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9.2 Apples and readership — for publishers

"Publishers put readership data to uses other than the selling of space" says the symposium programme. "Use of a micro-computer can transform the meaning extracted from traditional data" says Clive Sinclair. This brief paper deals with both topics, and illustrates how the latter helps the former.

While micro-computers have become fairly commonplace in businesses in North America, they are still the exception rather than the rule in Europe, though this will surely change as their ability to enhance the value of data becomes more widely appreciated.

Marketing is one of the most fruitful areas for using micro-computers because of the large amount of numerical information in constant use. For a media-owner company, this means data on readership/viewership, circulation, advertisement volumes and so on.

Within my own company the micro-computers we use are Apples — Apple II and IIe. I purchased the first machine in April 1981, and by April 1983 there are a dozen or more in operation. How is readership data used within Thomson for purposes other than the selling of space? How do the Apples contribute to the process?

Readership data on its own

Looking at readership figures for management guidance starts by asking 'How are we doing?' which means monitoring trends. The next question is "What can we do about it?". This in turn means examining the trend data to assess the scope for modifying readership within market segments. It might sometimes point to opportunities for new sectors to attack.

So perhaps our publishers' simplest use of readership information, though a fundamental one, is to look at long time-series of data going back 10 to 15 years. It is notable how useful it is simply to see the historic readership trends of a publication and its competitors set out clearly — how understanding of our market position today is helped by re-viewing how we got here.

Some of the time-series material is of sufficiently wide interest to publish inside the company in the form of Factbooks (no need to type it, of course, because the micro-computer prints it out) and in addition we publish to a few Apple-using colleagues in the form of floppy discs.

This basic information could of course be set out as lists of typed figures on an ordinary sheet of paper. What is added by use of a micro is an ability to analyse and re-analyse the data at will, performing one set of calculations, studying the results, deciding what to look at next, and within moments obtaining the new set of figures.

The principal software we use for this is a 'spreadsheet' program called VisiCalc. By means of easily-specified formulae it can immediately perform calculations on large arrays of data — indices, rates of change, and so on.

One example is the examination of trends in market shares of readership, taking varying definitions of the market. For say *Illustrated London News* it is the work of seconds to look at its share of the market through time where the market is defined variously as:
(a) *ILN* plus four competitive magazines — *Country Life, Field, Punch* and *Geographical Magazine*; then
(b) a wider market embracing three or four additional magazines such as *Tatler* and *Vogue*; then
(c) a further widening of the market to include the three "quality" Sunday newspapers' colour supplements.

Each of these may show variations in the patterns of market share, with different implications for marketing strategy.

A further example is the examination of profiles of readership through time. Are the readers of, say, *Pins and Needles* getting younger, more up-market, or more evenly spread across Britain? Are the principal competitors moving in the same direction? Should anything be done editorially to attempt to enhance the trend? Does this accord with the qualitative research we have carried out on the magazine?

My experience is that by using a micro-computer, analyses which have previously been regularly carried out become much quicker, and a large number of additional analyses are actually undertaken which in practice would have been left undone if it had involved an ordinary desk calculator, because of the sheer work and time demanded.

Readership data as part of the wider picture

When we treat readership data as just one element in the wider picture governing the total economics of a magazine, we use it to tackle questions such as:

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(a) To what extent are circulation and readership connected? How stable is the relationship? Do the long-term trends match better than the short-term ones?
(b) Which is the audience group whose readership best predicts advertisement revenue, for a particular publication? Is it the total readership or a subgroup? Which subgroup?
(c) How much of a time-lag is there? If readership among the 'predictor' subgroup starts to rise at an accelerated rate, how long before advertisement revenue accelerates?
(d) Does this relationship alter when the readership trend changes direction? Perhaps advertisement revenue drops more steeply than readership when readership is falling, but rises at the same rate as readership when the latter is increasing? How does this affect the revenue targets to be set for next year?
(e) Does the number of editorial pages have any measurable effect on readership among the key subgroup? How quickly? Would it be worth investing in extra pages of editorial (additional to those provided by traditional editorial/advertisement ratios) in the expectation of increasing the readership and hence advertisement revenue?

