

# HIRING THE RIGHT SALES PROFESSIONAL

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You have to hire someone who can work with what you have, who will tolerate a lack of professional support, who understands how to tap into your magazine and market potential...someone GOOD.

**BUILD IT, AND THEY WILL** come! Well, not really. You won't find your field of dreams in the magazine business without lots and lots of selling. Whether to the reader or the advertiser, selling is the only thing that guarantees revenue. So how does the small magazine develop its advertiser roster? The simple answer is: hire a motivated sales professional. But for the small magazine, this is sometimes like trying to recruit Rumpelstiltskin. But don't despair. You can still shoot for gold—just do it in stages.

Small magazines often don't have the revenues, circulation or frequency to support a salary or commissionable income for a sales rep. It goes without saying that the owners should commit to the selling process in the early years. This scenario generates revenue without employment liability, and will help the magazine better understand its market. And, down the road when you have established that you're ready to bring someone on board, you should have a good understanding of both what you have to offer him or her, and exactly what their position can do for your company. The magazine is your passion, your responsibility, your business, your future. In the beginning, you are your own best "hired sales professional."

If you understand the magazine business—okay, the small mag business!—you know you're operating in a market with a high failure rate, that you generally will have little or no marketing dollars to build advertiser confidence or increased circulation, that your book will be thinner in page count than most magazines on the stands and that you'll be chronically challenged (to say the least) when it comes to finding money for editorial.

The larger publishers can afford to offer 100% commissionable sales jobs because their magazines are well established, their advertising page rates are significant and sales income potential is supported by significant frequency. The small magazine has none of these advantages. But don't think just because you're a small magazine that you don't have an advantage over large magazines. You do, and you can capitalize on it.

This is where the adages "penny wise/pound foolish" and "no pain/no gain" meet in perfect harmony. You have to get someone who can work with what you have, who will tolerate a lack of professional support,

who understands how to tap into your magazine and market potential...someone GOOD. Hire well—the wrong person can bump you off your road to success, but within a reasonable amount of time, a good sales person will be paying for him or herself, and shortly thereafter, generating revenue for your company. Big companies can absorb mediocrity; small companies can be consumed by it. You must understand the value of talented labour.

Bigger publications offer more initial income potential (\$60,000 to \$100,000+), but it's often capped, and therefore not long-term. Big magazines have stability,

but a good sales person for a smaller magazine will love the unique challenges, the flexibility, the culture, the creative opportunities and

the generous commissions that come with the environment. These are the kind of rewards that motivate sales reps, even if the rewards aren't there from the start.

Establish an exciting package for the sales professional. Commission rates at large magazines start in the area of 3% for in-house reps selling pages at high page rates. (On the other end of the spectrum, sales agencies charge up to 30%.) Since small magazines sell less, your commission needs to be well above average to be enticing. Be as generous as you can reasonably afford. Look at your own track record. If you are an owner selling 10 ads at \$1,500 each per issue, think of what a pro could sell—double perhaps? That would be \$30,000 an issue (\$180,000 for 6 issues per year). A 30% commission on this amount is \$54,000. If you added a small base to this, you could reduce the commission to 25% and still come up with a respectable package. If a base salary is out of the question, a substantial commission percentage may work if your magazine has legs. The bonus should be expressed as a percent of total sales once established targets are exceeded. You may introduce period bonuses as well if you have a higher frequency.

Most small magazines get by on sweat equity rather than capital investment. A bank loan or line of credit are good things if you can secure them. Investing borrowed money into a sales professional, if done intelligently, has much greater potential than any investment in the market. You probably won't find Rumpelstiltskin, but if you stick to getting your magazine ready for the professional hire, you'll recruit the right person.

## Small magazines have advantages you can capitalize on.

The Hotsheet Series provides tips and advice to small magazines from people working in the field. The series is produced by Magazines Canada and is funded by the Canada Council and the Canada Magazine Fund of the Department of Canadian Heritage.

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