sheet of paper or in cyberspace.

The Citizen closing down is not the sound of an old method giving way to a new one. It is a warning about fewer people watching, fewer citizens helping keep us free.

http://www.unionleader.com/Charles-Arlinghaus-Closing-a-newspaper-should-wake-you-up-10052016

How Will Consumers Shop over Thanksgiving Weekend?

Shopping online on Black Friday is now more "traditional" than hitting up brick-and-mortar stores, according to August 2016 research.

Market Track and Qualtrics found that just over half of US internet users surveyed said they planned to shop digitally on Black Friday this year. That compared with 45% who would shop in stores the same day. While shoppers do still head to malls and main streets on the day after Thanksgiving, digital shopping is now even more likely to be part of their post-holiday routine.

On Thanksgiving itself, however, more internet users say they'll be shopping in stores than online. Of course, in-store shopping on Thanksgiving Day could mean picking up last-minute holiday items including food. A comparatively low 38% of respondents said they would be conducting ecommerce activities on Thanksgiving.

Cyber Monday, meanwhile, is dominated by digital shopping—unsurprisingly, since it is a digital-first promotional event, and most workers are back on the job and out of retail stores.

Overall, this year's holiday shopping season will see a boost in retail sales, particularly due to retail ecommerce. eMarketer forecasts holiday retail ecommerce sales will hit $94.71 billion, and account for 10.7% of total holiday retail sales. Meanwhile, overall holiday retail sales is poised to see an increase of 3.3% compared to the same period last year.

https://www.emarketer.com/Article/How-Will-Consumers-Shop-over-Thanksgiving-Weekend/1014551

How Influential Is a Brand's Social Media Presence During the Holiday Season?

A brand's social media presence can affect holiday purchase decisions, July 2016 research revealed. Indeed, more than half of US social media users polled said it has at least some influence on whether they'll buy from the brand during the holiday season.

Looking more closely at the data from G/O Digital, a digital marketing company for local businesses—which surveyed 1,373 US social media users who had used Facebook, Instagram or Twitter in the past three months—nearly one in five social media users said a brand's social media presence does influence their holiday purchase decisions, among other things.

Fewer respondents (7.4%)—though not insignificant—said that it was an important factor in their holiday decision-making process.

But while a brand's social media presence can influence holiday shopping, it doesn't mean that it necessarily does. For example, 44.7% of social media users said a brand's social media presence is irrelevant to their decision-making process.

G/O Digital also looked at the various social media platforms that social media users turn to for holiday shopping ideas, and found that most turn to Facebook and Pinterest. In fact, 37.9% of respondents said they are most likely to turn to Facebook for holiday shopping inspiration, and 31.6% said they are most likely to turn to Pinterest. Some respondents indicated that they turn to Instagram and Twitter for holiday shopping inspiration, though not as large a share as those that rely on Facebook or Pinterest.

https://www.emarketer.com/Article/How-Influential-Brands-Social-Media-Presence-During-Holiday-Season/1014556?ecid=NL1014

Retailers Hunting Locations That Can Overcome Shifts in Spending, Buying Habits

As a result of ongoing challenges in the malls and shopping center sector, retailers are altering their selection decisions for future locations, according to new analysis from CoStar Group.

And while a number of retailers are expanding, the ongoing challenges also are placing some traditional retailers at higher risk of bankruptcy, according to new analysis from Fitch Ratings.

Demographics of New Store Openings

CoStar Portfolio Strategy tracks announced store openings, which typically lead leasing activity in the retail market and can be an indicator of future demand.

In addition to the anticipated leasing activity that these announcements may account for, CoStar has also examined the existing store portfolio of the retailer as well as recently signed leases to determine the type of trade area demographics that a particular retailer targets.

Recent retail leasing activity has been dominated by discount retailers targeting relatively dense locations and average to below-average income levels. Exceptions to this trend are cosmetics retailer ULTA and young adult apparel purveyor Forever 21, which have targeted above-average incomes.

In addition to industry standard metrics, such as household counts and median household income within three miles, CoStar Portfolio Strategy has also assigned an average Location Quality Score to the retailers' fleet of properties. This proprietary score based on a scale of 0 to 100 is a function of local trade-area demographics, including daytime employment and tourism, complementary retail space and competitive retail space.

