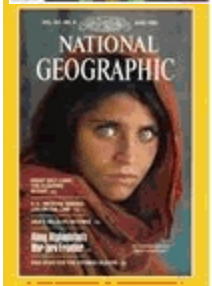


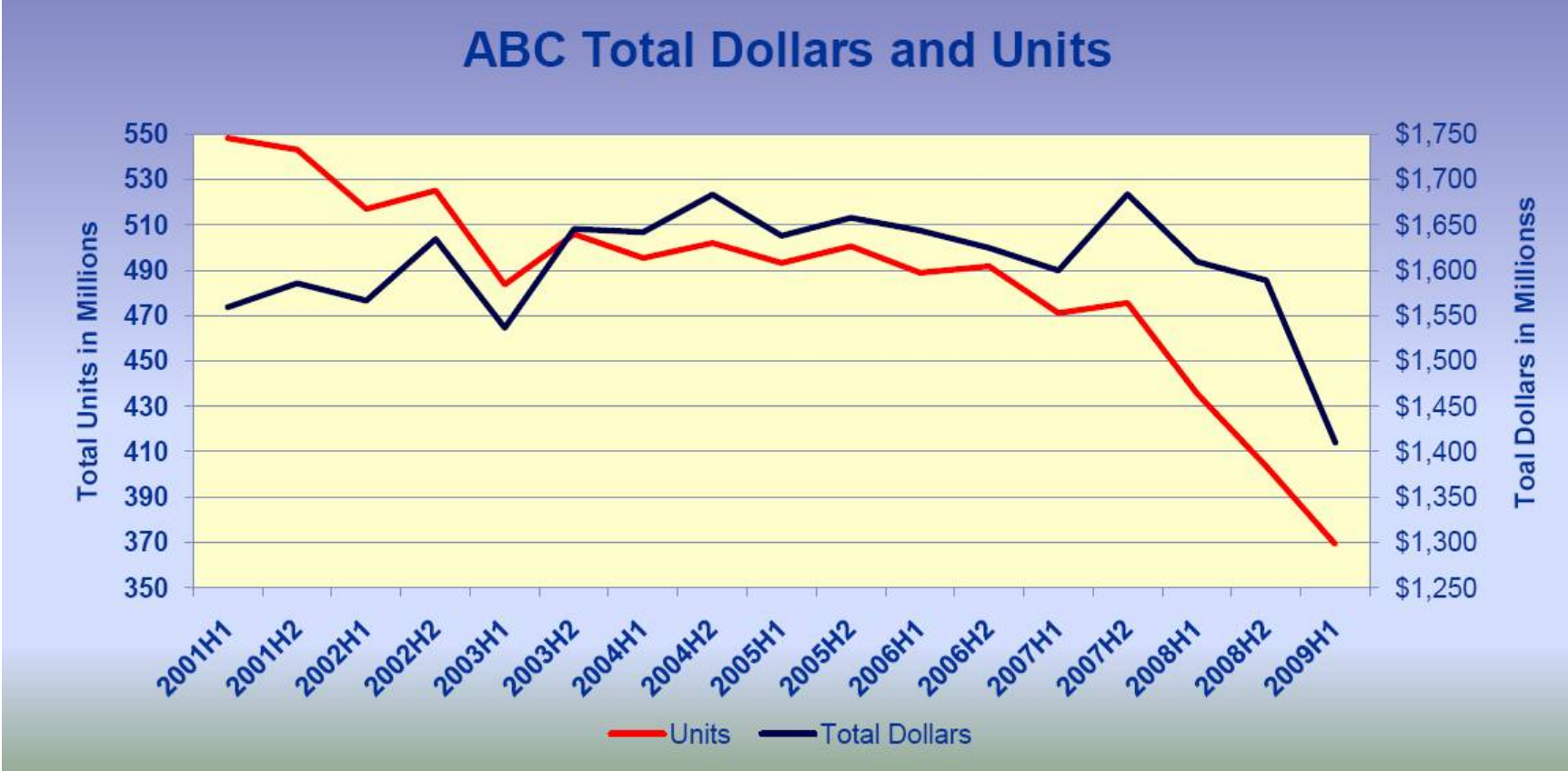
Innovations at Retail: How to Drive Single Copy Sales



