What Effect does Magazine Website Usage Have on Print Magazine Circulation and Loyalty?

A RESEARCH PAPER SUBMITTED TO THE GRADUATE SCHOOL IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE
MASTER OF ARTS

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DECEMBER, 2014
ACKNOWLEDGEMENTS

Thank you to Dr. David E. Sumner: this paper simply wouldn’t exist without his guidance.

Thank you to my husband, Nicholas Henry, for his unwavering support, and to my family for instilling in me the value of education.
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Abstract

**Research Paper:** What Effect does Magazine Website Usage Have on Print Magazine Circulation and Loyalty?

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**College:** College of Communication, Information, and Media

**Date:** December 2014

**Pages:** 29

This study presents a meta-analysis of current research as to the customer's relationship between magazine websites and their print product. It will review more than fifteen relevant studies to determine if a consensus exists on the degree to which online publishing has hurt print circulation and reader loyalty. The early Internet brought a lot of fear that print magazines, as we know them, would quickly cease to be. While newspapers struggle to remain relevant with Web 2.0, magazines have shown more resilience. The data shows a much slower decline in sales compared to newspapers, but it is to be noted that the decline, while slower, is still measurable. Both media are trying to find whatever balance they can to convince customers to pay for online content. While that holy grail is sought, magazines continue to prove they still have a print product to offer that customers are willing to purchase. Studies show there are several adoptable and adaptable strategies for customer attraction and retention. They include (1) building a relationship between the print product and website, (2) building a recognizable brand and brand personality that reflects congruence with the customer demographic, and (3) refining reader
demographic to maximize advertiser relevance. This paper will discuss these strategies and the interplay between their strengths and weaknesses for magazines.
Introduction

The Internet has become an inextricable part of the daily lives of people around the world. As a primary source for news and entertainment, the effect of the Internet and social media on print newspapers and magazines is being closely studied by media watchdogs and academics. Over the years a pattern has become apparent: Newspapers have declined drastically and struggle to stay relevant; meanwhile, magazines as a whole are showing a much slower decline and seem to be navigating digitization much more successfully.\(^1\)

That’s not to say that magazines have it easy. Some magazine categories are struggling much like newspapers while others grow, depending on factors such as magazine topic, periodicity, and targeted demographics. However, every print magazine remains rightfully concerned about the prospect of cannibalizing its print product with its digital product. A review of the most current studies shows that magazines can slow cannibalization and better control the shift to digital by first building a relationship between its print product and website; second, building a recognizable brand and brand personality that reflects congruence with its customer demographic; and third, refining reader demographic to maximize advertiser relevance.

As the shift to digital continues, it is important for magazines to be prepared. Maybe the ideal future still contains print magazines, but there’s no guarantee as each year more people are born “digital natives,” growing up increasingly surrounded by screens and instant access at the expense of print. Magazines can only take the information learned from these studies to build

best practices for brand management in hopes that both their print and online counterparts will be successful.

**Review of Literature**

Hanna-Kaisa Ellonen, Anssi Tarkiainen, and Olli Kuivalainen’s 2010 study of website usage and print magazine loyalty presented an interesting picture: that website usage showed a negative effect on non-subscribers, yet had no effect (did not cannibalize) subscribers, saying, “as subscribers are likely to have some level of positive consumer-based brand equity toward the magazine brands, active Web site visits do not harm the print magazine.”

Building a loyal subscriber base—customers who see the website as a complementary good to the print product—is a key component in current survival strategies for magazine brands.

Similarly, in 2012, Ulrich Kaiser and Hans Christian Kongsed studied the correlation between newsstand sales and subscription rates and the usage of magazine companion websites, saying,

The main finding of our article is that we provide evidence for a negative relationship between website visits and total circulation that is primarily driven by a large negative association between website visits and newsstand sales. By contrast, the relationship between website visits and subscriptions is positive but mostly statistically insignificant.

