

## **MAGAZINES CANADA NEWSSTAND MARKETING PROJECT PAST RESULTS, LEARNINGS AND PLANS FOR NMP YEAR FIVE**

This project builds on the successes of the NCPP and NMP campaigns, funded by the Canada Magazine Fund (CMF). In the past years of the NCPP and NMP campaigns, the newsstand component was the undeniable success story of the project. In the first year, single copy sales of participating members sold through HDS were increased by 13% in copies and 6% in revenue, despite an overall decrease in magazine newsstand sales revenue and flat performance in unit sales in HDS stores during the same period. In NCPP Year Two, while single copy sales were down 11% across Canada, titles that participated in the program were only down 5%.

**NMP (Year One)** was a huge success; data shows a 9% increase in the total number of unit sales (approximately 11% in dollars), during the promotional period. Last year newsstand sales in Ontario were down 1% in retail dollars. In 2004, the industry trend in magazine spending was 2% higher in dollars. Magazines Canada newsstand sales outperformed the industry by 12%!

HDS results show that Magazines Canada titles' impact during the promotion period had an increased average copy sale of 38% compared to the non-promotional period. Chapters/Indigo results indicate average issue sales increase of 25% when comparing overall sales, promotional vs. non-promotional period.

### **Results for the Newsstand Marketing Project - Year Two:**

#### *Independent Retailers*

A total of 54 new retailers were signed on for Magazines Canada Distribution, a 64% increase over the 33 signed on in NMP Year One.

A total of 1,182 new titles were ordered by new and existing Magazines Canada Distribution retailers, a 54% increase over the 767 ordered in Year One

A total of 4,052 Canadian magazines were placed on the shelves of retailers as a result of the program, an increase of 84% over the 2,207 achieved in Year One.

#### *Newsstand Promotions*

HDS: There was an overall increase of 15% during the promotion period, despite the overall promotion being scaled back in 2005. The number of participating stores was reduced to 5 and about half the titles participated compared to the 46 titles promoted in 2004. There was an overall increase of 10% for 2005 compared to 2004.

Chapters: The sales of promoted titles decreased by 9% during the promotions period as compared to the two months previous.

The following factors should be taken into account when assessing these results:

- 1) Traditionally there are titles on this analysis that are seasonal and historically sell more in the summer months, especially in July. Those titles include *Chickadee*, *Cottage Life* and *Owl*.

- 2) Results are based on Chapters' POS data, and therefore are not issue specific. There could be 2 issues in the July - August period but only one issue in the September - October period, causing fewer units sold during the promotion period when in fact, one issue may have out sold the pre promotion period.

Presse Commerce: Sales of promoted titles increased by 18% during the promotion period.

## **Results for the Newsstand Marketing Project - Year Three 2006/07 Campaign:**

### ***Independent Retailers***

A total of 24 new retailers were signed on for Magazines Canada Distribution, increasing the total number of Magazines Canada Distribution retailers to over 200.

A total of 738 titles (or 1,944 copies) were ordered by **new** Magazines Canada Distribution retailers.

A total of 2,395 Canadian magazines were placed on the shelves of retailers as a result of the program.

### ***Newsstand Promotions***

#### **Chapters:**

Although full industry results from their organization were not available, according to Chapters/Indigo representative Tracy Basnett, overall magazine sales in October 2006 (i.e. during the promotional period) were 1.82% higher than the year before.

The chart attached at the end of this report shows sales of selected participating titles for the promotional period in 2006 against the same period in 2005; titles shown are those for which UPC codes remained constant, allowing computer tracking of sales. This information, provided by Chapters/Indigo, indicates that sales of these selected participating titles had increased by 110% over the same period the year before, an enormous increase compared to that of overall sales.