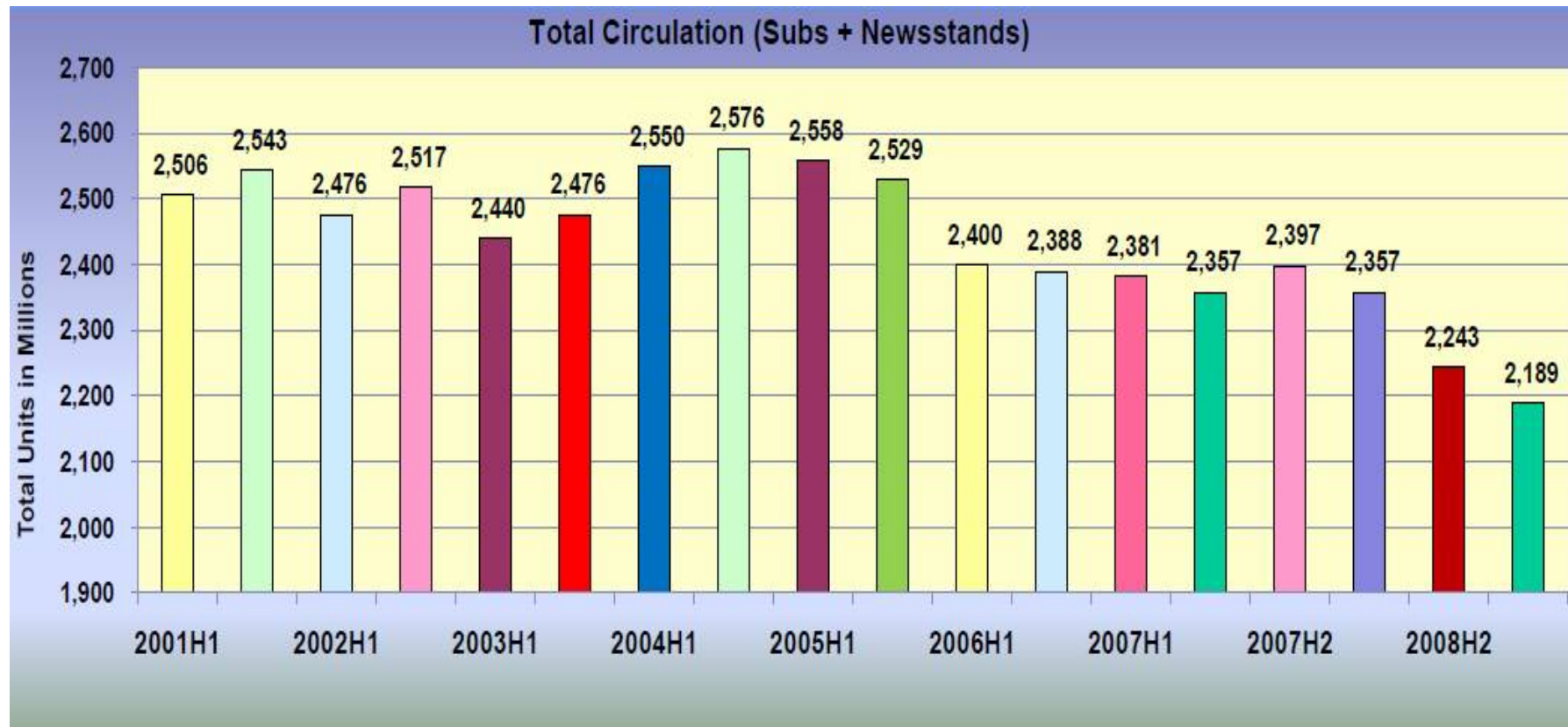
Single Copy Sales News

- Unit sales of audited titles in the first half of 2009 declined by 12.4% and revenue dropped 9.39%.
- Sales in 2008 reported 11.3% unit decline while 6% revenue decline
- First half sales efficiency 36.9% vs. 36.8% in 2008
- Single copy sale and revenue increased in May & June, up 2.6% & 2.1%

