

How to Become a Digital Agency

 VENDASTA

| @BrendanKing

Background on Brendan

- Degree and background is in Physics/Geophysics.
- Founded two successful computer retail operations, one nationally franchised.
- Built a real estate platform that reached 165,000 REALTORS® in 84 countries.
- Started VendAsta in 2008.



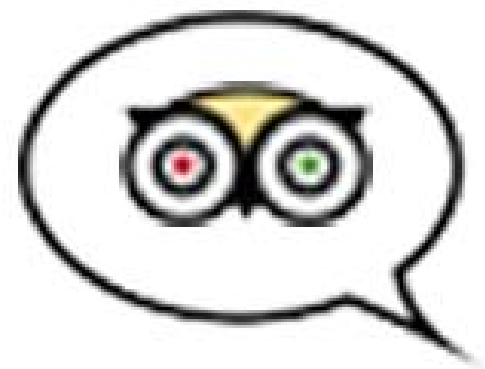
Background on VendAsta

- White label SAAS
- Reputation, presence and social media management Solution
- Location based SMB's
- 350+ Partners
- Reaching 150,000+ SMBs and growing



Why Digital Agency?

- ***Zero Moment of Truth*** — online decision making moment.
- The brand is what customers say, not what you say.
- Spending is moving away from advertising.

