

The Magazine Handbook

A Comprehensive Guide for Advertisers, Advertising Agencies and Consumer Magazine Marketers 2004/05



www.magazine.org

Mission Statement



Magazine Publishers of America

To support and promote the editorial and economic vitality
and the integrity of MPA member publications.

To be the marketing force to increase the share that magazines capture
of advertising dollars and of readers' time and money.

To defend the freedom to write and publish under the First Amendment.

To be the primary source of information and expertise about the
publishing industry for both its members and the community at large.

To advocate and litigate on behalf of the industry.

A Guide to Consumer Magazines

The Magazine Handbook is a comprehensive reference source for information about consumer magazines from Magazine Publishers of America (MPA). It includes facts and statistics about all aspects of the industry, as well as answers to the questions we are most frequently asked – all in one convenient, easy-to-use guide.

Here, you will find a revealing portrait of a medium that is uniquely positioned to help smart marketers communicate effectively. The Handbook contains information about magazines' editorial diversity, readership and the unrivaled impact and effectiveness of magazine advertising. Most importantly, you'll see why magazines are indispensable to both readers and marketers alike.

The power of magazines stems from the relationship each magazine has with its readers. Consumers have an emotional, intimate bond with their favorite magazines, and it is this relationship with the editorial product that enhances the credibility of the advertising environment causing the consumer

to take action. At a time when both readers and advertisers face a broader array of media choices than ever before, magazines continue to provide value to both, in part, because the magazine industry is constantly developing and growing along with its readers. In addition to this handbook, the MPA offers other valuable resources for information about the industry, such as:

- The MPA website – www.magazine.org – where you can download an electronic copy of the handbook, access up-to-the-minute research or obtain other useful information.
- The MPA Information Center – available for use by members, advertisers and their agencies, the MPA Information Center offers personalized research services. The staff can provide data on historical trends, industry statistics, news, and much more. For more information, you can e-mail requests to infocenter@magazine.org or make an appointment to visit the Center in New York. Staff is available 9 A.M. – 5 P.M. EST, Monday through Friday.

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For Virtually Every Human Interest, There Is a Magazine

Reading a magazine is an intimate, involving experience that fulfills the personal needs and reflects the values of the reader, which is one reason the average reader spends 45 minutes* reading each issue. A magazine is a friend, a tangible and enduring companion and an integral part of a reader's personal and professional life.

From fashion to technology, mainstream news to fitness, a magazine's editorial product focuses on the reader's interests and communicates in a way that is both informative and entertaining.

The following pages showcase the diversity and range of the magazine industry, reflecting the variety of reasons why consumers turn to the pages of their favorite magazines every day.

*Source: MRI Fall 2003

A Magazine for Everyone

Number of Magazines, 1993-2003

Year	Total*	Consumer Only
1993	14,302	-
1994	15,069	-
1995	15,996	-
1996	17,195	-
1997	18,047	7,712
1998	18,606	7,864
1999	17,970	9,311
2000	17,815	8,138
2001	17,694	6,336
2002	17,321	5,340
2003	17,254	6,234

Source: National Directory of Magazines, 2004. Oxbridge Communications

*Includes, but is not limited to, consumer magazines in North America

The Magazine Industry Continues to Innovate

In 2003, 440 new magazines were introduced to satisfy consumers' growing need to be informed and entertained. Covering topics ranging from sports to automotive, computers to ethnic and food to home service, the diversity of new magazine titles launched each year is a testament to the magazine industry's commitment to meeting the needs and interests of consumers. The following table illustrates how magazines address the wide variety of consumer interests.

New and noted magazine launches are highlighted on a monthly basis on the MPA website at: www.magazine.org/launches

New U.S. Magazine Launches by Interest Category, 2003

Crafts/Games/ Hobbies/Models	45	Computers	10	TV/Radio/Communications/ Electronics	6
Metro/Regional/State	45	Women's	10	Art/Antiques	5
Sports	33	Men's	9	Business/Finance	5
Automotive	29	Children's	8	Motorcycles	5
Special Interest	23	Comics/Comic Technique	8	Bridal	3
Health	19	Entertainment/Perf. Arts	7	Aviation	2
Home Service/Home	17	Literary Reviews/Writing	7	Gaming	2
Music	15	Photography	7	Gardening	2
Sex	13	Pop Culture	7	Religious/Denominational	7
Ethnic	11	Dogs/Pets	6	Military/Naval	2
Epicurean	11	Dressmaking/Needlework	6	Science/Technology	2
Fashion/Beauty/Grooming	11	Fishing/Hunting	6	Media Personalities	1
Fitness	11	Political/Social Topics	6	Mystery/Science Fiction	1
Travel	11	Teen	6	TOTAL	440

Note: This list represents weekly, bimonthly, monthly and quarterly titles only and has been edited to meet MPA criteria.
Source: Samir Husni's Guide to New Consumer Magazines, 2004

Magazines Inform and Entertain

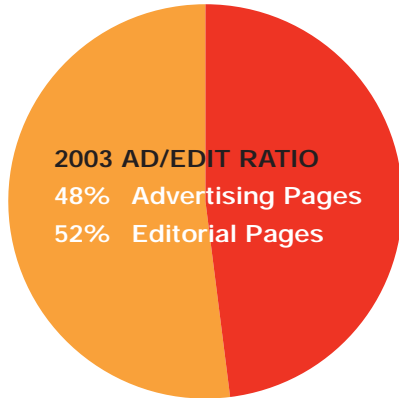
In 2003, the 118 magazines measured by Hall's Magazine Reports showed that the top three subject categories were Entertainment/Celebrity, Wearing Apparel/Accessories and Food/Nutrition.

Number of Editorial Pages by Subject, 2003

Type of Editorial	Editorial Pages	Percent	Type of Editorial	Editorial Pages	Percent
Entertainment/Celebrity	18,232.7	12.3 %	Self Help/Relationships	5,774.3	3.9 %
Wearing Apparel/Accessories	15,542.7	10.5	General Interest	5,624.0	3.8
Food/Nutrition	11,341.3	7.7	National Affairs	5,507.4	3.7
Home Furnishings/Management	10,311.4	7.0	Personal Finance	3,847.8	2.6
Business/Industry	9,622.1	6.5	Global/International	3,379.6	2.3
Culture	9,412.3	6.4	Building	3,186.8	2.2
Beauty/Grooming	9,212.7	6.2	Gardening/Farming	2,790.7	1.9
Travel/Transportation	8,447.4	5.7	Children	2,070.5	1.4
Health/Medical Science	7,314.9	5.0	Consumer Electronics	1,371.6	0.9
Sports/Recreation/Hobby	7,036.6	4.8	Fiction	714.5	0.5
Miscellaneous	6,716.8	4.5	Antiques	290.5	0.2
			TOTAL EDITORIAL	147,748.6	100.0 %

Source: Editorial pages – Hall's Magazine Reports, December 2003

Editorial and Advertising Contribute to the Reader Experience



Most magazines contain both editorial and advertising content; both inform and entertain. In addition, advertising revenues enable magazines to keep subscription and newsstand costs affordable. **In 2003, the ratio for consumer magazines was 48% advertising pages, 52% editorial pages.**

Advertising vs. Editorial Pages, 1993-2003

Year	% Advertising	% Editorial
1993	49.9	50.1
1994	48.1	51.9
1995	49.1	50.9
1996	50.8	49.2
1997	50.7	49.3
1998	48.3	51.7
1999	49.4	50.6
2000	50.3	49.7
2001	45.1	54.9
2002	46.6	53.4
2003	47.9	52.1

Source: Hall's Magazine Reports, December 2003

Ten-Year Trend Shows Change

Magazines continue to be an important part of consumers' lives even in the face of media proliferation. Along with everything else in the marketing and media world, magazine buying patterns have changed, as evidenced by a shift between newsstand and subscription sales.

Between 1993 and 2003, subscriptions grew 2%. Newsstand sales declined, although they continue to be an important circulation source.

Newsstand sales shifts mirror changes in overall consumers shopping behavior. Supermarket, mass merchandisers and drugstores combined represent more than two-thirds of newsstand sales (see chart on page 17). While supermarkets remain a leading shopping destination, shopping trips to these other types of stores are increasing.

Interestingly, outlets where magazines are sold are also the mainstay of many marketers' retail sales,

and magazines help drive consumers sales of those goods. According to a market basket study done by Management Science Associates, in just the grocery class of trade, magazine purchasers drove more than half of the total dollars and units sales in supermarkets, while representing only 24% of shoppers.

The MPA website provides:

- Annual Combined Average Paid Circulation for All ABC Magazines, from 1970–2003
- Average Circulation for Top 100 ABC Magazines
- Circulation Revenue for Top 100 ABC Magazines
- Average Circulation for Top 100 BPA Magazines
- Magazine Sales by Class

Beyond the handbook, more detail on circulation is available on the MPA website at www.magazine.org/circulation.