Historical Unit Sales & Revenue



Historical Total Circ Numbers



Category Analysis H.1 2008 vs. H.1 2009

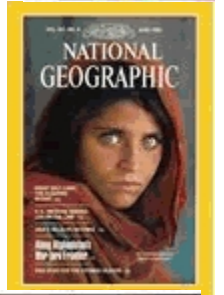
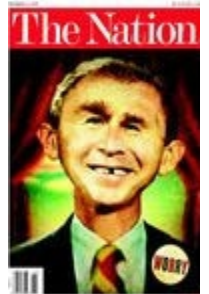
Category	2009H1		2008H1		Percent Variance	
	Unit Sales	Dollar Sales	Unit Sales	Dollar Sales	Unit Sales	Dollar Sales
WEEKLY	150,888,389	\$549,370,713	171,604,664	\$609,242,799	-12.1 %	-9.8 %
WOMENS	106,733,754	\$337,252,216	120,025,882	\$370,347,171	-11.1 %	-8.9 %
MENS	12,223,239	\$59,806,457	14,662,429	\$68,947,466	-16.6 %	-13.3 %
AUTOMOTIVE	10,317,884	\$55,809,611	11,459,909	\$61,454,034	-10.0 %	-9.2 %
FAMILY/HOME	11,026,013	\$53,461,644	12,671,869	\$60,761,730	-13.0 %	-12.0 %
FOOD	8,360,509	\$37,751,405	9,734,396	\$43,271,481	-14.1 %	-12.8 %
SPORTS	7,972,155	\$34,835,548	10,056,077	\$40,569,729	-20.7 %	-14.1 %
BUSINESS/FINANCE	5,829,265	\$33,656,550	7,034,704	\$37,757,204	-17.1 %	-10.9 %
ETHNIC	9,722,735	\$31,891,274	10,665,299	\$33,740,648	-8.8 %	-5.5 %
NEWS	6,605,201	\$31,813,051	7,311,550	\$34,834,282	-9.7 %	-8.7 %
SOCIAL/LITERARY	6,510,761	\$30,886,491	7,638,359	\$32,751,454	-14.8 %	-5.7 %
TEEN/CHILDREN	8,043,938	\$29,650,034	9,152,691	\$33,445,711	-12.1 %	-11.3 %
SCIENCE	5,657,401	\$28,812,936	6,201,514	\$30,326,244	-8.8 %	-5.0 %
ENTERTAINMENT	6,022,235	\$27,882,447	6,806,893	\$30,376,872	-11.5 %	-8.2 %
HOBBY	3,403,156	\$19,359,713	4,070,807	\$22,798,646	-16.4 %	-15.1 %
REGIONAL	4,280,799	\$19,127,027	5,023,659	\$22,186,137	-14.8 %	-13.8 %
OUTDOORS	3,801,020	\$17,754,521	4,094,297	\$19,021,406	-7.2 %	-6.7 %
COMPUTER/GAMING	1,403,430	\$9,091,080	1,705,608	\$10,997,510	-17.7 %	-17.3 %
PETS	415,211	\$1,987,161	478,019	\$2,135,022	-13.1 %	-6.9 %
GRAND TOTAL	369,217,095	\$1,410,199,880	420,398,626	\$1,564,965,545	-12.2 %	-9.9 %

The Decline in Newsstand Sale...

- Recession = Pinch on consumer spending
- WSL Strategic Retail found 46% of shoppers are staying out of stores where they are tempted to overspend
- Anderson News meltdown (25% of US distribution)
- Less advertising = Less perceived value
- Magazines closures + less new launches

Industry News

- Channel has reorganized since Anderson News meltdown
- Order regulation for high efficiency
- Borders – debt due April 2010
- Wal-mart moving magazines in stores & cutting mainline in half.
- Target has discontinued 10% discount on cover prices of magazines.



Good News..