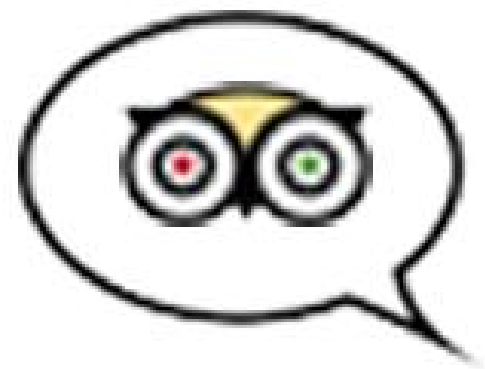


The New Mental Model of Marketing

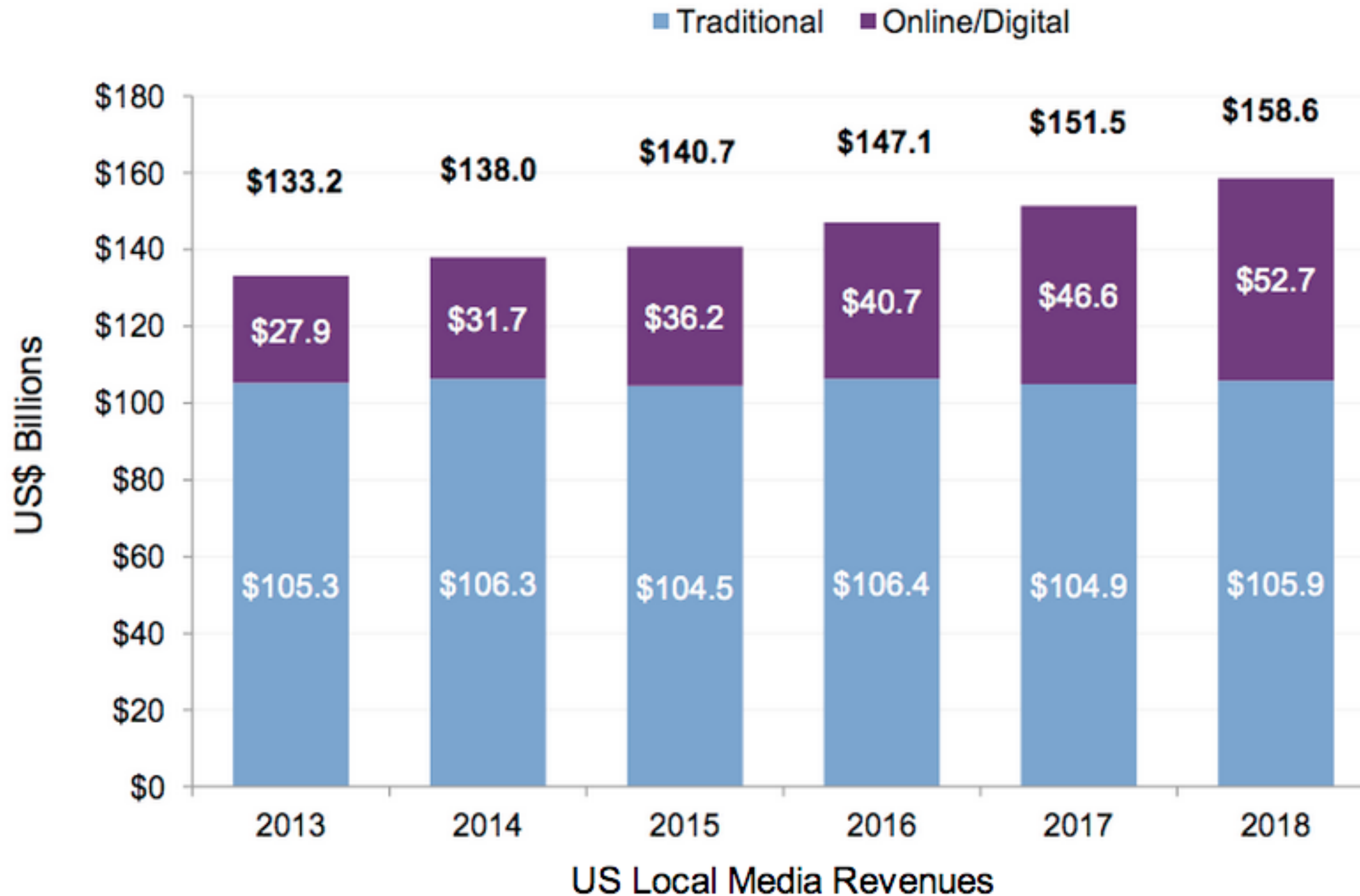


Why Digital Agency?

- ***Zero Moment of Truth*** — online decision making moment.
- The brand is what customers say, not what you say.
- Spending is moving away from traditional advertising.



Digital is Growing



2013-2018 CAGRs:

Total Media CAGR: **3.6%**

Traditional Media CAGR: **0.1%**

Online/Digital Media CAGR: **13.6%**

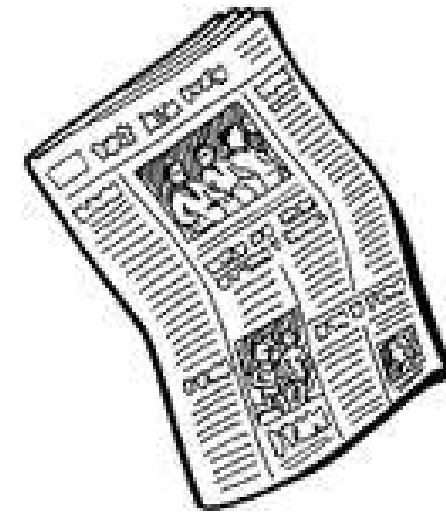
What is a Digital Agency?

It's simple —
Selling Digital
Products



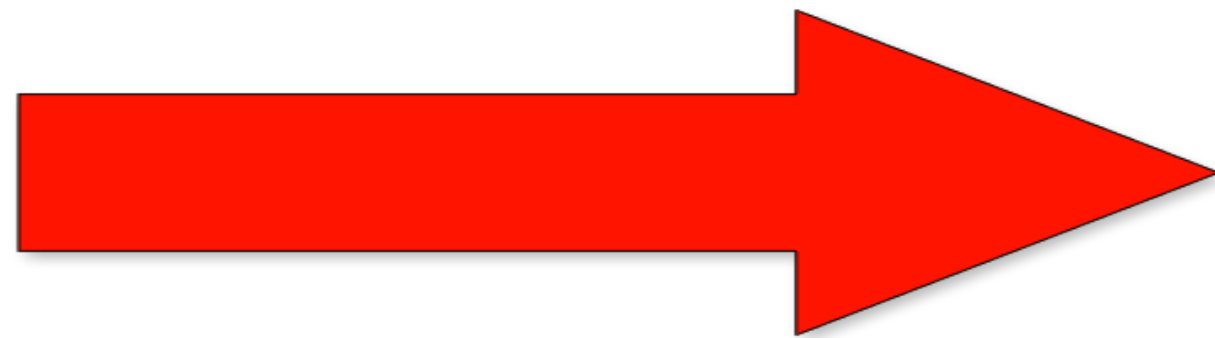
Should you do Digital Agency?

