

CAPSULE HISTORY OF MAGAZINES

1740–2012

1740–1799

Early magazines launched in the Colonial Era are primarily local or regional in orientation, i.e. **The Boston Weekly Magazine** and **The Pennsylvania Magazine**. Many are short-lived ventures focused primarily on political issues and specialized interests. Circulations are very small and most publications are unaudited.

1800–1869

More sophisticated magazines gradually emerge. **The New Yorker** (not related to the current **New Yorker**) is started in 1834 by Horace Greely, followed by **Harper's** in 1850, and **The Atlantic Monthly** in 1857. Most “respectable” magazines do not accept advertising.

1870–1899

Enterprising “agents” like J. Walter Thompson persuade magazines to accept ads with persons like himself acting as brokers, controlling the space and selling it to advertisers. First color ads appear in the 1890s, using reproductions of famous paintings in inserts supplied by advertisers. First process color ad appears in 1899 in **Popular Magazine** for the Shredded Wheat Company. Cyrus Curtis launches **The Ladies' Home Journal** in 1883, then buys **The Saturday Evening Post** in 1897 and transforms it into a commercial success.

1900–1919

Spurred by ad revenues, magazines build circulations and become a major advertising medium. **The Saturday Evening Post** draws one million dollars in ad revenues in 1907, and passes a million circulation in 1909. Concerns are aroused about fraudulent advertising; magazines devise codes to control deceptive ads.

The Audit Bureau of Circulations is formed. Starch surveys begin.

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1920–1939

Magazines such as **Time**, **Life**, **Look**, **The Reader's Digest** and many others are launched. The era of mass magazines begins.

Advertisers and ad agencies refine copywriting techniques, and exploit slogans and visual effects. Starch noting and readership scores become important criteria for judging copy effectiveness, the effects of layout, headlines, etc.

Circulation patterns and “primary audience” or “subscriber” studies are the principal quantitative benchmarks for media planners. Often, studies sponsored by one publisher are not comparable to those offered by others.

1940–1949

Magazines adapt to World War II conditions and the resulting economic pressures. Magazine ad revenues grow from \$186 million in 1940 to \$344 million in 1945, to \$478 million in 1950.

Poltz develops the “total audience” measurement concept for **Life**. Politz studies encompass all readers, including “pass-along” audiences, using a visual issue-specific recognition method.

1950–1959

The impact of TV is felt. Fierce internecine battles for revenue develop among **Life**, **Look** and the **Saturday Evening Post**, joined by **The Reader's Digest** once it decides to accept advertising in the mid-50s.

Despite high circulations, **Collier's** and **The Woman's Home Companion** fold in the mid-50s.

Life and **Look** sponsor total audience surveys by Politz which show more readers per copy than the **Saturday Evening Post** and **Digest**. The latter retaliate with “reading day” and “ad page exposure” (APX) measures, also by Politz, which give *them* a strong edge.

Unable to compete in the new total audience surveys, Sunday magazines suffer setbacks.

Since TV remains a black and white medium, advertisers continue to use color ads in mass magazines and women's books. Selective magazines are not affected by TV.

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1960–1964

Syndicated audience surveys begin with Nielsen's Media Service (NMS) in 1960, and Simmons and the Brand Rating Index (BRI) in 1962. Others try to launch rival services but are not successful. Nielsen folds NMS in 1964 after producing unusually high reader-per-copy estimates for an expanded list of measured magazines.

As more and more magazines are included in total audience surveys, agencies switch to this concept, even for small circulation publications. Many feed data into computer analysis systems, using finely tuned demographic breakdowns, reach and frequency estimates, media mix comparisons, etc., in more sophisticated evaluations of magazines. Low pass-along publications suffer, often unfairly, in such systems.

The Saturday Evening Post, **The Reader's Digest** and others demonstrate that repeat exposures are valuable offsets to relatively low pass-along rates, but such "qualitative" findings go largely unheeded. Increasingly, buys are made on cost-per-thousands, figured against total audience counts, while qualitative factors are ignored.

