

# TRENDS IN MAGAZINE PUBLISHING

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# OVERVIEW

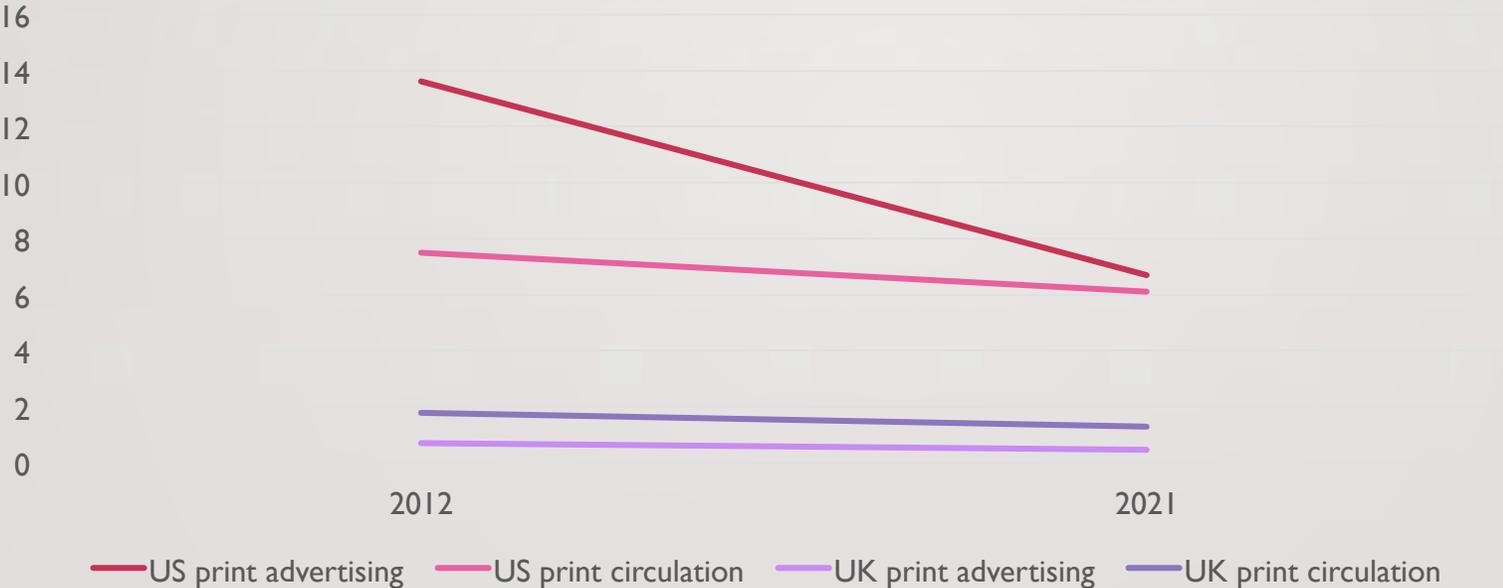
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- Forecasts: revenue, audiences, competition
- Funding models
- Editorial impact: product/content; process
- Sales and marketing: B2C, B2B
- Distribution
- Management challenges
- References/photo credits



