

26 – Print/Newspapers

Magazines rank as most engaging ad platform for affluent consumers: report

By [Erin Shea](#)

August 6, 2013



W Magazine August cover

Magazines rank as the No. 1 platform for advertisers to engage with affluent consumers of all ages, according to a new report from the Shullman Research Center.

The report titled “Generational Differences in Luxury Consumers’ Use of and Engagement with Media Platforms” also found that while magazines are useful for engaging with most affluent consumers, affluent millennials engage more with ads on smartphones and affluent baby boomers engage more with ads in newspapers. Luxury brands should keep in mind how their target audience consumes media when designing campaigns.

“If you are a luxury brand, depending upon whom you are trying to reach, you need to know what platform to use to reach your audience,” said Bob Shullman, founder/CEO of the Shullman Research Center, New York.

“The bottom line is that traditional platforms seem to be the most effective channels, except for the millennials, where clearly the smartphone is reaching them,” he said.



[The Shullman Research Center](#) conducted this survey online Feb. 26-March 6 among five samples of adult U.S. consumers – all household income levels plus four income samples of 250 surveys each as follows: \$75,000-\$149,999, \$150,000-\$249,999, \$250,000-\$499,999 and more than \$500,000.

The Generational Differences in Luxury Consumers' Use of and Engagement with Media Platforms report takes into consideration the March Preview Wave. Results were weighed with estimates from the March 2012 Current Population Survey as reported by the Census in 2012.

Staying traditional

The report found that advertising in traditional media is the best way to engage with consumers in the ultra-affluent Generation X and baby boomer age groups.

For ultra-affluent Gen X'ers, magazines ranked No. 1 in both reach and engagement, with 76 percent of this group seeing these ads in the last 30 days and 69 percent being interested in them.

Shopping malls and television tied for second in engagement levels for Gen X'ers.

Baby boomers had similar results, with a print ad medium ranking high with engagement factor.

For ultra-affluent baby boomers, newspaper ads ranked No. 1 in engagement, with 57 percent of these consumers being interested in newspaper ads, and magazine ads came in second with an interest level of 53 percent.

However, TV ads have a farther reach with baby boomers since 89 percent reported seeing these ads in the last 30 days.



Still from Louis Vuitton's TV commercial "L'Invitation Au Voyage"

Finding new ways

Millennials vary drastically from older generations in their media-consuming habits.

For ultra-affluent millennials, smartphone ads ranked No. 1 in engagement, followed by ads in movie theaters and magazines.

Eighty-two percent of millennials reported being interested in mobile ads, while 81 percent were interested in ads in movie theaters and 60 percent were engaged by ads in magazines.

Furthermore, TV, magazines and Web sites are the three best platforms to reach ultra-affluent millennial consumers.

Sixty-three percent of this age group saw ads on TV in the last 30 days, 60 percent saw ads in magazines and 51 percent saw ads on Web sites.

However, social media ads did not fair as well with millennials.

Forty-five percent of ultra-affluent millennials reported seeing ads on Facebook or other social media in the last 30 days, while 15 percent said they had an interest in these ads.

If luxury marketers want to cater to this younger consumer group, they will have to learn what platforms are most effective and how to properly engage consumers on those platforms.

“Consumers have different preferences depending on their age group,” Mr. Shullman said.

“Many brands are dismissing traditional advertising means, but the issue is as digital and mobile media continue to ride to the top, brands have to change how they package ads,” he said.

“If you have a tiny screen on a smartphone, you have to really change how you advertise.”

Final take

Erin Shea, editorial assistant on Luxury Daily, New York

Condé Nast finds comparable dwell times for print and digital

[Arif Durrani](#), 14 August 2013, 12:07pm

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Condé Nast, home to Vogue, Glamour, GQ and Wired, has found content, including advertising, in its flagship magazines is viewed in much the same way, and with similar dwell times, whether in print or digital editions.

Condé Nast finds comparable dwell times for print and digital flagship brands

The leading glossy magazine publisher is calling its new research the first known like-for-like data for print and digital tablet reader relationships.





It includes a reading behaviour study of 6,965 subscribers to Vogue, GQ, Wired, Vanity Fair and Glamour, who read a Condé Nast title in print or digital - iPad, Android - format, or who are cross-platform readers (accessing print and digital editions).

The Condé Nast research, verified by YouGov, concludes that whether people consume magazines in print or in digital, both mediums register similarly high dwell times.

Additionally, print and digital magazines were found to be read in a very similar way – eg, front to back – irrespective of format.

Nicholas Coleridge, president of Condé Nast International and managing director of Condé Nast Britain, told Campaign: "This research debunks for all time the assumption that people read print and digital magazines in different ways, and for different periods of time.

"I'm very proud that Condé Nast is the media company to have taken the initiative to invest in this major piece of research, which is of intense importance to clients and media commentators alike. The ABC has been particularly keen to see third party verified data on this subject and scale, and now we have it. End of argument. We can move on."

<u>Print and Digital Reader Research</u>	Dwell Time
	Print 122 mins
	Digital 116 mins
	Print + Digital 162 mins
	Print 131 mins
	Digital 110 mins
	Print + Digital 176 mins
	Print 137 mins
	Digital 142 mins
	Print + Digital 158 mins
	Print 169 mins



Digital	154 mins
Print + Digital	188 mins
Print	117 mins
Digital	104 mins
Print + Digital	141 mins

The findings come ahead of tomorrow's official Audit Bureau of Circulations for the first six months of 2013, which is expected to highlight widespread falls in print newsstand sales.

Condé Nast has been a vocal advocate of having digital editions included within the circulation data. [Coleridge said in February, "why the ABC has been so slow to embrace the digital revolution is one of the mysteries of the day".](#)

The publisher has already started releasing monthly data provided by Site Catalyst, analysing user engagement on tablet editions.

Albert Read, deputy managing director of Condé Nast Britain, said: "Yet again Condé Nast leads the way in industry development and evolution in this digital age. This research confirms there is no material difference whatsoever in reader profile or behaviour across print and digital."

Mag Bag: Time Inc. Signs Up For GfK MRI Starch Digital Metrics

by [Erik Sass](#), Yesterday, 3:14 PM

Time Inc. Signs Up for GfK MRI Starch Digital Metrics

Time Inc. is the first multi-title publisher to sign up for GfK MRI Starch Digital's syndicated service measuring the impact of digital magazine advertising, the research outfit revealed this week. The service measures the readership and effectiveness of digital advertising in over 17 genres of magazines across 254 advertising categories, including the percentage of readers who "noted" a digital magazine ad, how much of a digital ad was actually read, and actions taken as a result of seeing a digital ad (for example, making a purchase, intention to buy, visiting a Web site, recommending a product, and so on).

The GfK MRI Starch Digital service was launched by Starch (then an independent company) in May 2011. To date, the Starch says it has measured 75,450 digital ads across 2,200 issues of consumer magazines delivered to a variety of devices, including tablets, e-readers and electronic reproductions created by digital publishers like Zinio and Coverleaf.

Time Inc. Vice President for Research and Insights Caryn Klein stated: “The importance of understanding advertising effectiveness across all of our platforms has never been more critical. With the addition of Starch Digital, we can now provide even broader insights to our advertisers about the effectiveness of their campaigns across print and tablets.”

In May Time Inc. revealed a wide-ranging mobile content and advertising deal with Sprint. Under the terms of the deal, Time Inc. content -- including entertainment, lifestyle, sports and business news -- will be available to Sprint subscribers in a customizable section of SprintZone through a free Time Inc. app. Conversely, Time Inc. advertisers will be able to deliver mobile ads to Sprint’s 56 million mobile customers with targeting courtesy of Sprint’s Pinsight Media+. The deal also gives Time Inc. advertisers access to mobile ad networks like Jumptap and third-party publishers like AccuWeather. Sprint advertisers will be able to place ads on Time Inc.’s mobile sites, including *Time*, *People* and *Sports Illustrated*.

These strategic moves come as Time Inc. prepares to be spun off by Time Warner, which announced the decision to divest its publishing assets in March of this year.

Newspapers branch into spoken word radio programming. The Boston Globe and the San Diego Union-Tribune are among the newspapers that have launched music-intensive online radio stations. Now two more papers are taking a stab at streaming but they’ll forgo music in favor of talk. The Boston Herald reportedly plans to launch a news/talk audio stream from its site and a new companion mobile app. According to the online publication Awful Announcing, it will include a sports talk show co-hosted by Jen Royle and Jon Meterperel, who both have sports radio experience in Boston. Meantime, The Denver Post next month will begin simulcasting “The Press Box,” a local internet radio morning show hosted by Fox Sports Radio weekend host Peter Burns and Post columnist Mark Kiszla. The Post is building new studios at its headquarters for the show, which will roll out new mobile and tablet apps

How Tablets Have Changed Publishing

- [Giselle Abramovich](#)
- 06.20.2013

Tablet devices like the iPad have been a game-changer for the publishing industry.

The shift to digital was once a challenge for publishers, even a threat, according to Chris Reynolds, vp of marketing analytics at Conde Nast. Consumer adoption of tablet devices made that shift easier because the form factor for

tablets is so close to what publishers are used to: print. The difference is that tablet devices provide a bigger opportunity for advertising and content, adding interactive elements that were never possible in print.

“The full-page takeover has been one of the most effective for brand impact on the Web,” said Reynolds. “On tablets, there’s a new opportunity to take advantage of that because you can do full-page takeovers every few pages and add interactive elements like slideshows or video right into the ad.”

The publisher’s mobile traffic was at about [24 percent in January 2013](#), with tablets representing about 10 percent on average across the network. Titles like GQ and Teen Vogue see numbers upwards of 40 percent on mobile. However high these numbers seem, Reynolds said that advertisers don’t come asking for tablet-specific campaigns. Any ads seen in tablet apps or via the Web on tablet are usually part of a multiscreen buy.

For the iPad editions of its magazines, Conde Nast provides advertisers with metrics such as number of paid subscriptions, number of single copy sales, number of readers that actually opened the edition and the total number of times that readers opened it, along with time spent.

The company is finding that the most popular content for tablets depends on the title. Golf Digest sees great success with video. Generally speaking, long-form editorial content like actual stories, video and slideshows do well across the board because the tablet is a lean-back device, where consumers aren’t looking for short snippets of content like they are on a mobile phone, for example.

“If you look at the time of day with highest tablet usage it’s usually during prime time or on the weekends,” Reynolds said. “That’s why we are developing tablet-specific content to fit that different mindset. We’re not worried about tablet usage cannibalizing Web usage because Web, tablet and mobile, are all part of a complementary ecosystem.”

Reynolds said that the biggest opportunity for Conde Nast in the tablet space is the amount of data it has on subscribers. It gives the publisher a look at the preferences that people have for content and advertising on specific devices and Conde Nast can optimize based on that. The key, according to Reynolds, is making sure you’re available to consumers on whatever device they choose. That’s why Conde Nast is currently in the process of revamping some of its sites with responsive design. It’s starting with the titles that have the largest mobile/tablet usage.

The challenge with tablets is that they’re so new to the market. It’s comparable to the Web back in the 90s. People aren’t accustomed to engaging with content or ads on tablets so publishers and brands need to make sure that they’re very explicit in what people need to do. Things like “click here to play this video,” need to be prominent because you’re dealing with a platform so new that many people may not know what action to take without an explicit call to action.

“You’ve got to help people navigate the tablet content and advertising, otherwise you’re not going to get the interactions you were hoping for,” Reynolds said.

[St](#)According to *Ad Age*’s unnamed sources, Facebook is preparing to launch an invasive-sounding ad program this summer through its news feed. Alongside the left and right spaces outside of the news feed, the company is reportedly planning four 15-second autoplay video ads that’ll target women over 30, women under 30, men over 30, and men under 30 (so, uh, expect lots of super general advertisers we’d guess -- toilet paper and Coca-Cola, for example). While potentially invasive, the ads are also potentially extremely lucrative; Facebook is apparently seeking near \$1 million per day, per advertiser. That’s a cool \$4 million (roughly) *per day*, with the potential risk of pushing away the billions of people enabling such an incredibly high ad rate.

