

THE
STATE | O |
MEDIA | F |
SALES™
2020

**COVID-19
SPECIAL REPORT**



Current State of Revenue

In 2019, 25% of sales managers recorded revenue increases of more than 10%. 40% of cable TV had a particularly good year with a 10% increase. Excluding political, 39% of cable TV managers also expected a 10% increase this year.

Then the coronavirus arrived.

For March, 33% of sales managers expected a 20%-50% hit to revenue. Digital media sellers, those with revenues streams of more than 50% from digital formats, were gloomiest about March with 46% anticipating a 20%-50% hit to revenue that month. Keep in mind that the average media property counts on digital for about 30% of revenue overall.

About 35% of sales managers believe their April revenue drop will exceed 50%.

Radio sellers had the worst expectations of any media format with 45% anticipating a 50% revenue drop.

When and where to look for recovery and growth

21% of respondents expect the economy to begin to recover in June, 18% say July and 16% say 2021. Cable TV sellers are most optimistic by media format with 27% anticipating the recovery starting in June. At least 21% of print sellers say they don't expect to see the economic recovery until 2021. For digital media sellers those with digital revenue exceeding 50%, 24% also believe recovery won't start until 2021.



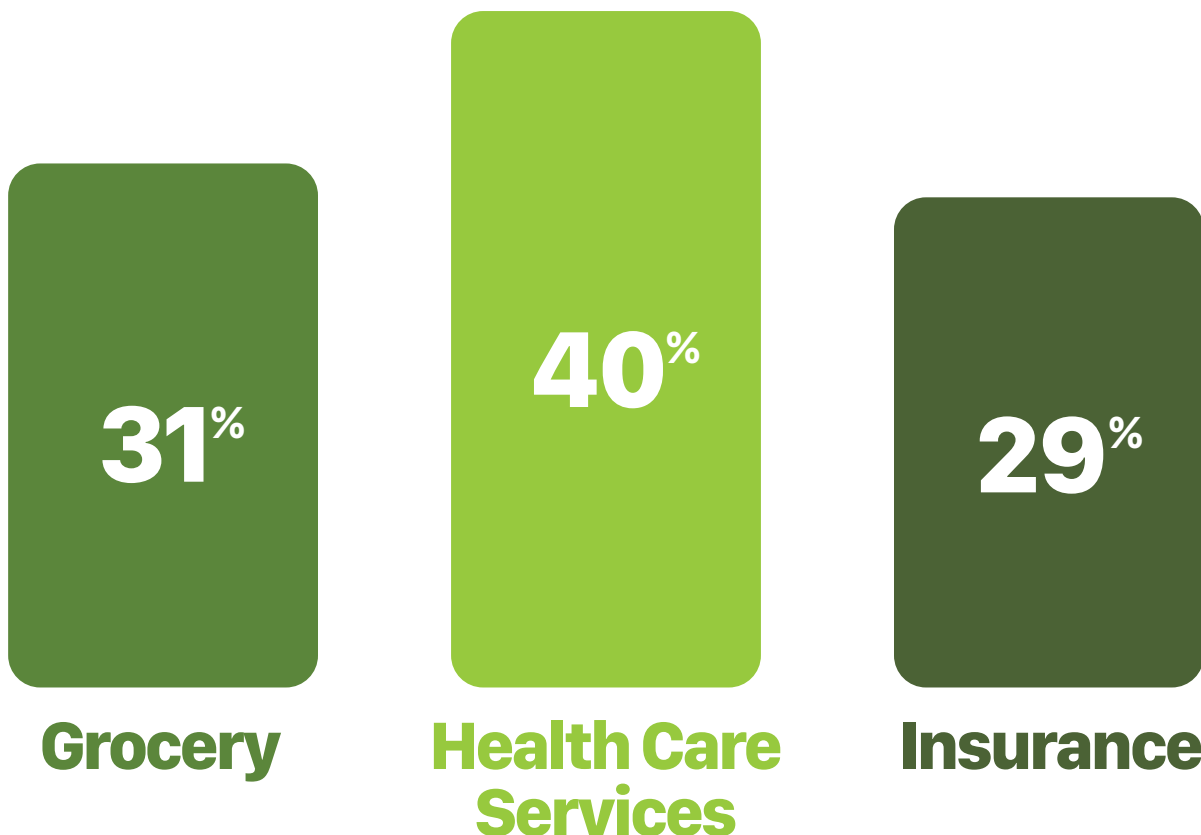
Client Type

At least 59% of managers agree that overcoming advertiser churn is harder in 2020 than it was in 2019. While sales managers anticipate huge decreases in revenues from agency buys (61%) and local small businesses (58%), **others believe they can generate growth in local SMB advertising (24%) and in sales that involve co-op, promotions and non-traditional matching revenue streams (17%)**. By media format, 24% of print sellers expect to see increases in native/advertorial demand.

Industry Verticals

Not surprisingly, over 60% of sales managers expect sales decreases in the automotive, entertainment, retail and restaurant verticals this year. Grocery stores will be the beneficiaries of the consumer spending that is typically done at restaurants and 23% of sales managers are planning on increased ad revenues from grocers. 23% of managers also believe local services businesses will be a source of small growth in 2020.

