



## **MAGAZINE MEASUREMENT INITIATIVE UPDATE**

### **January 2009**

In 2006 Magazine Publishers of America launched an initiative to improve magazine audience measurement, working closely with the advertising and publishing communities. This paper will provide an update on the progress of the Magazine Measurement Initiative.

#### **Executive Summary**

- The initial goals of the Magazine Measurement Initiative have been met in that issue-specific, ad engagement and action taking metrics are now available in the marketplace.
- While tough economic conditions will likely affect the adoption of new metrics, proprietary research being conducted by publishers and agencies and other developments can encourage usage.
- MPA will continue to facilitate dialogue among advertisers and publishers, evaluate the opportunities that new technologies may offer and share insights to encourage the on-going improvement of magazine measurement.

#### **Background**

Based on concerns expressed by some advertisers and publishers that existing magazine metrics did not meet their needs, Magazine Publishers of America retained McKinsey & Company to explore the benefits and downsides of developing new magazine measurement options. McKinsey conducted one-on-one interviews with more than two dozen advertising decision makers to establish a framework for the evolution of magazine measurement.

Those queried favored (1) timely reporting of issue-specific magazine audience data and (2) ad-specific data that capture ad engagement (via ad recall) and actions taken as a result of seeing the ad. They stated that the advantages of new metrics would be to make magazine measurement more timely, more accountable to advertising results and more comparable to metrics of other media, which became the goals of the measurement initiative.

Based on learning from the interviews, MPA worked with more than 30 publishing and advertising executives to understand the opportunities and challenges associated with new magazine metrics and to consider alternative approaches, including passive measurement options, to meeting the goals. During this phase, feedback was provided to six research companies who shared thoughts on how magazines' audiences and ad impact might be assessed in syndicated research.

## **Current Status of Improved Metrics**

***The initial goals of the Magazine Measurement Initiative have been met.***

Issue specific magazine ratings are now available in the marketplace, and development continues regarding ad engagement and action-taking measures. Specifically, Mediamark Research & Intelligence (MRI) now provides timely reporting of issue-specific magazine audience data, and they will offer ad impact data (ad recall and actions taken) by the end of first quarter 2009 through MRI Starch. Additionally, Affinity's VISTA service currently reports ad engagement and action-taking data on approximately 120 magazines and is rapidly growing the frequency of issues measured.

***Twelve potential advantages of issue specific audience and ad engagement/action taking metrics have been identified:***

1. *Determining the Impact of Magazine Ads:* Ad specific metrics give advertisers and publishers the ability to study how different ads engage consumers and encourage action taking – and even affect readership – within a single publication and across publications.
2. *Evaluating Creative Impact:* By building a database of how one's ads' engage and encourage action, advertisers and agencies can learn what's working and what needs tweaking to strengthen creative impact. A proprietary database may include information on competitors' ads for additional insights.
3. *Improving Modeling Inputs:* Because accountability models are sensitive to the variation in audience delivery, every issue audience data may strengthen the ability of these models to measure ad performance, as compared to the average issue audience data that has been used in the past. In addition, issue specific data may also produce more accurate results than circulation data or dollars, which are sometimes used in models, because every issue audience levels are more comparable to the data inputs for other media and because audience data reflects consumer behavior rather than ad spending or how copies are distributed.
4. *Measuring Audiences for Multi-media Programs.* Because the data are more comparable, issue specific magazine audiences can readily be combined with audience data from other media in a cross-media offering to calculate overall delivery.



5. *Better Evaluating the Marketplace Impact of Marketing Programs:* Even when advertisers do not use accountability models, issue specific audience and ad performance data can help advertisers better understand the relationship between marketing programs and in-market results.
6. *Understanding Audience Seasonality:* Issue specific metrics can reveal whether or not magazine audiences demonstrate on-going patterns month-to-month, e.g., cooking magazine readership may increase around holidays (or not), so that advertisers and publishers can capitalize on trends.
7. *Examining the Relationships Among Print Audiences and the Audiences of Other Media under the Brand Umbrella:* Examining issue specific print audiences alongside web audiences can demonstrate the “halo effect” of larger print audiences on web site traffic (and vice versa). Similarly, the relationships among magazines relative to other media elements, e.g., TV programs, PR, mobile, etc., can be analyzed.
8. *Examining the Impact of Position on Ad Performance:* Engagement and action taking metrics give insights into how various ads are affected based on where they appear in the magazine, e.g., do ads in the front of the book outperform those that appear later?
9. *Valuation Tool for Annual Special Issues.* Understanding the lift in audiences for special issues can allow publishers and advertisers to assess their value relative to “regular” issues.
10. *Assessing Cover Impact on Audiences:* Most insights from cover testing today sheds light on how covers drive newsstand sales. An on-going data stream that shows what covers draw the greatest and least audiences can provide new insights to build audience levels.
11. *Tracking Editorial Impact:* Depending on the granularity of the data, if engagement and action taking data extend beyond advertising to editorial, information can inform publishers and advertisers as to the impact of various editorial pieces. For example, service magazines may be able to assess the engagement of health vs. relationship editorial.
12. *Evaluating How Sources of Circulation Drive Audience.* Depending on data richness, new metrics may reveal how audience size, ad engagement and action taking vary based on how circulation is derived - subscription, newsstand and public place.



These advantages provide opportunities for the advertising and publishing communities to understand – and possibly even predict – audience levels and advertising results. In addition, the new data may reduce or eliminate costs associated with proprietary research being conducted today.

### **Future Steps**

Given that the adoption of and transition to new measurement will incur additional costs and manpower, the current recessionary climate will likely slow the adoption and usage of new metrics. Even so, steps are being taken to facilitate on-going progress:

1. Individual advertising agencies and publishers are beginning to explore the marketplace impact of new magazine metrics. While these studies will by their nature not be publicized, experimentation will provide valuable learning.
2. MRI has formed an agency users group to discuss applications of issue-specific audience data, suggest modifications and help design system deliverables
3. MPA will continue to:
  - a. Encourage advertising, publishing and research companies to explore insights that may emerge from using issue specific and ad engagement/action-taking metrics
  - b. Examine developments in measurement of other media to determine whether advancements may apply to magazine metrics
  - c. Facilitate dialogue and provide feedback for on-going evolution of research approaches available today, including those that may result from better online research techniques, e.g. improved sampling, as well as passive measurement options
  - d. Work with the advertising, publishing and research communities to assess opportunities presented by new and improved technology such as enhanced Personal People Meters (PPM), cell phones, new digital devices, etc.