Facebook’s had a strange history with advertising, [occasionally amending rules](#) that angered the social network’s users (such as targeting marketing based on browsing

history). The California-based internet company also outright [paused its mobile ad network](#) program last December, citing internal prioritization of other products. As you might've guessed, Facebook reps declined to comment on this report, so it's probably best to reserve your outrage until there's some solid confirmation.

Study finds newspaper readers are engaged, but local papers need to do more on mobile

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By [Laura Hazard Owen](#)

16 hours ago Apr. 16, 2013 - 2:45 PM EDT

A new survey from the Newspaper Association of America and **Nielsen** finds that newspaper readers are highly engaged. But they have to do more on mobile, particularly as ad revenue plunges.

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photo: [Shutterstock / Ruggiero Scardigno](#)

Newspapers are still better at engaging audiences than any other form of media, according to a new Newspaper Association of America (NAA) survey conducted by Nielsen, and print newspaper advertising remains effective. With newspaper ad revenue plunging, though, the picture isn't as rosy as this survey makes it appear — and newspapers can do more, especially when it comes to social networking and mobile.

The NAA-Nielsen study surveyed 5,000 adults on “11 different metrics for engagement, including trust and ethics, how connected media makes people feel, the value or inspiration it adds to life, and the effectiveness of advertising.” On that measure, print and online newspapers came out on top:

Aggregate Engagement Scores

Newspapers Print/Web	43%
TV/TV Web	37%
Radio	41%
Internet	41%
Total	40%

Percent rating 7 - 10 on a 10 point scale

Advertising in print newspapers and on their websites is also effective. The survey asked respondents about different metrics of advertising effectiveness, like “usually notice ads,” “likely to purchase” and “best place for Black Friday shopping.” The average score across all media was 35 percent, with newspapers a bit higher:

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The NAA study, however, doesn’t address the fact that newspapers’ ad revenues are plunging. As my colleague Mathew Ingram [reported recently](#), a different NAA survey showed that the U.S. newspaper industry has lost over \$40 billion in print ad revenue over the last decade, and while papers’ digital ad sales rose slightly, it wasn’t nearly enough to compensate for the lost ad revenue. By that measure, the fact that audiences find newspaper advertising effective is only a small consolation.

It’s time to do more on mobile

The study suggests that “content publishers of all sorts should move as quickly as possible to connecting with users on mobile devices.” National newspapers are already doing this, with 43 percent of respondents checking a national newspaper on a mobile phone daily. Local papers, however, have a lot to make up in that area:

Last Time Visited Website with Mobile Phone

	Today	Never
Local newspaper website	8%	51%
Social network	37%	32%
Twitter/Blogs	35%	25%
National newspaper website	43%	9%
National news website	9%	52%
Local TV news website	8%	52%

Tablets performed better: “Fully 44 percent of tablet owners said they accessed content from a national newspaper in the last week and 41 percent from a local newspaper, though here, too, social media ranked first (57 percent).”

Luckily, this appears to be an area where newspapers know they have to improve: A [December 2012 survey from the Alliance of Audited Media](#) found that 63 percent of newspaper and magazine publishers agree that “tablets are the most important digital channel for their publication’s future.”

Meredith Expands Program Guaranteeing Sales Lift for Big Advertisers Publisher Adding Product Categories, Opening Up More Slots for Marketers

By: Nat Ives Published: April 29, 2013

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Some major magazine companies are expanding efforts to guarantee that advertising with their brands directly increases sales.

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Following Meredith's ROI Promise on Campaigns, Time Inc. to Gauge
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Meredith Corp., the publisher of magazines such as Ladies' Home Journal and Better Homes and Gardens, is expanding its program for large advertisers to encompass more product categories, such as pharmaceuticals, and the number of clients it will work with. "We're a multimedia company," said Tom Harty, president of Meredith's National Media Group, which sells digital media as well as magazine ad pages. "We just feel like print gets bashed a little too much."

In the first year of Meredith's program, participating marketers earned an average return of \$7.81 for every \$1 they spent on ads in company magazines, Meredith said. The program uses consumer purchase data from sources such as Nielsen's Homescan panel to compare sales to households that receive Meredith magazines and a comparable group that does not. So far it has covered categories such as food, beauty and over-the-counter drugs.

Time Inc., meanwhile, plans to add evaluation of tablet and mobile ads to its program this year, a company spokeswoman said. Participating clients have seen returns ranging from \$4 to \$33, she added.

This kind of research seems likely to become more common. "There are more opportunities to merge media exposure with purchasing behavior," said Jeff Bickel, VP-delivery and analytics at Nielsen Catalina Solutions, which integrates Nielsen's media and household purchase information with Catalina's frequent shopper data. "That's really the heart of this type of analysis: to understand directly that here's a group of consumers, of households, that are exposed to this marketing and are compared to a like group of consumers who did not have that exposure." (Same thing we do with otx)

Marketers increasingly demand some sort of evidence that their ad spending is paying off, and the media sellers that can provide it may get a leg up. "We encourage all of our media partners to bring us more evidence in the form of custom research in order to better understand what is working and what is not, or at least not as well," said Mark Kaline, global director-media, licensing and consumer services at Kimberly-Clark, which participated in the program. "The Meredith sales guarantee was a unique approach to that end and we will be holding that up and encouraging our other partners to have the courage to do the same."

That said, Mr. Kaline added, the overall methods that marketers use to determine return on investment need to be revisited, making a reevaluation of traditional marketing mix modeling now underway at the Advertising Research Foundation "one of the most important efforts in the industry today."

[Study finds newspaper readers are engaged, but local papers need to do more on mobile](#)

By [Laura Hazard Owen](#)

16 hours ago Apr. 16, 2013 - 2:45 PM EDT

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Augmented reality drives 10pc of print magazine mobile activations: report

By [Chantal Tode](#)

April 15, 2013



The use of mobile devices to engage with print content and ads in magazines continues to grow, with augmented reality comprising almost 10 percent of all mobile activation points last year, according to a new report from Nellymoser.

One of the big trends to emerge last year was the increasing popularity of mobile programs that spanned an entire issue. Additionally, magazine branded scanning apps are gaining, particularly those leveraging augmented reality, image recognition and invisible watermarking technology.

“Overall, this idea of mobile-activated media – in this case print – is certainly on the increase,” said John Puterbaugh, executive vice President and chief Digital officer Nellymoser, Arlington, MA. “We are seeing around 10 percent of all ads have some type of mobile activation in the top 100 magazines.



“Even more importantly there is this emergence of page-based scanning where people are scanning the entire image and with image recognition and augmented reality and watermarks, people are able to interact with any given page through their phone,” he said.

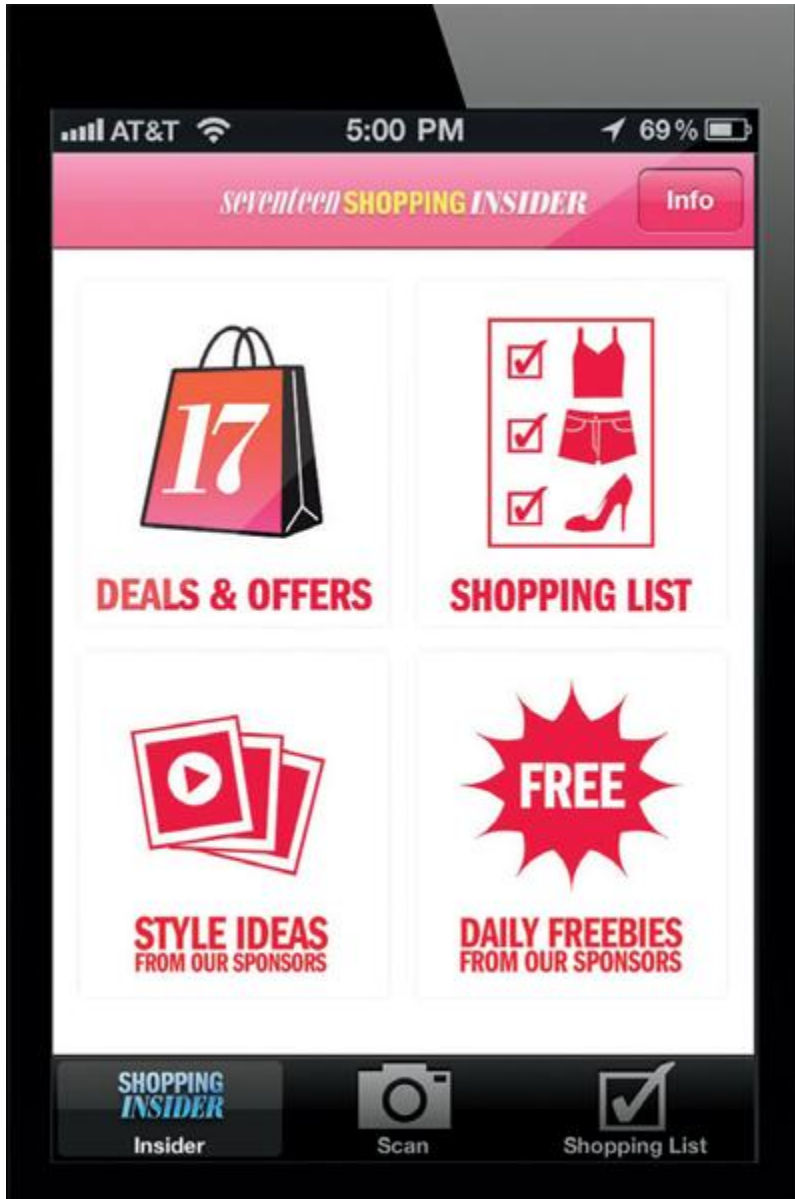
“One of the big takeaways from the report is that image-based scanning came on in a big way in 2012.”

QR codes still important

Image-based activations, driven by either invisible watermarks or image recognition, represented just under 20 percent of all activations.

Overall, mobile activations used in magazine’s editorial and advertising content continues to grow. The number of mobile experiences grew 150 percent last year from 1,472 activations in the first quarter of last year to 2,252 in the fourth quarter.

For the year, the number of mobile activations totaled 8,448 activations.



The rapid growth of QR code-driven activations was the big story in 2011 and they still make up a significant portion of overall activations.

“We scanned and looked through 100,000 pages and QR codes are still about 68 percent of those activations,” Mr. Puterbaugh said.

“Since the overall use of mobile activation is rising, you are not seeing a decline in the QR codes – you are just seeing more prevalent and diverse types of activations,” he said.

AR good for branding

QR codes are best used for deals or to reveal a surprise element, per Mr. Puterbaugh.

However, because brand marketers do not like the way QR codes look, they are often buried in the lower corner of a page, which can bring down results.

The challenge with image recognition and augmented reality is that readers do not always know a page has a mobile activation.

“QR codes are still good because it is a direct response vehicle,” Mr. Puterbaugh said.

“Image recognition is a much better branding approach for magazines,” he said.

“If the editorial team takes the time to explain to readers that all of the pages are interactive and can be scanned, you can train the reader over time and we will get to the point where readers will just know that any page in the magazine when looked at through their phone can offer enhanced content, videos, flipbooks or coupons.”

Smartphone engagement

September – which typically sees magazine publishers put out special issues – saw the highest per-month mobile activations at 1,312.

Magazine-specific scanning apps, such as those published by Lucky, Seventeen, GQ, Teen Vogue, Brides, Popular Science, and Maxim, were released by 12 percent of the Top 100 magazines last year.

The number of mobile activations in magazines is expected to continue to grow this year.

“Tablets are emerging as the vehicle for displaying alternative, enhanced content and the phone is becoming the vehicle for magazine or the brand to allow the readers to engage with their print, at their events or their in-store brand advertiser experiences,” Mr. Puterbaugh said.

