

PUBLIC PLACE DATA AND HOW TO USE IT FOR AUDIENCE MANAGEMENT (1997)

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Managing a publication's audience continues to take on increased importance. Competition for reading time continues to intensify as new media options accelerate, media audiences fragment, and consumers have less discretionary time, now equally as important a currency as income. A further threat in the U.S. is the consolidation of newsstand wholesalers. Traditionally an important way for publications to gain consumer trial, the ability to gain successful newsstand distribution, will become increasingly difficult.

All this is happening as print advertising buying becomes more commoditized, and increasingly, total audience is the barometer of currency. Less time is spent by print buyers evaluating reader quality data such as primary or loyal readers. CPM's rule. Maximizing trial and total audience should be major priorities for today's publisher.

This paper attempts to add new learning and set a platform for more thorough analysis of how to understand and influence the dynamics that influence total audience; notably, reading that occurs "out-of-home." Unlike broadcast, nearly every other print exposure occurs out-of-home.

The foundation for our analysis is MRI's "place of reading" data. Such information has been collected continuously for nearly 20 years, but until now has not been captured in an easily usable database to permit smart audience planning. This is a complicated database that is in the final stages of development. This database adds new learning on trendable changes in:

- Readership by out-of-home location
- Demographics by location
- Readership variation by publishing category or frequency by source
- Share of readership by publication (within location and category)

Once these dynamics are better understood, publishers can create audience, and even circulation plans to help accomplish business goals.

History of Public Place

The power of public place for generating audience was first discussed in Dr. Timothy Joyce's landmark article published in The Journal of Advertising Research in 1974. Highlights of Dr. Joyce' work will be discussed at greater length later in this paper. Three other important papers presented at the 1983 Montreal Readership Symposium represent the building blocks of audience management. They were:

Steve Douglas's paper "How Copies Produce Audience: The Dynamic Model" described for the first time the principles of an audience model: copies of issues exist in a specific timeframe; the location of a copy during this timeframe determines the number of people to whom it is available; a number of copies moved between high and low reader per copy locations; the magazines editorial content can stimulate or depress public place pick up; and the nature of the competition in the public place can dictate a specific title's chance to increase readership.

Mark D. Munn's landmark paper titled "Public Place Distribution; The Effect on Magazine Audiences for Free Distribution in Selected Reception Areas" reported on case studies where he had seeded copies of Family Circle into various public places, and documented an increase in readership.

Timothy Joyce's paper, "Places of Reading" documented the volumes of readers that can be produced in certain out of home locations using the NMI database.

These papers led to the Barcelona paper "Profit Per Copy Model: Managing Magazine Total Audience For Maximum Profitability." That paper identified the four factors that influence audience and attempted to describe how they interrelate.

Editorial

- Propensity to save or pass-a-long in-home copies
- Copies' ability to be picked up in public place

Circulation (copy availability):

- In-Home readership
- Public place distribution

Promotional (including PR) expenditures... type and timing

Method of audience measurement

Editorial

The magazine editorial nature leads itself to different types of behavior. For example:

- Magazines like People, Sports Illustrated, Cosmopolitan, and the Newsweeklies, all have short, fast takes and are readily available in a variety of public places.
- Magazines with a reason for being retained, have lower readers per copy. Prevention, Reader's Digest, National Geographic, and Sunset are examples. Others, like The Atlantic Monthly and The New Yorker, have long-forin editorial that can require time to read and can be read over multiple occasions.
- Editorial change can be a source of shifts in audience - either up or down. However, the evidence of *editorial effect* is often clouded by promotional shifts in spending or direction. As shown in other papers (such as the U.S. News case history), this is frequently difficult to isolate.

Circulation

- The more a publisher targets in-home readers, the more likely they are to get one to three readers per copy.
- "The Dynamic Model of how copies produce audience" (S. Douglas, 1983) reflected for News Magazines that 75% of their copies produce only about 40-50% of the audience because they go to, and tend to stay in, the home over the life of the issue. *Conversely, just 25% of the copies could produce upwards of 60% of the audience.*

Dr. Timothy Joyce, then of Target Group Index (TGI), in his 1974 Journal of Advertising Research article "Magazine Readers Per Copy" made two key points: 1) Readers Per Copy depends on *demand to read* 2) Readers Per Copy depends on *supply of copies*.

Thus, he claimed, magazines could retain the same level of readership, even if they reduced the number of copies in circulation. His paper demonstrated how a small number of copies could produce a disproportionate share of audience. Note in Example II below the RPC impact of just a few copies ... 34,000 copies produced 25% of the audience.

As Dr. Joyce's paper concluded, copies in circulation will produce 'audience, if placed in environments where consumer interest/demand can be met.