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This finding echo’s Ellonen et al. in that subscribers will use a magazine’s website in conjunction with the print material, but it also goes deeper in its findings that website usage among casual readers directly affects newsstand sales.

Ellonen et al. and Kaiser and Kongsted’s studies taken together indicate that magazine websites will not cannibalize their print counterparts in the same manner that has befallen newspapers. However, they see the threat of decline lingering. Mary Berner, CEO of The Association of Magazine Media, does not see that threat. She sees a shift from print magazines to magazine media brands that encompass all forms of media—and in that shift, magazine brands are growing.

In her keynote opening remarks at AM²C, The American Magazine Congress, Berner reported that advertising page sales were up, that the top 15 lifestyle apps sold in the Apple iTunes store were all magazine-branded apps, and that more magazines were published in 2013 than in 2012 reaching its highest number in ten years. Berner is the CEO of the Association of Magazine Media (MPA), which recently created the Magazine Media 360° Brand Audience Report. Where magazines numbers used to be measured in ad pages, this report encompasses both print and online in order to create a more complete picture as magazines turn into magazine media and leverage their brands across all platforms. The September 2014 Magazine Media 360° Brand Audience Report showed a 10.6 percent year-over-year increase for magazine media across platforms, with a 2.1 percent increase in print, 90 percent increase in mobile web, and

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101.6 percent increase in video. Magazine brands, in building their brand equity, become trusted names as curators and purveyors of the information that consumers seek.

This is where studies into brand equity and targeted advertising become relevant to the conversation. In “Customer-Centered Brand Management” by Rust et al. it is encouraged that brands seek out customer equity over brand equity. Rust explains the difference: “Companies must focus on customer equity (the sum of the lifetime values of all the firm’s customers across all the firm’s brands) rather than brand equity (the sum of customers’ assessments of a brand’s intangible qualities, positive or negative).” Brand equity is important in the management of reputation. In an industry such as magazine media, any of the overarching umbrella companies, such as Condé Nast, would do well to manage customer equity by shepherding the customer to their most relatable titles as they enter different stages of their lives. For example: attract a teenage girl to Teen Vogue, then to Lucky and/or Self and/or Vogue when she’s in her 20s & 30s, along with Brides when it is applicable to her life, and then Bon Appetit in addition to The New Yorker in her 30s or older. A customer could stay within a brand’s family for his or her entire life when customer equity becomes a focus. This is a task that will actually become easier with the digital conversion as the corporate owners of multiple brands can link those brands to each other through digital advertising and cross-promotions that are as easy as a click on a digital platform.

But brand and customer equity are not the full picture. Kaiser and Kongsted also found “that the negative associations between website visits and total circulation as well as newsstand sales is mainly related to magazines with a primarily male and Internet-affine readership as well

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as to magazines that appear less than weekly.”

Of a magazine’s topical matter, Kaiser says, “To the extent that they find the same information/same type of entertainment on the companion website, they are more likely to substitute to the online version because that is free of charge. This implies that magazines with a very Internet-affine readership need to be particularly careful to differentiate the online companion from the print version.” The implications of this finding will probably only grow stronger as time passes. Technology will advance to make the Internet ever more integrated into consumers’ lives, and consumers (regardless of gender, income, and age) will grow up adapted to this—viewing electronic screens as their primary source of information and entertainment.

Kaiser and Kongsted also found correlations between periodicity and sales (as divided between newsstand and subscriptions). Newsstand sales have a negative correlation with increased website visits for magazines that come out less frequently than weekly. However, subscriptions to magazines with less than weekly periodicity had a positive correlation with website visits. Where newsstand sales are concerned, consumers seem to be interested in the “here and now.” Any topic with a print cycle longer than a week is likely to have already been read by the consumer online. However, the subscription consumers are interested and invested in the topics they have subscribed to. The magazine website, so long as it offers complementary—not redundant—material, is an added good to the print product they purchase.

