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The Pursuit of Profitable Ad Sales Growth Requires a Combined CRM + OMS

It's an exciting—if tumultuous—time to be in the media and advertising industry.

Global media ad spending is expected to continue growing, exceeding $885 billion by 2024. The U.S. digital market is also expected to grow, though not as robustly as originally projected during the post-pandemic rebound. In fact, an uncertain economic climate and stateside recession fears have pumped the brakes on growth, causing many media companies to pause and rethink their strategies.

While media companies navigate a challenging economic climate, they are also awash in a sea of industry changes largely out of their control. The ecosystem is fraught with challenges, including the slow but impending death of third-party cookies, the decline in linear TV media attention, and the transition from subscription video on demand (SVOD) to advertising-

based video on demand (AVOD). They also face privacy fragmentation, fraud and mistrust in programmatic advertising, disdain for walled gardens, and declining audiences. However, the industry is also ripe for innovation, with many reasons for optimism. New market entrants such as retail media networks and new formats like podcasting and connected TV are finally becoming mainstream. At the same time, many media companies are increasingly harnessing their first-party data, creating significant competitive advantage.

Amid the excitement for these shiny new offerings, media companies are also returning to the fundamentals. Publishers boasted substantial growth in 2022—26% year over year on average—which serves as a testament to this shift. Fast-growing publishers are pursuing a revenue management strategy with a goal to achieve profitable, sustainable growth that supports customer and talent retention. Media companies, whether they are digital-first, audio, television, or out of home, must be self-sustaining to thrive amid rapidly changing conditions—and they can no longer rely on VC funding. In this whitepaper, we'll explore foundational challenges and opportunities that every publisher can control today. The media companies that address these challenges over the next 18 months will outperform the market and thrive.

The US digital market is expected to grow 50% by 2027, with digital **ad spend climbing to $395B**

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Challenges

As publishers prioritize initiatives for their revenue management strategies, they should analyze which of these challenges will have the greatest impact on their businesses.

Rapid pace of digital transformation and technological advancement

Media companies have rapidly brought to market a proliferation of products, from display and native units to podcast and CTV inventory. This trend is driven by a need to grow revenue, augment existing or traditional products, transition from legacy media products, and grow buyers' share of wallet. Meanwhile, on the buy side, agencies are moving toward working with fewer partners who can provide more holistic, integrated marketing solutions. This has created a demand for publishers to leverage tools that can manage complexity, improve performance and delivery, and support notoriously overworked sales teams. They must also continue to evolve with the demands of the market and adapt to new platforms that support emerging products such as AI, virtual reality, and voice assistants, which require investment and expertise.

CHALLENGE #1:

An uncertain future for ad revenue

At the end of 2022, ad revenue projections were lowered 1.5 percentage points below their original forecasts due to difficult macroeconomic conditions. The uncertainty hasn't relented in 2023. This spring, Magna, one of the world's biggest ad-buying networks, once again cut revenue projections for the year. The good news is that the market is still growing, although not as fast as in previous years. Given the climate of uncertainty, many businesses are aiming to do more with less—improving efficiency, creating flexibility in operations, and leveraging reliable partners to improve productivity and cost-effectiveness.

CHALLENGE #3:

Retention and churn

Net revenue retention (NRR) is a major growth indicator for publishers in the $50-100M category. High NRR creates profits and sustainability; it's easier to grow a relationship with an existing customer than capture new clients. An ideal NRR is around 100%, while 115% and greater is considered world-class. In 2022, however, the average NRR declined significantly, highlighting the industry-wide problem with churn. According to our most recent Pricing & Yield Trend Report, average NRR across all publishers surveyed was 69% in 2022, down 15% from 2021.

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Rising acquisition costs

The costs of doing business are generally on the rise, particularly for acquiring new customers. There are many factors driving higher costs, including increased competition, growing demand for limited premium inventory, increasingly sophisticated targeting and personalization needs, investment in audience engagement strategies, and advertising technology. As such, publishers are racing to optimize their strategies and use data-driven insights to retain their current partners and maximize the return on their investments.

Failure to capitalize on data to inform decision-making

Media executives struggle to manage their data. Low CRM adoption has created a significant garbage in, garbage out problem. Adoption can be forced, leading users to input the bare minimum to CRM systems because CRMs often provide very little value in return. Generic horizontal systems require extensive customization, resulting in cumbersome, repetitive, and difficult-to-use interfaces. Revenue leaders struggle to get basic information about their pipelines and activities without gaining higher-value insights around revenue opportunities or churn. Managing by gut, without data, is like a guessing game that misses valuable growth opportunities.

Fortunately, media companies can take action on the issues today. In the next section, we'll explore strategies for solving these emergent challenges. It's important to set expectations internally that revenue management is a journey, not a destination.

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A path forward: Driving profitable growth requires a combined CRM + OMS platform

Solving these five challenges requires a new approach to management—and systems that can keep pace. Today's standard CRM and OMS platforms hinder progress to profitable growth by siloing data and locking out those who need to make daily sales decisions. These silos are caused by point solutions that perform specific tasks; they are sometimes best of breed but oftentimes not.