Example I
Circulation: 1,000,000
Total Audience: 2,767,000
Average Readers Per Copy: 2.8

No. of Readers Per Copy	No. of Copies 000	Cumulative %	No. of Readers 000	Cumulative %
1	615	61.5	615	22.2
2	154	76.9	308	33.3
3	68	83.7	204	40.7
4	38	87.6	152	46.3
5	25	90.1	125	50.7
6-10	53	95.4	397	65.1
11-20	29	98.2	412	80.0
21-30	10	99.2	244	88.8
31-40	5	99.7	175	95.1
41-50	3	100.0	135	100.0

Example II
Circulation: 1,000,000
Total Audience: 5,473,000
Average Readers Per Copy: 5.5

No. of Readers Per Copy	No. of Copies 000	Cumulative %	No. of Readers 000	Cumulative %
1	429	42.9	429	7.8
2	152	58.1	304	13.4
3	83	66.3	249	17.9
4	54	71.7	216	21.8
5	38	75.5	190	25.3
6-10	101	85.6	768	39.4
11-20	75	93.1	1,105	59.6
21-30	34	96.5	854	75.2
31-50	34	100.0	1,358	100.0

Studies documenting Public Place Volume and Demographics

Several research studies document that public place copies are the ones that produce the greatest numbers of readers per copy:

- Dr. Mark Munn's series of studies found that Family Circle could get 20+ Readers Per Copy in public places.
- Munn's findings were replicated in the U.K. by Pym Cornish of Research Services Limited in 1989.
- Procter & Gamble and Newsweek commissioned Audits & Surveys to study the pick-up rate of Newsweek "Access" in public places. They found an average of 18 Readers Per Copy.
- Rolf Pfeleiderer of Germany's Infratest replicated the earlier U.S. and U.K. studies. His paper, The AG.MA Research Program: "Validation of the Reader-Per-Issue (A.I.R.), The Waiting Room Study," found similar levels.
- Audits & Surveys documented large numbers of readers per copy in medical offices for Whittle's Special Report.

It can be concluded some locations are more valuable than others in producing large volumes of people who will have the opportunity to interact with a single copy of a given publication.

These conclusions *formed* the foundation of The Hearst organization's analysis, prepared with The Douglas/Jones Group, examining the impact of circulation reductions on total audience. Highlights of this analysis are in Appendix B.

The rising need for Public Place magazine Tracking Data

The United States magazine (and all) media are entering an extremely dynamic period of increased media fragmentation:

- The number of magazines are proliferating.
- There is a large increase in broadcast media choices through expanding cable, video, CD-Rom, and satellite direct programming options.
- The Internet is emerging as another media alternative.

Additionally, the magazine industry in the United States is undergoing a major change in its newsstand distribution systems. The wholesalers are contracting and consolidating; where once there were 400 wholesalers, there will now be less than 100. This will restrict the launching of new publications. Supermarkets, with their prized checkout display areas, are constantly reevaluating the profitability of magazines relative to other products than could be offered at these valuable locations. As we will see in the data that follows, picking up and scanning magazines at newsstands is a major source of product sampling. The contracting number of newsstands could restrict mature publication display, as well as making it much tougher for new magazines to generate awareness, trial and audience.

The use of public place copies by such categories as parenting magazines (with a short window to reach their target audience), have shown the value of these locations in producing audience. The numerous studies and reports reviewed above in this paper have begun to receive wider circulation amongst publishing management.

These distribution and consumer factors, coupled with the growing awareness of the value of public places for product sampling and RPC benefits, is slowly gaining more attention from top publishing executives. In order to truly "manage" audience, a tracking mechanism would be helpful.

Why the MR1 Public Place database

Currently, MRI is the best mechanism for demographic management, since it has "place of reading" data measured in a consistent and reliable fashion. The "place of reading" question is asked regarding the last time the respondent has just claimed to have read a specific title. It is as if about every magazine the respondent claimed to read. Like all recall questions, the place of reading question is susceptible to the other problems that face recent reading: name confusion, memory fatigue, telescoping.

As we began to construct an MRI Public Place data base, there have been difficulties:

- It is difficult to code and extract from the computer files.
- The range of error on small and medium size magazines is extremely large from year to year. Analysis has to be very careful, generally involving analysis of groups of magazines (best when used in conjunction with confidential, internal circulation information).
- Public place distribution is only one of three major variables and it is difficult to get perfect knowledge about competition.

Despite this, the MRI database is extremely valuable from an audience management standpoint. The data most needed were the universe of readers in public places, available in a format that could provide demographic analysis and a base

from which to compare share of total reads in a given public place location. This database is extremely useful and will get more useful because:

- It has consistently measured the place of reading with the same question in the same position on the personal interview since 1979.

- It will be increasing in sample from 20,000 to 30,000 over the next four years. Though less useful for current analysis, double basing on 40,000 and 60,000 person samples will provide an extremely robust sample for tracking macro demographic and category changes over the last five years.

- The response rate has consistently remained around the 65% level for this first phase interview.

The TechnoGraphics (the level of computer and Web usage of the individual in the household) are also captured in the high response rate first phase interview. This will be an important database for the very near future. Though not part of this paper, an example of the TechnoGraphics (the population's broad usage of cable TV, PC's, Web) of the public place reader is in **Appendix C**.