# FORECASTS: REVENUE

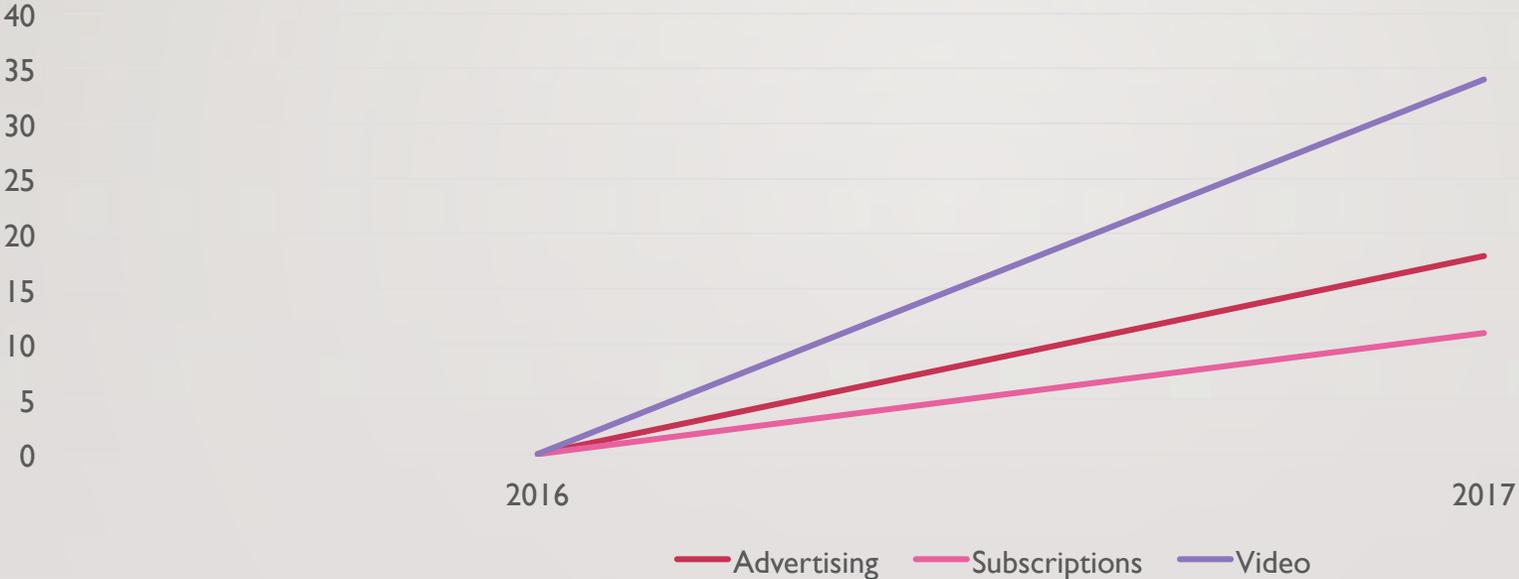
Declines in print advertising revenue and circulation (in billions, US\$)



# FORECASTS: REVENUE

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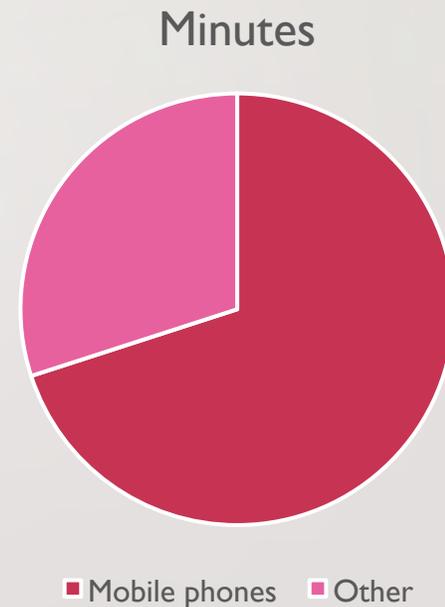
% increase in revenue growth over 12 months



# FORECASTS:AUDIENCE

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- Mobile now represents almost 7 in 10 digital media minutes, with smartphone applications alone accounting for one-half of all time spent engaging with digital media. ( James, 2017)



# FORECASTS:AUDIENCE

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- By [2019...] half of consumers will have at least two online-only media subscriptions, ranging from video on demand to news and magazines, rising to four by the end of the decade... Consumers are increasingly willing to pay for content online. (O'Donoghue, 2018)



# COMPETITION: MORE THAN MAGAZINES



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- Magazines sold on Google Play or in the App Store are “not just going up against other magazines, but also against other apps . . . where you pay little for a lot of time and unlimited updates.” (Sivek, 2014)
  - “It’s a big mistake to look at magazines as a single homogenous market,” says Tom Bureau, the chief executive of the *Radio Times* publisher, Immediate Media. “Bits are under massive pressure—generally where they are getting disintermediated by the internet.” ( Jackson, 2017)