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10 Ibid.

11 Ibid.
Dovetailing with Kaiser and Kongsted’s findings on topicality of magazines and the correlation of website visits and newsstand sales for magazines with longer turnover rates, is the study “American Magazine Winners and Losers: 2001 to 2010 by David E. Sumner. What Sumner found was “All magazines in this [General Interest/Entertainment] sector were hard hit by competition from a proliferating number of movie, television, and entertainment celebrity websites, as well as applications for iPads and other mobile devices. These various forms of digital media offered daily and hourly updates of celebrity gossip that weekly and monthly print magazines could not.” According to his findings, niche magazines display the most resilience in the face of the digital revolution. Niche magazines draw in niche demographic: consumers who fit a certain subset of categories and see in the magazines a certain vision of themselves.

Publishing analyst John Harrington expressed similar sentiments in an interview with Medialife Magazine. After pointing out that newsstand sales had dropped 11 percent in the second half of 2013, he noted that the hardest hit category were the celebrity publishers—where customers can go online and have instant updates at any moment, instead of waiting for a weekly magazine to report, literally, yesterday’s news. Meanwhile magazines do well at the newsstand whose content is “best presented in printed format… [like] The Food Network Magazine and HGTV” along with “enthusiast titles.” The numbers speak loudly for magazines of general interest and topic matter of instantaneous timeliness.

Building on the idea of the niche audience, consumers are attracted to magazines that display a congruence with themselves. Nienstadt, Huber, and SeelMann published a study in

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2012, “The Influence of the Congruence Between Brand and Consumer Personality on the Loyalty to Print and Online Issues of Magazine Brands.” This study found that there are two types of congruence, actual and ideal, to take into consideration when constructing the brand’s identity. Furthermore, each medium appeals to a different congruence. Actual congruence is how a consumer sees him or herself. Ideal congruence is who the consumer wants to be. Print magazines appeal to the ideal congruence with a consumer, while the online counterpart aligns with the actual congruence of a consumer. “Readers who predominantly prefer print tend to follow the motive of self-esteem in their relationship to the print magazine brands. In contrast, users who prefer online tend to follow the motive of self-consistency in their relationship to the online brands.”14 This is a type of division that can factor into advertisers’ decisions on where, when and how to advertise, and to whom they will advertise.

In considering consumers who seek ideal congruence with their print magazines, Sharon M. Oster and Fiona M. Scott Morton’s study “Behavioral Biases Meet the Market: The Case of Magazine Subscription Prices” finds consumers are willing to pay higher subscription prices for “investment type magazines.” Magazines such as “the New York Review of Books or Foreign Policy may involve learning and thus realize most of their benefits in the future.” Specifying magazines whose content is more likely to benefit the consumer in the future, they say “More ‘worthy’ magazines are sold disproportionately by subscription and have a higher ratio of

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subscription to newsstand prices than magazines whose benefits accrue primarily at the moment of reading.”

Consumers who are willing to put the effort into learning, and the money into the subscriptions to learn, reflect an ideal congruence with the magazine they’re investing in. This level of investment, the willingness to pay more, places the consumer in a demographic that is more popular to advertisers. This also relates back to the Kaiser and Kongsted finding that subscription sales have a minimally positive correlation with website visits: The consumers who subscribe are invested in the topic matter, they are willing to pay, and they see the website as a complementary good.

Chandra and Kaiser, 2010, researched the key demographics to attract advertisers. They found that “advertisers strongly value homogeneity among readers, as measured by income, gender, and age” (in that order of preference), and that those results held no matter the magazine’s advertising prices. Niche markets and the ability to target specific consumers are features that will attract advertisers to a magazine, and they are a vital key to magazines retaining their audiences well into the digital shift. Chandra and Kaiser’s data indicates that targeted advertising has a capacity “to increase the value that media platforms can create for advertising. In particular, it explains why advertisers appear to be embracing online platforms at the expense of traditional media.”

