



ACI ■ 2485 S. Marion Avenue ■ Lake City, FL ■ 32025 ■ Phone (386) 758-2266 ■ Fax (386) 755-9369 ■ services@acimedia.com

Flex-Rate Yield Management

Overview:

The Radio Industry's Premiere Yield Management and Sales Presentation Software. Flex-Rate is widely used by stations of all sizes in all markets. It is very easy to use from setting up to preparing proposals. GSM's swear by its ability to balance inventory, raise rates and create professional looking proposals in minutes. This dynamic Yield Management program bases your rates on supply and demand NOT ratings. However, there is an optional ratings analysis that will calculate Reach & Frequency, CPP's, GRP's, etc. And unlike some yield management systems the ratings analysis is not limited to Arbitron ratings.

"Flex-Rate focuses your attention to your inventory, which is really the only thing that you have for sale. And it focuses on where the demand is and how to maximize the prices that you receive from those avails."

Bud Janes
President
Bick Broadcasting

Added Benefits:

The Primary goal of Flex-Rate is to increase your station's revenues based on the current demand on your inventory. However, Flex-Rate has many other features that help set it apart from the competition:

- Creates professional looking proposals in minutes
- Greatly reduces the number of bumped spots
- Balances commercial inventory and sells avails that normally don't get sold
- Creates advanced/long-term buys and other good buying habits by rewarding them
- Eliminates the hassles and limitations of rate cards
- Gives your GSM's and Account Executives more freedom because everything in the system is pre-approved
- Provides fast, accurate information to your Sales Reps. And we all know that better information means better decisions
- Applies accurate pricing information to your clients in real-time
- Determines the most effective way to price and allocate your avails inventory

The Guarantee:



instructions to guarantee higher rates and an increase in total revenue.

Nearly 20 years ago we helped pioneer the concept of yield management into the wonderful world of radio. Starting with stations of our own in markets like Winter Haven, Lakeland, Tampa and Orlando. Since then we have continued to successfully implement Flex-Rate and the principles of yield management in stations and markets of all sizes. We have made it work in every market we have been in and we can make it work in yours, guaranteed! Just follow our



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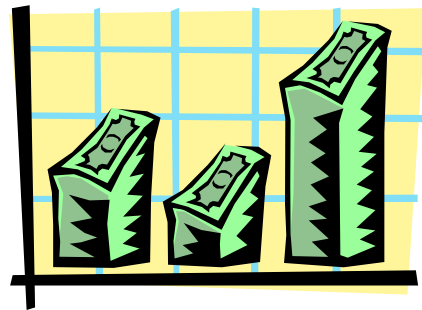
Why Yield Management?

The Perishable Asset:

The airline industry began using the concept of yield management first, after the airline deregulation. They realized how much money they were losing in unsold seats. Similarly, yield managers in the broadcast industry began to realize just how perishable an avail was. When a spot set runs with empty avails, the opportunity to sell those avails is lost forever. This is why we apply the principles of yield management. Every other industry has been capitalizing on the benefits of a yield management system, why shouldn't we.

What Is Yield Management?

Flex-Rate yield management attempts to leverage the selling of your entire available inventory to make the maximum profit possible. If an avail is not sold the station loses the ability to ever make a profit on that avail again. Flex-Rate yield management attempts to sell all the avails at the highest price that the market will bear, otherwise called the optimal price. However, it is almost impossible to reach sell out with every avail priced the same. This is where the complex algorithms of a yield management



system come into play. It will discount the less demanded avails to the current market value in order to maximize your profits. On the other end, it will increase your prices on highly demanded dayparts, again to maximize your profits. A yield management system will also reward good buying habits by discounting advanced buys and long-term buys. These systems work in real-time and dynamically change prices based on demand.

Characteristics Of A Company In Need Of Yield Management:

The following list is provided by www.itech2000.com:

- Perishable Inventory (Avails)
- Relatively Fixed Capacity (Fixed Spot Sets)

- High Fixed Costs & Low Variable Costs
- Advanced Reservation\Long-Term Buys
- Appropriate Cost & Pricing Structure
- Unbalanced buying patterns (Unbalanced inventory)

Why Broadcasters Use Yield Management?

Broadcasters use Yield Management systems to:

- Maximize profits on every avail sold
- Balance their inventory and begin selling avails that normally don't get sold
- Reward good buying habits
- Avoid approvals for every order. Everything in the system is pre-approved
- Apply dynamic pricing information to the advertiser in real-time



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Flex-Rate Hardware Specifications:

Component	Minimum	Recommended
Processor:	Intel Pentium @ 100mhz (or equivalent)	Intel Pentium III @ 300mhz (or equivalent)
RAM:	32mb or more	64mb or more
Available Hard Disk Space:	25mb or more	25mb or more
Operating System:	Windows 95/98/ME/2000/XP	Windows 95/98/2000/XP
Drives:	CD-ROM	CD-ROM