



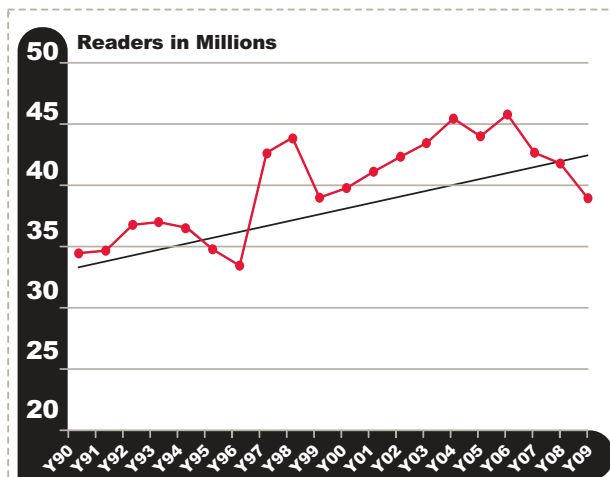
MAGAZINE TRUTHS



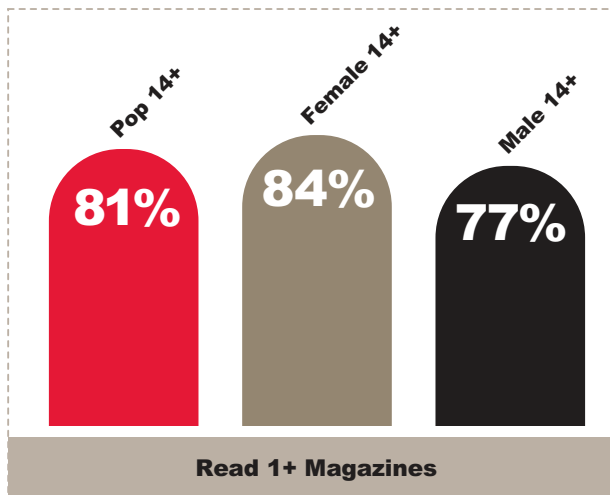
01

Magazines Keep Engaging in a Rising Media Tide

- Australians love magazines. Per capita, we are among the biggest consumers of magazines worldwide.
- More than 230 million magazines are purchased annually*. That's more than 13 for every person aged over 14 years.
- Total readership** of consumer magazines remains remarkably robust, despite the growing choice of media options.
- Gross magazine readership currently stands at 39 million, similar to a decade ago.
- 8 in 10 people read 1+ magazines - 84% of females & 77% of males.
- 1 in 4 people read 4+ issues.



Gross Readership All Magazines in Print Survey



* Industry estimate based on ABC audited and non-audited magazine sales 2009.

**Based on gross average issue readership, people 14+ yrs, all consumer magazines in the Morgan Readership Survey Jan-Dec 2009.

02

Magazines and Readers Share a Close Bond

- Magazines are a considered purchase. People actively seek out magazines that interest, inform and inspire them.
- Magazines add meaning to their favourite subjects.
- Not surprisingly, magazines are more relevant to and valued by their audiences.
- In fact, 1 in 2 people value magazines as something they reward themselves with and enjoy, associations that no other media can match.
- More than 4 in 10 people say the information in magazines is tailored to their needs, more than double the scores of TV and radio, with only the internet scoring as well.

	Something I reward myself with and enjoy	The info is tailored for my interests
Magazines	50%	44%
FTV	23%	18%
Newspapers	13%	24%
Internet	30%	45%
PayTV	18%	13%
Radio	06%	09%

Source: Media Matchmaker Study, conducted by Roy Morgan Research for MPA 2007. N= 1051, nationally representative sample 14-69.

03

Magazines Reach National Audiences

- In a single media buy using magazines, advertisers can reach large national audiences – no need for complex and expensive network schedules.
- FACT: Australia’s top 10 consumer magazines combined reach:
 - almost 4 in 10 people 14+ yrs
 - more than 1 in 2 females 14+ yrs
 - more than 1 in 5 males 18+ yrs.
- AND: they deliver a representative 59:41 Cap. City/Regional audience split.