Source: Management Science Associates, 2002

Magazines Let Consumers Choose



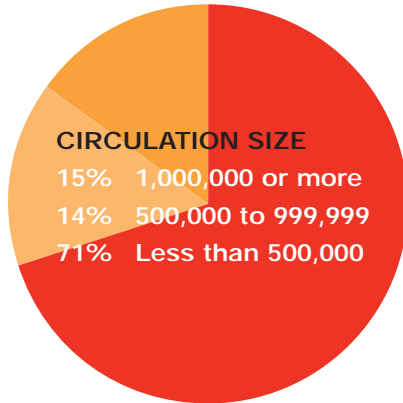
While some consumers prefer the convenience of home or work delivery, others choose to pick up copies of their favorite magazines at supermarkets and other retail outlets. This chart shows the historical relationship between subscription and single copy sales. In 2003, 85.6% of total circulation was from magazine subscriptions, while single copy sales accounted for the remaining 14.4%.

Subscriptions/Single Copy Sales, 1993–2003

Year	Subscription	Single Copy	Total
1993	294,905,373	69,418,673	364,324,046
1994	295,648,763	67,917,148	363,565,911
1995	299,050,282	65,846,048	364,896,329
1996	299,532,710	65,984,883	365,517,593
1997	301,244,640	66,133,817	367,378,457
1998	303,348,603	63,724,643	367,073,246
1999	310,074,081	62,041,749	372,115,830
2000	318,678,718	60,240,260	378,918,978
2001	305,259,583	56,096,430	361,356,013
2002	305,438,345	52,932,601	358,370,946
2003	301,800,237	50,800,854	352,601,091

Source: Averages calculated by MPA from ABC Publishers Statements each year. Comics, annuals and international editions are not included.

Magazines Come in All Sizes



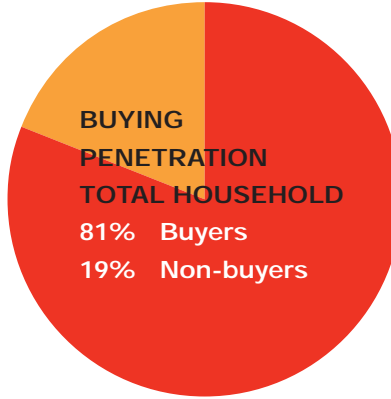
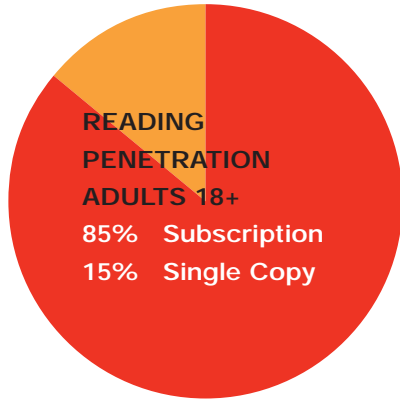
According to the Audit Bureau of Circulations (ABC), **roughly two-thirds of magazine titles have circulation of less than 500,000.**

Paid Circulation for ABC Magazines by Circulation Size Groups, 2003

Circulation Size	MAGAZINES		TOTAL CIRCULATION	
	No. in Group	% of Total	For Group	% of Total Circ.
10,000,000 and over	3	0.5%	53,729,617	15.2%
5,000,000 – 9,999,999	3	0.5	23,271,291	6.6
2,000,000 – 4,999,999	29	5.1	85,355,175	24.2
1,000,000 – 1,999,999	53	9.2	71,817,342	20.4
750,000 – 999,999	28	4.9	23,868,288	6.8
500,000 – 749,999	54	9.4	30,561,427	8.7
250,000 – 499,999	102	17.7	34,365,367	9.7
100,000 – 249,999	143	24.9	22,406,661	6.4
Under 100,000	160	27.8	7,225,924	2.0
TOTALS	575	100.0%	352,601,092	100.0%

Sources: Averages calculated by MPA from ABC Publishers Statements, 2003. Comics, annuals and international editions are not included.

Magazines Are Widely Read and Bought



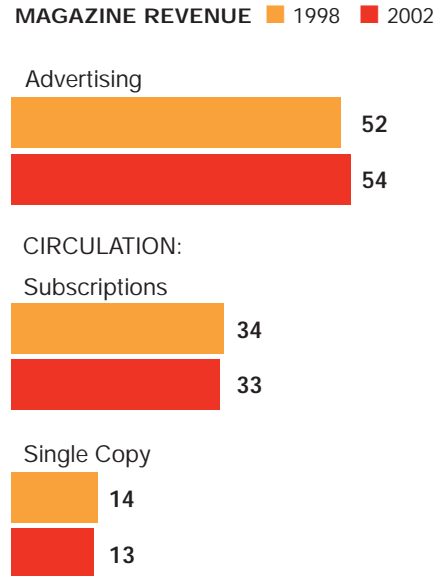
According to Mediamark Research, Inc. (MRI), 85% of adults 18 and older read magazines. More than 80% of households read and/or buy at least one magazine title every year. According to a landmark study on magazine buying patterns, more than four out of every five households read and/or buy at least one magazine title every year. On average, every household purchases six different magazines annually, and almost six out of ten households both subscribe and purchase their magazines at a newsstand or other retail outlet.

Source: MRI Fall 2003, The Study of Magazine Buying Patterns, 1991, conducted by Audits & Surveys, Inc.

Multiple Sources Contribute to a Magazine's Bottom Line

According to a proprietary study of 88 representative magazines, circulation accounts for a significant portion of consumer magazine revenue. **In 2002, 54% of revenue came from advertising and 46% came from circulation.**

Source: PriceWaterhouseCoopers Financial Survey, conducted for MPA, 2003



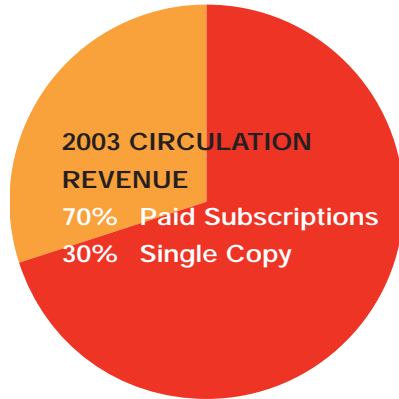
Consumers Invest in Their Magazines

Over the years, consumers have proven their commitment to magazines by spending their hard-earned money to purchase them on the newsstand and/or by subscription.

Cost of Magazines, 1993–2003		
Year	Average Single Copy Price	Average 1-Year Basic Subscription Price
1993	\$ 2.75	\$ 26.17
1994	2.81	28.51
1995	2.93	29.42
1996	3.06	29.44
1997	3.22	28.60
1998	3.33	25.38
1999	3.44	24.83
2000	3.83	24.41
2001	3.88	25.30
2002	4.11	25.70
2003	\$ 4.22	\$ 26.55

Source: Averages calculated by MPA from ABC Publishers Statements, 2003

Bulk of Circulation Revenue Is Subscription Based



Circulation Revenues, 2003

Paid Subscriptions	\$ 7,019,241,182
Single Copy	\$ 3,014,108,621
TOTAL	\$ 10,033,349,803

Source: Calculated by MPA from ABC Publishers Statements, 2003

Paid subscriptions accounted for 70% of total circulation revenue, while single copy sales accounted for the remaining 30%.

Consumers Rely on Multiple Outlets for Their Magazines



According to Harrington Associates, 43% of all single copy purchases are made at supermarkets, followed by mass merchandisers, bookstores and drugstores.

- Since 1993, modest shifts in retail have occurred with mass merchandisers and bookstores seeing the largest increase
- 4,500–4,700 titles are sold at retail
- The average supermarket carries 700 titles, and may have 300–400 of those titles on the shelf at any given time
- Approximately 150,000–160,000 retail outlets in the United States sell magazines

Retail Sales by Channel, 1993 and 2003

Percent	1993	2003
Supermarkets	43 %	43 %
Mass Merchandisers	9	16
Bookstores	6	12
Drugstores	8	9
Terminals	8	5
Convenience Stores	16	7
Newsstands and Miscellaneous	10	8
TOTAL	100 %	100 %

Source: Harrington Associates, Norwalk, CT, 1994, 2004

Ten Top Reasons to Advertise in Magazines

- **Magazines provide reach – faster than you think:** The top 25 magazines reach more teens and adults than the top 25 prime-time TV programs. The average magazine cumes almost two-thirds of its audience within a month's time.
- **Magazines target efficiently:** With a range of titles that appeal to specific demographics, lifestyles and interests, advertisers can hone in on the targets that fit their needs.
- **Magazines sell:** Multiple studies have demonstrated that allocating more money to magazines in the media mix improves marketing and advertising ROI across a broad range of product categories.
- **Magazines provide rich experiences:** Readers experience magazines in meaningful ways, including: *I get value for my time and money, It makes me smarter, It's my personal time out* and *I often reflect on it.*
- **Magazines engage:** 90% of magazine readers pay full and complete attention when reading magazines. Magazine readers demonstrate the lowest level of multitasking when compared with multitasking rates for other media.