# COMPETITION: MORE MAGAZINES, FEWER READERS PER MAGAZINE

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- Norway (Ytre-Arne, 2013):

Year	Total Circulation	Magazines	Readers per magazine
1991	2,328,000	27	86,222
2012	2,539,000	92	27,598

# COMPETITION: GROWTH OF NICHE PUBLISHING

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- Niche publishers have not merely survived [but] are thriving... How niche can you go? A round-up of recently launched magazines across the globe includes titles [on] the quality of life for [PTSD sufferers, plantains, and] contemporary tea culture. (Bezuidenhout, 2019)
- “We see a definite trend toward niche titles, with viable business models that take advantage of a more selective consumer base... In five years, most magazines will... become special interest [titles],” says Dave Pilcher, Freeport Press. (*Folio* staff, 2018)
- In the era of specialized niche media, declining numbers of U.S. journalists said that concentrating on news that is of interest to “the widest possible audience” is important. (Willnat & Weaver, 2014)

# COMPETITION: BRANDING BEYOND MAGAZINES

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- “We do so many more things with our brands now—events, films, festivals, restaurants,” says Albert Read, managing editor of Condé Nast Britain. “It’s odd to hear predictions of the demise of magazines when, if correctly managed, they are simply evolving into more complex organisms.” (Garrahan and Bond, 2017)
- A 21<sup>st</sup> century magazine’s more than just paper and staples. It’s a brand with a website, a social media strategy, it has an e-commerce business, does events, spin-offs, one offs; and should be the authoritative mouthpiece for its category... Magazines’ future isn’t being a magazine... it’s now all about the brand. (Bastick, 2016)

# COMPETITION: BRANDING BEYOND MAGAZINES

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Print issues

E-commerce  
business

Live events

Webinars



Special editions

Branded products

Website

Podcast

Video

Social media  
presence

# COMPETITION: BRANDING BEYOND MAGAZINES

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- New hybrid models exist “where boundaries between journalism, blogs, advertising, and retail are blurred.” (Ytre-Arne, 2013)
- New partnerships: Hearst recently introduced *The Pioneer Woman Magazine*, a partnership with the Food Network... Meredith has started a magazine called *The Magnolia Journal* with the HGTV stars Chip and Joanna Gaines. Even Condé Nast... [started] a quarterly print title for Goop, Gwyneth Paltrow’s lifestyle brand. (Ember and Grynbaum, 2017)

# COMPETITION: ONLINE TO PRINT

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- AllRecipes.com... began as an array of online recipe hubs... and now receives 80 million monthly users and 1.5 billion annual visits... “We knew there would be an appetite for a reverse-engineered, digital-to-print extension of the brand,” says Doug Olson, president and general manager of Meredith Magazines. “Newsstand testing in the spring of 2013 yielded 400,000 subscriptions in just two weeks.” [It now has a] current base of 1.4 million [subscribers]. (McKinney, 2018)



# COMPETITION: PRINT TO DIGITAL ONLY

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- Summit Media, the publisher of popular magazine titles in the Philippines, is going full-digital in the latest blow to the print media industry... It is the first major Philippine publisher founded in print to make such a move... Summit Media has 20 million unique monthly users visiting its 15 websites -- including *Cosmopolitan*, *Esquire* and *Entrepreneur* -- while its social media platforms are followed by 33 million users, the company said. (Venzon, 2018)

# FUNDING MODELS: SUBSCRIPTIONS/PAYWALLS

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- The past year witnessed a “pivot to paywall” from many media outlets... such as *Bloomberg*, *Wired* and *The Atlantic*... Meanwhile, long-standing paywall users, like the *New York Times*, halved the number of articles they offered for free (from 10 to 5 a month), as they sought to grow their number of digital subscribers. (Radcliffe, 2019)



# FUNDING MODELS: ADVERTISING

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- The median cost-per-thousand for a one-time, one-page advertisement in an American consumer magazine today is approximately \$140, that is \$140 for every 1,000 readers who... purchase the magazine. In comparison, the average equivalent on the web is less than half a cent. (Abrahamson, 2015)



