

# Innovation Award



KEY  
EXECUTIVES

## Mega- Conference

Solutions, Success Stories  
and New Ideas

Newspaper or company name: **The Sumter Item**

Address: **36 W. Liberty St.**

City: **Sumter**

State: **South Carolina**

ZIP: **29150**

Entry submitted by: **Vince Johnson**

Title: **Publisher**

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## NEW REVENUE CHANNELS

**What new product(s) or approaches have you introduced in the past 3 years that is/are making a significant difference in your business model today or is expected to significantly alter your business model in the near future? In addition to a description of your products or approaches, please provide links to showcase examples. If you would prefer to mail 10 printed samples, email [cindy@snpa.org](mailto:cindy@snpa.org) for the mailing address. (300 words or less, suggested)**

As a 124-year-old family-owned newspaper with a staff of about 30, new revenue channels that added to the bottom-line in 2018 were not a luxury, but a necessity.

We believe that showcasing a gameplan for traditional, independent local newspapers to build new revenue streams and significantly grow profitability, thus transitioning into sustainable local media companies, is the single most important innovation needed in our industry today.

Here are our primary innovations in revenue:

- **Studio Sumter**, the news & commercial video arm of The Sumter Item.

Built in an adjacent space (formally a Halloween shop) of our current building, The Sumter Item launched [Studio Sumter](#), the video wing of our media operation. Headlined by our sponsored daily news show, Sumter Today, we officially [started five day per week video production](#) in February 2018. Sumter Today is now [over 200 episodes](#) and a half million video views, giving a new platform for story-telling in Sumter.

The success of Sumter Today led to other sponsored video shows, including a sponsored print/video series called "[Why I Serve](#)" featuring airmen from our local Air Force Base, and a live-streamed locally sponsored [Sumter Item Media Day](#), which was viewed more than 50,000 times on Facebook Live.

Our video strategy extends far beyond locally sponsored news video, however. In the past 12 months, we've centralized the commercial video production work in our area to our Studio Sumter team. We now produce paid video series for the local [Industrial Association](#), [Economic Development Board](#), [Sumter School District](#), City of Sumter, as well as paid commercials for many of the prominent [businesses](#) and [events](#) in our area. We are also mid-production on a documentary featuring a local, world-renowned artist, with production sponsored by the city.

Profitable from Day 1 of production – we sold local sponsorships to Sumter Today prior to launch – we now own video of the key people, businesses and events in our area, giving even more archival and commercial value to our present and future as the media leader in our community.

"You live in Sumter. Your news should, too."

That's the tagline of Studio Sumter and Sumter Today. With no local television stations within 30 miles of our community, we wanted to be that video storytelling platform, making The Sumter Item a more well-rounded media organization and utilizing the skillsets of our local journalists.

- We transformed our Readers' Choice awards into **BEST OF SUMTER**, revamping our nomination and voting process, rebuilding our sales strategy and adding an event, the first event ever hosted by The Sumter Item.

[BEST OF SUMTER](#) direct revenue grew from 27k in 2017 to nearly 140k in 2018, a more than 5X growth in the contest's 18th year. It was more than double the largest single revenue-producing project in company history.

The ballot engagement grew by 10X, receiving 101,934 votes in 264 categories, including 7,188 email opt-ins.

The event drew an at-venue capacity 300 attendees, along with multiple sponsorships.

The success of BEST OF SUMTER convinced us to launch the Sumter 20 Under 40 [contest](#) and [event](#) in October 2018, ultimately another sponsored, sold out event that mobilized our community's younger demographic.

- Email and data growth surrounding our local users has been at the forefront of our strategy for 2018. Today, we're sending emails ([almost daily](#)) to our users, generating thousands in paid ads and promoting both our traditional and newer initiatives each month. We've been collecting data with plans for more future opportunities.

## **BUSINESS MODEL TRANSFORMATION**

Digital Revenue:

My digital revenue was 15 percent of my TOTAL REVENUE over the past 12 months.

Digital revenue at my company grew over 250 percent this past year over the previous year.

## **NON-CORE REVENUE**

Have you diversified your revenue in other ways beyond print and digital, such as events or agency services (PR work, logo development, competitive media placement, etc.)?

Yes

No

If yes, what percentage of your total advertising revenue comes from these streams? 5

What do you expect it to be in three years? 15

Please provide any additional details or comments that you would like the judges to consider (300 words or less, suggested).