Advertisers will invest the most money where they will have the highest


18 Ibid.
return. Any tool that will allow them to target first, their known consumer; or second, an unknown consumer who fits the profile of their known consumers, will be the tool they invest in. The return of investment in the known consumer was researched by Iyer, Soberman, and Villas-Boas in “The Targeting of Advertising.”

Iyer’s research reach two important conclusions. First, when firms excluded comparison-shoppers from their advertising targets, they created more market differentiation and lowered the intensity of competition. The second conclusion was that such targeting created benefit by reducing wasted advertising. This targeting of advertising increased the firms’ profits. Also, when given a choice, the ability to target advertising proved more profitable than the ability to target pricing of the advertising placement.¹⁹ Magazines want to be able to select their consumers just as much as consumers select them, and to have a refined demographic for their advertisers.

Martin Koschat and William P. Putsis Jr. stress the importance of this in “Audience Characteristics and Bundling: A Hedonic Analysis of Magazine Advertising Rates.” In 2002 they wrote, “There are opportunities for magazines to publish specific editions that are targeted to specific reader segments, which is possible because of changes in the delivery infrastructure. Our analysis has suggested that there can be significant benefits inherent in a shift to a pure components strategy.”²⁰ Koschat and Putsis, Jr. studied the print magazine market, as the digital market was just starting to establish itself. The opportunities for targeting have increased dramatically since 2002.

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As reported by Stephanie Clifford in the New York Times (2009), data companies are specializing in knowing who consumers are on the Internet. A company like Axciom might have “1,500 pieces of data on every American, based on information from warranty cards, bridal and birth registries, magazine subscriptions, public records and even dog registrations with the American Kennel Club.” This is information gathered in hard copy, but consumers’ computers will tell just as much about them. Due to cookies in browsers, websites visited can find out information like “age group X, income level, urban versus rural, presence of children in the household,” to name a few. And these companies connect online and offline identities “when a person registers on a Web site or clicks through on an e-mail message from a marketer.”21 With this proliferation of data, magazine websites will be able to know who is visiting, if that visitor is a subscriber, some key demographic information, and then tailor the site to best fit the viewer’s needs and wants (all before the page loads). Such website optimization could be the key to growing new subscribers from the casual web visitor.

Optimizing a website visitor’s experience is an important component to a brand’s existence on the Internet. First and foremost, because page views mean that ads are viewed (therefore sold). The more ads that are viewed, the more that are clicked. But in catering to the visitor, a brand website has the opportunity to create a loyal customer.

Reichheld and Schefter studied online loyalty (“e-loyalty”) over a couple of years and found that “on-line customers exhibit a clear proclivity toward loyalty, and Web technologies, used correctly, reinforce that inherent loyalty.”22 This is the goal for any industry seeking to


thrive on a subscription-based business model. Reichheld’s previous research laid bare that customer acquisition is much more expensive than customer retention. Also, once a customer is loyal, he or she is more likely to refer new customers by word-of-mouth—the cheapest form of advertising. Reichheld also cautions against indiscriminate customer acquisition, as it can bring a brand to lose focus. This relates directly into brand and customer equity, as well as consumer congruence. A niche magazine simply cannot appeal to everyone—that is against its fundamental nature; and as was discussed, the general interest magazines are the ones that are struggling the most. Reichheld sums it up, saying, “The Internet is a powerful tool for strengthening relationships, but the basic laws and rewards of building loyalty have not changed. By encouraging repeat purchases among a core of profitable customers, companies can initiate a spiral of economic advantages.”

