



Ukrainian-American Concordia University (WIUU)

previously Wisconsin International University (USA) in Ukraine

Master Class I

How to be Successful in

Publishing a Lifestyle-Magazine.

Prof. Dr. phil. h.c. Michael Ruiss

Проф. Міхаель Руїсс, почесний доктор філософії

(Publisher of TOP Magazine Frankfurt Rhine-Main)



In these  times of ours, you might think that  magazines, that online is all that's in  these days. But it's 

for a reality check: 93% of adults read magazines — and that readership has remained steady for  than 10 years. And nearly all consumers (87%) reading on a digital device still want to 

in their printed copy. Why? Because magazines have a unique

, providing intimate, engaging experiences that consumers can't get elsewhere.

General reputation of the magazine publishing business is:

WONDERFUL



GLAMOROUS



LUCRATIVE



In the majority of cases that's far away from reality.



The reality is, that the magazine publishing business is

DIFFICULT

For if $a_{jk} = \frac{\partial P}{\partial k}$, and if $P = a_{PB}B + a_{PG}G + a_{PM}M$ and B, G, and M are independent variables, then

$$a_{PB} = \frac{\partial P}{\partial B} \quad \text{and}$$

$$dP = \frac{\partial P}{\partial B} dB + \frac{\partial P}{\partial G} dG + \frac{\partial P}{\partial M} dM$$

Integrating, we get

$$P = \int \frac{\partial P}{\partial B} dB + \int \frac{\partial P}{\partial G} dG + \int \frac{\partial P}{\partial M} dM$$

If the a_{jk} are constant coefficients, then the rates, $\partial P / \partial k$, are constant also and can be taken outside of the integrals. Therefore,

$$P = \frac{\partial P}{\partial B} \int dB + \frac{\partial P}{\partial G} \int dG + \frac{\partial P}{\partial M} \int dM \quad \text{or}$$

$$P = \frac{\partial P}{\partial B} B + \frac{\partial P}{\partial G} G + \frac{\partial P}{\partial M} M + K$$

Furthermore,

$$\delta_A = \frac{\partial \delta_A}{\partial B} B + \frac{\partial \delta_A}{\partial G} G + \frac{\partial \delta_A}{\partial M} M + K_A$$

$$\delta_B = \frac{\partial \delta_B}{\partial B} B + \frac{\partial \delta_B}{\partial G} G + \frac{\partial \delta_B}{\partial M} M + K_B$$

$$\delta_C = \frac{\partial \delta_C}{\partial B} B + \frac{\partial \delta_C}{\partial G} G + \frac{\partial \delta_C}{\partial M} M + K_C$$

$$\delta_U = \frac{\partial \delta_U}{\partial B} B + \frac{\partial \delta_U}{\partial G} G + \frac{\partial \delta_U}{\partial M} M + K_U$$



RISKY

VERY COMPETITIVE





MARKET FACTS



Population: 318 million
 No. of magazines: 7,390
 Copies sold: 4.3 billion



Population: 81.7 million
 No. of magazines: 4,690
 Copies sold: 3 billion



Population: 45.5 million
 No. of magazines: 2,258
 Copies sold: 291 million



(Source: PricewaterhouseCoopers, ZenithOptimediaagency, FIPP World Magazine Trends 2013-14)



MARKET FACTS – it's a big business

2013

- ▶ Total International circulation revenues US\$ 42 billion
- ▶ International print advertising revenues US\$ 33 billion

Nearly everybody wants to participate.

However, more than 80% of new magazines launched fold within a few years.

<i>Mio. US\$</i>	Projected Total Ad Spend 2014	Magazine Advertising Spend 2014	Magazine Advertising Share 2014
Austria	4.281	488	11,4%
Bulgaria	868	29	3,3%
Czech R.	1.148	153	13,9%
Estonia	99	7	7,0%
Germany	23.341	3.844	16,5%
Hungary	800	106	13,8%
Kazakstan	1.259	37	3,0%
Latvia	97	9	9,7%
Poland	1.923	117	7,1%
Romania	384	14	3,7%
Russia	11.449	589	5,9%
Serbia	221	14	6,5%
Ukraine	951	99	10,9%