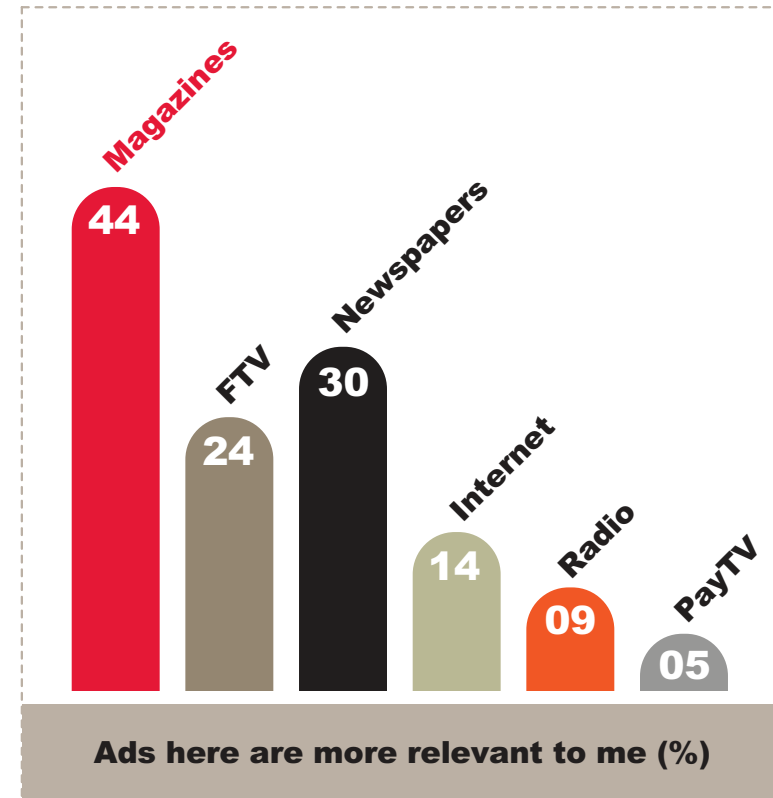
One Insertion in each	Pop. 14+	Females 14+	Females 25-49	Males 18+
Women's Weekly + Woman's Day + Better Homes and Gardens + New Idea + That's Life + TV Week + Super Food Ideas + Take 5 + Reader's Digest + Who				
Net Reach (mill)	6.757	4.800	2.029	1.844
Net Reach (%)	38.1%	53.4%	52.8%	22.6%

Source: Roy Morgan Single Source Jan-Dec 2009

04

Magazines Are More Targeted = Less Wastage

- Magazines know their readers and what they want. They target the content, including the ads, to their audience profile.
- This means magazine advertising has much greater relevance for audiences than ads in other media.
- 44% say the ads in magazines “are more relevant to me”, compared to just 24% for TV ads and 14% for ads on the internet.
- In magazines, advertisers can focus their message on key consumer segments – without the wastage that occurs in other media.

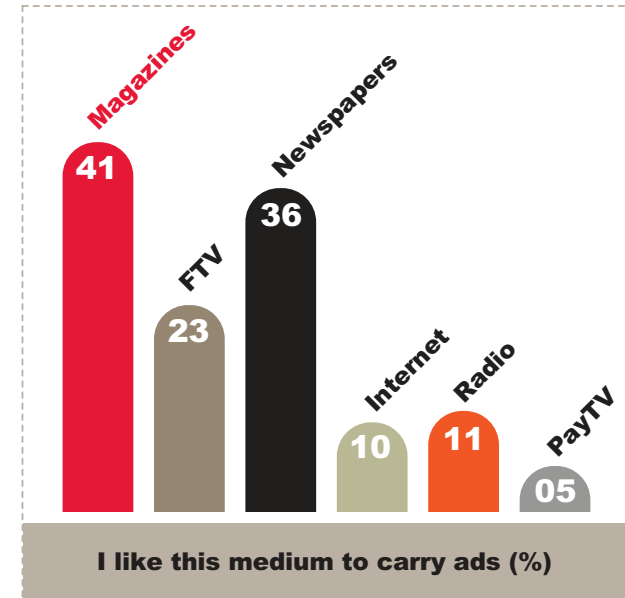


Source: Media Matchmaker Study, conducted by Roy Morgan Research for MPA 2007. N= 1051, nationally representative sample 14-69.

05

Magazines – the Best Ad Environments

- People are more receptive to ads in magazines than other media, because magazine ads are targeted and relevant to readers.
- More than 4 in 10 people say they “like magazines to carry advertising”. Only 23% say the same for TV and just 10% for the internet.
- Ads in other media, especially TV, annoy and prompt avoidance behaviour much more than ads in magazines. Nearly 8 in 10 say the ads on TV “annoy me” and 67% “avoid the ads if I can”.



