MAXIMIZING THE MAGAZINE MEDIUM'S APPEAL TO ADVERTISERS

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I. EXECUTIVE SUMMARY

1) The magazine medium faces threats to its circulation sales posed by new electronic media. In addition, magazines have an image problem due to the perception that they are one of the "old" media. Their audience research is regarded as particularly archaic, with reports issued long after the fact and without issue specificity.

2) Magazines' attempts to woo advertisers away from TV, most recently, with esoteric "black box" ROI studies have not succeeded.

3) Publishers and their advocates have not appreciated the real reasons that dictate advertiser media mix decisions, nor have they addressed some of the problems and knowledge gaps that mitigate greater use of print media.

4) Advertisers and their agencies are so focused on the effectiveness of their TV ad campaigns (plus those in the new electronic media) that they ignore similar evaluations of magazine ads and their impact. This, in itself, makes many reluctant to spend more heavily in print media; they aren't comfortable with the medium as a branding or communications medium.

5) Magazines need to move aggressively to show how magazine ads work in the minds of consumers to brand products, register sales points and sell merchandise. Such efforts must be far more specific, down to the individual advertiser level or, at the least, by product category. The effectiveness of different creative approaches must be documented and made known to advertisers.

6) Magazines should emulate network TV in terms of audience guarantees through issue-specific research, combined with engagement metrics. The latter would bring home to many advertisers the power of magazine ads.

7) Magazines should retool their ROI studies to make them more transparent and readily understandable. They should demonstrate how the diminishing return effect applies to both TV and print media. Once this honest and easily understood point is grasped, advertisers, who rely excessively on TV, may begin to consider alternative media mixes, and magazines are sure to benefit.

8) Magazines should consider partnering with advertisers by supplying and evaluating marketing research that gives the medium and individual publishers entrée with the key decision makers at the agencies and their clients.

9) On an entrepreneurial level, magazines should become more involved in creating and selling electronic media vehicles, sponsorship opportunities, on-line tie-ins, etc., using their editorial expertise and reputations to entrench themselves as major factors in the advertisers' promotional matrix.

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10) Unlike another “old” medium—radio—magazines stand a far better chance of success in kindling advertiser interest because they are a visual and a national medium, with an audience very receptive to ads. A well orchestrated effort along the lines outlined in this report could pay handsome dividends.

INTRODUCTION

For decades magazine publishers have enviously scanned television's ad revenue charts, wondering if there was some way to convince TV-fixated marketers to allocate more of their media dollars to print. But can advertisers, long wedded to the tube, be motivated to drastically reorient their thinking and, consequently, their media mixes?

How a medium is perceived plays a key role in whether advertisers use it. Although magazines are a powerful communications force, they have their problems. Faced with rising circulation attainment and printing/distribution costs, and the disturbing inclination of younger adults to turn to electronic media, particularly the Internet, for their news, information and entertainment, publishers are caught in a squeeze. Many magazines are having difficulties maintaining—let alone growing—their paid circulations profitably, and some famous titles have trimmed their circulations and/ or issue frequencies dramatically in order to survive.

Magazines are also seen as one of the "old" media, along with radio and newspapers, as new electronic media such as the Internet and cell phones increasingly capture the interest of advertisers. But isn't TV one of the "old" media? Why isn't television, with its fragmenting ratings, high commercial zapping rates, rising CPMs and lowbrow audience orientation, losing the confidence of advertisers? The answer is simple. Despite its many pitfalls, television remains unchallenged as the medium of choice for many advertisers. The concept of an overriding national TV campaign is sold in to everyone in the marketing and distribution chain of many advertisers as the primary consumer motivational vehicle. All of the critical support systems, ranging from commercial pretesting to upfront TV time buying and the way that image-shaping, big time network TV "sponsorships" are promoted to the trade and the public, remain in force. In addition, the TV networks have made serious efforts to deal with advertiser concerns, offering product placement deals and low clutter "digital" telecast sponsorships to emphasize ad impact. The networks have also accepted commercial ratings as their selling currency and upfront pacts now incorporate sophisticated viewer engagement metrics in their audience guarantees.

