

FAST *how magazine advertising works* **FACTS**



**Magazines
Canada**

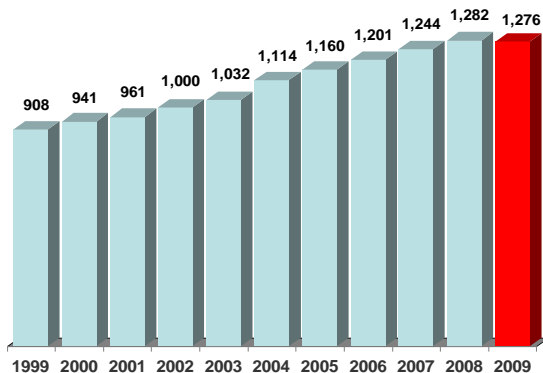
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Performance Update

Magazine Growth Continues

The Canadian magazine industry continues to perform, year-over-year. A who's who of advertisers are investing in magazines as an important part of the marketing mix for brand messaging and growing the business.



More and More Choice

1,276 English and French consumer titles were published in Canada in 2009, a 36% increase over the previous 10 years. During this same time frame, Canada's population grew by just 10%. There is a magazine for every passion and a passion for every magazine.

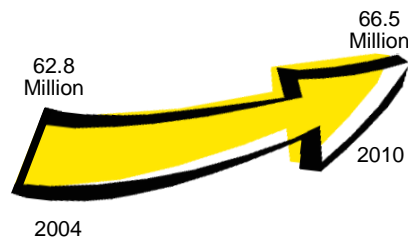
Source: Statistics Canada; Masthead Magazine

Magazine Circulation Continues to Expand

Over the longer term, Canadian consumer magazine circulation has expanded with total average issue circulation of 66.5 million in 2010. Between 2004 and 2010, the number of available titles has increased by over 160 or 15%. Canadians love their magazines

Source: CARD; Magazines Canada

Average Issue Circulation: 2004-2010



Canada a Global Growth Leader

Over the past decade, Canada outpaced the twelve leading countries around the world in magazine ad revenue performance, particularly during recessions. Domestically, Canadian magazines successfully compete with the best the world has to offer.

Source: FIPP Magazine World Trends

** Australia; Belgium; Canada; France; Germany; Italy; Japan; Spain; Sweden; Switzerland; United Kingdom; United States

Performance Update

Advertisers Increase Presence in Magazines

A “who’s who” of advertisers are increasing their presence in magazines as they prove to themselves the power of magazines in building brands and growing the business.

Advertiser	% Growth 2010 vs 2009	Why Advertisers Are Using More Magazines
3M Canada	+80	<ol style="list-style-type: none"> 1. Reach ‘high value’ consumers with the means to purchase advertised brands
Alberto-Culver Canada	+17	
Aldo Group	+24	
Apple Canada	+586	
Best Buy	+234	
BMO Financial Group	+63	
BMW Canada	+133	
Canadian Tire Corporation	+34	
Cascades	+38	
Church & Dwight	+117	
Clover Leaf Seafoods	+65	<ol style="list-style-type: none"> 2. Readers are more receptive to advertising – ads are seen as an integral part of the magazine environment
Coca-Cola Beverages	+71	
Dairy Farmers of Canada	+6	
DHL Express Canada	+65	
Diesel Canada	+61	
Ford Motor Car Co. of Canada	+232	
General Mills Canada	+84	
General Motors of Canada	+126	
Home Depot, The	+230	
Honda Canada	+21	
HSBC Bank Canada	+274	<ol style="list-style-type: none"> 3. Connectivity to engaged readers with shared interests and passions
IBM Canada	+16	
IKEA Canada	+384	
Johnson & Johnson	+51	
Kellogg Canada	+7	
Kraft Canada	+36	
Manulife Bank of Canada	+56	
Mars Canada	+53	
Mastercard International	+8	
Mazda Canada	+63	
Molson Coors Canada	+118	<ol style="list-style-type: none"> 4. Efficient reach of segmented <u>and</u> mass target groups
Procter & Gamble	+17	
RIM Research in Motion	+17	
Scotiabank	+21	
Sears Canada	+97	
Shell Canada	+105	
Sony of Canada	+32	
Unilever Canada	+33	
Virgin Mobile	+61	
Wal-mart Canada	+58	
		<ol style="list-style-type: none"> 5. A wide selection of compatible editorial environments
		<ol style="list-style-type: none"> 6. Flexible space to promote brand benefits in depth
		<ol style="list-style-type: none"> 7. A lasting message that continues to work 24/7
		<ol style="list-style-type: none"> 8. Magazines are all about the reader, understanding their needs and aspirations
		<ol style="list-style-type: none"> 9. A proven sales response – research proves it time and again
		<ol style="list-style-type: none"> 10. Improved ROI – bigger bang for the media buck

Source: Leading National Advertisers (LNA)

Performance Update

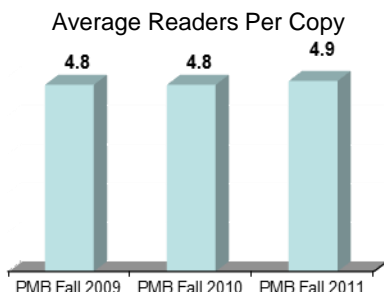
Magazine Readership Fundamentals Remain Strong

Canadian magazine industry fundamentals are strong proven by stable readership, stable readers per copy, stable time spent reading and consistent qualitative interest scores. In addition, magazine readership seasonality remains consistent through the year.

Magazine Readership Remains Stable

Average readership of PMB-measured magazines remains constant over the past four reports, despite the launch many new consumer titles in Canada during that three year period.

Source: Print Measurement Bureau (PMB)



Magazine are Read by All Age Groups

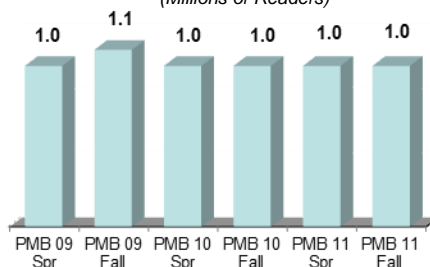
Qualitative readership scores remain stable (if not up) despite the growth of online. Time spent reading remains stable as does “average degree of interest” scores across all measured magazines.

Source: Print Measurement Bureau (PMB)

	Fall	Winter	Spring	Summer
	Sep/Oct/Nov	Dec/Jan/Feb	Mar/Apr/May	Jun/Jul/Aug
Index to full-year average	102	104	99	96

Source: Print Measurement Bureau (PMB)

Average Magazine Readership of PMB Measured Titles (Millions of Readers)



Readers Per Copy is Stable

The average number of readers per magazine copy, as measured by PMB, remains consistent. As magazine copies change hands, consumer reach increases providing new opportunities for ads to be seen, read and acted on.

Source: Print Measurement Bureau (PMB)

Qualitative Readership Scores	PMB Fall 09	PMB Fall 10	PMB Fall 11
Time Spent Reading (minutes/issue)	41.3	40.6	41.9
Avg. Degree of Interest (10 point scale)	6.8	6.8	6.9

Magazines are Read in All Seasons

Magazines are read across all four seasons, delivering fresh content, without reruns, in each and every issue. Magazines deliver effective brand presence and efficient message continuity throughout the year, connecting brand purchase cycles when consumers are most ready to buy.

Competitive Stance

Comparing Top 10 Magazine Titles and TV Shows

American Idol recently took the top two spots on Canada’s Top English TV shows list, as measured by audience during w/o January 18 and 24, 2010. Idol generated 3.2 million viewers during the Wednesday showing and 3.0 million viewing on Tuesday. Clearly, it’s a top TV show.

Despite that impressive showing , 5 magazines deliver 12+ audiences in excess of American Idol. In fact, magazines take six of the top 10 spots:

Rank	Magazine/TV Show	Audience
1	Reader's Digest	6,423,000
2	Canadian Living	3,800,000
3	what's cooking	3,581,000
4	Chatelaine	3,549,000
5	Canadian Geographic	3,458,000
6	American Idol (CTV, Wednesday)	3,191,000
7	American Idol (CTV, Tuesday)	3,040,000
8	Criminal Minds (CTV, Wednesday)	2,736,000
9	NFL Playoffs (CTV, Sunday 6:30-10:30 p.m.)	2,620,000
10	Canadian House & Home	2,357,000
11	Maclean's	2,341,000
12	Grey's Anatomy (CTV, Thursday)	2,339,000
13	NFL Playoffs (CTV, Sunday 3-6:30 p.m.)	2,323,000
14	CAA Magazine	2,306,000
15	C.S.I. New York (CTV, Wednesday)	2,305,000

Without a doubt, the magazine industry delivers numbers that not only play hard but play to win! Magazines rate #1 in consumer engagement, are best at throwing readers to websites/search and win in generating purchase intent. All in all, magazines are the total package. Make the connection with magazines.

Source: Marketing Online, "CTV Sweeps Top 10 TV" by Canadian Press, February 1, 2010..BBM Canada top 10 English television programs in Canada, persons 2+ for the week of Jan,18-24, 2010.(National, Calgary, Toronto and Vancouver data are copyright BBM Canada; Quebec (Franco) data are copyright BBM Canada); PMB Fall 2009, Readers 12+

U.S. Magazine Spill

Canadians Choose Canadian Magazines

Canadian consumers choose Canadian magazines. Canadians prefer magazines that tell Canadian stories, reflect Canadian needs and promote Canadian products. Not surprisingly, Canadians want content that is created specifically for Canadians and reported through the eyes and value systems of Canadians.

Canadians Prefer Canadian Content

Given a choice, Canadians overwhelmingly prefer content that covers Canadian topics and reflects their needs. Pragmatically, Canadians prefer content that reports on products and services available in Canada and priced in Canadian dollars.

Source: Totem Research

Attitudes Towards Magazine Content (% Agree)

- 92% Canadian magazines play a significant role in informing Canadians about each other
- 88% It is personally important that a magazine have editorial content created specifically for Canadian readers
- 90% U.S. titles don't effectively cover Canadian issues.

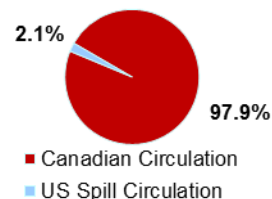
U.S. Circulation Spill

Year	Total Spill (^{'000})	Index	Avg. Circ. Per Title	Index
1983	10,705	100	26,303	100
1989	9,969	93	21,031	80
1998	9,155	86	16,203	62
2000	8,518	80	15,716	60
2002	8,160	76	15,396	59
2004	7,899	74	14,055	53
2006	7,666	72	13,664	52
2008	7,322	68	13,435	51
2010	6,349	59	14,235	54

Source: ABC, Canadian Circulation of U.S. Magazines; ABC (Average Issue Circulation)

U.S. Spill Is in Long Term Decline

In 1983, over 10.7 million U.S. spill copies were crossing the border. In 2010, that number declined to 6,349,000 copies, an index of 59. In 2010, three foreign content titles made it onto Canada's list of top 100 titles, the largest being in 35th position. Only 2.1% of circulation generated by those top 100 titles is U.S. spill circulation.



Canadians Find Ads in Canadian Titles More Relevant

A whopping 83% of Canadians find ads in Canadian magazines to be more relevant than ads in U.S. spill magazines. And 77% tell us that they are more inclined to look for information in Canadian magazines than U.S. spill titles. It is clear that Canadians prefer to access ads in Canadian magazines, discounting the value of advertising in spill titles.

Source: Reader's Digest Magazines (Canada)

Canadian Attitudes Towards Spill Ads

Q: Ads in Canadian magazines are more relevant to me than advertisements in U.S. magazines.

	Total	Male	Female	PGS ¹
% Agree	83	81	84	86

Q: I am more inclined to look for information in Canadian magazines than U.S. magazines when I am in the market to purchase a product.

	Total	Male	Female	PGS ¹
% Agree	77	75	80	78

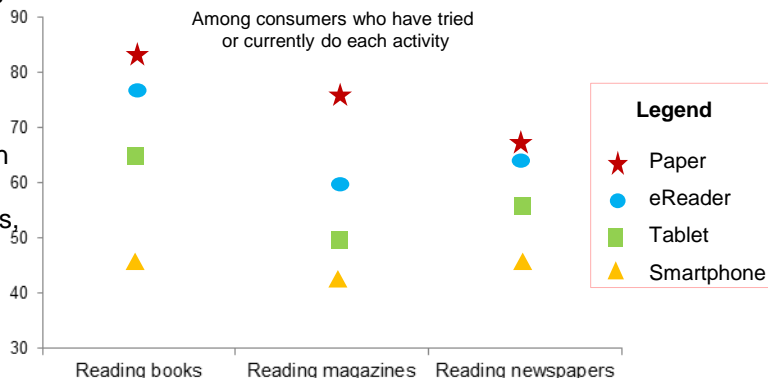
¹ PGS: Principal Grocery Shoppers

The Reading Experience

Paper Wins!

Print Remains the Preferred Reading Experience

Paper versions of magazines (and other reading-based media) are preferred over their digital counterparts*. Magazines, in particular, show the widest gap between paper preference and that of digital devices such as tablets, eReaders and smartphones.

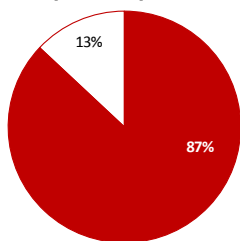


Source: Content Consumption in the Digital Age (Webinar Presentation Deck), Harrison Group, 2011

Magazine Readers See Value in Digital Formats

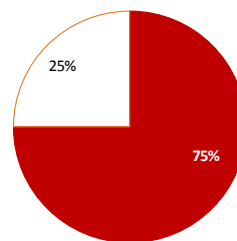
75% of magazine readers believe that digital content complements print magazine content despite 87% still preferring a printed copy.

87% of those interested in reading magazines digitally still prefer a printed copy



Source: CMO Council, 2010

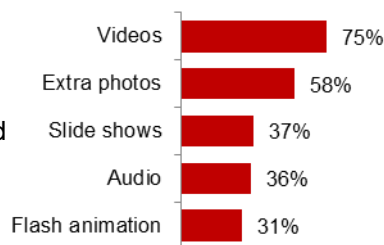
75% of consumers feel that digital content complements print



Source: Harrison Group/Zinio/ MEMS Technologies, 2010

Digital Magazine Extras Enhance the Reading Experience

When asked, “Which of the following “digital extras” have enhanced your digital magazine reading experience the most”, we find that readers like receiving extra content that’s not available in the paper version. This finding helps us better understand why digital and print is complementary.



Source: Smarter Media Sales/Nxtbook Media/VIVmag, 2010. N = 5,612 subscribers to one of eight specific interactive online magazine titles

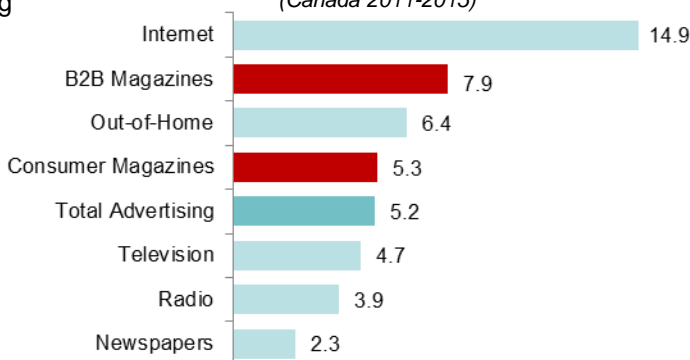
Magazines and the Future

Global Forecaster Upbeat on Canadian Magazine Growth

PwC Predicts Strong Future Growth

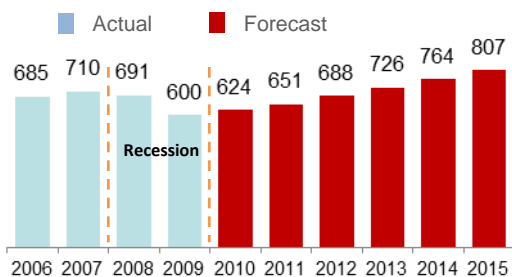
PwC (PricewaterhouseCoopers) forecasts strong, steady advertising growth for the Canadian magazine industry. The forecaster predicts that print magazines (offering well-targeted, attractive, glossy, quality content environments) and their digital extensions (available across a variety of platforms and devices) will perform better than the total Canadian advertising industry as a whole through 2015.