	Ads Annoy	Avoid Ads
FTV	76	67
Radio	37	32
Internet	25	30
PayTV	20	23
Newspapers	14	23
Magazines	14	19

Source: Media Matchmaker Study, conducted by Roy Morgan Research for MPA 2007. N= 1051, nationally representative sample 14-69.

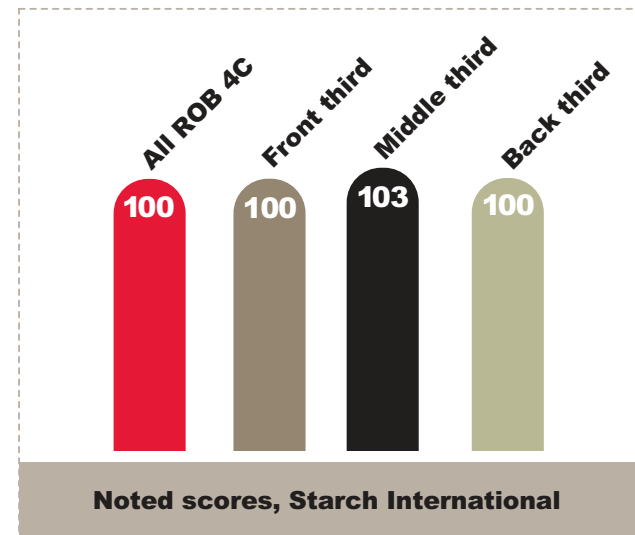
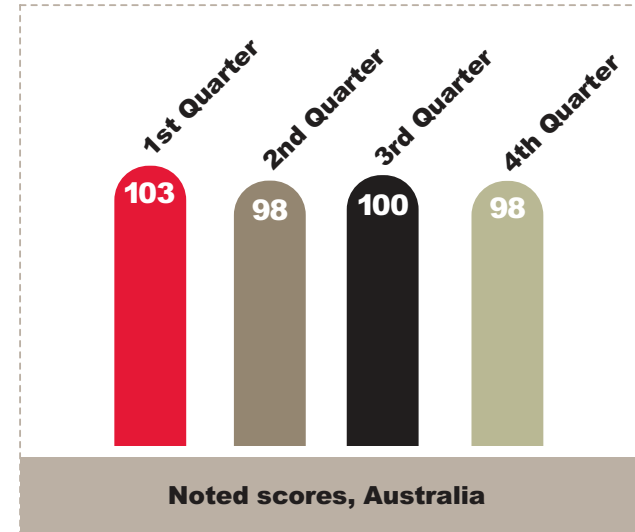
06

Magazines Take Ad Clutter Out of Play .1

- Advertising is part of the information package that consumers readily buy into when they select magazines.
- In fact, magazines achieve the highest ranking of all media for “I like this medium to carry advertising”, with a score of 44%.
- Targeted ads in a targeted media environment are less likely to be impacted by a clutter effect.
- STARCH scores for ‘noting’ of magazine ads show there is little positioning influence on the performance of ads.

Source: MPA, Starch database, 11,000+ ads tested to Dec. 2000.
Magazines Canada, Starch Research, 2006