# FUNDING MODELS: REVENUE FROM ADDITIONAL SOURCES

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- In-app shopping
- Products beyond magazines
- Intelligence products
- Crowdfunding
- Donations
- Alternative financing (bitcoin/  
blockchain)
- Sponsorship, underwriting, and  
partnerships
- Financed by publisher
- Syndication/repurposing content

# FUNDING MODELS: FUNDING MIX

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- Today's media companies... are going [to] a business model that relies more on readers, and less on advertisers. *The New York Times* is leading the trend. In 2000, circulation accounted for 26% of its business. Last quarter, print circulation and online subscriptions accounted for 64% of the company's revenue. (Thompson, 2017)
- [Terena LeRoux of *Ideas/Ideas* in South Africa] cautions against the false lure of “additional revenue streams,” [adding that] “a lot of the time you're killing your team and spreading yourself incredibly thin, with simply not enough to show for it... Your attention should be where your main source of income is.” (Reid, 2018)

# EDITORIAL IMPACT: PRODUCT/CONTENT TRENDS

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## Multiple platforms

- Cross-promoting the same content on every platform is no longer enough... grow [your] brand's audience on each social platform [and] create content to keep that audience engaged through every channel... Yesterday's editor-in-chief in publishing is today's content strategist in the digital ecosystem. (James, 2017)



# EDITORIAL IMPACT: PRODUCT/CONTENT TRENDS

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## UX focus/rich content/interactivity

- Rich content [is] any content that can facilitate user interaction. For example, videos are considered a rich form of content because they typically require the viewer to click play. (James, 2017)
- “UX—We are offering our clients more visual, interactive content options in 2018, including video,” says Kate Spellman, president of Informa Engage. (Folio staff, 2018)

# EDITORIAL IMPACT: PRODUCT/CONTENT TRENDS

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Audio, digital assistants, chatbots, podcasts

- There's a lot of excitement about voice – and in particular smart speakers – right now... but media companies have yet to identify the killer format... This is a new platform, and determining the best ways to use it will a learning curve for publishers and consumers alike in 2019. (Radcliffe, 2019)



# EDITORIAL IMPACT: PRODUCT/CONTENT TRENDS

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## Video content, livestreaming

- Livestreaming will continue going strong... [On] Facebook... one-fifth of the videos shared are livestreams. Since April 2016, the daily watch time on Facebook live videos has increased fourfold. (Brouwer, 2017)
- 92% of mobile video viewers share videos with others, and... video drives a 157% increase in organic traffic from search engine results pages. (Camps, 2017)

# EDITORIAL IMPACT: PRODUCT/CONTENT TRENDS

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VR content, gamification

- The next big content frontier for magazine titles? How about virtual reality? *National Geographic* is launching three virtual reality projects this year. The first one takes audiences into the wild of Botswana's Okavango Delta. (Bezudenhuit, 2019)

# EDITORIAL IMPACT: PRODUCT/CONTENT TRENDS

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## User-generated content (UGC)

- The historic Reuters agency, which once delivered news by pigeon, has created the world's largest media marketplace by harnessing the modern phenomenon of user-generated video taken by bystanders on mobile phones. In the space of two years, Reuters has grown its original pool of 5m pieces of content by 240% to 17m, helped by a surge in interest from news publishers in user-generated content (UGC). (Burrell, 2019)
- *The Atlantic* is putting the best comments from its readers in a prominent position—almost as prominent as the article itself. (Gallagher, 2018)

# EDITORIAL IMPACT: PRODUCT/CONTENT TRENDS

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- Sponsored content, product placement, native marketing/branded content/third-party content, shoppable content
- Ephemeral content
- Bot-generated content, drone journalism
- Unique/geographically-relevant content
- Objectivity/truthfulness of media challenged
- Media algorithms shape magazines' reach