- Retailers more open to new ideas to drive foot traffic and sale
- Heavily discounted promotions
 - B&N
 - Airports
 - Supermarkets
- Reduced barriers to entry
- Toys R Us re-introducing magazine program in 586 stores

Promotions

- Coupons- Borders, Hastings, Mid-Atlantic region supermarkets
 - Affluent consumers are more likely to use coupons, The Nielsen Company
- Cross promotions– B&N and Borders
- Publishers using online audience to drive foot traffic

Cross Promotions at Borders



Cross Promotions at Borders



New Platforms to Drive Single Copy Sale

E-Readers- Perfect for content rich magazines

- Very loyal audience, high income
- Samples of titles-- *The Economist* discounted single copy sale on Kindle discount of 21% \$5.46 vs. \$6.99
- Remit 30% of cover price, upload each issue, no printing or shipping

Mobile- Driving traffic to retail outlets

- Paper distributors
- Don't pay commission to national distributors
- Can segment and target effectively

Social Networking Sites – Announce what's HOT

- Features and premiums
- Coupons



New Channels to Drive Single Copy Sale

- **Online**
 - Websites, mobile, social networking etc
 - Back Issue Sales
 - Pre-sell
- **Single Copy Delivery-** home delivery the next day, online or via text message
- **Newspaper Distributors**

How Magazines can Drive Traffic

Magazines Excel in Driving Web Search

“What medium influences you to start a search for merchandise online?”
(% By Medium – Top 3 Highlighted)

Medium	Male	Female	18-24	25-34	35-44	45-54	55+
Magazines	41%	43%	38%	39%	44%	44%	45%
TV/Broadcast	41	36	31	36	40	41	39
Newspapers	38	37	25	29	35	41	47
Face-to-Face Communication	33	32	39	38	33	32	27
TV/Cable	36	28	43	40	34	31	23
Radio	33	24	28	31	32	31	24
Email Advertising	22	23	23	25	24	23	20
Online Advertising	24	18	28	24	22	20	16
Online Communities	10	9	24	16	9	5	3
Blogs	8	6	17	10	7	5	3

Source: BIGresearch Simultaneous Media Usage Study (SIMM13), December 2008

Samples of Promotions

Marriage of Online & Retail

BORDERS. search advanced search

Welcome

Home Books Music DVDs Kids BordersMedia Borders Rewards Borders Perks Gift Cards

BORDERS rewards MEMBER COUPON
SUPER COUPON!

ONLY IN STORES
5 DAYS ONLY!
THURSDAY – MONDAY, SEPT. 10 – 14

PRINT THIS COUPON
AND BRING IT WITH YOU TO THE STORE

\$2 off list price	1 MAGAZINE	 159043820000000000
 159043830000000000	\$2 off list price	1 ROMANCE OR SCIENCE FICTION BOOK
\$2 off list price	1 KIDS' TOY OR GAME	 159043840000000000

Get \$2 off MAKE, Volume 19



Borders is running a coupon promotion for the next four days (until 9/14) offering \$2 off any magazine they carry on their newsstand. So, if you haven't picked up the latest MAKE, our "Robots, Rovers, and Drones" issue, you can get \$2 off at Borders with the coupon found on the link below.

Grab the coupon [here](#).
Find out more about MAKE, Volume 19 [here](#).

Posted by Gareth Branwyn | Sep 10, 2009 01:30 PM

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Fantastic Photos of our Solar System



Esquire's Recipes for Men



Google is Skynet, and other Internet conspiracies



Google Says Apple Flatly Rejected Voice App for iPhone



The well-d Mint.com, 8

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25 Movie Reviews from Toronto... in 25 Sentences



Toronto Film Festival and Fall Movies



Films Finding a Tougher Market in Toronto



Stars Dazzle in Toronto



British film to open Toronto festival



Toronto Film Festival

Sources: [Popular Mechanics](#) [SPIN](#) [TechCrunch](#) [Cosmopolitan](#) [The Atlantic](#) [Christian Science Monitor](#) [All sources >](#)

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facebook.

- Sampling Programs Using Digital Editions
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- Get loyal readers to comment on recent issues
- Ask questions for interviews, giveaways, promote coupons, social events
- *Seventeen* magazine has over 100,000 fans



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Contests - Paste

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Radius Earphones have kicked off a new music initiative, bringing together music and technology-- hitting festivals like Rock the Bells, Siren, Lollapalooza, Camp Bisco. Most recently, they set up shop at San Francisco's Outside Lands. ...

Tue at 7:56am · Share

6 people like this.



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September 11 at 10:00am

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Paste Magazine What's your favorite book of the decade? Cast your vote!