The MR1 Place of Reading Data reconfigured for use in Audience Management

DJG developed a series of analyses to appraise the specific places of reading. MRI assisted in producing special tabulations of net and gross reads of the Spring 1997 MRI. The special analysis allowed us to examine for the first time: universe estimates and demographic composition of the locations in an easy to use format.

It is important to note, that the place of reading question can have multiple answers. It is also important to remember that a person can be a net reader in a location if he or she read any one of the 220 magazines during its most recent reading interval (last week for a weekly, last month for a monthly, last 2 months for a bi-monthly, etc.)

The base of net readers by location was selected because it tabulates only the reading events that occurred in that specific location. Gross readers included all readings claimed by that person regardless of location.

For demonstration purposes we examined:

- How many different people read in how many different places.
- How the size of the universe of readers has changed by location over time.
- The demographic quality of the public places readers and how that changes over time.
- Specific magazine brands relative to their near competitive set in selected public places

The tables that follow show that 83 million women and over 70 million men read one of the 220 magazines measured by MRI in their own home. However, this table very clearly illustrates that many people read in many different locations. The key findings are not surprising:

More women (about 83%) vs. 76% of the men read a magazine in home.

Women are more likely than men to read in someone else's home.

Women are more likely to read in beauty parlors than men are in barber shops.

Significantly, over 25% of the women read at least one magazine in a beauty parlor in the most recent reading interval.

Men are more likely to read at work than women. Over a quarter of the men, and more than 20% of the women read at work.

Airline and business reception account for the fewest number of readers, and men are more likely to be readers in those locations than women.

For reading at newsstands, which is literally standing at a newsstand and reading regardless of purchase or not, women are slightly more likely to read at a newsstand than men are. More importantly, almost 20% of each sex is sampling magazines at newsstands.

	Spring 1997			
	Total Women		By Location	
	(000)	%	(000)	%
In Home	100,788	100%	83,212	82.56
Someone Else's Home	100,788	100%	28,075	27.86
Beauty Parlor	100,788	100%	13,414	13.31
MD/DDS	100,788	100%	26,829	26.62
Airline	100,788	100%	3,605	3.57
At Work	100,788	100%	21,391	21.22
Business/Reception	100,788	100%	3,124	3.10
Newsstand	100,788	100%	18,213	18.07

	Net Men Readers			
	Total Men		By Location	
	(000)	%	(000)	%
In Home	92,674	100%	70,421	75.99
Someone Else's Home	92,674	100%	22,054	23.80
Barber Shop	92,674	100%	8,385	9.05
MD/DDS	92,674	100%	16,337	17.63
Airline	92,674	100%	4,896	5.28
At Work	92,674	100%	23,847	25.73
Business/Reception	92,674	100%	4,447	4.80
Newsstand	92,674	100%	16,566	17.88

The table that follows reveals the full dimension of the MRI database to yield a new number called "gross reads by location." It shows that we have 100 million women net readers producing almost 2,300,000,000 gross reads. These gross reads are the results of the way the question is asked. People can claim reading the last magazine they claim to have reading more than one location. So we have multiple readings of titles within specific locations. This shows as over two thirds of the gross reads are out of home. Another way of looking at it, is that 83,000,000 in home readers (83% of the total net readers) counted for only 34% of the total gross reading events.

	WOMAN NET READERS		GROSS READS		GROSS/NET	NET READERS		MEN GROSS READS		GROSS/NET
	(000)	%	(000)	%		%	%	%		
TOTAL SOURCE POCKET PIECE SPRING 1997	100,788	100	2,294,942	100	22.80	92,674	100	1,809,668	100	19.53
IN HOME	83,212	83	780,325	34	9.38	70,421	76	604,732	33	8.59
AT WORK	21,391	21	254,127	11	11.88	23,847	26	260,903	14	10.94
DOCTORS & DENTISTS	26,829	27	318,093	14	11.86	16,337	18	176,479	10	10.80
OTHER PERSON'S HOME	28,075	28	339,563	15	12.09	22,054	24	235,162	13	10.66
BEAUTY PARLOR/BARBER SHOP	13,414	13	149,894	7	11.17	8,385	9	90,270	5	10.76
BUSINESS RECEPTION	3,124	3	46,277	2	14.81	4,447	5	60,853	3	13.68
NEWSSTAND	18,213	18	226,224	10	12.42	16,566	18	193,262	11	11.67
AIRLINE	3,605	4	46,604	2	13.38	4,896	5	58,292	3	12.69
OTHER PLACES	9,989	10	133,835	6	13.39	10,222	11	129,715	7	12.69
OUT OF HOME	124,640	124	1,514,617	66		106,754	115	1,204,936	67	

On the net readers table you will note that out of home accounts for 124,640 net readers. This is because in order to qualify for being a reader at this location is all someone had to do was claim to have read at least one magazine in any of the eight other out of home locations. In short, reading occurs often, and in many places.

It is probably comforting to some in the audience that in home still produces the largest number of gross reads for both men and women. They account for a third. The next largest place of reading is at work and in other people's homes for the men, and in other people's homes, doctors, dentists and at work for women.