#### **Presse Commerce:**

During the promotional period, there was an average increase % change per issue sold of 46%, with an average sales increase of 1.7%. Magazines Canada sales were flat (-0.1%) compared to the Overall Canadian titles that suffered greatly (-20.2%) and compared to the industry (Overall titles) -12.6%. The Newsstand Marketing Project has therefore allowed Magazine Canada titles to perform well despite industry trends.

According to Christine Martel, Director, Publisher Services for Presse Commerce in an email to Barbara Bates, "Truthfully, 2006 was not the best year in the magazine business, but 2007 is looking much better."

#### **Independent:**

Comparing sales with independent retailers (booked through Magazine Canada's Distribution department) during our promotion vs. non promotional period, there was a 2.23% increase in issues purchased. Results also show a 2.19% increase from issues

sold in the 2006/7 campaign vs. the 2005/6 campaign. (Please note that the Magazines Canada's report overlaps to some degree with information from the Presse Commerce promotion, as some of the Presse Commerce promotion was implemented in our Independent Retail outlets.)

#### **Newsstand Promotion Results 2007/2008:**

##### ***Independent Retailers***

A total of 24 new retailers were signed on for Magazines Canada Distribution.

A total of 466 titles (or 1,940 copies) were ordered by **new** Magazines Canada Distribution retailers.

A total of 2,026 Canadian magazines were placed on the shelves of retailers as a result of the program.

##### **Presse Commerce:**

Magazines Canada sales were up 7% compared to the Overall Canadian titles that suffered greatly (-17%) and compared to the industry (Overall titles) -8% (non-promotional vs. promotional period). In comparing last years promotion to this years promotion, NMP promoted titles have increased 54%, compared to the overall titles down 16%. The Newsstand Marketing Project has therefore allowed Magazine Canada titles to perform well despite industry trends.

Press Commerce unit sales in Q4-06 vs Q4-07, the average increase per issue was up 11% compared to the previous year, despite a 12% decrease in draw.

##### **Independent:**

Overall, Magazines Canada Distribution put three times as many magazines on the shelves and sold 3 times as many magazines in 2007/2008 vs. 2006/2007. Participating titles sold 5.12% more than non-participating titles – showing that by promoting Canadian magazine and giving them positioning on the newsstand, they are purchased.

##### **Chapters/Indigo:**

Total sales increased during both promotional programs: September/October End cap program saw an increase year-over-year of 5% and the December program saw an increase year-over-year of 1.8%. Positive overall results despite the industry trend.

#### **Below are some findings and learning that indicate the positive impact of the NMP Year Four.**

Three key objectives of the 2007/2008 NMP campaign were to:

- Increase newsstand sales of small Canadian English and French magazines
- a) Build awareness of the existence, diversity and quality of Canadian magazines with focus on the relevance and unique perspective of Canadian content.
- b) Develop the readership of lesser known (small circulation) Canadian magazines.
- c) Champion the availability of Canadian magazines on Canadian newsstands.

Plans to achieve these objectives included a number of diverse activities.

## 1) RETAILER PROMOTIONS

### Newsstand promotions

*Chapters/Indigo:* Full Feature End Cap Display promotional space was secured in all 88 Chapters/Indigo stores across Canada from September 24 to October 21 and December 3 – December 30, 2007. The promotions consisted of Full Feature End Cap Display with 12 pockets, rotating participating titles through the promotion. Titles were rotated on a bi-weekly basis so that more titles get exposure. Backer cards were placed behind participating titles on the shelves for easy identification.

*Presse Commerce:* has a made-to-order promotion for Magazines Canada in 35 stores including window or above mainline display of 4-6 titles (rotating), posters, and backer cards from October 1– December 30, 2007.

Genuine Canadian pockets have been purchased in 25 stores for a yearly promotion, with titles rotating thru the pocket every 2 weeks. The pocket will have a Genuine Canadian sticker on the inside of the pocket to identify that the title is Canadian.

Other initiatives this year included an Eco-bag promotion – Buy a magazine with the Genuine Canadian icon and Get an Eco-Bag FREE! This promotion will take place in 25 stores with 500 bags.