NEWSPAPER REVENUE DECLINES 2%...BUT

4-8-13

According to the Newspaper Association of America, total 2012 revenue for U.S. newspapers declined by 2 percent from 2011. Despite the drop, the newspaper industry still took in \$38.6 billion. Ad revenue dropped 6 percent. Circulation increased 5 percent. Digital consulting to local businesses and e-commerce now account for one out of every 10 dollars coming in to the newspaper industry. In 2012 this new revenue stream grew by 8 percent.

Print advertising is dwindling at consumer magazines. The Publishers Information Bureau released figures showing total magazine ad pages fell 4.9% from 33,673 in the first quarter of 2012 to 32,023 in the first quarter of 2013.

Of 213 titles tracked by the PIB, 107 (50%) experienced ad page declines in the first quarter of 2013 compared to the same period in 2012, with 67 titles (31.5%) experiencing declines of 10% or more, and 26 titles (12.2%) experiencing declines of 20% or more.

Although many categories suffered in the first quarter, women's interest titles took especially heavy hits, with the lifestyle, domestic, and celebrity categories posting big losses.

In the domestic category, the list of titles experiencing year-over-year declines in the first quarter included *Ladies' Home Journal*, down 28.5% to 122 ad pages; *Family Circle*, down 14.4% to 222; and *Better Homes and Gardens*, down 11.9% to 249. In women's lifestyle titles, *Woman's Day* was down 11.9% to 240, while *Redbook* fell 10.7% to 216.

In celebrity and fashion weeklies, *OK Weekly* was down 22.4% to 263 ad pages; *In Touch Weekly* was down 21.5% to 127; *Life & Style Weekly* was down 19.7% to 106; and *Star* was down 17.7% to 274.

In other categories, significant ad page losses were seen at *Forbes*, down 19.6% to 266; *Food & Wine*, down 11.8% to 159; *Maxim*, down 36% to 53; and *New York*, down 17.7% to 422.

Safeway Envisions Future Without Print Ads

No. 5 Grocery Chain Says Digital Coupons Gaining in Popularity

By:

[Natalie Zmuda](#)

Published: February 22, 2013

61 share this page



[Safeway](#) is doing its best to eliminate print advertising in favor of more personalized digital ads.



The fifth largest grocery player in North America spent \$20 million on newspaper ads through November of 2012. That's consistent with 2011, though a big drop off from the \$33 million spent on newspaper ads in 2010.

"As people become more digital, there's an opportunity, which we're working hard at, [to] actually get out of the paper ads and make the ad itself personalized for every household," said Chairman-CEO Steve Burd during a fourth quarter earnings call with analysts.

Mr. Burd highlighted the retailer's digital Just for U Program, an online loyalty program offering digital coupons and personalized deals. The program now counts 5.4 million U.S. households, or 45% of Safeway's sales base. That number could reach 55% by year's end and ultimately max out at about 65%, Mr. Burd said. Just for U will roll out in Canada later this year. Safeway operates nearly 1,700 stores in the U.S. and Canada and reported \$44.2 billion in annual sales.

"We've been surprised at the amount of digital coupons that people are accessing on the web site," said Robert Edwards, president of Safeway, noting that's been a "very positive" feature of the Just for U program.

Still, print and free-standing newspaper inserts continue to dominate coupon media, even as digital coupons gain in popularity. Kantar Media found a 46% increase in digital coupon events by consumer packaged goods companies last year, with the trend accelerating as the year progressed

Magazines Feeling More Optimistic This Spring, With Help From Beauty and Auto

But Growth Remains Uneven

By:

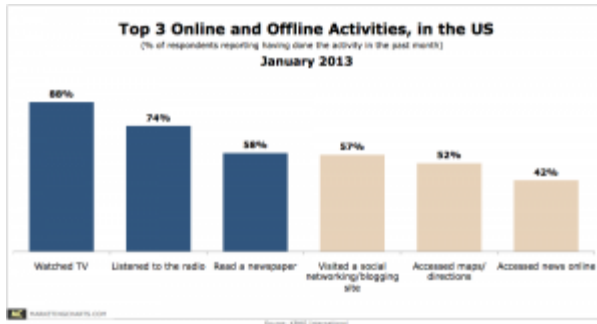
[Ad Age Staff](#)

Published: [March 21, 2013](#)

There's a little more optimism in the offices of magazine publishers this spring.

Newspapers Still As Popular As SocNets in the US

January 31, 2013 by MarketingCharts staff



Newspaper [ad revenues are tumbling](#), and one-third of marketers recently said they're [shifting focus away from this medium](#). At the same time, consumers are spending [large chunks of time on social media](#), something not lost on marketers. But surprise, according to at least [one survey](#) [pdf], newspapers remain just as popular among Americans as social networks. That survey, from KPMG International, found that in the past month, **58% of US respondents read a newspaper, while 57% visited a social networking or blogging site.**

Traditional media channels, while [losing marketing budgets to digital media](#), still boast impressive reach. For example, 88% of the KPMG survey respondents reported having watched TV in the prior month, and 74% said they'd listened to the radio.

It's worth noting that this survey looks at monthly use, so does not measure daily consumption. Facebook just reported, for example, that it had on average [618 million daily active users worldwide in December 2012](#), **[including 135 million in the US and Canada](#)**. And Ipsos survey results (*see link above*) indicate that the average American adult spends 2 hours a day social networking. Still, Nielsen's latest cross-platform report finds that Americans (aged 2 and older) spend an average of [more than 4 hours a day watching TV](#).

What's more, the KPMG study finds that while consumers across [the 9 countries](#) measured share their time evenly between traditional and digital media, they allocate more of their monthly media budgets to traditional (TV/video primarily) than digital media. Still, the report cautions that 14% of US consumers now prefer to watch TV on their mobile or tablet.

The data suggests that while there is good reason to examine the rise in digital and social media, **[the vast popularity and reach of traditional media should not be overlooked](#).**

About the Data: The Digital Debate research, conducted by YouGov Plc on behalf of KPMG International, gathered the views of over 9,000 consumers across nine different markets – Australia, Brazil, Canada, China, Germany, Singapore, Spain, the UK and the US.

The New York Times' Plan to Save the Banner Ad

- [Josh Sternberg](#)
- 01.11.2013
-

Like many publications, The New York Times has a banner ad problem. The problem is this: the Web is littered with banners and new computer-driven methods of buying discrete audiences is putting even further pressure on the display ad market.

But unlike newfangled publications like BuzzFeed, the NYT isn't giving up on the banner. In fact, it wants to reinvent it by giving it a heavy dose of the same tech savvy behind its recent [pathbreaking interactive feature](#), "Snow Fall."

Inside the NYT's Idea Lab, a team of 10 works to save the banner ad. The lab itself is an offshoot of NYT's Tk, which was set up to come up with new technologies for storytelling. Think of the three-year-old Idea Lab as something similar, only it works with agencies and brands to help advertisers tell stories in modern, interesting ways.

So far, the Idea Lab has created 21 different ad products for clients like Chevron, Target and G.E., among others. One example is where the Idea Lab took a Google Hangout idea to its Energy for Tomorrow Conference last April. G.E. was the lead sponsor, and Haskell's team created the ability for its readers to watch the conference broadcast from the Times Center in real time through a G.E. ad unit on the NYT homepage, as well as ask questions that were fed to moderators on stage. It's the kind of interactivity and creativity you simply don't see out of the mass-produced, speedily traded world of standard display ads.

"The idea of being able to watch through an ad unit was really important, and we worked with them pretty hard to make sure it would be seamless," said Andy Goldberg, creative director of global advertising at G.E. "We weren't going for the mass consumer. This was a finite target and, for us, was successful."

Another interesting custom ad unit is a timeline, which tracks the progress of events related to a brand. Target used this ad for its holiday campaign highlighting 24 high-end designers. The execution turned out to be a homepage takeover ad where a different designer, plus a blurb and description of their product, comes through as you scroll across the unit. There's a click-through to shop the collection, as well as social buttons. This unit stemmed from work the publication did during the last World Cup where you could see, on a day-to-day basis, which players were the most active on Facebook.

A screengrab of the Target ad

"This is a way for us to engage with a client where we might use standard banners, but it lets us engage with clients before they go out into programmatic channels, which is something that's strategically important for us," said Todd Haskell, group vp of advertising. "So when we do these kinds of things, this kind of stuff cannot be replaced by an audience extension play versus via some trading desk."

And this is important as the NYT continues to figure out its future. The company reported a loss of print and digital ad revenue in the third quarter, down 8.9 percent to \$182.6 million, from \$200.5 million. The silver lining: Digital ad revenue has been creeping up and now makes up about a quarter of the company's ad revenue. Haskell wouldn't divulge pricing on the new units.

"They realized they have a bright shiny jewel there, and becoming a lot more comfortable having advertisers participate in those kinds of programs," said Barry Lowenthal, president of The Media Kitchen. "They're letting the advertisers try on the jewels. I'd love to see more publications do those kinds of things."

The Idea Lab has more executions in the works. One called Spark builds off the application-programming interface of Cascade, a visualization of how NYT stories travel throughout Twitter and how the stories and the conversations that follow gain traction from influencers. Cascade was used internally for journalists to see how stories moved across the social network. The idea is to use the functionality for brands. Spark tracks the top 15 trending articles on Twitter when they're trending, and an advertiser can be aligned with this by having a pencil ad alongside the trending list.

Another, called "Product Zoom," was inspired by this [interactive article](#) from October 2011 about the opening of the Islamic Wing at the Met. Readers could zoom in and taking a look at the detail of the craftsmanship. The Idea Lab built the same zoom approach into a unit so that a brand can showcase a product's finer details as a user moves the cursor over an image. A luxury good, like a watch, would be a hypothetical example of an instance where a reader can go inside and check out what makes it tick.

The efforts are a way for the NYT to stand out at a time when publishers are blurring the lines between editorial and advertising under the "native advertising" catchall. That's not going to fly at The Gray Lady.

“Sure, there are things that an outlet like BuzzFeed does that go further than we’d be willing to go in terms of brand integration inside of content in ways that are confusing to the reader,” Haskell said. “This is a brand-appropriate approach to that same sensibility, which is to create something that will work well with your readers because of the nature of the messaging within our content to our brand.”

The Times has no plans to stop running standard units anytime soon, but it has hopes the Idea Lab will hit on premium complements to the tried-and-true — complements that can’t be commoditized on ad exchanges. In one nod to scale, however, the NYT allows advertisers to use the ads on other sites. A NYT spokesperson said that so far, only one client ran a unit offsite.

“The challenge of any advertising format is to achieve scale: You want to, as an agency, place one buy and get your fantastic ad campaign in 20 to 30 million homes at a pop,” said Interactive Advertising CEO Randall Rothenberg. “The easiest way to achieve scale is to participate in the bottoms-up industry-wide programs to develop and implement these standards.”

Mag Bag: Ad Pages Down 8.2% In 2012

by [Erik Sass](#), Yesterday, 3:28 PM

Ad Pages Down 8.2% In 2012

2012 was another tough year for magazines, with total ad pages falling 8.2% from 168,712 in 2011 to 154,838 last year, according to the Publishers Information Bureau. Losses cut across most of the major magazine categories, although some individual titles did post positive results.

Out of 219 titles tracked by the PIB, 158 titles or 72% of the total experienced ad page declines. 74 titles or nearly 34% of the total experienced ad page declines of 10% or more, and 28 titles or 12.8% of the total experienced ad page declines of 20% or more.

Some of the biggest declines in percentage terms were seen at women’s interest titles, including *Martha Stewart Living*, down 29% to 766 ad pages; *Shape*, down 22.7% to 899 ad pages; *Ladies’ Home Journal*, down 21.9% to 741 ad pages; *Lucky*, down 20.3% to 893 ad pages; men’s interest titles were not spared, however: *Maxim* saw ad pages decline 22.2% to 392, and *ESPN Magazine* slipped 16.3% to 1,084.