Ten Top Reasons to Advertise in Magazines

- **Magazines enhance advertising impact:** Strong consumer experiences with magazines boost magazine advertising impact.
- **Magazine ads last:** Consumers refer to magazines multiple times – even saving them, giving advertisers the opportunity for added exposures.
- **Magazines supply credibility:** Consumers trust and believe magazine advertising more than advertising in other media.
- **Magazines offer choice:** Advertisers can choose from a wide range of titles, environments and “customizable” solutions that best suit advertisers’ needs.
- **Magazine creative connects:** Magazine ad content makes consumers laugh, cry, think, desire, ponder, smile and more. In short, magazine ads make people react – and connect with advertisers’ brands.

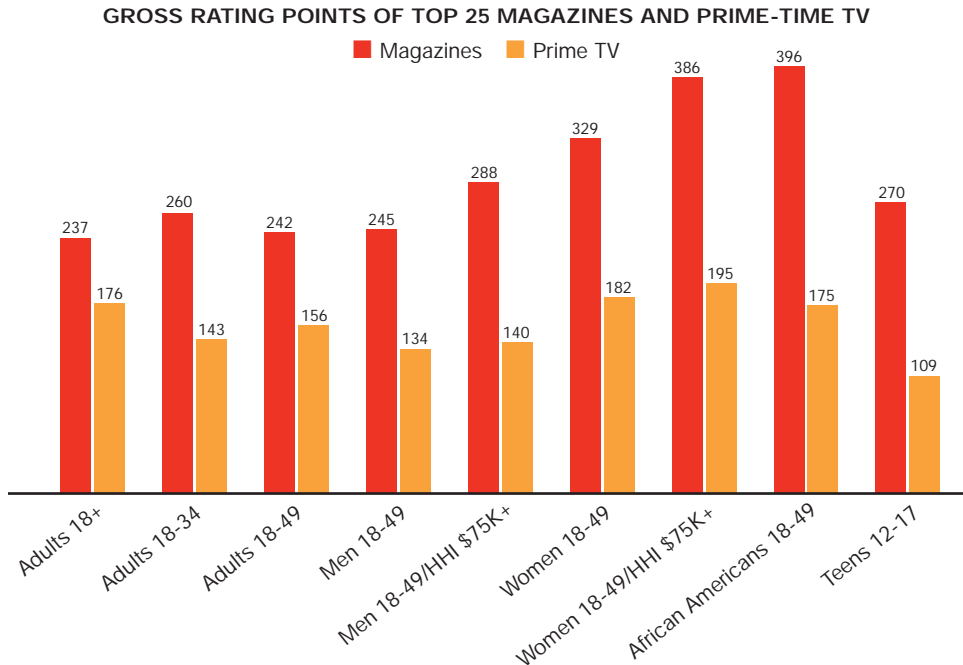
Sources: Initiative; Nielsen November 2003 (Prime regularly scheduled); MRI Fall 2003; Documenting the Role of Magazines in the Mix; ROI for DTC; ROI for Kraft; Measuring the Mix and What Drives Automotive Sales?; Reader Experience Study, Northwestern University Media Management Center; Media Choices; BigResearch; Hall's Magazine Reports; www.magazine.org/casestudies

Top 25 Magazines Outperform Top 25 Prime-Time TV Programs in Reaching Adults and Teens

Initiative recently released a cross-media comparison (a report that adds up the ratings of each of the top 25 vehicles in both media) and found magazines lead in reaching major target audiences including Adults 18-34, Women 18-49, African Americans 18-49 and Teens 12-17.

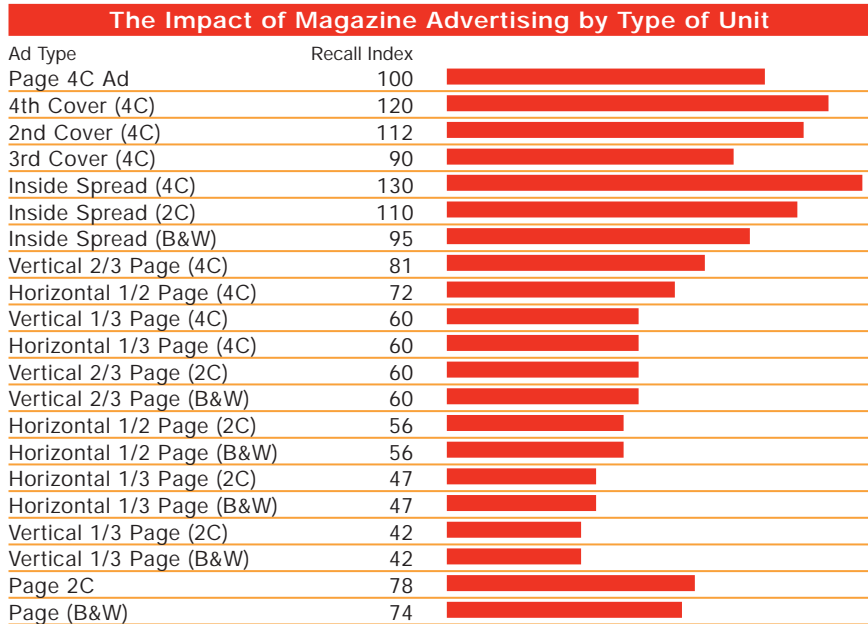
Note: Total GRPs were arrived at by adding the rating of each of the top 25 vehicles of each medium.

Source: Initiative; Nielsen, November 2003 (Prime regularly scheduled) MRI, Fall 2003



The Impact of Magazine Advertising by Creative and Positioning Units

The following 21 types of advertising units demonstrate the impact that size and position have on advertising recall. Based on a compilation of studies done by Burke, Starch and Gallup & Robinson, the following indices show probable recall scores with a 4-color page as the base.



Source: Magazine Dimensions, 2004; Media Dynamics, Inc., based on Burke, Gallup & Robinson, Starch and other studies

Heavy Readers of Magazines Are a Desirable Target

Heavy magazine readers are affluent, educated and employed in professional positions more so than heavy television viewers.

Heavy Magazine Users vs. Heavy TV Users

Index vs. Total U.S. Population

	Heavy Magazine Readers	Heavy Television Viewers
Average Age	42	50
Average Household Income	\$ 72,949	\$ 53,179
Average Value of Owned Home	\$ 221,143	\$ 177,544
Graduated College	119	74
Household Income \$75,000+	124	72
Employed	109	78
Professional/Manager	120	60
Top Management	120	58
Use Internet 3+ Times a Week	120	81

Source: MRI Fall 2003; Magazine and TV users, top two quintiles

The Portability of Magazines Allows Consumers to Read Them at Home or Away

Magazine Reading by Location

In Own Home	83 %
Out of Home	75
Doctor/Dentist Office	34
Someone Else's Home	28
Work	26
Newsstand/Store	25
Beauty/Barber Shop	13
Library/Club/School	8
Business/Reception Room	6
Airplane	6
Somewhere Else	6
During Other Traveling	2
Traveling to/from Work	1

Percentages add up to more than 100% due to multiple responses.
Source: MRI, Fall 2003, Base: Magazine Readers

The Influential Americans

Advertisers seek to register their messages with the one in ten Americans who exercise influence and control the levers of change in America. According to The Influential Americans study conducted by NOPWorld (formerly Roper/ASW), Influentials rely on magazines for information and entertainment – at a rate significantly higher than the average American.

The 21 million Influential Americans display desirable characteristics for advertisers. They are:

- The most active 10% of the public
- Someone you know and rely on
- Well-connected, well-informed, trusted
- Word-of-mouth opinion leaders

Influentials rely on magazines to obtain information. For example:

- Nearly 8 out of 10 Influentials read a magazine *at least* 2-3 times per week (35% more likely than the average person)
- Almost two-thirds use magazines for news or information (59% more likely than the average person)
- Over half (54%) read 3 or more magazine titles at home (69% more likely than the average person)
- One-quarter read 3 or more magazine titles out of home (39% more likely than the average person)

NOPWorld – The Influential Americans

	Influentials	Index vs. U.S. Population
3+ magazine titles read at home	54 %	169
3+ magazine titles read out of home	25	139
Use magazines for news or information	65	159
Read a magazine at least 2-3 times per week	77	135

*Source: The Influentials, NOPWorld 2003

Magazines Appeal to Young and Diverse Readers

The MPA Market Profiles offer an in-depth look at the African-American/Black, Asian-American, Hispanic/Latino and Teen* markets. Each group is an important, growing segment of the U.S. population. Each group is uniquely redefining the culture of the United States in areas such as food, apparel and music. And, each group displays specific magazine readership patterns.

For more details on the Market Profiles visit www.magazine.org/marketprofiles.