Meanwhile, the Magazine Publishers of America (MPA) continues to fight its lonely, uphill struggle to divert advertiser dollars away from TV and into print media. In recent years, the MPA's efforts have focused on return-on-investment (ROI) studies, which invariably show TV to a disadvantage relative to magazines, often by tremendous margins. The response to these efforts, so far, has not been encouraging, and we will explore the reasons for this along with a possible solution later in this report.

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Compounding the MPA's difficulties is the lack of visible support it gets from individual publishers in its heroic tilting against TV. Many magazines, particularly the niche-oriented ones, have no interest in battling with the tube for ad dollars. They believe that they will get endemic business from advertisers catering to their area of editorial focus, regardless of how much money goes to television. This aside, even at the more broad-based publishing groups, there is little support for developing their own pro-print/anti-TV presentations to advertisers. As they see it, that's the MPA's job.

Another issue is the widely held axiom that magazines must seek agency approval or endorsements for research initiatives that might show print media in a positive light. Unlike the TV networks, which chart their own course and work with the ad agencies from a position of strength, magazines have fallen into the trap of allowing the agencies to dictate the parameters of "acceptable" research. Although this may expedite the exchange of data at the buyer level to sell one book versus another, it is a counterproductive practice that stifles significant new research designs that could be used by the magazine medium to position itself advantageously against television. Since the agencies are not interested in research that highlights TV's weaknesses, and feel that they are addressing television's problems, in collaboration with the networks, in other ways, it is unrealistic to expect them to endorse anything that upsets the network TV applecart.

Capturing a larger share of ad dollars for the magazine medium may seem like a daunting task, but we believe that publishers, working together and in concert with the MPA, can make a more powerful case for their medium. The following sections describe some of the most important initiatives that could be undertaken to sway advertisers in favor of magazines; however, these are not instant solutions. They may be very effective if pursued aggressively as part of a drawn out, cohesive effort to reposition the magazine medium, but a quick fix isn't really possible.

I. SELLING ADVERTISERS ON THE POWER OF MAGAZINE ADS

Despite what many publishers may think, media mix decisions are not driven primarily by audience and CPM factors. More subtle elements are at play, many dealing with advertising impact and merchandisability—the "look" of the buy. Still, advertisers are not so set in their ways that they won't respond to a well conceived and orchestrated campaign to position magazines as major assets in their ongoing efforts to brand their products and, ultimately, to generate positive sales results. In this regard, magazines have a tremendous edge since, like television but unlike radio, they are a visual medium and many advertisers believe that this mode of communication is by far the most effective.

The decision about whether or not to use magazines and, more importantly, the degree to which they will be employed is made primarily by the advertiser, not agency media planners. Since most national advertisers regard television as their basic media platform, they have developed sophisticated and ongoing measurements to monitor the effectiveness of their TV ad campaigns, both in pretests before their commercials air, and afterwards, through tracking studies. Such research is frequently combined with statistical modeling designed to show how ad awareness builds up at various GRP or spending levels, how to determine when a campaign is "wearing out," etc. In addition, advertisers routinely conduct test market studies relating sales response to TV exposure patterns, media weight changes and related factors. Not surprisingly, in view of all of the evidence they have accumulated, plus the results they actually see in the marketplace, advertisers believe that they have a fairly good handle on what does and doesn't work where TV commercials are concerned and how to evaluate the merits of new campaign ideas proposed by their agencies.

Reflecting the strong TV orientation of so many of their clients, it's not surprising that ad agencies focus their creative energies on this medium, constantly touting their expertise in using television to communicate brand positioning or sales messages. Virtually every new business presentation features a reel of successful commercials, with the agency creatives explaining the underlying marketing strategies that inspired the campaigns and how they benefit the advertisers involved. Often, some form of "case history" research, including ad awareness, motivating power or share of market/sales indicators, is used to document such claims.