Ad Position in Magazine Index: 100=ROB 4C

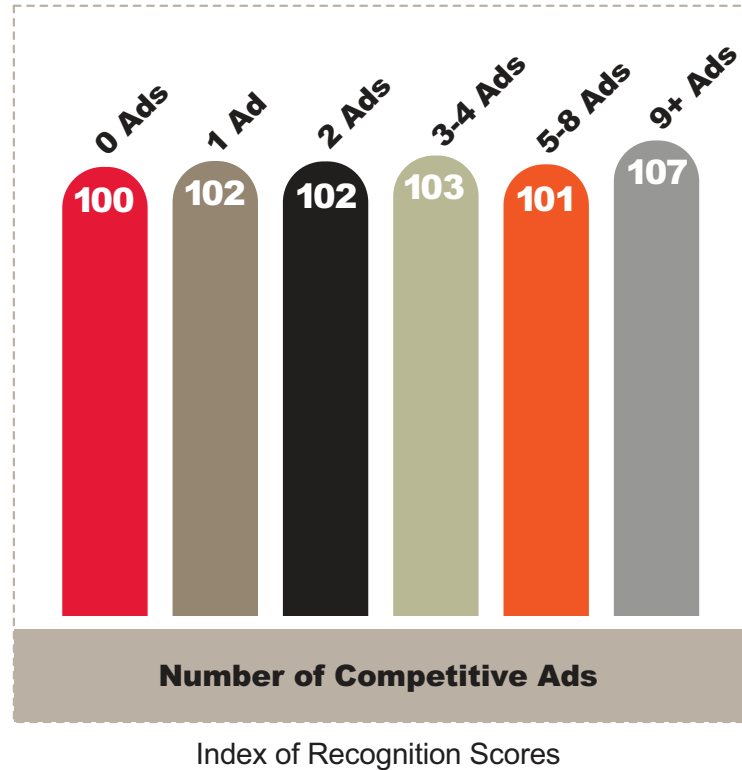


06

Magazines Take Ad Clutter Out of Play .2

- Magazines are designed to meet the needs of their readers. Therefore, their targeted content, including the ads, is more relevant to their audience.
- Studies show the impact of magazine ads is not affected by ads nearby, or competitive ads.

Impact of Competitive Ads in the Same Issue

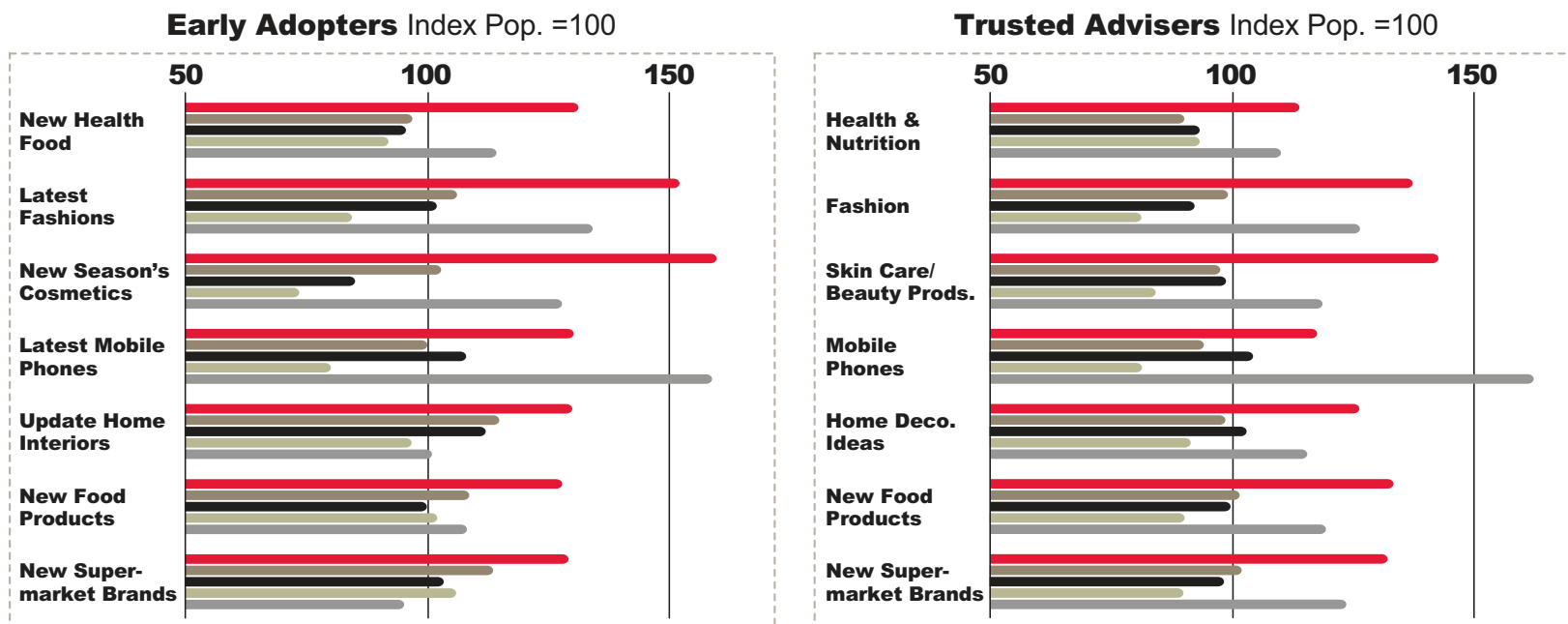


Source: Medialogue, Belgium, Stop/watch, 2005, from Magazines Canada 'Magazine Essentials' www.magazinescanada.ca

07

Magazine Readers Influence Others & Drive WOM

- Magazines keep people up to date with latest trends and what's new. Heavy users of magazines are more likely to be 'in the know'. They are the Early Adopters so valued by marketers.
- Other people also turn to them for advice on a range of topics, from beauty and fashion to new food and supermarket products, from home decorating and appliances to health and nutrition.