Compound Annual Average Advertising Revenue Growth Rate (%) (Canada 2011-2015)

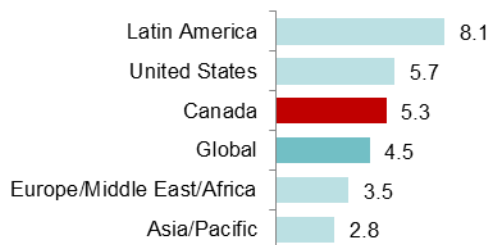


Canadian Consumer Magazine Media advertising growth is expected to outperform Europe, the Middle East, Africa and the Asia/Pacific regions, growing at a 5.3% compound average growth rate between 2011 and 2015.

Total Consumer Magazine Advertising Revenue (Canada – in Millions US\$)



Compound Annual Average Advertising Revenue Consumer Growth Rate (%) 2011-2015



Despite a recessionary dip, the Canadian magazine industry has continued its expansion on the strength of trusted magazine brands offering fresh, engaging content that spans print and digital platforms. Looking forward, magazine content will continue to surround target audiences wherever they live, work and play with curated editorial whenever consumers want it. Make the connection with magazines.

Source: Entertainment & Media Outlook: 2011-2015, PwC (PricewaterhouseCoopers), 2011

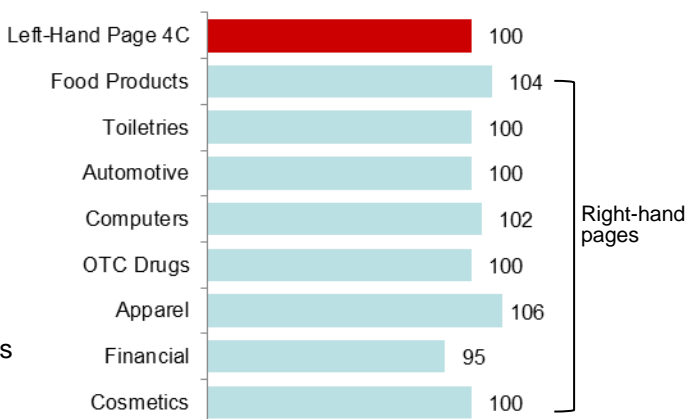
Ad Positioning

Get the Most Out of Your Ad Page

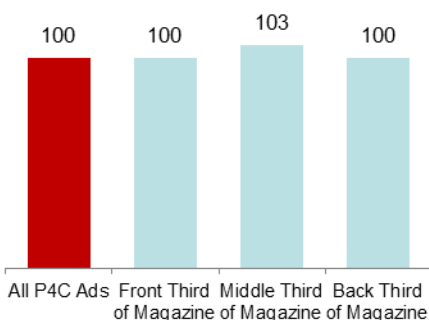
It's not uncommon for insertion orders to request ad positioning that is "well forward, right hand page". But is this accepted wisdom really the best for your brand? Ad positioning research can help advertisers get the most out of their advertising dollars. Read on.

Right-hand or Left-hand Ad Positioning?

Does it really make a difference? Roper Starch data shows that left versus right positioning doesn't impact noted scores in any significant way. Across a wide variety of measured categories, from auto to apparel or food to financial, positioning isn't a factor in generating reader impact. The chart at right compares representative samples of left-hand ad pages with category specific right-hand pages.



Source: Roper Starch Worldwide Inc.



Well Forward or Editorial Adjacency?

Ad impact scores from various sections of a magazine (excluding covers), show there is no difference if the ad is positioned in the front, middle or back. Many suggest that positioning ads near relevant editorial sections may offer a more strategic environment.

Source: Starch Research

Readers Read Cover to Cover

Magazine Editors are adept at drawing readers through the book, from the front to the very back page. Research proves it. A reader study indicates that respondents, having been shown copies of magazines they had recently read, remembered seeing or reading over 90% of editorial and ad pages.

Format	Weeklies	Monthlies
Spreads	93%	92%
Single Pages	91%	90%

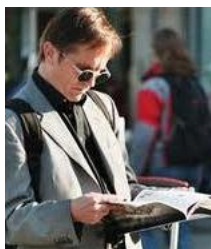
Source: Reader Categorization Study, National Readership Survey

Ad Positioning

Understanding Advertising Context

When an advertiser seeks a contextually targeted ad position, they are typically looking for some combination of access to the right person or access to the right moment when that right person is most receptive.

Contextual Advertising Gets to the Right Person



The historical value of context is that it tells you something about the audience. For example, food manufacturers may try to place advertisements within food editorial because they know that people interested in food and recipes will likely read that section. So, the value of the context is in knowing something about who will read the content, not just those immediately waiting to run out and buy the product. Advertisers know that by influencing the buyer they can influence the purchase. The time of influence doesn't have to be at the time of purchase.

Contextual Advertising Gets at the Right Moment

The second argument is that contextual advertising delivers value because advertisers want to get a person at that magical moment when they are ready to notice an ad or, better yet, respond to one. Many advertisers believe that the context provided by editorial adjacency provides that special moment.



So, is the Value of Context the Person or the Moment?

Given the facts above, the value of context for most advertisers lies in reaching the right person. This is where behavioural targeting kicks in. If you free yourself from the constraint of "the moment", you can increase planning creativity by adding, multiplying and subtracting contexts as you see the fit. It's akin to 360° marketing. For example, instead of having an editorial section on Asian travel that would appeal to an Asian airline, you can add contexts by capturing readers who read about travel and also about Asian business. And, if you want to separate out the frequent business traveller from the casual traveller, you could multiply contexts by reaching readers who read more about travel than the average travel reader. The possibilities for combining contexts in order to better understand and surround a reader's desires and interests are limitless.

Context and Editorial Adjacency

Data suggests that adjacent editorial can affect advertising performance:

Case Study #1:

Adjacent Content	%
Feature Articles	67%
Table of Contents	61%
Person/People	49%
Articles with Recipes	49%

Source: Starch Tested Copy, Vol. 2, #23

Case Study #2

	No Context Index	Context Index
Recognition*	100	106
Effective Score**	100	110

* Noticed

** Noticed and brand was remembered

Source: Medialogue, Stop/Watch

Ad Impact

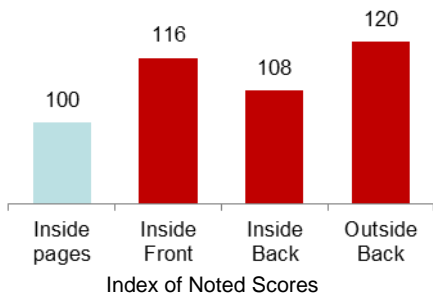
Colour and Size Does Matter

Looking to make an impact? Magazines are well equipped to help you ratchet up your visibility. Use colour, size and special positions to get the most out of your ad investment.

Be Colourful

Grabbing impact may be easier than you might think. Think colour. Research tells us that 4-colour (4C) ads generate substantially more noting than black and white (B/W) ads. The small premium that most publishers charge for a colour page is more than compensated by 45% more readers remembering your ad. Colour is a wise investment in making the most of your ad.

Source: Starch Tested Copy, Vol. 1, No. 1



Cover Positions Get You Noticed

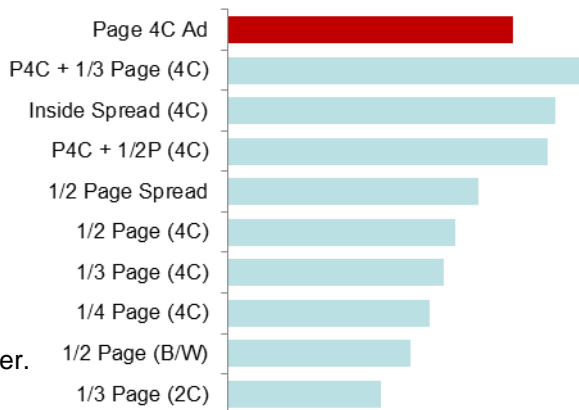
Want to make a statement to your customers and your competitors? Consider cover positions. Ads on covers are hard to ignore. They demand the attention of the reader, by the sheer power of the position in the magazine. If you are launching a brand, want to kick-start a seasonal product or ensure your ad stays front-of-mind, cover positions get noticed.

Source: Starch Research, 2006

Size Does Matter

Make sure you choose an ad size that fits your budget as well as your awareness objectives. The larger the ad, the greater the opportunity for your customers to see it and remember it. Consider comparing the cost of trading up from a 1/3 page or a 1/2 page format versus the extra bang for the buck you will get in generating recall of your ad. And for extra impact, perhaps a double page spread will better meet your needs, creating big-time stopping power.

Source: Starch Research, 2006



Creative Use of the Medium

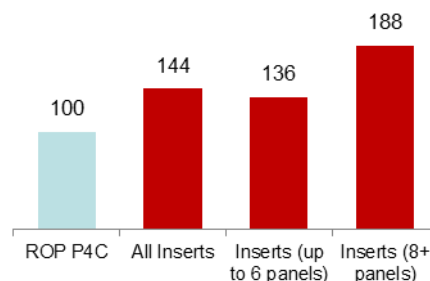
High Impact Executions #1

Need to make a splash? Perhaps a new brand launch, a relaunch or an impactful way to kick off a new campaign? Consider an insert, pop-up, gatefold or a glue-in booklet to grab high impact and tell the brand story.

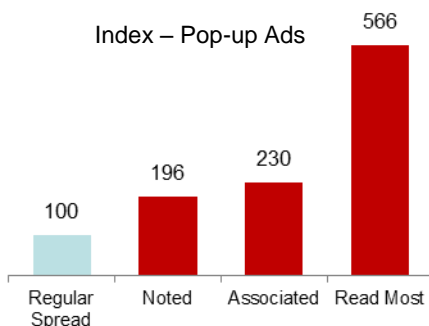
Inserts

Inserts deliver high impact, allowing for special creative treatments, including interactive executions, which generate high reader interest and participation. Plus the use of a heavier paper stock will result in the magazine falling open to your ad.

Index of Read Most Scores – Inserts



Index – Pop-up Ads



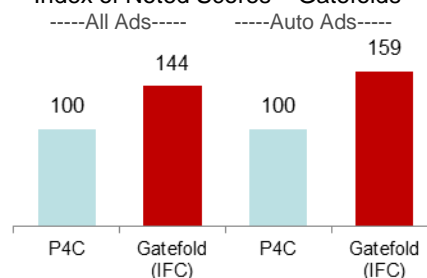
Pop-up Advertisements

When you open the page, good things happen. The reader experiences the unexpected, with creative elements rising or expanding from the page. Pop-ups are also great at increasing positive attitudes towards the brand (117 index vs. a regular DPS). Consider pop-ups, the 60-second ads of magazines.

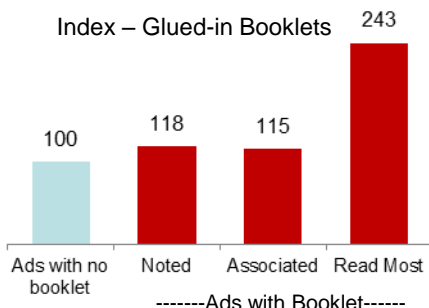
Gatefolds Unfolded

A two, three or four page fold-out generates lots of curiosity (who can resist opening up the ad to read what's there) plus it provides tremendous creative flexibility to tell your story in a greatly expanded format.

Index of Noted Scores – Gatefolds



Index – Glued-in Booklets



Glued-on (Tipped-on) Booklets

Do you have a long or complicated message to communicate? Or perhaps a family of brands that can benefit from a single communication piece? Consider a multiple-page, glued-on booklet to grab reader attention. It has stopping power, plus it can be removed and saved for reference, time and time again.

Source: Starch Research

Creative Use of the Medium

High Impact Executions #1

When looking for high impact ways to make a splash, contact Magazines Canada or visit www.magazinescanada.ca for examples of how magazines may be put to work for you.

Inserts



Pop-up Ads



Gatefolds



Tipped-on Booklets



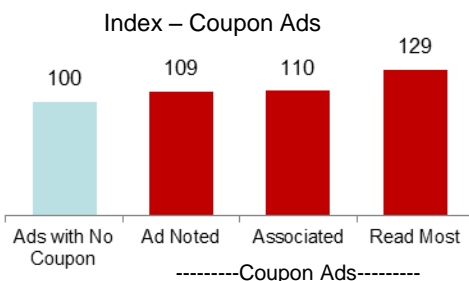
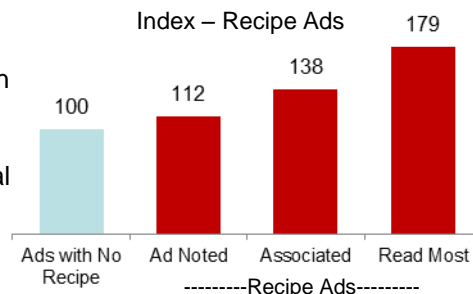
Creative Use of the Medium

High Impact Executions #2

Make your advertising irresistible to your customers. Use tried and true high impact features like recipes, coupons, scent strips and samples. These creative elements add significant value to the advertising message.

Recipes

Add a recipe to your advertisement to grab attention and dramatically increase readership. Recipes are almost always of interest as consumers constantly look for new recipes for their families and for special entertaining.

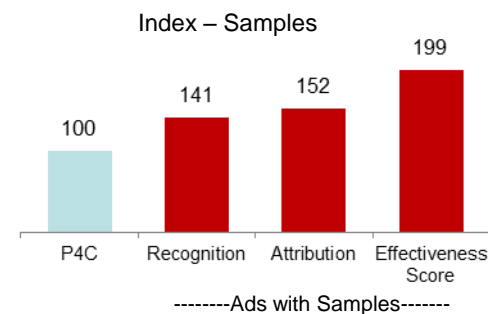
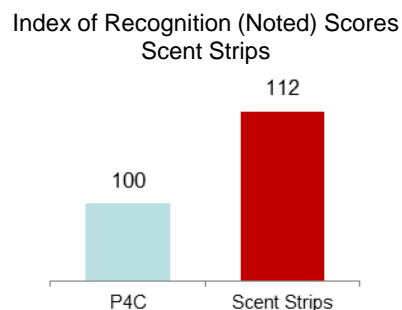


Coupons

Cents-off coupons continue to deliver stopping power. It's great incentive to generate trial, encourage repurchase, blunt a competitive campaign or prove support to the retail trade. After all, everyone loves to save money.

Scent Strips Make Sense

Scent strips are an impactful way to promote a new fragrance for many products: perfumes, personal care products, cleaning supplies and even food products. Use scent strips, scratch-and-sniff or peel-and-sniff technology to gain awareness of your special brand attribute.



Samples

Put a sample of your product in the hands of your target in an environment that attracts "high value" consumers (those with above average household income who can afford to buy advertised brands). Magazine sampling is a proven high impact technique, generating high purchase intent.

Source : Starch Research; Medialogue Stop/Watch

Creative Use of the Medium

High Impact Executions #2

When looking for ways to make your ads irresistible, contact Magazines Canada or visit www.magazinescanada.ca for examples of how magazines may be put to work for you.



Coupons



Scent Printing



Product Samples



Creative Use of the Medium

High Impact Executions #3

Make your advertising irresistible to your customers. Innovative, interactive, high impact executions like video-in-print, elnk or augmented reality are sure to grab attention and demand an extra level of reader engagement. These creative elements add significant value to the advertising message.

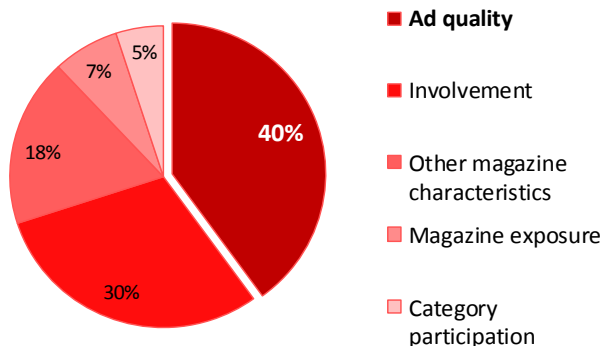
Innovative/Interactive Executions

Innovative or interactive executions are a sure way to engage consumers. Compared to already high ROP (run of press) ad norms, innovative executions make a splash:

	<i>ROP Norm</i>	Total	Male	Female
<i>(7-10 out of 10)</i>	<i>Index</i>	<i>Index</i>	<i>Index</i>	<i>Index</i>
Interesting	100	131	144	119
Innovative	100	144	136	152
Visually Appealing	100	140	133	147
Eyecatching	100	125	120	130
Average Scores	100	136	134	138

Source: *Exploration of Magazine Advertising Formats, Starch Research*

Research also tells us that ad quality and involvement are key drivers of advertising recall. These qualities are seen to be important features of creating consumer engagement



Source: *Identifying Key Metrics for Magazine Planning, Ware (Meredith Corp.), Baron (DRAFTFCB) & Edge (Knowledge Networks), worldwide Readership Research Symposium (Prague). Base: 27% of ad recall that could be explained.*

Creative Use of the Medium

High Impact Executions #3

When looking for ways to make your ads irresistible, contact Magazines Canada or visit www.magazinescanada.ca for examples of how magazines may be put to work for you.