On the positive side, ad pages increased 22.9% at *Ebony* to 702; 18.5% at *Allure* to 1,397; 17.3% at *Food Network Magazine*, to 1,042; 13.2% at *OK Weekly*, to 1,192; 12.1% at *People en Espanol* to 1,067; 11.9% at *Marie Claire* to 1,599; and 11.1% at *Harper’s Bazaar* to 1,840.

Total magazine ad pages tracked by the PIB have declined by over a third in the last decade. In 2006 the PIB tallied 252,122 magazine ad pages. Last year’s tally of 154,838 represents a decline of 38.6% over six years.

More Print Ad Declines Coming

by [Erik Sass](#), Yesterday, 8:15 PM

Last year was bad for print and this year won't be much better, according to the Advertising Consensus Forecast from the World Advertising Research Center, which predicts further declines for both magazines and newspapers in the U.S. in 2013-2014.

Following a 4% decline in 2012, the WARC forecast sees U.S. magazine ad spending decreasing 4% in 2013 and 5.1% in 2014. That prediction looks rosy compared to WARC's forecast for U.S. newspapers, where ad spending will fall 6.7% in 2013 and 8.4% in 2014. WARC estimates that U.S. newspaper ad revenues fell 7.2% in 2012.

U.S. newspapers' ad revenues have declined every year since 2006, according to the Newspaper Association of America, tumbling from \$49.4 billion in 2005 to \$23.9 billion in 2011, the latest year for which full figures are available from the NAA. Combining the NAA figures with WARC's forecast, total newspaper ad revenues will continue to drop from around \$22.2 billion in 2012 to \$20.7 billion in 2013 and \$19 billion in 2014.

Meanwhile, according to the Publishers Information Bureau total magazine ad revenues (based on official rate cards) have declined from \$27.5 billion in 2007 to about \$21.1 billion in 2012. Combining these figures with the WARC forecast, revenues will sink to \$20.3 billion in 2013 and \$19.2 billion in 2014.

A separate forecast released by eMarketer in September sees smaller decreases in U.S. magazines' print ad revenue over the next few years, with drops of 0.4% and 0.3% in 2013 and 2014, respectively. The consultancy estimated U.S. magazines' total print ad revenues at around \$15.2 billion in 2012. The same forecast has newspapers' print ad revenues declining 6.1% in 2013 and 4% in 2014, to about \$17.3 billion.

Swanson is using the QR codes to promote four flavors of its Flavor Boost broths. The ads are running in the January 2013 issue of Bon Appétit.

"QR codes are an easy, convenient way to connect the physical world to the digital world," said Mike Wehrs, president/CEO of Scanlife, New York.

“Even more importantly, QR codes on print enable brands to gather valuable analytics such as how many people are interested in learning more about their products, which products are of most interest, when and where their products are being scanned,” he said. “This relevant information can convert a prospect into a new or loyal customer and ultimately drive ROI.”

Mag Bag: 2012 Was A Tough Year For Magazines

by [Erik Sass](#), Yesterday, 1:40 PM

2012 Was A Tough Year For Magazines

2009 was miserable. 2010 wasn't much better. 2011 was a little bit worse. And 2012 looks to be, in a word, crappy.

Magazines can't seem to catch a break, as the ongoing transition to digital media continues to undermine print advertising, still the main source of revenue for most big publishers. According to the Publishers Information Bureau, total ad pages fell 8.6% in the first nine months of 2012, compared to the same period last year.

That follows a decline of 3.2% for the full year 2011, which followed a flat 2010, which looked positively spectacular compared to drops of 25.6% in 2009 and 11.6% in 2008 -- blows from which the industry has never recovered.

2008- -11.6%

2009- -25.6%

2010 Flat

2011- -3.2%

2012- -8.6%

Maga are -42% since 2007

Indeed, taking a somewhat longer perspective, the total number of ad pages at publications tracked by PIB has fallen from 179,339 in the first three quarters of 2006 to 110,483 in the first three quarters of 2012. That's a 38.4% drop in six years -- not quite as bad as the newspaper business, where revenues are down by half, but a steep enough decline to prompt *New York Times* media columnist David Carr to warn in August: “Now, like newspapers, they seem to have reached the edge of the cliff.”

There is no solace to be found in circulation numbers, which confirm the decline of print audiences across a range of categories. According to the latest report from the Alliance of Audited Media (formerly the Audit Bureau of Circulations), in the first half of 2012, newsstand sales fell, for example: 5.7% at *Cosmopolitan*; 18.5% at the *Economist*; 20.5% at *Elle*; 6.8% at *Glamour*; 8.6% at *GQ*; 13.3% at *In Touch Weekly*; 14.6% at *Ladies' Home Journal*; 20% at *Maxim*; 17.6% at *Martha Stewart Living*; 9.5% at *Men's Health*; and 18.5% at *People*.

Of course, there is a glimmer of hope (and maybe more) in the rise of tablet computers, which magazine publishers immediately identified as a natural channel for the digital versions of their products. One out of every four Americans now owns a tablet computer, according to Pew, and the number rises to a third when e-readers are included.

Surveys have also shown wide demand for digital editions of magazines on tablets and other devices. On the business side, digital magazines offer advertisers a better grip on ROI through interactive ads, and many publishers are also jumping on the possibilities of e-commerce. Finally, eliminating costs associated with print and distribution can increase profit margins.

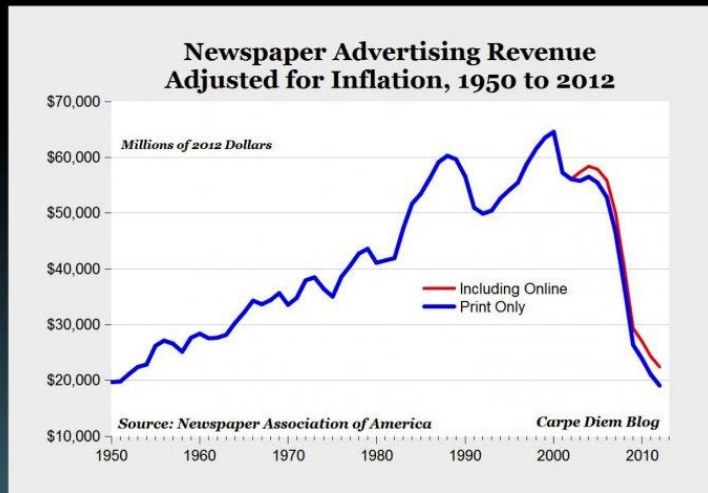
But the number of digital magazines sold remains fairly low, at least for the time being.

AT LEAST YOU'RE NOT IN THE NEWSPAPER BUSINESS

11-27-2012

There's certainly a silver lining for a radio industry that experiences low single digit growth every year. It's not the newspaper industry. Over the Thanksgiving day holiday, the newspaper industry reported advertising revenue dropped 5.1% from \$5.56 billion in the third quarter of 2011 to \$5.27 billion in the third quarter of 2012. National was down 10.4%, retail was down 6% and classifieds slipped 4.8%. Online ad revenues increased 3.6% from \$733 million to \$759 million. This is the 25th consecutive quarter revenue has declined for the newspaper business.

Newspaper ad revenue collapsed



BUSINESS
INSIDER

By [Dave Seyler](#) on Oct, 18 2012 with [Comments 0](#)

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Like its sister publication, iconic magazine Newsweek will soon be available on the internet only, kissing paper, stamps and magazine racks good-bye forever.

Daily Beast's Tina Brown and Baba Shetty said that the transition will take place in early 2013. They stated, "Newsweek Global, as the all-digital publication will be named, will be a single, worldwide edition targeted for a highly mobile, opinion-leading audience who want to learn about world events in a sophisticated context. Newsweek Global will be supported by paid subscription and will be available through e-readers for both tablet and the Web, with select content available on The Daily Beast."

The duo said that selling print advertising has been challenging; meanwhile, Newsweek's online readership has been growing. They also note that according to Pew Research, 39% of Americans use online sources for their news. They are following those trendlines.

"It is important that we underscore what this digital transition means and, as importantly, what it does not," wrote Brown and Shetty. We are transitioning Newsweek, not saying goodbye to it. We remain committed to Newsweek and to the journalism that it represents. This decision is not about the quality of the brand or the journalism—that is as

powerful as ever. It is about the challenging economics of print publishing and distribution.”

They concluded saying the decision was a difficult one, but is focused on the future.

RBR-TVBR observation: The magazine herd has been thinned, but the process is not complete. The internet has wreaked havoc on all media in one way or another, but it has had an especially harsh impact on newspapers and magazines.

It seemed that many weaker magazine titles threw in the towel some time ago, making it easier for the remaining magazines to survive. But in the best of times, publications come and go, so there will always be stories like this to report.

Will Newsweek be able to make it online on a subscription basis? Frankly, we’re not holding our breath. It has the advantage of being linked with the Daily Beast, but we just aren’t aware of many online-only publications that have been able to subsist on subs.

Old Media, New Tricks

Can The New York Times' R&D Lab tech-heads help save the battered news brand? By [Charlie Warzel](#)

- November 27 2012
- [The Press](#)
-

Photo: Ben Shaul

"You'll notice we've got lots of electronics around—most of which we've taken apart," says [New York Times R&D Lab](#) creative technologist [Alexis Lloyd](#), casually sidestepping two turquoise exercise balls. Walking toward Lloyd's desk, where she's working on an indecipherable screen of code, she explains that some of her co-workers have swapped their chairs for the rubber spheres to prevent back pain during protracted coding sessions. Atop the rows of desks, two disassembled mice sit next to a broken Kindle and a tangle of wires and batteries. Workbenches and soldering irons coexist with flat-screen monitors.

From the moment you step off the elevator onto the 28th floor of the Times Building, with its panoramic views of midtown Manhattan, it is clear this is not your father's *New York Times*.

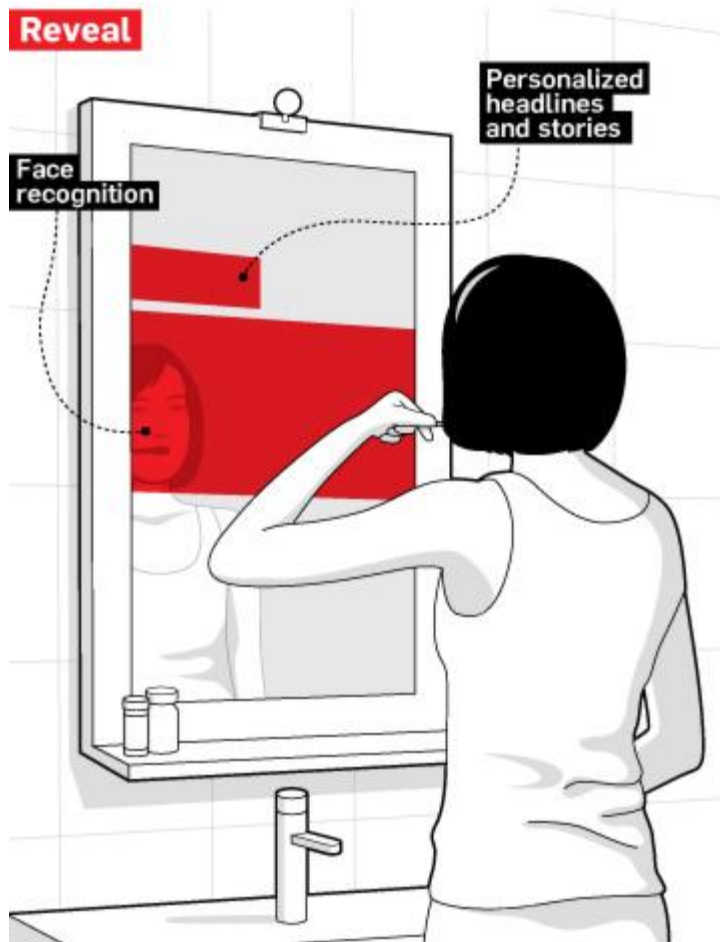
With the newsroom housed 24 floors below, the seven-year-old R&D Lab acts as a tech startup of sorts inside the New York Times Co., home of the 161-year-old, self-styled [newspaper of record](#). With 20 staffers, the lab's mix of crazy smart technologists, programmers, designers and business brains are charged with the Sisyphean task of

developing tech innovations and new business models to help the struggling *Times* weather an uncertain future following five consecutive years of falling revenue and net losses totaling more than \$300 million over seven years.