In another paper, “The Branding Impact of Brand Websites: Do Newsletters and Consumer Magazines Have a Moderating Role?” print media prove to be a valuable tool in the advancement of relationship with website visitors. Müller, et al replicate previous findings that “the more satisfied visitors are with the overall experience [of a website], the more inclined they will be to revisit and recommend the website and to develop a positive attitude toward the brand.” The future of magazine brands relies on their websites’ visitors returning and recommending the site to others. They go on to say their studies suggest that “those who subscribe to a newsletter or consumer magazine are more inclined to purchase the brand and

23 Ibid.
change their opinion concerning the brand.”²⁶ Getting the print product into the hands of website visitors might be a key component to building the relationship beyond a simple website visit.

In the interest of getting the print product into the hands of potential subscribers, Hilde Van Den Bulck, Sil Tambuyzer, and Stef Ackx studied product+ strategies, where print media gives away premiums (free goods) as an incentive in conjunction with the purchase of the print product. The found that “For many newspapers and magazines, premiums appear to contribute to a one-off increase in sales…Yet, a number of interviewees point to a dwindling effectiveness of premiums.”²⁷ Magazines considering this tactic as a potential draw to subscribers need to choose their free good as an item carefully tailored to their desired audience. However, the study goes on to say that magazines that get this right show a strong increase in short-term results, which results in a modest long-term increase.²⁸ Such a bump in subscriptions is to be taken advantage of in order to strengthen the relationship with the consumer.

Müller explains further that “subscription to relationship tools (e.g., newsletter and consumer magazine) reflects the interest of the consumer in the brand or recent developments more than toward the website itself.”²⁹ This becomes a tool for measurement: an incentive to track any website visitor who does opt to subscribe to the print product. This concept has been discussed for years, as a report from 2009 quotes Gail Glickman, senior Vice President of Martha Stewart Living Omnimedia saying “We don’t spend enough time understanding our customers online, and they can be quite different from our customers in print…The answers to

²⁶ Ibid.
²⁸ Ibid.
those questions are all on your websites now and in the data, and if you spend time looking at that…you then take that information and reassign and re-appropriate resources.”

Customer tracking is of utmost importance. What pages did they look at? How often do they visit? Did they click on any ads?

Mary Berner emphasized this point in her 2012 keynote at AMC, The Magazine Media Conference,

Considering the fact that the total global penetration of tablet devices is expected to grow from 140 million tablets in use this year to over 760 million in less than three years and that consumer consumption of all media is migrating to mobile devices- most notably tablets- at least some of the print audiences will migrate to tablets which means that we have to compile, aggregate, track, measure, and talk about our whole footprint about magazine media.

Berner’s speech highlighted that print sales were stable, and that online content presented an opportunity to extend the reach of magazines even further. Prioritizing customer tracking is undoubtedly accountable for magazine media’s growth and print magazines’ stability.

Berner, and the numbers provided by the MPA, do not see a large risk of cannibalization of print media by digital media, but that quote illustrates that as mobile devices and tablets reach a saturation of the market that some print audience will be lost to screens.

D. Dustin Renwick’s study, “Three of a Kind: How Young Adults Engage with Print, Online and Mobile Platforms” gives a glimpse into the upcoming generation’s reading habits and attitudes toward media consumption preferences and practices. His findings were as follows:

Print is a publicly social medium that grants respite to technological distractions, yet the medium carries a heavy time-cost. Online claims neither the physical magnetism of print nor the personal friendship capacity of mobile, but the Internet always exists.

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32 Ibid.
conveniently close to readers in a presentation more appealing than the tiny screens through which many connect to their world. Mobile devices, particularly smartphones for this study’s participants, supply users with provisional time-fillers capable of being called upon in almost any time or location.33

Such differences in the perceptions and uses of the three types of media can be used to the advantage of the magazines. Knowing that each type of access occurs under different circumstances and likely has a different set of expectations for the consumer means that content can be tailored to the experience. In this study, print came up as a “luxury,” much as it had in Sumner’s study. Meanwhile, mobile was most frequently used, but that use was for quick and convenient access, with little time for in-depth engagement. Respondents reported irritation with small screens when reading long-form pieces. Respondents reported the most time spent through online access, but (along with mobile) specified distraction as problematic. Overall, though, this study reports the rising use of digital with a younger generation, one which sees print as a luxury for which they may not have time.34

