

December 2022

INFORMER

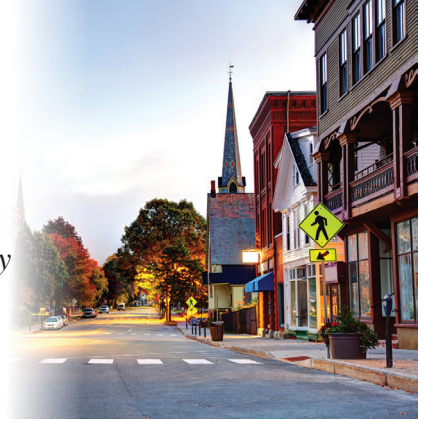


**Community
Papers of
Michigan**



Building **MAIN STREET** not Wall Street - by John Newby

What Is Truly Local DNA?



I will attempt to provide a summation of many of my previous columns as it relates to building a truly local DNA. Let me start this with a quote by General Shinseki, he said, "If you don't like change, you are going to enjoy irrelevance even less". Building a local DNA or mindset is critical if your local community is to thrive in the future. When we ask people, what does truly local mean, we get varied responses, but most will link it to shopping local. While shopping local is certainly a big component of being truly local, I would suggest being truly local is much more than just shopping local. In fact, the shopping component only makes up 10-20% of the truly local DNA needed in a community to become an economic force from which the community can prosper and grow.

That said, let's briefly discuss shopping. Yes, shopping local is a big part of the truly local DNA but understand not all shopping local is created equal. When one shops at a locally-owned and operated business, it will have between 3-7X the local impact rather than shopping at out of town or online businesses. The compounding impact of each dollar spent, the reinvestment of local profits, and so forth are what add value to the equation. We must understand that utilizing our locally-owned and operated businesses has the ability to impact your economy greater than most will ever imagine.

Not all economic development has the same impact on your community. There are certain types of economic development that not only return a far greater ROI, but will spur outside and private investment dollars at a much higher rate than any other economic investment. One great example of this is money invested in your downtown returns or offers a 30% greater

return on the investment (ROI) than elsewhere in the community.

Do we contemplate and understand the devastating impact when a community loses its communication and/or media base? It is imperative your community has an ambassador to the outside world. Without it, who tells the community story and promotes your community? A recent Notre Dame study shows that where the local media has left or gone out of business, the cost of local government grows in excess of 30% over five years. Not only that, but when communities become what is referred to as news deserts (those without a media voice), their business base becomes less vibrant, fewer people will vote, and civic involvement dwindles. Building a truly local DNA within a community requires an effective communication network.

Another element of being truly local is understanding and promoting tourism. Regardless of whether you have a small or large tourism base, there are simple ways you must double down on this base. Nearly every community can create some sort of tourism draw. Those with ample tourism can grow that substantially with these simple tactics and strategies.

Most city and community governments will agree that a truly local mentality is critical to their growth and future. However, do you understand that most governments, while with the best intentions, have changeable laws, regulations and procedures that actually harm their own efforts? Your local leaders can stimulate a truly local community through the proper and fair use of ordinances and so forth. They can encourage new events their community can employ and that raises

hundreds of thousands, if not millions of new dollars circulating through their community without anyone having to spend a nickel more than they do now.

Being truly local can spur local job growth? Being truly local can provide greater opportunities for younger generations to remain at home. Being truly local will spur local innovation and entrepreneurship. Being truly local will enhance the quality of life throughout the entire community.

It doesn't end there. We intuitively understand that arts, music, and entertainment are vital to a truly local mentality. That being the case, it would behoove local communities to utilize these valuable resources in their quest for a truly local community. When communities find ways to highlight these community assets, they will find that residents take greater pride in their community and everything it has to offer. In addition, being truly local involves vision, leadership, and excitement. Communities must change. Employing the same traditional strategies only spell doom. With the influx of non-locally owned businesses, communities that don't utilize new techniques to thrive will fail. Becoming a truly local community and instilling the truly local DNA throughout the community is vital for you to not just survive, but thrive well into the future.

John Newby is a nationally recognized Columnist, Publisher, Community, Business, Media, Strategic Consultant & Speaker. His "Building Main Street, not Wall Street," column is enjoyed by 60+ communities around the country. As founder of Truly-Local, he assists community and business leaders in building synergies that create vibrant communities. He can be reached at: info@Truly-Localllc.com



Community Publications, we're all about LOCAL!