With both digital revenue and non-core revenue around events, agency services, video production, [merchandise](#) and more, we've built much of our 'new' revenue around existing line items, focusing much more on multi-platform business transformation within our staff and community - and of growth to the bottom line - than parceling out each piece of often multi-layered projects and proposals.

## AUDIENCE DEVELOPMENT

Please describe any innovative audience approaches your company has taken that has allowed your company to reach more readers, new audience segments (for example: Millennials, sports fanatics, etc.) or improve subscriber engagement. How has this impacted subscriptions, open rates, social shares or total audience? (300 words or less, suggested)

The growth of video has helped lead our [website](#) user increase of more than 30% and our social media subscriber growth of nearly 50% in 2018. We've also built our local email database from less than 4,000 to over 25,000 vetted email addresses, which we use daily to promote local news, Item products and paid promotions.

We've rebuilt our website, built our search engine referral traffic by more than 50% by optimizing digital headlines and built relentless momentum to create future events, with our two events in 2018 being at-venue capacity.

We use the Sirius XM model of renewing non-payment subscribers by calling and offering renewal at the previous rate, and we've begun the process of converting our momentum and audience growth into new, paying subscribers in 2019 – but we had to become a larger part of their daily lives first.

Now more than just a print newspaper on their doorstep each morning, we're integrated with our message pushed to our community through multiple platforms throughout each day.

## SALES & MARKETING APPROACH

Which of the following applies most to you?

We have trained all sales executives how to sell digital products.

We have a separate staff to sell digital and/or new initiatives.

We have specialized people who sell the complicated stuff and help the rest of the staff sell our new and/or digital product mix.

Please describe any innovative sales and marketing approaches you have taken that have helped your company improve the trajectory of your revenue (300 words or less, suggested)

Before our Q4 2017 reorganization, we had multiple print reps and one digital rep. Today, all of our sales representatives sell print, digital and everything else.

Even with several ‘former’ only-print representatives who have been on staff for more than a decade, if we were going to sell our growing audience as a better reason for cross-platform advertising, we needed a sales staff that better understood the value of each of our platforms.

We also built direct-to-advertiser email lists that both segmented advertisers by sales rep and allowed us to send direct email to all advertisers in our database, a database largely built by asking for contact information of potential Best Of Sumter winners. With thousands of advertiser contacts now on our advertiser-only email list, this led to dozens of red-hot advertiser leads for different products each week.

## **ORGANIZATIONAL & COMPANY CULTURE TRANSFORMATION**

Please describe how your company has changed its organizational structure, work environment and/or rewards to encourage innovation. (300 words or less suggested)

Just about a year ago, we had never sent a subscriber email. Never hosted an event. Never been paid for a video.

Like so many other family-owned traditional newspapers in small towns, our print newspaper was quickly losing revenue, our website was more of an afterthought, and most of the innovation we had tried – like starting a digital agency and running some sporadic promotions – hadn’t led to any sort of sustainable change to the bottom line.

Sumter, South Carolina is not particularly unique. It’s a lower-middle class community in a lower-middle class state. Our five-day per week, 12,000 circulation newspaper has been owned by five generations of one family – the Osteens – for 124 years. Its relationship with the community would have been best described as “it’s ok,” and the staff was both entrenched and discouraged.

We couldn’t innovate for the cool-factor of innovation. Our innovation had to work, and it has.

After a quick reorganization for which one owner described to our readers in a late September 2017 column as “Hold on for the ride. The kids are driving,” we went to work, adding a full-scale sponsored video department, gathering and utilizing user and advertiser data, creating community events and rebuilding our print and digital products.

Our innovation hasn’t just changed our staff and our business – it’s leading the way in the transformation and growth of our community.

Community events, now promoted through print and video and across social platforms and sent to large, local email lists, are must-attend, and local businesses are flocking toward our building in downtown Sumter – a down-trodden area just a few years ago.

Our staff today is lively and collaborative, even the most long-standing employees bringing new ideas to build our role as the cross-platform information hub of our region. Today, community leaders thank us daily and promote us to others as the go-to media entity of our area, and just yesterday, our most-recent video got a standing ovation at the school board meeting.

We've slammed on the brakes of decline and are speeding toward a new horizon, and everyone around us knows it. I'm not sure it's 'mega,' but it could provide hope and a gameplan for small and medium-sized newspapers like us.

By building momentum in our community, we've built our business.

Thank you for your time and consideration.