In an illustrative example of the growth of online/mobile access of magazines, The Magazine Media 360° Brand Audience Report for August 2014 showed a 97.9 percent increase in unique views of mobile magazine sites in 2014 compared to 2013. Sites that don’t have a mobile presence (fewer by the day) tend to be very image-focused (such as Dwell, Veranda, and Outside—to name a few), which is difficult to manage on a small screen.35 This is purely a technological problem, though, which will be solved as technology improves.

As such, Rajesh K. Chandy and Gerard J. Tellis’s study “Organizing for Radical Product Innovation: The Overlooked Role of Willingness to Cannibalize” discusses the preparedness of companies to shift their product as needed in order to stay relevant, citing a number of cases where a company either failed to cannibalize and subsequently closed, or vice versa—they underwent “radical product innovation” (cannibalization) and survived. They “define radical product innovation as the propensity of a firm to introduce new products that (1) incorporate substantially different technology from existing products and (2) can fulfill key customer needs better than existing products.”36 There might not be a better definition of the change magazine media is facing. They are proponents of brand looking forward toward “tomorrow’s customer,” recognizing that “Firms must break out of the natural human trait that propels them to use yesterday’s bag of tools to solve tomorrow’s problems.”37

Magazine media are already seeking “tomorrow’s customer” with the stunning new capabilities of digital media. Bill Cromwell highlights in an article for Medialife Magazine that, “Wired’s digital edition now allows readers to buy products they see in the e-magazine by simply touching the screen.” Magazine media is also growing their focus on the brand, as they begin to offer “real-life events in their area of expertise, such as cooking classes, branded cruises or running clinics.”38 It is this level of customer interaction that will keep the magazines alive in a consumer’s mind. An immersive experience is richer and has a permanent staying power in their memory compared to simple text on a page/screen.

37 Ibid.
According to researcher Guy Consterdine, recent studies are showing that magazine readers are also heavily engaged in social media. In one report, “social media account for around 90% of all contacts, led by Twitter, with Facebook in second place” for the sharing of magazine and brand contact. Magazine readers were also “more likely than adults in general to follow their favorite brands on social networking sites.” These points indicate that magazine media will find its strength as a brand that consumers recognize and trust. Magazine media will survive by using tomorrow’s tools for tomorrow’s problems.

Findings

General interest magazine sales are declining, particularly on the newsstand. Niche magazines are holding steady on the newsstand and even increasing in subscriptions, but will likely see a decline as future audiences who have grown up in a digital world (the “digital natives”) are used to the digital delivery of media. No magazine will survive as a print-only publication. A simple magazine must become magazine media – a multi-media brand that is known, recognized and trusted as a leader in its field. In doing so, the sought-after audiences will be more willing to subscribe, either in print or digitally, helping to secure the revenue streams of the brand.

In becoming magazine media, brand equity increases. If the magazine media grooms their customers appropriately, customer equity increases. Both are vital to the continuing success of the brand by maximizing the likelihood that customers will continue to want to subscribe, and

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40 Ibid.
advertisers will continue to want to buy ad space. To manage this, a brand needs to enact three components. First, it must build a relationship between its print product and its website. Second, it must build a recognizable brand and brand personality that reflects congruence with the customer demographic. Third, it must refine reader demographic to maximize advertiser relevance.

**Build a relationship between the print product and website**

The first step is the trickiest because of the threat of product cannibalization. As noted in multiple sources (Ellonen et al, Kaiser and Kongsted, Cromwell, Sumner, and Vasquez), the casual newsstand consumer is the demographic where sales are declining most prominently, especially among the general interest magazines with celebrity magazines suffering the most drastic decline. Niche magazines have a stronger foothold in their respective marketplaces. Both styles of magazine can survive, but general interest and news magazines will have a much more difficult path to success.