For most media companies, their current state of incomplete, inconsistent, and low-quality data is holding them back from even the most basic actionable insights. Regardless of their efficacy, these processes are also expensive. There are too many manual workflows, spreadsheets, and double data entry that prevent efficient scaling—which is especially concerning given rising acquisition costs. Take, for example, programmatic transactions. Many publishers jokingly call them "programanual" because the promised efficiency never materialized.

Truly solving the challenges facing publishers today requires a single best-of-breed platform that unites all commercial teams. Yes, you can make some progress using best-of-breed point solutions, but it's impossible to maximize the results. There are too many integration headaches, redundancies, blindspots, and hidden costs. Unification drives results, which free up time for innovation. That's why we propose a single platform to manage customers and orders.

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Why a single platform uniquely solves these challenges

A single platform enables the entire media sales process from lead to invoice. This means there's a single high-level business process, supported by workflows spanning pipeline management, activities and collaboration, forecasting, bottom-up media planning, order entry and execution, and billing. These workflows run on top of a single media data model mastering key data entities such as advertisers, agencies, hierarchies, products, inventory, rate cards, orders, users, and more. It integrates with ad servers, ad tech platforms, internal and proprietary systems, and anything with an API.

1   Make your teams more efficient—and give them more time to be strategic

A single platform creates efficiencies by collapsing workflows, minimizing spreadsheets, and eliminating redundant manual processes. By consolidating capabilities into a solution designed for publishers, many workflows that waste time are gone forever. Inventory calendars can be part of the planning workflow, and sellers no longer need to bug their account managers for campaign or media plan status updates. Pipeline and activity tracking sheets are eliminated. Upfront and spend agreement trackers are distant memories, and building media plans can be done by any role since client history data is readily available. On average, media companies can expect the following efficiency gains:

ROLE	HOURS SAVED PER WEEK
Sales	4-6
Sales Manager	8-10
Account Managers	3+
Ad Operations	4+

These gains foster more efficient scaling and long-term sustainability. Media companies can grow revenue without proportionally increasing headcount and costs, enabling them to do more with less and weather unpredictable market conditions. Publishers can also achieve a lower total cost of ownership since fewer dedicated systems administrator resources are required. Expensive engineering teams and high-ticket consultants are no longer needed to customize generic solutions to keep pace with industry changes.

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2   **Turn smart bundling into the norm**

Media companies that sell multiple products in a single deal grow faster. Media companies that can manage this level of complexity while leveraging technology to drive bigger deal sizes and product mixes will win. A combined CRM and OMS can give sellers product visibility and create a sense of accountability among sales teams. The right systems can also support enterprise-wide digital transformation without massive disruption through intuitive design, out-of-box ease of use, and straightforward customizations. Integrated features like Boostr's Proposal-IQ can support larger deal sizes with automated proposal creation optimized for client needs and publishers' profit margins. As the industry advances, platforms that support change, manage complexity, and empower teams without overwhelming them can differentiate the top publishers from those just getting by.

3   **Improve NRR**

Making data visible and actionable is the most obvious and powerful value proposition offered by a combined CRM and OMS system. Increased visibility improves customer insights and service, which can drive higher NRR, a differentiator for successful enterprises. More efficient reporting and analytics, revenue analysis, ad performance, and campaign evaluation can enable easier and more effective data-driven decision-making. With these insights, media companies can prioritize retention-driven tactics that can reduce costs across the board, including acquisition costs.

4   **Get laser-focused on what matters most**

As seen in our Pricing and Yield Trend Report, the publishers with the best retention rates correlate to faster growth. When operating siloed CRM and OMS systems, it's exceedingly difficult to access the data needed to determine churn at the advertiser, agency, or product levels. There's too much disconnect between sold versus delivered, the product catalog depth mismatch, and the actual account records. A single platform eliminates these issues, giving breadth and depth to insights. While not all accounts can be renewed, knowing which ones to focus on can significantly improve revenue growth. Sales leaders often aren't even aware of the level of penetration of a seller's book of business because salespeople can hit their numbers working with only 20% of their assigned accounts.

5   **Enable data-driven decision-making**

A single platform with a strong, configurable data model is critical. Even more important is having a CRM that sellers love using—-so that they will actually input the data needed to generate robust insights. Getting compliance with an OMS is easier. When everyone is on the same platform with good data flowing in, they can unlock meaningful reporting. It takes a best-of-breed analytics approach— regardless of whether a media company is using the platform's capabilities, a data warehouse, or hybrid. Media companies must move beyond table-stakes data such as how many meetings a seller had last week. Progressive insights are required to drive profitable growth, reduce churn, drive multi-product deals, and get pricing and discounting right. By using a single platform, media companies can finally take a data-driven approach to revenue growth.

