Chapter 6

Magazines

This chapter will prepare students to:

• Discuss the characteristics of magazines
• Understand how the magazine industry is divided
• Understand the function of Mediamark Research Inc. (MRI)
• Appreciate the efforts of magazine publishers to incorporate the Internet and tablet computers into their business model
• Understand the current financial situation of the magazine industry
• Identify the five main magazine content categories
• Describe the departments that produce magazines

Chapter main points:

1. The first American magazines appeared during the middle of the 18th century and were aimed at an educated, urban, and literate audience.
2. The audiences for magazines increased during the penny-press era as mass-appeal publications became prominent.
3. Better printing techniques and a healthy economy helped launch a magazine boom during the latter part of the 19th century.
4. The muckrakers were magazines that published exposes and encouraged reform.
5. Magazines began to specialize their content following WWI. Newsmagazines, digests, and picture magazines became popular.
6. The magazine industry is experiencing a difficult time due to declining advertising revenue.
7. Magazine publishers hope that the tablet computer will re-energize the publishing business.
8. Magazines are specialize, current, influential, and convenient.
9. The magazine industry is dominated by large publishing companies.
10. The magazine industry can be divided into the production, distribution, and retail divisions.
11. A typical magazine publishing company has several main departments, including circulation, advertising, production, and editorial.
12. Magazines get revenues from subscriptions, single-copy sales, and print and online advertising.

13. MRI is a company that measures magazine readership.

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A BRIEF HISTORY OF MAGAZINES

The Colonial Period

In the colonial era the word *magazine* meant a warehouse or depository, and early American magazines patterned themselves after that model, offering up a variety of opinion pieces, facts, and human interest features. Revolutionary era magazines often had a strong political bias and were written to an educated, literate, and urban audience. Their overall impact was to encourage literary and artistic expression and to unify the colonies during America’s struggle for independence.

After The Revolution

Magazines following the war continued to be directed to an educated elite audience, and contained a mix of topical and political articles. The roots of the modern news magazine can be traced back to this era.

The Penny-Press Era

During the period roughly between 1820s - 1860s, magazines began flourishing by appealing to a mass audience, largely paralleling the emerging strategies of penny press newspapers. New target markets for magazines included the generally literate middle class. *Harper's Weekly* became famous for its woodcut illustrations of Civil War scenes and its crusade against political corruption in New York City in 1870.

The Magazine Boom

Between 1860 and 1900 there was a vast increase in the number of new magazines (260 to 1800). This boom was due in large part to more available money, improved printing techniques which lowered prices, and the Postal Act of 1879, which gave magazines special mailing rates.

It was now possible for editors to reach a national market on a mass scale. The *Ladies Home Journal*, for example, was very successful.

The general crusading spirit of the times spilled over onto the pages of leading magazines. Some magazines used investigative reporting to highlight the social and industrial evils often caused by big business; President Teddy Roosevelt called these magazines *muckrakers*. Their editorial targets included such powerful institutions as Standard Oil, the U.S. Senate, and the International Harvester Company.
Between the Wars

Shifting economic conditions and changing lifestyles influenced magazine development between WWI and WWII. During this period three distinct magazine types emerged: the digest, (e.g., Reader’s Digest), the news weekly (e.g., Time), and the pictorial magazine (e.g., Life and Look).

The Postwar Period

Publishers in the postwar era maintained their belief that the best way to make a profit was to specialize. Increased American leisure time, liberalized views, and new interests in urban lifestyles spawned opportunities for a wide variety of magazines such as Golf Digest, Playboy, Popular Boating, Ebony, and Essence.

Contemporary Magazines

Magazines have been struggling over the last few years, though some improvement was seen in 2010, due to a recovering economy and the proliferation of apps for table computers. Problems included:

- declines in single-copy sales due to marketing challenges (outlets became more selective regarding what they would carry)
- sweepstakes competitions (Publishers Clearinghouse) have nearly disappeared because of legal problems
- the national do-not-call list makes it difficult to recruit subscribers over the phone
- cable TV and the Internet have allowed advertisers to reach the specialized audiences which were magazines’ main selling point
- certain markets crashing (e.g. real estate), taking related publications down with them

Publishers are trying to improve their fortunes by strengthening their Web presence, branching out into other activities, and becoming more cost conscious. Consolidation remains the rule, with the magazine industry dominated by a few big companies.

MAGAZINES IN THE DIGITAL AGE

At first, many magazines simply posted their print content online. Today, magazine Web sites are more sophisticated, and many have their own content. Readers may find they can get digital versions of magazines several days before the print version arrives. Readers can email articles, order products, and search back issues. For publishers, producing and distributing an online version is cheaper than a print edition.

Transition
The Web will play a more important role in publishing and marketing magazines. More than 8,000 consumer magazines have websites, however the magazine industry, as of 2010, received less than 15 percent of its income from digital effects. The digital part of the equation is likely to grow as magazines increase efforts to deliver content to table computers, e-readers and smart phones.

