

MAGAZINES

**STAYING MEANINGFUL IN EVER CHANGING
READER LAND**



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Cause for Pause

- *Encyclopedia Britannica* have suspended the print edition and are focussing on the online edition, with paid access
 - It was a THE place for summarised knowledge
 - It had the pride of place in Libraries and even homes
 - *Britannica* was THE last word on the subject at hand

Cause for Pause

- The advent of the internet with its free and boundless access to information began to gradually impact the *Britannica*
- The Final nail struck with the growing popularity of Wikipedia
 - It was **free**
 - It seemingly covered ANY topic
 - Anyone could contribute, and anyone (sort of) could revise the content

In the Radio & Television age

- Traditional print media survived and even **thrived**
- Users approved the benefits of
 - Physical delivery format
 - Convenience
 - Flexibility and
 - Reach



The Digital Evolution

- The emergence of the digital platform
 - Drastically changed the media landscape for media distribution and consumption
- The digital medium has the added convenience of
 - any-time information
 - real time updates, and
 - An amazing level of personalisation

The Digital Evolution

- The consumer is spoilt for choice
- Two things are happening
 - 1) Content is freely available, and
 - 2) Even if the quality isn't great, it's good enough for readers to alter their reading patterns

The Reversed Value Chain

- ***From***

Manufacturer---->Distributor---->Retailer-----
>Consumer

- ***To***

Consumer----> Search engines----> Content
(Manufacturer)



The World of Magazines

- Magazines are fundamentally linked to the readers' personal identity
 - There is a deep bond that the reader has with the magazine
- The best asset magazine brands have is their subscription base

The World of Magazines

- Magazines outperform other media on engagement measures
 - Magazines are twice* as engaging as radio and television
 - Mainly on account of engaging advertising messages

** As per the 2010 Magazine Engagement Study conducted by IMRB for AIM*

The World of Magazines

- Magazine readers are smart
- Brands have an advantage because Magazines are community builders
 - Brands have to figure out how to mobilize and facilitate that community to achieve their objectives

The World of Magazines

- Magazine publishers with strong print brands can leverage their brands beyond the print page
 - A magazine brand can be extended into the digital space in complementary, and non-contradictory ways
 - Huge opportunity to identify target audiences



Transition to the Digital World

Transition to the Digital World

- User expectations are different for online experience vs. print experience
- Hence the switch over to the digital world requires a balance between
 - Quality,
 - Reliable content and
 - Relevant & novel presentation

Digital alone will not build brands

- Traditional questions such as
 - "who will pay for content?"
 - "how can subscribers be maintained?"
- Will remain relevant for BOTH print AND digital media providers
- Customer stickiness is key, both to earn subscription revenues as also to attract advertisers



Digital Strategy

- Strength of content would still be the crux of the digital offering
- The fundamental drivers for sustainable success would be
 - Rate of growth of digital advertising,
 - Developing novel monetization systems
 - The ability to surmount customer resistance to subscription models



Digital Strategy

- The Indian players need to adapt strategies through
 - Simplicity of access and usage
 - Striking a fine balance between global vs local
 - Differentiation
 - Vernacular content

Case Study : The Economist

- The Economist flourishes on both print and digital media platforms
 - In spite of web disruptions and multiplicity of platforms like mobiles and tablets
 - Research showed that the increase in digital reading was NOT at the expense of print
 - Young people brought up in the digital environment actually found print to be a bit of a treat
 - Print provided a ritual pleasure of an immersed reading experience

Case Study : The Economist

- The audience is a meeting of peers
 - Remarkably well read, widely travelled and experienced readers who need an opportunity to communicate with each other and with the magazine
- A huge chunk of the Economist's revenues is from subscriptions as opposed to advertisements

Going Beyond Digital.. Brand Extensions (1)

- Elle magazine partnered with department store Neiman Marcus for multichannel brand extension named Elle Accessories in the US
- Elle Accessories focuses on shoes, bags and accessories
- Elle Accessories is available in print and digital versions
- Consumers can buy the products online where they will be directed to the Neiman Marcus site for purchase

Going Beyond Digital.. Brand Extensions (2)

- Condé Nast launched a fashion college in London
 - Driven by the number of enquiries about how to get into the fashion industry that titles such as Vogue received
 - Rather than try to set up another fashion design course, **the course focuses on the many other job roles in the industry**
 - Professional educators hired to manage much of the course
 - but is using expertise from within the company and contacts developed by staff to provide content

Way Forward - Examples

- Magazines can become Community builders
 - E.g. *National Geographic* could focus on the needs of the community
 - Wildlife parks, hotels, travel and tourism industry would find a captive audience in the readers' of the *National Geographic*

Way Forward - Examples

- Magazines can be associated with Events
 - E.g. *Vogue* magazine is synonymous with events such as Fashion Week
 - The association with the fashion industry gives synergistic advantages to all the partners



Strategic Exploitation of the Enemy

- Use Digital and Events to bond with the community

Role of Digital for Research and Strategic Insights

- Poll your audience and your community
- Define the target audience more sharply – behaviourally rather than demographically
- Scan behaviour of your community
- Continuous digital panel for cost-efficient understanding of Δ incremental changes

Role of Digital for Research and Strategic Insights

Digital reader interaction

+

Data Analytics

=

Enhanced and sharper reader needs' understanding

+

Sharper advertiser targeting

THANK YOU



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Thank You