Most of the basic variables are either measured by published figures or they can easily be monitored privately (e.g. fast reporting of advertisement volumes carried by competitive titles, or their editorial/advertising paging). For all this information, a micro-computer running a program such as VisiCalc is ideal for codifying and storing the data, for analysing it, and for re-analysing it. The micro's flexibility and speed leads to more (relevant) calculations, and the pertinent relationships being better understood. Because we have easy means of doing so, we throw in more variables and hence conduct a more thorough search for the significant relationship. Thus we compare movements in readership to a much longer list of other factors — cover price, number of editorial pages, pages per penny of cover price, lagged circulation movements, and many others; similarly we relate readership movements to revenue movements more thoroughly.

The Apple also stars at graphic presentation of data to assist understanding of what the data is saying, especially for non-marketing people. With programs such as ApplePlot and VisiPlot it is possible to produce and print bar-charts, pie-charts and line-graphs and to experiment with different scales, re-scaling on-screen as often as necessary until satisfied that the graph expresses the story as clearly as possible.

Original Readership Surveys

Another area into which we are moving is the use of the Apples to handle the data processing for small-scale original surveys of readership. Generally the prime motivation for the survey is editorial and management guidance, though in many cases there is also a potential benefit for advertisement selling.

For the most part this facility is being applied to our smaller publications, both consumer and business, which have very limited or even non-existent budgets available for research. By removing one of the main items of cost, the data processing, and by avoiding external charges for sampling, questionnaire design, and so forth, the project becomes feasible for even the smallest magazine.

The software we are running on the Apple is called SNAP. After inputting the questionnaire format, we can key in the replies from each questionnaire, and analyse the results in a highly flexible manner.

An example among our business publications is *Building Trades Journal*, a weekly which has been undergoing considerable progressive editorial modification. After an initial survey among readers, we are setting up a panel of regular readers of *BTJ* who will give their views on the editorial content about six times a year. It is the editor and the publisher rather than the research department who play the leading role in choosing what information should be collected by the questionnaires.

Among our consumer magazines, there are half a dozen small-circulation titles which are not covered by syndicated surveys, where the research department is providing a means of collecting readership data for both management and advertisement purposes, at very little external cost — just the printing and mailing of the questionnaires.

Editorial Appreciation Panel

JICNARS readership information gives us the panel controls for our most ambitious panel — 300 readers of two of our major consumer magazines, *Family Circle* and *Living*, who provide an assessment of each month's editorial. The panel composition is balanced to the relevant readership profiles in terms of standard JICNARS demographics, ACORN (a classification by type of neighbourhood), and readership of specified magazines.

The panel has been set up and operated for us by the research company Plus Four Analysis. Panel members are sent pre-publication copies of the magazines every month, together with a questionnaire. There is a standard way of scoring each article, plus extra questions which vary from month to month and are to a large extent suggested by the editors. About 80% of questionnaires are returned completed each month. Anyone missing two consecutive questionnaires is automatically removed from the panel and replaced.

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We have learned a lot about how the panel is behaving, partly through analysis of the panel data itself (for example, panellists who return questionnaires most quickly tend to give fractionally higher scores to the articles than those who are slower to return questionnaires), and partly through running a group discussion among some of the panel members. This latter confirmed that panellists understand their task properly, they enjoy completing the monthly questionnaire, and are well pleased to be able to keep the magazines we send them.

What have our Apples contributed to this? Not much, in this instance. Data processing is handled for us by Plus Four. At Thomsons we have just used the micro-computers in a limited role, in establishing which of a large number of breakdowns within the panel are the key groups against which the article scores vary most significantly; and in analysing the extent to which different sub-groups do in fact vary in their scores. In order to accomplish this, selected raw data from Plus Four's own print-out was quickly keyed into an Apple and stored on floppy disc; the analysis involved indexing literally hundreds of figures on a column of base numbers. It meant we could establish the key breakdowns responsible for most of the variability in scores, and confine future analyses from Plus Four to these few sub-groups, scrapping the rest and thus saving considerable mainframe computer analysis cost. We accomplished this without cost, and through a very thorough analysis rather than the rough and ready approach of doing it by inspection of the raw data or by a few sample calculations.

The panel has been operating for more than half a year. Later, when there is a longer run of panel data, we will be able to begin relating readers' editorial appreciation to short-term JICNARS readership trends.

I will be reporting on this Panel in much more detail at an ESOMAR seminar in November 1983 in Florence, Italy. The seminar is called 'Publishing A Better Product: meeting the needs of readers and advertisers', and ESOMAR will be publishing the papers in full.