

THE TIME INC. MAGAZINE EXPERIENCE STUDY

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Background

Today's consumers live in a complex and dynamic media world. They enjoy more choice than ever before, and more control over what they view, listen to, read, or access. The good news is that media usage has grown as consumers find more compelling, personalized, and relevant new options, and integrate them into their daily media menus.

Not surprisingly, this has resulted in less loyalty to any individual media brand or platform, as consumers sample what is available. This has raised the bar on relevance for all media, since, with more choices, consumers are becoming more selective in how they spend their leisure time.

In order to succeed in this landscape, Time Inc. is committed to transforming itself from a pure magazine publishing company into a multi-platform branded content company. In fact, the Time Inc. brands have been making great progress in developing and investing in new digital strengths, acquiring existing companies like SI's FanNation, and even creating new brands for the digital age, such as CNN Money. Supporting that strategy was the fact that advertiser spending had been migrating to digital, and that the migration was accelerating.

At the same time, Time Inc. is committed to making sure that its brands continue to connect with consumers not just on digital platforms, but anywhere they are accessing media, including in magazines. Yet it was becoming clear that some marketers and agencies were walking away from magazine advertising, believing that magazines were less relevant for consumers and less accountable for advertisers in a digital world. This was not unlike predictions made over the decades, in which each new medium was forecast to kill an existing one. For example, television was predicted to kill the movies, cable would put an end to broadcast, and the Internet would demolish television. The reality, of course, is that consumers will keep anything that is relevant to them in their lives, even if it means adopting new behaviors and habits.

Therefore, in order to address these misperceptions, we conducted our Time Inc. Magazine Experience Study.

Goals

In undertaking this study, we were not trying to "force the genie back into the bottle;" that is, our goal was never to produce a piece of research that would argue that marketers were wrong to be spending dollars in digital media. Besides being unrealistic, we wholeheartedly support spending on well-branded, consumer-driven digital properties.

Instead, our goals were:

- To inform and guide our Company and our clients regarding the realities of multi-platform media usage, especially as media and consumer brands transform.
- To demonstrate and communicate the aspects of the magazine reading experience that make it unique in today's media landscape.
- To unearth new insights around consumer media decision-making.
- To change people's minds, or remind them of what they already knew, about how magazines can and must stay relevant in an increasingly digital landscape.

The Research

This project was always about understanding dualities: Traditional uses of magazine brands as well as innovative ones; understanding them on their longstanding print platforms, and on their evolving new digital platforms.

In this same way, the methodology employed to study the reading experience was also a duality: a mixture of maverick qualitative techniques designed to unearth groundbreaking new insights, and rigorous quantitative ones employed to validate them and analyze them within a robust sample.

The study, which was directed by Sterling Brands, a leading media brand consultancy, in concert with OTX Research, the well-regarded quantitative firm, consisted of four phases.

Phase One: Insight Discovery: Experts

Sterling chose to build a project foundation by speaking with three groups who, simply put, know the most about the reading experience: Time Inc. senior executives, leading advertising executives and well-known media futurists

Each group was chosen for its specific vantage point:

- Senior Time Inc. executives are grappling with the impact of the changing reading experience on their business on a daily basis.
- Leading advertising figures offered a sharp perspective on the magazine business overall and compared to all other forms of media.
- Futurists gave a sense of not only where things are now but where they are headed in the media business.

A total of 12 one-hour interviews were conducted with Time Inc. executives (5), ad agency executives (4), and media futurists (3), each of whom was asked to offer their view on challenging questions such as:

- There's been talk for years and years of it being a "revolutionary time" in the media industry. Is that really true today or is it just hype?
- Suppose magazines disappeared tomorrow. Would advertisers miss them? Would consumers miss them? What would they miss about them?
- Five years from now, the cover story in Ad Age is about how magazine brands are having more success than ever with both consumers and advertisers. What's the rest of the story about?

Sample Insights:

"It's time to turn the ship around." – Senior Time Inc. Executive

"Don't try to replicate the magazine on the web." – Senior Advertising Executive

"Stop worrying about losing value and instead understand what makes you great" –J. Walker Smith, Yankelovich.

"Magazines aren't going away; however, articles about magazines going away sell a lot of magazines" -Jon Maeda, MIT Media Lab.