The value of the newsstand as a sampling place is also clear from this table. The 18,000,000 women and over 16,000,000 men account for almost 400,000,000 reads during the most recent issue intervals. If Wally Langschmidt were alive he would say "It's mathematically impossible." But it isn't because the issue interval studied is for 30 days, 2 months as well as for the past week, any reading, anywhere. Newsstand for the United States includes reading at the checkout counters as well as main line magazine display areas.

Demographics of public places

The demographics of magazine readers in traditional public places are presented for the first time in the following tables. Women 18-34 have greater concentrations at work, on airlines and in doctors' offices than they do at home. Beauty parlors skew slightly older.

Men 18-54 (and 18-34) are much more concentrated in barber shops and at work. Airlines have over 50% of their net magazine readers in the 35-54 brackets. Not surprisingly, airlines and magazine readers at work have greater concentrations of better educated and higher income males. Retired men represent 21.5% of total male readers in medical and dental offices.

Traditional Public Places
(Net Readers 1997)

	In Home	Beauty Parlor	MDs Dentists	At Work	Airlines
Net Women	83,212	13,414	26,829	21,391	3,605
% Share (Comp.)	100%	100%	100%	100%	100%
Age 18-34	33.73	30.31	34.14	40.73	37.26
Age 35-54	38.75	39.58	41.38	49.18	44.65
Age 55+	27.52	30.11	24.49	10.08	18.09
HHI <\$50	62.36	58.36	63.76	51.71	32.17
HHI \$50-\$74	19.87	20.21	18.73	26.73	24.08
HHI \$75+	17.77	21.43	17.52	21.56	43.75
Graduated Coll+	20.97	23.21	18.97	25.78	49.96
Emp Full Time	46.05	47.72	42.38	84.96	64.31
Retired	16.09	17.90	14.15	.23	7.47

Traditional Public Places
(Net Readers 1997)

	In Home	Barber Shop	MDS Dentists	At Work	Airlines
Net Men	70,421	8,385	16,337	23,847	4,896
100%	100%	100%	100%	100%	100%
Age 18-34	35.68	37.41	27.85	42.10	31.80
Age 35-54	39.94	38.93	39.79	49.13	53.74
Age 55+	24.38	23.64	32.36	8.77	14.48
HHI <\$50	55.70	55.65	57.78	44.32	22.20
HHI \$50-\$74	22.18	19.95	21.41	26.88	21.61
HHI \$75+	22.12	24.39	20.81	28.80	56.17
Graduated Coll+	26.21	27.48	24.59	32.66	63.89
Emp Full Time	68.38	69.33	61.84	95.41	86.11
Retired	15.61	15.48	21.57	.19	5.35

Demographic changes from 1993 to 1997

We are just beginning to examine key trends using this database. Total women readers dropped 9% over the five years at beauty parlors, increased 16% in medical offices, 14% at work and in home had no change. All locations shown had large increases among women 35-54 (the baby boomers), the largest being medical offices with a 35% increase over the five year period. The 55+ readers at work increased 20%. Beauty parlor readership declined but had a large increase in women HHI \$50K+. Relative to in home increases, medical office and at work readers had substantial drops in M \$50K+. The aging population is reflected by the 24% increase in retired female readers in medical offices.

	Beauty Parlor			MDs and Dentists		
	1993	1997	% CHG	1993	1997	% CHG
Net Women Readers	14,890	13,414	- 9.9	23,139	26,829	15.9
Age 18-34	5,560	4,066	-26.9	8,854	9,158	3.4
Age 35-54	4,661	5,309	13.9	8,239	11,102	34.7
Age 55+	4,669	4,039	-13.5	6,047	6,569	8.6
HHI <\$50	10,982	7,828	-28.7	16,877	17,106	1.4
HHI \$50-\$74	2,169	2,711	25.0	3,622	5,024	38.7
HHI \$75+	1,738	2,874	65.4	2,641	4,699	77.9
Graduated Coll+	2,967	3,113	4.9	3,965	5,089	28.3
Emp Full Time	6,449	6,402	- 0.7	9,505	11,371	19.6
Retired	2,331	2,402	3.0	3,062	3,796	24.0

	At Work			In Home		
	1993	1997	% CHG	1993	1997	%CHG
Net Women Readers	18,742	21,391	14.1	83,137	83,212	.1
Age 18-34	8,395	8,713	3.8	30,139	28,064	- 6.9
Age 35-54	8,552	10,521	23.0	28,750	32,245	12.2
Age 55+	1,795	2,156	20.1	24,248	22,903	- 5.5
HHI <\$50	10,788	11,061	2.5	58,171	51,888	-10.8
HHI \$50-\$74	4,566	5,718	25.2	14,383	16,536	15.0
HHI \$75+	3,388	4,612	36.1	10,583	14,788	39.7
Graduated Coll+	4,839	5,515	14.0	15,353	17,449	13.7
Emp Full Time	15,729	18,174	15.5	36,907	38,322	3.8
Retired	88	50	-43.2	12,340	13,390	8.5

Men (see next tables) show a similar pattern to women, losing almost 9% of the male readers in barber shops. Again, 35-54 showed increases in male magazine readers at medical offices and at work. Retired male magazine readers increased almost 34% at medical offices and 11% at the barber shop locations. The male readers with higher incomes (\$50K and above) had substantial increases in the medical offices and at work relative to the in home location.