Video-in-Print



Paper-thin, video screen capable of playing short videos

Video play buttons

elnk



elnk messages flash and scroll across the page

Augmented Reality



Hold a special scan Code (QR Code) in front of a webcam to trigger specific actions, e.g. play a video, and much more

Advertising-Editorial Guidelines

Why Magazines Strive to Preserve Editorial Integrity

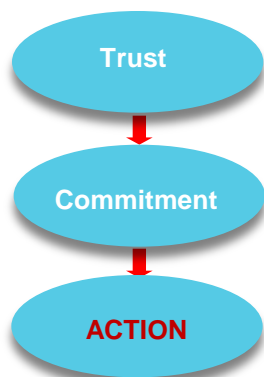
Integrity and Trust

Magazine readers value both editorial content and advertising as useful sources of information. It's how consumers stay in touch with what's new and what's relevant. However, a clear distinction between the two is important if the reader is to continue to trust editorial content. That's because trust is of vital importance to readers when selecting a title to read.

What attributes are most important to you when choosing a magazine to read?

Accurate in its reporting	90%
Believable	85%
Credible and trustworthy	84%

Source: Roper Reports



Not only is trust, accuracy, believability and credibility important to the reader, but researchers have determined that:

“Reader trust, along with commitment, appear to be *the two fundamental psychological drivers which produce advertising response* – both in terms of perceived reader relevance of advertising and ultimately purchasing of advertised brands.”

– Berlin Readership Symposium

If magazines are to be trusted by consumers, readers must be assured of editorial integrity. Without it, both editorial and advertising lose credibility in the eyes of the reader. Because readers come willingly to a perceived authority, there can never be a question as to what a magazine's motives are when publishing content.

Given that the role of magazines is to attract, genuinely engage and deliver readers of a particular value to advertisers, a loss of editorial integrity would destroy the reason why advertisers use magazines in the first place. In this scenario, no one wins.

This doesn't mean that magazines aren't interested in or unable to provide brand integration. In fact, magazines are very adept and oriented towards working with advertisers to find an advertising application for almost every idea that comes along. And in truth, most advertisers are serious about not wanting to impinge on editorial integrity. They simply want to get it right.

Advertising-Editorial Guidelines

Magazines have come together to issue Ad-Edit guidelines to make sure that the difference between advertising and editorial content is transparent to readers, and to ensure that there is no undue advertiser influence or pressure on editorial independence. The guidelines are intended to help editors, publishers and advertisers maintain an industry-wide standard for preserving this important distinction. These guidelines have been designed so that all stakeholders clearly understand them and are able to confidently communicate them to customers. The latest Advertising-Editorial guidelines are available on the following page.

Continued next page...

Advertising-Editorial Guidelines #1

Part I: Advertisements

An advertisement is content paid for by an advertiser to promote its products or services. Such content may appear as a single page, double-page spread, fractional configuration, insert or onsert. Special advertising sections are addressed separately in these guidelines.

1. Labelling

Any advertisement that contains text or design elements that have an editorial appearance must be conspicuously identified with the word "advertising" or "advertisement."

2. Appearance

The layout and design of advertisements should be entirely different from the publication's normal layout/design.

3. Covers

No advertisement may be promoted on the magazine cover or included in the editorial table of contents, unless it involves an editorially directed contest, promotion or sponsored one-off editorial extra (see #7).

4. Logos

The magazine's name or logo should not appear in advertisements, unless the advertisements are for the magazine and/or its promotions (or the advertised product has previously received an editorial award or review from the magazine). Similarly, the magazine's name or logo may appear in a third-party advertisement for a promotion, contest or event in which the magazine is a sponsor, partner or participant. Advertiser logos should not appear on editorial pages, except in a journalistic context, including editorial driven contests, promotions or sponsored one-off editorial extras (see #7).

5. Adjacency

Advertisements should not be placed immediately before, within or immediately after editorial content that mentions the advertised products or services. Exceptions are allowed for listings and contests, as well as multiple-source articles that quote representatives from companies that have placed advertisements; wherever possible, efforts should be made to distance the advertisements from the comments. There must be no promise of editorial mention in exchange for securing advertisements.

6. Product Placement

No advertiser may purchase product placement or mention in editorial pages, photographs or illustrations.

7. Sponsorship

An advertiser's name or logo may not be used to suggest advertising sponsorship of any regularly appearing editorial. Nor shall any regularly appearing editorial be labeled as "sponsored" (or "brought to you by" or any other variation thereof) by an advertiser. Sponsorship language may only be used with one-off editorial extras, such as special features, sections, contests, standalone brand extensions, inserts and onserts, provided the editorial content of the editorial extra does not mention or endorse the advertiser (and the advertiser does not have input in the creation of the editorial). Sponsorship language may also be used for annual awards programs and rankings.

Part 2...

Advertising-Editorial Guidelines #2

Part II: Special Advertising Sections

A special advertising section is a set of advertising pages unified by a theme, accompanied by editorial-like text. In order to avoid potential conflicts or overlaps with editorial content, publishers should notify editors well in advance of their plans to run special advertising sections.

Labelling

Each text page or spread in special advertising sections must be conspicuously identified as advertising, using phrases containing the words advertisement, advertising or promotion.

Appearance

The layout and design of such sections should be entirely different from the publication's normal layout and design.

Cover

No special advertising section may be promoted on the publication's cover or included in the editorial table of contents.

Logos

The publication's name or logo should not appear in the headlines, text or folios of such sections (unless the advertised product has received an editorial award from the magazine). A line such as, "As published in [magazine name here]" may appear on the first page or cover of the advertising section to accommodate overrun opportunities.

Staff

The names, titles, bylines and/or pictures/headshots of regular, full-time editorial staff should not appear in or be associated with such special advertising sections. Nor should their names, bylines and/or pictures/headshots be associated with third-party inserts in their magazine. In topics and fields that they cover editorially in their magazine, staff should not be associated with contract magazines published by their magazine company, by advertisers themselves or by third parties such as contract publishers. Exceptions can be made for art staff desiring to improve the appearance of a special advertising section to better suit their magazine's environment.

These Advertising-Editorial guidelines ensure that the difference between advertising and editorial content is transparent to readers, a guarantee that there is no undue influence or pressure on editorial independence. The guidelines are intended to help editors, publishers and advertisers maintain an industry-wide standard for preserving this important distinction.

Advertorials

Generate Positive Reader Attitudes

As advertisers seek new, more engaging ways to ratchet up attention to their advertising messages, magazine advertorials continue to gain in popularity.

Advertorials are in a class of their own as engagement tools. Advertorials are often made to be compatible with editorial but are clearly marked as "advertising" or "advertisement" to avoid confusion. These ad units are adapted to the magazine in which they appear to achieve a sense of integration with the environment. This can boost the credibility of the product, a main strength of this creative formula. That said, the majority of readers perceive advertorials as ads rather than editorial.

Advertorials are generally created to give large quantities of detailed information about brands or categories. And that is how readers perceive advertorials, as useful sources of relevant information.

Starch Research recently conducted research into reader perceptions of advertorials. Using a scale of 1 to 10, where "1" would be "Disagree Completely" and "10" would be "Agree Completely", readers of Canadian magazines were asked to rate the extent to which they agree or disagree with various statements about advertorials.

% Agree Strongly (7-10 out of 10)	%
They are a good way for advertisers to communicate info about their products	76%
They generally provide me with more information than a regular advertisement	68%
It should be made clear that these are advertisements or promotional messages and not part of the magazine's editorial content	66%
Advertorials are sources of new ideas and ways to use products	62%

It has long been believed that advertorials create an affinity between readers and their chosen magazine. The powerful intimacy of the magazine brand rubs off onto the advertising, awarding it authority and trust. In other words, the editorial surround delivers a reader in the right frame of mind to be receptive to the advertisers' messages. This suggests a positive effect on the perception and absorption of advertorial advertisements.

The way an advertorial is perceived in a magazine and the level of involvement between the reader and the advertisement is likely to depend on the reader's expectations of advertisements in the publication, the advertisement's degree of compatibility with the magazine as a brand, the strength of the reader's relationship with the magazine, the advertisement's positioning relative to editorial, the mode of reading, the intrinsic qualities of the advertisement and the reader's historical relationship with the advertised product. The stronger the reader's affiliation with the magazine as a brand, the higher the level of endorsement that the advertising receives.

*Sources: Evaluation of Advertorials, Starch Research, 2009
How Magazine Advertising Works, 5th Edition, Guy Consterdine, July 2005*

Copy Testing

Increase Your Advertising ROI

“Half the money I spend on advertising is wasted, but I don’t know which half”

- John Wannamaker, Department Store Retailer

This well known statement was made over one hundred years ago. And yet, over half of the advertisements made today still do not achieve their goals.

Despite tremendous strides in creative testing techniques today, many advertisers still don’t pre-test their ad creative.

Creative testing eliminates the money wasters and multiplies the money makers.

Ensure Maximum Results from your Magazine Buy

Tilt the odds of success in your favour by pre-testing and monitoring your creative. It’s a low cost investment that helps to ensure maximum return on your magazine investment.

Exercise Greater Control over Advertising Effectiveness

- Pre-test new concepts or measure current ads to ensure communication of key brand attributes to your target consumer, from campaign to campaign.
- Monitor the effectiveness of your competitors’ ads.
- Set benchmarks for your brand and category to ensure a competitive edge.
- Develop headlines that grab attention, body copy that engages and position product shots and logos to maximize brand association.
- Guarantee that your ads positively engage, persuade and motivate.
- Compare results of your ad across users of your brand and those of your competitors to identify competitive upside.

Measure Creative Effectiveness for a Fraction of your Media Spend

Consider using a creative testing technique that will quickly pay for itself by ensuring your magazine media investment is fully maximized. Look for an effective way to assess overall ad impact, communication value, visual focal points, purchase intent and more.

We can help!

**Let Magazines Canada help strengthen your connection
with your customers.**

Ad Creative Wearout

Is Creative Wearout a Concern?

Several studies have been conducted to determine if magazine ad creative wears out after repeated exposures. The majority of these studies suggest that creative wearout is not a concern. After multiple exposures, ad recall and actions taken remain strong.

Study #1

# of Insertions	# of Campaigns Measured	Successive Insertions						
		1st	2nd	3rd	4th	5th	6th	7th
3	91	100	103	103				
4	28	100	101	101	109			
5	11	100	112	103	112	102		
6	6	100	102	89	115	107	98	
7	4	100	97	104	99	101	100	101

Study #2

Toyota
495 measured ad insertions over 4 quarters

	Q1	Q2	Q3	Q4
Average recall	55%	52%	50%	53%
Actions taken (net)	39%	38%	39%	40%

Study #3

Target
344 measured ad insertions over 4 quarters

	Q1	Q2	Q3	Q4
Average recall	67%	63%	64%	67%
Visit a store	35%	32%	35%	32%

Considerations

Additional research suggests that the active, fully engaged process of reading, in combination with the reader's ability to spend as much time with an ad as desired, helps ensure communication of detailed ad messages rather quickly. Thereafter, ad messages are useful as a reminder.

Opportunity

Opportunity exists to engage readers with regularly refreshed creative to achieve more rapid communication momentum. Therefore, development of multiple campaign executions is a strategic and tactical opportunity.

The Final Word

Ultimately, eye-catching and engaging creative that has stopping power will generate a campaign life and longevity of its own. Copy testing can ensure creative and media dollars work hard at multiplying an advertiser's return on investment.

The Reading Process

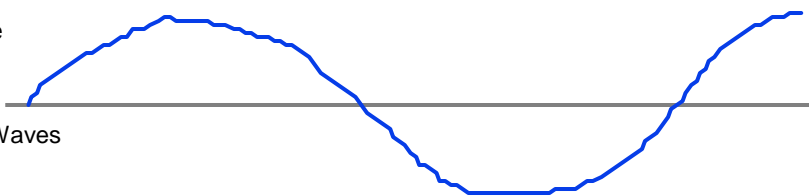
Brain Science Benefits Ad Attention & Understanding

The Magazine Reading Process Drives Attention and Understanding

The human brain works at a fully-engaged higher level to process the printed word. Reading is only possible when both eyes are 100% focused on the page, ensuring that messages are getting processed and filed into memory. Therefore, reading is only possible as a “foreground” activity and not as a “background” activity where the consumer may not be paying attention.

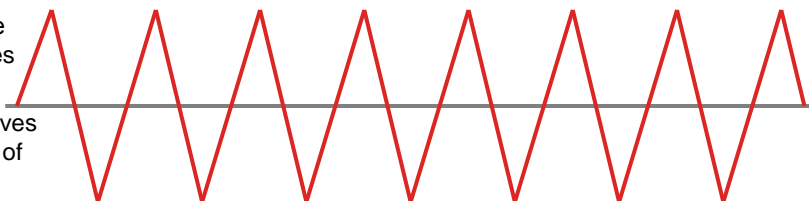
The Brain's Response
To Watching TV

Passive, Slow Brain Waves



The Brain's Response
To Reading Magazines

Active, Fast Brain Waves
5 times the amplitude of
TV watching



Source: Electroencephalographic Aspects of Low Involvement: Implications for the McLuhan Hypothesis, General Electric Co.

Readers Absorb Ad Messages at Own Pace

Like a sponge, the fully engaged reading process allows readers to quickly absorb detailed ad messages at their own pace, increasing the opportunity to more fully understand an advertiser's brand benefits.

Readers can read the ad page for as long as they wish. Ads don't come in :30 or :60 second sound bites or on someone else's schedule. Readers can even rip the ad page out of the magazine for future reference (73% of readers regularly save ad pages for future reference). Make the connection with magazines.



Communication Effectiveness

The 5-Second Communication Solution

26

What can a magazine advertisement communicate in the amount of time it takes to read this sentence? The answer may surprise you. A group of consumers were given just five seconds to view a magazine ad. During that time, each respondent's focal points on the ad page were tracked electronically. These focal points tend to cluster in three key areas: the advertised product, the strategic benefit(s) and brand names/logos. Each numbered, coloured square indicates the first, second and third point on the page that each respondent saw.

Example 1



Consumer Benefit

Product

Branding

Example 2



Example 3



Branding

Consumer Benefit

Product

Branding

Example 4



Source: ClickResponse "MAGnify" Study, March 2005 (Rogers Media)

Conclusion

In today's time-compressed world, it is increasingly important that consumers quickly understand who the advertiser is, what's being advertised and the key communication points for each product. In just five short seconds, magazines provide advertisers with a highly effective and timely communication solution. Put the five-second magazine solution to work for you.

Magazine Effectiveness

Magazines Influence Word-of-Mouth Recommendation

More than ever, marketers and retailers recognize the importance of product recommendation. In a world where consumer attention to advertising is a challenge and in which consumers are more likely to turn to trusted sources for their information, most will tell you that “word-of-mouth” recommendation is the holy grail. It drives:



- Brand awareness
- Propensity to purchase
- Trial and usage

The Study

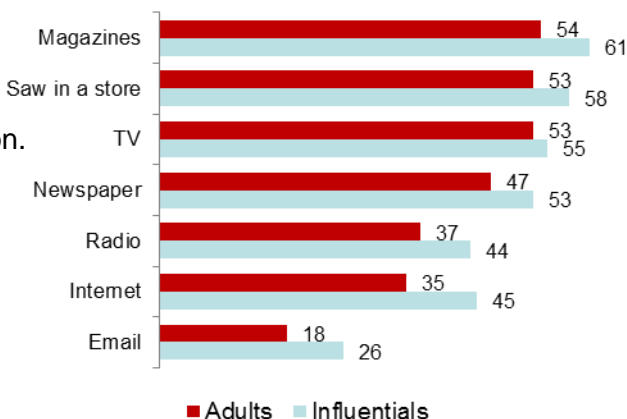
Roper Reports conducted a study into what promotes consumer word of mouth recommendation. The study measured the effect of traditional advertising media, retail store visits, free product sampling, email promotion, web advertising and coupons/ discounts.

Findings

1. Magazines contributed most to word-of-mouth recommendation
2. Retail media and store visits were less influential in generating recommendations
3. Email and web-based options were significantly down the list
4. Even free samples and coupons/discounts were less powerful contributors

Key Learning

More than half of consumers agree that magazines are a leading contributor to word-of-mouth product recommendation. This study collaborates other research that reveals the usefulness, believability and credibility magazines bring to the purchase decision.