Fake News

# EDITORIAL IMPACT: PROCESS TRENDS

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- Modern journalists must be multi-talented story-tellers—able to envisage how to bring their words to life in a way that is far beyond just words. They must be able to write brilliantly, report on camera, shoot their images, edit and crop their own footage, and write copy that works with both SEO and social in mind. (Carey, 2017)



# EDITORIAL IMPACT: PROCESS TRENDS

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*10 Best Design...* [software] sends out requests for both articles and podcasts to a group of pre-screened content creators... The site runs articles on recurring topics that its metrics have indicated are continually interesting to readers, while other pieces reflect new conversations popping up on social media... This eliminates the need for an assigning editor... (Pofeldt, 2018)

~~Editors~~

# EDITORIAL IMPACT: PROCESS TRENDS

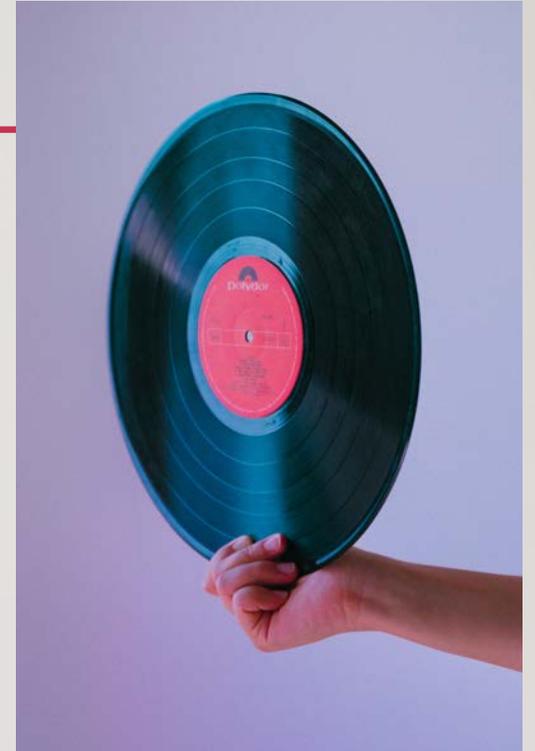
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- Reader data to shape editorial content, optimization
- Publication cycles vary depending on the product and platform
- Design needs vary: each platform has its own standards
- New design considerations/visual, auditory, tactile appeal/new display architectures (linearity versus depth)
- Production process is much more complicated

# EDITORIAL IMPACT: PROCESS TRENDS

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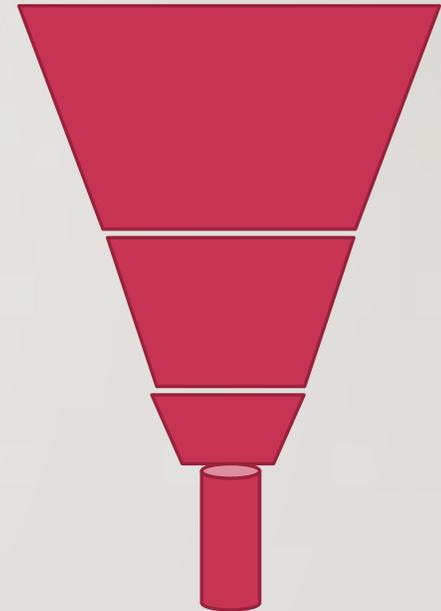
- “We’re seeing a renaissance in print titles—particularly design and women’s titles which are intentionally luxurious, in beautiful high-quality paper, and priced at a luxury price point,” says Lucie Greene, The Innovation Group. (Smith, 2016)
- Magazines might eventually gain a cult following akin to the interest around other obsolete media, like vinyl records... They don’t need to exist anymore. But people will still love them, and make them, and buy them. (Ember and Grynbaum, 2017)



# SALES/MARKETING: B2C

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- A small number of digital news readers—between 2 and 12%—drive 50% of the traffic at every major media website... At the top, where the funnel is the widest, you have all the digital readers that visit your website and look at free articles. At the bottom of the funnel are the individuals who have ponied up the money to purchase a digital subscription. So the goal of what the *Economist* dubbed “funnel mathematics” is to get more readers into the funnel to convert them into paying customers. (Tornoe, 2018)



# SALES/MARKETING: B2C

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- How much are publishers pulling in on average from digital subscriptions? \$2.31 per week (\$10 per month), according to a new report from the American Press Institute... One interesting finding of the API report is that companies charging a special introductory rate were more successful in pushing readers down the funnel into full paying subscribers than organizations that offered a free test period. (Tornoe, 2018)



Subscribe  
today!