Magazines like **McCall's** and **Look** boost their circulations to compete in the numbers race with television and, inevitably, with each other. Unfortunately, many of their new readers are reached unprofitably due to cut-rate subscription deals and expensive recruitment costs.

1965–1972

A surge of TV specials, plus longer news programs and sportscasts attract upscale advertisers to the tube. This and the proliferation of color television doom mass magazines. One by one, **The Saturday Evening Post**, **Look** and **Life** falter and fold, despite **Life's** efforts to compete with television using ad recall research, ad-induced sales tests, etc., to show the value of magazine advertising. Sunday magazines also decline. **This Week** drops out due to lack of advertiser support. In contrast, **The Reader's Digest** and **TV Guide** prosper, while many other magazines score gains by appealing to more selective audiences, holding costs in line and pricing their space attractively.

Problems arise in total audience surveys. Switching to the "through-the-book" technique, BRI produces odd findings that aren't acceptable to subscribers. The Target Group Index (TGI) steps in to fill the vacuum, offering Simmons competition with a variation of the original BRI method. This method does not require the reader to claim specific issue readership, merely how many of the past four issues were read.

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1973–1977

New magazines proliferate. Starting in 1974, **People** succeeds impressively. City magazines spring to life in many large markets. Competition intensifies in the men's interest field. Selective magazines continue to flourish.

Many publishers drop out of the circulation race, cutting unprofitable “subscribers” to operate more efficiently, resulting in improved profit margins, even in the face of higher printing and distribution costs.

Magazines score healthy gains in revenues. Billings rise to the two billion dollar mark in 1977, an increase of half a billion in only four years. Sunday magazines such as **Family Weekly** and **Parade** regroup and gain increased advertiser acceptance.

Simmons and TGI produce widely different audience estimates. Simmons aborts one study and is taken over by new management as the controversy about the accuracy of conflicting measurement systems mounts. Discrepancies concern advertisers and publishers. Advertising Research Foundation committees investigate, inconclusively.

1978–1979

TGI and Simmons merge under the title of the Simmons Market Research Bureau (SMRB). The issuance of SMRB's 1978–79 findings builds new confidence in the viability of syndicated measurements. Many publications that “lost” readers in previous surveys see increases in a generally reassuring survey.

Life magazine returns to the stands in October 1978 as a pictorial monthly with a 700,000 circulation. More new publications appear, among them **Inc.**, **Omni** and **Working Mother**.

1980–1984

Reflecting the effects of a rebounding economy, magazine ad dollars rise from \$3.1 billion in 1980 to \$4.9 billion by 1984.

Mediamark Research, Inc. (MRI) arrives on the scene to give SMRB competition in the syndicated magazine audience measurement field. Headed by Timothy Joyce (former TGI head), MRI uses the “recent reading” recall method, not the through-the-book, issue-specific recall system employed by SMRB. Consequently, there are discrepancies between the two systems, with MRI producing much higher readership estimates, especially for monthlies.

Attempts by Starch to launch a primary audience service fail due to lack of agency/magazine support.

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New magazines like **Food & Wine** prosper; however, others such as **Book Digest**, **Geo**, **Us**, **Science Digest** and **Next** face difficulties, as do established books including **Ms.** and **Psychology Today**.

1985-1989

Although most magazines fared well in the mid-80s, many experience a slowdown in ad revenue growth between 1984 and 1986, as the effects of a sluggish economy and competition from new forms of media—notably cable—are felt. While ad revenues grew by 100% between 1975 and 1979, and 57% between 1980 and 1984, they increase by only 30% between 1985 and 1989.

Responding to the profit squeeze, more publishers allow their circulations to find their “natural” levels, invariably reducing their rate bases. Others sell or drop unprofitable titles.

