

## Online Directories Bring Real Value, Real Net Revenue



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Special to the eBulletin

Given the economic distress affecting the U.S. economy and the newspaper industry in particular, it seems paramount that newspapers explore every option they can to leverage the assets they have into new revenue.

Without question, community newspapers hold the biggest strategic edge over any other competitor – local or out-of-market – in providing content that readers are most interested in seeing. Online and in print, no other entity reaches the most eyeballs, and interests more advertisers, than a community newspaper.

A growing number of newspapers are working to take advantage of this position with online service directories available either on their own Web sites or through separate Web sites affiliated with the main newspaper site. They're finding it has been a new revenue stream that doesn't take much away from their regular print advertisers' budgets, and that by establishing these directories, they are taking a firm grasp of their local markets and elbowing out any potential competitors.

"We have the power to promote ourselves, we have the sales force, we have the brand, and we're first in the market with a product this good," says Gregg Jones, co-publisher of [The Greeneville \(Tenn.\) Sun](#), and president and CEO of Jones Media Inc. "It is the best product I have seen thus far in terms of offering real value to the customer and real net revenue to the newspaper."

The Sun is a six-day daily located in northeastern Tennessee about an hour northeast of Knoxville. It has a circulation of more than 15,000. Last October, it launched [www.GreenevilleMarketplace.com](#), an online business directory developed from software created by Ellington Marketplace of Lawrence, Kan.

With creative and dedicated marketing, plus the right product, the newspaper has seen the directory grow steadily, even in this wretched economic climate. Since the startup of [GreenevilleMarketplace.com](#), service directories have been launched at four other Jones Media properties, with three others coming online by the end of the summer.

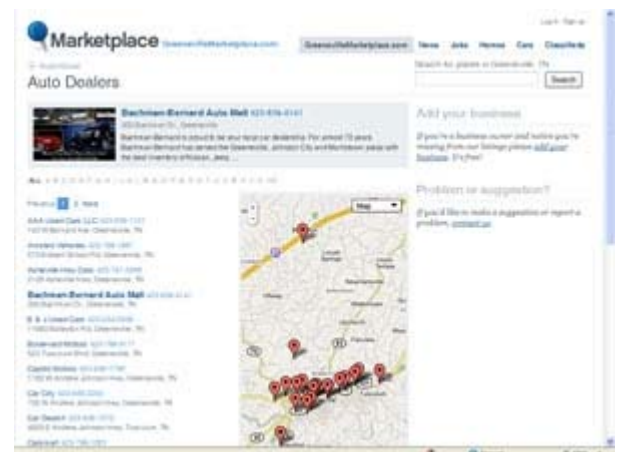
In November, the site received just less than 20,000 page views, 3,600 site visits and 2,700 unique visitors. In a 30-day period from mid-April to mid-May, there were more than 44,000 page views, 8,500 site visits and 5,500 unique visitors – all more than double the original numbers.

All of those eyes are seeing information about businesses in the Greeneville market. Each business in the area gets a listing. The newspaper purchased a database with basic information about each one, including name, address, phone number and map location.

Each listing was verified by the newspaper, and each business was given the opportunity to expand its listing to include any number of features such as unlimited text, videos, photos, coupons and keywords. "All businesses, even the free listed ones, can 'claim' their sites and can update the information on their sites at any time," Jones said. "Those with paid listings can edit their sites at any time, and can upload as much info as they want."

As of mid-May, close to 100 businesses were paying to add to their listings. "People find it hard to believe that we are actually giving them something. Others are advertising with us for the first time," Jones said.

They're finding that [GreenevilleMarketplace.com](#) is working well. "We had one new business who told us that in the first week, they had four or five customers who said they found out about them through [GreenevilleMarketplace](#)," said Brett Hulsey, vice president, digital



strategy and development for Jones Media. "One business did a print and GreenvilleMarketplace ad special. They had people showing up and asking about the special offer before it was even in the newspaper, so they knew (the customers) had to find out about it from this site."

The Sun has found that the majority of the money coming from the service directory is new revenue, not previous advertisers switching money from print or Web advertising budgets. "Probably as much as 75 percent of the clients on GreenvilleMarketplace were not consistent newspaper advertisers," Hulseley said. "I'd say a little more than 75 percent of it is new dollars. Some were switches, but some who were newspaper clients have increased their buys, so that's new money. We're estimating 75 percent is new to us. Almost everybody we've sold listings to are small, independent mom-and-pop type of businesses.

"I think with having a 24/7 Web presence, combined with marketing support, these businesses are getting a lot of value out of that."

The newspaper started off by offering annual contracts for expanded listings on GreenvilleMarketplace.com, but with the economy, there were some businesses that wanted a shorter commitment. The Sun developed a monthly plan for those businesses that has them paying on an EZ-Pay-type of system that minimizes hassles and, of course, makes it more likely that each will continue their commitment.

The newspaper has promoted the site in print and on its own traditional newspaper site, [www.greenevillesun.com](http://www.greenevillesun.com), and in other creative ways that don't involve paid outside media, such as some trade-out arrangements with the local minor league baseball team for ad signage, ads in game programs and in-stadium contests. There have also been trade deals with the Greenville parks and recreation department and local McDonalds restaurants. "We have very minimal costs," Hulseley said. "We're partnering with people that have some sort of reach and audience outside of where we operate and driving them to the site."

Jones and Hulseley say that the original time investment in both preparing the data and selling the directory to advertisers is key to success. "This product needs to be a very high priority in terms of maintaining high quality," Jones said. "Done properly, it offers tremendous net revenue-generating opportunity on a recurring basis."

"The single most important factor is getting a dedicated sales team for this project," Hulseley said. "We used the newspaper staff at first, and we got some business, but we found that the newspaper staff, with the time they need to manage the accounts they have, doesn't have time to see the number of people that need to be seen.

"We (now) have a dedicated sales staff working on this project. The fact that they don't have to do anything other than sell marketplace is important."

Done right, as The Sun has, an online marketplace product is an important tool in the mix of products that will keep newspapers healthy into the future.

"More than likely it's a long slow build that increases month after month. It's snowballing as it spreads across our group. If it's not already, it's close to being our largest stream of online revenue," Hulseley said. "It might be larger than all the others combined in the future. We're seeing a trend that's going to take us to there."

*For more information, contact Brett Hulseley at (423) 359-3908.*

SNPA eBulletin 6-4-09