# SALES/MARKETING: B2C

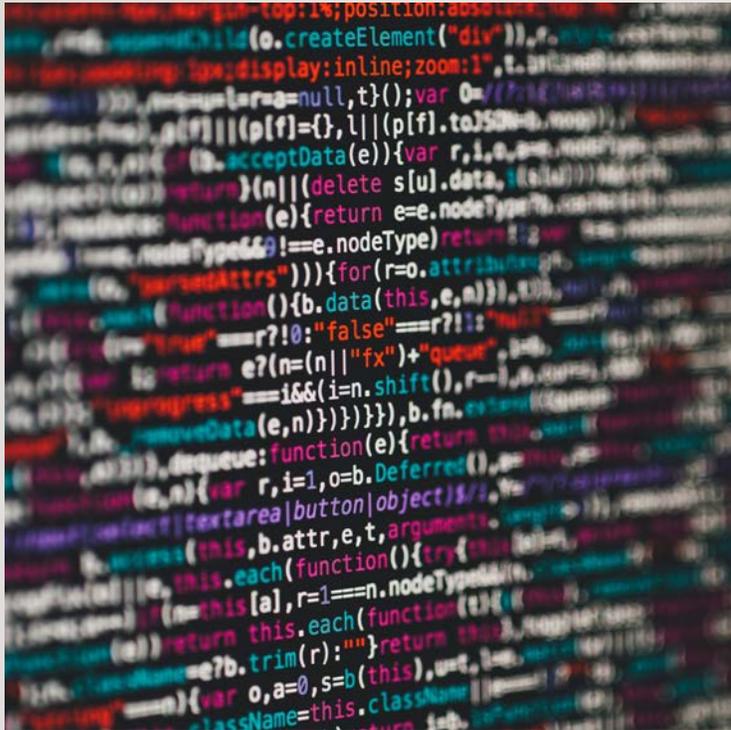
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Personalized marketing leveraging user-generated content

- [UGC builds] deeper emotional connections with your audience. As reported by *AdWeek*, 85% of users say visual UGC is more influential in their decisions than brand-generated photos or videos. (Urrutia, 2019)
- According to Nielsen... 83% of consumers trust recommendations from people they know, and 66% trust other consumer opinions posted online, [far] higher than the 46% of consumers who trust ads on social networks... we'll see brands leveraging user-generated content more heavily in their social strategies. (James, 2017)

# SALES/MARKETING: B2C

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## Data to drive subscriptions

- “The introduction of artificial intelligence and machine learning as well as behavioral trends is going to be critical to anyone who is running a subscription business going forward. It’s predictive now—you’re not shooting in the dark the way you were five or ten years ago,” says Allison Adams, Source Media. (*Folio* staff, 2018)

# SALES/MARKETING: B2C

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Personalized marketing leveraging data

- “We are... targeting decision-makers in the right platform and at the right time of the buying journey... our goal is to partner with our clients and be responsive to their needs to turn marketing up or down.” says Kate Spellman, president of Informa Engage. (Folio staff, 2018)



