Stuff4Sale in the U.K.
Keeping EBay at bay by being your own competition

Northcliffe Newspapers Group, a division of Daily Mail & General Trust (DMGT) and one of the largest publishers of regional newspapers in the U.K., has introduced a new online merchandise product called Stuff4Sale. Still in the early stages, Stuff4Sale.co.uk is already reporting notable success for the two first launch sites in the northeastern cities of Hull and Grimsby. CityXpress, the marketplace- and auction-product expert, is powering the sites.

So far, 72 percent of the ads have been upsold with photographs. In March, the Grimsby site realized 29,000 unique visitors and 1.35 million page impressions (excluding bots and spiders), which indicated that people were perusing on average 46 pages -- this in a town with a population of only 83,000 and whose daily Northcliffe paper, the Grimsby Telegraph, circulates 50,000 copies.

Upsells are bringing £200 ($357 U.S.) per week per site – not a huge amount, but this is a new and continually growing venture. Banner advertising is additional revenue that’s still very much in the growing stages. The two earliest sites together have commitments from 19 banner advertisers for 13 weeks of advertising each.

What’s new about this Stuff4Sale concept is what it is not: It’s not a package, it’s not a newspaper-branding opportunity and it’s not a value-added or upsell from the 18 daily Northcliffe newspapers. It is its own separate entity with little tie-in to the...
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Northcliffe Newspaper Group – and that’s the way the folks at Northcliffe want it.

NNG’s idea for Stuff4Sale was to compete with itself without a big concern about cannibalization. While executives don’t know yet if there has been any considerable cannibalization of the paper’s liners, “I don’t know that we’re bothered,” said Steve Hollingsworth, deputy group ad director at Northcliffe. “We are trying to create a new business model. We’re losing to EBay in any case and we’d rather do it ourselves and keep it in our own portfolio than to let someone else come and do it to us.”

The site is for buying and selling merchandise, and that’s all it’s about. Sellers can post a flat price, or they can allow bids. Buyers can use the site’s slick shopping cart. The transactions can all be completed online with e-mail conversations back and forth, but buyers and sellers always have that local option of meeting in person that is missed in the EBay world.

Stuff4Sale is promoted in the print newspapers but not on the newspapers’ sites -- nor are the papers promoted on Stuff4Sale. Hollingsworth told us, “One of the rules we set early one was that it must be local and it must be online-only. We’re just not going to pollute the concept in any way, shape or form in trying to integrate print with it.”

Hollingsworth said that treating Stuff4Sale as an upsell or package with print had some inherent problems, the most serious of which was timing difficulty. “If the item’s for sale in print you expect to see a phone number. And if you see an auction URL, then you go to it but then can you still buy it from print? It’s too complicated,” said Hollingsworth.

This is the first phase of a three-phase Stuff4Sale rollout. The first sites -- Hull and Grimsby -- launched in November. In January, Northcliffe rolled out sites in Lincolnshire, Gloucestershire and Staffordshire. In March, it added Leicester, Nottingham; in April, Devon. Another five or six sites are expected to be launch in May.

In two weeks, newspaper vendor Planet Discover will help launch contextual advertising on Stuff4Sale. “We’re using our ad engine in cooperation with CityXpress,” said Vance Gorke, bizdev VP at Planet Discover.

Planet Discover is providing its self-service interface as well as the back-end technology for serving up contextually based ads. Advertisers will be able to place their own contextually relevant ads. The initial vendor sale, according to Gorke, will be subscription based, around £20 per month, with a long-range goal of a performance-based model. The second phase of the project will introduce storefronts for sellers, and possibly, upsells to print.

“We think we’ve reached a new market,” said Hollingsworth. We think that a lot of these people probably don’t use the paper all that much. We don’t know that for a fact, but we think we could get a lot of them to come the other way.” This upsell would be a sale into the local Northcliffe paper. In the third phase, Stuff4Sale will expand nationally into areas beyond the local reach of its papers.

Steps to success

When it comes to finding a vendor that works with newspapers for an e-commerce marketplace and merchant storefronts there are several alternatives such as AdPay, AdMission and HarvestInfo, just to name a few. (For more information on vendors and on building compelling online marketplaces, download our free report, Intelligent
Marketplaces: How shopping channels can help publishers keep and grow classifieds.

If you’d like to explore what CityXpress has to offer:

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