Source: MRI Fall 2003, ABC, U.S. Census, National Directory of Magazines, 2004, Initiative
*Newly released June 2004

- More than eight out of ten African-American/Black adults (85%) are magazine readers. They read on average 12.4 issues per month, compared to 9.3 issues (per month) for all U.S. adults.
- Nearly three out of four African-American/Black adults (72%) who read magazines are between the ages of 18 to 49 (compared to only 64% of the U.S. adult population).
- There are more than 135 Asian-American titles published in the United States, up from 120 in 2003.
- Asian-American magazine readers are younger, more affluent and better educated than magazine readers overall.
- Nearly 77% of adult Hispanic/Latinos read magazines. They read about 9.2 issues per month, the same as the U.S. average.
- In 2003 vs. 2002, the total paid circulation for ABC-measured Hispanic/Latino magazine titles grew by 5.7%.
- Eight out of ten teens (12–17) read magazines, a rate similar to the adult population.*
- A cross-media comparison conducted by Initiative found that the top 25 magazines lead the top 25 prime-time TV shows in reaching teens ages 12 to 17.*

Magazines' Share of Media Stays Strong

Across all media, magazines' share of spending has remained strong. Only newspapers and network television have a bigger share of the market than magazines.

Share of Advertising Dollars by Medium				
	(percent)			
	2000	2001	2002	2003
Magazines	17 %	17 %	16 %	17 %
Sunday Magazines	1	1	1	1
Newspapers	18	18	19	20
National Newspapers	4	3	3	3
Outdoor	2	2	2	2
Network TV	19	19	20	19
Spot TV	16	15	16	14
Syndicated TV	3	3	3	3
Cable TV	10	11	11	12
Network Radio	1	1	1	1
National Spot Radio	3	2	2	2
Internet	7	7	6	6

Sources: PIB, TNS Media Intelligence/CMR

Magazine Advertising Rate Card Revenue: \$18.3 Billion

In 2003, magazine rate card revenue came in at the highest level ever.

On a monthly basis, ad pages and revenue are updated on the MPA website at www.magazine.org/pib. Revenue is reported at one-time open rate card rates.

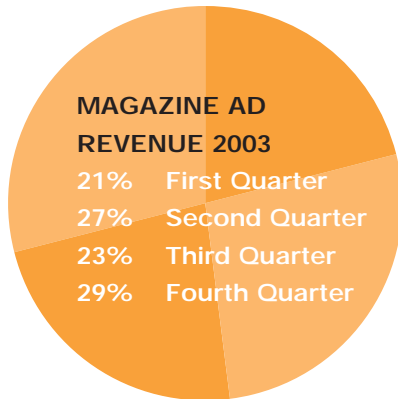
Magazine Ad Pages and Rate Card Revenue, 1993–2003

Year	Pages	Rate Card Revenue
1993	176,973	7,625,491,794
1994	180,589	8,504,647,259
1995	208,378	10,114,898,726
1996	213,781	11,179,246,682
1997	231,371	12,754,950,695
1998	242,383	13,813,403,372
1999	255,383	15,508,357,011
2000	286,932	17,665,305,333
2001	237,613	16,213,541,737
2002	225,620	16,700,000,000
2003	226,050	\$ 18,346,639,263

Source: PIB; Sunday supplements excluded.

Magazine Spending by Quarter

Magazine advertising rate card reported revenues are highest in the second and fourth quarters.



Magazine Rate Card Ad Revenue by Quarter, 2003

	Billions	Percent of Total
First Quarter	\$ 3.8	21 %
Second Quarter	4.9	27
Third Quarter	4.3	23
Fourth Quarter	5.3	29
TOTAL	\$ 18.3	100 %

Source: PIB; Sunday supplements excluded.

Quarterly magazine advertising revenue is updated on the MPA website at www.magazine.org/pib.

Revenue is reported at one-time open rate card rates.

Top 12 Categories Account for 87% of All Spending

The top twelve advertising categories account for 87% of total magazine spending, according to the Publishers Information Bureau. **In 2003, Automotive was the largest magazine advertising category, followed by Toiletries and Cosmetics, Drugs and Remedies and Household Furnishings and Supplies.**

Magazine rate card reported advertising revenue by class is made available during the second week of each month on the MPA website at www.magazine.org/pib.

Magazine Advertising Rate Card Revenue – Top Categories, 2003

Category	2002	2003
Automotive	\$ 1,818,677,805	\$ 2,088,064,077
Toiletries and Cosmetics	1,543,506,737	1,698,812,285
Drugs and Remedies	1,418,245,122	1,662,923,295
Home Furnishings and Supplies	1,399,161,758	1,582,186,505
Apparel and Accessories	1,411,168,663	1,512,580,901
Food and Food Products	1,337,435,023	1,391,088,810
Media and Advertising	1,080,268,218	1,145,798,903
Technology	1,100,337,014	1,134,267,048
Direct Response Companies	1,160,584,125	1,111,763,497
Retail	949,337,178	985,693,791
Financial, Insurance and Real Estate	969,752,736	896,603,175
Transportation, Hotels and Resorts	736,327,067	714,397,042
TOTAL	\$ 14,924,801,446	\$ 15,924,179,329

Source: PIB; Sunday supplements excluded.

Top 50 Magazine Advertisers

The Most Successful Marketers Depend on Magazines

Consumer magazine advertising is bought by a diversity of product categories that represent a range of targets.

Top 50 Magazine Advertisers, 2003 — Rate Card Reported Spending

Rank	Company	Spending	Rank	Company	Spending	Rank	Company	Spending
1	Procter & Gamble Co	\$ 582,166,619	17	RJ Reynolds Tobacco Holdings Inc	129,687,544	34	Aventis SA	87,732,581
2	General Motors Corp	464,249,262	18	Nestlé SA	124,361,610	35	Astrazeneca PLC	85,640,994
3	Altria Group Inc	367,941,888	19	Walt Disney Co	122,709,443	36	Kellogg Co	83,362,939
4	Johnson & Johnson	302,528,899	20	Estee Lauder Cos Inc	120,382,373	37	Advance Publications Inc	82,726,012
5	DaimlerChrysler AG	299,031,333	21	Honda Motor Co Ltd	118,102,045	38	Sony Corp	81,762,081
6	Ford Motor Co	278,367,158	22	Unilever	115,619,527	39	Novartis AG	79,306,912
7	Time Warner Inc	278,305,208	23	Reckitt Benckiser PLC	113,713,900	40	Kimberly-Clark Corp	79,013,495
8	L'Oréal SA	271,707,285	24	National Amusements Inc	112,537,502	41	Diageo Plc	78,961,792
9	Toyota Motor Corp	253,891,576	25	Pepsico Inc	104,493,909	42	Volkswagen AG	76,597,272
10	Pfizer Inc	212,844,526	26	US Government	101,573,374	43	GE General Electric Co	76,472,294
11	Nissan Motor Co Ltd	211,015,362	27	IBM Corp	100,986,184	44	Citigroup Inc	75,836,479
12	Clorox Co	178,873,515	28	Mars Inc	98,433,703	45	Bristol-Myers Squibb Co	74,919,222
13	GlaxoSmithKline PLC	166,895,531	29	Womens Marketing Inc	95,956,051	46	Canon Inc	74,197,783
14	Microsoft Corp	145,183,451	30	Media Networks Inc	93,184,632	47	Nike Inc	73,554,473
15	Hewlett-Packard Co	142,979,982	31	LVMH Moët Hennessy Louis Vuitton SA	92,432,978	48	Bertelsmann AG	64,442,066
16	Merck & Co Inc	132,484,205	32	American Express Co	92,386,370	49	Hearst Corp	59,855,680
			33	Bradford Exchange Ltd	88,358,070	50	Conagra Foods Inc	59,435,874

TOP 50 MAGAZINE ADVERTISERS TOTAL RATE CARD REPORTED SPENDING

\$ 7,407,203

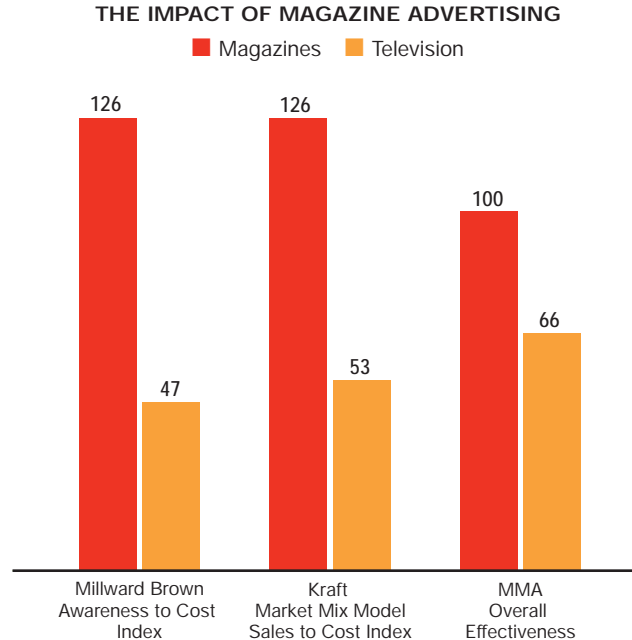
Source: PIB; Sunday supplements excluded.