Newer, more narrowly targeted magazines such as **Automobile**, **Parenting** and **Elle** demonstrate that the era of selective magazines has not ended; however, publishers targeting broad-based segments, such as the elderly, find advertiser support lacking.

1990-1993

Off-card rate dealing comes into vogue with many magazines accepting this practice as a price of doing business. Multi-title publishers such as Time, Inc. and Hearst expand their “network discount” plans and develop specialized sales teams to handle negotiations with advertisers making corporate multi-brand buys. Often, magazines are involved in “value-added” proposals featuring promotional or marketing-related tie-ins, and in some cases multi-media deals. The primary hold-out on the rate-cutting issue is Condé Nast, however this company does offer value-added packages and network-style discounts.

Responding to client pressures to get the “best deals” from magazines, and to involve themselves in value-added incentives from publishers, agencies set up magazine negotiating groups headed by senior media executives, instead of the old practice of every planning group going its own way. Corporate ad/media directors at the client level also become more involved in “upfront” magazine buying decisions, coordinating multi-brand budgets and, as a matter of policy, squeezing the magazines for the most attractive deals.

Worrying about losing their identity in the sea of clutter that engulfs today’s consumers, advertisers are more actively involved than ever before in “custom publishing,” whereby they, or an established publisher, produce a magazine focused on a particular consumer segment, situation, lifestyle or interest. Such magazines are sponsored exclusively by a single advertiser, one whose products or services are of special interest to the audience. Copies are distributed, often free, by mail or at locations such as stores, dealerships, etc.

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Family Circle, utilizing a Citicorp POS scanner panel facility, demonstrates that ads in its publication produce a significant sales and share-of-market increase among subscriber/single copy buyers.

Nielsen launches its Home*Scan service, attempting to interface magazine readership estimates with shopping behavior via its scanner panels. This “recent reading” audience measurement is a radical departure from SMRB and MRI in that respondents are sent materials by mail and, in effect, interview themselves, recording the results electronically. Nielsen’s early readership results are far higher than those of its competitors, causing skepticism at the agencies. By the summer of 1993, Home*Scan folds.

New magazines like **Entertainment Weekly**, **Men’s Fitness**, **Sassy** and **YM** continue to make their mark, although not always producing the profits their publishers anticipated. Some established entities turn themselves around with improved editorial products, and new positioning strategies, including **U.S. News & World Report**, **The New Yorker** and **TV Guide**.

1994

Magazines move aggressively to cash in on emerging interactive communications capabilities. Many offer CD-ROM options; others explore making online news and information services available to subscribers.

Off-card rate negotiations expand rapidly in scope and sophistication, becoming standard operating procedure at many ad agency and advertiser media departments. More and more publications are sucked in or pressured to play this game, often with little gain to show for it.

1995

Facing severe pressure from MRI, SMRB abandons the “through-the-book” technique of audience measurement, adopting the less expensive “recent reading” method used by MRI. This allows SMRB to add more books to its study and price its service more competitively vis à vis MRI, but raises concerns about the viability of two essentially similar services in a cost-conscious environment.

Stimulated by a stronger economy, magazine ad pages continue to rebound with many publications posting 10% or higher gains over their 1993–94 levels.

1996

Magazine publishers are concerned about instability in the total audience survey findings, but seem unwilling to pay for significantly larger sample bases. Sensing an opportunity, various research houses float

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Capsule History 1996 - Continued

new study designs, many focusing on the primary reader. Audits & Surveys offers a syndicated primary/total audience study, which generates some interest among selective magazines because of its use of known databases in its sample frame.

1997

Audits & Surveys' mail study based on frequency of reading goes into the field; however, relatively few publications sign up to receive the data, while others adopt a wait and see attitude.

More and more magazines explore the Internet as a means of providing added value for advertisers and more importantly, as potential profit centers for the publications.