Source: Roy Morgan Single
Source Jan-Dec 2009

Heavy Magazines
(4+ Issues read) Excl. NIMs

Heavy Commercial TV
(3+ hrs/day)

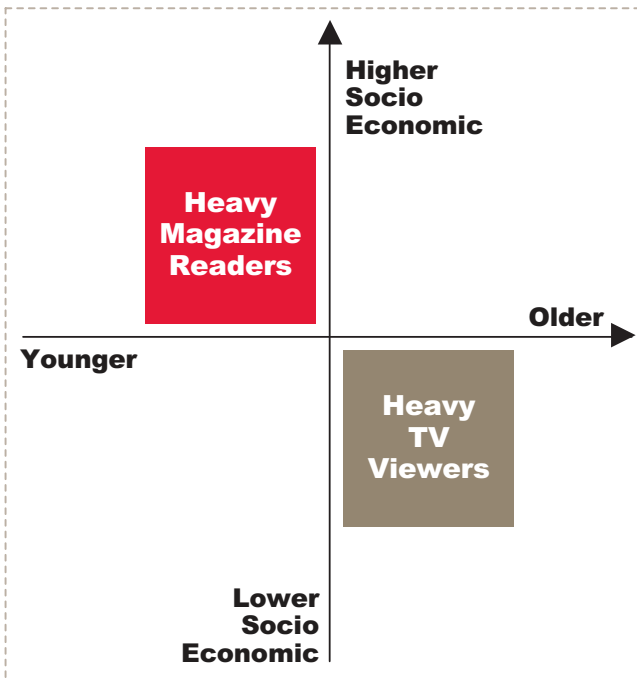
Heavy Commercial Radio
(3+ hrs/day)

Heavy Newspapers
(8+ Issues/wk) Incl. NIMs

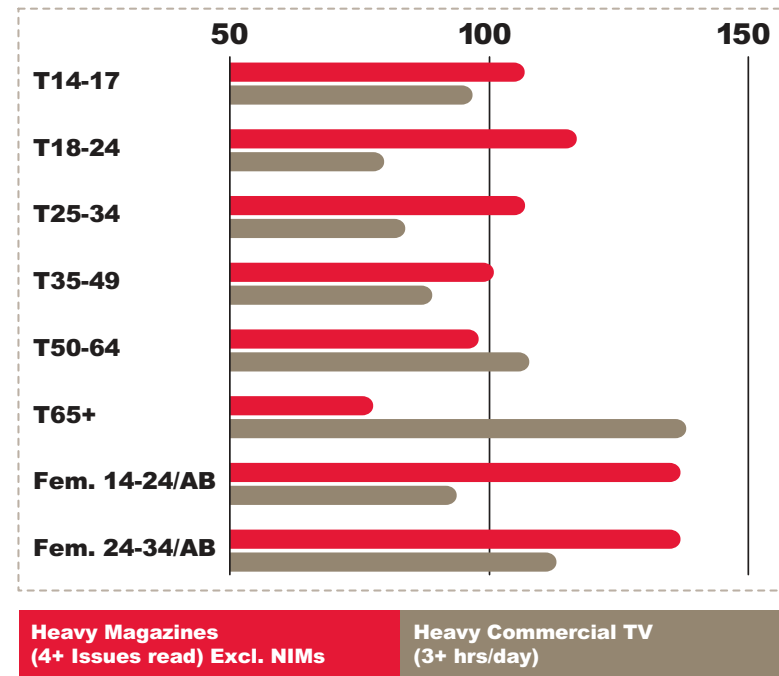
Heavy Internet
(15+ hrs/wk)

Magazines Multiply the Performance of TV .1

- As media channels, magazines and TV complement each other like no other duo.
- Heavy magazine readers tend to be the opposite of heavy TV viewers, i.e. younger and more affluent.