	Barber Shop			MDs/Dentists		
	1993	1997	% CHG	1993	1997	% CHG
Net Men Readers	9,202	8,385	- 8.9	14,525	16,337	12.5
Age 18-34	3,594	3,137	-12.7	5,071	4,549	-10.3
Age 35-54	3,544	3,265	- 7.9	5,629	6,501	15.5
Age 55+	2,064	1,983	- 3.9	3,826	5,287	38.2
HHI <\$50	6,400	4,667	-27.1	9,450	9,439	- 0.1
HHI \$50-\$74	1,673	1,673	0	2,895	3,498	20.8
HHI \$75+	1,129	2,045	81.1	2,181	3,400	55.9
Graduated Coll+	2,105	2,304	9.5	3,346	4,017	20.1
Emp Full Time	6,217	5,813	- 6.5	8,898	10,103	13.5
Retired	1,164	1,298	11.5	2,634	3,524	33.8

NOTE : WRONG HHI (FOR BARBER SHOP ONLY) DATA PROVIDED BY MRI. CORRECT DATA WAS TO BE PROVIDED AT VANCOUVER IN THE WORLDWIDE READERSHIP SUMPOSIUM OF 1997).

	At Work			In Home		
	1993	1997	% CHG	1993	1997	% CHG
Net Men Readers	22,512	23,847	5.9	70,367	70,421	0.1
Age 18-34	9,972	10,041	0.7	27,381	25,126	-8.2
Age 35-54	10,717	11,715	9.3	25,286	28,129	11.2
Age 55+	1,873	2,091	14.7	17,699	17,167	- 2.8
HHI <\$50	11,665	10,570	-9.4	45,074	39,223	-13.0
HHI \$50-\$74	6,202	6,410	3.4	14,460	15,622	8.0
HHI \$75+	4,645	6,867	47.8	10,833	15,575	43.7
Graduated Coll+	7,297	7,789	6.7	17,145	18,454	7.6
Emp Full Time	20,610	22,752	10.4	46,295	48,152	4.0
Retired	73	45	-38.4	11,063	10,990	-0.7

Examples of Magazine Category Analysis

As mentioned, we are just beginning to probe the depth of information available in this data base. Here are a few early examples comparing different category sets for the years 1993 and 1997. The first set is parenting titles. 'Ibis data, on the surface, has some very interesting information. It shows that while Parents Magazine remains the leader and increased almost 7% in female magazine readers in medical offices, 0 of the other titles showed substantial increases. This group of titles has a history of having copies available in medical and dental offices. The audience trends for the field are quite positive.

However, it could be said that the analysis is not complete. Researchers for a parenting title should also try to obtain the following types of information:

- The medical office circulation history of each of the titles. (Many titles in this category report that figure on their audit statements).
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- An analysis of the total share of reads relative to other titles. These titles seem strong in medical offices, but by examining all of the magazine share of reads on the new MRI data base, we can examine how new magazines and other competitive sets have increased or decreased share of reads. by examining the impact of other classes of magazines, Martha Stewart Living and other shelter titles for example, we can begin to understand how reading tastes are changing in those locations. An assessment can be made whether this is a prime brand development public place location or not.

	At Doctor's or Dentist's Offices				% CHG
	1993 (000)	% Share	1997 (000)	% Share	
Net Women Readers	23,139	100.0%	26,829	100.0%	15.9
Parent's Magazine	2,458	10.62	2,623	9.78	6.7
Parenting	1,521	6.57	2,179	8.12	43.3
Sesame Street Magazine	864	3.73	1,367	5.10	58.2
Baby Talk	827	3.57	1,008	3.76	21.9
American Baby	1,104	4.38	1,248	4.65	13.0

Let's look at another our-of-home location. The "at work" location has grown 14% in total readers. At work reading, though much more limited than in home, has many more competitive reading events. Let's look at classic women's service magazines in the U.S. While all four of the top circulation service magazines have grown in audience, only two have grown at the same rate as total readership. It could be that they are losing share to the large entertainment magazines - People and Entertainment Weekly

Working women may also read at work Business Week, Forbes, Fortune, the news magazines as well as titles like Vogue and Glamour. In fact, it is amazing how many different kinds of magazines are read by both men and women at work.

Some publishers are skeptical when they see data that their audiences have increased at all. Say, for example that Good Housekeeping or Family Circle had done nothing in particular to help their public place audiences. Why would there be an increase? The most plausible explanation is that since there are more working women, and these are broadly distributed magazines, they had a greater chance of being taken to work than smaller circulation publications (Remember the dynamic model, some copies are carried between locations by the original receiver).