- Many have already made the transition
 - Newspapers, Verticals, YP, radio, TV, pureplay (ReachLocal, Yodel)
- If you don't do it, someone else will



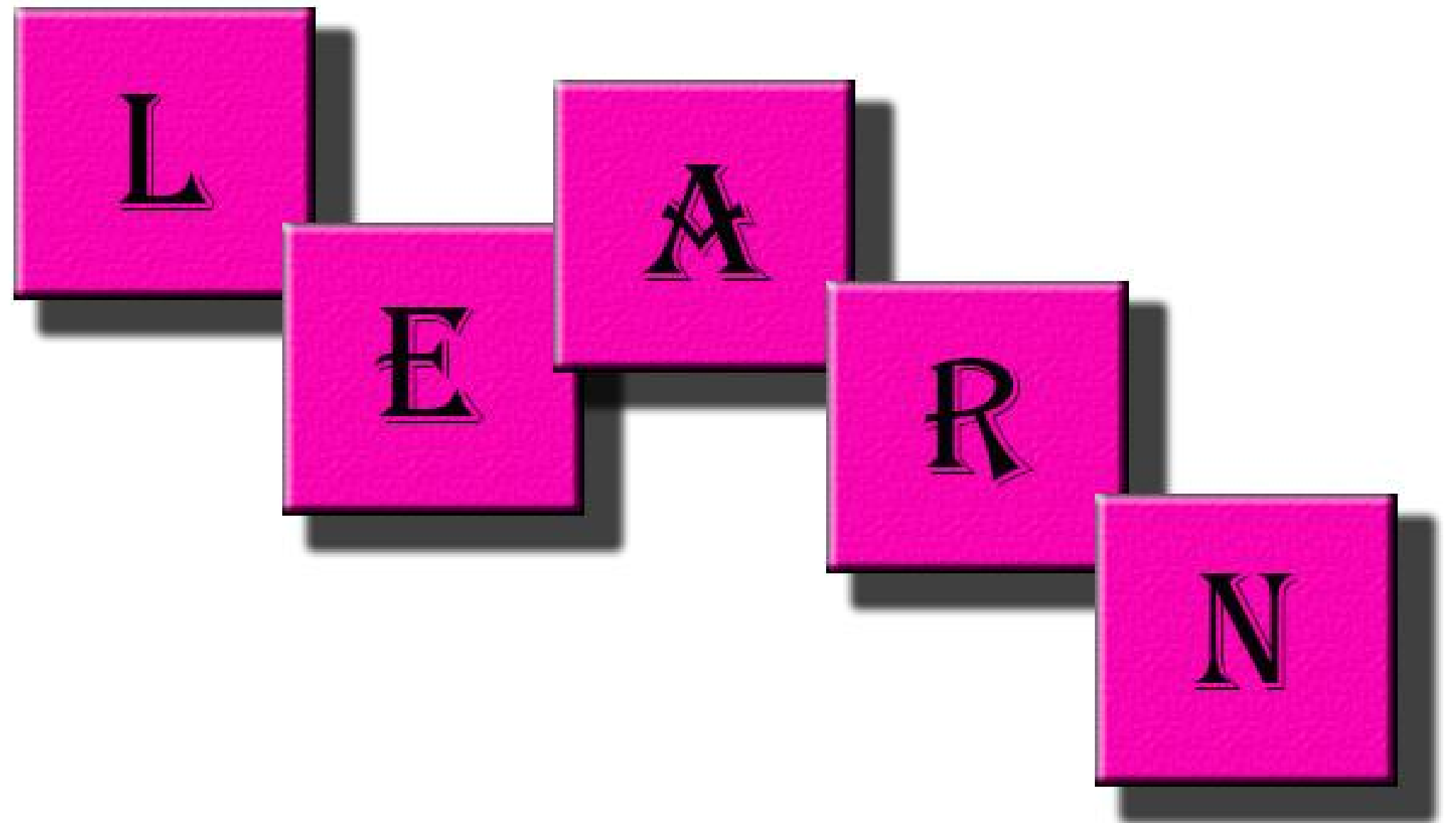
Paper to Digital Success

- Newspapers: Hearst, Gannett, McClatchy, Propel
- Multi Tenant Vertical: RentPath, ForRent, Homes.com, Apartments.com, Digital Sherpa
- Auto space: Autotrader, DealerRater, LocalBizNow



Lessons We've Learned

- Products
- Salesforce/Selling
- Pricing/Bundling



Lessons We've Learned — Product

Mix

Pick products that are:

- easy to sell
- easy to provision
- easy to support
- foundational: zero moment of truth