Index of Heavy Media Users



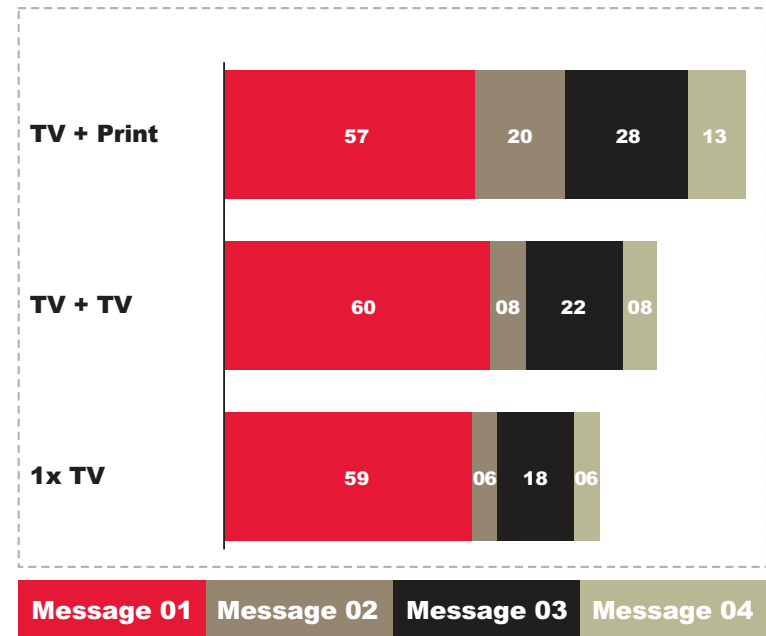
Source: Roy Morgan Single Source Jan-Dec 2009

08

Magazines Multiply the Performance of TV .2

- Magazines boost the performance of heavy-weight TV campaigns in two important ways:
 - adding reach in light TV-viewing demographics
 - multiplying the communication effectiveness of the brand message, because magazine ads are relevant to their audiences and can carry the detail.
- Studies consistently show that adding magazines to TV campaigns improves consumers' understanding and takeout of advertising messages.

Spontaneous Comprehension of 4 Key Messages (%)

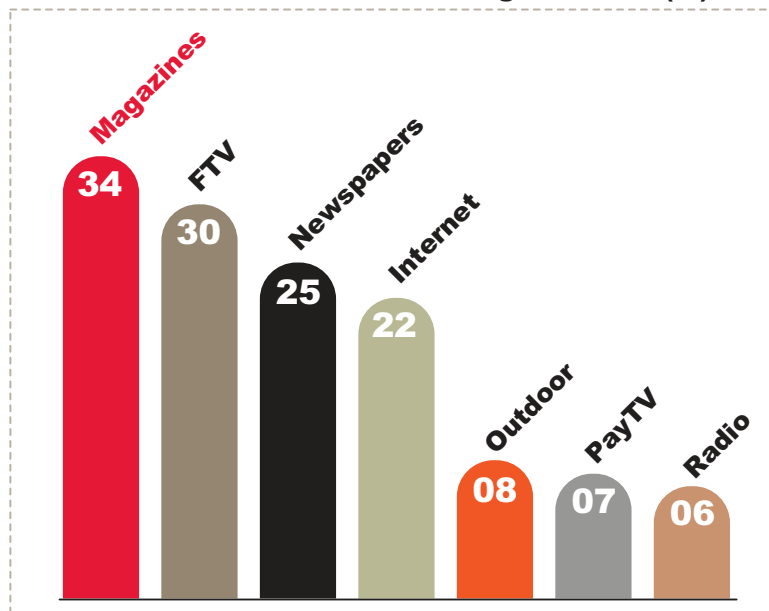


Source: 'The Media Multiplier Effect: TV + Print Improves Communication', Rolf Speetzen, ESOMAR, Paris 2001. From 'How Magazine Advertising Works', PPA, 2005. Shows understanding of three of the four key messages of Ford's Cougar "The Return of Freedom" campaign was higher for the TV + magazines group.

Magazines Prompt Online Action .1

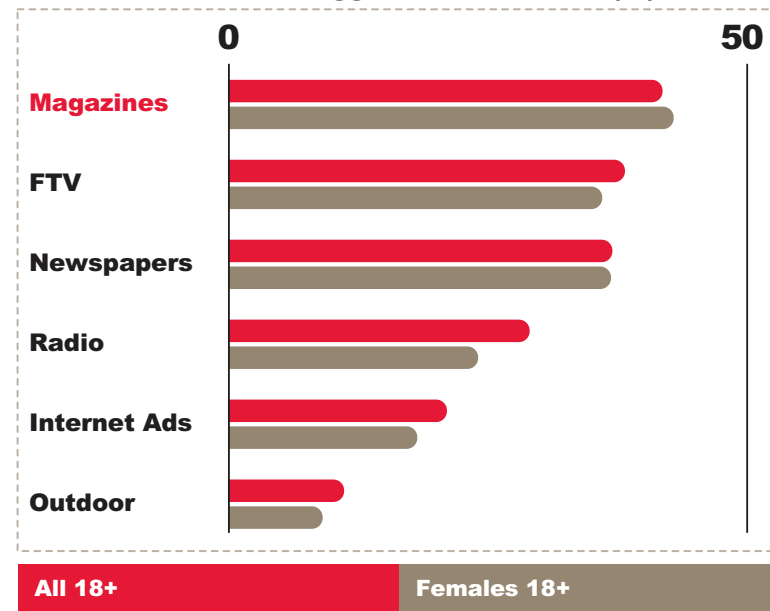
- Studies show that more people are prompted to search online after reading or seeing ads in magazines.
- Magazines act as a trigger to visit websites or go online for more information.