In booking promotional space with our Independent retailers, we discovered that a large majority of them are receiving their promotions through Presse Commerce.

*Independent:* McNally Robinson four store locations, 10 Magazine Pocket Display per store including poster and backer cards, from November to end of March 2008. Other Independent promotions include window, mainline or rack displays, rotating participating titles bi-weekly, featuring backer cards and display posters.

Spruceland News	Ongoing Promo
Misty River Books	Jan 1-Mar 31 Promo
Billy's News	Feb 1-Mar 31 Promo
Reader's Nook	Jan 21-Mar 31 Promo
Novel Idea	Feb 12-Mar 4 Promo
KW Bookstore	Jan 21-Mar 31 Promo
Blackberry Books	Jan 7-Mar 31 Promo
McNally Robinson - Alberta	Nov 1-Mar 31 Promo
McNally Robinson - Saskatchewan	Nov 1-Mar 31 Promo
McNally Robinson – Grant Ave. WP	Nov 1-Mar 31 Promo
McNally Robinson – Portage Ave. - WP	Nov 1-Mar 31 Promo

Due to the fact that we received funding significantly later than anticipated, Magazines Canada was unable to book the optimum promotional dates. Therefore, the promotion continued to the end of March. Because of the later promotional dates results for this program will not be available in full until May/June. Results will be forwarded once they have been received.

**Because the majority of member titles in Newsstand Distribution don't have the financial resources to purchase promotional space on their own, NMP Year Five will attempt to again purchase promotional space to run during the peak promotion periods of September to January. Due to reporting requests promotional space at all retailers will be purchased for the same periods. Campaigns with Chapters/Indigo, Press Commerce and independent retailers will incorporate the backer cards and posters revamped for the 2006/2007 campaign.**

## **2) NEWSSTAND SALES REPRESENTATIVES**

Two regional sales reps were hired for Year One and they have continued on with the NMP; both have extensive knowledge and experience working with Canadian magazines and newsstand retail. In Year Two, Magazines Canada partnered with the Literary Press Group (LPG) and piggybacked on the success of their reps and have now hired one of their reps to represent Magazines Canada in the Prairies and another to service Quebec and the Atlantic provinces. As Magazines Canada had not had much luck finding someone to represent us in Quebec in the past, we decided to work on the synergies between the two organizations – creating a stronger force by building on existing connections and retailer relationships and saving money in the process.

The following section provides excerpts from Year Three and Year Four sales rep reports, accompanied by comments by the director of the project.

Our Western Rep, Lisa Sweanor, has done an excellent job reaching existing and prospective retailers in Northern and Western British Columbia.

Lisa states: Overall there is a high level of satisfaction with Magazines Canada from retailers in the West, which should assist in increasing sales of Canadian magazines in this region. North BC is frustrated with Newsgroup in many ways. The areas serviced by Monahan are very happy. All accounts are happy with Mags Can. I don't notice any appreciable change in magazine sales. Some seem to think it is a dying market and are frustrated with the labour intensiveness of it, while others are encouraged by good sales. Year Three I have noticed that more accounts are using a form of Book Manager to track their lists and have been working at bringing returns to a similar level for all magazines. Year Two Vancouver saw the loss of a couple good accounts which was disheartening. Whether the other outlets have picked up the slack is hard to say. Over the last few years, we have gained most of the bigger accounts available in the province, except for Book Warehouse, which has 4 outlets in Vancouver. Many of the smaller outlets who deal only with Newsgroup are unsure as to whether they can also display another distributors titles on those racks. The 35% discount offered to new accounts has proven to be an excellent opportunity for Magazines Canada to garner some titles from the competition.

Year Three Lisa has signed up eight new accounts with a magazine order total of 271 titles (606 copies). She has also visited numerous new and existing retail locations. In visiting existing locations she has increased draw levels in seven stores with increases of 652 copies.