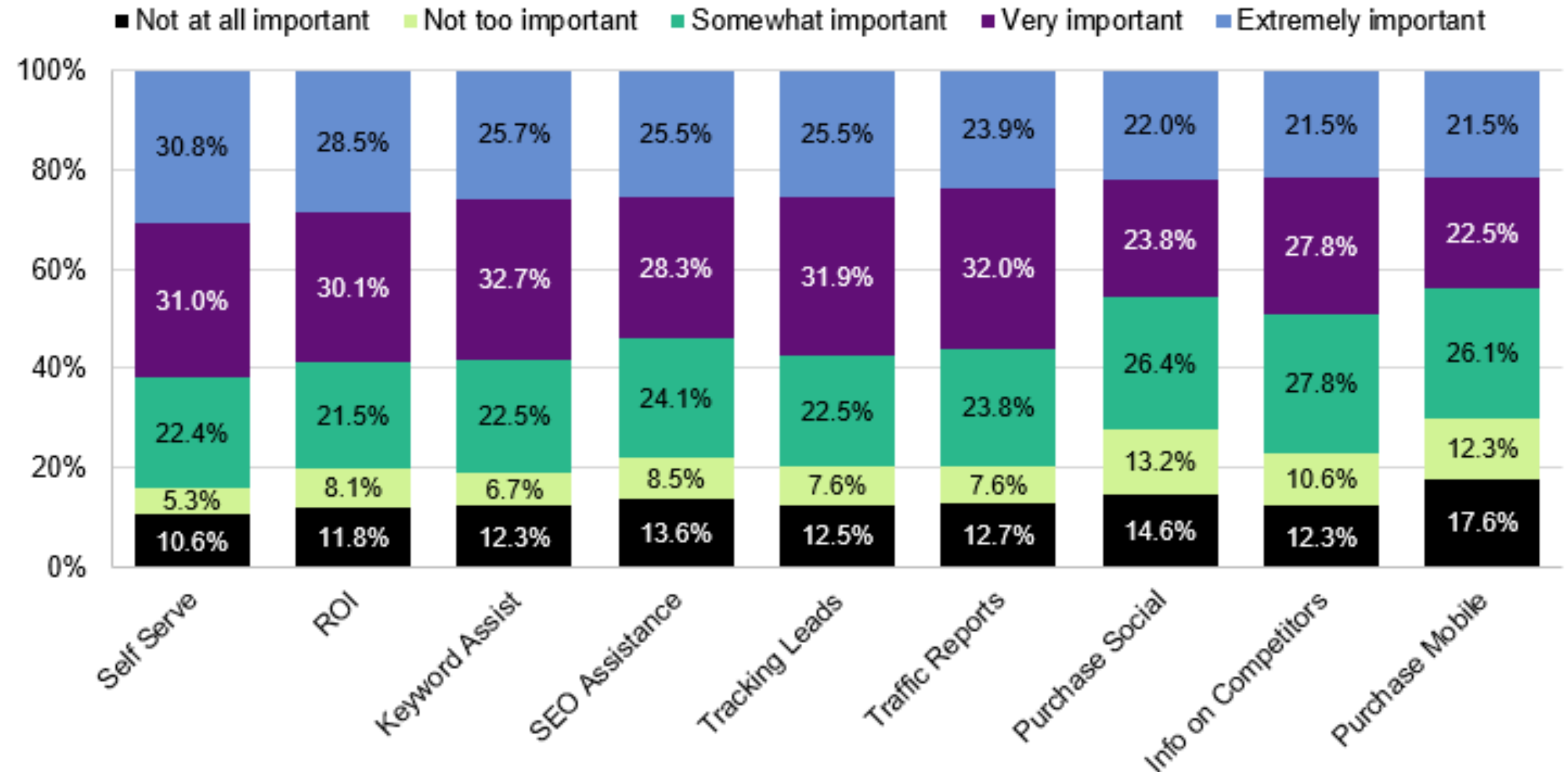


Lessons We've Learned – Product

DIY vs. DIFM

- SMBs want DIY

Services Desired For Online Ad Sales



Lessons We've Learned — Product

DIY vs. DIFM

- BUT, they won't do it
- There is no versus - you need both

62% of companies outsource their content marketing, up from 55% last year.

Lessons We've Learned — Product

Scalable, Integrated Tools

- Spreadsheets and multiple tools do not scale.



Choosing Your Sales Force

Choosing ***traditional sales reps*** could present these challenges:

- Resistant to selling digital
- Commission structure doesn't transfer
- Will they get it?

Choosing Your Sales Force

Choosing a ***digital sales force*** could present these challenges:

- Hiring (talent competition)
- Training
- Telesales
- Work with traditional: 3:1, traditional/digital
 - Or sell digital only

Pricing / Bundle

- Increased value to traditional offerings
- Increases margin
- Easier for traditional reps to sell

Foundational products are easier for traditional salespeople — reputation and social are the **first** steps to the digital relationship with clients.