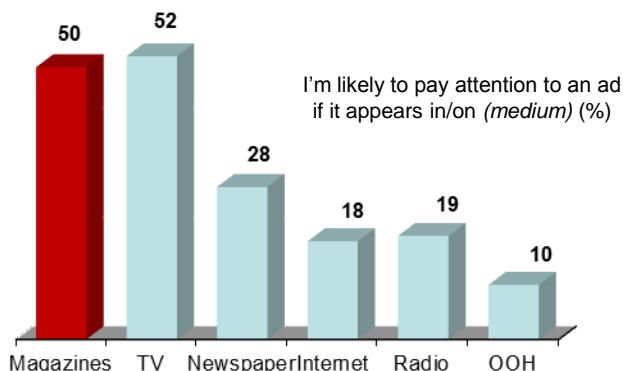
Source: Roper Reports: What Prompts Consumer Word of Mouth

Advertising Involvement

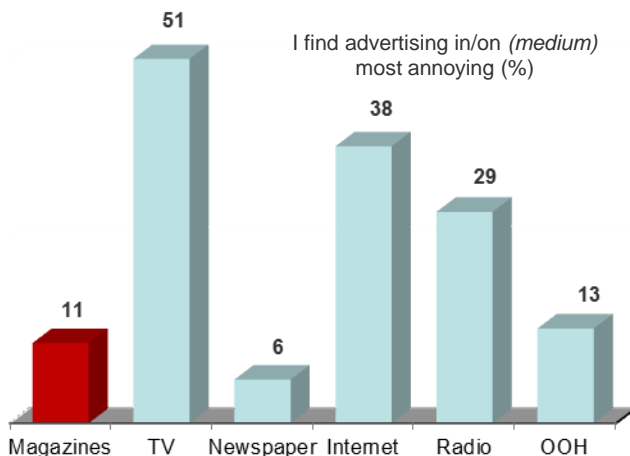
Ads are an Essential Part of Magazine Content

Consumers Pay Attention to Magazine Ads

Consumers pay attention to magazine ads in big numbers, at virtually the same level as TV ads and well above other media.



Magazine Ads Don't Annoy Consumers



Magazine ads are very low on the “annoyance” scale. Consumers see them as a reader service, not an interruption or an annoyance.

Magazine Ads are Seen as Essential

As part of Starcom’s *Engagement Driver Study*, respondents were asked to pull 10 pages that best reflected the title’s “essence”:

3 of 10
pages pulled were advertisements

Magazine ads are seen as an essential part of magazine content.

Advertising Involvement

Why Magazines Invite Attention and Involvement

Advertising impact is more than just eyeballs, it's about involvement with the consumer.

■ **Magazines feed readers' passions**

Every magazine uniquely connects the advertiser with a consumer audience. There is a magazine for every passion, and a passion for every magazine.



■ **Editorial environments create reader receptivity**

The most important environment of all is what's going on in the consumer's head while reading. Editorial connects in compelling ways, opening minds to advertiser messages.

■ **Reading ensures undivided reader attention**

Reading requires total concentration, leading to better recall of ad messages. When you read it, you get it!



■ **Readers develop a personal relationship with each magazine**

The advertiser inherits a more involved and trusting consumer.

■ **Magazines tell the whole brand story**

Brand benefits are spelled out in greater detail, creating more ways to connect with your target.



■ **73% of readers regularly or sometimes save magazine ads**

The simple act of saving an ad is proof positive of the reader's intense involvement with magazine advertising.

■ **Advertisers understand the power of magazines to drive sales**

Magazines motivate readers. Sales results prove it. Let us show you.

Commercial Avoidance

Technology Makes Ad Avoidance Easier than Ever

Consumers are quickly embracing new personal video recorder (PVR) and smartphone technologies. Media usage studies are providing insights into how technology is making ad avoidance easier than ever before. Studies reveal that consumers are increasingly more difficult to reach with TV advertising:

■ 28% of Canadian Households have PVRs

Over one-quarter of Canadian households use technology to time shift and skip television programs and their advertising.

Source: BBM Canada, June 2011



■ 79% of PVR Owners Skip Ads

Most PVR users, who timeshift programming for later viewing, skip the commercials during playback.

Source: Consumerology Report, The Gandalf Group, Bensimon Byrne, 2010

■ 94% Report Distracted Viewing while Viewing TV

TV viewers report they turn to companion media such as smartphones, computers or video games during advertising breaks. Distraction media is ubiquitous with 94% of TV viewers using some type of companion/distraction media. Of all companion media used, the smartphone accounted for 60% of TV distractions.



Source: When It Comes to Ad Avoidance the DVR Is Not the Problem, AdAge, Brian Monahan, May 24, 2011

■ Viewing Drop off during Commercial Breaks is Significant

Research indicates that the simply act of turning one's head to ignore ads while using companion media, such as Smartphones, has far greater impact than DVR fast-forwarding, resulting in TV ad viewing drop off.

Source: When It Comes to Ad Avoidance the DVR Is Not the Problem, AdAge, Brian Monahan, May 24, 2011

■ 50% of Viewers Look at the TV Screen while Fast-forwarding Ads

When participants use a PVR to fast forward TV ads, nearly half paid attention to the screen during the process. Despite the advantage of eyes on the screen, fast-forwarded ads had much lower recall than non-fast-forwarded ads

Source: When It Comes to Ad Avoidance the DVR Is Not the Problem, AdAge, Brian Monahan, May 24, 2011

Technology is making it easier to avoid advertising either through choosing to fast forward ads or use of distractive communication devices such as smartphones.

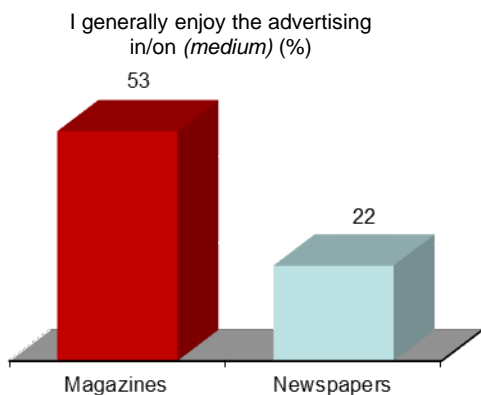
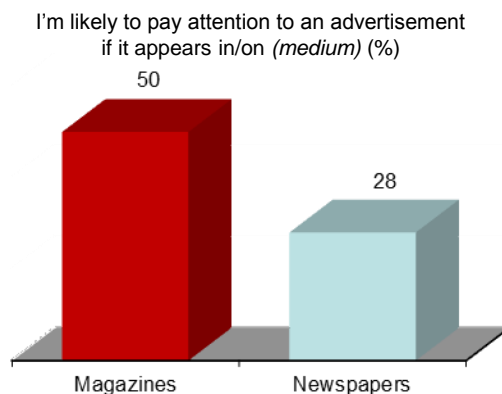
Magazines and Newspapers

Magazine Ads are Noted, Enjoyed and Useful Sources of Ideas

Consumers Pay Nearly Twice the Attention to Magazine Ads

Brands that advertise in magazines benefit from the inherent strengths of the medium. For example, magazine ads demand attention in a big way as readers value ads as a service rather than an interruption or annoyance; an integral and informative part of the editorial mix.

Source: Starch Research



Consumers Enjoy Magazine Ads

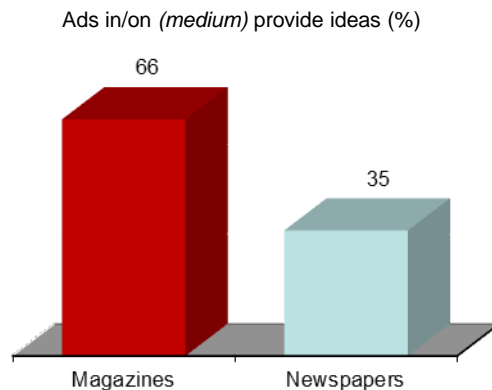
When consumers are asked to name the medium in which they generally enjoy advertising, magazines win by a wide margin. With research continuing to suggest that “brand favourability” is a key metric influencing product/service purchase, advertising enjoyment is a key consideration.

Source: Starch Research

Magazine Ads are a Great Source of Ideas

Magazine advertising helps to focus readers on what brand, product or service to buy. Magazine readers use magazines and their advertising as a source of inspiration, even as a buying guide. In fact, 73% of readers save ad pages for future reference. The simple act of tearing an ad page out of a magazine strongly suggest that there is intent to purchase, or at least to find out more info. The bottom line is that magazines are noticed, inspirational, enjoyed and acted upon.

Source: Starch Research



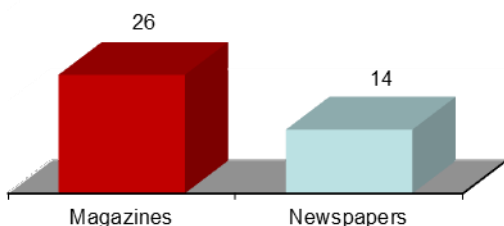
Magazines and Newspapers

Magazine Ads Drive to Web, Online Search and Create Recall

Magazines Drive to Websites and Search

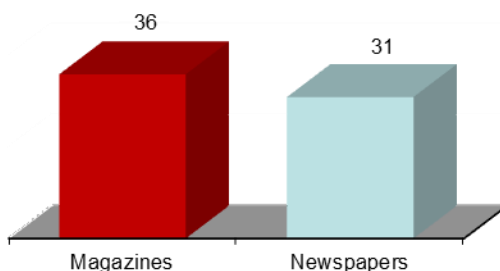
Magazines drive consumers to advertiser websites where they can learn more or purchase the advertised product/service. Magazines are also great at initiating a search. Readers shop magazines to learn what's new and what may be of interest to them; they are often inspired to learn more through search before purchasing a product.

I have gone to a website after seeing an advertisement in/on (medium) (%)



Source: ICOM, American Advertising Federation

Media that trigger online search (%)

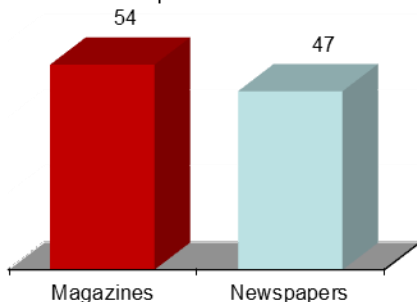


Source: BIGresearch, Simultaneous Media Survey (SIMM 17)

Magazine Ads Encourage Word-of-Mouth Recommendation and Aid Ad Recall

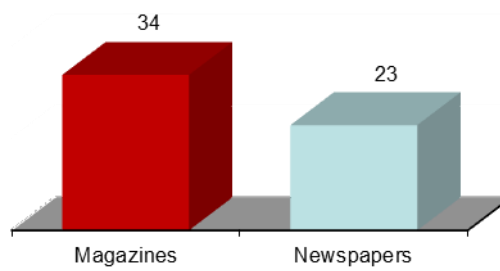
Consumer trust in magazine content and advertising leads to word-of-mouth product recommendation. Readers follow advice that's given, try new things and buy products and services as a result. Studies also show that magazines are particularly adept at creating advertising recall – magazine readers can more successfully name the advertiser of the last advertisement they've seen. In today's cluttered and often cynical advertising landscape, it's good to know that magazine advertising can give you a lift in ad recall and word-of-mouth recommendations.

% agree that (medium) is a leading contributor to word-of-mouth product recommendation



Source: Roper Reports: What Prompts Consumer Word of Mouth

% correctly named last advertisement seen



Source: Magazine Dimensions

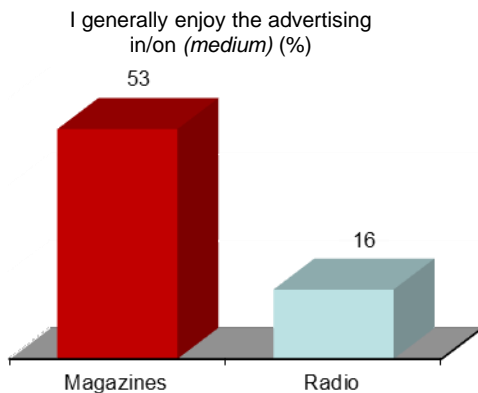
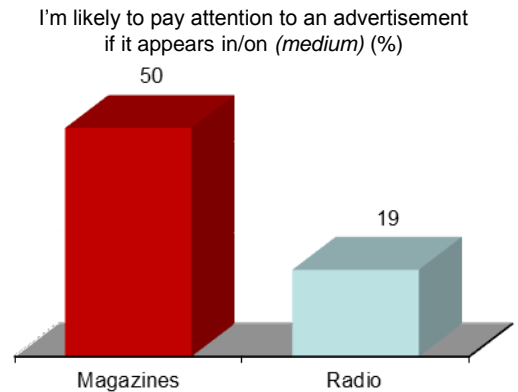
Magazines and Radio

Magazine Ads are Noted, Enjoyed & Useful Sources of Ideas

Consumers Pay More than Twice the Attention to Magazine Ads

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Source: Starch Research



Consumers Enjoy Magazine Ads

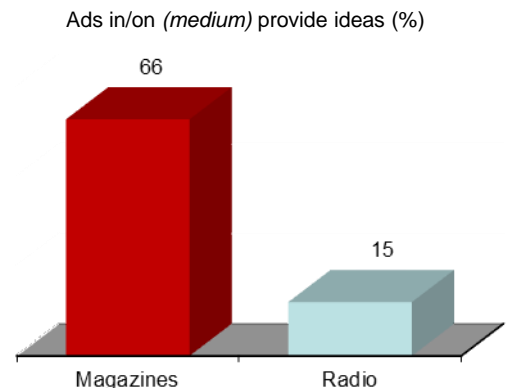
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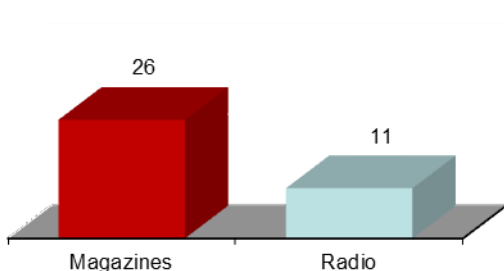
Magazines and Radio

Magazine Ads Drive to Web, Online Search and Create Recall

Magazines Drive to Websites and Search

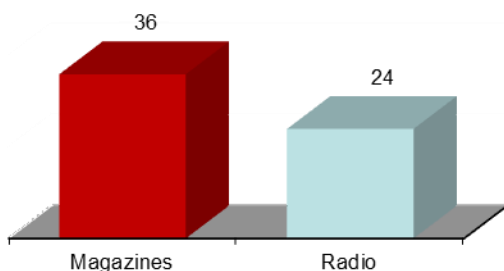
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I have gone to a website after seeing an advertisement in/on (medium) (%)



Source: ICOM, American Advertising Federation

Media that trigger online search (%)

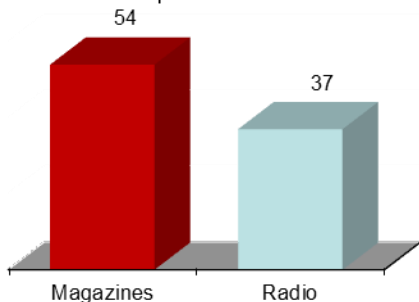


Source: BIGresearch, Simultaneous Media Survey (SIMM 17)

Magazine Ads Encourage Word-of-Mouth Recommendation and Aid Ad Recall

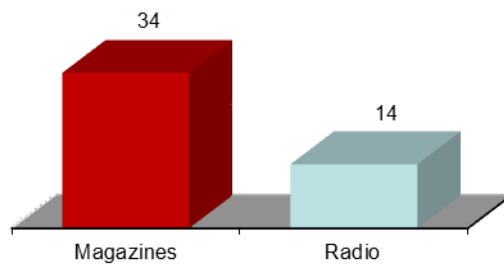
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% agree that (medium) is a leading contributor to word-of-mouth product recommendation



Source: Roper Reports: What Prompts Consumer Word of Mouth

% correctly named last advertisement seen



Source: Magazine Dimensions

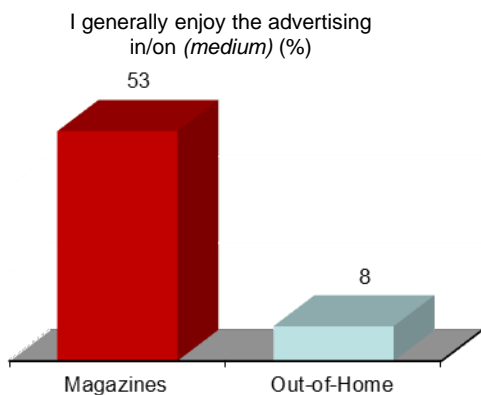
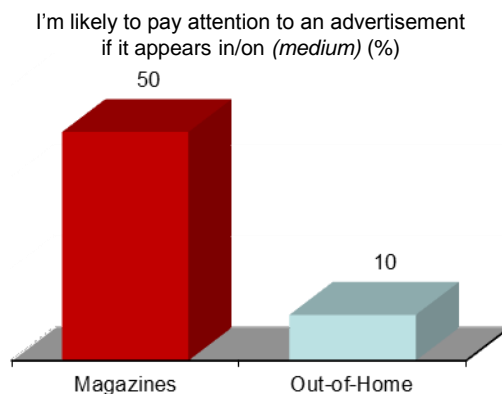
Magazines and Out-of-Home

Magazine Ads are Noted, Enjoyed & Useful Sources of Ideas

Consumers Pay Five Times the Attention to Magazine Ads

Brands that advertise in magazines benefit from the inherent strengths of the medium. For example, magazine ads demand attention in a big way as readers value ads as a service rather than an interruption or annoyance; an integral and informative part of the editorial mix.