**Replica Editions**

Many magazines make their print versions available digitally in replica form, which mimics the paper magazine reading experience. Replica versions are not online editions. Whereas an online edition allows the reader to choose from stories and other features created for the web, replica versions display one page at a time, with the pages side by side, just as with the hard copy. All the stories, graphics, headlines, ads, page numbers, etc., are reproduced the same as they are in the print version.

**Apps for Mobile Platforms**

The magazine industry is experimenting with business models using apps to bring digital magazines to tablet computers and other devices. A magazine remake in the form of an appealing app may entice readers to pay for content. Both Apple and Google have magazine app plans for tablet computers.

**User-Generated Content**

Publishers are cautiously experimenting with user production of content. They want to maintain editorial control of content appearing on their web site. They are also not sure how to turn this content into a revenue source. Most user-generated content shows up only on magazines websites, not in print, and does not play a big roll in magazine publishing.

**Social Media**

The magazine industry is becoming skilled at using social media to attract readers. For example, many have options where readers can click on an icon that will post a link to their Facebook or Twitter accounts. Some have established reader communities or offer opportunities for real-time conversations between readers and editors.

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**DEFINING FEATURES OF MAGAZINES**

Magazines stand out from other media in that:

- they attract the most specialized audiences of any medium discussed in the textbook
- they are the medium most in tune with social, economic and cultural trends
- they have the power to influence social trends, as seen in the American Revolution

Despite advances in mobile technology, print magazines still offer the most convenient portable format – they can be folded up and don’t depend on a wireless connection.
A problem in discussing the magazine industry is deciding exactly what a magazine is. The dictionary defines a magazine as a “periodical publication, usually with a paper cover, containing miscellaneous articles and often illustrations and photographs.”

There are about 20,000 magazines published in the United States. Their editorial content varies so widely that classifying them by category is difficult. One organizational scheme classifies magazines by **content** (six categories), another by the magazine industry’s **function** (three categories).

**Content Categories**

**General Consumer Magazines.** A consumer magazine is one that can be acquired by anyone through a subscription, single-copy purchase, or by obtaining a free copy. These magazines are called consumer magazines because readers can generally buy the products and services advertised in their pages. These can exist in print and online versions.

**Business Publications.** Business publications, or *trade publications*, serve a particular business, industry, or profession. They are not sold on newsstands, and their readership is largely limited to those in a specific business or profession. Business Publications Rates and Data, a companion service to SRDS, lists over 4,000 different business magazine titles. Some of these magazines are called **vertical** publications since they report on all aspects of a business or industry. *Pulp and Paper*, for example, is a paper mill industry publication. Other publications are termed **horizontal** magazines because they deal with a certain business function *no matter in what industry it exists*, such as a magazine targeting sales people across all industries. Business publishers are also now engaged in supplying databases and PC-based bulletin board systems to their business clients. Business publications can exist in print and online versions.

**Custom Magazines.** Custom magazines are published by companies who want to keep existing customers satisfied while attracting new clients. Some are distributed free at business locations; some are sold at newsstands.

Custom magazines present two threats to traditional magazines: they siphon advertising dollars from traditional magazines, and the editorial staff might be less independent than in a traditional magazine, and hence less likely to say anything negative about the sponsoring company or its products.

**Literary Reviews and Academic Journals.** This group is comprised of hundreds of small publications, usually under 10,000 in circulation. Most of these magazines are published by nonprofit organizations and funded by universities, foundations, or professional organizations. They usually do not accept significant advertising. Most have online versions.
Newsletters. Commercial newsletters are characterized by their relatively small size (about 4-8 pages), their highly specialized audiences, and their professional look. Most are sold by subscription, and most carry expensive fees ($200-$800 per year is not uncommon). While their content ranges from broad to narrow, they’re usually focused on a specific business, government agency, or industry. Most newsletters are also targeted to content “insiders.” Many are available online, and some can be delivered to mobile devices.

Public Relations Magazines. Public relation magazines are published by sponsoring companies and are designed to be circulated among a company’s internal public (employees and dealers) or to an external public such as customers and stockholders. PR magazines have their own professional organization, the International Association of Business Communicators. Most are print, but some have online counterparts.

Functional Categories

A second way to categorize the print magazine industry is to divide it by functions into the industry’s three main segments: production, distribution, and retail.

The Production Function. This part of the industry consists of about 2000-3000 publishers, and encompasses all the elements necessary to produce a magazine: copy, artwork, photos, titles, printing, and binding.

The Distribution Function. This part of the industry handles the complex job of getting magazine to readers. As with newspapers, a magazine’s total circulation = subscription + newsstand sales. There are two types of circulation:

- **Paid circulation** means readers pay to get the magazine. This has advantages for the publishers, because they qualify for lower priced second-class postal rates and the subscriptions provide a revenue source. On the negative side, paid circulation magazines, which include most consumer magazines, incur large costs in promotion campaigns to increase subscriptions. They also have the added expense of collecting and processing the subscription payments.

- **Controlled circulation** magazines specify qualifications for those who get the magazine. This has advantages for the publishers, because publications can reach everyone in a targeted field, and they avoid the high costs of subscription promotions and processing. On the minus side they get no subscription revenue and don’t qualify for lower postal rates. Most magazines in this category are targeted at people able to influence a specific business, industry, or organization.

