



Magazines: Future of the Business

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One headline ran: [‘Digital’ vs. ‘Print’? Which is Better and Why?](#) Of course, I did not read it in a ‘magazine’ but online in a LinkedIn group that writes on the topic.

Online does seem to be the place to be. For instance Twitter has over 500 Million users. Every 5 days they sent out 1 Billion Tweets. They are all involved in the New Publishing world though, they might not know it.

It is similar to what happened to ‘scribes’ which was once an important and honored profession. Being a scribe is now an honorary word that we toss around someone who likes to write, especially if they do so by hand. But how many people can make a living being a ‘scribe’ in this day and age where almost everyone can write to some degree? [CUT HERE]

This writing, and the tools that are now at our disposable: word processors, spell checks, computers – desktop, laptop and pads, how to books, publishing services and of course the online tools and communities from email, to text, to Facebook to Twitter to Blogs... We are truly in a 7/24 news cycle.

Yes, news agencies, cable news, reporters, newspapers and the entire ‘news’ profession tries to keep up, but breaking footage is more likely to be captured by amateurs who happen to be walking by with an Android or iPhone!

So does this spell the doom of magazines?

Yes! And NO!

First we have to think of magazines out of the wrapping, so to speak. For the last 100 years or so, we have been used to a seeing a four color printed format, with advertising dispersed within the magazines. This advertising is crucial as it has driven the economic cycle of magazines as we know it – Big, Bold, Glamorous and Inexpensive!

That business model is really what ‘people’ are talking about when they talk about the end of ‘magazines.’ But people, being people, are not really sure what they are talking about. They just know that one of their favorite titles may no longer be published. Earlier this year Newsweek went to a digital only format which caused much concern. But who is concerned?

Let me tell you a story that I heard from a friend that heard it from a colleague. A successful publisher said that there are three things to worry about when publishing a successful magazine:

“Have enough pages of advertising to cover the 3P’s”

“That’s it”

“Oh, the three P’s: Paper, People and Paperclips.”

The digital world means that the Paper is no longer a concern.

The digital world also means that the Paperclips are less of a concern as much more can be done online in terms of reporting, writing, editing, sharing etc.

The digital world also means that the People are no longer as secure as they once were. Those people are often the ones writing about the ‘sky falling’ in the publishing world.

So what happened to consumer magazine ad revenue in the first quarter of this year? It went up, a little, to remain at over \$4.1 Billion. So there is still a lot of competition for that pie and how to get a slice or a sliver of it.

The largest magazine by circulation – 22 Million copies per by for AARP The Magazine. This is a member’s magazine for the American Association of Retired People. It might go to tablet format, but not this decade. So are magazines only for old people? Well another top circulating magazine (almost 8 Million copies per issue) is a gaming magazine – yeah, we were surprised too! But it does show that Glamour and Niches do sell.

General interest – that has been more pressured by the advent of the internet and cable TV. How big is the Internet? Google is expected to earn about 13 Billion this quarter from advertising sales. 13Billion in a quarter is almost what the entire magazine industry gets in ad sales in a year. We are seeing a democratization of our news sources.

So while digital will not kill print magazines anytime soon, it is clear that there is a new king of the block. As Mitch Joel, a well know commentator on digital media recently said: “People crave content. It has never been easier to get content published or to make the decision to become a publisher. With that, more and more startups will launch new and inventive ways for content to find an audience.”

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From the desk of Andre M.

To your success!