Sales reps agree, with 56% saying that grocers don't seem concerned about their outlook this year. In addition, 29% of reps say their banking and investment clients will make promising 2020 prospects, perhaps because of consumers who need to adjust their spending and savings plans. Millennial reps, in particular will target their grocer, health care services and insurance clients in 2020. The following percentages of millennial managers expect increases in these verticals:

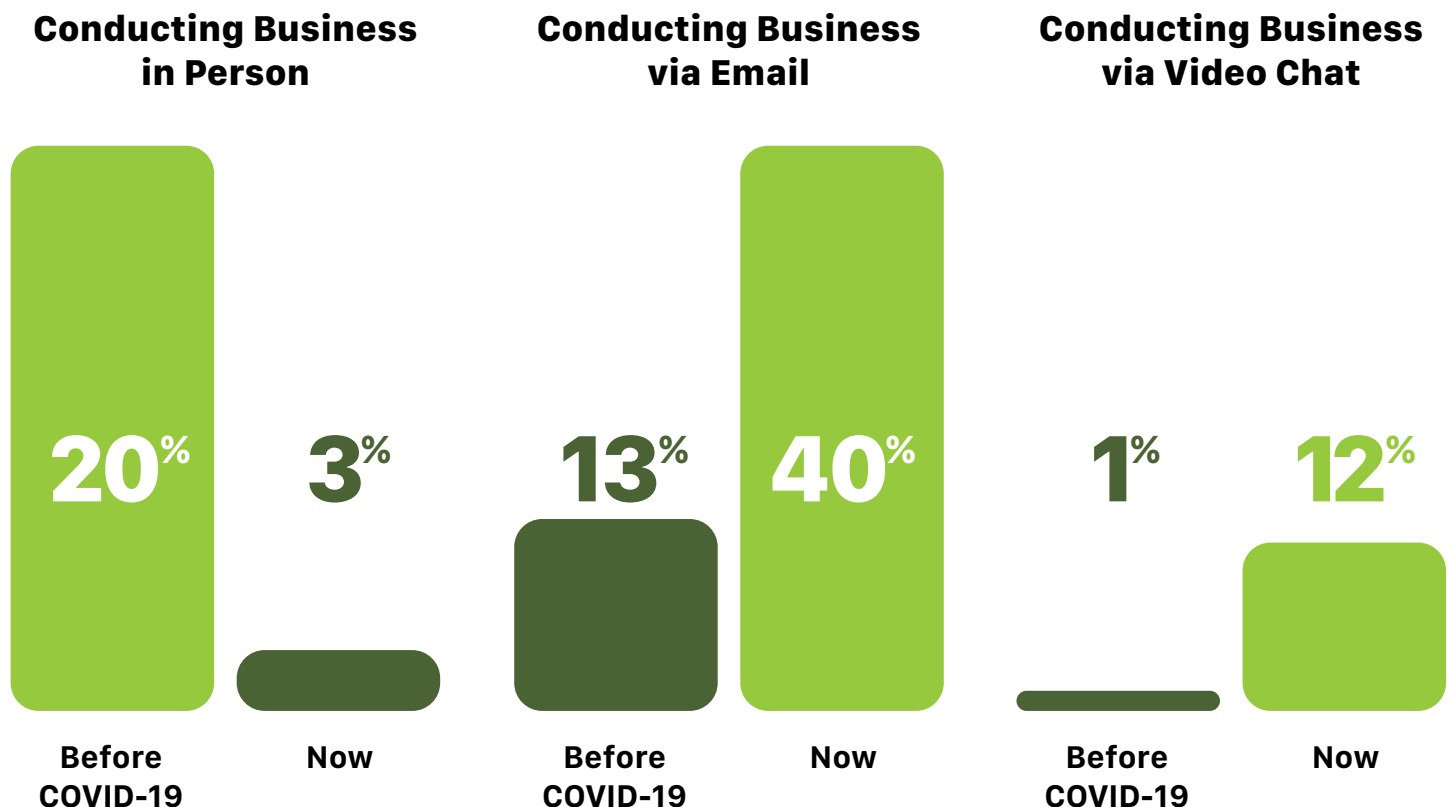


Adjustment to Communication Styles

The social distancing mandate has greatly impacted the methods of media selling. Before the pandemic started, one in five media sellers, 20%, did 90% of client and prospect business in person. Now, only 3% of media sellers are conducting 90% of business personally. Instead, they've shifted to email. The percentage of sellers relying on email as a communication tool for 90% of business has increased from 13% to 40%.

HubSpot analysis of its client data shows a 25% increase in marketing emails since the virus began. And while clients and prospects have opened email messages at a 25% higher rate than the same period a year ago, response rates are dropping. Managers should remind reps that increasing email outreach without a good reason could backfire.

Many professionals have made video chat their new go-to communications tool. Media sales professionals are following suit. While only 1% of sellers turned to video chat for 90% of their business in the pre-pandemic days, 12% now do. Millennials stand out as the group most likely to do with 21% using the tool for nearly all communications.