Phase Two: Insight Discovery: Consumers

In keeping with the theme of dualities, Sterling's perspective is that consumer research today is about "micro and mega." The micro refers to primary research done on a one to one or small group basis to creatively draw out consumers' emotional experience. The mega refers to large scale secondary techniques in which robust samples can be used to validate that behavior

While both were employed in the reading experience, Sterling began the pivotal initial Insight Discovery stage with "the micro", innovative, creative and evocative techniques designed to have consumers work as our partners to trace their behavior but also detail the rich palette of emotions they felt around magazine brands.

Initially, Sterling conducted (18) in-home ethnographies with consumers to obtain a deep understanding of the role of magazines and other media in their lives.

- The two hour sessions were held in Charlotte, NC and Minneapolis, MN
- The conversation focused on where, when and why they read magazines and used other media, and how that is or is not changing
- The participants were a mix of four types of consumers:
 - Magophiles: Magazine addicts who subscribed to ten or more magazines across various categories.
 - Media Junkies: Voracious media consumers who devour all types of content including but not restricted to magazines.
 - Newsstand Occasionals: Infrequent magazine readers who purchase them on an impromptu basis.
 - Online Converts: Former print consumers who now consume most of their media online.
- Prior to being interviewed, consumers were asked to undergo a two week deprivation of all magazines. They were asked to then record their sentiments about it in a creative journal modeled after the old Mad Libs game. An example of this will be found in the Key Findings section.

At this juncture, the team decided that the best way to build on the learnings from the ethnographies was not to do traditional focus groups with either "fawning fans" of magazines or "determined detractors" of them but rather to put these consumers in the same room, using a revolutionary technique known as "conflict groups."

Conflict groups: What are they?

- “Spirited but structured” two-hour “proper but unpredictable” debates between teams with opposing views.
- Their purpose is to replicate the internal debate consumers may be going through in their minds on the issue.
- What comes through is passion for each side, and a clear sense for what motivates each perspective.

Conflict groups: How did we use them?

- We spoke with four who love magazines, and four who no longer read them in three conflict sessions in Stamford CT.
- Each "mindset" formed a team, and the rest of the group is run as a debate. Each team is tasked with trying to prove or disprove the "motion" posted on the wall.
- For this project, the motion was: "Magazines are becoming unimportant. Prove it or disprove it."
- We split into different rooms – where each team collectively formed their ten best points/arguments for/against magazines.
- Then we reconvened and let one team "have the floor" to present their top 10 arguments.
- Next, each person on each team took a "one shot" where they poked a hole in any argument they heard.
- Finally, in the last exercise, “truth serum,” members of each team were called upon to admit which of the arguments the other team offered that were most compelling to them.

These conflict groups proved invaluable in uncovering key insights about the magazine experience that would not have been as vivid in traditional focus groups.

Phase Three: Validation

Moving from “micro to mega,” the OTX team then implemented an online survey to validate the initial findings from the qualitative stage, test evolving hypotheses about the implications for Time Inc.’s print and digital platforms, and finally, segment the consumer marketplace to identify specific opportunities.

- The comprehensive questionnaire spanned a variety of behavioral and attitudinal topics.
 - General media usage and experience.
 - Benefits received and levels of engagement with all media channels throughout the day; specifically, what role do magazines and the internet play in their lives?
 - Ad receptivity, the value magazine brands deliver to advertisers.
- Respondents were recruited via email through OTX’s diversified sample partners (with total registered email access to over 30 million U.S. respondents) and hyperlinked to the OTX website to participate.
- In order to maximize the robustness of the data and allow for in-depth cross-tab analysis, a total of 3,117 interviews were completed among consumers ages 18 to 54.
- The interviews were weighted to ensure national representation by age, gender, income, region, ethnicity and education.
- Following the topline survey analysis, results were analyzed by more than eighty banner points including traditional demographics as well as custom attitudinal points.
- Finally, OTX conducted a detailed segmentation of the data that identified five key slices of the marketplace: print passionate, strategic readers, lifestylers, sensation junkies and the uninvolved

Ultimately, it was this marriage of in-depth quantitative analysis and the non-traditional qualitative that produced the vivid picture and actionable strategies that emerged from the reading experience.

Key Findings

Based on our study, three key themes emerged:

- The role of magazines—and the role of the web—within the media landscape
- The unique and integral part advertising plays in magazines
- The emotional and rational needs met by magazines

Theme #1: In today’s media landscape, “everyone is doing everything,” but consumers are able to identify and articulate the unique strengths of print and digital platforms.