	At Work				
	1993 (000)	% Share	1997 (000)	% Share	% CHG
Net Women Readers	18,742	100.0%	21,391	100.0%	14.1
Better Homes & Gardens	3,871	20.65	4,811	22.49	24.2
Good Housekeeping	3,430	18.30	3,616	16.90	5.4
Family Circle	3,018	16.10	3,283	15.35	8.8
Woman's Day	3,006	16.04	3,486	16.30	16.0

For men, the barber shop has been a battleground for public place reading. However, male readers have declined almost 9% from 9.2 million in '93 to 8.3 million in '97. All of the news magazines have suffered declines, with only Time declining less than the national average. Sports Illustrated, on the other hand, has increased more than 26%, and share of total reads are up almost 5 points to 16.6.

	At Barber Shop				
	1993 (000)	% Share	1997 (000)	% Share	%CHG
Net Men Readers	9,202	100.0%	8,385	100.0%	- 8.9
Newsweek	1,044	11.35	882	10.52	-15.5
Time	1,042	11.32	1,005	11.99	- 3.6
US News & World Report	606	6.59	479	5.71	-21.0
Sports Illustrated	1,099	11.94	1,393	16.61	26.8

Other Applications

The Excel format of this database, when utilized in combination with data from traditional crosstabs (in a magazine specific basis), will provide the researchers the ability to chart and analyze:

- Determine if the share of reads have grown or declined for the near competitive set, far competitive set or among the dominant public place performers (e.g. Entertainment Weekly and People).
- For larger publications, title specific analysis can be conducted over time within major demographic breaks: sex, 18-49, 25-54, attended/graduated college, P/Ms to name a few.
- Competitive sets can be analyzed relative to the publisher's title.

The Excel format allows for building more complex charts and graphs that can overlay outside variables that could have an impact on the recent reading measurement including:

- Inclusion or exclusion of titles with a similar name to your publication or a "confusion analysis" can be conducted.
- Known shifts in circulation. As pointed out earlier in this paper, a publisher may examine custom research to determine if circulation has been added on an in home and/or out of home basis. It is extremely important to watch reductions in circulation especially if the goal is an increase in RPC over a sustained period of time. That is a sure sign that bad pay or very expensive to acquire in home copies had been reduced and been replaced by public place copies. This hypothesis becomes more likely if the magazine is a public place "friendly" title.

This type of planning allows for easy integration into publisher's business and circulation 3-5 year planning data bases.

Summary and conclusions

This paper has shown that public places are increasingly important to publishers. With the contracting newsstand wholesale situation, public place represents a more important sampling location now than it did five years ago. This will be especially true for new magazines. Mature magazines' readership, perhaps taken for granted, will now be under a lot more competitive pressure as more titles and copies become available at these locations.

The MRI public place data base provides easy access to historical information, including the addition of new magazines on a yearly basis. It should be remembered that this data base alone might not be enough. A good researcher must have as much information as possible about:

- Copy availability in public places.
- Knowledge of which magazines are being studied during particular waves of MRI particularly titles that can be confused with yourself or a competitor.
- Changes in the editorial content and design of competitive publications or publications which have a strong impact in specific public place locations.

This new public place data base will be available to MRI subscribers very soon. The basic data base will include:

- Demographic trends by location.
- Five year audience trends for those magazines common during those five years.
- New magazines will be reported each year and data for the following years will be made available in a "new magazines report".
- The data will be provided on the basis of adults, men and women

Appendix A
The Twenty Factors from
“What Determines Readers-Per-Copy Patterns for UK Magazines?”
by Guy Consterdine - UK

- 1) Circulation (See references in this paper.)
- 2) Readership Sampling Variation (always has an impact, especially with the smaller titles).
- 3) Changes in sampling or weighting techniques (The new Simmons SAR vs. old Simmons will be an example this year).
- 4) Changes in technique for measuring readership
- 5) Source of Copy (very hard to measure)
- 6) Reading Public Place (editorial nature impacts pick-up rate)
- 7) Narrowness of Appeal (very vertical publications will attract less pickup)
- 8) Keep me or enthusiast edit (retention magazines like Workbasket will not have a high Reader Per Copy)
- 9) Changes in the editorial package offered
- 10) Format of the publication (Some time encourages passalong or discourages in the case of The Atlantic Monthly)
- 11) Publishing Interval (The longer the interval the better the chance unless the edit is designed to be kept)
- 12) New Titles.
- 13) Launch of a close competition.
- 14) Changes in competitive publications.
- 15) Increases in circulation tend to reduce RPC's while falling circulation tends to raise RPC.
- 16) Lagged readership - Circulation can have a impact as it did with US News and World Report in 1985 when an increase in circulation coupled with a edit redesign and aggressive promotion produced increases in audience far greater than the circulation rise.
- 17) Using it destroys it (Puzzle magazines will have less value when completed and will not have passalong)
- 18) Other Factors (Size of book, more ads for fashion books are an advantage not disadvantage)
- 19) Household size (can influence the audience of some publications. In the U.S. some examples are TV Guide, Reader's Digest and National Geographic)
- 20) Composition of the Adult population - As the Baby Boomers turned 50 in 1996, and in the years that follow, so will the compositions of the major magazines.