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With a single platform, media companies can:

1. **Get visibility into which products are selling** through and optimize media plans and campaigns

2. **Determine which sellers need support** selling other products to maximize yield

3. **Understand which products work with which categories** and advertisers to support performance and retention

4. **Drive systematic cross-sell and upsell** to expand deal sizes and maximize revenue

5. **Support a single media plan and insertion order** across multiple formats and ad servers while saving teams time

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How Bustle Gave Teams Back Time to Work Efficiently

Bustle Digital Group (BDG) reaches 223 million monthly readers and serves 1,300 client accounts. To maintain quality while continuing to scale its business, BDG needed a CRM + OMS that could empower sales teams to build their smartest plans while planning for the future.

To achieve these goals, President and Chief Revenue Officer Jason Wagenheim introduced Boostr's CRM to BDG's operations and soon integrated the OMS. The results were immediate. Sellers quickly became more consultative, while accurate forecasting paved the way for future-looking strategies. Sales teams embraced Boostr's intuitive interface. Freed from time-consuming manual processes, teams saved about four hours a week that could be dedicated to strategy.

> " With the connectivity of the CRM and OMS, we can make sense of the data in a way we never could before," Wagenheim said. **"It's made us a stronger, smarter sales organization."**

Jason Wagenheim
President & Chief Revenue Officer, Bustle Digital Group

BILLING AND PAYOUTS HAVE BEEN ACCELERATED BY	7-10 DAYS

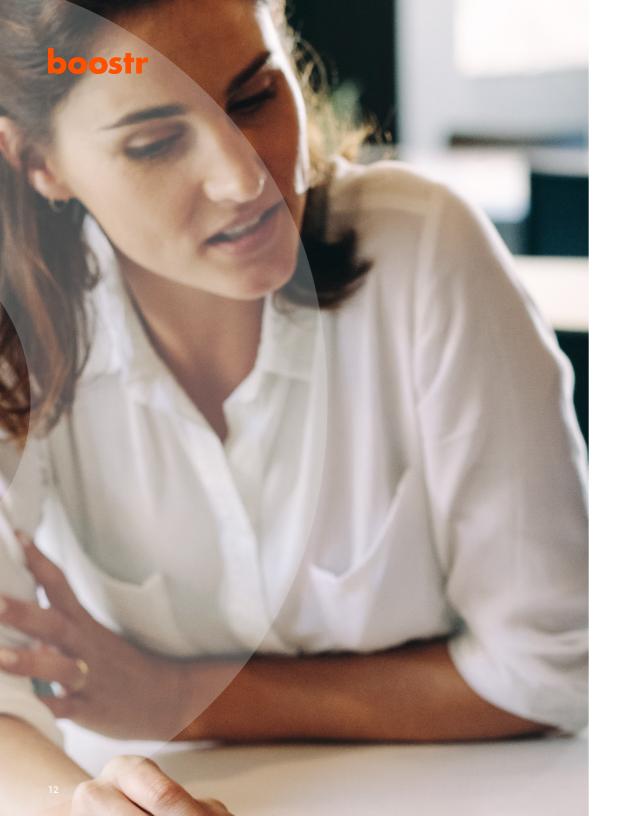| FOCUSED, EMPOWERED TEAMS WITH AN EXTRA	4 HOURS/ WEEK

Conclusion

Operating a media company is a challenging and complex endeavor—but an exciting one that offers many opportunities to serve clients and generate significant revenue. Change is a constant force across the industry, making strategy and investment in technology that manages growing complexity all the more important. The companies that will capture the best business outcomes will balance strategies that both serve consumers and solve internal challenges.

It's time for media companies to evolve. That's a requirement to thrive in today's uncertain marketplace. Capitalize on the potential of your business by investing in a new type of revenue management strategy supported by an end-to-end, combined CRM and Order Management system. Over time, those who ignore this imperative will struggle with growth, attracting top talent, and managing operational issues. There's never been a better time to integrate a new combined CRM and OMS to evolve alongside the industry and to leverage the time-saving possibilities offered by these platforms. With new proposal generation integrations, what was once a time-consuming endeavor costing sales teams hours of every day can now be done in seconds. With technology on their side, sellers are freed to do more of what they were hired to do: sell. Sales, of course, are the ultimate revenue engine.

Find out how Boostr's integrated CRM, OMS and proposal generation technology is empowering top publishers around the country to grow their business by visiting www.boostr.com.

About Boostr

What happens when media industry executives create an ad management platform from scratch?

The most accurate revenue forecasting. The fastest pace of industry innovations. Larger deal sizes with more products sold. RFPs with greater sell-through rates. 50+ automated workflows for sellers + ad ops. Analytics to report on virtually anything. Save 15-20% of team time for more creativity. Sales, ad ops & finance using one set of data.

Boostr is the media industry's most comprehensive and accurate digital transformation technology for managing advertising sales and delivery. Boostr offers CRM, OMS, and automated RFP response technologies designed by media professionals to sell more plans at higher margins. Boostr clients include Macy's, Lowe's, Westwood One, DISH, BuzzFeed, and more.

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