

TRENDS IN TIME-BUDGETS FOR PRINT AND ON-LINE MEDIA

Jane Bailey, Time Inc.
David Napior, Roper Starch Worldwide

Introduction

There has been a lot of speculation about the effect of the Internet on the consumption of other media. Starting from the premise that there are still only 24 hours in a day, a logical question is - where did the time people are spending on-line come from? One hypothesis is that time spent on-line is time that would otherwise be allocated to other media. We question this view. Our hypothesis is that the time spent reading magazines and the time spent on-line do not exist in a simple trading relationship. Magazine reading is not being swapped for on-line time.

To test our hypothesis, we looked at two media sources that collect "time spent" information—MRI for magazines and Media Metrix for on-line. As you may know, MRI quantifies data by average issue audience; Media Metrix uses a monthly time frame. For the purpose of this comparison, all data was converted to a monthly basis.

Findings: On-line impact on print share of personal time budgets

As stated above, our purpose is to see if there is any evidence that the recent increase in time spent on-line is driving down the time spent with consumer magazines. To shed some light on this question, we present in Table 1 the five-year trends for *per capita* print time-budget on an age within sex basis.

Table 1

	Per Capita Print Time-Budget (minutes/month)					Per Capita On-line Minutes/Month
	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>1999</u>
Adults	<u>424</u>	<u>392</u>	<u>411</u>	<u>406</u>	<u>393</u>	<u>138</u>
Men	<u>400</u>	<u>358</u>	<u>379</u>	<u>381</u>	<u>357</u>	<u>186</u>
18-34	434	372	390	416	365	233
35-49	411	382	410	398	364	229
50+	350	319	336	325	341	95
Women	<u>447</u>	<u>422</u>	<u>441</u>	<u>430</u>	<u>426</u>	<u>95</u>
18-34	484	434	444	429	449	133
35-49	491	460	490	457	459	130
50+	375	381	396	408	377	32

First, as you can see, the magazine reading metric shows variability over time. In 1995 adults devoted 7 hours to reading magazines, in 1996 it dropped to 6 hours 32 minutes then back to 6 hours 51 minutes and in 1999 6 hours 33 minutes.

Second, the amount of time spent on-line has increased. Going back to one of the earliest measurement points in 1998, adults spent 1 hour 56 minutes on line. As of June 1999, that had increased to 2 hours 18 minutes. While we agree on-line time is increasing, these 138 minutes have not had a significant impact on time spent reading magazines, nor has the growth come out of magazines hides, so to speak.

Next, we examined time-budget trends of various magazine genres (Table 2 through Table 9). As can be seen, there has also been a great deal of variability in trends among magazine genres.

Table 2: Per Capita Reading Time (minutes per month) - Men

Population	<u>1995</u> <u>90,694</u>	<u>1996</u> <u>91,780</u>	<u>1997</u> <u>92,674</u>	<u>1998</u> <u>93,553</u>	<u>1999</u> <u>94,827</u>
AUTOMOTIVE	18	16	19	18	17
BUSINESS/FINANCE	23	23	24	23	22
COMPUTERS	11	11	15	14	16
ENTERTAINMENT	51	40	44	43	37
FISHING/HUNTING	27	23	23	20	21
GENERAL EDITORIAL	76	68	70	69	65
HOME SERVICE	9	8	8	9	8
MEN'S	18	16	17	20	18
NEWS-WEEKLY	57	51	57	60	55
SPORTS	60	55	63	65	60

Table 3: Per Capita Reading Time (minutes per month) - Men, 18 to 34 Years of Age

Population	<u>1995</u> <u>33,490</u>	<u>1996</u> <u>33,418</u>	<u>1997</u> <u>33,200</u>	<u>1998</u> <u>32,782</u>	<u>1999</u> <u>32,362</u>
AUTOMOTIVE	27	27	28	30	27
BUSINESS/FINANCE	20	19	17	17	16
COMPUTERS	10	12	17	18	16
ENTERTAINMENT	70	53	59	62	46
FISHING/HUNTING	31	23	24	20	20
GENERAL EDITORIAL	67	55	55	59	52
HOME SERVICE	5	5	5	6	6
MEN'S	25	23	23	31	27
NEWS-WEEKLY	47	36	41	43	41
SPORTS	85	79	86	91	81

Table 4: Per Capita Reading Time (minutes per month) - Men, 35 to 49 Years of Age