Success Story

“We are focused on products that make money, too many publishers have exerted a ton of effort on things that don't produce margin.”

— Jeffrey Shabram, BH Media Group



Full Range of Services

- The holy grail is to become the most reputable digital agency before anyone else can claim this intimate relationship with the client.
 - complete range of services
 - dedicate account reps
 - expertise

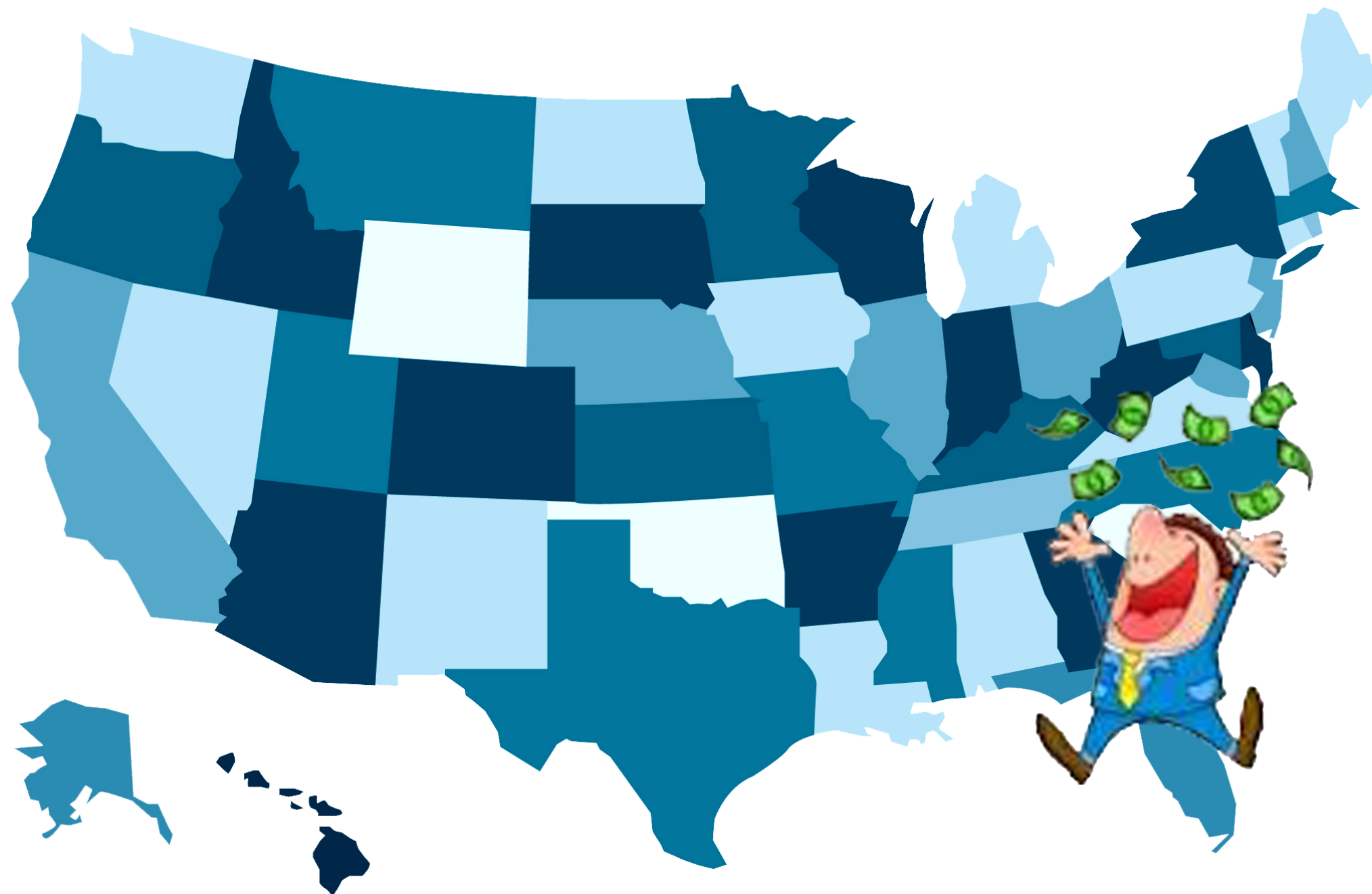


The Strategy

Let them buy when they are ready.

Conclusion

Why would you convince an advertiser to spend another penny on advertising before you fix what the consumer will find when they search?



Conclusion

If you don't do it, someone else will.

Questions?



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