Magazines Consistently Demonstrate That They Positively Contribute to Advertising ROI

Multiple studies* have shown that dollar for dollar magazines are more effective than television at generating advertising awareness and product sales.

For more information on advertising effectiveness, visit the MPA website at www.magazine.org/research.

*Source: Documenting the Role of Magazines in the Mix, (Millward Brown); Sales Scan, (AC Nielsen); ROI for DTC, (PERO/HCI); Kraft/MPA Study by IPSOS-ASI; ACNielsen and Measuring the Mix, (Marketing Management Analytics).

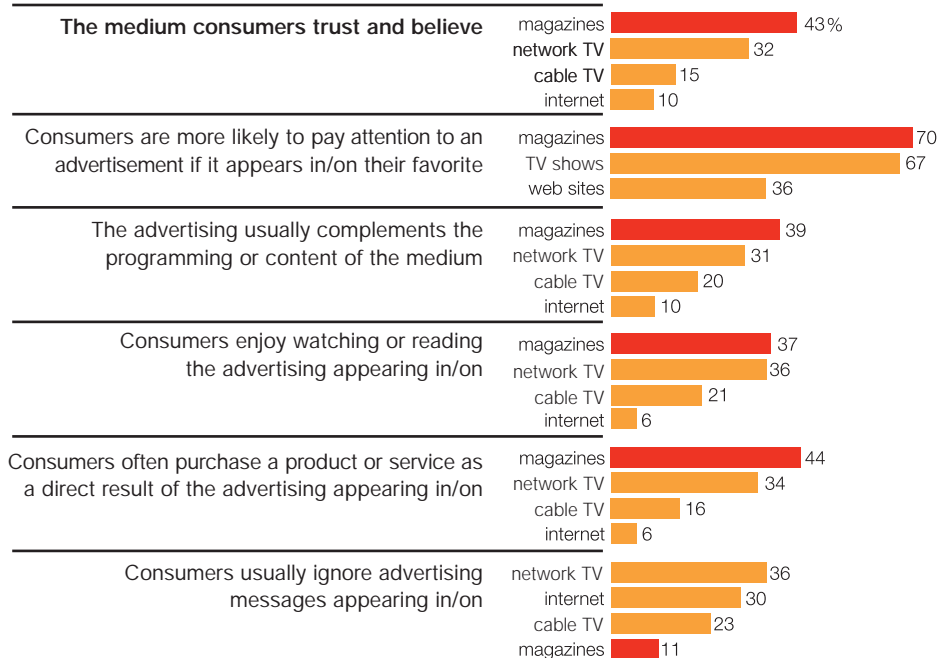


Consumers Respond to Magazine Advertising

Advertising in magazines grabs consumers' attention, is liked and trusted, and motivates them to purchase the products and services advertised.

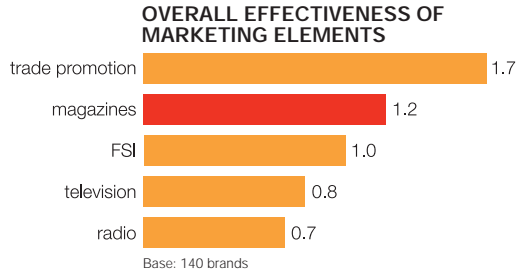
For more information on consumers' relationships with media and the impact of those relationships on advertising, please refer to Media Choices at www.magazine.org/research.

Source: Media Choices

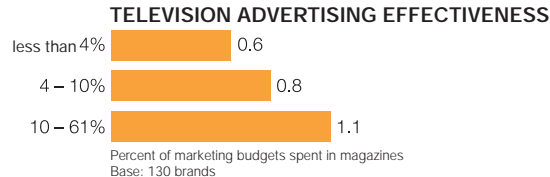
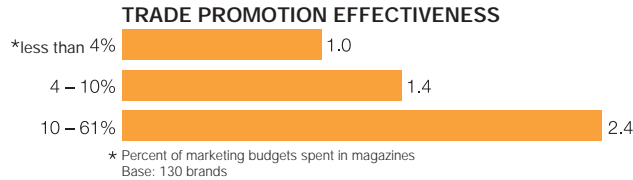


Magazines Improve Marketing and Advertising ROI

Magazine advertising produces a higher ROI than other media studied, second only to trade promotion.



Increased magazine advertising improves both trade promotion and TV advertising ROI.



To quantify the incremental sales impact of magazine advertising in relation to other elements in the marketing mix, MPA teamed up with Marketing Management Analytics (MMA), a leader in the field of predictive sales modeling. This study analyzed 186 brands across 13 different product categories over a combined seven-year period, from 1994 to 2000. Topline findings of the study clearly demonstrate the power of advertising, of a balanced marketing mix, and of magazines' ability within the mix to improve return on marketing investment. In fact, **magazines are the strongest media contributor to ROI regardless of budget, category position, seasonality and brand longevity.**

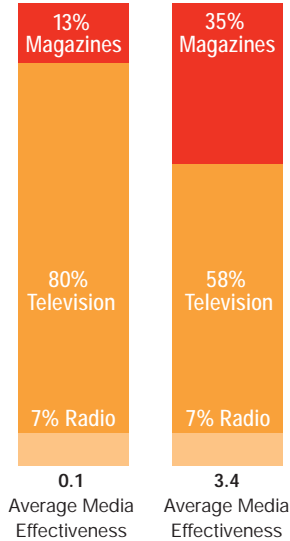
Source: Marketing Management Analytics/Measuring the Mix

Magazines Improve Marketing and Advertising ROI (continued)

For those brands with a higher percent of magazines in the media mix, total media effectiveness is substantially higher.

Source: Marketing Management Analytics/Measuring the Mix.

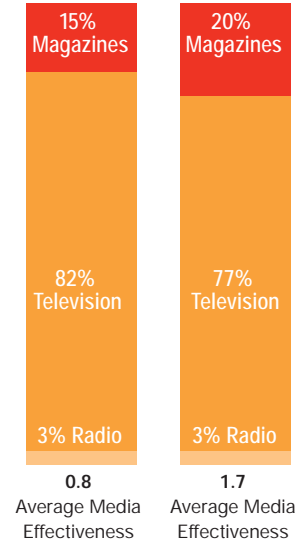
IMPACT OF THE MEDIA MIX ON EFFECTIVENESS



Base: 59 brands

For brands that changed their media mix over time, total media effectiveness more than doubled when magazines were increased as part of the media mix.

COMPARING MEDIA MIX OF SAME BRANDS OVER TIME

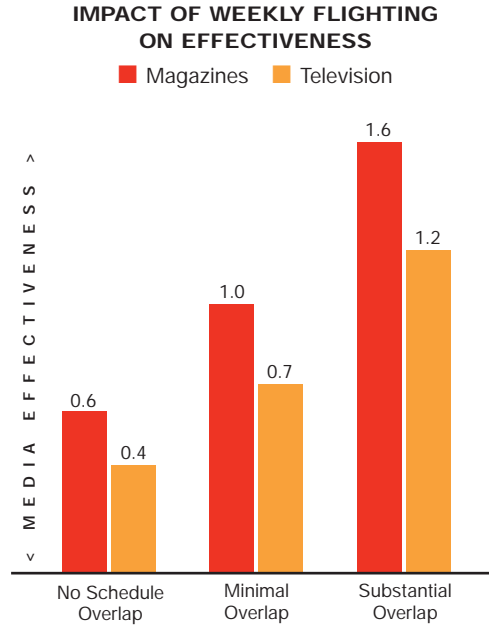


Base: 36 brands

Magazines Improve Marketing and Advertising ROI (continued)

Scheduling magazines and television together improves ROI for both media.

Source: Marketing Management Analytics/Measuring the Mix



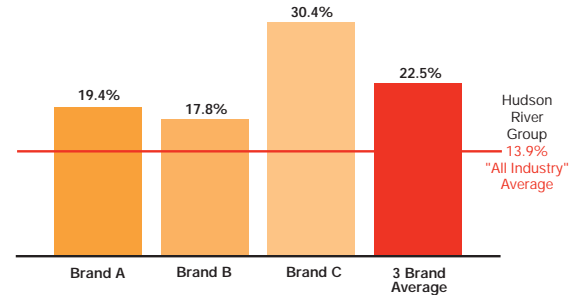
Base: 56 brands with weekly data available.

Magazines Drive Automobile Sales

Results from a study by Hudson River Group (HRG), commissioned by MPA, documents the power of advertising and magazines in the marketing mix for automotive marketers. MPA partnered with a major automotive advertiser to study three makes/models that represented different vehicle categories and marketplace characteristics over a three-year period.