Visited a Website After Seeing Ads Here (%)



Source: Media Matchmaker Study, conducted by Roy Morgan Research for MPA 2007. N= 1051, nationally representative sample 14-69.

Media that Trigger Online Search (%)



Source: BIGresearch Simultaneous Usage Study (SIMM 13) USA, Dec 2008. www.magazine.org

Magazines Prompt Online Action .2

- Internet users also gravitate to magazines more than other media.
- Magazine readers are more likely to use the internet for shopping, search and information, blogging and social networking.

Internet Activities Done in Last 4 Weeks
Index of Heavy Users of Media (Pop. =100)

	Heavy Magazines (4+ Iss. read) Excl. NIMs	Heavy Commercial Television (3+hrs/day)	Heavy Commercial Radio (3+hrs/day)	Heavy Newspapers (8+ Issues/wk) Incl. NIMs
Shopping, Buying, Selling	107	83	84	97
Research & Information	104	83	89	99
Entertainment & Amusement	105	86	85	85
Blogging & Online Communities	105	79	78	81

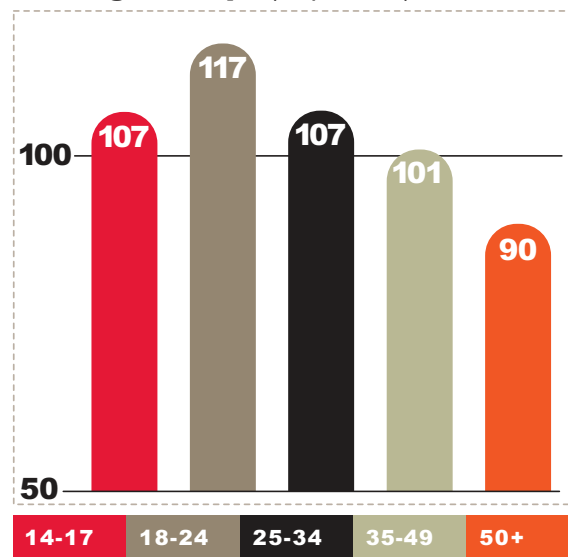
Source: Roy Morgan Single Source, Jan-Dec 2009

10

Magazines Reach the New GENs

- Magazines are still a favourite of teens and young adults.
- Eight out of 10 teens aged 14-17 yrs read 1+ magazines.
- They are more likely to be heavy readers of magazines, indexing at 107 vs. the population average.
- 18-24 year olds are the heaviest magazine readers with an index score of 117. Almost 3 in 10 read 4+ issues.

Index of Heavy Magazine Readers in Age Groups (Pop. =100) Excl. NIMs



	Read any Magazine (Last Issue)	Watch Commercial TV Normal Weekday	Access the Internet at Least Monthly	Listen Commercial Radio Normal Weekday	Read any Newspaper Last 7 Days	Watch PayTV Last 7 Days
Pop 14+	81%	93%	76%	62%	74%	20%
14-17 y/o	79%	96%	86%	72%	58%	17%
18-24 y/o	78%	90%	83%	65%	67%	16%

Source: Roy Morgan Single Source Jan-Dec 2009

11

Magazines Are Cost Effective

- Magazines are one of the most cost effective ways to put advertisers' messages in front of national audiences.
- They offer competitive rates to reach millions of people around Australia.
- For example, the top 10 magazines offer FPC rate-card CPMs ranging from \$11 to \$22*.
- 1 FPC ad in each of the top 10 magazines will reach 6.76 million people aged 14+ for a FPC rate-card CPM of \$28.40.
- The same schedule will target 4.80 million females aged 14+ for a CPM of just under \$40.

* Based on Asteroid data for casual FPC rate @ 02/10

One Insertion in each	Pop. 14+	Females 14+
Women's Weekly + Woman's Day + Better Homes & Gardens + New Idea + That's Life + TV Week + Super Food Ideas + Take 5 + Reader's Digest + Who		
Net Reach (mill)	6.757	4.800
Net Reach (%)	38.1%	53.4%
Av. Frequency	1.92	2.06
Cost/'000 Net Reach (Asteroid FPC casual rates @ 02/10)	\$28.40	\$39.97

Source: Roy Morgan Single Source Jan-Dec 2009.