Source: Starch Research



Consumers Enjoy Magazine Ads

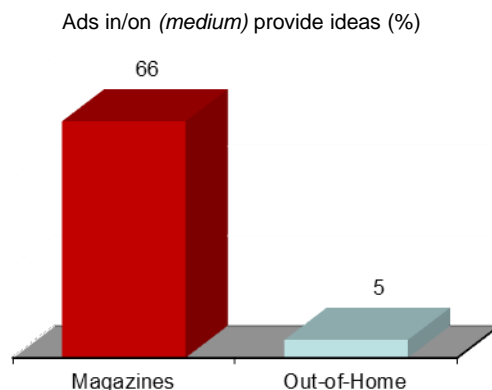
When consumers are asked to name the medium in which they generally enjoy advertising, magazines win by a wide margin. With research continuing to suggest that “brand favourability” is a key metric influencing product/service purchase, advertising enjoyment is a key consideration.

Source: Starch Research

Magazine Ads are a Great Source of Ideas

Magazine advertising helps to focus readers on what brand, product or service to buy. Magazine readers use magazines and their advertising as a source of inspiration, even as a buying guide. In fact, 73% of readers save ad pages for future reference. The simple act of tearing an ad page out of a magazine strongly suggest that there is intent to purchase, or at least to find out more info. The bottom line is that magazines are noticed, inspirational, enjoyed and acted upon.

Source: Starch Research



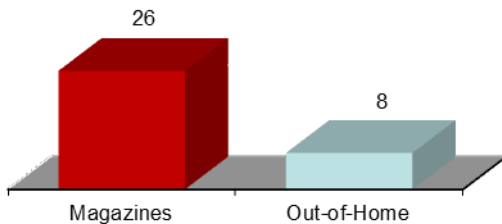
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Magazine Ads Drive to Web, Online Search and Purchase

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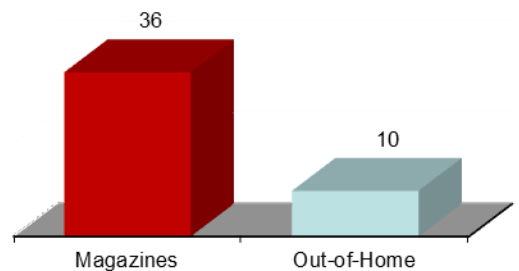
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I have gone to a website after seeing an advertisement in/on (medium) (%)



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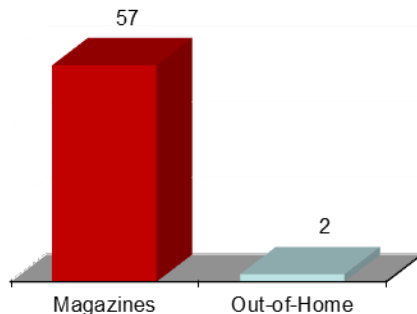


Source: BIGresearch, Simultaneous Media Survey (SIMM 17)

Magazine Ads Contain Important Info and Drive Purchase

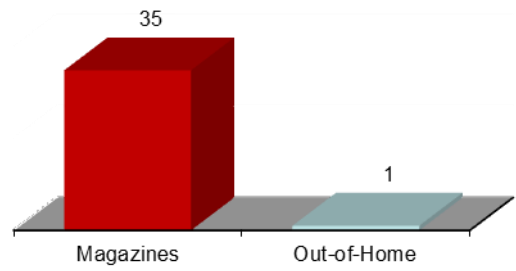
Consumer's look for product details to assist in making an important purchase decision. Magazines excel in providing detail due to the ability to include long copy on the ad page. Plus, readers can spend as much time as they like with that ad to ensure they understand the ad message. Armed with useful, relevant information, magazine readers can make good purchase decisions. In today's cluttered and often cynical advertising landscape, it's good to know that magazine advertising can provide the info needed to help consumers make buying decisions.

Ads in/on (medium) contain important details (%)



Source: Starch Research

I sometimes purchase a product or service as a direct result of the advertising in... (%)



Source: Starch Research

Magazines and Television

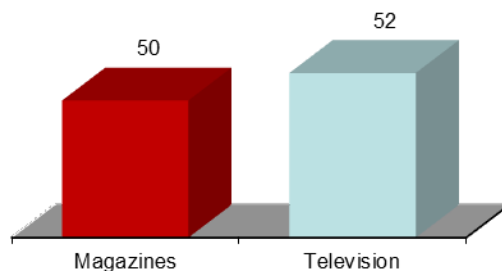
Magazines Are Business Builders

Consumers Pay Nearly Twice the Attention to Magazine Ads

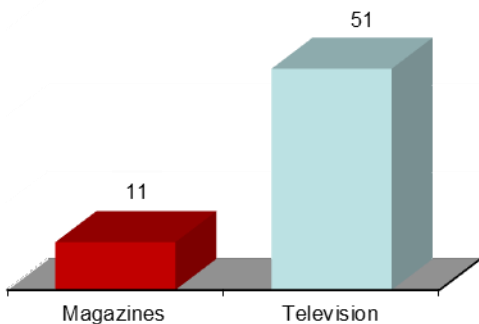
Brands that advertise in magazines benefit from the inherent strengths of the medium. Magazine ads demand attention in a big way as readers value advertising as an integral and informative part of the editorial mix.

Source: Starch Research

I'm likely to pay attention to an advertisement if it appears in/on (medium) (%)



I find advertising in/on (medium) most annoying(%)



Magazine Ads are a Service

Magazine ads are seen as a reader service, not an annoyance or an interruption. Magazine ads are viewed by readers as enjoyable, relevant to their needs and containing useful details about products and services of interest to them.

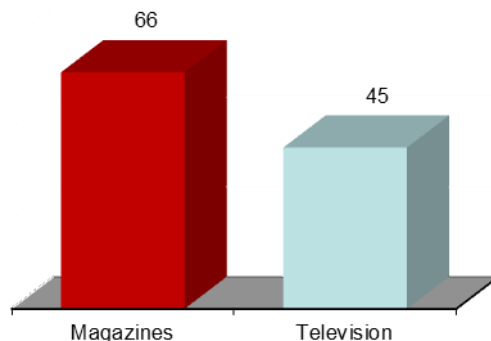
Source: Starch Research

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Source: Starch Research

Ads in/on (medium) provide ideas (%)

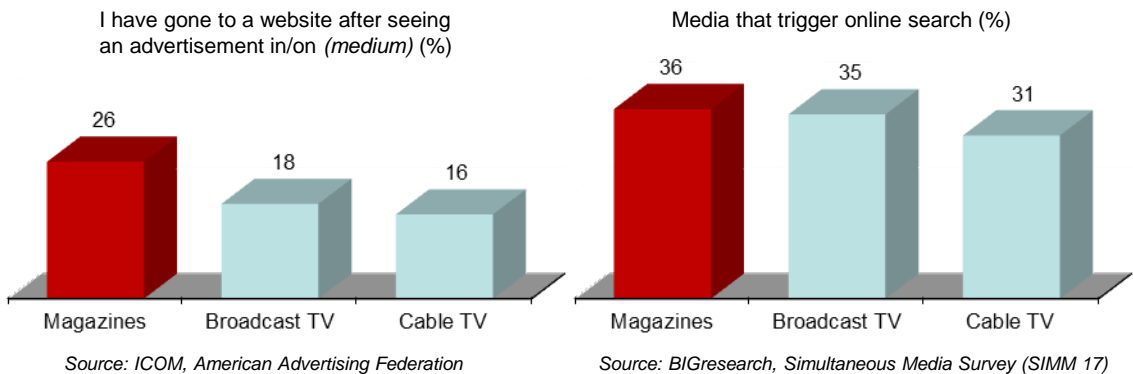


Magazines and Television

Magazine Ads Drive to Web, Online Search and Create Recall

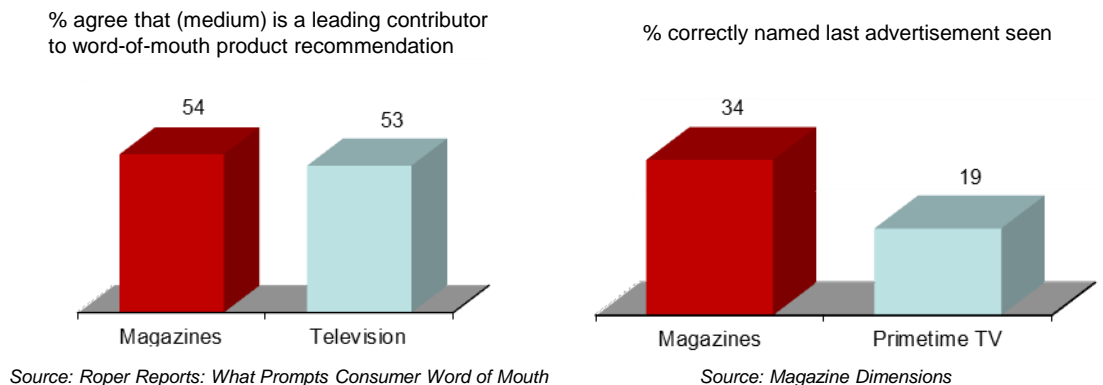
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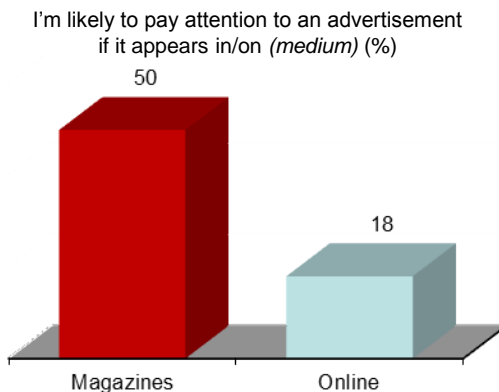
Magazines and Online

Magazines Ads are Noted & Seen as a Service & Source of Ideas

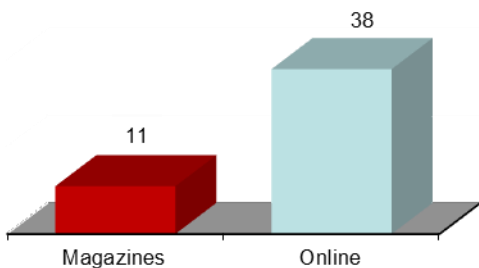
Consumers Pay Nearly Three Times the Attention to Magazine Ads

Brands that advertise in magazines benefit from the inherent strengths of the medium. Magazine ads demand attention in a big way as readers value advertising as an integral and informative part of the editorial mix.

Source: Starch Research



I find advertising in/on (medium) most annoying(%)



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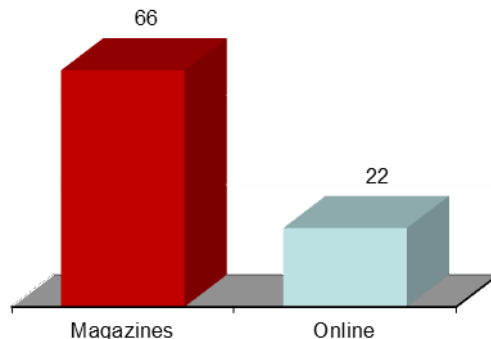
Source: Starch Research

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Source: Starch Research

Ads in/on (medium) provide ideas (%)



Magazines and Online Work Together

Canadians love their magazines, consumer and trade. All 2,000+ of them. They also love the internet. Separately, each medium has its own strengths but together the multiplier effect kicks in to give readers a richer experience. Together, they make things happen for advertisers.

Magazine brands have strong relationships with their readers. Magazine editorial and the resulting reader composition provide advertisers with targeting opportunities that make content and advertising relevant. Plus, readers “shop” their favourite magazines for what’s new and what to buy. Therefore, it’s no surprise that as online search/purchase grows in importance, it’s only natural that magazines are well positioned to play a key role in stimulating consumers’ online behaviour.

Magazines Canada has compiled the latest data showing how the two media are a natural fit, one with the other, to surround most any target audience with a 360° communication program prompting action. [Click here](#) to download.

1. Magazines and their websites drive consumers to search and to the web more than any other media channel.
2. Magazines and online together multiply and increase all-important purchase intent metrics.
3. Magazines are the primary driver of online purchase, more than any other medium.
4. Magazines dramatically strengthen enjoyment of the media mix experience; magazine ads are seen as a service, not an interruption.
5. Magazines noticeably add more helpful brand ideas and details to online communications.
6. Magazines and their websites add needed trust to other online communications.
7. Magazines strengthen online’s connection and engagement with the consumer.
8. Magazines and online together significantly improve consumer attention and relevance to advertising messages.
9. Magazines and online together deliver all age and key upscale income demographics, broadening magazine and web footprints.
10. Magazines and online together deliver against virtually every mass or vertical audience.

Use magazines and online to connect with your target audience.

Source: Magazines Canada, Magazines + Online: More to Love..., 2010.

Ad Effectiveness

The Magazine Page Keeps Working

When you advertise in magazines, you get a whole lot more “bang for your buck” than the numbers might suggest. Tap into the secret life of magazines and let them build your brand equity and your business success.

The Page Keeps Working...

Did you know that when you buy a magazine page, you get a whole lot more than one opportunity for it to be seen? Consider this. The average magazine issue is read over several reading occasions: 3.2 reading occasions per reader. The result is that your ad has the potential to be noticed, read and remembered, time and time again.

Source: Magazine Page Exposure, Audits & Surveys

Average Number of
Magazine
Reading Occasions
Per Issue

3.2 per Reader

And Working...

The story doesn't end there. Unlike most other media, magazine ad pages are frequently clipped and saved for future reference: **73% claim to save magazine ads regularly or sometimes.** This simple act is tangible proof that magazine ads are both read and acted upon.

Frequency	% Agree		
	Newspapers (Index)	Magazines (Index)	TV/Radio (Index)
Regularly	100	336	Not Applicable
Sometimes	100	93	Not Applicable
Top 2 Box	100	174	Not Applicable

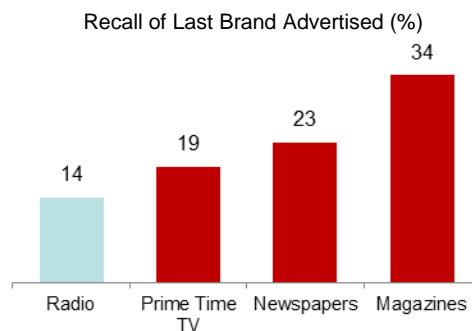
Source: Media Effectiveness Study, Thompson Lightstone

And Working!

When consumers were asked to name the last brand they had seen or heard advertised, it was magazines that came out on top, by a substantial margin. Certainly, the active process of reading plays a big role in this result: *when you read it, you get it.*

The fact is, there can be no doubt that magazine ad pages not only get noticed but remembered.

Put magazines to work for you.



Magazine Effectiveness

Magazines Drive Readers to the Web

Magazine Readers Have an Action Orientation

53% of magazine readers take action on ads, or form more favorable opinions about the advertiser, once exposed to specific magazine advertisements. They recommend products to friends, visit websites, dealers or stores, purchase the advertised product and more.