A magazine’s strength as a brand is its specialization and in-depth knowledge of its topics. For general news weeklies, this bodes ill for their print. Where the news is concerned, audiences want immediate gratification—a need the Internet fulfills at the expense of newspapers

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and news magazine weeklies. To this extent, news magazines will need their websites to compete online with other instant news sources. As for their print products, their magazine media brand might be more valuable printing what Harrington called the “‘book-a-zine,’ specials, often with a single focus, and with cover prices near and above $10.” He states that the book-a-zine media is lessening the effect of the decline in regular newsstand purchases.\textsuperscript{46} A trusted news magazine brand will be able to sell its in-depth, long-form pieces that cannot be turned around at the speed of 24-hr. news in these special issues, such as \textit{TIME} magazine’s 2012 commemorative issue of the Mars rover. Celebrity magazines will likely have to pursue a similar tact, providing up-to-the-minute minutiae of celebrity lives online, with special issues honoring select individuals or groups on newsstands, like the multiple book-a-zines commemorating Robin Williams after his death. Looking at the future, though, the research doesn’t support the likelihood that their print products, general weeklies, will remain the largest percentage of their sales because of the ephemeral nature of their topic that is their expertise.

For niche magazines, however, their branding sets them apart as experts in their respective fields whose collective knowledge has gathered expertise from all over and curated it into a cohesive digest for its intended audience. That audience is a narrow audience by design. The primary positive attribute of being a niche magazine is that while the customer can find a lot of information about the topic of interest on the Internet, it is often posted online anonymously or by a brand that is unknown, and therefore potentially unreliable. Moreso, there is often information that is difficult to find even with the Internet at our fingertips. Magazines also often look to curate an aesthetic. One customer’s \textit{Dwell} is another customer’s \textit{Country Living}. Niche

magazine websites can fill the consumers’ need of putting a trusted name and a reliable source behind the information. For the casual consumers who are substituting newsstand purchases with the free website, the information available to them can be just as general as an anonymous posting on a forum board, but with the reputation of the brand backing it, such as a page on Parenting.com for 2014’s Best Car Seats. This is not information a parent is going to take from an anonymous source. For the subscribers who have access to the website in full (and remember, as reported by Ellonen et al.\textsuperscript{47} and Kaiser and Kongsted,\textsuperscript{48} consumers who subscribe to the print often see the website as a complementary—not substitute—good) it is a chance to build a community with discussions and forum boards surrounding the magazine’s content. For example, Parenting.com could follow-up their hypothetical car seat article with a discussion board where parents can share their experiences with the brands mentioned. It is this community in tandem with the magazine media’s expertise that keeps the consumer interested, engaged, and subscribed.

\textit{Build a recognizable brand and brand personality that reflects congruence with the customer demographic}

Congruence with a consumer is what keeps them returning to the brand.\textsuperscript{49} When creating the brand and designing its individual media it is beneficial to keep in mind the two congruencies


a consumer experiences. The ideal congruence—who a consumer wants to be—aligns with the values of print consumer, while actual congruence—how a consumer sees his or herself—aligns with the digital consumer.

First there is a connection worth exploring between Nienstadt et al’s. studies on congruence and Oster and Morton’s studies on subscriptions to “investment” magazines. In Nienstadt, customers who read print focus on an ideal version of themselves—one that doesn’t exist in this moment but in the future: who they want to be.50 In Oster and Morton, customers pay more for magazines they consider to be more “worthy”—magazines whose information is likely to be more valuable in the future.51 In each instance, the customers exhibited a proclivity toward anticipated future payoff for the current investment. This is likely a defining characteristic of how brands can differentiate between their free online content, and their print and online subscription content.