Across the floor on a neighboring wall hangs a modest looking [white-rimmed mirror](#) that, upon recognizing a familiar face, begins to spew personalized *Times* headlines. When technologist [Brian House](#) peers into the glass, rich text and photos scroll across a backlit surface. “If you find something you like, just touch your phone to it and you can take it with you on your commute,” says House, who then does just that. A celebratory robotic noise confirms that the article now lives on an app on House’s cellphone. The demo is well rehearsed, and damn cool.

Not So 'Gray' After All

Among R&D projects at the *Times*: **Project Reveal** is smart mirror that tailors content around user preferences; social media mapper **Cascade** tracks Twitter paths; and **Ricochet** links ads and editorial.

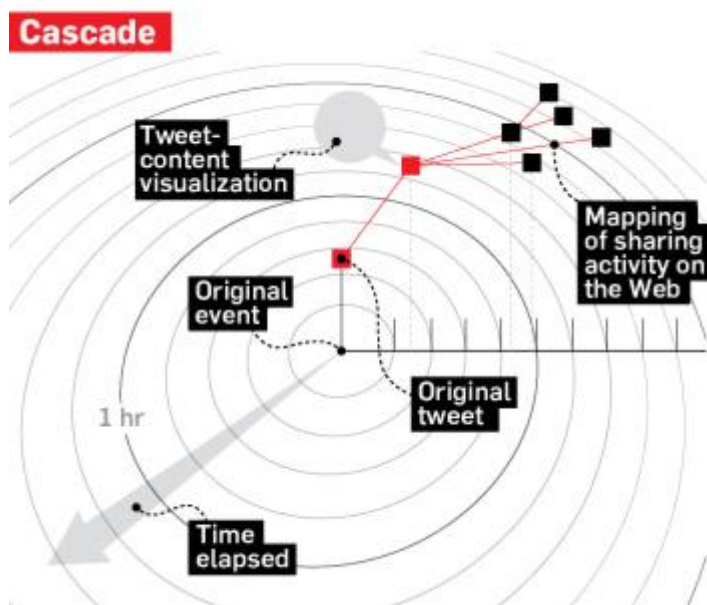


Dubbed Reveal, the mirror is an example of the lab's future-casting prototypes. Lately, however, the lab's focus appears to have shifted from futuristic installations to more practical programs geared toward licensing and monetization. But with only two marketable products in the pilot-testing phase, can the R&D Lab innovate at the same breakneck speed as the same digital startups that threaten its existence?

Then there's the question of funding. The financial burden of R&D is documented in the Times Co.'s 2011 annual report, which notes that the company "may be limited in our ability to invest funds and resources in digital products." Those concerns are not lost on Michael Zimbalist, vp, research and development operations. "I don't think there is anyone working in the media business right now that doesn't feel pressure," he says. "The landscape is so volatile."

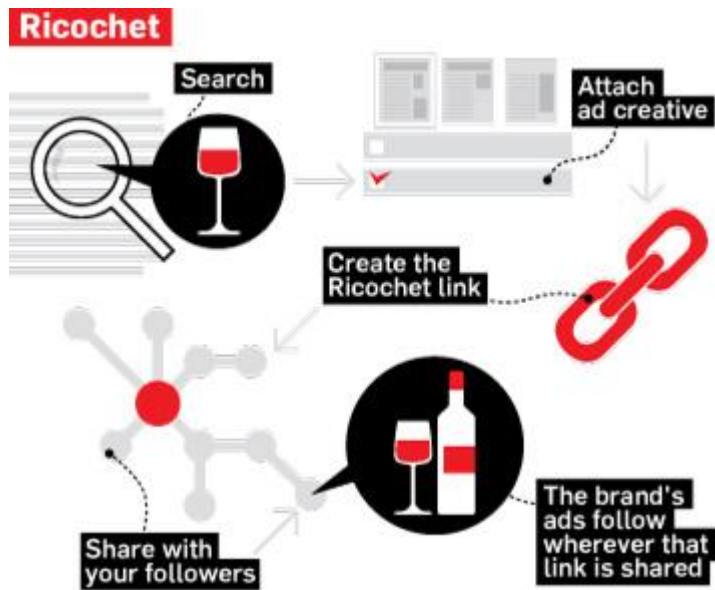
Ad revenue for the company is down for the seventh consecutive quarter, declining 7.1 percent year-to-date to \$618.1 million versus last year. This, on a 6.1 percent decline for all of 2011 to \$1.2 billion. Of course, the *Times* is hardly alone. Its slide is nearly on par with a 7.3 percent decline in ad revenue for newspapers overall last year. This year looks equally grim for publishers' broadsheets, with newspaper ad revenue projected at its lowest inflation-adjusted level since the Newspaper Association of America, the industry trade group, started collecting data in 1950.

It's been a rocky few years for the Gray Lady. And yet, the *Times*' paywall proved to be a success in 2011, its first full year of adoption. Having secured more than 592,000 digital subscribers, the Times Co. has moved far beyond its low point in 2009, when it was forced to turn to Mexican billionaire Carlos Slim for a \$250 million bailout.



The *Times*' innovations—and potential meal tickets—include projects with names like Cascade and Ricochet, bundled in pilot programs with deep roots in social media.

Cascade's draw is stunningly beautiful, real-time Twitter visualizations. Displayed on multiple monitors covering the walls of the hallway leading to the lab, it comes off somewhat as a digital map of a solar system, with social interactions dotting the screen like stars. *Times* reporters and inaugural clients like software giant SAP have used Cascade to demonstrate how a story travels virally across social channels. Tweets can be tracked to see which language and posting frequency works best, and who is paying attention.



But it is Ricochet that appears to hold the greatest marketing potential. The program allows brands to buy ad space around articles relevant to their messages that can be then distributed via a unique URL. The highly targeted program could potentially revolutionize now-imprecise ad exchange audience targeting.

For years, new-media pioneers have argued that legacy media players like the Times Co. would do well to take a page out of the startup playbook. In 2011, blogger and entrepreneur Anil Dash generated buzz after urging old media to “hack their organizations.” Traditional media companies could thrive, Dash suggested, “by redefining a market that exists at the intersection of media and technology.”

Mobile Rising: Newspapers, Magazine Readership, Ad Engagement Up

by [Erik Sass](#), Yesterday, 3:29 PM

More tablet owners are reading newspapers and magazines on their devices, according to the latest data from comScore’s TabLens research service, which is based on a three-month rolling sample of 6,000 tablet owners; these findings, along with new data from GfK MRI, hold out the promise of growing advertising and circulation revenues from this burgeoning new channel.

Overall, 11.5% of tablet owners -- a definition that includes iPad, Android tablets, Kindle Fire, and Nook -- said they read newspapers on their tablets “almost every day” or “at least once a week.” Some 14.6% said they read newspapers on their tablets one to three times a month, and 37.1% said they read newspapers on their tablets once a month.

Mark Donovan, comScore senior vice president for mobile, noted that 7% of all newspaper page views now come from tablets. Turning to magazines, 9.7% of all tablet owners said they read magazines on their tablets almost every day, 13.3% at least once a

week, 16.7% one to three times a month, and 39.6% once a month.

Tablet owners who read newspaper and magazine content tend to skew male, with newspaper audiences 17% more likely to be male than the average tablet owner, while magazine audiences were 11% more likely to be male.

More than half of tablet readers had a household income of \$75,000 or more. Tablet readers also skewed younger, with adults ages 25-34 accounting for the largest share of newspaper and magazine readers: 27.4% and 28.2%, respectively.

GfK MRI Starch Digital found high engagement rates for digital advertising delivered to tablets or e-readers along with magazine content. The survey of 30,000 digital ads across 1,000 magazine issues from April-July of this year found 55% of digital magazine readers noted or read a digital ad on their tablet or e-reader.

Within this group, 52% (28.6% of the total) interacted with the ad as result, with 38% (20.9% of the total) touching or clicking the ad to expand it. Meanwhile, 34% viewed multiple pages of a multi-page ad, and the same proportion accessed a Web site through the ad; 31% watched a video or commercial; 30% viewed a gallery, and the same proportion (30%) downloaded an app.

Mag Bag: Ad Pages Continue To Fall

by [Erik Sass](#), Yesterday, 5:03 PM

2012 is shaping up to be another lousy year for consumer magazines, at least as far as print advertising is concerned. According to the latest quarterly tally from the Publishers Information Bureau, total ad pages fell 8% to 36,059 in the third quarter of this year. That follows similar declines in the first and second quarters of the year; in the first nine months of 2012, ad pages are down 8.6% to 110,843

Print is an off-line version of Search. Readers skim and stop. If an ad is of interest, readers read.

Print's demise may be premature, but a mixed outlook for its future. **Daily newspapers have been cutting back home delivery days and shedding large portions of their staff. But Borrell Associates says the worst appears to be behind the industry, and by some metrics print may even do better than radio. Borrell forecasts newspaper revenue will grow 0.5% in 2013 and another 1.7% in 2014. Then it says print billings will increase 1% to 1.5% in the years that follow. Digital is helping with a survey of 371 daily newspapers estimating their website billings will increase 14.6% in 2012. That compared to 9.5% growth reported by a sample of 59 radio clusters. And television stations estimate their sites' billings will be up 10.6% this year. Borrell says newspapers are finding success in selling more targeted banner ads and video ads, while marketers have so far had little stomach for bundled print-website packages.** Yet BIA/Kelsey has a much different view on the newspaper industry. It says 2012 has been even more disappointing than it expected and **now forecasts total newspaper revenue to fall 8.1% in 2012, worse than the previously-predicted 5% decline. And BIA/Kelsey adds a 4.9% drop on top of that in 2013.** "With some high-profile newspapers cutting back on the number of days being published and the continued erosion of readership, the outlook for newspapers is proving exceptionally more challenging than expected," the firm says

With all the communal hand-ringing that surrounds the world of print (and which the press itself seems to masochistically enjoy reporting on with almost ghoulish delight), you'd be forgiven for thinking this storied and noble medium is doomed to an inevitable and imminent death.

While there have been turbulent times endured, and there will be more ahead, not all the apparently bad news is equally negative. And much has been exaggerated. After all, plenty of print businesses still make margins far in excess of businesses in other industries.

As I've said before, the print industry probably has more opportunity in front of it now than ever before. While some readers have defected from the printed product to the online realm -- and not always exclusively to the same news and lifestyle brands -- many retain the offline relationship, too. They consume across platforms.

The nature of the print product should make it ideal for leveraging the non-linear, interactive and increasingly tactile world of electronic media.

Print was the first touch "screen" media -- assuming you omit cave paintings. Paper and screens are both just display interfaces.

Print was the first DVR -- many people read their magazine or paper of choice in ways other than front to back, section by section. Many start with the sports section, others start with the main news, head to sports and then to the TV pages. That's pretty nonlinear if you ask me.

Much of the printed media available to us is available On Demand also. Sure, a magazine may come out once a week or once a month, but we read it any time after first obtaining it.

Print has always been highly mobile.

That said, one would think that the cultural shift to electronic media with all the wonders of time-shifting, interactivity, On Demand access, mobility etc., would be easier than it seems to have been.

But the difficulty lays in the fact that all the factors listed above relate much more to how readers have used the printed media rather than to how publishers have perceived themselves.

In recent years, many of the more forward-looking publishers have begun to realign thinking and practice to take advantage of these apparently latent characteristics across platforms. They have leveraged their brands and reputations rather than thinking paper first, reader second.