Year Four Lisa reports: I don't know the distribution network in the prairies and how happy/unhappy retailers are with existing sources. In BC the rural disappointment with Newsgroup has been to MC's advantage and disadvantage. Many are happy to get titles from MC rather than NG but on the other hand many are distrustful of magazine suppliers based on a bad experience with NG. In the southern part of the province where Monihan Agency is the main supplier retailers are very happy, and therefore less likely to pick duplicate titles from MC. The

accounts in the Okanagan are farther and fewer than I reckon they could be. I am dismayed that there are no accounts in Kelowna. Mosaic is the obvious choice. They gave up on the titles when a previous foray into them resulted in minimal sales. I cannot say that Mosaic speaks for all magazine stores or even the stores in the Monihan area but they do make some illuminating points. Michelle, the co-owner was very blunt in that if MC wants to place magazines in their store then how much will we pay for the space. From their side magazines take up much space, are labour intensive and have low margins. I did point out that MC titles are less labour as they are mostly quarterlies and that there is the added benefit of promoting Canadian culture. This does warm most retailers but the bottom line is the money required to pay staff to do returns and the low return on retail space. According to Michelle Monihan is rewarded by the magazine publisher, not on sell-through but, on copies displayed at newsstand. I think it comes down to an issue of feeling *used* by magazine publishers.

Long and short of it, for now, is if MC wants magazines in Mosaic books then MC rents the space either directly or through Monihan and it is up to MC to supply racking. I know this was a topic some time ago and there likely is validity to it. In BC, it has specific relevance to Mosaic Books and BC Ferries. Honestly, it really only has relevance, in my opinion, to BC Ferries as they are a unique retailer. It seems unwise to introduce multi-tiered pricing structures amongst retailers. If the titles sold well in Mosaic than they'd take them on. Maybe it is more of a clientele problem.

As to Alberta, and the prairies, other than the tidal wave of Christian bookstores in the prairies that are interested in nothing but Christ. and Christ related stories I don't know what stops outlets from signing. It is probably that they need more consistent pestering.

Despite the gab about the internet and the notion that magazines are a pain to deal with BC retailers overall seem fairly positive about magazines. Several new accounts came onboard and to my knowledge none ceased.

The fact that MC has money for retailer custom racking is a great selling point. No retailer has yet to take it but many brighten at the idea.

Year Three: Chris Chambers, our Ontario sales rep, has been visiting existing and prospective retailers in the Southern, Eastern and Northwestern regions of Ontario, as well as key cities around Lake Ontario. The reception from existing Magazines Canada retailers to his visits has been very positive, and from past industry experience, he has the ability when visiting prospective retailers to quickly assess what types of magazines will sell well in that venue. Chris has visited all Magazines Canada retailers in the Toronto area delivering backer cards and posters, and was thus able to confirm that the appropriate signage was up and backer cards were being used correctly. Since going out on sales visits, Chris has to date signed up 7 new accounts with a combined magazine order total of 200 titles. And, has visited existing retailers representing an increase in draw of 500 copies – mainly due to Spacing magazine.

Year Four Chris Chambers reports: One way for us to get more Cdn magazines onto the shelves of new retailers--and indeed to get more retailers--is to get more up and coming magazines into our distribution program. Looking at our recent list of bestsellers I see that Frank sits at #3, Spacing is #7, Geez #9 and Coupe #12. These are all, in different ways, door openers as far as opening new accounts. If a customer has been hounding a retailer for a copy of Frank and our rep comes in saying we can get her Frank, the chances are very good that they will set up an account. This happened with me and Frank at Ray & Kim's Super Convenience in Windsor.