1998

The new Audits & Surveys poll, using self-administered mail questionnaires, produces readership claims that are somewhat lower than MRI's personally-administered recent reading findings. A&S plans to continue with its design and seeks publisher support, claiming its data is more accurate. Meanwhile, the hard-pressed SMRB changes its magazine methodology, switching from an MRI-like recent reading study to a self-administered frequency of reading scale included in a personally-placed product use/media activity questionnaire. Finally, in response to questions about its sample size, MRI begins to implement a yearly 2,500-respondent increase, as promised to publishers the previous year. Eventually, this will yield a 30,000 persons sample, which may somewhat alleviate the problem of unstable data for small circulation titles.

Stimulated by a stronger economy, magazine ad pages continue to rebound with many publications posting 10% or higher gains over their early-1990s levels. In the late-1990s, magazines score major ad revenue gains from health care advertisers, however, as the early returns from 1998 come in, it is evident that some of these budgets are being directed to TV.

1999

The Magazine Publishers of America (MPA) launches a number of research initiatives designed to demonstrate the impact of magazine ads. One analysis conducted by Millward Brown contends that, dollar for dollar, magazine ads generate three times more ad awareness than their TV counterparts. This conclusion and the data supporting it is met with considerable skepticism in some circles. However, another MPA project, using ACNielsen's Home*Scan panel, produces more tangible results. Here, the MPA finds that ads for ten packaged goods brands which ran in one or more of 14 selected magazines generated

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Capsule History 1999 - Continued

15-20% higher share of market results among shoppers exposed to the issues carrying the brands' ads, compared to those who were not exposed. Once again the power of magazine ads—as demonstrated by post exposure sales results—is documented. Advertisers who need further proof that print advertising works should heed these findings.

On the readership front, Mediamark Research, Inc. (MRI) weathers the onslaught of “wannabe” rival services and continues as the most widely utilized syndicated magazine audience measurement service. Until it is shown that some alternative methodology to MRI's recent reading technique can produce verifiably more accurate and different audience statistics, it is unlikely that a new challenger will intrude successfully on MRI's turf.

2000

Responding to requests by ad agency media planners, the magazine industry received so-called “velocity” data from MRI, indicating how long it takes for average issue readers to be exposed to their copies. Such information, in theory, makes magazine audience data more comparable to TV, for planners who wish to plot GRPs week by week for specific schedules. Whether this is a benefit for print media remains to be seen, however, since some planners may discount audiences that are reached long after publication.

2001-2002

Many magazines suffer serious ad page losses. Primary culprits are slowed economic growth and especially the dot.com meltdown. Publishers fold a large number of magazines for a variety of reasons, the most common of which is the negative impact of the economic recession on ad sales. Among the casualties are **George**, **Family Life**, **Mademoiselle**, **Working Woman**, **Walking**, **Talk**, **Homestyle**, **Family PC** and **Country Journal**.

The fabled “seven sisters” are trimmed to six by the folding of **McCall's** into the new (and ultimately ill-fated) Rosie O'Donnell opus, **Rosie**. Clearly this title seeks to exploit its namesake's huge nationwide exposure via her successful syndicated daytime TV talk show. Rosie, however, claims that she may stop doing the show, which may put a crimp in the magazine's promotional plan.

Although most publications have been able to maintain their circulation levels, signs of softness are evident in certain traditional categories. This raises questions about the continued viability of magazines that are out of step with the times. Can they adapt to the emerging needs and interest of today's readers?

The rise of the Internet also poses a problem for publishers. Slowly but surely, the Internet is taking time away from other media, and magazines are no exception. Indeed, the Internet's demographics and editorial

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selectivity more closely parallel magazines than any other medium, raising questions about further erosion in magazine readership levels. A possible solution is to develop viable magazine websites featuring original editorial and archival content, to create new audience and revenue streams. But thus far few publishers have successfully accomplished this.