Needless to say, nothing like this exists for magazines. Because many magazine buys are seen as supplemental or for "trade support," such as a travel account placing pages in a travel magazine or a financial service buying space in a personal finance magazine, these ads are rarely, if ever, pretested. What's more, their execution is handled on an ad hoc basis, often by junior creatives and art department people.

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Even when a fairly major ad schedule is planned for large circulation magazines like **Better Homes & Gardens**, **People** or **The Reader's Digest**, pretesting along the lines of the television formula is rare. To be sure, ad noting/message registration data and other research may be supplied by a publisher using Affinity, Starch or some other source, but this is regarded as a form of sales service and is seldom given the kind of scrutiny that corresponding findings for the TV campaign command.

As a result of their single-minded orientation towards television, many advertisers and agencies don't truly have a handle on which approaches work best in magazine ads—at least not to the same degree as they have for TV. Also, many marketing directors and brand managers lack the deep inner conviction that magazine ads can position their products or sell their story to the consumer as effectively as television commercials. As a result, most are content to use magazines as a "supporting" medium, catering to certain hard to reach demographics, satisfying trade or merchandising needs, exploiting particular editorial tie-ins, and so forth, but not as the primary driver of their promotional efforts, and certainly not as an equal player with TV.

In order to deal with this problem, the magazine industry needs to embark on two mutually supporting programs. The first would be to take an existing ad impact facility such as Affinity Research and sponsor an analysis of which creative executional approaches produce the best and the worst awareness and motivation results for various types of product classes and different consumer mindsets. We are not talking about simplistic, across-the-board data averaging that shows obvious things like color ads grab more attention than black and white or that larger ads are more likely to be noted than smaller ones. Rather, such a study, using data already gathered for hundreds of ad campaigns, would examine specific creative options like the use of celebrities, animals, symbolic colors, alternate layout designs, or visual elements taken from TV commercials, and combinations of factors, to isolate successful from less effective print communications. Also included would be the varying response of different kinds of readers (men vs. women, old vs. young, well educated vs. less educated, one mindset vs. another) to different creative approaches. The results, which could be updated periodically, would be made available to agencies and advertisers with additional details provided about specific product classes in response to follow-up requests.

A parallel operation would take a more aggressive tack. The magazine industry would fund an ongoing ad awareness/motivating power tracking study for hundreds of ad campaigns, and topline findings would be released periodically (perhaps through a leading ad trade journal, such as **Advertising Age**). For example, every

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month the proportions of the total adult population and relevant product user groups who were aware of seeing specific ads for each advertiser would be published, along with measurements of purchase intent or brand favorability. Additional information (demographic breakdowns, mindset distinctions, etc.) would be offered to the advertisers or their agency on request. And make no bones about it, there would be a lot of inquiries. There is nothing like seeing a report on the effectiveness –or lack of same—of your ad campaign in a magazine like **Advertising Age** to capture the attention of a marketing director, to say nothing of his/her brand manager, the agency's account management and, of course, the creatives. Quickly, the advertiser's researchers or their agency counterparts will be called in to find out how the study was conducted and, more importantly, what the findings signify, what actions are called for, and so on.

Assuming that such surveys continue at regular intervals, and their findings are widely publicized, agency copy chiefs as well as top management, account execs and other "influentials," along with their counterparts at the advertisers, will be amazed at the power of magazine ads to build awareness and motivate intent to buy. Agencies with well performing magazine ads will start to tout such achievements in client presentations and new business pitches, just as they laud their TV campaigns. And those whose ads do not perform so well will begin to pay more attention to magazine advertising, noting what elements in a variety of campaigns work more effectively, and evaluating or adapting them for the benefit of their own clients. Since these studies will continue, whether or not they like it, the agencies will have to accept the fact that they can't hide their magazine ads under the rug anymore, nor will they be inclined to assign "second stringers" to crank out magazine ads without bothering to document their effectiveness.

Once such a tracking system is firmly established, the magazine industry can allow it to develop independently, with the research company taking on agency or advertiser clients for customized work. Individual magazines may also wish to use the methodology to demonstrate their particular prowess in developing ad awareness or purchase intent among their own readers.