No matter which method a publisher chooses, total circulation remains the key ingredient, because the larger the circulation the more a publisher can charge for advertising space. For paid circulation magazines, distributing copies is relatively easy; the difficult and expensive part is getting – and keeping – subscribers. Magazines employ no fewer than 14 methods to build their subscription lists. These range from door-to-door sales, to direct-mail campaigns, to magazine “blow in” cards to sign up subscribers via the Web.

Single-copy distribution to newsstands is a multistep process. The publisher works with a national distributor, each of which handles from 12 to 50 or more titles. A national distributor
delivers the magazines to wholesalers who sell magazines and paperback books within specified areas. In any given month a wholesaler might receive 500 to 1,000 magazines to distribute to dealers.

Online distribution is different. Mobile users can download apps from the publisher, get a subscription via Apple or Google, download replica versions, or access online versions through their Web browser.

**The Retail Function.** There are approximately 140,000 retail outlets for the periodical industry. Supermarkets handled about 40 percent of all sales in 2008. Supermarket sales have become so important to magazines that publishers will often pay about $25 per checkout rack to have their titles prominently displayed.

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**MAGAZINE OWNERSHIP**

Recent mergers and acquisitions have resulted in a magazine industry dominated by large corporations, many of which have holdings in other media.

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**PRODUCING THE MAGAZINE**

**Departments and Staff**

The publisher is the chief executive officer of a magazine, and is responsible for budgeting, maintaining a healthy advertising position, keeping circulation high and keeping a consistent editorial direction to the magazine. The publisher oversees four main departments:

- **circulation:** responsible for getting new readers and keeping the current ones satisfied
- **advertising:** responsible for selling magazine space to potential advertisers
- **production:** responsible for all the non-advertising content of the magazine
- **editorial:** the head of this department supervises all the editorial staff, plans topics for upcoming issues, and helps with various public relations activities

Some magazines have a separate department to handle online operations, but many publications have combined the print and online operations.

**Publishing the Magazine**

The first step in putting out a print magazine is planning for upcoming issues. The next step is to convert those ideas into concrete articles, pictures, and illustrations using a variety of staff members and freelancers. A magazine **dummy** – a conceptual plan or blueprint of the final publication showing contents in proper order – is then drawn. Editorial and production
schedules are assigned, copy and artwork deadlines set, articles are written, copy is typeset and laid out, and the articles are then sent to the printer.

The production process for the online version is different. The articles can be longer and can incorporate more information such as interviews, background facts, video clips and timelines. Deadlines may be flexible and articles can be updated with new information.

There are four basic sources of magazine revenues:

- subscriptions
- single-copy sales
- advertising
- ancillary services such as e-commerce, custom publishing, and database assistance

The magazine industry faced tough economic times as the decade came to an end. Advertising revenue dropped and single-copy sales fell. Magazines are increasingly turning to their online editions to help improve their bottom lines, but the results have not been encouraging.

The relative importance of subscription impact, single-copy sales, and advertising varies tremendously from magazine to magazine. New magazines have problems finding retail shelf space, as big retailers want to display proven best-sellers.

Many American magazines have counterparts in other countries, and small, special-interest magazines are growing internationally.

The print magazine industry depends on the Audit Bureau of Circulation (ABC) for information about a publication’s readership. ABC issues a twice-annual report for print and digital circulation. Figures in the report include the magazine’s average paid circulation and the magazine’s rate base, or the number of buyers the magazine guarantees (this is the figure used to compute advertising rates)

Another company, the Business Publication Audit (BPA), provides somewhat similar services, but concentrates its efforts largely in the business and trade magazine fields. The BPA also provides information about the occupations of BPA-audited magazines.
Other organizations, such as Mediamark Research Inc. (MRI), provide greater detail about audiences. That information includes:

- **primary audience**, made up of subscribers and those who buy the magazine at newsstands, and
- **pass-along audience**, or people who get the magazine in a doctor's office, at work, while visiting friends, etc.

**Online readership** is measured by several companies. They report the number of “unique visitors” to a Web site in some period of time, usually a month.

**Magazine Audiences**

Audience data for individual magazines are readily available, but information about the total audience for magazines is difficult to come by because it’s difficult to define exactly what qualifies as a magazine. According to ABC, total circulation of the top 598 magazines in 2010 exceeded 325 million copies (89 percent were subscriptions). Almost everyone reads a print or online magazine:

- 85 percent of U.S. adults read at least one copy of a print or online magazine a month, and most read more
- adults read or look though an average of ten magazines a month
- 28 percent of adults spend about 25 minutes reading a magazine each day
- the typical magazine reader is more educated and more affluent than a non-reader
- magazine readers tend to be joiners, more likely to belong to religious, scientific and professional organizations than nonreaders

**THE MAGAZINE INDUSTRY: CAREER OUTLOOK**

The job outlook for the magazine industry is better than in recent years, but still is not optimistic. Online jobs were more plentiful and individuals with social media skills had an advantage in the job market.

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