Challenges Spur US Retail Bankruptcies

As part of its analysis of 30 recent retail bankruptcies, Fitch Ratings screened the high-yield bond and leveraged loan universe as of Aug. 31, 2016 to identify seven U.S. retailers with significant default risk within the next 12 to 24 months. The list of at-risk retailers include some that are not surprises, such as the beleagured Sears Holdings Corp., as well as others, such as Claire's Stores Inc. (which recently completed a debt exchange), True Religion Apparel Inc., 99 Cents Only Stores LLC, Nebraska Book Company Inc., Nine West Holdings Inc. and Rue21 Inc.

Most of the retailers at high risk of default are being challenged by the nusual suspects, including declining mall traffic, competition from online and other types of retailers, and/or a lack of a compelling product line. Highly leveraged capital structures may make it even harder to face of these challenges, Fitch noted.

Sometimes, Fitch analysts suggested, retail brands have simply run their course.

"Brand degradation and competitive pressures to either price or experience can be real threats to the survival of struggling retailers," said Sharon Bonelli, senior director, leveraged finance at Fitch. "As a result, many retailers move into the bankruptcy process without a real reason to exist and ultimately end up in liquidation more often than bankrupt companies in other sectors."

While bankruptcy has resulted from a variety of operating concerns, several themes have emerged as key sources of pressure for companies, according to Fitch.

Discount formats, including supercenters, off-price, dollar stores and hard discounters, have taken significant share over the past two decades. While discounter inventory spans many categories, the rise of the discounter industry has most significantly impacted general merchandise and grocery retailers. As a result, the grocery industry is one of the most represented subsectors in Fitch's 30-company bankruptcy analysis.

In addition, according to CoStar Portfolio Strategy, the relentless rise of big-box retail was the defining sector risk of the last cycle as such retailers as Walmart, The Home Depot, Costco, and others leased and built their way to saturation. As a consequence of this oversupply, performance plummeted and returns suffered across the board.

E-commerce penetration of retail sales (excluding auto and gas) has risen rapidly in recent years, increasing to 10% in 2015 from approximately 5% of sales in 2010. Fitch expects online penetration to expand further, potentially to the 15%-17% range by 2020. This suggests that half of retail sales growth is expected to come online, as opposed to physical retail locations.

Consumers are spending less discretionary time shopping at enclosed malls. This factor has exacerbated brand declines at a number of mall-based retailers and is expected to lead to further defaults.

http://www.costar.com/News/Article/Retailers-Hunting-Locations-That-Can-Overcome-Shifts-in-Spending-Buying-Habits/185525?ref=/News/Article/Retailers-Hunting-Locations-That-Can-Overcome-Shifts-in-Spending-Buying-Habits/185525&src=rss

Cross-Device Attribution Still Difficult for Marketers

Understanding consumers' behavior as they switch between devices remains one of the toughest challenges facing marketers today. According to recent research investigating marketers' digital capabilities, the problem doesn't seem to be getting any easier.

In a March 2016 survey by Econsultancy investigating the gaps between digital priorities and capabilities at companies in North America, "matching customers across multiple devices" was mentioned as a digital priority by nearly three-quarters of the marketers polled. Yet only 14% of marketers in the same survey said their company had the capability to handle such matching, a gap of 60 percentage points.

Even though cross-device attribution did not have the biggest gap between company priorities and capabilities, additional data from Econsultancy emphasizes the challenge that the tactic poses for many organizations. When asking the same group of executives about the consumer-related capabilities of their companies, only 39% said they were able to understand their customers' cross-device behaviors, lower than any other capability mentioned.

More marketers intend to make cross-device attribution a priority in the year to come. Additional surveys from sources like the Interactive Advertising Bureau (IAB) suggest that marketers in the US plan to devote more of their time and organizational resources to cross-channel measurement and attribution in 2016.

https://www.emarketer.com/Article/Cross-Device-Attribution-Still-Difficult-Marketers/1014565

Forward to the Future: The State of Predictive

In one sense, marketing has always been future-based. After all, it typically takes place before a purchase happens. But in today's terms, predictive marketing, based on predictive analytics, amounts to much more than hoping and believing that a home-maker will buy dish soap in the very near future.