II. USING RETURN-ON-INVESTMENT EVALUATIONS MORE EFFECTIVELY

Advertisers pontificate endlessly on this subject, but few have offered a realistic definition of return-on-investment (ROI), or how, exactly, to measure it. Worse, many ROI studies take shortcuts, like using ad spending figures as a substitute for audience delivery, while ignoring the media activities of rival brands and their own ad campaign's awareness tracking studies. Even more problematic, many of these studies are initiated without regard to when new ad campaigns are launched. Some attempt to measure ROI for campaigns from the first day of their initiation, while others start long after a campaign has run and may be wearing out its effectiveness.

The MPA has done an excellent job in its attempts to educate advertisers about ROI and the contribution of specific media or media mixes. Unfortunately, the MPA's efforts have been stymied on several counts. First, is the difficulty of explaining such studies without getting overly technical and losing a "lay" audience. Even assuming that the underlying data and assumptions were valid, it is vital that the agency or client media executive not only have a clear understanding of the ROI study's methodology, but also feel that s/he can provide a thorough explanation to higher-ups on the decision-making chain. When ROI researchers are reluctant or unwilling to be completely "transparent," this becomes a tall order, indeed. Another problem concerns the nature of the ROI findings published thus far. In virtually every case, TV "loses" to print, sometimes by huge margins. To put it bluntly, this flies in the face of ingrained convictions in many quarters, and is very hard to accept.

Obviously, a new approach is needed.

So far, the MPA's ROI studies have focused primarily on brands that rely heavily on TV, but use other media, specifically magazines, far more sparingly. So it comes as no surprise (again, without quibbling about their validity) that the ROI studies find that the TV components of such media plans may not be as effective the as much smaller promotional efforts in magazines. The ROI studies seem to be demonstrating one axiom that most media or marketing executives can accept, namely the diminishing return effect. Putting it simply, if a medium is overused—TV included—its value will erode over time. This is a point that the MPA has failed to exploit.

It would be much better if the MPA chose a variable mix of brands, some investing 75% of their media budgets in TV, others 60%, still others 50%, 40% or 30%, and showed that as TV's share of spending declines, its ROI rises. Perhaps an optimal TV ROI point might be discovered if a large enough number of cases were included in such studies. That is something most media and marketing people could understand and relay *convincingly* to others in their corporate hierarchies.

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Even more compelling would be a parallel study by the MPA, showing that a similar pattern prevailed for all media, *including magazines*. Such an “honest” approach, particularly coming from an ardent advocate of magazine advertising would disarm skeptics who are suspicious of such an organization’s motives, leaving them to ponder a now totally acceptable premise: use too much of any one medium and ROI will diminish. Since TV is the medium that is used so heavily by so many advertisers, the conclusion is inescapable: reduce spending (or share of spending) in TV and go with a more balanced media mix. If this one simple concept could be pounded home, magazines would benefit tremendously.

III. MODIFYING MAGAZINE RESEARCH AND SALES PRACTICES

1. Sell the Category, Not Just Your Book

Most magazine sales pitches are geared to touting “our book” against others in its “competitive set.” These may involve a modest edge in reader incomes, a few years difference in the median age statistics, a small advantage in the percent of product users reached, plus any of a number of ways to show that readers are more “engaged” by a particular magazine over others

Such machinations may be fine when essentially similar publications are vying for schedules from endemic advertisers who feel they must have promotional representation in a particular magazine genre due to its editorial compatibility (i.e. travel ads in travel magazines, car ads in car magazines, etc.). This is not the case, however, when advertisers with broader marketing agendas are involved. Here, the issue is not which book gets four versus six ads, but rather which book gets bought at all, and in many cases, whether the entire competitive set deserves more than passing consideration. An obvious example is a toothpaste brand, which might advertise in the women’s service, home service, health, fashion or general editorial categories. Or it might opt for newsweeklies, men’s sophisticate books or sports magazines. Another example is a car brand that is considering a broader-based print schedule over and above the mandatory buys it makes in the car books.