12

Magazines Get Results .1

Magazines influence consumers in key stages of the purchase process:

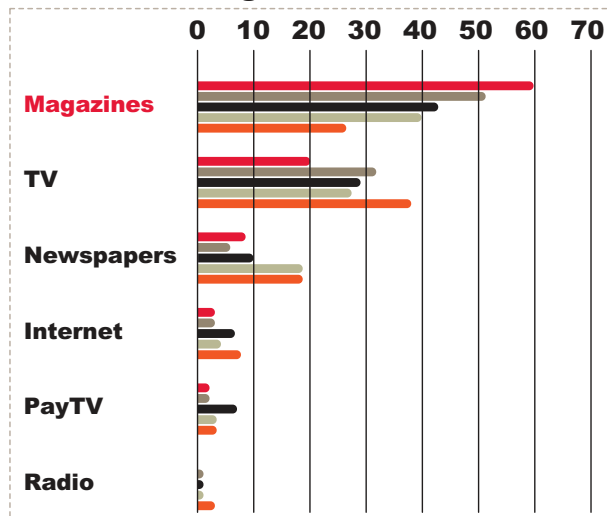
- sourcing ideas and information
- weighing up the options
- making the purchase.

Best Source of Ideas and Information

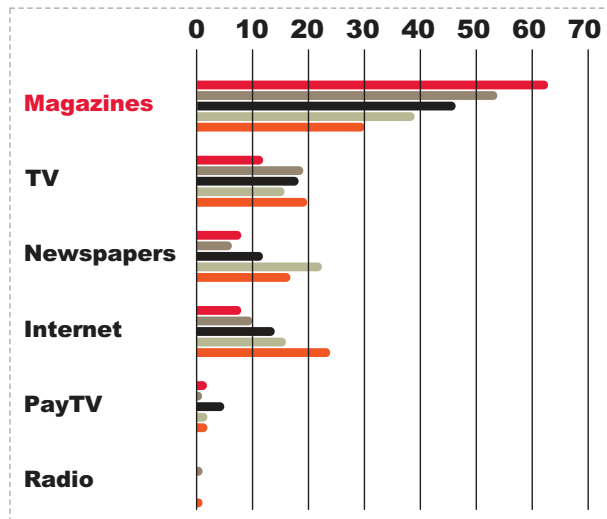
	Clothes & Fashion	Skin & Hair Care	Food & Cooking	Home Decorating	Health & Fitness	H'hold Appliances
Magazines	51	44	35	49	26	21
TV	16	25	29	18	25	24
Newspapers	12	06	08	09	15	26
Internet	05	05	09	08	19	18
PayTV	03	02	12	07	06	02
Radio	0	01	01	0	03	01

Media Matchmaker Study, conducted by Roy Morgan research for MPA, 2007.

Best for Making Aware of New Products



Best for Information to Make Purchase Decisions



Clothes & Fashion Skin & Hair Care Food Products Household Furnishings Health Products

12

Magazines Get Results .2

- Studies* show magazine ads motivate people to shop and excel at driving:
 - brand favourability
 - purchase consideration/intent.

- Magazine advertising contributes significantly more to the total point change in these outcomes than either TV or online ads.

* Dynamic Logic, specialist in advertising accountability research, CrossMedia Research™ 2009, aggregation of 39 studies on how TV, magazines and online ads combine to impact the purchase funnel. Taking total increase across the three media, for brand favourability = 10.9pts; for purchase intent = 11.9pts. www.magazine.org

Magazine Ads Motivate People to Shop for Products

	Have shopped for a product or service after seeing ads here
Magazines	44
TV	45
Newspapers	39
Internet	22
Outdoor	12
Radio	10
PayTV	07

Media Matchmaker Study, conducted by Roy Morgan research for MPA, 2007.

Brand Favourability



Purchase Consideration/intent



12 Magazine Truths

- Magazines Keep Engaging in a Rising Media Tide
- Magazines and Readers Share a Close Bond
- Magazines Reach National Audiences
- Magazines Are More Targeted = Less Wastage
- Magazines – the Best Ad Environments
- Magazines Take Ad Clutter Out of Play
- Magazine Readers Influence Others and Drive WOM
- Magazines Multiply the Performance of TV
- Magazines Prompt Online Action
- Magazines Reach the New GENs
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