The free online content can fulfill an instant gratification need and likely should require fewer resources to generate. Meanwhile, the paid-for content receives a greater allocation of resources in order to create a more fulfilling and informative product for the consumer who believes in investing in his or herself. The brand could also generate a smaller immediate-gratification piece from a larger product and use that to entice the free-content consumers. This free content should not tease, such as “to finish this article, you must subscribe,” which irritates a consumer. It should give the consumer some value while letting them know there is more, such


as a gardening magazine covering the basics of tilling a garden plot for its “free” content, but letting the consumer know this was a sample of an entire issue dedicated to getting the best garden possible—including testing the soil, planning for the season, and visualizing layouts of the plants.

Every brand has a target demographic with which to build congruence. Subtle tweaks to differentiate the media can help maximize the brand’s reach within the demographic. Knowing that print media is often selected by a customer looking toward their ideal self, the brand can take a slightly more aspirational tone in its writing. While the free digital media is mostly consumed by an audience focused on themselves in this moment, lending the tone to be more grounded and possibly with a stronger call to immediate action.

Print media is often the selection of a higher-income customer, as well as paid online content. That, in combination with the aspirational nature of the paying customer, encourages higher considerations in content, promotional placements and advertisements. This customer is interested in the lifestyle of who they want to be, in their actions and in how they present themselves to the world. They are looking to their chosen media to guide them on that course.


53 Ibid.


Refine reader demographic to maximize advertiser relevance.

In developing the brand’s style to account for the subtle differences between print and paid online content compared to free online content, magazine media is able to attract a larger variety of advertisers to cater to the full range of their demographic, as well as each advertiser being able to cater their advertising to the entirety of the audience.

First and foremost is Iyer’s research states that advertisers receive their best value by marketing to the consumers they already have instead of comparison shoppers. Online, as tracking technology improves, they will eventually be able to send ads directly to a person they know is their customer. But until that moment, it is still a broader targeting of consumers who best fit their demographic. If an advertiser is seeking a young male who is a heavy Internet user, then by Kaiser and Kongsted’s studies the advertiser will want to be sure to place ads on the free-content portion of a magazine website. If an advertiser wants to reach an affluent customer, then interest should fall to print media and paid websites (which also have a higher premium as advertising is more limited behind the paywall).

Summary and Conclusion

The saturation of the Internet in consumers’ everyday lives has caused a shift to the entire media industry. Newspapers have suffered the most, as so many websites have been willing to give away information for free (or nearly so). Magazines have weathered the shift better,

depending on their content. News magazines are mirroring the decline seen by newspapers, since seekers of the news want instant gratification. Niche magazines, however, are holding steady—and in some cases growing—with the reach of the Internet, as customers seek out specialized information to their interests.

In order to remain relevant to future audiences, magazines must become magazine media—brands that are known and valued as trusted sources of information. While there has to be a recognizable connection between a media brand’s paid content (print and online) and their free content, the brand can be served by differentiating the media as a means to maximize fundamental differences in the audiences each type attracts. In parsing the audience on this level, the magazine media provides a finer level of discernment by which advertisers can target their preferred audience—a proven way to receive the best value for money spent on ad placement.

These strategies are all conducive to the success of magazine brands, and also beneficial to the consumers. Consumers will receive content best fitting their interests and aspirations according to their media selection, as well as find advertising that is better aligned with their spending habits and preferences and therefore perceived as being less intrusive.

It’s evident that some, if not all, of these practices are being utilized by magazine media. Case studies of individual brands, as well as surveys of as many magazines as possible as to their digital strategies are recommended for further research. There are also several areas of future research that can better synthesize the authors quoted in this paper. A study could be performed as to whether magazine media companies are investing in customer equity and shepherding their customers through their brands (as in my example). If this is in practice, has the digital shift made it easier? Another possibility is the connection between Nienstadt’s ideal congruence (the
customers who factor their future self into their media purchase) and Iyer’s “worthy” magazines whose customers pay more for their media in anticipation of a future payoff.
Bibliography