I think our repping program is working--especially in BC, Ontario and the East--and that there is value added with years of experience. Personally, I feel that my knowledge of the stores in Ontario grows every year and that I know where our magazines should be--have visited most of

the larger newsstands that are not yet with us, and that it's only a matter of time before they join us. New and exciting titles to wow them with will help. So will repeat visits. And this is happening with the good reps. As a rep gains experience he is better able to spot a store that will be a good fit for MCD--not all stores are a good fit--and it's particularly frustrating to see a store that could and would sell our magazines, in a location that is nowhere near another of our stores, that won't give us a try because the owner doesn't want to do another return. I'm thinking of The One Stop in Peterborough, News Depot in London, The Daily Planet in Whitby, Much Magazines + in Richmond Hill and others. But we know they are out there and we will continue to visit and hope. We'll have to spend less time looking around to find these good potentials; we know where they are. Perhaps a change in ownership or management will change things; perhaps we will pick up a magazine that their customers ask them about. The bait is out there--we know where the good spots are--it's just a case of returning periodically to check the lines.

Regarding awareness--I'd say the retailers, even if they aren't dealing with us, are aware that Cdn magazines are in the minority in their stores. Some care more about this than others. The ones that aren't swayed by our Canadian-ness are usually only interested in their own workload, their own bottom line, or their exclusive contract with Metro News. What we need is to focus on the fact that their customers will buy our magazines from them--that's all they need to be convinced about. If you could prove to them that they would sell 15 copies of Cdn Art (or Frank) each issue, they would very likely set up an account. The best way for this to happen is that a customer who buys magazines regularly from the store comes in and asks the staff if they can get one of our magazines.

Year Three: Heather Kirk, of the LPG represented Magazines Canada in the Prairie Provinces, is no longer working with LPG. She is being replaced by Judith Duthie February 16<sup>th</sup>. Heather wasn't very productive as a Magazines Canada representative. Although she had been busy visiting stores and making calls she was not able to close any sales of new stores, and she has only adjusted existing titles by four copies. Heather was feeling overwhelmed. Lisa Sweanor had been sent to the Prairies to work the area, she closed sales for 2 accounts within weeks. Lisa also met with Judith to give her some training and tips for success.

Year Four: we have had more instability in the Prairies, Judith Duthie left LPG and the area was vacant for a few months. We sent Lisa Sweanor in to cover off the area while LPG found a rep. Lisa Pearce was hired late in the program, so we have no results to report on her behalf.

Year Three: Jacques Filippi, our bilingual sales pre in Quebec and the Eastern Provinces, has replaced Carolyn Gillis in that capacity. Jacques, despite a medical emergency in his family, had been able to close five new stores representing 238 titles and updated existing stores representing 70 copies.

We expect additional success for 2007/2008 from both LPG reps as they become more familiar with our product line and retailers are more comfortable with them.

The sales representatives have added a great deal of value to Magazines Canada Newsstand Marketing. They are the only live contact that the retailers have with Magazines Canada. Retailers are providing valuable information, both positive and negative to the sales reps about other wholesalers and distributors in their region, which is enabling Magazines Canada Newsstand Marketing to provide them with better service, and ultimately generate more sales of Canadian magazines.

Year Four Jacques Filippi reports: During the year, I've noticed an increase in visibility for Canadian Magazines, throughout Eastern Canada; the shelf-markers (or shelf-talkers as we called them at Chapters/Indigo) seemed to have been well-received by both retailers and booksellers. At most retailers, you notice the signs a little everywhere in their stores but in some places I've seen a section reserved to Magazines Canada and it really catches the eye. Maybe we could have a contest for best displays of our magazines, asking retailers and booksellers to send us their pictures.

To raise the sales, how about offering a 40% discount on every new title ordered if the title is carried for at least 3 months and 50% discount if the title is carried for an entire year? (or something similar; things like that might have been tried before, I guess).

Or with every three new titles ordered, you get a fourth one free for a three-month period?