It's never really been about paper. It's always been about the nature and quality of the content and the relationship readers have with the publisher brand. Today, publishers are in a better position than ever to throw off the shackles of print and become truly platform-neutral as they leverage both the ultimate cross-platform offering (news, information and entertainment) across a multitude of devices with a dazzling array of functionalities.

Such devices are set to deliver the kind of user experience paper never could -- not to mention the data the electronic channel provides back to base.

Print ad spending continued to dwindle in the first half of 2012, even as overall media spending grew modestly, according to the latest figures from Kantar Media. This disparity provides further confirmation that the decline of print media is a long-term trend that is unlikely to reverse anytime soon.

Kantar Media calculates that total media spending grew 0.9% in the second quarter to 34 billion compared to the same period in 2011. With a 2.6% increase in the first quarter, this yields an overall growth rate of 1.9% in the

first half of the year to \$67 billion. In the same period, TV ad spending increased 4.4%, outdoor was up 2.5%, and radio increased 1.9%.

However, growth in these media was canceled out to some degree by the drag of print ad-spending declines. According to Kantar, local newspapers saw ad spending decrease 1.9%, Spanish-language papers were down 2.5%, and national newspapers tumbled 10.7%. Consumer magazines saw ad spending fall 2.6%.

These numbers are roughly in agreement with separate figures provided by industry organizations, including the Newspaper Association of America and the Publishers Information Bureau.

According to the NAA, total print and online ad spending for newspapers decreased 6.4% from nearly \$6 billion in the second quarter of 2011 to \$5.6 billion in the second quarter of 2012. For the first half of the year, total ad spending declined 6.7% from \$11.5 billion to \$10.8 billion.

PIB data shows total magazine ad pages dropping 8.2% in the second quarter to 33,828, and 8.8%

Magazine Mobile Codes Up 107%, Now On 10% Of Ads

by [Steve Smith](#), Today, 3:00 AM

There are few media platforms more in need of some digital juice than print. As ad pages and newsstand sales plummet, magazines and their advertisers are becoming especially aggressive this year in leveraging mobile activation codes to make that digital link with paper.

According to its latest quarterly survey of the top 100 national consumer magazines in the U.S., Nellymoser finds the instance of mobile codes up 107% between Q2 2011 and Q2 2012. In all, the code counters tallied 2200 QR codes, digital watermarks and Microsoft Tags in the 100 largest-circulation generally available magazines. Just last quarter they counted 1365, reflecting a quarter-over-quarter increase of 61%.

Magazines reached a kind of mobile milestone last quarter in that every one of the top 100 magazines Nellymoser perused had at least one code. And 90% of the titles had more than 10 codes in the quarter.

The count is likely to go up considerably in the next report, since the all-important September issues of many magazines are going all-in for mobile activation. A number of titles are using image recognition techniques to make almost every ad actionable. GQ plans to mobilize every ad in its September issue, while *Seventeen* will have over 250 mobile-ready images.

Mobile activation is emerging as a standard operating procedure for some print ads. In just a year, the share of print ads with codes has risen from 5% to 10%. QR codes continue to be the leading form of activation, with over 80% of the instances. But watermarking and image recognition techniques via augmented reality apps have emerged as important areas of growth. On the editorial side, magazines prefer the less intrusive nature of triggering technologies.

And as has been the case for quite some time, video continues to be seen by marketers and content providers as the biggest payoff to users who snap and send a mobile code. Forty percent of the codes that Nellymoser activated (and they say they activate them all) led to a video experience. Entering sweepstakes or opting in to some form of subscription content was next-most-popular (19%), followed by links to social media (18%) and online purchasing (14%).

And while the mobile codes are intended to link the user to mobile experiences, the scourge of the mobile misfire remains with us. According to Nellymoser's analysis of the post-click experiences, a quarter of the landings were not optimized for smartphones. The problem of broken links and codes that simply do not scan properly persists.

Among the top advertisers using codes in their print assets, Sally Hansen had twice as many mobile codes (64) as the next-highest users John Frieda (32). But a range of industries were represented among heavy mobile code users: Infiniti (27), Nivea (26), Cuisinart and Tyson (25 each) and Progressive (23). Beauty, home, health, auto and food & beverages were the product categories that most used codes during the quarter. Nellymoser notes that the auto category saw a huge jump in using the print-to-digital platforms, from 81 codes in Q1 2012 to 195 codes in Q2.

Here are the [JacoBLOG](#) updates for bob.mccurdy@clearchannel.com

The Inconvenient Truth

First, it was rock and pop stars dying on the weekend.

Then it was tornadoes.

Now **Mitt Romney chooses Saturday morning** at 9am ET to announce his new running mate, Paul Ryan.

For some reason, big news keeps happening on Saturday and Sunday when many media outlets are staffed with part-timers – or worse, automation systems.

There was probably no shortage of news/talk radio stations caught flat-footed by the biggest political announcement of the summer, the naming of a surprise VP nominee.

But so was the *New York Times*.

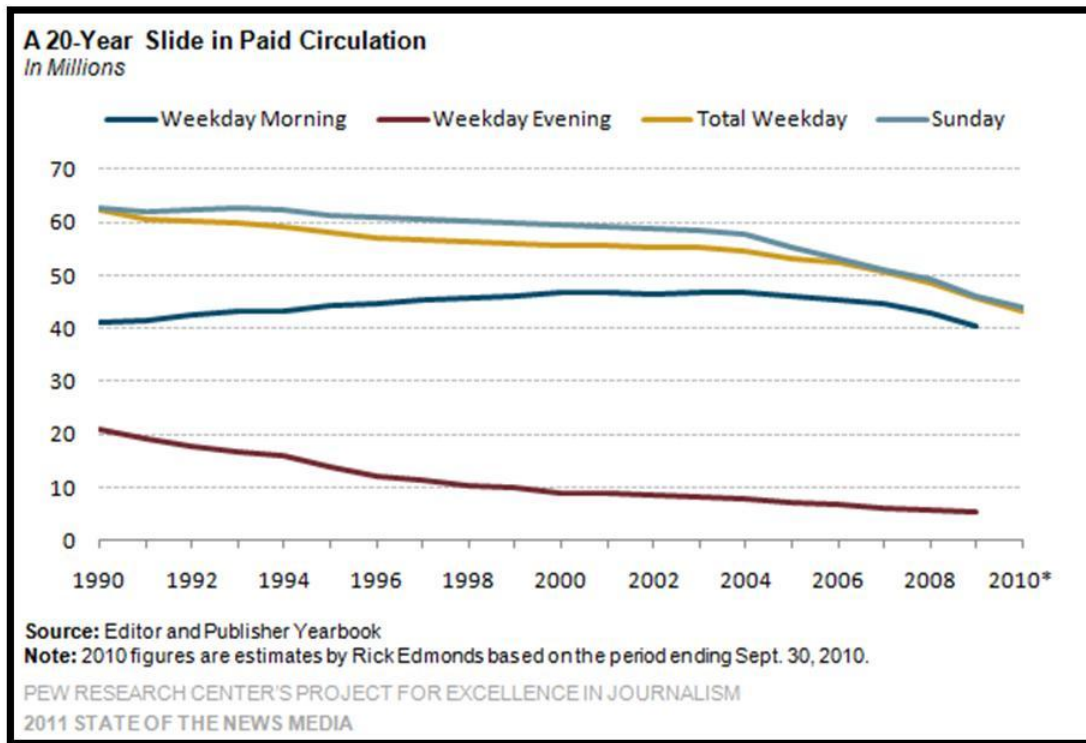
Think about the timing...

There were heavy rumors about Romney announcing Ryan on Friday night. Early Saturday morning, my phone was blasting with texts from multiple news sources that had the story. And at 9am ET on Saturday, the event took place in Norfolk.

So 24 hours later, I grab my Sunday edition of the *New York Times* and while the story was all over the front page, the OpEd section was devoid of any Ryan analysis. In fact, there was an already dated piece about **Romney's tax policies**.

Why does this matter? Our newest **Public Radio Tech Survey** shows a drop in daily newspaper readership (print or online), and that's among the most educated radio audience on the planet.

And the circulation figures speak for themselves. If radio's cume audiences were dropping like these numbers, it would be panic time for the RAB, the NAB, and every broadcaster in America.



In the meantime, I was reading Paul Ryan stories online at Huffington Post, and on my news apps for more than 24 hours in anticipation of the *Times*' "take" the next day. That's the expectation that consumers have for their go-to brands, whether they're newspapers or radio stations.

So if a rock star passes away over a weekend or when calamitous weather blows through town, isn't it a radio station's duty to get some core staffers back to work to cover the event?

And in the *Times*' case, you mean to tell me that Paul Krugman, Maureen Dowd, and Gail Collins couldn't be bothered over a weekend to do their jobs – to provide timely, essential coverage and perspective for one of the biggest news stories of the year?

FM chip or no, radio has to step up to the plate and do what the audience "hires" it to do during crunch time. And while no one begrudges the newspaper industry saving money during this turbulent era for traditional media, don't these fiscally conservative policies further erode an already dwindling industry?

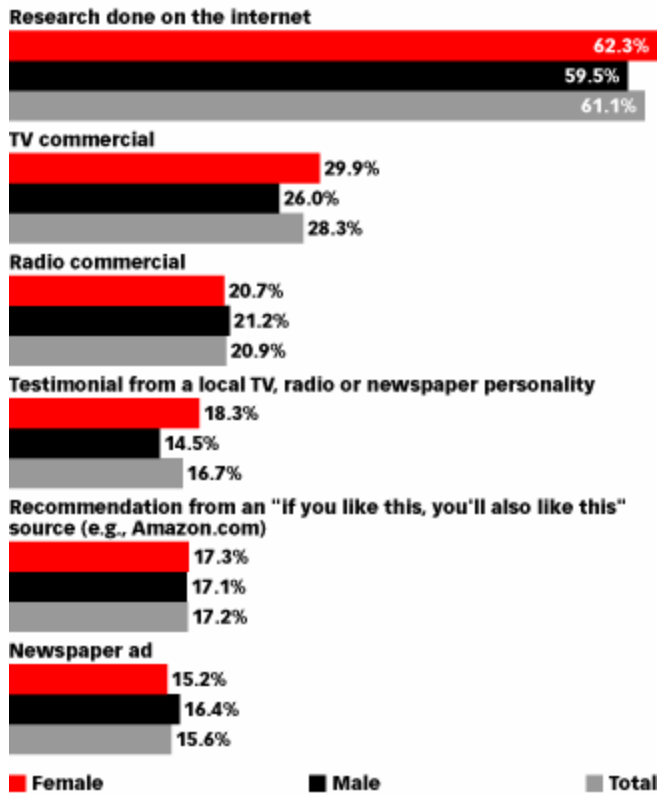


There's a price to austerity. **Just ask the Greeks.** It's easy to slash and burn and save lots of money.

But to provide the kind of services that consumers demand and expect from brands requires having to pragmatically make some big audibles when the game's on the line. It's expected that the newspaper will be on your doorstep during slow news days, but it's imperative that your news provider do what's required when it really counts.

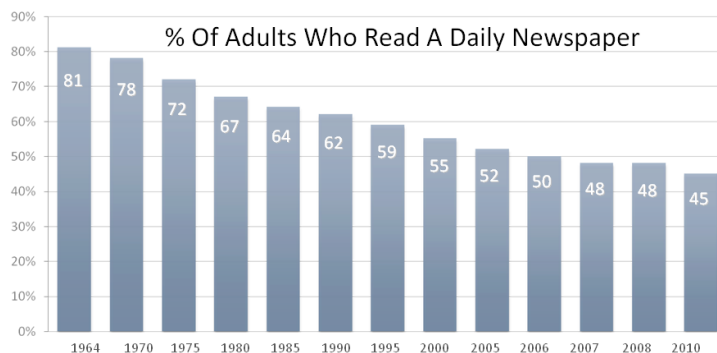
Over that weekend, the *New York Times* dropped the ball.