In non-endemic situations, CPMs, product use, demographics and even engagement factors can play a role in the decision-making process, but this usually applies only after the category as a whole is sold in. The reason is simple. Many advertisers seeking a broad covering base for their magazine ad campaigns prefer to use editorial categories in a prioritized sequence, in order to maximize reach while reducing redundant frequency. So the first decision is whether or not to dip into the fashion or health or home service field, assuming that a cost efficient reach base with women’s service or mass general editorial magazines has already been developed. Once this is settled and a new publication genre is included, the advertiser decides which of its magazines—usually only a few books—to tack on to the all-genre schedule.

In days long past, mass circulation magazines such as **Life**, **Look** and **The Saturday Evening Post** utilized the reach and frequency concept, extended across titles and skeins of issues, very effectively to position alternative print schedules against each other. At the outset, advertisers and agencies were astounded at the high reach levels attained by magazine schedules, but as they became accustomed to the idea and comfortable with the data, they accepted the concept.

Fast forward to today and it is clear that such techniques would be even more effective considering the fragmentation of TV ratings, if only they were applied. For example, Magazine A may be one of six books competing for business in a given editorial category. Within a non-endemic advertiser's target audience, its average issue reach is 4.0%, hardly an imposing figure. But suppose Magazine A's pitch begins by taking all six magazines in its category as a single entity and focuses, TV-style, on their *collective* reach capabilities. In one issue they reach 20% of the advertiser's target group, in four issues they reach 40% and in eight issues they reach 55%. For advertisers who think that magazines attract small but selective cadres of "every issue" readers—and many think precisely that—this type of analysis will come as a major eye opener. The genre's reach is huge (just like TV!), many may think, which is a good thing.

Once the potential coverage of Magazine A's genre is made clear, it's perfectly appropriate to point out that an ad schedule in A, plus two of the six other books in the category, delivers virtually the entire competitive set's reach. By approaching the advertiser or the agency in this manner, Magazine A is talking in their terms, not the one-dimensional book versus book, average issue framework that characterizes so many print sales pitches today.

Magazine A may even offer to "help" the agency media planners by evaluating the net reach "contribution," relative to cost, of various combinations of magazines within and outside of its genre. Such "mix and match" exercises, while theoretical, replicate the sort of analyses the media planners <u>should</u> be doing, but often skip. If Magazine A's genre has a particular edge in CPMs, demographic slants, engagement or some other accepted metric, it can use this device to insinuate itself in the planner's thinking, as one of several valuable components in a contemplated magazine schedule. As with the ROI approach, by including one or more of its arch rivals, Magazine A's "honest" approach seems refreshingly different to the planner who routinely discounts "rah, rah for me" presentations.

The key point is this: Most advertisers are aware that <u>reach</u> drives short term sales faster than frequency. When they consider TV, they do not begin at the show-by-show level, or even at the network-by-network level. Rather they view TV's *collective* impact by broad dayparts and network/channel types, considering various levels of GRPs and reach that can be attained at specific budget levels. Only after the right blend of dayparts and network types is determined, are the buyers called in to make specific network or program buys.

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Similarly, when magazines are seeking consideration for reach-conscious advertisers, it is vital for them to define the collective impact of their medium, or at the very least, their genre. Only then is it relevant to sell themselves, not in splendid isolation, but in the context of a total magazine ad schedule.

2. Develop TV-like Reader And Engagement Metrics As Part Of The Ad Sales Process

Once the magazine industry develops a practical issue-specific audience measurement system, which produces timelier reports than are now available, it can move towards a network TV-style audience and engagement-based guarantee system for space buys, and drop its archaic circulation or "rate base" machinations, which are used by agencies to wheedle make-goods or other concessions, often to the disadvantages of publishers.

For such a system to work, the magazines must stand firm on making audience guarantees on a total schedule basis, rather than for individual issues, so that overdeliveries—as well as shortfalls—are counted. Sensible demographics with reasonable sized sample bases should be used, not any demos the agencies prefer, regardless of how small and inherently unstable the survey findings may be. Finally—and crucially—meaningful reader engagement metrics should be included in the guarantee, preferably those that reflect the impact of the advertiser's ads (recall and buying motivation being two of the most likely elements).