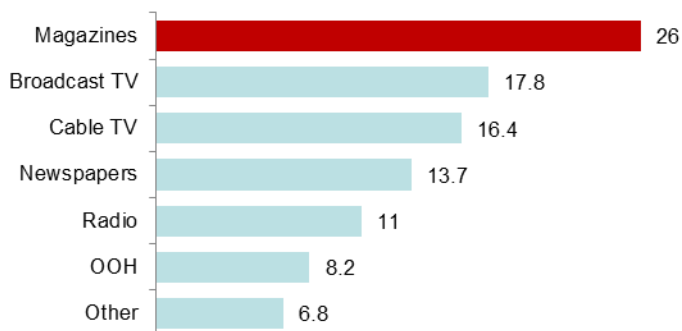
	%
● Consider purchasing the advertised product/service	19
● Have a more favourable opinion about the advertiser	12
● Gather more information about advertised product/service	12
● Visit the advertiser's website	10
● Purchase the advertised product or service	8
● Visit a store, dealer or other location	8
● Save the ad for future reference	6
● Recommend the product/service to a friend, colleague, family	5
Took any action (net)	53%

Source: Affinity Research VISTA Print Tracking Service; Actions taken based on respondents recalling specific ads...

Magazines Drive Readers to the Web

Magazines lead the way in throwing readers to websites to search for additional ideas and info. Readers may easily save ad pages with web URLs for future reference without the need to memorize or write down a web address.

Effectiveness of (medium) driving consumers to the web (%)



Source: ICOM, American Advertising Federation

The Multiplier Effect

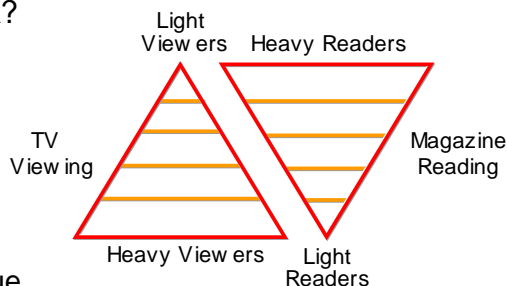
Magazines Mean More Bang for the Buck

Why do so many successful advertisers use a combination of magazines and television? Because it works. The Multiplier Effect is perhaps the most researched media phenomenon on the planet and the results prove its value to advertisers. Why does it work?

Better Targeting

Magazines reach light TV viewers

The two media efficiently complement each other, improving distribution of ad exposures for better net coverage. Plus, magazines deliver hard to reach high value consumers with the financial means to purchase advertised brands.



Target individual consumer interests, not just demos

Go beyond demos. Magazines wrap ads in editorial environments that draw like-minded consumers with common needs and shared interests.

Better Communication

Magazines add depth of information

Magazines communicate beyond 15 or 30 second soundbites. They add detail which can enrich, enhance and complete communication of the whole brand story.

Readers can access ads at their own pace

Ads can be read, re-read and saved for future reference, ensuring that the message is understood. The ad is available when the reader wants it.

Better Results

Allocate 25% to 35% of a TV-only budget for improved results

Dozens of studies, conducted around the world, suggest that campaigns with at least 25% of their spend in magazines result in higher sales results. The targeting and communication synergy of the Multiplier Effect pays-off by building business.

Let us show you how magazines can multiply your sales results.

The Multiplier Effect

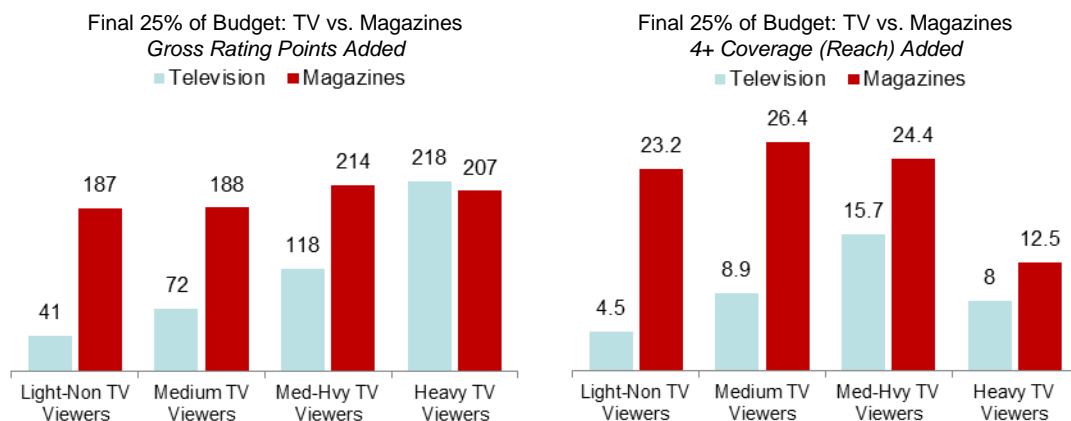
The Addition of Magazines Improves Distribution of Ad Exposures

Adding Magazines Increases Weight and Reach

A landmark study reveals how the addition of magazines to a plan can significantly increase media weight (GRP's) and reach versus TV alone. Here's how the study worked:

- 75% of the media budget was spent on TV weight only
- The remaining 25% of the budget was looked at and compared in two different ways:
 1. Use the last 25% of the budget to buy more TV only
 2. Use the last 25% of the budget to buy magazines instead
- Total budgets were identical across both buys

Results indicate that differences in the two plans were significant despite identical media budgets



Source: KMR-SPC (BARB/TGI fused database, Mercury software)

The remaining 25% of budget, when spent in magazines versus more TV, added:

- 77% additional gross rating points (GRPs) than buying more TV
- 4.5X more GRPs against light/non-TV viewers
- 2.3X more reach

The addition of magazines added significant incremental weight and reach, all for the same budget. **The result is more media bang for the same media buck.**

Multiplier effect benefits don't stop there. The addition of magazines also improves message communication by adding:

- Improved attentiveness
- Improved message involvement
- Improved learning
- Improved message recall
- Improved credibility
- Improved consumer action

Source: The Multiplier Effect: TV + Print Improves Communication, Bild

The Multiplier Effect

Adding Magazines Increases Purchase Intent

Industry research proves, time and time again, the value of a media mix in driving brand success. Dynamic Logic released a cross-media study revealing that magazines, in a media mix, drive purchase intent among those exposed to the ads.

The Study

1. 39 cross-media studies, each using television, the internet and magazines
2. Findings include health & beauty, auto, consumables and household products.

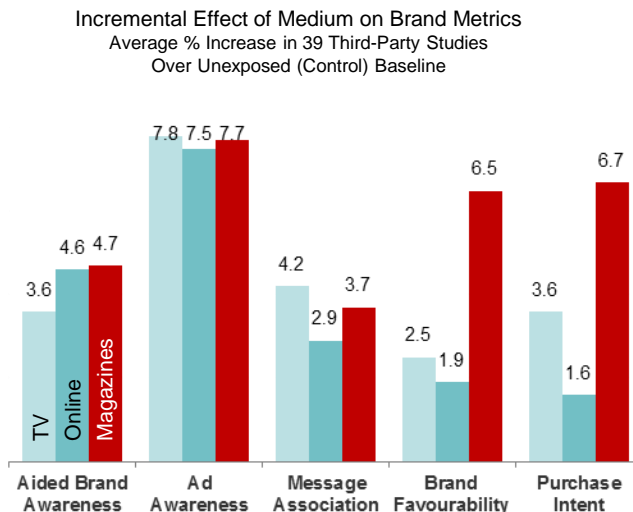
Findings

1. All three media produced similar increases in aided brand awareness as well as ad awareness.
2. Magazines contributed to brand favourability at 2.6 times that of TV.
3. The inclusion of magazines nearly tripled consumer purchase intent. The magazine ads were often found to contain more product information than the TV spots.

Key Learning

Magazines, added to TV and Internet, nearly doubled purchase intent across the 39 studies, a highly significant finding given purchase intent is a difficult measure to move. The study validates the work of academic researcher John Philip Jones (Syracuse University) supporting the sales effectiveness of magazine advertising.

Sources: Dynamic Logic Cross-Media Research Studies, MediaPost



Magazine, Web & TV Synergy

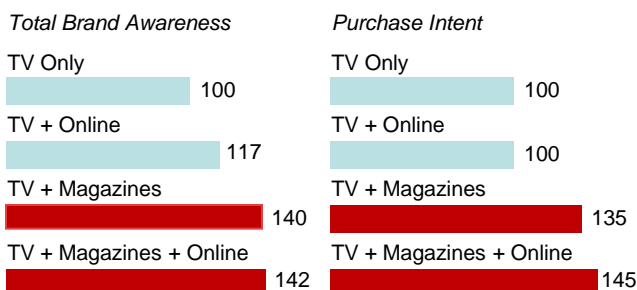
Magazines Are a Key Ingredient in the Media Mix

Magazines Found to Be a Key Ingredient in the Media Mix

The latest research examining how media perform, alone or in a mix, support the important effect of magazines at various stages of the purchase funnel, from brand awareness through to purchase intent.

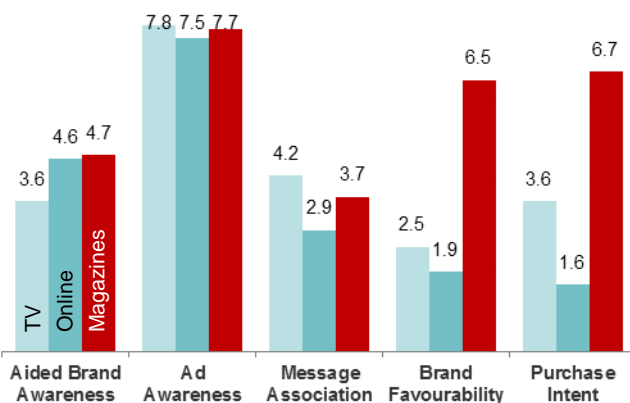
For example, a recent analysis by Marketing Evolution (including 19 studies of the auto, pharma, entertainment, electronics, packaged goods, financial services and retail sectors) reveals that the combinations of Magazines plus TV and Magazines, TV plus Online were more effective across the purchase funnel than either TV alone or the combination of TV and Online. Therefore, magazines proved to be an essential driver of the multiplier effect, optimizing overall media effectiveness and ROI.

Multiplier Effect of Different Media Combinations Index versus TV Alone



Source: *Measuring Media Effectiveness: Comparing Media Contribution Throughout the Purchase Funnel*, Marketing Evolution and MPA.

Incremental Effect of Medium on Brand Metrics Average % Increase in 39 Third-Party Studies Over Unexposed (Control) Baseline



Incremental Media Effects

These results mirror those that *Dynamic Logic* found in earlier work when they looked across categories at how media perform across the purchase funnel.

Overall, they found that magazines, in a media mix that included online and TV, contributed:

- 60% of the total increase in brand favorability (6.5% of a total 10.9% shift)
- 56% of the total increase in purchase intent (6.7% of a total 11.9% shift)

Both studies indicate that magazines help to boost metrics across the purchase funnel, particularly those that are the hardest to impact in a significant way: brand favourability and purchase intent/consideration. Make the connection with magazines.

Focus on Retail

Magazines Raise Retail Purchase Intent for Apparel

Magazine Ads Raise Apparel/Clothing Purchase Intent at Retail

The retail category continues to expand its use of magazines, having increased ad spending by +16% in 2006. Why? Research supports the significant influence that magazine advertising has on retail purchases of apparel and clothing.

Research Shows Consumers Rely on Magazines

Consumers of all ages rely upon magazines for making retail purchase decisions. When looking at major—and diverse—areas within the retail category, BIGresearch data found that magazines were one of the top five purchase influences on 18-44 year-olds for apparel and clothing.

What's more, "new" media methods, such as blogging, which might be expected to be a strong influence on younger consumers, rank in the bottom five of media influences in retail areas that, according to data from BIGresearch.

Apparel/Clothing Purchases: TOP FIVE Media Influences

	% of Teens	% of Age 18-24	% of Age 25-34	% of Age 35-44			
Magazines	34%	Word of Mouth	37%	Word of Mouth	33%	Word of Mouth	30%
Word of Mouth	28%	Magazines	31%	Magazines	26%	Magazines	23%
TV/Broadcast	25%	TV/Broadcast	26%	In-Store Promo	25%	In-Store Promo	23%
Cable TV	17%	In-Store Promo	24%	TV/Broadcast	24%	TV/Broadcast	20%
Internet Advertising	17%	Coupons	18%	Cable TV	14%	Newspaper Inserts	19%

Apparel/Clothing Purchases: BOTTOM FIVE Media Influences

	% of Teens	% of Age 18-24	% of Age 25-34	% of Age 35-44			
Email Advertising	11%	Radio	10%	Radio	6%	Yellow Pages	4%
Newspapers	11%	Instant Messaging	6%	Blogging	3%	Outdoor Billboards	3%
Blogging	7%	Blogging	6%	Instant Messaging	2%	Blogging	2%
Yellow Pages	6%	Yellow Pages	5%	Yellow Pages	2%	Instant Messages	1%
Picture Phone	5%	Picture Phone	5%	Picture Phone	2%	Picture Phone	1%

Make the Retail Connection with Magazines

Source: BIGresearch

Focus on Retail

Magazines Raise Retail Purchase Intent for Electronics

Magazine Ads Raise Electronics Purchase Intent at Retail

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Electronic Purchases: TOP FIVE Media Influences

	% of Teens		% of Age 18-24		% of Age 25-34		% of Age 35-44
Magazines	45%	Word of Mouth	46%	Word of Mouth	47%	Word of Mouth	47%
TV/Broadcast	42%	Magazines	40%	Read Article	39%	Read Article	42%
Internet Advertising	41%	Read Article	39%	Magazines	34%	Magazines	34%
Word of Mouth	40%	Internet Advertising	37%	TV/Broadcast	31%	Internet Advertising	27%
Cable TV	31%	TV/Broadcast	37%	Internet Advertising	29%	In-Store Promo	25%

Electronic Purchases: BOTTOM FIVE Media Influences

	% of Teens		% of Age 18-24		% of Age 25-34		% of Age 35-44
Newspaper Inserts	19%	Instant Messaging	13%	Outdoor Billboards	6%	Yellow Pages	6%
Outdoor Billboards	19%	Outdoor Billboards	12%	Blogging	6%	Blogging	5%
Blogging	13%	Blogging	10%	Instant Messaging	6%	Outdoor Billboards	4%
Picture Phone	13%	Yellow Pages	8%	Yellow Pages	5%	Instant Messaging	2%
Yellow Pages	11%	Picture Phone	7%	Picture Phone	3%	Picture Phone	2%

Make the Retail Connection with Magazines

Source: BIGresearch

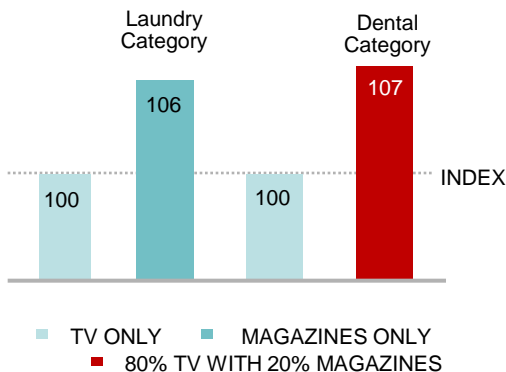
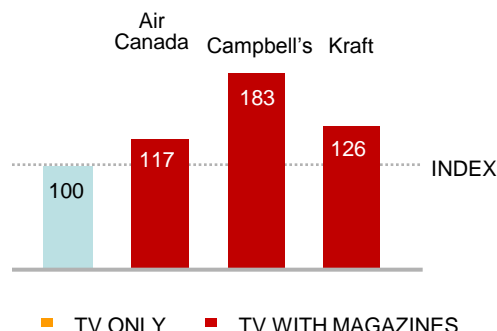
Focus on the Bottom Line

First-Hand Proof that Magazines Drive Sales

Canadian magazines deliver...Canadian research proves it. Kraft, Campbell's, Air Canada, Procter & Gamble and, most recently, Unilever have conducted studies that demonstrate that magazines deliver results, alone or in combination with television.

Study #1 : Campbell's / Kraft / Air Canada

- Lab test - personal interview (mall intercept)
- Measured actual change in main message communication of TV ads, with and without exposure to corresponding magazine ads.
- *Result:* Communication of main message increased significantly when magazines were added to the advertising mix.