In today’s world, there are no longer “media loyalists.” Given their exploding options, smart consumers are continually changing their behavior based on relevance and situation. Instead of media loyalists, we have become multi-media pluralists.

Given all this activity, multi-tasking—once a quirk of the young—is now the norm rather than the exception, with one-third of respondents saying they surf the net while watching TV (and vice versa), and a quarter using their cell phones while online.

However, just because they are doing more doesn't mean that every experience is the same as every other. Instead, the research revealed that within the complexity, magazines have a unique role. Two-thirds of readers say they have some "ritualized" setting—in bed, in a favorite chair, in the den—for their "ideal" magazine experience, and insist on an environment that is comfortable, quiet, and cozy. In contrast, the ideal internet experience needs only to be well-lit. Furthermore, over 40% of consumers say they do nothing else while reading magazines, compared with about one-third for TV and the internet.

But knowing that they are using multiple media, we wanted to understand the consumer benefits of print and digital, and found that on the surface, they are largely similar:

Consumer Benefits: Print and Digital

print's top 10 benefits

1. informs me
2. keeps me up to date
3. **helps me relax**
4. **it's time well spent**
5. gives me time for myself
6. takes my mind off things
7. I want to share the information
8. I talk to others about what I read
9. makes me think
10. provides me with a broad perspective

digital's top 10 benefits

1. informs me
2. keeps me up to date
3. takes my mind off things
4. gives me time for myself
5. makes me think
6. **teaches me to do new things**
7. I talk to others about what I read
8. provides me with a broad perspective
9. **allows me to learn interactively**
10. I want to share the information

source: otx quantitative survey

While eight of the top ten are the same, magazines own "helps me relax" and "keeps me up to date," while the web owns "teaches me to do new things" and "allows me to learn interactively."

If those are the similarities, however, it is the unique strengths of each of the platforms that drive different—yet complementary—experiences. For example, magazines are thought of in terms of the "anticipation" and as "a gift to myself," while the web is more pragmatic and tactical: "instant gratification" for what I need immediately. Magazines give the consumer much-needed time away from the computer, while the internet is convenient because so much time is spent at the computer. Favorite magazines are perceived as having highly personal content, while the internet is by and for communities. These are not "better" or "worse" experiences, but are different, and in different occasions one may be preferred over the other.

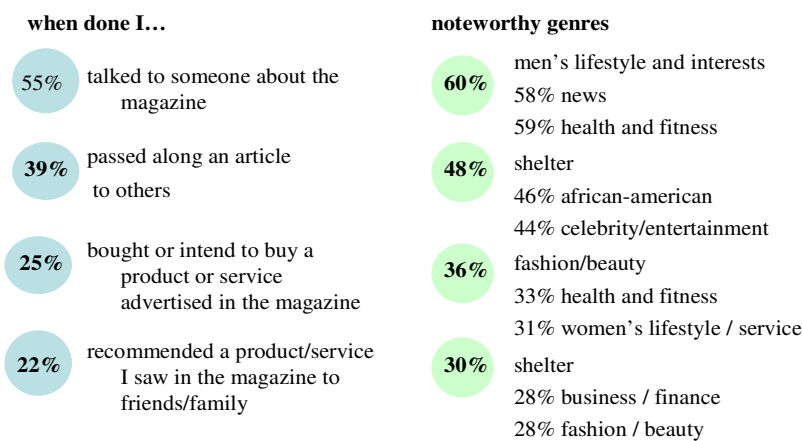
But while both experiences offer consumer benefits, magazines still own the concept of engagement and emotional connection with consumers. Heavy magazine readers, heavy internet users, and everyone in between all acknowledge that their emotional bonds to magazines are stronger than those to the internet.

	about magazines		about internet	
	Heavy magazine readers	Heavy internet users	Heavy magazine readers	Heavy Internet users
it's time well spent	70%	65%	49%	51%
happy	70%	66%	45%	46%
helps me relax	71%	67%	49%	55%
excited	63%	58%	39%	40%
it's like a gift to myself	64%	56%	35%	35%
it's like meeting an old friend	54%	46%	34%	40%
makes me feel uplifted	50%	45%	35%	35%

Theme #2: The advertising is an integral part of the overall magazine experience, with consumers highly likely to take action.