Population	<u>1995</u> <u>27,770</u>	<u>1996</u> <u>28,647</u>	<u>1997</u> <u>29,749</u>	<u>1998</u> <u>30,409</u>	<u>1999</u> <u>30,983</u>
AUTOMOTIVE	19	13	19	17	16
BUSINESS/FINANCE	29	28	29	29	26
COMPUTERS	16	15	20	17	21
ENTERTAINMENT	43	42	42	42	33
FISHING/HUNTING	30	25	26	24	23
GENERAL EDITORIAL	76	75	74	71	67
HOME SERVICE	10	10	9	11	10
MEN'S	16	17	18	18	18
NEWS-WEEKLY	60	59	63	63	57
SPORTS	56	50	66	67	57

Table 5: Per Capita Reading Time (minutes per month) - Men, 50 Years of Age and Up

Population	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
	<u>29,434</u>	<u>29,716</u>	<u>29,724</u>	<u>30,362</u>	<u>31,482</u>
AUTOMOTIVE	9	9	7	9	
BUSINESS/FINANCE	22	24	27	23	24
COMPUTERS	7	6	7	7	10
ENTERTAINMENT	35	25	31	23	30
FISHING/HUNTING	21	22	18	17	19
GENERAL EDITORIAL	88	76	82	78	78
HOME SERVICE	11	11	9	10	9
MEN'S	11	9	9	9	11
NEWS-WEEKLY	67	60	70	74	69
SPORTS	35	32	35	36	42

Table 6: Per Capita Reading Time (minutes per month) - Women

Population	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
	<u>98,917</u>	<u>99,882</u>	<u>100,788</u>	<u>101,639</u>	<u>102,635</u>
BUSINESS/FINANCE	10	9	11	10	11
EPICUREAN	9	8	7	7	8
ENTERTAINMENT	80	68	73	62	62
GENERAL EDITORIAL	99	95	98	100	97
HOME SERVICE	22	22	23	25	26
NEWS-WEEKLY	42	41	41	45	38
PARENTHOOD	11	12	16	13	14
SPORTS	13	11	10	11	10
WOMEN'S	46	42	49	50	51
WOMEN'S SERVICE	78	73	72	67	65

Table 7: Per Capita Reading Time (minutes/ month) - Women 18 to 34 Years of Age

Population	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
	<u>33,922</u>	<u>33,960</u>	<u>33,419</u>	<u>33,033</u>	<u>32,599</u>
BUSINESS/FINANCE	9	8	11	9	10
EPICUREAN	7	7	5	5	7
ENTERTAINMENT	115	86	94	75	83
GENERAL EDITORIAL	97	88	88	90	95
HOME SERVICE	13	15	15	16	17
NEWS-WEEKLY	34	34	30	34	31
PARENTHOOD	24	24	31	27	27
SPORTS	20	16	13	12	14
WOMEN'S	67	59	63	72	75
WOMEN'S SERVICE	52	50	48	39	41

Table 8: Per Capita Reading Time (minutes/ month) - Women 35 to 49 Years of Age

Population	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
	<u>28,946</u>	<u>29,518</u>	<u>30,714</u>	<u>31,617</u>	<u>31,964</u>
BUSINESS/FINANCE	12	12	15	13	13
EPICUREAN	11	10	10	9	9
ENTERTAINMENT	76	74	64	62	62
GENERAL EDITORIAL	107	104	112	108	100
HOME SERVICE	30	24	31	30	32
NEWS-WEEKLY	54	49	51	49	41
PARENTHOOD	9	10	14	11	13
SPORTS	14	12	11	15	12
WOMEN'S	47	43	56	50	53
WOMEN'S SERVICE	90	80	81	71	74

Table 9: Per Capita Reading Time (minutes/ month)-Women 50 Years of Age and Up

Population	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
	<u>36,049</u>	<u>36,405</u>	<u>36,655</u>	<u>36,989</u>	<u>38,073</u>
BUSINESS/FINANCE	8	8	8	9	9
EPICUREAN	9	8	7	8	9
ENTERTAINMENT	51	46	61	51	44
GENERAL EDITORIAL	95	96	96	101	96
HOME SERVICE	23	25	24	28	30
NEWS-WEEKLY	41	40	43	50	41
PARENTHOOD	1	2	3	2	2
SPORTS	6	7	7	6	6
WOMEN'S	24	27	30	32	30
WOMEN'S SERVICE	91	88	85	90	78

Another finding of interest in Tables 2 through 9, is the apparent trading relationship among some of the genres regarding time-spent reading. For example, for women 34 to 49 years of age, the Women's Service and Entertainment categories have been losing time-budget share over the last five years while the Women's and Home Service categories have been gaining. Of course, these trading relationships do not fully represent the intra-medium competition, since they do not estimate the impact of reading minutes lost to new titles. Potentially, this is quite large. In the U.S we are in the midst of a new magazine boom. For example, there are 50 magazine prototypes for unmeasured magazines available through one of the magazine analysis systems. Looking at only a list of 10 of them accounts for over 4 million in additional monthly circulation (Table 10). This readership, among others, is uncaptured by MRI. Yet, people are devoting time to reading these magazines. Unfortunately, no mechanism exists for capturing total magazine readership.