Predictive marketing is clearly a very big deal right now, and the reasons for its current impetus are clear too. We're looking at a perfect storm of technological and cultural factors, driving marketers to claim with ever greater confidence that they know what we're going to do next—and why.

Hype or Reality?

As with big data a few years ago, there's been plenty of speculation that predictive analytics is over-hyped; either it remains a work-in-progress, or conversely it's just a fancy new name for something data scientists have been doing all along. To get clarity on what predictive marketing actually is, and the reasons everyone's talking about it, I spoke with some data mavens working at the cutting edge of future-directed marketing.

“It's real, and it has been for a few years,” said John Young, Chief Analytics Officer at Epsilon. Epsilon runs analytics against hundreds of millions of demographic and anonymized web-browsing records to help customers make optimal marketing decisions. Young says: “Predictive modeling is the single most impactful thing clients can do. Getting the right audience through predictive modeling is mission critical.”

Jerry Jao of Retention Science puts predictive analytics at the core of knowing which customers are likely to abandon a brand—and how to retain them. “It feels a lot more real today than a year or two ago, when everyone wanted to sound cool,” he told me.

Other experts insisted that predictive be carefully defined. Claudia Perlich, Chief Scientist at Dstillery, gives the impression of someone who juggles billions of data points before breakfast, all in the interest of generating personalized programmatic messaging. A lot of what people call predictive marketing or modeling, she said, is actually no more than a back-to-the-future view of the consumer. Basing future messages on historic behavior is not a new idea, she explained, but it's not enough. It's easy, for example, to buy data which identifies consumers as credit card “intenders.” The problem is that if it's historic data—even just a month old—it's probably now a list of credit card owners.

What we're now seeing, she said, is the use of machine learning and predictive modeling techniques to predict what people will do in the future, rather than simply assuming they'll repeat what they did in the past. “It may not be a “complete revolution, but it's a major step forward.”

Predictive Modeling versus Data Mining

John Schiela of Phoenix Marketing International would agree with Perlich's distinction. Schiela is president, converged technology and media at the marketing services firm, and I spoke with him and his colleague, John Hartman, head of predictive analytics. Schiela offered the simple example of stopping at the same Starbucks for the same cup of coffee, three mornings a week. Someone might confidently predict, based on six months of the same behavior, that Schiela will get the same coffee, same time and place, in the future. Predictive modeling? No, says Schiela: “That's really more of a data mining exercise.” You need to know what drives the behavior, and why it might stop. Maybe the Starbucks is on the way to work, but the office is moving next year. Correlation isn't causation.

Perlich too is concerned that much of what passes for predictive analytics reflects an inherent bias: “Technologies like low-hanging fruit. Algorithms will predict what's easy to predict, but not necessarily what you should be interested in.” You can predict, for example, a high frequency of clicks on an ad which appears on a flashlight app—but of course that's because people are using the app in the dark. Predictive capabilities which appear strong, but are generated by weak or useless metrics, encourage fraud. “Shady actors will mimic anything that marketers will optimize to. It's important not to fall into the honey-pot.”

So what distinguishes true predictive modeling from banal, backward-looking hypotheses? As Perlich expresses it, predictive modeling should tell her “not just what people will do, but how they will react to what I do.” How people will react, for example, when shown one creative rather than another, or when not shown the creative at all. True predictive marketers are looking for causation, not correlation.

The Driving Factors

There was a high level agreement among the experts as to the factors which are making forward-looking predictive modeling a reality. Big data is one of them. “Over the past few years,” said Schiela, “more and more data has been available to firms. Perlich points to the superiority of real-time behavioral data over old-school demographics.

A second factor is the speed with which marketers can now react. “Message optimization has been around a while,” said Perlich. “We can now truly individualize that, and we can act in real time too. We have the choice of interacting with an individual ‘right now.'” Epsilon's Momentum is a real-time decision engine which gauges a consumer's context precisely while he or she is interacting with the message—“in the moment,” as Young puts it. Running predictive analytics against Momentum data provides a basis for planning future engagement.

Thirdly—and this is still controversial—there's machine learning. Automated systems can teach themselves to improve the cadence and content of messaging based on individual, real-time responses, thus vastly increasing the scale and velocity of the data informing predictive models. Jao agreed that brands are getting “more comfortable” with decisions based on artificial intelligence. For Perlich, machine learning is finally “penetrating the consumer market.”