# SALES/MARKETING: B2C

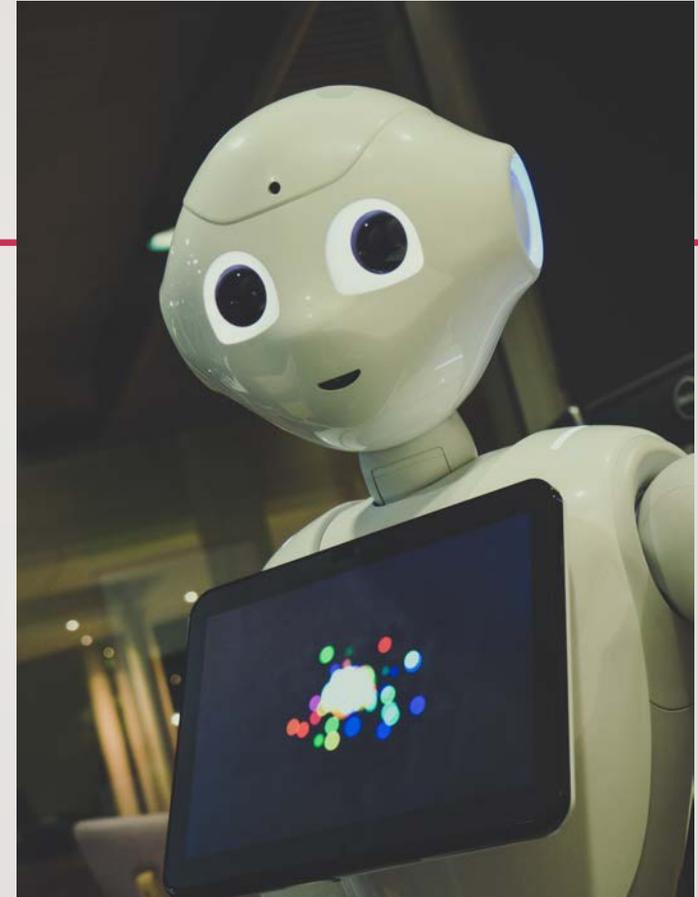


We are also looking at... product and sales enablement with a focus on productization and integrated programs” says Kate Spellman, president of Informa Engage. (Folio staff, 2018)

# SALES/MARKETING: B2B

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- “I want to... make sure we have new intelligence products... to see how we can use behavior trends to predict content and purchasing themes for our business models,” says Allison Adams, Source Media. (*Folio staff, 2018*)



# SALES/MARKETING: B2B

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- Audience Measurement for Publishers (AMP) will be implemented [in the UK] later this year [to] provide advertisers with de-duplicated reach and frequency for magazine brands across all their platforms (mobile, tablet, PC, and print). (Roderick, 2018)

# SALES/MARKETING B2B

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- To combat ad blocking, many publishers are asking readers to uninstall their ad blocking software...  
*Forbes* magazine started blocking the site to some ad block users... Created in 2006, the free Adblock Plus extension has been downloaded more than 300 times, and as Rosenwald wrote for the [*Columbia Journalism Review*], it has “become the Internet’s advertising sheriff.” (Yang, 2016)



# DISTRIBUTION

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- The ease of use of digital distribution platforms [such as the Apple Newsstand, Google Play, Amazon, Zinio, Magzter, Iuu, and others] varies greatly, and can affect a publisher's opportunity for success.... [and may] limit a publication's worldwide reach. (Sivek, 2014)



# DISTRIBUTION



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- The media faces a stark choice—put up paywalls, or accept serfdom in the kingdoms of Facebook and Google... There are two paths open to media organizations. The first is to rely on advertising income and continually adjust your output to please the whims of Google's algorithm and Facebook's latest content strategy. (The two companies have something very close to a duopoly on internet advertising.) ... To make a profit, articles have to be written quickly and cheaply. Volume is king. The second course is to reject serfdom and build up your own kingdom: attract readers directly to your website and ask them to pay something. (Lewis, 2018)

# DISTRIBUTION

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- Copyright/royalty issues
- Censorship, especially in places where the Church faces persecution
- Distributors become competitors
- Translation potential/partnerships

# MANAGEMENT CHALLENGES

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- Mission drift/identity
- Flattening of organizational structure, changing titles
- Resource, staff pooling, increased reliance on freelancers
- Metrics
- Strategic planning

# REFERENCES/PHOTO CREDITS

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Articles used as reference materials for this presentation were obtained through web searches and through the use of data bases available through the [Pikes Peak Library District](#) and the [University of Colorado, Colorado Springs Kraemer Family Library](#) systems.

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