As a book publisher's sales rep, I sell more books when I've actually read them. Of course, it's impossible to read everything that we publish. But I was thinking of trying something with Magazines Canada: every two months I'd want to receive a number of titles (let's say, for example, 10 to 12) and I could concentrate on these titles in places that might not buy magazines (or not a lot), what we call non-traditional accounts. After two months, I would receive another 10 to 12 titles, etc. Of course, I would also try to have these titles added to existing customers/retailers of Magazines Canada. Is that something that could be possible or it would be too much work for you to send me magazines every two months. Maybe something similar could be done?

**NMP Year Five will once again bring back Lisa Sweanor as the Western sales representative covering off both British Columbia and Alberta, and Chris Chambers as the Ontario sales representative. We will continue to piggyback with the LPG hiring Jacques Filippi as bi-lingual Eastern sales representative to cover off Quebec, the Atlantic Provinces and Eastern Ontario and the newly hired Lisa Pearce to represent Manitoba and Saskatchewan provinces. By working with our existing sales staff, we will build on their experience and the relationships they have developed with the retailers. We expect that a French speaking sales representative will be able to break new ground with French speaking retailers for both English and French language titles. Lisa Pearce will require additional training to get up to speed with our vast array of titles.**

### **3) NEWSSTAND MARKETING**

#### ***Retailer Catalogue***

In previous NMP campaigns, Magazines Canada produced a directory of titles that were distributed by Magazines Canada Distribution; this catalogue was the primary sales tool for the sales representatives. This catalogue was well received by retailers; having the titles displayed with images and descriptions helped to promote magazines that some retailers may not have heard of and helped them match the magazines to their clientele.

Each year, the catalogue was updated with new participating titles, and contact

information was tweaked to make it easier for retailers to find us. Retailers were also given the option of phoning, emailing, ordering online or faxing in orders, draw changes, reorders etc.

Because of the increase in the number of French language titles distributed by Magazines Canada, in NMP Year Two, the Retailer Catalogue was updated to reflect the categories on the website which include a separate section for French titles. The cover of the catalogue, as well as the contents was updated to reflect the new Magazines Canada look and feel. The catalogue was also printed in 4-colour which gave it huge recognition and increased awareness of the Canadian titles.

**In Year Five we will continue to have the catalogue reflect the website to give Magazines Canada a consistent look. We will continue to drive retailers to the website for updated/current information on who is in distribution and they will have the ability to download a current catalogue and order form online. The catalogue will be updated with all members in Magazines Canada Newsstand Marketing.**

#### ***Direct Marketing to Retailers***

In NMP Year Two, the direct mail package consisting of a Retailer Catalogue, sales letter and order form, dropped in the mail on August 2005. The package was distributed to approximately 1,039 addresses, including 181 existing Magazines Canada retailers and 858 potential retailers from a list supplied by the LPG active accounts and from Presse Commerce. The LPG list was highly effective due to the many synergies between the organizations; as Magazines Canada looked for alternative locations for distribution, book stores were an excellent opportunity. The lists also provided accurate and targeted retailer information.

In NMP Year Three, the potential list of retailers included the LPG, Presse Commerce list as well as a gallery/museum list supplied by Canadian Art. Each year after the retail catalogue mailing, we have received a wealth of anecdotal information supporting the retailers' satisfaction with this catalogue. We have seen new orders, re-orders and draw changes come through via fax, phone and online, proving that the retailers are using the catalogue in the way we intended it to be used. Overall the catalogue generated excitement among the retailers who received it.

In NMP Year Four, the catalogue was updated in terms of new publication information, re-printed and distributed to just under a thousand existing and potential retailers, including a list of contacts supplied by Presse Commerce and the Literary Press Group. The Gallery list, which had been provided last year by Canadian Art, was discontinued this year as the results had not supported the cost of mailing to it.

The Year Four Direct Mail package consisted of the new retailer catalogue, an order form, and a regional letter specifically detailed for use by each sales rep. The use of an incentive to persuade retailers to come on board was again employed: 35% off the cover price if they took 10 or more titles. After the catalogues were mailed, the sales reps undertook the task of following up by phone or in person with each contact.

