



Dear Publishing Professional,

From time to time a publisher will ask me how they can improve their business. I'm first and foremost an operations / tech guy, but I also have ideas about growth and business development. To answer such questions, I'd start with some checklists. Here's one - with your chance to do a free self-audit. Answer the questions below for your own business. Give me a call if you need help with the process.

A publisher's self-audit toolkit

Step 1: Core Strengths and Current Revenue Models

- What do you do well? (Is there something you do very well that you're not currently monetizing?)
- Who do you serve? (Is there an opportunity to expand your current product offering to a new market, or to dig deeper into your current market?)
- What is your unique selling proposition?

Briefly explain your basic revenue model and sources of revenue by percentage. For example ...

We sell a monthly print magazine, sell related products in our store and have monthly sponsored webinars. Our revenue sources breakdown as follows:

- 35% print ad revenue
- 25% print subscription revenue
- 20% online ad revenue
- 15% online sales of products
- 5% events

Step 2: Have you covered the basics?

This is where you look for obvious holes or easy wins in your current operations. There probably won't be any because you're smart. It's still worth a check. Be very honest in your answers. It's easy to say, "Oh yeah, we do that." But do you really?

- Are you delivering content the way your market wants to consume content? How do you know? What have you tested?
- How are you collecting emails and how are you using them?
- How do you monetize your e-newsletters?
- Have you explored obvious ancillary business opportunities, like an online store? What other revenue streams have you considered or tried? Are you big enough to make money with a podcast?
- Have you tried online advertising? What are/were the results?

- Is your purchase process easy? Have you worked to optimize this process?
- Is your price reasonable in your market? Have you tested the price sensitivity of your market?
- How is your marketing and/or sales team reviewed and compensated?
- Are you focusing on engagement and renewals?
- Are you successfully hiring good workers and removing ineffective employees?
- What are the most common complaints you get from your customers?

In reviewing this list of basics, did any constraints or blockers come to mind? If so, that's ideal. Rank them by their potential effect on revenue. If any of them look substantial, that's a good place to start – without having to go into all the detail in Step 3.

Step 3: A more detailed review

If there are no obvious faults, a more in-depth review may be required. Here's my big picture outline for such a review. This would be a difficult process that would require input from all your senior staff.

- Market / Customer Analysis
- Product positioning / competitive analysis
- Content strategy
- Audience development
- External factors affecting your business
- Monetization strategies
- Sales and Marketing
- Customer service
- Email strategy
- Website and SEO issues
- Analytics and performance tracking / reports
- Technology and Operations
- Legal compliance
- Staffing
- Corporate structure and organization

Each of these areas would have to be expanded considerably. For example, Market / Customer Analysis might include ...

- Can you define who you're trying to reach?
- What do your customers need?
- What do they want?
- When you think of your customers, do you have a few of them in mind?
- Have you created customer personas?
- How many of your customers do you speak with on a regular basis?
- Have you done both qualitative and quantitative studies of your market?
- Do your customer support reps have direct access to people who can solve customer problems?
- Are you using your CSRs to collect information about your customers?
- Are you collecting appropriate data on your customers (such as web, purchase, and email activity) and using it effectively?

If you'd like me to develop this into a full-fledged document for an internal audit, let me know. Something like this could form the outline for a management retreat.

Worst practices in content creation

Bo Sacks recently distributed an article by Dave Morgan called “It’s NOT About The Content.” His argument is that the point of media is to gather an audience that you can sell to advertisers, and if you can get away with cheap content, so much the better.

He asks if it was “all about the content,” then “how come media companies that make content today have revenues, profits, and stock prices that are down so much?” Again, he says “companies that make content are nowhere near the top of the list of the most valuable companies in the world anymore.”

Okay, you can’t argue with that. Google and Apple aren’t rich because they create great content but because they’ve figured out how to collect and sell our information. If you want to make a lot of money, Dave asks, “What is your technology and data strategy?”

That’s a fair point, but **editorial directors still have to create the best content that they can**. So here’s a list of “worst practices” for content creators. Avoid these missteps.

Poor Quality. If it’s badly written, has grammatical errors, lacks depth or accuracy, people will turn away.

Overly Promotional. Everybody knows you have to sell soap, but you have to keep the correct balance between content and promotion.

Irrelevant or Off-Topic Content. This one is very important to me. Too much content wanders all over the place without getting to the point.

Inconsistently Posted. Here’s where I have to eat my own cooking. I’ve not been as consistent with my video and email updates as I should be. Consumers want to know that they can expect new material from you on a regular cadence.

Some people say **Lacks Authenticity** is a big deal, but I think this a bit over-rated. I don’t care if you’re “authentic,” whatever that means, if you’re providing good content.

Insensitive or Controversial Content is certainly a big deal for some people because everybody is so absurdly sensitive these days. Jonathan Haidt seems to think that’s a consequence of a lack of play in childhood and over-exposure to smart phones. Be that as it may, you’re dealing with prickly people.

Poor User Experience tops the list for mobile sites, in my opinion. I have come to dislike reading on my phone because the experience is almost universally awful.

Lack of Engagement – that is, content that doesn’t encourage on-going interaction – is important to the publisher. I’m not sure how important it is to the reader. I rarely read something and then feel let down that they haven’t hooked me into something else.

Repetitive Content can be annoying, where you keep riding that same hobby horse, or simply rewording old stories. Keep it fresh.

All these things are important, but the biggest one – in my opinion – is **Ideological Bias**. Too many content creators ignore this.

I was listening to an interview with a pollster the other day. He said that if you group together people who (1) make over \$100K a year, (2) graduated from an elite school, and (3) have a master’s degree or better, their views on most issues are *way out of sync* with the

public. Here's the amazing part. They don't know that. In fact, they believe their views do represent the majority opinion.

A fish doesn't know that he's wet, and these people don't realize they're living in a bubble.

Editorial directors, take heed. Hire some people with no college degree. Hire some people who went to state schools. Hire people who had to work to pay their way through college because their parents were poor. Don't allow an ideological bubble to infect your staff.

The Theory of Constraints

Here's another "mental model" to add to your tool bag. It fits in well with the publisher's self-audit above.

The Theory of Constraints is a management paradigm that views systems as being limited by a very small number of constraints. The idea is to identify and address the most significant limiting factor (or constraint) that stands in the way of achieving a goal.

Throughput is only as effective as the most restrictive part of the system. Fix those constraints and the entire system flows better.

Steps in the Theory of Constraints

Identify the constraint: Determine the process or resource that limits the system's overall performance. For example, editorial review of new content takes too long.

Exploit the constraint: Make quick improvements to the constraint without making significant investments. E.g., implement stricter guidelines for the initial submission of content and introduce checklists to ensure editors focus their review on the most significant issues.

Subordinate everything else to the constraint: Align the entire process to support the needs of the constraint. E.g., writers are required to follow the new guidelines. Graphic designers have to adjust their schedule to work with the editorial team's pace.

Elevate the constraint: Take long-term actions to eliminate or reduce the impact of the constraint. E.g., hire freelance editors to handle overflow during peak periods. Invest in editing software to reduce the effort required.

Repeat the process: Once a constraint is resolved, another will emerge. Continuously apply the Theory of Constraints to identify and address new limits.

Sincerely,



Greg Krehbiel



P.S. - Don't just read the self-audit. Do it!