

May 20, 2002

Media Buyer's Daily

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 470 Park Avenue South, New York, NY 10016

MAGAZINE READER GAINS GIVE ADVERTISERS MORE REACH PER BUCK

Advertisers may be paying more per magazine ad page than they did a year ago,

Magazine Ad Revenues Per Reader

While magazine ad revenues fell 9.3% during the 12 months corresponding to MRI's spring 2002 and 2001 surveys, the supply of total readers rose 1.9%. The result: Publishers reaped fewer ad dollars per magazine reader delivered.

	2002	2001	Diff.
Readers*	1,525,091	1,496,731	+1.9%
\$(millions)**	\$15,854	\$16,964	-9.3%
\$/Reader	\$10,395	\$11,334	-8.3%

SOURCE: *SPRING MRI AUDIENCE ESTIMATES. **AD REVENUE (IN MILLIONS) ESTIMATES FROM THE PUBLISHERS INFORMATION BUREAU. THE 206 MAGAZINES IN MRI'S DATABASE DO NOT CORRELATE EXACTLY TO THE 235 MAGAZINES IN PIB'S DATABASE.

but on average they're reaching more readers for less money, according to an MBD analysis of just-released data from Mediarmark Research Inc. (MRI).

According to MRI's spring 2002 report, the total audience of the 204 magazines measured in its semi-annual surveys rose 1.9% during the 12 months leading up to April 2002 versus the same period a year earlier.

During the same period, total magazine ad revenues fell 9.3%, according to Publishers Information Bureau data, indicating publishers got a lower advertising yield per magazine reader delivered. It also means magazine advertisers reaped more reach per ad dollar invested over the past 12 months.

That should come as some comfort to magazine advertisers who have been paying higher costs per ad page, as publishers boosted their ad rates amid declining ad page sales.

While the databases don't line up exactly, indexing the Publishers Information Bureau magazine ad revenue estimates by MRI's magazine audience estimates for the same 12 month period yields 8.3% less revenue per reader (see table below left).

MRI measures 204 magazines, most of which are included in the PIB's database of about 250 consumer magazines.

Meanwhile, data on specific magazine categories (see table at bottom) suggest advertisers may be reaping more audience reach from epicurean, newsweekly, automotive and men's titles.

IN THE LOOP

A 10% surge in automotive ad spending contributed to a 1.8% gain in eight mediums tracked by Nielsen Monitor-Plus during the first quarter of 2002. The results were heavily skewed by the inclusion of the 2002 Winter Olympic games on the NBC network and stations. Other strong growth categories included restaurants (+14%),

AD TICKER: NETWORK RADIO

More advertisers are advertising on radio networks this year than last, but they are, on average, spending less to do so,

according to new estimates from Nielsen Monitor-Plus. In February, 205 advertisers bought time on the major radio networks (excluding Westwood One), an increase of 8.5% from February 2001. Through the first two months of 2002, the number of advertisers using network radio rose 11.6%.

While more advertisers are using the medium of network radio, they are investing smaller advertising budgets than they were a year ago, indicating that radio networks may have dropped their advertising costs relative to last year. Network radio ad unit data is not available from Monitor-Plus, but the average budget per network advertiser fell 7.7% to \$203,000 in February. Year-to-date network radio advertiser budgets have dropped 10.1% from 2001. The increase in the number of advertisers buying the medium, nonetheless left total ad spending relatively unchanged for radio networks.

	February '02/ % Vs. Feb. '01		Year-to-Feb./ % Vs. YTF '01	
Advertisers	205	+8.5%	240	+11.6%
Ad \$*	41.7	-0.0%	79.4	+0.4%
\$/Client*	0.203	-7.7%	0.331	-10.1%

SOURCE: NIELSEN MONITOR-PLUS. WWW.NIELSENMEDIA.COM.
 *IN MILLIONS. NETWORK RADIO EXCLUDING WESTWOOD ONE.

movies (+35%), phone services (+23%) and department stores (+21%).

• The Big 3 media agencies, Initiative Media, Mindshare and OMD, have signed up to use a new TV advertising ratings system developed by Intermedia Advertising Group.

THE AUDIENCE BASE ROSE FOR MOST MAGAZINE CATEGORIES

Category	Publications In Category	Spring 2002	Spring 2001	Change
Epicurean	4	27,157,000	24,225,000	+12.1%
Newsweeklies	3	57,059,000	52,749,000	+8.2%
Automotive	4	27,476,000	26,223,000	+4.8%
Men's	6	38,207,000	36,476,000	+4.7%
"Six Sisters"	6	133,754,000	130,867,000	+2.2%
Travel	5	17,370,000	17,169,000	+1.2%
Airline/In-Flight	7	13,309,000	13,157,000	+1.2%
Shelter	9	57,590,000	57,595,000	No Change
Business/Personal Finance	9	33,288,000	33,825,000	-1.6%
Computer	5	22,099,000	23,601,000	-6.4%
All Others Magazines	148	683,782	678,114	+0.8%

SOURCE: MEDIAMARK RESEARCH INC. SPRING REPORTS (MARCH-APRIL 2002 & 2001). BASE = ADULTS 18-PLUS.

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