

Broadcasters learn the secrets to making online millions during key NATPE session produced by WorldNow

by Bend Weekly News Sources

Christine DiStadio of The New York Times Broadcast Media Group; Paul King of Raycom Media; and Bob Singer of KOIN-TV Discuss Their Personal Success Stories in Raking in More Than \$1 Million in Web Site Revenue

At a time when television revenue is either flat or down, a lively NATPE panel discussion today proved that local TV station Web sites can indeed make money online -- and lots of it.

The session, produced and moderated by WorldNow CEO Gary Gannaway and entitled "Who Wants to Be an Online Millionaire?," featured impressive convergence advertising models from three television executives whose Web sites have raked in \$1 million or more in annual revenue.

WorldNow is the leading provider of Web publishing, streaming video and advertising solutions for local media Web sites. Among its 280 clients are such major media powerhouses as ABC, Belo, Cox, Dispatch, Gray, Landmark, LIN, Media General, Meredith, Raycom, Scripps, The New York Times, Time Warner Cable, Tribune and Young. In 2006 alone, WorldNow helped clients LIN, The New York Times and Young develop multi-million-dollar ad sales businesses where none existed before. Panelists included Christine DiStadio of The New York Times Broadcast Media Group, Paul King of Raycom Media, and Bob Singer of KOIN-TV in Portland, Oregon.

"The main message of today's session is that online revenue is real and that it can work for advertisers," said Gannaway, whose company is the leading Internet solutions provider for local media companies today. "Our panelists illustrated this through recent advertising and sponsorship campaigns for such desired categories as auto, real estate, health and home improvement."

DiStadio cited the example of WREG-TV in Memphis, which saw its national TV revenue drop from \$10 million in 2000 to \$8 million today. While the station's web revenue was a whopping zero in 2000, convergence revenue has taken the station revenue to more than \$1 million today.

"There is a real market emerging under our feet right now," said DiStadio, who exhorted NATPE attendees to "use the power of the product you know best -- broadcast television, your core business -- to drive top line revenue through new business development with emerging media. It's the only way we are going to grow. The strongest weapon -- TV -- in your toolbox is the bridge to your future."

DiStadio described the vital importance of incorporating video, multi-screen presence, and consumer engagement into a station's online strategy. "Broadband video is changing the way people discover and interact," DiStadio noted. "According to a survey by comScore, the average consumer watches about 100 minutes of video on the web every month. Freshness and speed will trump high production values. Web video is different."

Panelist Paul King, who oversees 40 station websites for Raycom Media, described the "secret ingredients" that helped generate \$1.25 million in online revenue in 2006 -- 9.6 percent of the total ad sales for the station -- for WIS-TV in Columbia, South Carolina. Those ingredients include such daypart strategies as surround sessions and video streaming.

"Local TV broadcasters should now be selling dayparts in a new way: through online advertising," said King. "Those prime demos that advertisers want are all reachable during the day -- they're just accessing the stations through their computers at work, rather than through their televisions at home."

Meanwhile, Bob Singer of KOIN-TV in Portland, Oregon, discussed the amazing revenue growth enjoyed in a short amount of time by KOIN-TV, which is virtually brand-new to the online game. In just one year, KOIN expects to reach its goal of more than \$1 million in online revenue -- proving that it does not take years to develop a successful Internet strategy and monetize locally if you put the right resources behind your advertising sales team.

"I'm just an average general manager in an average TV market," said Singer. "I figured I could accept our fate based on our somewhat average ratings position in the marketplace or I could look for creative new ways to boost our revenue. I'm glad I decided to do the latter."

All three panelists addressed the issue of internal versus external online resources: Should stations try to control the development of their Web sites by utilizing internal staff resources or hiring new staff for the job -- or should they rely on the expertise of an outside company that specializes in the online arena?

"I've done it both ways," said King. "And I'm here to tell you that the internal staff needs to stay focused on the core business, which is still broadcast television of course. Find a seasoned partner with strong technology and proven ad-sales experience to handle this burgeoning business for you."