Table 10. Estimated Audiences of 10 Unmeasured Titles, 1994 to 1999

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Details	400,000	475,000	475,000	475,000	475,000	500,000
Indiv.Invest.				425,000	500,000	500,000
Wired	130,000	240,000	320,833	356,666	425,000	425,000
Worth	450,000	500,000	500,000	500,000	500,000	500,000
Maxim				150,000	481,128	733,774
Red Herring				46,123	90,000	90,000
Fast Comp.				156,000	205,000	305,000
Indus. Stnd.					100,000	100,000
Bus.2.0					137,500	137,500
ESPN					500,000	800,000
Total	980,000	1,215,000	1,295,833	2,107,879	3,413,628	4,091,274

Finally, we looked at the amount of time adults spent on-line and reading magazines in the past 2 years (Table 11). The relationships are unclear. While reading time among some demographic groups (men < 50 years old) has declined and on-line time has increased, for most other demographics both reading time and on-line time has increased. These findings are good news for media companies but at the same time antagonistic to the claim that time spent reading and time spent on-line exist in a direct trading relationship. For most demographic segments there is no discernible trade-off between the two activities.

Table 11. Two-Year Print and Online Time-Budget Trends

	<u>mean reading minutes per month</u>				<u>mean on-line minutes per month</u>			
	<u>Spring '98</u>	<u>Spring '99</u>	<u>difference</u>	<u>%change</u>	<u>Nov. '98</u>	<u>June '99</u>	<u>difference</u>	<u>%diff.</u>
Adults	<u>405</u>	<u>392</u>	<u>-13</u>	<u>-3%</u>	<u>116</u>	<u>138</u>	<u>22</u>	<u>19%</u>
Men	<u>381</u>	<u>357</u>	<u>-24</u>	<u>-6%</u>	<u>145</u>	<u>186</u>	<u>41</u>	<u>28%</u>
18-34	412	360	-52	-13%	183	233	50	27%
35-59	388	355	-33	-9%	172	229	57	33%
50+	311	329	18	6%	78	95	17	22%
Women	<u>430</u>	<u>426</u>	<u>-4</u>	<u>-1%</u>	<u>90</u>	<u>95</u>	<u>5</u>	<u>6%</u>
18-34	428	449	21	5%	117	133	16	14%
35-59	456	458	2	0%	131	130	-1	-1%
50+	407	377	-30	-7%	30	32	2	7%
Region								
New England	503	429	-74	-15%	162	139	-23	-14%
Mid Atlantic	403	406	3	1%	101	127	26	26%
South Atlantic	395	423	28	7%	130	135	5	4%
East South Central	363	280	-83	-23%	76	145	69	90%
West South Central	439	378	-61	-14%	111	147	36	32%
East North Central	376	428	52	14%	119	137	18	15%
West North Central	402	360	-42	-11%	153	177	24	16%
Mountain	366	429	63	17%	104	171	67	65%
Pacific	428	351	-77	-18%	143	169	27	19%

Conclusions

First, we conclude from these analyses that how, why and when people go on-line is not directly competitive with magazine readership. In general, our conclusion is drawn from the observations that:

- print time-budgets show no consistent or significant trend either up or down
- they vary by demography, geography and magazine genre
- on-line time budget shares seem to be increasing across the board
- there is no consistent evidence of a trading relationship between the dynamics of on-line time budgets and print time budgets.

This shouldn't come as a surprise. The Internet shares many characteristics with traditional media. The Internet, however, can claim kinship with a host of non-media activities as well. Shopping, research, game playing, e-mail, homework, and office work are all activities that can be accomplished on-line and whose off-line equivalents are likely to be in a more direct time swapping situation. These trade-offs have been all but overlooked. And, in what may turn out to be one of those surprising twists of fate we may well find that as people are able to accomplish more chores or tasks on-line they may have more discretionary time to spend as they choose.

Second, we are living in a robust media marketplace. People are interested in getting more and more information and are almost indifferent to where and how they get it. Witness increases in both on-line and reading times. This is good news for consumers and the media but continues to raise problems for how to measure this readership. This inability to develop a comprehensive measurement system continues to plague the industry and misrepresents total consumption. The ramifications of this short fall are likely to multiply over time leading us to our final point.

Technical developments, such as softbooks, will offer seamless transfer between on-line and off-line magazine readership blurring the importance of the physical package by which a magazine is delivered. This will create even more headaches for researchers and ultimately will be the more important issue. I would say we are not prepared to meet this challenge.