Magazine ads represent added value to consumers who told us that relative to other media, magazine ads are more relevant; less intrusive (60% said ads interfere with their enjoyment of TV and online, versus 36% for magazines); visually captivating; fit more seamlessly with the content (22% say ads add to the enjoyment of magazines, versus 12% for TV and 7% for the internet); are more trustworthy; and are a way of keeping up with trends and learning about new products.

Furthermore, with so much focus on advertising effectiveness, three-quarters of readers acted on the content or the advertising when finished reading a favorite magazines.



Furthermore, over one-third of our respondents said they "visited a web site mentioned in a magazine ad," and a new study from BIGresearch reinforced the finding that magazine ads rank first in generating online searches.

Theme #3: Magazines meet a wide range of needs and occasions in a lifecycle that features multiple rich experiences.

In our ethnographies, consumers took us “CSI”-like through their homes. From the “foot tapping anticipation” at the mailbox, to “the joy of discovery” of what a new magazine holds, to returning to the same issue an average of four and a half times, to the pleasure of sharing with others, the magazine lifecycle is extensive and varied.

Magazines are described in pleasure terms, with their tactility and portability being key components of that pleasure. There is a true ownership of the experience, and consumers feel in control of when, where, and how it is used. Magazines also have a high social currency value, providing knowledge, serving as the basis of communities, and helping define “who I am.”

During the two weeks of their deprivation, our respondents tended not to replace magazines with other media forms, but instead looked for another experience, and invariably those substitutes didn’t measure up: They were not relaxing; they didn’t help de-stress; and they weren’t something that was “just for me.” This example from our Mad Libs-type booklet demonstrates one reader’s struggle without her Real Simple.

MOMENT 1
I am missing magazines **big time** at this moment!

I am at HOME and it's 1:30 PM
(place) (time)
 on Thursday, 9-9-06. The magazine I'd most like to have in my
(day)
 hands right now is REAL SIMPLE.
(name of magazine)

The first words that come to mind when I think of this magazine
 are EASY, RELAXING, and CREATIVE.
(adjective) (adjective) (adjective)

The main reason I miss my magazine right now, the reason I feel
 like I “just gotta have it” is My kids are down for their nap and
I am stressed out about their birthday party in two days.

Three words to describe how I feel now are stressed,
tired, and unmotivated. If I could talk to my
(adjective) (adjective) (adjective)
 magazine right now I would say I need a break. I'm
excited to sit down for 15 minutes and think about
something other than the party.

Since I don't have my magazine I decided to clean
 instead. But doing mopping just isn't the same because
(activity)
its not relaxing its work!

In the thought bubble at right please write one great sentence summarizing your feelings, your emotions about why you miss magazines right now

I need something to remind me that stressing out about this birthday party is silly.

In summary

- Today’s consumers live in a fragmented, time-compressed, multi-media, multi-platform, and multi-tasking world.
- Yet within that complexity – perhaps even because of it – the magazine experience stands out, offering consumers unique and valued benefits that are especially complementary with those of digital.
- The consumer benefits of magazines – including relevance, emotional connection, relaxation, and inspiration - create an environment in which advertising is not only welcomed and trusted, but is also considered an integral part of the total experience, and consumers are highly likely to act on the content and advertising they read.

Implications

The consumer magazine experience is alive and well, and the insights from this study will help us communicate that health both internally and externally. Externally, we can offer advertisers additional support for committing dollars to magazines, while providing our circulation partners with additional understanding of how consumers value magazines. Internally, the study is being used to inform how best to create and market our multi-platform brand extensions, while the segmentation analysis has identified those aspects of magazines that are most valued by our most critical segments, including young people.

Consumers don’t rely on a single media platform to meet all their needs, but are integrating the media that are relevant to them into their lives. It isn’t a “zero sum game;” consumers do not replace media one-for-one, and new media don’t kill off the ones that came before.

Today's consumers may be able to get the same content in a multitude of places, but while information may be interchangeable, the experiences each medium provides are not, nor is the occasion: Where they are, who they are with, and how much time and attention they have to spend. Consumers are savvy in how they choose media to inform and entertain them, and even to provide them with the advertising information they need to make their most important purchases.

We stated earlier that one of our goals for this study was to understand how magazines can remain relevant in an increasingly digital landscape. We believe it is because they bring consumers the best of both worlds: They offer relaxation, inspiration, and trust, while fulfilling the digital promise of personalization, passionate communities, and consumer control.

In many ways, magazines are the newest medium around.