By combining total schedule audience and engagement metrics as the core of an audience guarantee system, a publisher would, in effect, be promising an advertiser a specified number of audience rating points for his/her total schedule. This might be adjusted to reflect an engagement metric such as ad awareness. For example, a magazine buy may be expected to deliver 300 adult 18-49 GRPs, with an average ad recall factor of 50% per insertion. The buyer thus expects 150 "engaged" rating points. As the schedule actually runs, new audience and ad impact studies monitor the magazine's performance; when the final accounting is done, the schedule may come in with 310 audience-based GRPs and 171 "engaged" rating points, counting all of the magazine's over- and underdeliveries for specific issues that carried the ads. In this case the required performance was attained. If, on the other hand, there is a shortfall of some magnitude, "compensation," in the form of rebates or free ads for the next year's schedule, would be owed.

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The real plus for magazines in such a system—which would probably be initiated by major circulation books and multi-title “group” buys, rather than small circulation magazines—would be the ongoing exposure to the power of magazine ads that would ensue. Every time that a media director, print buying group or client equivalent reported on the performance of their magazine buys to account or marketing management, these key influentials would see how print ads captured the attention of readers and/or sold them on the client’s product. If existing engagement research holds true, magazines would compare at least as well as TV, and in many cases might surpass it. Adding such information to the ongoing “media” intake of thousands of client brand managers, marketing directors, plus agency account management, creatives and media people, is bound to have a positive effect and stimulate greater consideration for magazines in the media mix. It also makes larger magazine buys easier for the planners to “sell” to others in the organization, since the latter will be inclined—thanks to the favorable results for magazine ads they have been exosed to—to give this medium a fairer hearing.

3. Become Marketing Experts

In the 1950s and well into the 1960s, magazines, particularly in the mass circulation and newsweekly fields, made significant contributions to advertisers by becoming experts about product classes, which they sought to cultivate for ad sales purposes. This was evident in various automotive, food and fashion categories where magazines took the lead by sponsoring annual studies about product use/purchase, demographics, branding aspects and other relevant information, which were presented to marketing management at the highest levels. Some magazines also maintained ongoing panel studies of their subscribers along similar lines. The result was collaboration, bordering on partnerships, with advertiser marketing managers that gave the sponsoring publication a leg up when the time came to decide on the following year’s media buys.

Some magazines continue such practices to this day, but their efforts lean more toward data access or research capabilities, than interpretation. Obviously, budget constraints are partly to blame. With magazines spending far larger amounts on syndicated research studies than ever before, many have curtailed their investments in custom studies and no longer maintain qualified staffs to focus on such projects.

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Still, this is an area where individual publications, and the medium as a whole, might successfully insinuate themselves into the advertiser's marketing thought process. To begin with, special task forces of researchers might be instructed to mine the existing syndicated studies, especially on a trend basis, to see what insights they reveal about a targeted product category and its major brands. Such data are available to the advertiser's agency, but chances are nobody has bothered to explore it with this purpose in mind. As a result, if a magazine latches on to something interesting and sets aside its ulterior motives, it should be able to get a hearing about its findings from agency account management and the client's marketing executives. Such people are not going to attend what is, to them, a boring media numbers pitch, but few will turn down an opportunity to learn more about their own product or brand. And it goes without saying that an accompanying media driven proposal by the publication that addresses some opportunity or issue developed by its marketing presentation stands a far better chance of consideration.

IV. SINCE YOU CAN'T BEAT ELECTRONIC MEDIA, JOIN 'EM

By now, it should be evident to most publishers that advertisers are captivated by electronic media, particularly those that are highly merchandisable, generate awareness and trigger instant response mechanisms. The TV networks have used this to their advantage. As their ratings fragmented and commercial zapping rates mounted, they have turned to product placement deals that integrate the marketer's product <u>within</u> program content (to build awareness) and "digital" telecast sponsorships via the Internet, complete with interactive elements. In both cases, the networks have documented the ensuing positive effects and they are actively exploring existing and emerging electronic venues to cultivate in like manner.