But there were nay-sayers. Young views machine learning as “a little over-hyped. What we consistently see is that no set of techniques, including machine learning, conveys an advantage over others. Techniques are not as important as the data and how you treat it. “ Where it does have an advantage, he concedes, is in the analysis of unstructured data such as natural language. “There is a time and a place for it.”

Where I did find consensus, however, was concerning a big cultural shift that's making true predictive modeling possible. “We have a generation of consumers now,” said Perlich, “who will reward you if you can anticipate their behavior.” For Schiela too, this is an important piece of the puzzle. “A few years ago, if you asked someone to give up their contacts for a couple of bucks, they'd call you crazy. Now they'll give up contact lists, location, and privacy to get an app for free.” It's only a matter of time, he said, before people start demanding predictive marketing.

The consumer's new-found comfort with sharing real-time behavioral data, plus the technological capacity to respond to that data in huge quantities and at unprecedented speed (with a sprinkle of machine learning magic dust) is pushing predictive towards discerning the causality behind consumer behavior at an individual level. We're on the brink of a predictive revolution. But “it's not the Holy Grail,” Perlich cautions. “I'm not finding full insights and direction into what I should so. But I'm understanding it much better."

http://www.dmnews.com/agency/forward-to-the-future-the-state-of-predictive/article/520542/

Gannett Makes a Sports Magazine Acquisition

Gannett Co. Inc., the McLean-based owner of USA Today, has acquired Golfweek magazine.

Gannett Co. Inc., the McLean-based owner of USA Today, has acquired Golfweek magazine, officials announced Wednesday. Terms of the deal were not disclosed. The magazine will become part of USA Today’s sports media unit, which puts together the newspaper’s sports section and digital outlets, including For The Win. Golfweek will also become part of the USA Today Network of newspapers. Along with acquiring Golfweek’s editorial team, Gannett (NYSE: GCI) is getting the magazine’s events business and its custom media unit.

Gannett said in a release the acquisition would add value to the company’s “suite of audience-focused, contentdriven sports business.” Golfweek will remain headquartered in Orlando. “Golfweek gives us amazing depth and expertise to bring to our strong golf audience across the USA Today Netowrk,” Dave Morgan, president of the USA Today Sports Media Group, said in a press release. He will serve as publisher of Golfweek. Rance Crain, Golfweek’s chairman, will continue on as a special adviser to the sports media group.

The news comes as Gannett continues to hammer out details of a reported acquisition of Tronc Inc. (NASDAQ: TRNC), according to Bloomberg. Tronc is the Chicago-based newspaper chain formerly known has Tribune.

http://www.bizjournals.com/washington/news/2016/10/06/gannett-makes-a-sports-magazine-acquisition.html?ana=e_me_set1&s=newsletter&ed=2016-10-06&u=xQeDzsnDNIz7tZRd3rOZapkwQDb&t=1475759880&j=76027321

Postmedia Appoints Paula Festas as Chief Revenue Officer

October 5, 2016 (Toronto, ON) – Postmedia Network Inc. ("Postmedia") is pleased to announce the appointment of Paula Festas to Chief Revenue Officer. Ms. Festas will be responsible for Postmedia's advertising revenue strategy including national and local sales, classified and transformative digital revenue growth initiatives. Ms. Festas will report to Postmedia's Chief Operating Officer, Andrew MacLeod.Paula Festas

"Paula has an exceptional track record as a leader in media and continuously evolving the digital advertising industry," said Andrew MacLeod, Chief Operating Officer, Postmedia. "Since joining Postmedia Paula has made significant contributions in driving our overall revenue strategy including the launch of our in-house programmatic trading desk and leveraging our differentiated product set. She is an integral member of our executive team and we look forward to her continued leadership."