<http://www.pastemagazine.com/articles/2009/09/vote-for-your-favorite-books-of-the-decade.html>



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Vote for your favorite Books published during the 2000s. Just list one to 10 books from the beginning of 2000 to the present in the comments section below...

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twitter



Got Twitter?

- “Magazines” are cool & should be followed --
<http://www.pastemagazine.com/blogs/lists/2009/06/10-magazines-to-follow-on-twitter.html>
- *Wired* established a #magazinemonday hash tag for Twitter, where users gave shout-outs to some of their favorite magazines
- *Smithsonian* sent coupon code for free museum day

Wired (@wired)

Recent Tweet: Beautiful garbage (rendered by a sculptor, depicted in a photo gallery). Sent audience to website.

MULTIMEDIA

Email to a Friend Print Image

1 of 12

<< previous image | next image >>



CULTURE : ART

Sculptor Gives New Meaning to 'Plastic Arts'

By Jon Snyder

See related story: [Mr. Freeze: How Julian Bayley Turns Ice Cubes Into Ice Castles](#)

06.01.09

Lots of sculptors these days use blowtorches and create their works in hard steel. Jerry Ross Barrish uses a glue gun and makes his art from discarded plastic. And the art is something to behold.

Not that Barrish has always considered himself an artist. When he showed Wired.com around his studio recently, he admitted it's been a long path.

Barrish never did art as a child, never even worked with tools. He explains, "I started to do more-traditional sculpture at SFAI [San Francisco Art Institute] and changed my major to filmmaking. For 15 years I made films; in 1986 I got a grant to live in Berlin. Made my last film in 1989, and that was the same year I made my first sculpture out of plastic that I found in front of my

Building Community & Engagement

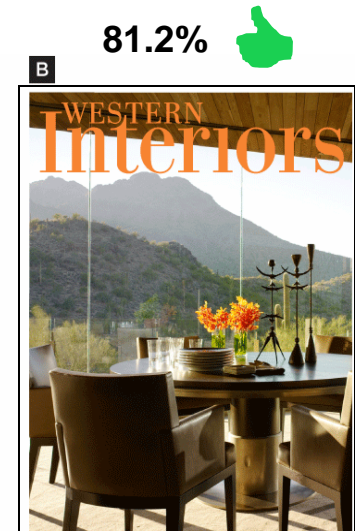
Online Cover Testing

- Gain insight
- More connection to your reader
- Fast Results
- Helps Lifts Newsstand Sale
- Cost Effective

Survey Says

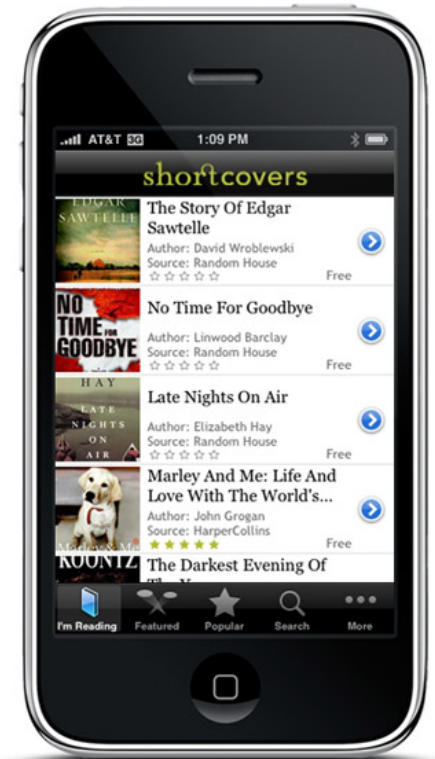
My gender is		Response Percent	Response Count
Male	<input type="checkbox"/>	24.7%	176
Female	<input type="checkbox"/>	75.3%	536

Do you own or rent your primary residence?		Response Percent	Response Count
Own	<input type="checkbox"/>	87.4%	619
Rent	<input type="checkbox"/>	12.6%	89



What's Next

- Apple Tablet
- Plastic Logic
- iRex, Fujitsu & Sony
- Retailers supporting new channels and platforms



Are you ready for the Future?



Questions?



Presented by:

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