The quarterly Retailer Newsletter has become an important vehicle through which Magazines Canada Distribution communicates regularly with its retailers; in addition to being included in the regular weekly shipments which go out to independent retailers,

the newsletters are also shipped to all Chapters/Indigo locations. Featured in this publication are new Canadian titles available through Magazines Canada Distribution and front line staff report that the phone begins ringing with questions and orders as soon as the newsletters are received.

**In NMP Year Five, Magazines Canada will continue to mail to the LPG and Presse Commerce lists as they were quite effective in 2007-08 in terms of bringing in retail outlets, that have then taken a large numbers of titles. We will explore new, non-traditional retail markets, such as retailers that may not normally carry magazines (such as outdoor stores).**

**As the Retailer Newsletter has been successful in generating the consistent enthusiasm in retailers which increases the volume of magazines on shelves, we will continue to produce it in 2008-09.**

**Rather than try to get into the larger supermarkets (which would be very difficult) Magazines Canada will explore the smaller niche stores such as health food stores, variety/grocery stores, etc.**

#### ***Backer Cards, Posters, Retailer Sticker, Hats & T-shirts***

Backer cards with a maple leaf die cut and posters incorporating the backer card and the newly designed ads were distributed to all retailers in appropriate numbers for their promotions. Year Three required a reprint of the stickers and the creative was change to reflect Magazines Canada's graphic updates and include the [www.magazinescanada.ca](http://www.magazinescanada.ca) website.

In Year Four, the retailer stickers were reprinted and sent out to all existing retailers with their invoices. Existing retailers expressed satisfaction with the retailer sticker because it easily identified them as a retailer of Canadian magazines. Hats, t-shirts or mugs were given to existing and potential retailers who either increased the draws of the current titles or ordered new titles as an extra incentive to encourage the implementation of the campaign.

#### ***Racking***

In previous NMP programs, racking was to be provided to new retailers who didn't currently carry magazines. Through feedback from the sales reps, it was discovered that the retailers were not keen on receiving racks simply because the size and style of the rack might not be appropriate to their store. Because store sizes and dimensions vary, it would be very difficult and expensive for Magazines Canada to manufacture racks that would fit each store. In all previous years, Magazines Canada had available funds for new or existing retailers to assist with the costs of building a new rack; in return, the retailers would commit to devoting portions of the rack to Magazines Canada distributed titles and possible in store promotions for our member magazines.

**In Year Five, as supported by the Abacus report conducted during the NMP 06/07 preliminary stage, we will offer racking options to niche and non-traditional retail outlets – offering to help with their racking cost in order for them to carry our Canadian titles – thereby extending the reach of the campaign. We are looking into portable cardboard racks to promote the unique titles in niche locations.**

#### **4) EASY SYSTEMS TO HELP NEWSSTANDS PLACE AND ADJUST ORDERS**

In Year Two of the NCPP campaign retailers told us that they would like to be able to make changes to orders online. Increased options for ordering and re-ordering were given to retailers (fax, phone and email). Retailers began using all three methods of ordering after the catalogue mail out.

By February 2005, the website was functional at [www.genuinecanadianmagazines.ca](http://www.genuinecanadianmagazines.ca) and full implementation was expected. Full implementation included an icon beside each title on the site to indicate which titles were distributed by Magazines Canada so retailers could easily identify the magazines. The entire website was updated to reflect the new Magazines Canada name and to provide a fresh graphic 'look'. A "For Retailers" section on the industry website, [www.magazinescanada.ca](http://www.magazinescanada.ca) highlighted new titles that joined Magazines Canada distribution and listed those no longer distributed. There was also a downloadable catalogue and an updated order form with all addition/deletions. Year two incorporated an online order form for new orders as well as reorders. Year Three and Four, the site was continually updated to reflect active magazines. All orders as well as reorders went directly to Chris Chambers, Retail Accounts Manager.