- **Advertising efficiently contributed to sales volume for all three brands.**
 - 17.8% to 30.4% of total volume was driven incrementally by advertising. (The HRG “all-industry” average is 13.9%)
 - All brands returned at least 3 ½ sales dollars for each dollar spent in advertising. The average was nearly a ten-fold return.
- **Magazines were a key factor in generating sales volume efficiently.**
 - An average of 2.2% of total volume was driven by magazine advertising. The HRG “All Industry” average is 1.9% for perspective. According to J.D. Power & Associates, a sales point in the automotive market today was worth nearly \$4 billion in 2002.
 - Return on investment (ROI) for all three models was positive for magazine advertising. Each dollar invested in magazines returned more than one dollar in incremental sales and more than HRG’s benchmark.

Percent of Total Sales Due to Advertising



Incremental Sales per Dollar Spent: Magazines



Magazines Drive Automobile Sales (continued)

Magazines rarely experienced saturation, while television often exceeded the point of diminished returns.

Percent of Weeks Above Saturation 1999-2001

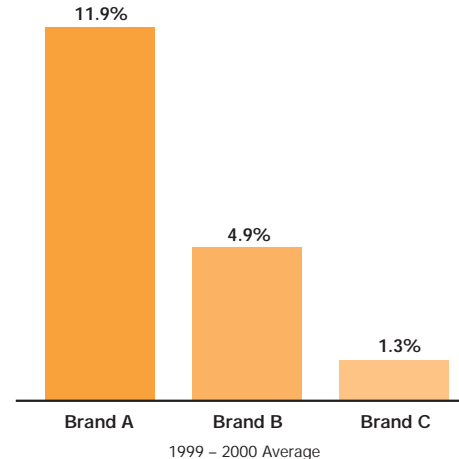
	Television	Magazines
Brand A	39%	0%
Brand B	53%	2%
Brand C	51%	0%
Average	48%	1%

Source: Hudson River Group, 2003

Significant gains in overall advertising impact can be achieved by reallocating “over-saturated” television weight to magazines.

Benefit of Reallocating “Excess” TV Weight

Change in Incremental Sales Volume Due to Advertising

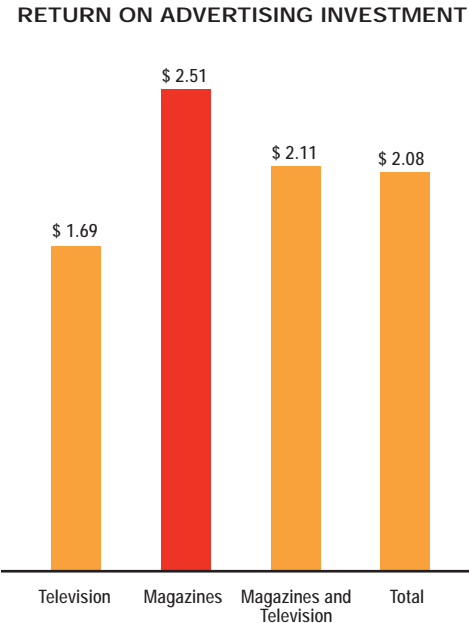


Magazines Provide DTC Advertisers with Improved ROI

A dollar spent in the allergy category among consumers exposed to magazine advertising resulted in a \$2.51 return, far greater than the same investment in TV or in a magazine and TV mix. These findings from a study commissioned by MPA and conducted by PERQ/HCI, a leading pharmaceutical research company, came from a tracking of awareness, recall and message association against actual costs provided by the manufacturers. Powerful returns were shown for magazines in a category where at the time almost 7 out of every 10 ad dollars were spent on TV.

For more information on advertising effectiveness visit www.magazine.org/research.

Source: PERQ/HCI



Groundbreaking Research Quantifies Experiences That Drive Magazine Usage and Ad Impact

A landmark study by Northwestern University's Media Management Center recently uncovered the experiences that drive magazine reading. Consumers provided candid and compelling responses, or "descriptors," that statistically correlated to form 39 distinct experiences – 35 that motivate and 4 that inhibit magazine use.

Source: Reader Experience Study (Northwestern University)

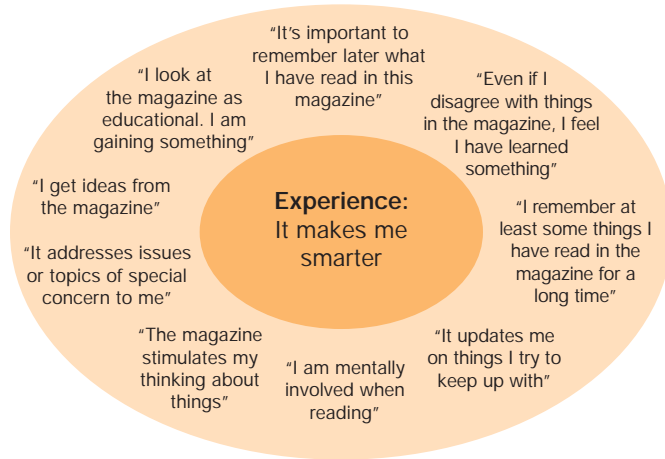
Top 10 Experiences Overall That Drive Magazine Use

- 1 I get value for my time and money
- 2 *It disappoints me**
- 3 It makes me smarter
- 4 It's my personal time out
- 5 I often reflect on it
- 6 The stories absorb me
- 7 I learn things first here
- 8 It's part of my routine
- 9 I find the magazine high quality and sophisticated
- 10 I trust it

*Italics indicates an inhibiting experience. Only one inhibitor showed up in the top 26 experiences. Go to www.magazine.org/readerexperience for more information on magazine reading experiences, found in the Reader Experience Study white paper.

Using Magazine Experiences Can Create Better Connections with Consumers

The descriptors – actual responses from consumers – that characterize each experience offer rich insights for publishers, editors, consumer marketers and advertisers, who can leverage them to create more effective connections with consumers. Two of the top experiences and their descriptors are shown below (the center is the experience surrounded by the descriptors). Source: Reader Experience Study (Northwestern University)



Top Experiences That Drive Magazine Usage Differ by Gender, Lifestyle and Ethnicity

Reader experiences reveal fascinating information about what drives magazine use for different market segments, based on gender, life stage, and ethnicity. These examples show the experiences exclusive to each group's top ten when compared to the usage drivers for all respondents (as noted on page 39). Marketers and advertisers can create more resonant and relevant communications by taking into account each segment's drivers.

Go to www.magazine.org/readerexperience for more information on magazine reading experiences, found in the Reader Experience Study white paper.

Source: Reader Experience Study (Northwestern University)

Examples of Top Experiences Unique to Each Group

GENDER Men

It's relevant and useful to me

LIFE STAGE Generation Y Women

I feel good when I read it

I find the magazine high quality and sophisticated

I build relationships by talking about and sharing it

It grabs me visually

ETHNICITY African Americans

I build relationships by talking about and sharing it

I'm touched

It grabs me visually

It's relevant and useful to me

I get a sense of place

I think others in the household would enjoy the magazine

Linking Brand and Reader Experiences Can Enhance Communications

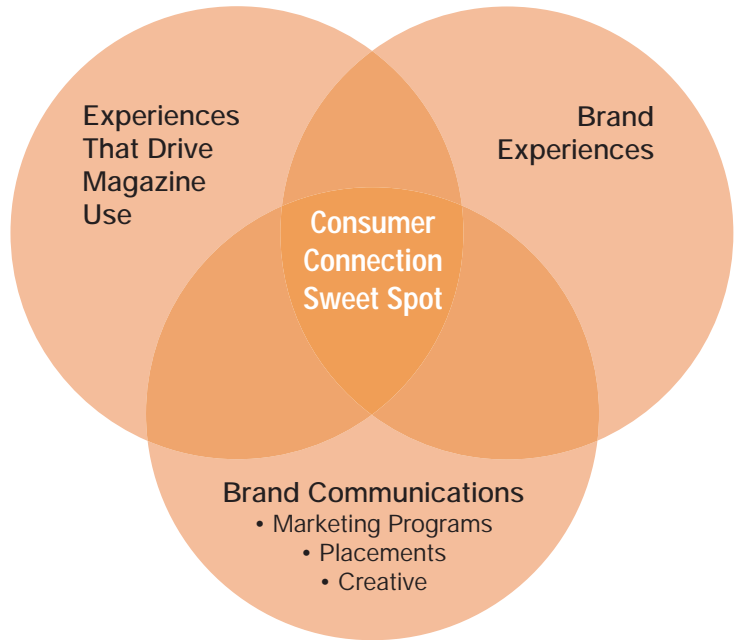
If advertisers link the experiences that drive magazine use with individual brand's experiences, the possibilities for effective communication are enhanced.

