Google News Initiative



Partnership

The GNI Ad Revenue Accelerator is a partnership between the <u>Google News</u> <u>Initiative</u>, <u>LION Publishers</u> and <u>10up</u> focused on developing best practices to generate revenue in the hyper local news space. The pilot program kicked off in September 2019 with several publishers from the <u>LION Publisher</u> organization and will continue throughout 2020.

Overview

The Long Beach Post is a daily, digital publication covering news, life, business, placemaking, food, sports, LGBT issues and more in the city of Long Beach, California. The Post continues to invest in expanded coverage of the city and its people, creating new technologies to increase readership, and remaining nimble so changing reader demands are opportunities, not threats. The Long Beach Post was founded on February 13, 2007.

Oil City News is Central Wyoming's largest locally owned, independent news platform. They specialize in hyperlocal coverage of the people, places and events that shape the community they love. Oil City's award-winning staff of Casper-based, professional journalists are dedicated to bringing readers stories fast, first and forever free.

AUTHORS:

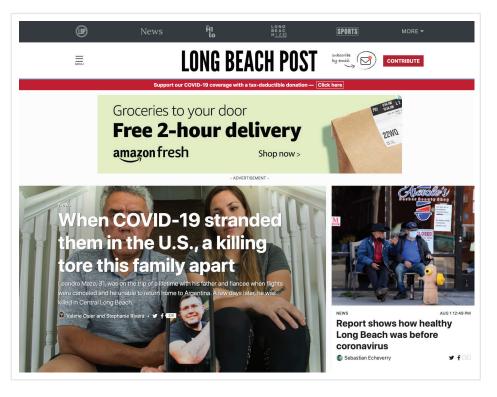
- Kevin Flores Strategic Partner Manager
- Tim Buckley
 Head of New Business Web
- Juan Marchese
 Technical Program Manager
- Katie Wilkerson
 Associate Director of Revenue at 10up

Making a Case for Programmatic

The GNI Revenue Accelerator helped turn two hyperlocal programmatic-averse publishers into programmatic supporters.

The Project

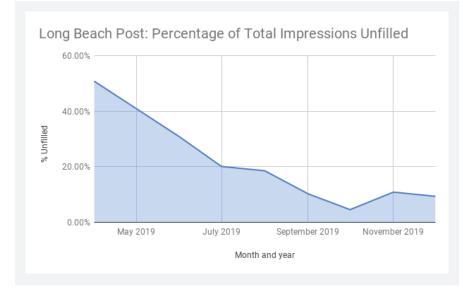
Most hyperlocal publishers depend heavily on direct sales from advertisers within their communities. While direct sales can be a strong revenue driver due to (usually) higher CPMs for established publishers, it can also fluctuate more than other revenue streams in terms of filling ad inventory. This can make it challenging for news organizations to maintain a stable revenue stream to support or expand day to day operations. The Long Beach Post was no exception, leaving an average of over 150k impressions unfilled week over week.



Some publishers avoid programmatic advertising based on the assumption that it will never pay out enough to be worth the effort of setting it up and managing it, or that their direct partners will move to buying ad space on their site at a lower CPM through a programmatic network. Lack of creative visibility is another hesitation to embrace programmatic among small publishers, given their concern about the potential for a negative impact on their product and brand.

However, through this accelerator, the boost in revenue after enabling programmatic advertising either through Ad Manager or AdSense allowed the publishers' initial hesitations to be resolved. The controls within Ad Manager and AdSense provide opportunities to "weed out" undesired creatives and advertisers, as well as set price floors to control the quality of the ads.

Continued | 2



Programmatic Doesn't Have to Be All or Nothing

The Long Beach Post and Oil City News took different approaches to their programmatic strategy - one runs programmatic in competition with direct, and the other purely as a backfill solution, filling ads when the publisher's directly sold ad campaigns wouldn't. Both approaches resulted in increased, and more stable, revenue for each publisher.

The Long Beach Post sells their inventory on an impression basis, allowing them to take advantage of Ad Manager's dynamic allocation feature and run programmatic ads alongside direct-sold ads in a way that increases revenue opportunity without risking the delivery goals of direct campaigns. With this strategy, they are able to ensure as many impressions as possible have the opportunity to be filled and monetized at the highest CPM value. Prior

to implementing Ad Manager, Long Beach Post saw an average of almost 50% of their impressions go unfilled every month. Now with a programmatic solution in place, unfilled impressions are less than 8% of their total impressions and total revenue has increased by 2,000%.

Oil City News sells direct advertising on a sponsorship basis, rather than by impressions, guaranteeing 100% share of voice over specific inventory for a set amount of time. However, their advertisers all have one requirement in common: they only want to reach in-state users. Because Oil City News has a broad out-of-state reach, many impressions were going unfilled and unmonetized month over month. For this reason, they chose to run programmatic solely as a backfill solution to users outside of Wyoming (inventory that direct advertisers did not wish to buy), which makes up about 40% of total ad impressions. Having a programmatic solution in place allowed that 40% to become profitable.

The versatility and control of programmatic advertising yielded positive results for both publishers, maximizing fill and therefore, increasing revenue.

THE RESULTS

Average of \$2,000 in new/additional monthly \$2,000 revenue for Long Beach Post, allowing them to hire an additional full-time staff writer. to hire an additional full-time staff writer.

\$1,000

Average of \$1,000 in new/additional monthly revenue for Oil City News

Learn more 10up.com