

Media Today, 6th Edition

Chapter Recaps & Study Guide

Chapter 9: The Magazine Industry

Like books and newspapers, magazines existed before the magazine industry. Today's magazine industry faces challenges of a strong advertiser influence and adaptation to new media platforms.

Chapter Objectives:

1. Connect the importance of understanding magazine history to understanding magazines today.
2. Describe the physical and digital production, distribution, and exhibition of different types of magazines.
3. Explain the view that magazines are brands that need to follow their readers across a variety of converging platforms.
4. Analyze ethical issues regarding the influence advertising on magazine content.

The Development of Magazines

- The term “magazine” is a French term for “storehouse.” (247)
- The history of the magazine includes three key themes: (247-250)
 - 1. The modern magazine did not arrive in a flash as the result of one inventor’s grand change.
 - 2. The magazine as a medium of communication developed as a result of social and legal responses to technology during different historical periods.
 - 3. The magazine as a medium of communication existed long before the existence of magazines today.
 - See figure 9.1 for a timeline of the magazine industry. (248-249)

An Overview of the Modern Magazine Industry

- Magazines vary widely in their topic and circulation size, but they share the trait of being collections of essays or reports – articles – that their publishers gather. They used to be published on a regular schedule on paper, but now they appear on websites and in apps without a regular schedule. (251)
- The five major types of magazines include the following: (251-255)
 - Business-to-business magazines (trade magazines) target a particular profession or industry, such as banking, healthcare, and hotels.
 - Consumer magazines reach a variety of audiences whose members buy and consume products and services advertised within them.
 - Table 9.1 shows the top magazines though a new set of criteria that show how audiences still read magazines in numbers that appeal to advertisers but also show how convergence impacts those numbers. (253)
 - Literary reviews and academic journals reach targeted audiences in academia, politics, or business.
 - Newsletters reach small numbers of readers and include specialized information for people in a variety of businesses or other areas of professional life.
 - Comic books tell stories through pictures and words. They differ from graphic novels, which are longer and tell more developed narratives. Comic book characters appear across multiple media from companies such as Time Warner, Disney, and IDW.

Financing Magazine Publishing

- The advertising market has been tough for magazines in recent years, but advertising money sent on the digital versions has helped the industry. (255)
- Magazines bring in money through advertising and through readers' subscriptions. Magazines with larger audiences tend to take more advertising revenue. (254-255)
- The audiences for controlled circulation magazines are determined by publishers. (255)

- Custom magazines are both consumer magazines and controlled circulation magazines with the goal of reaching customers. (255)
- Paid-circulation magazines are financed by subscription.
 - Advertisers considering space in these magazines look at their circulation, or the number of units made available or sold during a publication cycle. (256)
 - Magazines also will offer media kits to help entice advertisers. (257)
 - These kits will highlight the segments, or the portions of a magazine's readership that an advertiser want to reach (257)

Digital Circulation

- Consultants recently offered a pessimistic outlook for digital media's ability to help the magazine industry, though magazine executives hope the prediction is wrong. (258)
- Most magazines also have an online presence, such as a website or a tablet format edition. (258-259)
- These editions use interactive features to draw and keep audiences. (259)

Production in the Magazine Industry

- A magazine publisher oversees the financial health of a magazine. See Figure 9.2 for an organizational structure of a typical magazine. (260)

Production in the magazine industry has five goals:

- Drawing an attractive audience: magazines attempt to reach up-scale readers and develop content with such readers in mind. (260-261)
- Drawing a loyal audience: magazines attempt to build brand loyalty among their readers, so the readers become engaged with the content and presumably with the ads. (261)
- Creating a conducive environment: magazines generate content that is conducive to the presentation of the ads that are published. (261)
- Setting an efficient price: magazines are able to provide special editions that reach specific and lucrative audiences, even though the CPM for such special audiences may be higher than for non-specially targeted editions. (261-262)

- Producing the magazine as a branded event, bringing together the magazine's image across multiple media platforms. (262-263)

Distribution in the Magazine Industry

Magazine distribution refers to how the magazine reaches its exhibition point, either in print or online. (263) See Figure 9.3 for an overview of magazine distribution (264).

- Subscription, or a long-term order for a magazine that is paid for in advance, and single-copy sales, or sales of one issue at a time, are the traditional methods of distribution. (263)
- The print magazine distribution system involves a distributor, a wholesaler, and a retailer. (263)
 - Digital magazine distribution occurs through Websites and apps. (265)

Exhibition in the Magazine Industry

- While publishers don't face too much inference with online exhibitors, print exhibition is much more competitive. (266)
- Most rack space goes to larger circulation magazines and thus smaller magazines struggle to get a slot. (266)
- Larger companies will pay retail stores slotting fees to ensure their products get prominent placement. (266)
- Single-copy sales are on the decline, which creates a problem for magazines that use single-copy sales to get subscriptions. (266)

Media Ethics and the Magazine Industry

- Advertising is at the center of complaints about the magazine industry. In particular, critics worry about advertiser influence on magazine content. (267)
- Some industry executives find the relationship between advertisers and content both beneficial and inevitable. (267)
- Some magazines, such as *Time*, have policies that keep content and advertisers separate. (267)

- Other magazines are more fluid in their integration of advertisers' products and messages within their content, particularly in online editions. (268-269)
- Native advertising has become a means of attracting advertising money. Native advertising involves the placement of material within the publication that looks like it came from the editorial department but actually is created by the sponsor. (269)
- Media literacy asks whether this line blurring between advertising and editorial content is unethical or beneficial. (268-269)