Appendix B

Hearst Magazines

Summary Analysis, 1985-95 Rate Base Reductions

The Hearst organization had retained The Douglas/Jones Group to specifically examine the impact of circulation reduction and their impact on total audience. The DJG examined Capell's Reports which provides a list of publications that have reduced rate base in the past 10 years. Of these, 24 magazines were studied by MRI over that period. To qualify for this analysis, the circulation decrease had to have the following characteristics:

- Have no other circulation increase or decrease within a *two year period* after the decrease. (See the paper for a complete discussion of lag effect)
- Had to be regularly reported in MRI.

Analysis Findings

Of the 20 magazines that met all of the criteria with reductions in 1989-94, **19 had RPC gains:**

- 7 grew audience over tolerance levels.
- 10 had audience changes in thin tolerance levels (from a low of -3.4% to a high of +2.9%).
- Only 2 lost audience at a rate in excess of tolerance:

There is an interesting pattern occurring in this data. All of the publications analyzed have done better in managing the rate base reductions since 1990. Several marketplace events occurred:

- Whittle launched Special Reports in the late '80s. They claimed very high Readers Per Copy. It focused attention on the value of public place reading. Although they overestimated audiences, Whittle prompted many U.S. publishers to focus on public place readers and recognize their value. Major advertisers, such as Warner Lambert, Lipton, J & J, Ralston Purina, Kraft/GF and P&G all supported various aspects of the many Whittle public place advertising programs.
- The historical data and the research papers reviewed suggest that more publishers began to implement concerted Audience Management plans. Thus, fewer publications in the last decade have had significant audience drops when they made a circulation move.

A complete review of 1985-1994 rate base reductions impact on audience is provided in The Douglas/Jones Group expanded white paper. Hearst has agreed to make it available on request

Appendix C Technographics

	IN HOME		IN HOME		
	1993	VERT	1997	VERT	% CHG
1993 MEN TECHNOGRAPHICS VERSUS 1997 TOTALS (000)	NET	%	NET	%	93 VERSUS 97
	70367	100	70421	100	0.08
~Phone, ~TV, ~PC: Web at Work			18	0.03	
~Phone, ~TV, ~PC: ~Web at Work	244	0.35	8	0.01	-96.72
~Phone, ~TV, ~PC: ~PC at Work	2,771	3.94	150	0.21	-94.59
Phone, ~TV, ~PC: Web at Work			9	0.01	
Phone, ~TV, ~PC: ~Web at Work	190	0.27	130	0.18	-31.58
Phone, ~TV, ~PC: ~PC at Work	983	1.40	644	0.91	-34.49
LUEDITES -MAYBE A PHONE	4,188	5.96	959	1.35	77.10
Phone, TV, ~PC: Web at Work			230	0.33	
Phone, TV, ~PC: ~Web at Work	1,203	1.71	1,808	2.57	50.29
Phone, TV, ~PC: ~PC at Work	11,335	16.11	9,303	13.21	-17.93
"GOT A TV"	12,538	17.82	11,341	16.11	-9.55
Phone, TV, Cable, ~PC: Web at Work			827	1.17	
Phone, TV, Cable, ~PC: ~Web at Work	2,759	3.92	4,843	6.88	75.53
Phone, TV, Cable, ~PC: ~PC at Work	19,648	27.92	19,450	27.62	-1.01
COUCH POTATO - TV & CABLE	22,407	31.84	25,120	35.67	12.11
Phone, TV, Cable, PC, ~ Modem: Web at Work			976	1.39	
Phone, TV, Cable, PC, ~ Modem: ~Web at Work	3,211	4.56	3,504	4.98	9.12
Phone, TV, Cable, PC, ~ Modem: PC at Work	3,777	5.37	4,343	6.17	14.99
BEGINNERS - GOT A PC	6,988	9.93	8,823	12.54	26.26
Phone, TV, Cable, PC, Modem, ~Online: Web at Work			628	0.89	
Phone, TV, Cable, PC, Modem, ~Online: ~Web at Work	1,512	2.15	2,323	3.30	53.64
Phone, TV, Cable, PC, Modem, ~Online: ~PC at Work	1,312	1.86	2,366	3.36	80.34
I HAVE A MODEM?	2,824	4.01	5,317	7.55	88.28
Phone, TV, Cable, PC, Modem, Online: Web at Work			1,450	2.06	
Phone, TV, Cable, PC, Modem, Online: ~Web at Work			1,213	1.72	
Phone, TV, Cable, PC, Modem, Online: ~PC at Work			1,137	1.61	
WIRED			3,800	5.39	