**NMP Year Five, Magazines Canada will continue to keep the site current and active. Retailers will have options on how they place orders; they can either print out an order form and fax or mail it in, phone in or input their order directly on their computers and email it direct to Chris Chambers computer. We feel that the last option is the most viable for retailers.**

**Search Engine Marketing will be added to this component in order to drive customers to the website – creating awareness of our titles – increasing their purchase power via subscription and newsstand sales.**

#### **5) PROMOTE CANADIAN MAGAZINES TO CANADIANS**

##### ***Magazine Advertising Campaign in Member Magazines***

Although the NCPP ads have been very successful in creating awareness, they had been around for multiple years and need to be refreshed. In Year Three, using funds from the NMP pre-development project, we developed new ads. These ads have been designed for consumer magazines, with a broad appeal, so they would suit the content of a large variety of titles. Seven English and 4 French ads were created with the tag line "Canadian magazines make your interests more interesting." The ads create an essential call to action (to look for the icon at newsstands). This messaging was also used in the posters and t-shirts which are distributed to retailers for the promotion.

##### **Advertising Objectives:**

- Build on the "Genuine Canadian Magazine" brand.
- Drive awareness of the existence and diversity of Canadian magazines with a focus on the relevance and unique perspective of Canadian content.
- Drive consumers to buy magazines with the Genuine Canadian Magazine icon at newsstands and/or visit the [magazinescanada.ca](http://magazinescanada.ca) website.

##### ***Genuine Canadian Icon***

The campaign icon developed in Year Two of NCPP was used extensively on

magazines, in magazine advertising, television advertising and at the newsstand in posters. As such, the icon has become well recognized by consumers and has become an important way for consumers to identify the Canadian magazine. In NMP Years, the icon was used on member magazine covers and backer cards and in all print ads and posters. We believe that this consistency continued to increase consumer recall of the campaign, integrated all campaign elements and furthered the process of creating a brand for Canadian magazines. The icon printed on participating magazine covers was used to identify participating magazines at newsstand, training the eye of consumers to select Canadian titles, and also assisted retailers in backer card placement and promotional space rotation. Retailers actually wish that all Canadian magazines would incorporate the icon onto their covers.

**In NMP Year Five, we will once again use the recognizable campaign icon to increase recognition and recall and to generate a clear and positive consumer reaction to the message behind the icon. Maple leaf die cut backer cards were developed in Year Three and will be utilized once again in Year Five due to their high visibility and effectiveness.**

### ***Canadian Magazine Week***

As in previous years, the Mayor of Toronto, David Miller, proclaimed June 11-15, 2007 the official Canada Magazine Week; in celebration, Magazines Canada ran a promotional contest on its consumer website for the month of June, offering entrants the chance to win one of five one-year subscriptions to a member magazine of their choice.

Ads ran in the Toronto, Vancouver and Calgary issues of the Metro publication, as well as in the Toronto based EYE Weekly. Interested parties were directed to the website, increasing both knowledge of the consumer website and traffic to it. Over 1,000 entries were received, and they were widespread this year across most regions of Canada, indicating that the repeated nature of this promotion, as well as the high visibility advertising, is creating a cumulative awareness of the event, and therefore of Canadian Magazines. The five winners chose Chatelaine, Canadian Living, Canadian House & Home, Canadian Interiors and Vancouver Magazine as their selections.

Retailers were asked to help the visibility of Canadian titles by creating a Canadian magazines promotional display with supporting promotional materials and by placing maple leaf backer cards behind Magazines Canada distributed titles. Promotion materials such as hats, decals, and signage were sent to independent retailers in support of Canadian magazines.

**For NMP Year Five, we will not be implementing this component due to late feedback from the NMP synopsis. The application had not be submitted and there was not enough time to program the website for the contest, and organize the purchase of advertising space, and the purchase of retail promotional space.**