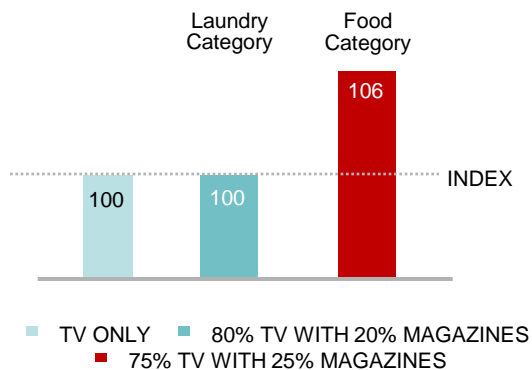


Study #2 : Procter & Gamble Canada

- Live market test conducted by AC Nielsen "Market Place Analytics".
- Measured actual change in brand volume, in response to media input, all other factors held constant.
- Equivalent spending was maintained in test and control markets.
- *Result:* Significant volume increases were realized in two of three tests. P&G increased magazine spend from 5% to 29% of total ad spend post-test.

Study #3 : Unilever Canada

- Live market test conducted by AC Nielsen "Market Place Analytics".
- Measured actual change in brand volume, in response to media input, all other factors held constant.
- Equivalent spending was maintained in test and control markets.
- *Result:* Both tests regarded as positive given incremental reach, increased exposure among lighter TV viewers and previously documented benefits of the Multiplier Effect.



Advertising in a Recession Economy

Tough Economy? Global Unrest? Keep advertising to win in the end

Understanding consumer concerns is key to surviving economic downturns

Accurate information and sensitivity to customer needs result in marketing programs that attract business. Because consumers change their behaviour more quickly in a recession or in times of global unrest, businesses need to be more vigilant about customer behavior.

Consumers want more information, not less

In times of uncertainty, consumers are careful and a little reluctant to spend. They want to be sure before they buy. They want even more information!

Businesses that maintain advertising in an economic slump fare better in sales — and profits — both during and after a slump

Research proves it: companies that reduce advertising in downturns lose ground to their competitors. The best way to overcome revenue loss from a recession is to gain new customers and increase market share through advertising.

Cutting back disadvantages you at a time when you most need an edge

Whether business is bad or good, you have to get your share of available business. Instead of increasing profits, advertising cutbacks only reduce demand for your products and prolong recessionary effects on your business.

Most down periods are shorter than expected

The history of every post-war recession is that it didn't last as long as predicted. Why gamble your market position for short-term gain?

Watch your competitors

Be very aware of your competitors' activities. If your competitor continues to advertise, be equally aggressive. People only have so many dollars to spend and if they don't spend them on what you sell, they'll spend them elsewhere.

Consider lead times

Some products are bought on impulse or to meet immediate needs. But most purchases can be postponed. The advertising you do, or don't do, will have effect years from now.

Advertising works cumulatively

Consumers don't read all of your ads. Advertising just doesn't work that way. To be most effective, advertising must have continuity to keep your brand name top-of-mind.

Magazine Effectiveness

Focus on Return on Investment (ROI)

ROI grows when magazines are included in the media mix ...

A recent study of 186 brands over a seven-year period showed that:

- Magazine advertising produced a higher return on investment than other media studied, second only to trade promotion.
- Magazine advertising improved the return on investment of both trade promotion and TV advertising.
- Scheduling magazines and TV together improved the return on investment for both media.
- These results were consistent regardless of brands' budgets, longevity, category rank or seasonality. And, these results were consistent with findings from other studies.

Source: Measuring the Mix, a multi-media accountability research study.

...because more consumers report that they “often purchase a product as a direct result of magazine advertising.”

- Consumers trust and believe the advertising in magazines more than in other media.
- Consumers state that magazines are the medium that is most tailored to their interests and provides the most relevant information.
- Consumers are more likely to pay attention to advertising in their favourite magazines than on their favourite TV shows or websites.
- Consumers don't find magazine advertising “annoying” compared to advertising in or on other media.

Source: Media Choices, a multi-media study focusing on consumers' relationships with media and the impact of those relationships.

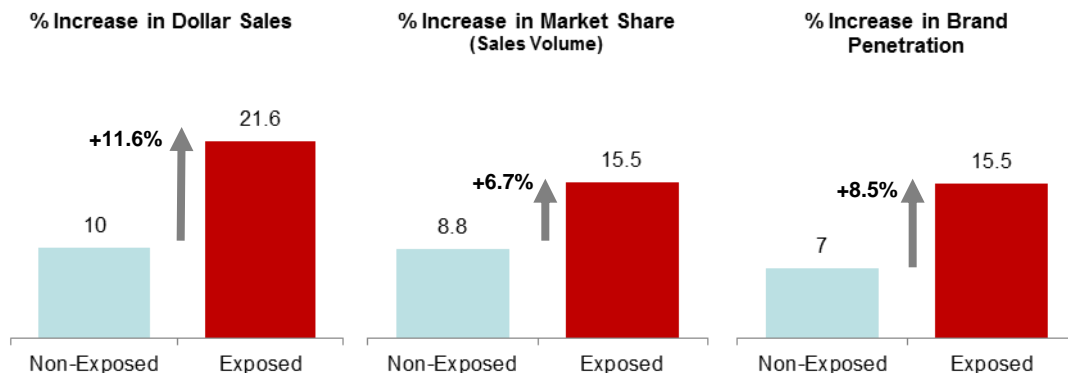
Focus on ROI

Return to Spender

Sales effect and return on investment (ROI) remain the end game for all advertisers: Does the campaign work? Is it efficient? Does it broaden the customer base long term?

Results from a long term research study, across twenty brands, demonstrated that magazine advertising produced positive results versus a control group:

- ↑ an average +11.6% lift in dollar sales
- ↑ an average +18.1% lift in sales volume
- ↑ an average +6.7% lift in market share (dollar sales)
- ↑ an average +8.6% lift in market share (sales volume)
- ↑ an extra +8.5% in brand penetration
- ↑ an impressive 12-month return on investment of \$2.77



Across all 20 brands, there was an average dollar sales increase of 10% among those not exposed to magazines – the increase being due to activities other than magazine advertising. However among those exposed to magazines, the sales increase was 21.6%, an 11.6% increase in dollar sales.

Similarly, there were increases in market share when magazine advertising was used. Share of dollar sales increased 6.7% whereas share of volume sales was up 8.6%.

Importantly, magazine advertising attracted new customers to the brands. Across the 20 brands, brand penetration rose by 7% in the campaign period among those not exposed to magazines, but rose by 15.5% among those who had seen the magazine ads – up 8.5%

Return on Investment (ROI) – Incremental sales generated while the magazine advertising was running, across all 20 brands, averaged an ROI of \$1.79. However, the effect of advertising lasted far beyond the campaign period as proven by an ROI of \$2.77 (that is, additional sales of \$2.77 for every \$1 spent on magazine advertising) 12 months after the start of the campaign. This more realistic assessment takes into account repeat purchases by those buyers who were persuaded by the magazine advertising to buy the product during the campaign.

Focus on ROI

How Magazines Measure Up

A study from Hudson River Group and the MPA studied media mix dynamics for 300 case studies across three advertising categories, measuring (ROI) and media efficiency, relating percent of spending in each medium to incremental volume.

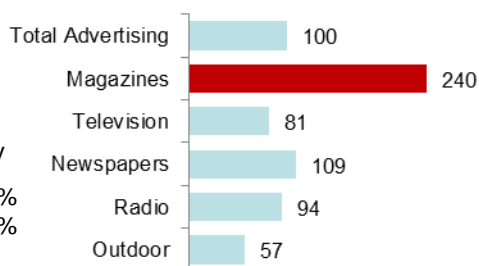
Financial Services

- Includes debit & credit cards & deposits
- Magazine ROI was more than double that of the total industry, and the next highest medium.

Efficiency Index (12 cases)	Magazines	TV
Percent Ad Budget	17%	76%
Share of Incremental Volume*	30%	51%
Efficiency Index	176	67

* Incremental volume from each medium as a percent of incremental volume from all advertising.

Financial Services ROI Index (18 Case Studies)



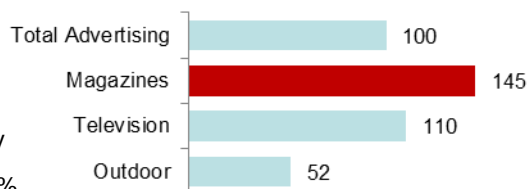
Personal Care Products

- Includes shampoos, conditioners, moisturizers and toothpaste
- Magazine ROI was 45% greater than the category average

Efficiency Index (67 cases)	Magazines	TV
Percent Ad Budget	9%	90%
Share of Incremental Volume*	28%	71%
Efficiency Index	311	79

* Incremental volume from each medium as a percent of incremental volume from all advertising.

Personal Care ROI Index (242 Case Studies)



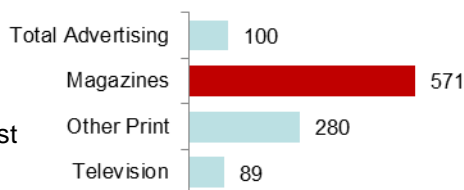
OTC/Healthcare Products

- Includes non-prescription pain relievers, vitamins, nutritional supplements and energy drinks/bars
- Magazine ROI was more than 5 times that of all advertising and twice that of the nearest competitor

Efficiency Index (24 cases)	Magazines	TV
Percent Ad Budget	9%	83%
Share of Incremental Volume*	40%	60%
Efficiency Index	444	72

* Incremental volume from each medium as a percent of incremental volume from all advertising.

OTC/Healthcare ROI Index (42 Case Studies)



Across 300 case studies, magazines proved to be the most efficient of the media measured in generating bang for the media buck, offering advertisers an opportunity to increase ROI.

Comparing Bang for the Buck

Per cent Reach & GRPs – Magazines vs. TV

Since PMB's adoption of recent reading methodology, little comparative research has been done to benchmark magazine GRP and reach delivery versus other media. Such comparisons are useful to determine how to achieve the greatest media impact, dollar for dollar. So, we put magazines to the toughest test, choosing the broadest of demographics, 25-54, that would characterize a typical TV buy. With the help of *PHD Canada*, a methodology was developed that any BBM-based agency could easily replicate. This is how the results stack up.

Demographic: A25-54

Reach delivery across seven spend levels indicates little difference between the two media although a magazine advantage was evident in the lower ranges. Magazine GRP delivery outperforms TV across all expenditure levels, ranging from 48% to 83% higher than TV GRPs, depending on the spend level:

	Media Expenditure Levels (\$000)						
	\$175	\$295	\$415	\$530	\$765	\$1,005	\$1,535
Reach - Magazines	70%	78%	82%	85%	89%	91%	93%
- TV	59%	72%	80%	85%	90%	92%	97%
GRPs - Magazines	215	365	500	625	890	1105	1542
- TV	120	200	280	360	520	680	1040
- Mag/TV Index	179	183	179	174	171	163	148

Demographic: M25-54

Reach delivery proved to be a little higher for TV across higher spend levels. However, magazine GRPs ranged from 19% to 75% higher than TV GRPs, depending on the spend level:

	Media Expenditure Levels (\$000)						
	\$170	\$280	\$395	\$505	\$730	\$1,010	\$1,515
Reach - Magazines	66%	74%	78%	81%	85%	87%	91%
- TV	61%	75%	83%	86%	92%	96%	99%
GRPs - Magazines	210	305	440	555	750	965	1290
- TV	120	200	280	360	520	720	1080
- Mag/TV Index	175	153	158	154	144	134	119

Demographic: W25-54

Magazine reach solidly outperformed TV across all measured spend levels, as did magazine GRPs, having generated between 65% and 89% higher GRPs than TV:

	Media Expenditure Levels (\$000)						
	\$165	\$275	\$380	\$490	\$765	\$1,035	\$1,525
Reach - Magazines	76%	84%	88%	90%	94%	95%	97%
- TV	58%	69%	78%	83%	88%	91%	95%
GRPs - Magazines	227	345	485	655	975	1330	1845
- TV	120	200	280	360	560	760	1120
- Mag/TV Index	189	173	173	182	174	175	165

Conclusion

Magazines can be counted on to deliver high campaign reach and the highest of GRP tonnage against the broadest of demographic targets. What's more, the numbers only get better, in favour of magazines, when income screens are added. While old perceptions die hard, the numbers support a new reality.

Dollar for dollar, magazines deliver more bang for the media buck.

For those brands struggling to make TV work with budgets that don't go as far as they used to, or for those looking to increase bang for the media buck (and who isn't!), we invite you to put magazines to work for you.

Driving Purchase Intent

Magazines: The Medium of Action



In this age of accountability, marketers are making the shift from reach-based marketing to effectiveness-based marketing. That means media planners are approaching media differently, particularly in today's economic environment when budget cuts are forcing hard choices about which media will produce the best outcomes.

Reach-based planning focuses on the maximum number of eyeballs at the lowest cost which some are now calling "old thinking". However, effectiveness-based marketers are more focused on outcomes, based on their objectives and the cost to achieve them. In other words, how do you drive purchase intent for the lowest cost?

Magazines Drive Outcomes

The good news for magazines is research shows that magazines are "the medium of action". Effectiveness-based planning is driven by cost-per-impact: the cost to get one person to act in response to the advertising. Effectiveness-based marketers look beyond awareness as a marketing goal by driving purchase intent and doing it at the lowest cost.

Creating Awareness

A leading accountability researcher, *Marketing Evolution*, studied the cost of driving brand awareness. Research found that TV drives awareness most efficiently costing, on average, \$.98 cents for every person whose awareness of a brand increased. Magazines also performed extremely well costing \$1.08, just a 10% difference. Online contributed to awareness but at a more distant \$1.97. If awareness is the over-riding objective, marketers would be well-served to use TV with magazines in an important supporting role.

	Cost/Impact	Index
Television	\$.98	100
Magazines	\$1.08	110
Online	\$1.97	201

Driving Purchase Intent

When purchase intent becomes the marketing objective, the roles reverse: magazines play a starring role, with TV in the background. On average, it costs just \$1.23 per person whose purchase intent shifted due to magazine ads, compared to \$1.77 for TV (144 index) and \$2.61 for online (212 index). In fact, the cost to get one person to want to buy your brand via magazine advertising is not much more than it is to generate awareness of your brand.

	Cost/Impact	Index
Magazines	\$1.23	100
Television	\$1.77	144
Online	\$2.61	212

Consistent Findings



Time and time again, third-party research proves that magazines work hardest at driving purchase intent, both as a stand alone medium or in a media mix with television and/or the Internet. The *Marketing Evolution* study is additional proof that magazines drive action at the bottom of the purchase funnel. Magazines deliver purchase intent at a superior return on investment. Make the connection with magazines!

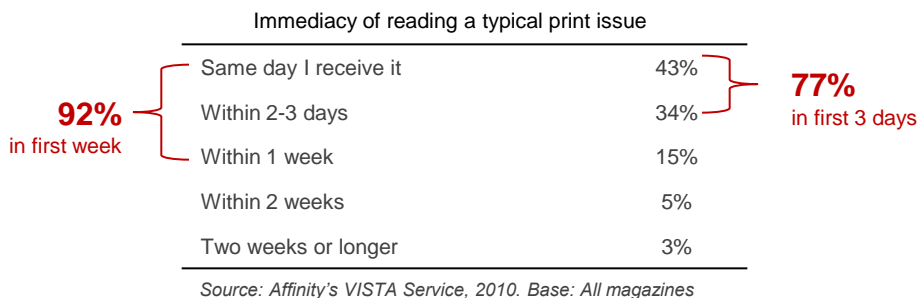
Source: *Magazines: The Medium of Action in a Slow-Moving Economy*, Publishing Executive, by Ellen Oppenheim, May 09

Immediacy of Reader Action

Readers Act Immediately upon Ad Impact

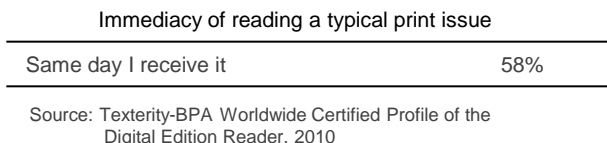
Immediacy of Reading a Typical Print Issue

Readers typically begin reading their print issue within days of receipt providing rapid opportunity of market response:



Immediacy of Reading a Typical Digital Magazine Issue

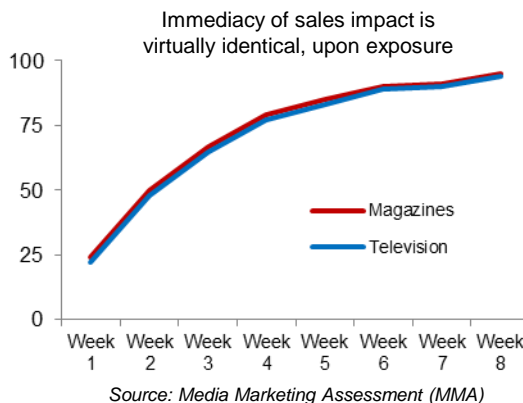
Digital readers are slightly more likely to begin reading a digital edition immediately upon receipt:



Magazine Readers Act Immediately upon Ad Impact

Magazine readers and television viewers act upon ad messages in very similar ways. Research suggests that the immediacy of sales impact is virtually identical with product sales attributable to each medium occurring at the same speed.