Ms. Festas has been with Postmedia since 2015 serving as Senior Vice President, Digital & National Advertising Sales. Prior to joining Postmedia, Ms. Festas was the Senior Vice President of Global Advertising Sales for Pelmorex Media (The Weather Network) and Executive Director of Sales at Yahoo Canada. Ms. Festas is an active member of the advertising community having served on numerous boards such as Interactive Advertising Bureau of Canada (IAB Canada), BES and Nabs. She currently sits on the advisory board of ADfits.

http://www.postmedia.com/2016/10/05/postmedia-appoints-paula-festas-as-chief-revenue-officer/

McClatchy Strategy: Go Big and Small to Create 'Moments' With Each Reader

McClatchy publishes 29 daily newspapers in 28 metro markets that straddle the two coasts, with a good sprinkling in-between. Only one of the markets — Miami — is a major metro, but many of them are vibrant and fast-growing, like Charlotte and Raleigh, Kansas City, Fort Worth, Boise, and Sacramento.

Like other chains of dailies, the company is pouring resources into how to make the long leap from a no-longer-secure print past to an alluring but uncertain digital today and tomorrow. Where once it was the dominant medium in reliable, locally scaled markets, now it must compete in an "etherscape" whose market boundaries can be as small as a sub-census tract in one city or as large as the U.S. or beyond.

In this Q & A, McClatchy strategists Chris Hendricks (Vice President/Products, Marketing and Innovation) and Dan Schaub (Director of Audience Development) detail how their company is regrouping to prevail in a future where both the upsides and risks are big:

Facebook and other social media platforms, with their huge audience numbers, are commanding the attention of the news media, including McClatchy and other groups of local newspapers.

Is there any risk to McClatchy in focusing on those platforms that are so far from your own content real estate?

Chris Hendricks: We try our best to focus on publishing to people first, not platforms. Resonating with readers and understanding them is an art and is extremely important if you expect them to engage with, respond to and share your stories. So, simply focusing on getting all your content into Facebook, for example, is a bad strategy. The focus needs to be on who might be interested in the story and how can we reach them in a respectful manner.

Dan Schaub: Publishing on Facebook and other platforms is no different than what we've been doing for years. Single copy editions are a fine example. The goal is to provide content through as many channels as possible, ultimately reaching each and every consumer in our markets, delivering news and information they want in a way they want and find useful.

You talk about "calibrating" your products to your audience. What does that mean?

Hendricks: Individuals' digital news consumption habits vary greatly. In-market readers tend to engage with our news and information more than out-of market readers. Social readers tend to drive-by, consuming stories recommended by friends then moving on. Readers using our apps are the most digitally engaged and print readers engage at an incredible level. All are valuable. “Calibrating” means understanding the context and reason why these habits or preferences exist and being mindful of reader expectations. It’s foolish, for example, to ask a first-time visitor from Facebook to subscribe to your digital-print bundled product. Each context deserves to be understood if we’re to maximize the ‘moment’ opportunity each reader shares with us. Doing so may ultimately lead to more and better ‘moments’.

Schaub: Let’s say, for example, there are 10 families living on a given street. Each family is different in a variety of ways. Think demographics, lifestyles, wants, desires. Our strategy is to work hard to make connections with each household. If we’re doing our job right, at the end of the day, we should know whether we’ve reached each household. We get this done by tracking product use — print and digital — whether it’s paid, free or mail.

McClatchy spent a lot of time with design and customer-focused consultants working to improve digital and print products at its 29 daily newspapers.

What did you achieve, based on numbers?

Hendricks: A few years ago, we embarked on an ambitious and extensive effort to redesign all our print and digital product offerings. Unlike prior redesigns, a heavy emphasis was placed on finding out how our products fit into the habits and lifestyles of our readers and advertisers and then respecting the findings as we re-recreated our products. There’s not enough time to get into the minutiae, but our double-digit digital audience growth since re-launch is a clear signal we’re on the right path.

Homepages are not nearly as important today as they were even a few years ago. What happened?

Hendricks: Search got better and social exploded. More readers today arrive at story-level pages as a result of social referrals, search and content aggregation sites than navigating from a homepage. If you step back from a print, flip-through-the-pages mindset, it’s easy to understand why the efficiency of search and social referrals are winning. I know what I like and want when I search, and my friends, hopefully, know what I like when they refer. Most people are not the read it all from front to back types.

Schaub: The combination of key partnerships and solid marketing efforts really do work to grow our audience. Consumers now come to our content – many times directly to a specific story – through links, newsletters, social site referrals, search engines and other ways. The majority of our readers are best served by links and referrals taking them straight to the content they are looking for. This does not include a stop at the homepage and we’re good with that.