Sources that influence the Brand-Buying Decisions of Internet Users in North America, by Gender, June 2012
 % of respondents



Note: when respondents have decided on buying a product but haven't decided on which brand
 Source: Triton Digital, "Media Influence Insights," July 10, 2012
 142672 www.eMarketer.com

Newspaper is trending down



Source: Veronis Suhler Stevenson Communication Industry Forecast 2010, Lehman Brothers Newspaper Fact Book, March 2008

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While many advertisers remain loyal to print, America's newspapers are waging a tough battle to retain circulation and readership. Many people — especially younger people — don't read the paper at all. Among those who do, most are selective about what sections they read. Using Radio in conjunction with newspaper helps you reach consumers who don't read the paper and strengthens the impact of your message on those who did see the newspaper ad.

Radio Reaches Newspaper Readers and Non-Readers

Radio reaches 84.8% of the 45.1% of readers who usually read the Front Page section, and reaches 78.8% of the 56.4% who don't usually read the Front Page Section.

Radio reaches 86.0% of the 22.9% of readers who usually read the Sports section, and reaches 80.0% of the 77.1% who don't usually read the Sports section.

Radio reaches 85.9% of the 22.8% of readers who usually read the Business section, and reaches 80.1% of the 77.2% who don't usually read the Business section.

Radio reaches 86.0% of the 6.5% of readers who usually read the Auto Classified section, and reaches 81.1% of the 93.5% who don't usually read the Auto Classified section.

Radio reaches 84.0% of the 7.5% of readers who usually read the Employment Classified Ads, and reaches 81.2% of the 92.5% who don't usually read the Employment Classified Ads.

Radio Reaches 85.9% of the 12.2% of readers who usually read the Real Estate/Home section, and reaches 80.8% of the 87.8% who don't usually read the Real Estate/Home section.

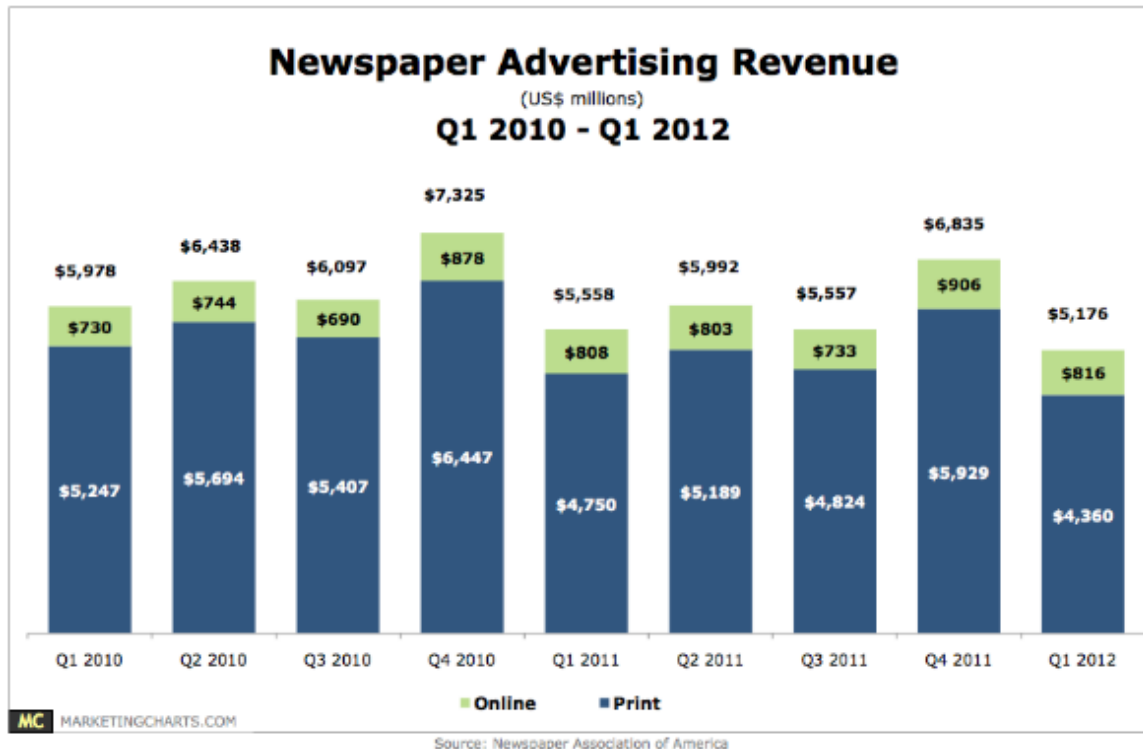
Source: The Media Audit – Year January 2011-February 2012 / 80-Market Report (Based on Daily Newspaper Readership estimates)

**Stop of the presses:
Radio sees opportunity from print**

changes, but less than in past. Four more cities will no longer have a seven-day a week newspaper, presenting radio an opportunity to target their disenfranchised advertisers. But what was once the proverbial 800-pound media gorilla has slimmed down, attracting fewer ad dollars than in the past. The result is newspapers may not represent as big an opportunity for radio as it once did. “The paper is chock full of ads on Thursday and Sunday, but there are a lot of days of the week that have very few ads in it,” Entercom-New Orleans market manager Chris Claus says. That’s no doubt what is behind this month’s Advance Publications announcement that it would limit printing The Times-Picayune in New Orleans to just three days a week, and that sister newspapers in Birmingham, Mobile and Huntsville would do the same.

US newspaper ad revenues continue to decline, [according to](#) the latest figures from the Newspaper Association of America. In Q1, total expenditures stood at \$5.18 billion, down 6.86% from \$5.56 billion a year earlier. Online revenues grew by just 1%, to \$816 million, not nearly enough to offset the 8.2% drop in print revenues, to \$4.36 billion.

Previous figures released in March 2012 by the NAA revealed that print revenues (in absolute dollars) halved between 2005 and 2011.



5/12 What Print Cuts at Times-Picayune Mean for Papers

New Orleans Daily Latest to Reduce Publishing Schedule in Bid to Survive Digital Revolution

By: [Nat Ives](#) Published: [May 28, 2012](#)

inShare22



The New Orleans Times-Picayune survived Hurricane Katrina. Now it is making its play to stay alive during the digital revolution, stopping the presses for good on Mondays, Tuesdays, Thursdays and Saturdays this fall. Where some see that as another nail in the coffin of dedicated journalism, others view it as a business evolution necessary to keep such journalism alive.

"The Times-Picayune stayed in the water with people when the cops and government left," said Rusty Coats, a longtime newspaper executive who is now a media consultant. "They have a special relationship with the community. But anyone understands that you have to renegotiate your relationship when circumstances change."

And circumstances have changed. In the broader newspaper industry, ad revenue has plunged more than 50% since 2005, while paper, printing and delivery costs rose.

While the change seems radical for the Advance Publication title, it shouldn't leave its ad revenue any worse off. That's because The Times-Picayune will still publish print editions on Wednesdays, Fridays and Sundays, when marketers were already concentrating their promotional fire to pitch new movies or weekend sales.

"If there were demand for advertising on Monday, they'd still have Monday papers," said Alan Mutter, the newspaper veteran who became a Silicon Alley entrepreneur and newspaper-industry blogger.

The risk is that taking four days off the table could further accelerate readers' shift away from print -- even on the days that advertisers still want it. When advertisers buy print, they pay higher ad rates than they would for the web. That's partly why The Times-Picayune collected \$64.7 million in print ad revenue last year but only \$5.7 million on its website, according to Kantar Media estimates.

But print is only as compelling as its audience. So a lot ultimately will ride on how The Times-Picayune -- like its three Advance siblings in Alabama that are also cutting print to three days a week -- deploys its savings. New Orleans' broader interest in capable, robust news coverage is also at stake.

In Seattle, where Hearst converted the Post-Intelligencer to an all-digital operation with a vastly reduced newsroom in 2009, residents get at least as much news as ever, both from SeattlePI.com and recent online upstarts. The question is the quality.

"In the wake of the PI retreating to some degree, other things have moved in and grown," said Mike Lewis, a former reporter and columnist for the Post-Intelligencer who bought a bar with his severance pay when his job disappeared with the print edition. He has also become regional editor for Patch.com sites in Washington state. "In aggregate, is the city not covered as well as it used to be? I think it's covered more voluminously but not as deeply.

"It's not always trees that grow back," Mr. Lewis added. "It's a lot of scrub."

Advance Publications disputes the idea that cutting four costly days of print will do anything but help the business and the newsroom. "For people to equate not delivering a print publication seven days a week with somehow lessening our commitment to trusted, credible content is flat-out wrong," said Randy Siegel, president for local digital strategy at Advance Publications.

"This is about doing more journalism on more platforms," he added, "not clinging to this rigorous orthodoxy that the only way to serve a community is to print a newspaper seven days a week."

Expect others to follow. The Times-Picayune and the Alabama papers are actually only following the lead of papers in Detroit and elsewhere in Michigan. "It's not at all surprising that Detroit and New Orleans are in the vanguard of this, because those markets have had some fairly catastrophic problems," Mr. Mutter said. "You'll see this happen in markets that are economically less robust, where publishers don't want to fight the headwinds of print and want to just get ahead of the migration to digital."

5/12 Small Gain in Newspaper Circulations, Aided by Digital Subscriptions

By [TANZINA VEGA](#)

Newspapers across the country had a slight increase in daily circulation — and a surprisingly robust bump in Sunday circulation — in the last six months compared with the same period the year before, [the Audit Bureau of Circulations](#) reported Tuesday.

The biggest increase was for The New York Times, whose daily circulation, including the digital version, increased 73.05 percent over the previous year, largely because of the introduction of its paid

digital subscription model last year. The A.B.C. report on 618 daily newspapers for the six-month period ended March 31 counts both print and digital subscriptions.

In a statement, the Times Company attributed the gain to “the popularity of The Times’s digital subscription packages, which launched in the United States on March 28, 2011.”

The 618 newspapers with daily circulation increased 0.68 percent. The Wall Street Journal remained in the top spot with a total average daily circulation of 2,118,315, compared with 2,117,796 last year. USA Today was second with 1,817,446; The New York Times had 1,586,757; The Los Angeles Times, 616,575; and The Daily News of New York, 579,636.

The top five newspapers remained unchanged from the last A.B.C. report, issued in September, though The Daily News circulation increased 9.17 percent.

Under audit rules, newspapers can count paid digital subscribers more than once if they have daily access to digital content on multiple platforms like mobile apps or tablets as part of a bundled subscription package.

Something is off, when the best magazine of the year cannot attract advertisers.

At last night's Ellie Awards in New York, held by the [American Society of Magazine Editors](#), Magazine of the Year Winner was *TIME*. But as [Folio](#) details, ***TIME* fell almost 21% from 286.95 ad pages in Q1 2011 to 227.01**

The top 10 dying industries in the United States

By [Brad Plumer](#), Updated: Wednesday, April 11, 2012

A new [report](#) (pdf) from IBIS World looks at 10 industries in the United States that are demonstrating, as the researchers put it, “exceptionally sour performance.” Some are suffering from trade competition, some — like video rental — from the advent of new technology. Here’s the list:

1. Photofinishing
2. Newspaper publishing
3. Appliance repair
4. DVD, game, and video rental
5. Money market and other banking
6. Recordable media manufacturing
7. Hardware manufacturing
8. Shoe and footwear manufacturing
9. Costume and team uniform manufacturing
10. Women's and girls' apparel manufacturing

Will any of these industries stay alive? Some, like newspapers, are doing what they can to adapt, such as charging for online subscriptions. Others might need to take drastic measures. The report, for instance, suggests that recordable media manufacturers might be able to thrive by producing disks that hold 3D movies. For now, it notes, "pending a major technological breakthrough," 3D movie files are too large to download or stream. Of course, 10 years from now, when that all changes, we could be reading about the shuttering of plants that make 3D movie disks.

Newspaper Ad Spending Now Half What It Was In 2005

by [Erik Sass](#), Yesterday, 1:50 PM 3/12

The precipitous decline in the newspaper industry continued in 2011, when total advertising revenues fell to \$23.9 billion, down 7.3% from \$25.8 billion in 2010, according to figures released by the Newspaper Association of America on March 14.