For example, if a brand's user experience includes escape or aspiration, the magazine reader experience "It's my personal time out" could resonate throughout the communications plans in many ways, including:

- Creative content with moments of reflection, fantasy or self-indulgence
- Ad placements focusing on personal escape environments
- Marketing programs such as "win a dream vacation" sweepstakes or makeover contests

Go to www.magazine.org/readerexperience for more information on magazine reading experiences, found in the Reader Experience Study white paper.

Source: Reader Experience Study (Northwestern University)



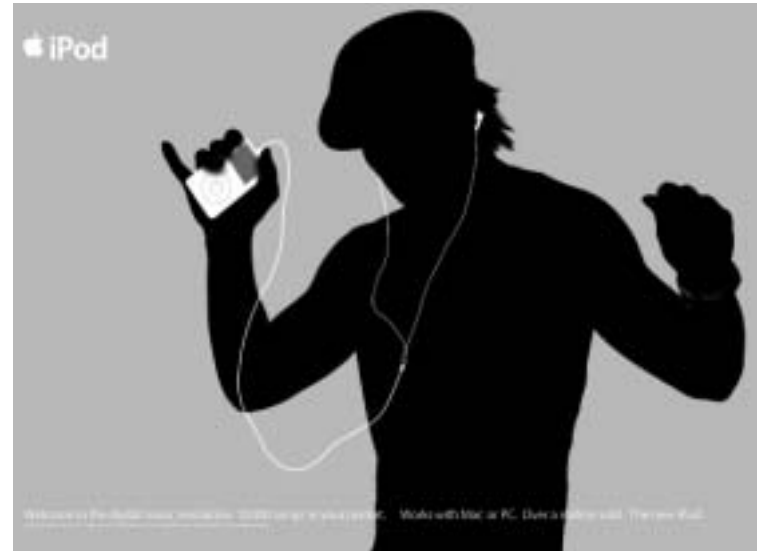
Grand Prize Winner

TBWA\Chiat\Day for Apple iPod

To increase sales and make iPod synonymous with “icon” for digital music device, this campaign used dancing figures silhouetted on bold background colors to grab readers’ attention. **Focusing on lifestyle and music magazines, the striking images clicked into more than music lovers’ desire to groove – iPod’s sales grew by 50%, and the brand gained a #1 market share of all MP3 players.**

The MPA Kelly Awards for outstanding magazine advertising are unique. No other award specifically recognizes the best magazine advertising, as defined by advertising that demonstrates creative excellence and produces positive market place results.

To view the campaigns from all 25 Kelly finalists and see other case histories, visit www.kellyawards.org.



Gold Award

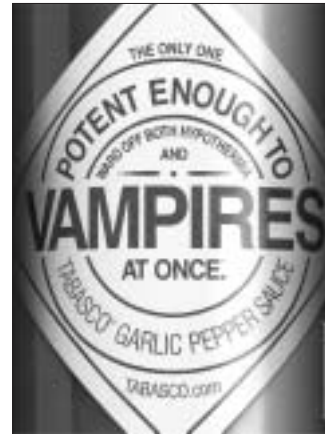
Fallon Worldwide for Citigroup, Inc.



Citibank sought to generate consumer interest and grow credit card applications with unique multi-page advertising. **The “Identity Theft” campaign is credited with getting nearly 10,000 applications and more than 2,100 new accounts.**

Silver Award

DDB Dallas for TABASCO®



McIlhenny was looking to spice things up and set sales on fire. With a presence in magazines throughout the entire year, TABASCO® wanted to prove they weren't just a flavor of the month. **Sales were hot, growing more than 3.7% over last year's 11%-plus surge.**

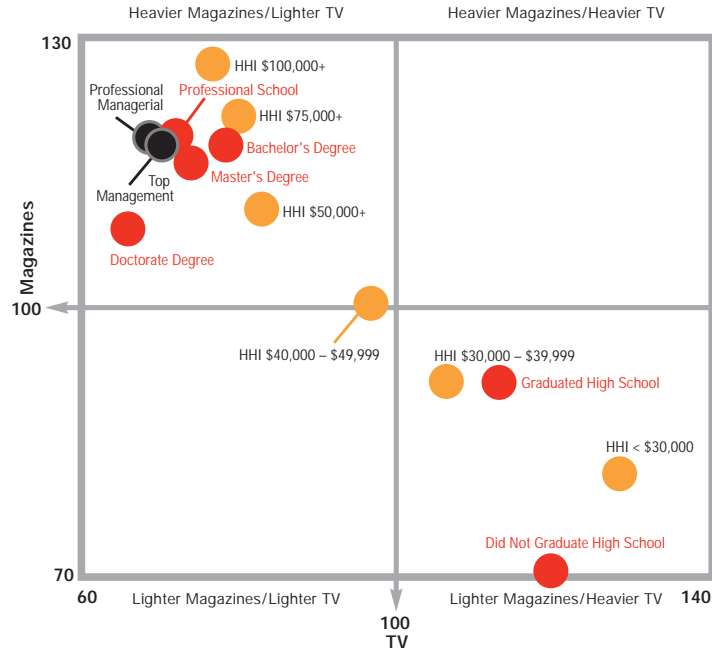
Magazine Readers Are More Upscale Than TV Viewers

- The more educated the individual and the more affluent the household, the more magazine issues they read, and the less TV they watch.
- Individuals with Master's and Doctorate Degrees and those with household incomes of \$75,000+ read more magazines and watch less TV than average.

Copies of Media QuadMaps® for additional demographic groups and advertising categories are available at www.magazine.org/quadmaps.

Media QuadMaps® Identify Consumers Habits The level of magazine readership is plotted on the vertical (x) axis, and the level of television viewership on the horizontal (y) axis. The center point on the graph represents the 100/100 index of usage levels of the two media. The sample Media QuadMap showcases consumers' media usage levels for a variety of demographics.

Source: IMS, MRI Fall 2003



MPA and Its Affiliates

Magazine Publishers of America (MPA) is the industry association for the consumer magazine business. Established in 1919, MPA represents almost 240 domestic publishing companies with approximately 1,400 titles; plus more than 60 international companies; and nearly 100 associate service providers.

In our roles as industry promoter and protector and information seeker and provider, MPA works to ensure the future of magazines.

Vital areas of service to its membership include:

- Government Representation
- Research and Marketing Promotion
- Consumer Marketing
- Professional Development
- Information and Reference
- Networking

MPA membership contact: Leecia Manning, Director
Email: lmanning@magazine.org

MPA AFFILIATES

American Society of Magazine Editors (ASME) founded in 1963, has a membership of more than 900 chief and senior editors; it sponsors a broad program serving the interests and concerns of magazine editors. ASME information contact: Marlene Kahan, Executive Director, ASME; Email: mkahan@magazine.org

Media Credit Association (MCA) provides its members an advertising credit guideline service. MCA monitors the payment habits of all advertising agencies that place advertising in MPA member magazines. MCA information contact: Vaughn Benjamin, Director, MCA
Tel: 917-903-7994; Email: vpbenjamin@mediacreditassociation.com

Publishers Information Bureau (PIB) is a membership organization that tracks the amount and type of advertising carried by consumer magazines. PIB information contact: Wayne Eadie, President, PIB
Email: weadie@magazine.org
PIB subscriptions/service contact: John Ciotoli, TNS Media Intelligence/CMR, 685 Third Avenue, 4th Floor, New York, NY 10017.
Tel: 212-991-6000; Email: John.Ciotoli@tnsmi-cmr.com

Conferences and Events

MPA conferences and events provide opportunities for the entire industry to meet to discuss the challenges at hand and to celebrate the power of the magazine medium as well as the individuals who keep the medium vital.

American Magazine Conference: MPA's annual American Magazine Conference, a members-only event cosponsored with ASME, has become the most important event of the consumer magazine industry, with more than 650 of the highest-level publishing executives and editors regularly attending. The conference addresses big picture challenges and issues affecting the magazine industry and provides publishers and editors with valuable opportunities to exchange ideas with their peers throughout the industry. AMC takes place in October of each year.

Retail Conference – The Marketing of Magazines and Books: The annual Retail Conference, cosponsored with the International Periodicals Distributors Association (IPDA), brings together the entire retail distribution channel – retailers, national distributors, wholesalers and publishers – for an open exchange and dialogue. The Retail Conference takes place in late winter of each year.

National Magazine Awards: Informally referred to as the “Ellies” (after the Alexander Calder stabile “Elephant” that is presented to each winner), the National Magazine Awards recognize outstanding magazine journalism. The event, sponsored by ASME, is held each year in May.

Lifetime Achievement Awards: MPA and ASME jointly present lifetime achievement awards to renowned publishing and editorial executives. The Lifetime Achievement Awards combine what was formerly the Henry Johnson Fisher Awards, which were established in 1967, and ASME's Magazine Editors' Hall of Fame Award, established in 1995. The annual awards dinner takes place the last Wednesday of January each year.