As we welcome the new year in just a few short weeks, CPM is pleased to announce a series of WHY BUY LOCAL messages we encourage you to feature throughout 2023. These messages were produced by John Newby, who is an expert on what it takes for small communities to remain relevant and prosperous.

I will send all messages and creative files to our members soon to feature however you would like. There are a total of 13 messages, so you could select one to feature each month and perhaps keep running these

on a rotation. We all need fresh (house/ promo ads) and these will benefit the entire community!

We suggest that you feature the messages within our Michigan map as shown below, to provide a branded message for all CPM-member publications to feature, however you are free to use a map of the county your publication(s) serve, or even your company's coverage map. The important thing is to feature these positive local messages often.

We also encourage you to include your

logo and feature Chamber of Commerce logos from the communities you reach with these messages. If you work with multiple Chambers, rotate so each are represented.

These messages featured within your publications further underscore your roll as the primary cheerleader of your community.

Here's to celebrating all things local in the New Year and beyond.

Happy Holidays!
Jack Guza

WHY BUY LOCAL?

Put Your \$\$\$\$ Where Your Home is!

More Jobs & Opportunity!
Locally owned businesses employ more locals per-dollar of revenue, that utilize a wide variety of goods and services. This provides great opportunities for local entrepreneurs to grow and prosper.



By
Mark W.
Rummel
Fenton, MI

Imagine if you gave someone a gift this holiday season that was never opened or used. You rightfully wouldn't be happy, I expect.

Yet, more than 5% of all gift cards purchased are never redeemed, and that adds up to BIG money.

EXPERTS SAY we bought nearly \$160 billion in gift cards in the 2020 year. They seem to be the perfect present, since cards let the recipient choose his or her favorite item, size, style or color.

Gift cards are easy to handle, too, and can even be mailed, since so many of our family and friends live further away than in past generations. And they work great for either in-store or online shopping.

But, 5% of that \$160 billion figure that might go unused is a whopping \$8 billion that's never spent! Others say that figure is more like 2% unused, since all these types of figures are estimates.

OF COURSE, mistakes can and do happen. Some people misplace or lose all kinds of gifts, especially gift cards, since they're relatively small. Others might not have that particular store in their neighborhood, so some cards never get used.

Some busy folks just forget about them, after the holidays are over. A recent survey said 75% of people (68% of men, 81% of women) always use the gift cards they receive. But the other 19% admit they sometimes forget to use those cards. That can really add up!

SINCE 2005, more than \$45 billion in unused gift card balances have been

YOU'D BETTER SHOP AROUND:

The holiday gift that never gives



floating around, experts say. Now, many stores and the government have been tightening up gift card policies, so that number today is "only" about \$2 billion unused annually, which is down from past years.

Most business owners love gift cards, because they essentially give stores an interest-free loan. You spend money to buy a card in November, give it in December, and the recipient might use it in January or later. The store has gotten interest-free use of those funds for three or more months, and maybe longer.

PLUS, STORES that redeem gift cards do so at their wholesale cost, while the customer pays retail price. And, stores realize two of every three customers who redeem cards will usually spend nearly 40% more than the gift card's value. Many recipients see the cards as "free money," so they're willing to spend a little more as they redeem them.

Yet gift card sales continue to climb by nearly 8% each year. One way you can

tell is by how many different businesses are offering them today, versus past years. More and more stores are offering gift cards at discounted prices, such as "buy \$100 in gift cards and get an extra \$20 in bonus cards."

Admittedly, gift cards ARE convenient and they ARE easy to use. They're fun to receive, too, especially if you are in a hurry or aren't certain about the giftee's favorite sizes. And, remember — many folks think they're "free money."

BEST ADVICE from experts is to take good care of gift cards you receive, obviously. And, we're advised to use them sooner rather than later. Giving cash may be safer at Christmas or birthday times, but most people actually prefer gift cards over the green stuff.

Now, where did I put those gift cards I got last Christmas????