Managers must be alert to rep frustration and stagnation

In addition to generating sales, managers must pay attention to sales team frustration and stagnation. **The average media sales manager experienced a 21% team turnover rate last year.** Print was particularly hard hit with a 32% turnover rate. The media sales industry fares better than the average sales organization in other industries, which reported a 37% turnover in our Voice of the Sales Manager survey.

45% of media sales managers voiced their concern about a lack of general sales talent or competency. Digital sales managers, with a score of 58%, are particularly concerned about this topic. On the other hand, media sales reps have their own grievances, with 60% citing their lack of motivation this year. That issue is much higher for radio sellers, 67%. Some of motivational problems may stem from reps' belief that it is harder to get new business (81%) or upsell existing accounts (70%) than it was last year. This situation underscores the need to individually coach reps to improve their skills.

Business leaders should pay attention to their millennial sales managers. 77% of these folks say that, this year, it is harder to generate new business, compared to the survey average of 72%. And 69% of millennial managers are having trouble motivating their team members, versus 57% of all sales managers.

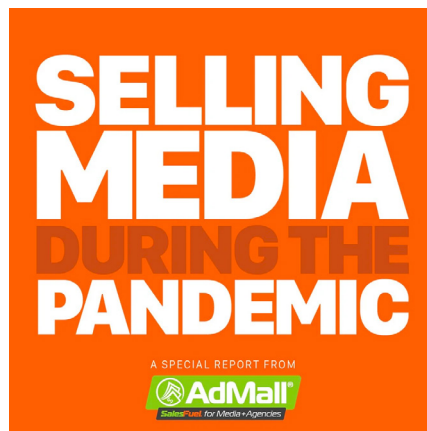
About 57% of media sales professionals say with complete confidence (a score of 9 or 10 on a scale of 1 to 10) that they will be working for the same organization 6 months from now. In the print and direct mail sectors, those numbers are 43% and 41%, respectively. That statistic, coupled with the average net promoter score for the current employer, which stands at 15.85, should be cause for concern. The NPS numbers for print and direct mail organizations (-15.4 and -5.48) should be particularly alarming and highlight the need for increased manager outreach coaching.

What You Need to Do Now and Next



Stay-at-home orders in response to the coronavirus pandemic have shut down at least a quarter of the U.S. economy. While many challenges lie in our way, there are also many new post-lockdown opportunities. During this webinar, Lee shares the latest data and his insights on how COVID-19 has become a game changer for 2020 and beyond and the seven essential elements every recovery strategy must have for maximum revenue in the second half of 2020 and into 2021.

[WATCH NOW](#)



As a media seller, you might feel like your entire income stream is at risk. As many of your clients are closing their doors or suffering significant business impact because of the coronavirus outbreak, your first instinct may be to pull back. But this is the LAST thing you should do! Yes, it's bad out there. However, going into hiding is NOT a survival strategy. Remember that the first objective of sales professionals is to help your clients, and they need your help now more than ever.

[READ NOW](#)



The COVID-19 pandemic will have a profound impact on the local advertising landscape this year. Join SalesFuel and BIA for on-demand viewing of this webinar. The CEOs of both firms, along with special guest Jeffrey Hayzlett, share their years of experience and combine their insights to identify valuable local market trends and opportunities for local sales efforts during economic crisis.

[WATCH NOW](#)



Manage Smarter is the podcast for today's managers and emerging leaders. Current episodes focus on how to manage the effects of the Coronavirus while managing your team. Episode topics include Preparing for a Possible Recession, Walk Around Managing When You Can't Walk Around, Managing Team Anxiety and much more!

[LISTEN NOW](#)

More Resources

For the latest insights on selling and managing through this challenging economy, visit SalesFuel's special insight center "Selling Through COVID-19" at <https://salesfuel.com/covid-19-selling/>

Methodology

Based on input from 820 self-identified media sales professionals who were surveyed, online, in mid-April 2020. Number of respondents selling by traditional media type breaks out as: broadcast TV (207), cable TV (194), radio (132), print (276) and direct mail (146). In addition, 131 sellers report digital media sales of great than 50%, while 200 have digital media sales of less than 15%. By age group, respondents are: baby boomers (292), Gen Xers (336) millennials (182) and members of Gen Z (10).

About AdMall



AdMall is the most powerful consultative sales intelligence database available for local and digital advertising. More than 3,000 media properties nationwide arm their sales staffs with AdMall including: Television, cable, newspaper, online, direct response, out-of-home, radio, cinema, local search, and magazine. Additional information on AdMall and a free trial for qualified media companies can be found at AdMall.com.

Thanks to BIA Advisory Services, Jim Doyle & Associates, Spots N Dots and the Media Sales Professionals group on LinkedIn for their support of this study.

THE
STATE | O |
MEDIA | F |
SALES™
2020

**COVID-19
SPECIAL REPORT**



600 N. Cleveland Ave. #260 Westerville, OH 43082
614-794-0500 • SalesFuel.com