MPA Kelly Awards for Outstanding Magazine Advertising: The Kelly Awards were established in 1981 to promote the pursuit of the highest standards in magazine advertising based on creative excellence and positive market impact. The Kelly Awards finalists and winners are announced in late spring each year.

Magazine Days: MPA collaborates with local ad clubs around the country in presenting magazine days, which provide education and forums for discussion.

Resources

INDUSTRY PERIODICALS AND WEBSITE RESOURCES

Advertising Age www.adage.com

A leading authority on advertising, marketing and media news.

Adweek www.adweek.com

Trade publication featuring creative, client/agency relationships and advertising strategies. Online site features selected articles and classified section from print version.

Capell's Circulation Report

The monthly newsletter of magazine circulation.

Circulation Management www.circman.com

Trade publication that focuses on consumer marketing including retail and direct mail for magazines.

Creativity

A leading publication devoted to the most important element of advertising – the work.

DM News www.dmnews.com

The weekly "Newspaper of Record" for the direct marketing industry.

Folio www.foliomag.com

Trade publication that focuses on strategies and tactics for magazine management.

Media Central www.mediacentral.com

Selected news stories from Cowles' wide array of trade publications covering publishing, media and marketing.

Mediaweek www.mediaweek.com

Trade publication targeting media specialists. The online version features several stories from print version and interactive polls on media topics.

Newsstand Resource www.NRMag.com

Trade magazine for the newsstand industry.

The•New•Single•Copy www.nscopy.com

Trade publication focusing on news and trends about the retail environment.

PrintCritic www.printcritic.com

A leading resource to watch and learn about the hottest print ads.

Romenesko's MediaNews
www.poynter.org/medianews
Romenesko's MediaNews for the Poynter Institute, a Florida nonprofit school for journalists.

RESEARCH/REFERENCE

American Demographics
www.demographics.com
Publication covering demographic trends in America from a marketer's perspective. Online version features selected articles.

American Journalism Review News Link
<http://ajr.newslink.org/mag.html>
AJR NewsLink is a joint venture of American Journalism Review, published by the University of Maryland Foundation, University of Maryland, and NewsLink Associates, a research, consulting and publishing firm. Its website posts magazine and other journalism listings.

A.M.I.C. The Advertising Media Internet Center
www.amic.com
Created by Telmar. A broad collection of links to media-related resources, message boards, a media bookstore and research tools (such as media calculators).

Audit Bureau of Circulations (ABC)
www.accessabc.com
Audit organization for consumer periodicals. Subscription required.

Business of Performing Audits (BPA)
www.bpai.com
Provider of auditing services for trade/business and consumer publications. Free access to audit statements.

Columbia Journalism Review
www.cjr.org
Columbia Journalism Review has information and insight about journalism and public policy. It includes a helpful resource called "Who Owns What," a database of media owners.

Gebbie Press
www.gebbieinc.com
An all-in-one media directory listing TV stations, radio stations, newspapers, and magazines.

Market IQ
www.marketiq.com
An organized and updated electronic library of direct marketing pieces.

Resources

Mediafinder

www.mediafinder.com

Provides listings from Oxbridge's periodical directories. Fairly comprehensive listing of magazines, newspapers, catalogs and newsletters.

Media Info Center

www.mediainfocenter.org

Provided by Northwestern University's Media Management Center, this website provides up-to-the-minute media management news from more than 1,000 worldwide media industry and general interest publications.

Mediamark Research Inc. (MRI)

www.mediamark.com

Provider of research data and services for the advertising industry. Website describes available research studies and tools and allows free access to some top-line data.

Mr. Magazine: Samir Husni

www.mrmagazine.com

Samir Husni is the Hederman Lecturer and Professor of Journalism at the University of Mississippi. His website tracks and posts new launches of magazines monthly.

PubList.com – www.publist.com

PubList contains more than 150,000 domestic and international print and electronic publications, including magazines, journals, e-journals, newsletters and monographs.

Simmons – www.smr.com

A provider of syndicated and custom research for publishers and advertising agencies. Subscription required.

Standard Rate & Data Service (SRDS)

www.srds.com

Publisher of media rates and data for magazines and other media. Subscription required.

DIRECTORIES

Benn's Media Directory

www.ubminfo.com

United Business Information Services
Riverbank House, Angel Lane,
Tonbridge, Kent, TN9 1SE, UK
Phone: 011 44 01732 362666

Gale Directory of Publications and Broadcast Media

www.gale.com

Gale Research, P.O. Box 9187,
Farmington Hills, MI 48333-9187
Phone: 800-877-GALE
Fax: 800-414-5043

Media Research Index

www.magazine.org/media_researchindex

An annotated bibliography of major media research studies conducted from 1992–2003.

National Directory of Magazines

www.mediafinder.com

Oxbridge Communications, Inc.
150 Fifth Avenue, Suite 302,
New York, NY 10011
Phone: 800-955-0231
Fax: 212-633-2938

Samir Husni's Guide to New Consumer Magazines

www.mrmagazine.com

Samir Husni, 1739 University
Avenue, Oxford, MS, 38655
Phone: 662-513-0159
Fax: 662-234-9266

Standard Rate & Data Service (SRDS)

www.srds.com

Business, Consumer and
Agri-Media Publications
1700 Higgins Road,
Des Plaines, IL 60018-5605
Phone: 800-851-SRDS
Fax: 847-375-5001

Standard Periodical Directory

www.mediafinder.com

Oxbridge Communications, Inc.
150 Fifth Avenue, New York, NY 10011
Phone: 800-955-0231
Fax: 212-633-2938

Ulrich's International Periodical Directory

www.bowker.com

121 Chanlon Road
New Providence, NJ 07974
Phone: 800-346-6049
Fax: 908-771-7725

DIRECTORIES – MISC.

Encyclopedia of Associations

Gale Research

27500 Drake Road
Farmington Hills, MI 48331
Phone: 248-699-4253 x1505
Fax: 248-699-8062

Standard Directory of Advertisers and Standard Directory of Advertising Agencies

National Register Publishing Co.,
121 Chanlon Road
New Providence, NJ 07974
Phone: 800-521-8110
Fax: 908-464-3553

Resources

REFERENCE BOOKS

The American Almanac of Jobs and Salaries, Avon Books, New York, NY, Annual.

The American Magazine, Janello and Jones, Harry N. Abrams, Inc, New York, NY, 1991.

American Mass Market Magazines, Nourie and Nourie, Greenwood Press, CT, 1990.

Career Opportunities in Magazine Publishing, The Ultimate Guide to Succeeding in the Business, Ralph Monti, Special Interest Media, Bloomfield, NJ, 1999.

A History of American Magazines, Frank Luther Mott, Harvard University Press, Cambridge, MA, 1967. *Succeeding in Today's Marketplace*, Samir Husni, Hamblett House, Nashville, TN, 1998.

Magazine Dimensions, Ed Papazian, Media Dynamics, NY, Annual.

The Magazine, Lenonard Mogel, GATF Press, Sewickley, PA, 1998.

The Magazine: From Cover to Cover, Samye Johnson and Patricia Prijatelj, NTC Publishing Group, Chicago, IL, 1999.

The Magazine in America, Tebbel and Zuckerman, Oxford University Press, New York, NY, 1991.

Mediamorphosis: Understanding New Media, Roger Fidler, Pine Forge Press, CA, 1997.

Starting & Running a Successful Newsletter or Magazine, Cheryl Woodard, Nolo Press, 1997.

When Ads Work: New Proof that Advertising Triggers Sales, John Philip Jones, Lexington Books, NY, 1995.

MPA RESOURCES SHOW HOW MAGAZINES MAKE A DIFFERENCE

Media Research Index an annotated bibliography of major media research studies conducted from 1992–2003.

Kelly Awards Winners Magazine, Video and Gallery feature the best magazine advertising of the last year and the results that demonstrate marketplace success.

Magazines 2003 (special advertising section) focuses on what magazines are doing to help marketers connect with consumers in a timely and effective manner, produced in partnership with Advertising Age.

Creating Connections (special advertising section) A Retailer's Guide to Growth through Magazines – demonstrates that the magazine brand drives sales and profits throughout the retail environment. Produced in partnership with Supermarket News.

Magazine Case Studies demonstrate the effectiveness of magazine advertising based on Kelly Awards and Mediaweek's "Plan of the Year" submissions available at www.magazine.org/casestudies.

State Legislation Database a database of on-going state legislation of importance to the magazine publishing industry. More than 225 state bills are included and their current status is given. The database covers critical subjects such as advertising, e-mail, consumer protection and telemarketing.

For other MPA resources visit www.magazine.org/findresearch



MPA's website, www.magazine.org,
is the definitive resource for the magazine industry.

The MPA Information Center provides
facts and figures on the magazine industry to MPA members.

Magazine Publishers of America
810 Seventh Avenue, 24th Floor
New York, NY 10019-5818

The Magazine Handbook

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