Mark worked at papers in Saginaw, Port Huron and the Thumb Area, plus served on the CPM Board. He and wife Sally even worked for The Walt Disney Company. He also opened and ran a successful restaurant for 17 years. He still does social media work from Fenton, Mich. MarkWRummel@gmail.com



WHAT TO EXPECT FROM THE USPS IN 2023

Prayers – Predictions and Promotions

By Donna Hanbery, Executive Director SMC

Like death and taxes, one thing mailers can count on from the Postal Service in 2023 is the likelihood that mailers will see two price changes.

The first change will take place in January, and already was filed for approval with the Postal Regulatory Commission. For publishers that use saturation mail for their free papers, the rate increase was less than the average USPS rate increase of 4.2%. For publishers that are bringing their saturation mail directly to the DDU, the increase was 2.3% for mail that qualifies for the five digit container discount. For publishers that have been using detached marketing labels with their pieces, another steep increase was included. The DML went up a full cent, to be 9 cents a card.

Next year's midyear increase is likely to be announced in April, for a July implementation date. The midyear increase will include a combination of the previous six months cost of living (CPI) increase, along with any increase relating to "lost density". The current rules for ratemaking allow the Postal Service to increase prices when it demonstrates a reduction in mail volume. With election mail volumes, and the cost savings the USPS saw through passage of postal reform, we would hope the density adder authority is minimal.

The fall filing did include promotions for 2023. The Postal Service eliminated its Mobile Shopping Promotion as a separate promotion, combining it with the Emerging and Advanced Technology promotion. That promotion will run for seven months from

May 1 until November 30. There is a tiered discount for this promotion, which is driven by the complexity of the technology employed. The promotion can be increased to as great as 3 or 4% depending on the complexity of the technology used.

Another promotion that marketing mailers can seek to qualify for is the Tactile, Sensory and Interactive (TSI) Engagement promotion. This promotion runs from February 1 until July 31. The potential discount is as great as 5%. Historically, saturation mailers have not found it cost effective or technically feasible to print and produce pieces that qualified for this promotion. But the higher discount, combined with new qualifying techniques like applying a scent to the outside of the mail piece, could make this promotion technology worth exploring. SMC is grateful for the work of some of our steering committee members, and ACP members and industry leaders, for sharing promotion copy and technology that were developed and shared with the free paper industry with our members. The final details on promotion requirements should be available on the Postal Service's website, Postal Pro, before the end of the year and after the Postal Regulatory Commission approves the October price filing.

On the "pray and be positive" front, SMC has been advocating for the Postal Service to create a new product and shared mail postal rate design for saturation shared mail (Marriage Mail pieces) that are lighter weight. For decades, I have been meeting with representatives of the Postal Service, along with SMC members and free paper publishers in sessions at annual association conferences, to talk about the challenges of the shared mail industry. Free paper publishers, like coupon

magazines and envelopes, and shared mailers, work to attract multiple advertisers to be in a mailing piece that the mailer prints, prepares, and sends to the Postal Service on a stated frequency. With postal rates and printing costs soaring, mailers with lighter weight pieces have struggled to make enough money to stay in the mail. We have repeatedly told the Postal Service that it could attract and retain volumes and revenue, including many free papers that have developed their own delivery forces, or have switched to demand or digital advertising, if they offered a lower rate for saturation shared mail/Marriage Mail products.

The Postal Service is always afraid that any deal it gives to one mailer, will result in everyone taking advantage and the Postal Service losing money. They are suspect of any discount that helps retain or attract mail as potentially giving away money the Postal Service would get "anyhow". We have been making the case, and many of you have helped provide me with statistics, to show how mailers of lightweight pieces have had to leave the mail, or convert portions of their market to alternate delivery. In addition to cutting frequency, zones, or pulling out of the mail altogether, we have shown that advertisers are reducing page count, circulars are harder to come by, and that packages weights have generally declined across the full spectrum of shared mailing whether free papers, shared mail packages, or coupons.

The idea I have been presenting, that now seems to be gaining traction and interest with the Postal Service, would be a lower, different rate, for qualified "Marriage Mailers" that can show the following:

A published and stated frequency at least ten times a year. (Cont. on pg. 7)



(Continued from pg. 6)

The Postal Service does not want mail service providers, or consolidators, to simply combine solo mailings together, and get a better deal. A true marriage mailer, like a genuine free paper publisher, is actively selling businesses to buy ads on ROP space, in the paper, or submitting an insert, to the paper. To qualify, a minimum number of advertisers would have to be in the marriage mail piece.