But this is a minor casualty compared with the long-term losses suffered by the medium since Internet competition began to hurt in the middle of the last decade. Indeed, total newspaper ad revenues in 2011 were less than half their 2005 level of \$49.4 billion -- reflecting a 51.6% drop in just six years.

Magazines' Digital Circulation More Than Doubles -- But Remains Small

Fast-Growing Digital Still Just 1% of Publishers' Total

By: [Nat Ives](#) Published: [March 29, 2012](#)

Magazines more than doubled their paid digital circulation in the most recent reporting period, but print remains the overwhelming majority of their business, according to a new analysis by the Audit Bureau of Circulations.

Digital circulation soared to an estimated 3.29 million in the second half of 2011 from 1.46 million in the year-earlier period, a 125% increase, according to publishers' reports with the Audit Bureau.

Despite all that growth, however, digital remains about 1% of magazines' total paid and verified circulation.

HOLY CRAP: Look What Just Happened To Newspapers!

[Henry Blodget](#) / [Feb. 29, 2012, 3:23 PM](#) / [12,019](#) / [33](#)

Back in 2007, I wrote a series of posts arguing that "[newspapers are screwed](#)."

The theory was that, as readers and ad spending moved online, newspapers would be unable to replace the revenue they were losing from print advertising.

This wasn't a new theory, but, like many theories involving the future, it was frequently ridiculed, especially by people who worked for newspapers.

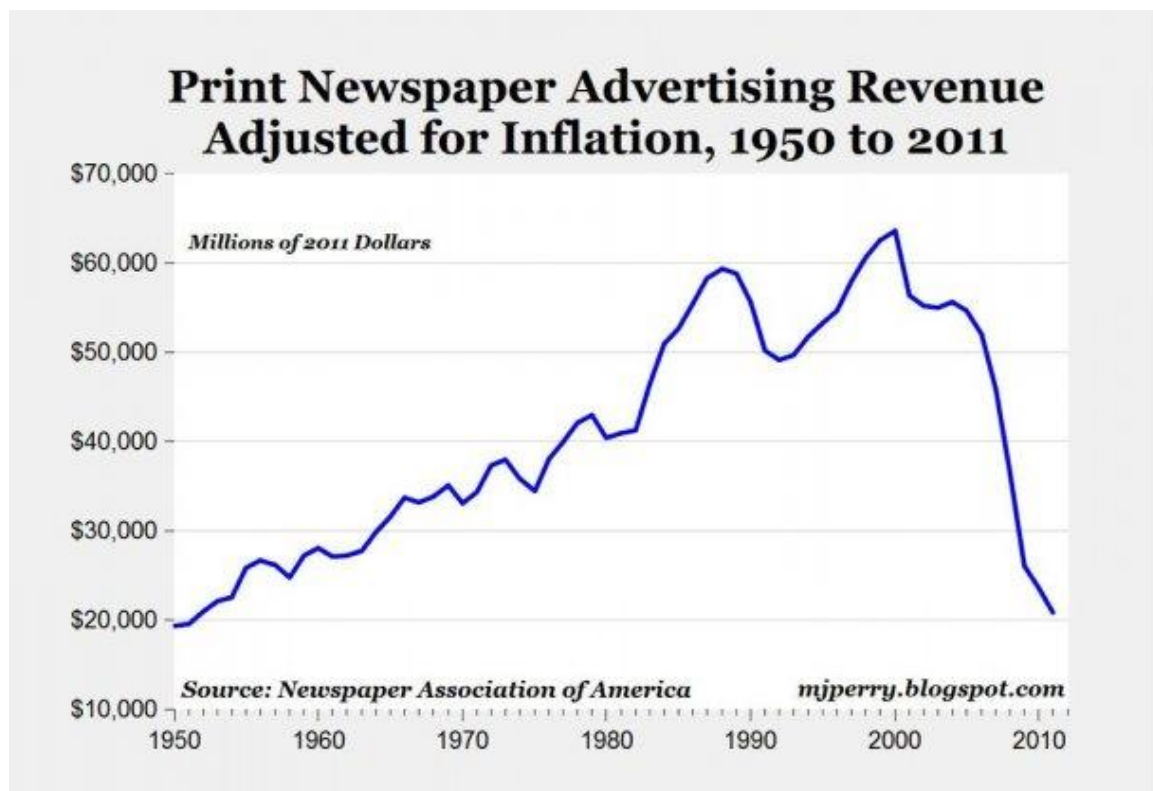
But I don't think even those who believed newspapers were screwed fully appreciated just *how* screwed they were.

In 2007, the stock of the [New York Times](#) Company was trading for about \$25 a share.

Today, it's trading for \$6.56.

And the chart below shows why.

Via [Derek Thompson at The Atlantic](#), here's an inflation-adjusted chart of newspaper advertising spending over the past 60 years:



[Newspaper Association Of America](#)

Ouch.

The good news is, contrary to the fears of some doomsayers (also generally people who worked for newspapers), the world has never been better informed. Thanks to blogs, [Twitter](#), [Facebook](#), [Google](#), two billion online fact-checkers, and some amazing online news sites—including some run by newspapers—we now know more faster than at any time in history, by a mile.

And, thankfully, we no longer have to rely on the judgment (and worldview) of a handful of super-powerful gatekeepers to decide what we can and can't know.

The Incredible Shrinking New York Times

[Henry Blodget](#) and [Kamelia Angelova](#) / Feb. 4, 2012

And it's still shrinking.

Despite the launch of an online paywall that has, by any measure, been a big success, the company's revenue for its core news business shrank again in 2011.

And because news expenses rose, profits shrank even more.

The culprit, as ever, is the company's print-ad business, which has shrunk steadily for the past five years.

The trends of the past five years are also likely a sign of the future of the New York Times: Steady restructuring and shrinking until the size of the newsroom and broader organization is finally in line with the size of the company's online business, which is thriving.

We estimate that the digital business will eventually support a newsroom about one-third to one-half the size of the paper's current one.

(The paper's online business, we believe, generates about ~\$275 million of annual revenue. This should support newsroom expenses of about \$100 million annually, with another \$150 million spent on sales, [technology](#), operations and management. We have been told that the paper's current newsroom costs about \$200 million a year.)

[Fortunately, the New York Times is not in danger of immediate bankruptcy, which it was a few years ago.](#)

Thanks to sharp cost-cutting, the company has returned to profitability. And thanks to frantic debt restructuring during the [financial](#) crisis, the NYT has also removed its creditors' foot from its throat and bought several more years to figure out a long-term plan.

But this happy escape has not alleviated the company's long-term problem:

Its core business, the print newspaper, is shrinking, and its digital business, however successful, cannot replace the lost revenue and profitability of the print business.

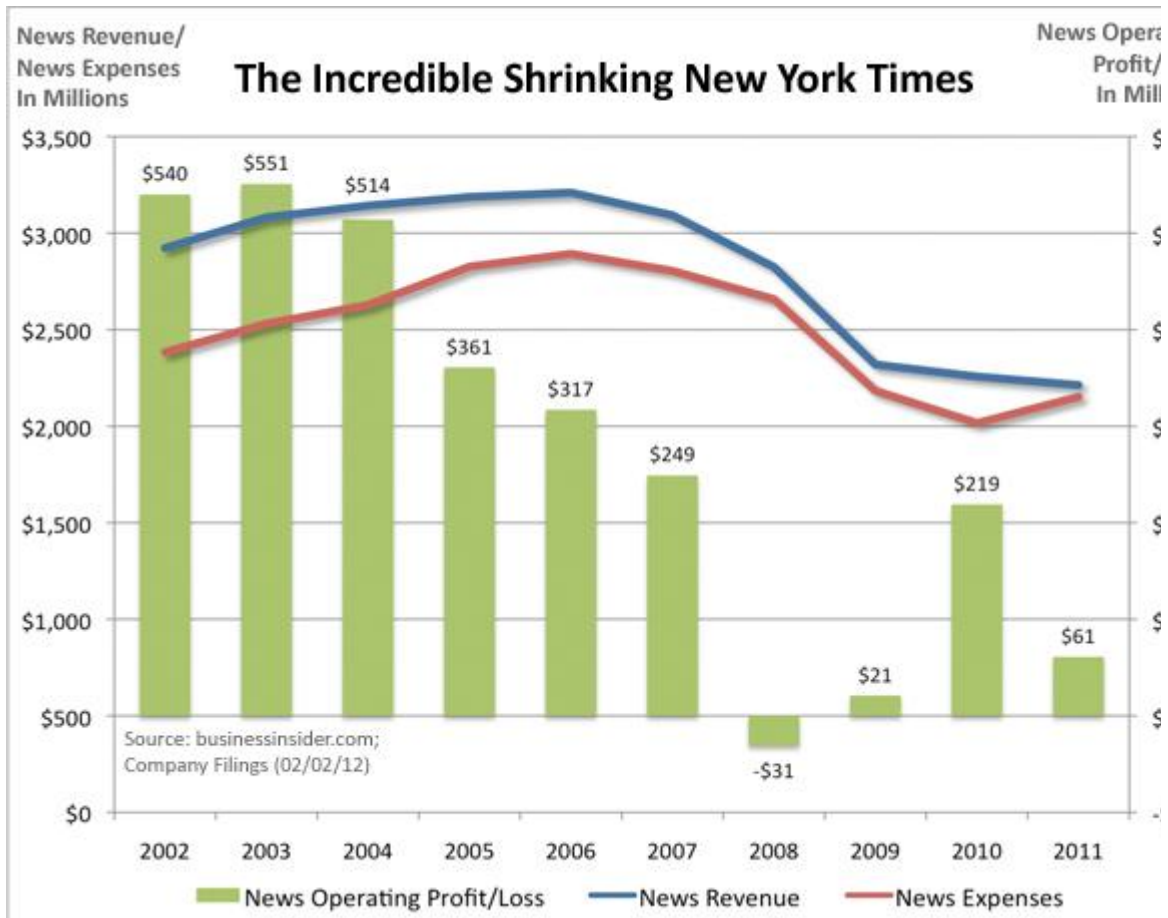
The chart below lays out the problem: After a century of growth, the New York Times's news business peaked earlier this decade with just

over \$3 billion in revenue and \$500 million of operating profit. In the years since, however, the company's revenue (blue line) and operating profit (green bars) have begun to shrink.

And despite the enormous cost cuts the company has made since the early 2000s (red line), its operating profit--even in these recovery years like 2010 and 2011--doesn't approach the fat years of a decade ago.

Unless the [New York Times](#) Company can figure out a way to turn around the print newspaper circulation revenue (highly unlikely), this shrinkage will continue. Even if the online paywall is wildly successful, it will not replace the circulation and ad revenue the company will lose as print subscribers cancel. And as the print business shrinks, the print cost structure that supports it will have to shrink, too.

Here's the chart. The blue line is news division revenue. The red line is news division expenses. And the green bars, on a different scale, are the news division operating profit.



When conducting its national [Survey of the American Consumer](#)TM, GfK MRI interviews approximately 26,000 U.S. adults in their homes each year, asking about their use of media, their consumption of more than 6,000 products in 550 categories, their lifestyles and their attitudes

Adults who read magazines only on digital platforms represent 11% of the total gross magazine audience, according to the first wave of [GfK MRI](#) data that measures both print and digital magazine readership

Media consumption is moving to digital at rapid rate. Based on 10 years of studies by the University of Southern California Annenberg Center for the Digital Future, [the latest publication by the center](#) predicts that printed newspapers will virtually disappear in five years.

"Circulation of print newspapers continues to plummet, and we believe that the only print newspapers that will survive will be at the extremes of the medium – the largest and the smallest," said Jeffrey Cole, Director of the Center. The research concludes that it is likely that only four major daily newspapers will continue in print form: The New York Times, USA Today, the Washington Post, and the Wall Street Journal. At the other extreme, local weekly newspapers may still survive.