2003

Magazine ad revenues remain soft due to general weakness in the economy, although a pick-up is anticipated in the fourth quarter of 2003 and beyond. However, despite the sluggish economic environment, network TV revenues rebound significantly, with double digit increases in 2003-04 upfront sales. The magazine industry's share of national ad revenue (comprised of magazines, newspapers, radio, TV and out-of-home) declines to 18%, down 21% from 1995 levels. Advertisers, by and large, continue their often blind allegiance to the tube, despite strenuous efforts by the MPA and some advertisers to counter this trend and motivate them to divert more dollars from TV to print media.

Offering magazines further support, Next Generation Research, LLC.'s 2003 Advertising Receptivity Index (a study of 15,000 adults) reports that magazines outperform TV in terms of targeting product/service users in 189 categories and, more importantly, in targeting those product/service users who are most receptive to ads for each category. The new study generates considerable interest at major advertisers and ad agencies, who have never seen data of this kind before.

Another new study, conducted for **The Reader's Digest** and a consortium of other publishers, demonstrates that ad recall is considerably higher among readers of major magazines who are loyal readers of those publications (read four of the last four issues), spend more time with them and rate them as personal "favorites." Needless to say, the sponsors of the study are encouraging media buyers to take this ad recall differential into account by utilizing qualitative criteria when evaluating readership statistics.

2004

Magazine ad pages continue to disappoint publishers in the early months of 2004; however, a pickup in the May-June period heralds a possible upturn for the end of the year and into 2005.

Despite scads of available research from the MPA, Next Generation Research and others, showing the value of magazines as great ad environments, the major ad agencies remain fixated on network TV, and are particularly protective of high CPM primetime and sports buys, due in large part to their importance in agency-of-record buying agreements. Advertisers seem perfectly willing to allow this situation to continue.

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2005

Major magazine publishers band together to launch a promotional campaign that highlights values of print media over TV. Despite this laudable effort, advertisers continue to spend heavily on the tube, regardless of misgivings about the effectiveness of conventional 30-second ads. Monroe Mendelsohn Research, Inc.'s 2004 PReSS research offers new insights about how PReSS gains enough support to field a second wave of research in 2005.

Affinity, LLC. expands its 2004 launch of VISTA, a syndicated study of issue-specific magazine ad recall, reader actions, editorial readership and related measures, as part of its ongoing syndicated services. Many books sign up, some under agency pressure.

Pressing for better return-on-investment, advertisers compel magazines to inject product and/or brand preferences in their editorial content. "Product placement" is a growing phenomenon in TV (although often involving extra costs to the advertiser) and similar "linkage" is demanded of magazines—albeit not necessarily in return for additional ad/promotional spending. While some publishers are inclined to cave in, others continue to respect the line between editorial content and advertising.

2006

Headed by Rebecca McPheters, readership.com conducts an issue-specific readership study of 70+ titles, including measurements of engagement. In some cases, results reportedly differed significantly from data provided by standard (non-issue specific) studies. Advertisers, agencies and publishers will be evaluating readership.com's findings, perhaps using it to refine their magazine buys.

Ad revenues for many magazine genres remain relatively flat in 2006, due in part to shifting advertiser ad budgets. The automotive category is particularly volatile as domestic car makers seek new ways to spend their ad dollars and improve ROI. On the positive side, the technology, clothing, food and drug/OTC categories show growth.

Significant magazine launches taper off, while some recent startups produce lackluster results, in several cases leading to abrupt shutdowns.

Magazine publishers continue to explore online editorial extensions and possible new interactive ventures that may lure advertisers and subscribers. No clear patterns have yet emerged on this front.

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2007

Magazines refuse to support a new readership.com study that measures audiences on an issue-specific basis. MRI offers an alternative using online measurements of specific issues, but makes the data conform to its ongoing recent reading results.

Reader's Digest trims circulation and undergoes an editorial makeover in the hopes of recasting its appeal towards younger adults.