I have always stressed that the Postal Service must "do no harm". Although we need and want a lower rate for lighter weight pieces, the Postal Service cannot do this at the expense of other mailers or heavier shared mail pieces. Any heavier shared mail piece or paper, would have to have the same rates it would have under the current rate structure. I have been educating the right people at the Postal Service that shared mail programs have a spectrum of advertisers and weight profiles often very

across any mailing. Some areas are "heavier", and make more money. Some frequencies are also challenging. The incentive for the Postal Service to lower the rate, and change the rate design for lighter weight pieces has to be keeping profitable, high contribution, and consumer valued marriage mail programs in the mail, and encourage them to grow. The USPS can't lower rates for lighter pieces at the expense or disadvantage of heavier Marriage mail pieces.



MERRY CHRISTMAS

To our valued members,

We sincerely appreciate the opportunity to work with you throughout the year. Wishing you all the best this Holiday Season and continued success in 2023.



**Community
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Michigan**

CPM's Board of Directors - Jack and Dana



Ad - Libs

BY JOHN FOUST

The Power of Being Specific



Motivational speaker and author Zig Ziglar used to ask, “Are you a meaningful specific or a wandering generality?” He related his comment to a number of areas: long and short-term goal setting, day-to-day activities, and dealings with family members, coworkers and customers.

On closer examination, it’s easy to see that his words could apply to just about any area of life or profession. Even advertising.

Why should we aim for “good” results for advertisers, when it’s much better to strive for x-percent increase in sales for their businesses? Why should salespeople accept vague answers to key questions, when it’s more useful to structure questions to get specifics? And why should we tell someone they did “nice work,” when it would mean a lot more to them to hear specific reasons why they did well? (Besides making them feel good, that kind of sincere praise encourages them to repeat the same successful behavior.)

It’s easy to be vague. It’s challenging to think – and communicate – in specifics. Yes, specifics are meaningful and generalities wander all

over the place, without much significance at all. Generalities have no sticking power.

Let’s take a look at two areas that have a particular need for specificity:

1. Sales presentations. It’s natural to open a sales conversation with a general question like, “How’s business?” The answer is usually a mundane “fine” or “could always be better.” The person asking the questions is in position to steer the dialogue, so it’s up to the salesperson to transition away from vague back-and-forth generalities. Get specifics by asking for specifics.

For example, “It’s great to hear that business is fine. What’s creating those results?” Or, “I understand wanting business to be better. What kinds of things do you think would help?”

See what’s happening? This type of response can move the discussion into areas that give the salesperson something to work with.

2. Ad copy. Every salesperson should have antennae for good and bad copywriting. When an advertiser wants to say “save big” or “large residential lots,” alarms should go off. Neither “save big” nor “large residential lots” says anything of value to readers. Exactly how much can people save when they save

big? And just how large is a large lot? We’ll never know unless the ads tell us.

Think of sports. Wouldn’t football fans rather know that their team won 33-32 than by “a narrow margin?” Isn’t a headline like “Jones hits three home runs to set conference record” more descriptive than “Jones has great game?”

Look for the specifics in these product statements: Save up to \$300 on your new refrigerator. Reduce your heating and cooling costs by as much as 20 percent. Each home in Lakeside Village will be built on a one-acre lot. Place your order by this weekend and get free delivery and installation.

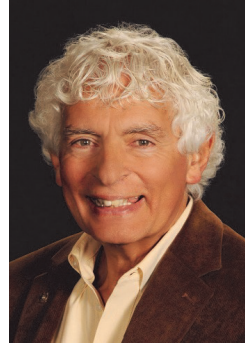
Vague generality or meaningful specific? When it comes to advertising, this can make the difference between a marketing campaign that works and one that falls flat.

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John Foust has conducted training programs for thousands of newspaper advertising professionals. Many ad departments are using his training videos to save time and get quick results from in-house training. E-mail for information: john@johnfoust.com



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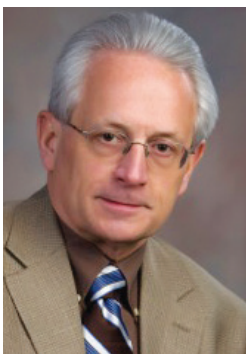
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