While magazines should proceed with caution when it comes to "selling" product or brand mentions within their editorial content, pressure along these and similar lines (special product category sections) is mounting and could provide a boost for the medium if properly handled. The electronic arena, however, is where really tangible results might be developed. Although there are exceptions in some of the news, business, entertainment and sports areas, most publications have not created audience-relevant websites, nor have they induced sufficient visitor volume to make these venues appealing to advertisers. This situation needs to be corrected. Publishers should offer more meaningful online response, sales or timely information tie-ins for advertisers buying space in their magazines and be able to charge a fair price for them.

More difficult, but even more worthwhile, would be a serious effort by publishers whose books are regarded as authorities (or "cutting edge") on marketing relevant subjects to create TV series or major event "specials" in conjunction with networks or cable channels, and sell them to advertisers as true sponsorships. When successful, such deals create highly merchandisable promotional platforms that become sold-in to the sponsors' sales and marketing or distribution organizations and are renewed year after year. Obviously, the magazine's editorial expertise and reputation drives these projects. Just as obviously, the magazine shares in the TV show's profits and garners ad sales as part of the package.

Whether such ventures are orchestrated via TV networks, cable channels or the Internet, the key is the degree of involvement and initiative at the magazine level. When a magazine partners with a production company that has close connections with the networks and cable channels, it should exercise a degree of control over "its" project. If, on the other hand, a magazine merely supplies its name or editorial expertise without full involvement in the program's design, how it is placed, sold promoted, etc., the sponsors will not feel bound to the publication and little is gained.

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Electronic media tie-ins and, especially TV sponsorships, require an expertise and contacts that few magazines possess. The only way to rectify this situation is to create dedicated areas of responsibility within the corporate set up, fund them adequately and reach out to “partner” entities, most likely TV producers, cable channels, qualified consultants, etc., to move the process along. The primary benefit that many publications possess is their brand name or image. Add to this their ability to cross promote electronic media opportunities via their readership bases, which are often quite massive, and you have a great cross-media platform waiting to be developed for many advertisers.

A FINAL WORD

At a recent industry gathering, the question of wooing media dollars away from TV and into magazines elicited a very honest and sobering reply from a major ad agency media executive. "It's not a question of capturing dollars from another medium, but rather keeping what you've got," he said.

Magazine publishers need to recognize that advertising budgets are under increasing scrutiny in top marketing circles, with many questioning whether such dollars are being spent wisely. In the case of TV, marketing directors are exploring new formulations, including "appointment" viewing, in which only those interested in information about a product are targeted; increasingly, the Internet or alternative electronic modes of communication are seen as a substitute for the traditional at-home viewing scenario.

While television, as the dominant medium, is getting much of the scrutiny, already magazines have felt the pressure of agency demands for more TV-like audience and engagement research. In behooves magazines to respond in a positive, yet sensible manner, as the first step in repositioning itself in the minds of advertisers as a modern and up-to-date communications medium.

But this is not enough. Unless magazine publishers act in concert to sell their medium to advertisers and agencies—well above the media planning/buying level—as outlined in this report, they cannot expect to make significant gains in ad revenues and may well be risking what they now have. It is fine to assume that the agencies are constantly evaluating all options for their clients and that they are well informed regarding the impact of magazines, but what if this is not the case? Can publishers take the chance of leaving their fate to the agencies? Or should they become more proactive, not only in educating agencies and their clients, but also in modifying their own research and sales practices to make them more competitive to television?

The magazine industry is well placed to reintroduce itself as a pivotal ingredient in the promotional plans of many advertisers who are looking primarily at electronic media as they chart their future course. But magazines can't afford to wait and let developments take their course. They must initiate a well thought out program that highlights the contribution they can make in the media mix of tomorrow and make sure that they, too, get serious consideration.