You talk about different audiences. How do they range in size?

Schaub: Segmenting our audience and being able to reach segments is a key piece of our audience strategy. Right now our strategy and solutions allow us to reach or target small pockets of customers, say, 200 households, or reach 100% of the households in a given market. We could, if we wanted to, reach just one household, if it was productive to do so. No other media company in our markets offers the opportunity for an advertiser to reach consumers on multiple platforms via a global or targeted campaign.

To what extent have McClatchy’s innovations worked in spurring revenue and audience growth?

Hendricks: Our year-over-year digital-only revenue growth has been in the mid-teens this year. Most in our industry have not performed at the same level. We’ve seen the same with our digital audience growth. Our local digital audience growth, for example, was north of 15% during the second quarter. That’s performance our digital and traditional publishing peers envy. Some of our peers are flat to down in one or both of these key metrics. I don’t doubt for a moment the moves we made over the past 24 to 36 months were keys to achieving these results. We’re not declaring success though. There is no end to innovation. While we do find things that work and certainly spread the ‘best practice’ or innovation across our markets, the spread is always thought of as the beginning of the next innovation cycle, not the end.

What are you trying to achieve with your pilot partnership with Nextdoor?

Hendricks: As I said earlier, we’re working hard to make sure our content is available at relevant moments in people’s lives. Nextdoor is a logical ecosystem for a good deal of the local content we create and publish. While it has not been a huge audience or traffic driver, we have found that relevant stories resonate well and get tremendous engagement from neighbors, especially when it comes to comments.

Schaub: There's no silver bullet with partnerships. Often prospective partners come to us looking to test ideas and new products with locals. Nextdoor is similar to many of our partners. We are looking to provide consumers with content and engagement that they value and want at the right moment.

As you grow your low-engagement segments of audience from social media, can this, over time, erode McClatchy's strong legacy of civic commitment in publishing?

Hendricks: During the downturn, McClatchy elected to not pull back on its commitment to high-quality and public service journalism. Today, that commitment remains a fundamental for our business and employees. While we don't chase journalistic awards for the sake of winning or ego, we're always glad and proud to see our commitment and hard work recognized by our peers and industry-watchers, year after year.

But do your low-engagement readers from social media want to read stories about the water crisis or the pros and cons of trade agreements?

Hendricks: We'll be there when you need us. We'll gladly be the watchdog on politicians, government and local officials, informing you what may be mundane, until the moment you need it… It's kind of like a full dinner plate. We will put the greens on it. At some point, you may choose to eat them and appreciate the fact the greens are there. But, in the meantime, we're not going to force you to eat them.

http://streetfightmag.com/2016/10/06/mcclatchy-strategy-go-big-and-small-to-create-moments-with-each-reader/

New Leadership Announced for Times-News

The Times-News welcomed new leadership Friday as Ray Daley of Hendersonville was named to oversee the business operations of the newspaper and BlueRidgeNow.com.

Daley retired as the advertising director of the Fort Lauderdale (Fla.) Sun Sentinel earlier this year. He and his wife have been living in Hendersonville, where they have had a home for several years. He has more than three decades of experience in advertising, serving at the Sun Sentinel and in an executive capacity for the Tribune Company.

"With nearly four decades of experience to draw from and an impressive track record of success, Ray is the ideal choice to take the lead in Hendersonville. He is a proven leader who has a keen understanding of a newspaper's role in its community," said Lucy Talley, regional vice president of GateHouse Media.

"We bought a home in Hendersonville four years ago because we love this community and wanted to spend more time here. Since we've moved here, we have thoroughly enjoyed getting to know this city and becoming active in the community. I look forward to leading the Times-News and BlueRidgeNow.com into a bright future," Daley said.

Talley also announced that Jennifer Heaslip of Mills River has been promoted to managing editor of the Hendersonville media group. Heaslip will lead the Hendersonville newsroom after the recent retirement of Executive Editor Diane Norman.

"Jennifer has been working in the Hendersonville newsroom for eight years. She knows this community and the news and information our readers demand. She is an excellent journalist who can lead a talented team to serve the needs of our readers," said Mike Smith, regional editor of the Western Carolina Media Group for GateHouse.

http://www.blueridgenow.com/news/20160925/new-leadership-announced-for-times-news