	NET	M/DD VERT %	NET	D/DDS VERT %	% CHG 93 VERSUS 97
1993 MEN TECHNOGRAPHICS VERSUS 1997 TOTALS	1993 14525	100	1997 16337	100	12.48
~Phone, ~TV, ~PC: Web at Work					
~Phone, ~TV, ~PC: ~Web at Work	19	0.13			
~Phone, ~TV, ~PC: ~PC at Work	465	3.20	51	0.31	-89.03
Phone, ~TV, ~PC: Web at Work			2	0.01	
Phone, ~TV, ~PC: ~Web at Work	19	0.13	24	0.15	26.32
Phone, ~TV, ~PC: ~PC at Work	259	1.78	169	1.03	-34.75
LUEDITES -MAYBE A PHONE	762	5.24	246	1.50	-67.72
Phone, TV, ~PC: Web at Work			42	0.26	
Phone, TV, ~PC: ~Web at Work	297	2.04	432	2.64	45.45
Phone, TV, ~PC: ~PC at Work	2,496	17.18	2,028	12.41	-18.75
"GOT A TV"	2,793	19.22	2,502	15.31	-10.42
Phone, TV, Cable, ~PC: Web at Work			189	1.16	
Phone, TV, Cable, ~PC: ~Web at Work	449	3.09	1,037	6.34	130.96
Phone, TV, Cable, ~PC: ~PC at Work	4,390	30.22	4,733	28.97	7.81
COUCH POTATO - TV & CABLE	4,839	33.31	5,959	36.47	23.15
Phone, TV, Cable, PC, ~ Modem: Web at Work			210	1.29	
Phone, TV, Cable, PC, ~ Modem: ~Web at Work	520	3.58	922	5.65	77.31
Phone, TV, Cable, PC, ~ Modem: PC at Work	817	5.63	1,078	6.60	31.95
BEGINNERS - GOT A PC	1,337	9.21	2,210	13.54	65.30
Phone, TV, Cable, PC, Modem, ~Online: Web at Work			118	0.72	
Phone, TV, Cable, PC, Modem, ~Online: ~Web at Work	299	2.06	544	3.33	81.94
Phone, TV, Cable, PC, Modem, ~Online: ~PC at Work	241	1.66	530	3.24	119.92
I HAVE A MODEM?	540	3.72	1,192	7.29	120.74
Phone, TV, Cable, PC, Modem, Online: Web at Work			372	2.28	
Phone, TV, Cable, PC, Modem, Online: ~Web at Work			197	1.21	
Phone, TV, Cable, PC, Modem, Online: ~PC at Work			254	1.55	
WIRED			823	5.04	

Net At Work	At Work		At Work		
1993 MEN TECHNOGRAPHICS	1993	VERT	1997	VERT	% CHG
VERSUS 1997	NET	%	NET	%	93 VERSUS 97
TOTALS	22512	100	23847	100	5.93
~Phone, ~TV, ~PC: Web at Work			18	0.07	
~Phone, ~TV, ~PC: ~Web at Work	38	0.17			
~Phone, ~TV, ~PC: ~PC at Work	510	2.26	19	0.08	-96.27
Phone, ~TV, ~PC: Web at Work			30	0.13	
Phone, ~TV, ~PC: ~Web at Work	31	0.14	90	0.38	190.32
Phone, ~TV, ~PC: ~PC at Work	190	0.85	60	0.25	-68.42
LUEDITES -MAYBE A PHONE	221	0.99	150	0.63	-32.13
Phone, TV, ~PC: Web at Work			180	0.75	
Phone, TV, ~PC: ~Web at Work	514	2.28	1,043	4.38	102.92
Phone, TV, ~PC: ~PC at Work	3,039	13.50	2,171	9.10	-28.56
"GOT A TV"	3,553	15.78	3,214	13.48	-9.54
Phone, TV, Cable, ~PC: Web at Work			433	1.81	
Phone, TV, Cable, ~PC: ~Web at Work	1,210	5.37	2,693	11.29	122.56
Phone, TV, Cable, ~PC: ~PC at Work	5,853	26.00	4,226	17.72	-27.80
COUCH POTATO - TV & CABLE	7,063	31.37	7,352	30.82	4.09
Phone, TV, Cable, PC, ~ Modem: Web at Work			593	2.49	
Phone, TV, Cable, PC, ~ Modem: ~Web at Work	1,640	7.29	1,811	7.60	10.43
Phone, TV, Cable, PC, ~ Modem: PC at Work	1,404	6.24	1,117	4.68	-20.44
BEGINNERS - GOT A PC	3,044	13.53	2,928	12.28	-3.81
Phone, TV, Cable, PC, Modem, ~Online: Web at Work			433	1.82	
Phone, TV, Cable, PC, Modem, ~Online: ~Web at Work	682	3.03	1,132	4.75	65.98
Phone, TV, Cable, PC, Modem, ~Online: ~PC at Work	465	2.07	694	2.91	49.25
I HAVE A MODEM?	1,147	5.10	2,259	9.48	96.95
Phone, TV, Cable, PC, Modem, Online: Web at Work			992	4.16	
Phone, TV, Cable, PC, Modem, Online: ~Web at Work			604	2.53	
Phone, TV, Cable, PC, Modem, Online: ~PC at Work			255	1.07	
WIRED			1,851	7.76	

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