The speed with which readers begin reading their favourite magazines, coupled with immediacy of action (sales impact), delivers rapid in-market impact.



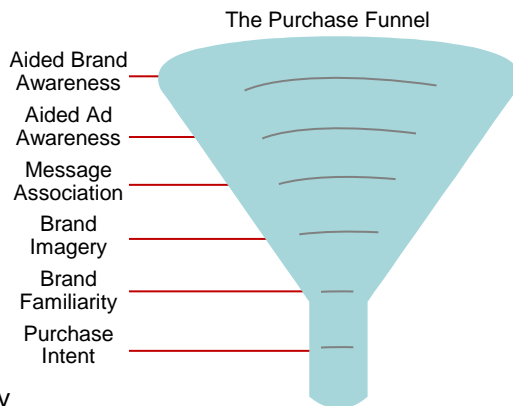
Magazine Effectiveness

Revving Up Auto Sales

The launch of the Jeep Compass was studied to measure the effectiveness of its integrated media campaign (magazines, TV and online) across each stage of the purchase funnel from brand awareness through to purchase intent.

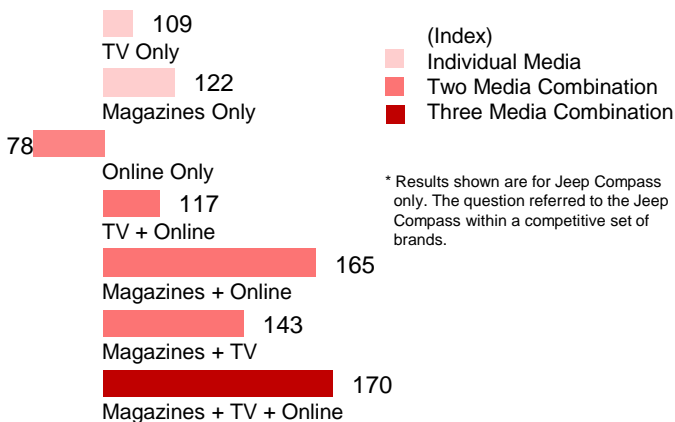
Overall Conclusions

- The Jeep Compass advertising plan produced positive results, raising brand metrics at each stage of the purchase funnel, including brand awareness, advertising awareness, message association, brand favorability and purchase consideration.
- The combination of all three media generally yielded the greatest impact although magazines plus online and magazines plus TV generated nearly the same (or sometimes greater) results as the combination of all three media.
- Magazines alone or magazines working synergistically with other media, usually online, most consistently yielded positive results across the purchase funnel.
- The higher the number of exposures to magazines, the better the results were when looking at magazines in isolation or magazines plus TV plus online.
- Magazines alone or magazines plus online demonstrated the best cost efficiency at all stages of the purchase funnel.



Purchase Consideration

Based on the question: The next time you are looking to buy or lease a new vehicle, how likely are you to consider the following small/compact SUVs?*



* Results shown are for Jeep Compass only. The question referred to the Jeep Compass within a competitive set of brands.

Source: Dynamic Logic, 2007

Findings indicate that magazines, alone or in combination with other media, drove purchase consideration, one of the most important metrics in the purchase funnel, more than any other measured medium.

Cost Efficiency

The study examined the efficiency of each medium and combination of media for each stage of the purchase funnel. The key finding was that magazines in isolation, or magazines in combination with TV, online or both, were the most efficient of all media in driving purchase intent.

Magazine Effectiveness

The Remedy for OTC Success

Magazines are advertising therapy for OTC brands. Three studies provide compelling evidence of treatments for the ongoing health of OTC advertisers.

Magazines provide the environment and context for delivering useful and believable information to OTC consumers.

The **most useful** nonprescription drug ads appear...

In magazines	53%
On television	18
On the internet	9
In newspapers	6
On the radio	1
On outdoor billboards	0
None of these	12

The **most believable** nonprescription drug ads appear...

In magazines	35%
On television	19
On the internet	7
In newspapers	6
On the radio	2
On outdoor billboards	0
None of these	32

Source: Affinity Research – VISTA Print Effectiveness Rating Service, 2005

Magazines deliver a consumer predisposed to gathering and acting on information regarding their health. They are much more likely than the average adult 18+ to be:

- Engaged with ads** - They read the fine print and use ads to speak knowledgeably with their doctor
- Influential** - They influence friends regarding healthcare
- Proactive** - They research treatments, look for info and often discuss treatments with their doctor
- Brand loyal** - They like to see a company name in ads and pay more for branded products

When asked statements about attitudes and behaviours connected with healthcare, adults 18+ who are heavy magazine readers, “agree a lot” with the following:

I research treatment options and then ask my doctor	128
I'm influential about healthcare/pharmaceuticals with friends	127
I feel good when I see/hear the name of a pharmaceutical company in ads	127
I look for health information so that I can choose from different treatments	125
I read the small print in magazine/paper pharmaceutical ads	122
I am comfortable registering on a website that offers useful info	122
I carefully examine the ingredient list on over-the-counter medications	120
I request drug samples from my doctor	120
It's worth paying more for branded medications	120

Source: MARS 2005 OTC/DTC Study

Magazines are proven to be an efficient antidote, boosting OTC sales and ROI:

OTC/Healthcare ROI Index (42 Cases)		Efficiency Index (24 cases)	Magazines	TV
Total Advertising	100	Percent Ad Budget	9%	83%
Magazines	571	Share of Incremental Volume	40%	60%
Television	89	Efficiency Index	444	72

Incremental volume from each medium as a percent of incremental volume from all advertising.

Source: How Media Measure Up: Financial Services, Personal Care Products, and OTC/Healthcare Products; Hudson River Group & MPA

These studies show why magazines are good medicine for OTC brands looking for a believable media environment, an engaged and influential consumer and the ability to deliver the message with high efficiency and ROI. It's just what the doctor ordered.

Reader Engagement

Engagement = Emotional Connection

Magazines are all about Engaging the Consumer

ARF, the Advertising Research Foundation, recently agreed upon an official definition of “engagement”:

“Engagement is ‘turning on’ a prospect to a brand idea enhanced by the surrounding context”

This definition accurately describes the relationship that magazines have with their readers. Targeted editorial and advertising packages provide an engaging environment that “turns on” magazine readers resulting in a high intent to purchase the products and services they see advertised. Every minute spent with a magazine is prime time.

Magazine Readers are Emotionally Engaged

When consumers talk about the magazines they read, it is clear that they are passionately and emotionally engaged. A recent study by Northwestern University identified the top experiences that readers feel:

- “It is never boring to read an issue”
- “The magazine stimulates my thinking about things”
- “It’s an escape”
- “When I read this magazine, I lose myself in the pleasure of reading it”
- “It is an avenue to learning about new products”
- “I trust it to tell the truth”
- “Ads in this magazine says something about the brand being advertised”
- “I like the ads as much as articles”

Make the Connection with Magazines

Reader Engagement

The Simmons Engagement Study

Magazines Win Across All Engagement Dimensions

New cross-media research demonstrates that magazines score significantly higher than TV and the internet in generating advertising receptivity as well as all five of the other key engagement measures: Inspirational, Trustworthy, Life-Enhancing, Social Involvement and Personal Timeout.

Consumers Are Most Receptive to Magazine Advertising

The “Engagement Study” provides advertisers with valuable new consumer insight into the relationship that consumers have with advertising, not just the medium itself. The study required consumers to score each engagement dimension, by medium, on a 5-point scale with “5” representing “most engaged” and “1” representing “least engaged.” Each score was then multiplied by a factor of 100 so scores ranged between 100 to 500, with 500 representing the highest possible score.

Engagement Dimensions Measured Across Media Channels

	Magazines	Television	Internet
Inspirational	270	250	230
Trustworthy	318	268	309
Life-Enhancing	302	214	283
Social Interaction	302	268	284
Personal Timeout	305	296	257
Ad Receptivity	287	210	239

Source: Simmons Multi-Media Engagement Study, Q1 Wave Release February 2007

Magazines Rank Highest in All Engagement Dimensions

Across all six engagement dimensions, magazines score significantly ahead of both television and the Internet:

- **Inspirational:** “I am inspired by this program, magazine or website”; “I have an emotional connection to this program, magazine or website.”
- **Trustworthy:** “I trust that this program, magazine or website tells the truth and does not sensationalize things. I also feel safe giving this website my personal info.”
- **Life-Enhancing:** “I am always learning about new things and places from this program, magazine or website, things that help me make better decisions in my life.”
- **Social Involvement:** “This program, magazine or website constantly provides fodder for conversations that I have with friends and family.”
- **Personal Timeout:** “This program, magazine or website is special to me—the time I spend with this media element is enjoyable and considered time just for me.”
- **Ad Attention/Receptivity:** “I am open to viewing/reading advertising on this program, magazine or website because it is interesting and relevant to me.”

Source: Simmons Engagement Study, taken from MPA SalesEdge - March 26, 2007

Reader Engagement

How Magazines Connect: Part 1

- **Magazines are the most personal of media**
Magazines speak to readers in unique, personal ways. Every reader has a repertoire of magazines and a different relationship with each: There is a magazine for every passion, and a passion for every magazine. Each title is a personal oasis of engagement.
- **Magazine readers self-select, matching the magazine to the mood**
Selecting a magazine to suit the mood ensures that the issue is read in an appropriate frame of mind. Both the editorial and the advertisements are absorbed while the reader is in a relevant, receptive mood, guaranteeing maximum opportunity for impact.
- **Magazines are all about the reader, feeding their individual needs**
Editors spend their lives studying and understanding their readers' needs and passions – what they really want. This acclaimed editorial expertise in a chosen field ensures the advertiser inherits a more involved consumer.
- **Magazines are a study in relevance**
Magazines deliver the information consumers need to deal with the day-to-day as well as closely held aspirations. From the most ordinary to the most inspirational, magazines deliver relevant solutions with every issue.
- **Magazine readers don't want to miss a single issue**
Typically, 80%-plus of readers subscribe to their favourite titles to ensure they don't miss a single issue. It's a sure sign that readers value the time they spend with magazines.
- **Magazine brands create distinct communities**
Every magazine uniquely connects to a community of like-minded consumers, one reader at a time. This sharing of passions with others in the broader community makes the reader connection particularly powerful.
- **Editorial environments invite reader receptivity**
The environment between the reader's ears at the time of reading is just as important as the editorial environment itself. Editorial connects in compelling ways, opening minds to advertiser messages, providing a frame-of-reference that extends to the advertising.
- **Magazine reading ensures undivided reader attention**
Reading requires total concentration, leading to better recall of ad messages. Magazine reading is always at the forefront of activities. It can't be background, like other media, so it's the least multi-tasked of all. Total attention means, "When you read it, you get it!"

Continued...

Reader Engagement

How Magazines Connect: Part 2

- **Magazines tell the whole brand story**

The magazine format offers a message that may be read and re-read at the reader's own pace. Plus, the fullness of the page allows brand benefits to be spelled out in detail. The result: Magazines provide the time and space to connect.
- **Communication is virtually instantaneous**

Magazine advertisements can quickly communicate the brand name, the brand logo and key strategic benefits, all in half the time it takes to read this sentence. In today's time-compressed world, magazines provide a timely communication solution.
- **Magazine advertising is integral to the magazine package**

Readers view advertising as essential – a majority of readers agree. Ads are seen as informational, not an interruption. They complement a magazine's ability to communicate what's new and important.
- **73% of magazine readers regularly or sometimes save magazine ads**

The simple act of saving an ad is proof positive of the reader's intense involvement with magazine advertising. The advertisement becomes the focal point for both a new idea and a brand purchase.
- **Magazine advertising is highly persuasive**

Magazines, added to TV and internet, nearly double purchase intent, a highly significant finding given purchase intent is a difficult measure to move.
- **Magazines deliver volume sales, as a stand alone medium or in a mix**

Research studies from Canada and around the world consistently prove sales effectiveness. Advertisers have been proving this connection to themselves. That's why a who's who of blue-chip advertisers are increasing participation in magazines.
- **Magazine growth leads major media by a factor of 2:1**

Over the last five years Magazine ad revenue growth has out-paced the industry, having expanded at twice the rate of other major media. These increases are driven by increased page sales rather than inflationary pressures.
- **Magazines are #1 in ROI**

Accountability research demonstrates that magazines are undervalued in the media mix. Studies from Canada and around the world prove that, dollar-for-dollar, magazines deliver more bang for the media buck. Magazine advertising efficiently motivates readers to buy. Let us show you how.

Continued...

Reader Engagement

How Magazines Connect: Summary

Connecting the Power of Passion to Performance

Magazines Engage

In an era of media clutter and overload, engaging consumers has become a core challenge for advertisers trying to forge a closer relationship with their target audience. It's harder than ever to capture consumer attention, so a medium must bond with its customers' needs and passions; to earn and sustain active engagement. More and more, consumer engagement is at the core of today's marketing and media strategies.

Magazines are well known for their ability to connect and engage with readers in powerful ways. At the heart of this power is the passion that readers bring to their favourite titles, a connection that translates into advertising performance.

The Bottom-line Advantage

- Consumers are drawn to magazines by their interests and passions in varied topics ranging from news to sports, fashion to travel, or simply the desire for a great read.
- They come with a purpose: to learn, to relax or to get lost in a world of interest.
- They select their titles to match the mood of the moment, entering a world in which they feel comfortable, reading both editorial and advertising with equal interest.
- Ads are not an interruption but rather a window to what's new.
- The active process of reading ensures the message gets absorbed.
- In mere seconds, readers grasp the key points of ads and the page often gets saved for future reference.
- These ads generate high levels of persuasion, given readers are more receptive to magazine ad messages and are often ready-to-buy when they enter the magazine world.
- They purchase products and advertisers see the results with unbeatable ROI efficiencies.

Top 15 Reasons

Why Magazines Should Be on the Plan

- 1. Reach 'High Value' Consumers** - Magazine readers are better educated, have higher purchasing power and watch less TV -- they deliver the hardest to reach and most influential of opinion leaders.
- 2. Bonus Impressions** - The average magazine page is viewed 1.7 times, providing more impressions per ad than newspapers or TV. These bonus exposures increase a brand's opportunity to be seen when the consumer is ready-to-buy.
- 3. Active Medium** - The active, involving process of reading ensures focus on and understanding of the brand message.
- 4. Magazines Communicate Better** - Reader involvement in magazine advertising delivers 39% more awareness of the brand message than TV, on that all important first exposure.
- 5. Tell The Entire Brand Story** - Magazines allow in-depth, detailed communication of the entire brand story, not :15 or :30 sound bites. And they do so with exceptional reproduction values.
- 6. The Most Informative Medium** - Consumers rate magazines as *the* most informative medium. Magazines influence purchase behaviour early in the decision-making process, giving readers ideas of what to buy, more so than newspapers or TV.
- 7. Selective Targeting** - Magazines tightly target all areas of reader interest and passion -- there's a magazine for virtually everyone! Use magazines to reach/cover your target audience in a meaningful way -- a way in which Specialty TV just can't compare.
- 8. Brand Relevant Imagery** - Magazine editorial imbues ads with brand relevant imagery, associations and a frame of reference that delivers greater reader receptivity to brand ads.
- 9. Build Relationships** - Magazines are the most personal of media, creating private and intimate connections with each individual reader. Magazines are invited guests, creating strategic or tactical one-on-one conversations with *your* customers.
- 10. A Lasting Message** - Consumers clip and save magazine ads for future reference. They provide a lasting, durable message with time to study a brand's benefits.
- 11. A Credible Message** - Magazine ads are perceived to be highly credible, believable and trustworthy sources of information.
- 12. Flexibility** - Magazines provide opportunities for inserts, supplements, advertorials and a variety of size and positioning options to meet any advertiser's specific creative needs.
- 13. Media Multiplier Effect** - Magazines are additive to most any TV plan -- they add 'readers' not just viewers. The net effect is increased net coverage, faster and more efficiently, delivering hard-to-reach light TV viewers. Together, magazines and TV communicate the same message in different ways, ensuring improved brand messaging.
- 14. Magazines Generate Response** - Magazines make it happen. After reading ads, consumers are motivated to shop for and purchase products, call 1-800 numbers or go to a website. Response *is* immediate.
- 15. Increase Your Sales** - Magazines sell! Research proves it, time and time and time again. Let us show you. Contact us to find out more.