2008

Ad sales in many categories lag or are flat, due to the continued effects of oil cost hikes and an economic slowdown.

Magazines are pressed to adopt TV-style issue-specific audience and engagement metrics, with timelier data availability. The MPA launches an effort to solicit ideas from researchers as to how this can come about.

Surveys conducted online reveal wide variations in readership and response from one issue to another for many publications. This dispels the long-held assumption that most titles reach the same people across a succession of issues, and is a plus rather than a negative, for it shows that, like TV, magazine audiences *are* responsive to different editorial approaches, choice of subject matter, etc.

2009

Magazine ad pages take a major hit as a result of the economic recession that began in 2008. Some genres' ad pages are down by 25-30% for the first half of 2009.

Magazine publishers continue to retrench. Some well known titles have dramatically decreased their paid circulations, while others have reduced their publishing frequency or thoroughly reoriented their editorial content. Despite these seemingly bad omens, independent observers regard many magazines as well situated to ride out this latest economic storm. Some believe that the medium, as a whole, has a bright future.

Affinity Research plans to launch a new challenge to MRI's dominance in the magazine readership field. Affinity will include measures of audience response, ad impact and other "engagement" metrics in an online, issue-specific design that covers 150+ titles. In response, MRI announces an expansion of its issue-specific research for all magazines, which has been conducted since 2006. The new MRI service will provide agencies with issue-by-issue audience data, along with various engagement indicators, including ad recall.

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Capsule History 2009 - *Continued*

Magazines are being inexorably pressured by the major ad agencies to move towards TV network-style audience-guaranteed buys, based on issue-specific readership and ad impact metrics. Publisher sales executives are in a quandary; like their TV network counterparts, they must incorporate provisions in their new selling models to protect their interests and prevent the new system from working to their disadvantage.

Despite some exceptions, magazine publishers continue to underutilize their websites as a means of attracting significant audiences that can be marketed to advertisers. The lack of prioritization is clear when one considers that many publishers pared a disproportionate share of their Internet technical, sales and marketing personnel as the full impact of the 2008-09 recession hit home.

2010

Magazines begin to negotiate TV-like audience-plus-engagement deals with at least one large ad agency; others are expected to follow.

Ad sales for many titles and genres remain soft, and bellwether publications continue to make “unprofitable” circulation cuts to reduce their cost-to-income ratios.

Major management and staff retrenchments occur at magazine publishing companies, due in large part to the pressures exerted by poor economic conditions and declining profits. Weekly publications, whose timeliness has been largely preempted by the Internet and cable TV, face the greatest challenge. Some try new editorial approaches; others, such as **Newsweek**, are put up for sale.

2011

Magazines reported overall ad revenue growth of about 4% over 2010 levels. The strongest areas of growth were in the toiletries/cosmetics, automotive and financial/insurance/real estate categories, which offset declines in the food, home furnishing/supplies and public transportation/hotels/resorts categories.

Hearst acquires Hachette Filipacchi in May; major U.S. titles now owned by Hearst include **Elle**, **Elle Decor**, **Car & Driver**, **Cycle World**, **Road & Track** and **Woman’s Day**.

The Daily Beast and **Newsweek** announce a merger in late-2010, which ultimately goes into effect in early-2011. Some have high hopes that the new Tina Brown-edited entity will breathe new life into the struggling newsweekly, while others question if the pairing is a mismatch. Results are disappointing and losses in the first half of the year prompt the ousting of its CFO in August.

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2012

There are modest ad page gains for a small number of industry categories (toiletries, drugs), but growth in many others is minimal or is taking a negative turn.

The major agencies are expanding their efforts to convert magazine ad sellers to the network TV audience guarantee model, with engagement metrics factored into the equation.

New electronic devices, such as eReaders and tablets, show strong potential as a means to extend magazine readership. They offer advertisers many interactive benefits, if publishers can fully develop such options. ■