

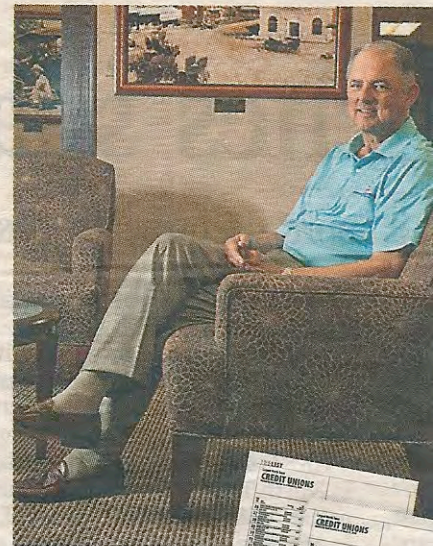
COVERING THE
DALLAS-FORT WORTH
REGION

Dallas Business Journal

Reform's ramifications

Robert Hulseley of American National Bank of Texas says community banks such as his will be hardest hit by federal financial reform's compliance costs.

**BANKING &
FINANCE SPECIAL
REPORT, P19**



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Credit Unions **P21-22**

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SEPTEMBER 17-23, 2010 | \$5.00

Rankings pit local jobs, total revenue

Either way, local firms
boost area, leaders say

JAN BUCHHOLZ | STAFF WRITER

With \$15.1 billion in worldwide revenues, 7-Eleven Inc. took the No. 1 spot in the *Dallas Business Journal's* Top 200 locally headquartered private companies list, which was ranked by 2009 revenue.

TEN & TEN

See who's in the Top 10 by employment and by revenue.

P38

Ranked by local employment, the convenience store giant drops to No. 11 with 1,990 employees. The swing illuminates the constant question of how to measure the real value each company brings to the community.

Bernard Weinstein, an economist with the Cox School of Business at Southern Methodist University,

RANKINGS, P38

E-ads race toward \$8B



MICHAEL BURNS

PR landscape has been
changed by social media
advertising, marketing

KERRI PANCHUK | STAFF WRITER

A business consulting firm estimates that online advertising and marketing efforts will hit the \$8 billion mark in a couple of years. Already, the shift is changing how North Texas retailers and PR firms do business.

"We are aggressively looking toward digital media as it takes on a larger percentage of the offline advertising mix," said Michael Crotty, vice president of marketing for Neiman Marcus Group. "A few years ago, we did more newspaper advertising and more national advertising. Now, we have shifted dollars and efforts to digital media."

Crotty would not share spending or the percentage of Neiman's advertising dollars allocated to online



CROTTY

SOCIAL

SOCIAL:

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promotions and social media. He said, however, there's definitely more of it.

Crotty said it's hard to gauge the impact of spending more advertising dollars and energy online. "It has been a dramatic shift, and it will continue to go that way."

Michael Burns, CEO of public relations firm Michael A. Burns & Associates Inc., put a sharp point on the increase of online spending: "It's exploding," he said.

"In our business-to-consumer group, social media is getting to be at least 25 percent of our business," Burns added.

He says his business, which has key clients in hospitality, banking and finance, did not grow significantly in the past year due to recessionary trends, but it managed

to stay under the same cost structure and added two full-time employees to a team of 16 because of the adoption of social media and digital services. His annual revenue is about \$1.8 million — a figure he's maintained by adding Web-related creative services to accommodate market demand.

Burns says the shift has propelled his company from a PR firm to a multimedia provider that offers a string of services under one roof.

"We are diversifying our services based on what our clients want from a PR agency," Burns said. "We're being asked to do multiple things, which impacts the way our business is structured."

Tech-savvy shoppers are forcing the game changes. Those shoppers want promotions delivered via mobile phone apps and social media outlets like FaceBook and Twitter, according to James Hering, a principal at Dallas-based The Richards Group.

"There's a huge push," Hering said. "You are starting to see the retail space dramatically reduce the amount they spend on newspaper and television ads and spend that amount in an area where users are engaging with their friends, such as social media."

Hering says many of his clients allocate about 70 percent of their marketing budgets to digital and online initiatives. He says companies in the middle ground spend between 15 percent and 25 percent of their budgets on digital campaigns.

What you don't see are clients without some advertising or marketing online, he added.

Michael Crawford, president of Dallas-based advertising and PR firm M/C/C, estimates that 60 percent to 70 percent of his revenue, which totals about \$11 million for the most recent fiscal year, now comes from digital work. The company recently signed

Chuck E. Cheese and will be helping the kids' pizza place grow its online presence through social media programs.

He said the allure is not just engaging clients online, but also cutting costs and getting better monitoring results.

"The most important thing is that we have at our fingertips all of these analytic reports where you can stay right with them, and find out what is working and what's not working (online)," Crawford said.

New York-based Winterberry Group said U.S. marketers will double their current annual spending — investing up to \$840 million by 2012 — to study and engage digital audiences.

In addition, The Winterberry Group says spending in the online marketing segment is expected to increase to \$8 billion by 2012.