Source: FIPP World Magazine Trends 2013 / 2014, ZenithOptimedia



Lifestyle Magazines trending up



News Magazines trending down

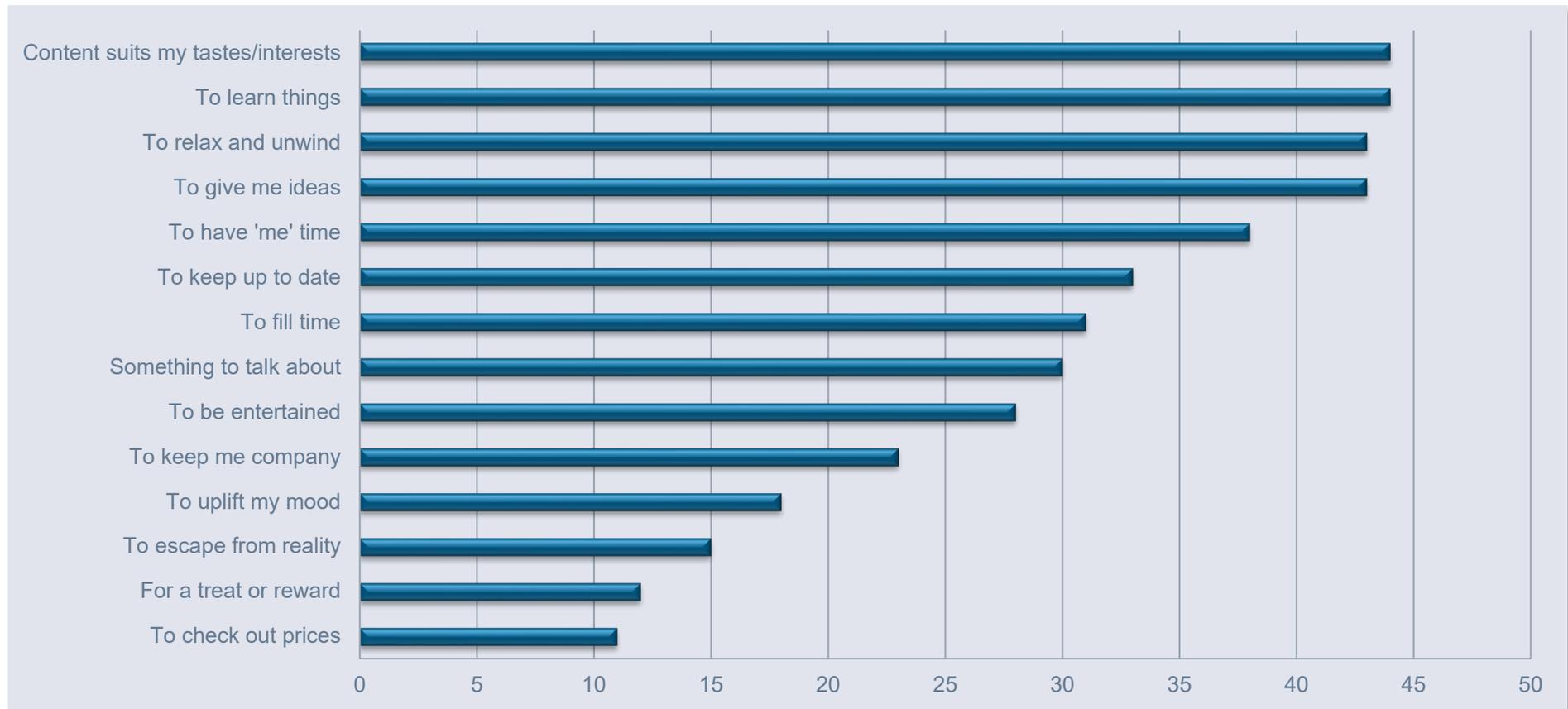
MAIN SOURCES OF REVENUE

- ▶ Advertisers
- ▶ Subscriptions
- ▶ Newsstand Sales





MOTIVATION FOR READING MAGAZINES



Source: Carat Consumer Connection System, UK, 2010





READERS

- ▶ Readers choose magazines which match their own special interests and outlook.
- ▶ Readers find titles which connect with the personal self.
- ▶ Readers develop a personal relationship with a magazine. When a magazine closely chimes in with a reader's self-image, there is a high level of identification with the magazine.
- ▶ There is a feeling of ownership, that this is "my magazine", an informed friend, and "That my magazine helps me to become the type of person I want to be ...
- ▶ ... and to introduce myself to people I'd like to talk to."
- ▶ Readers look forward to spending relaxing moments reading "my magazine".



WELCOME TO THE CLUB!

A magazine helps readers to ...

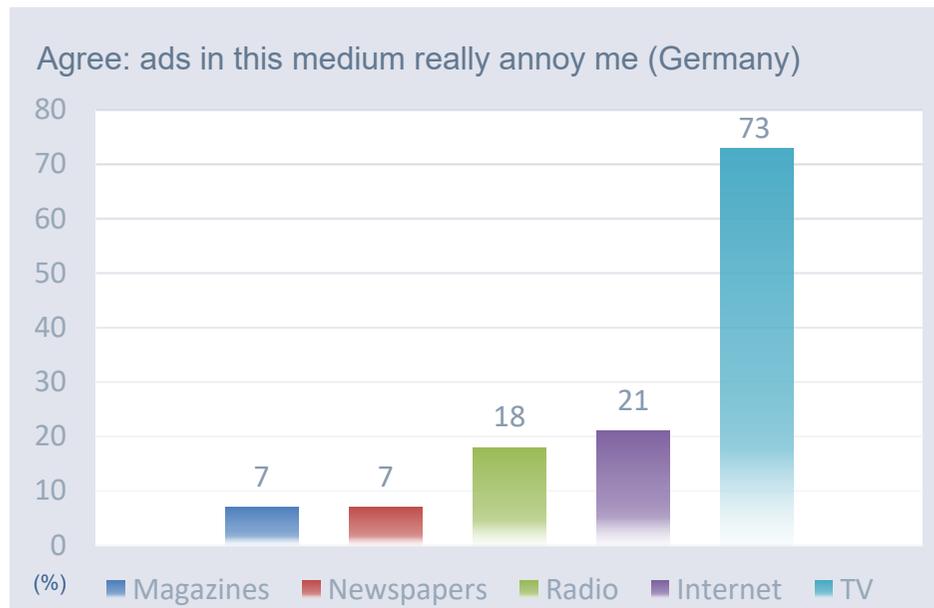
- ▶ ... have something to say.
- ▶ ... to know what's "in", what's "out".
- ▶ ... be an sought after conversation partner on all social levels.
- ▶ ... be an interesting person.
- ▶ ... be better informed and communicate better.
- ▶ ... dress fashionably.
- ▶ ... stay up to date on trends.
- ▶ ... have cachet.

It's not a big investment to be a member of the club.



MAGAZINE BENEFITS

- ▶ Ads in magazines are more welcome to readers than in any other medium.



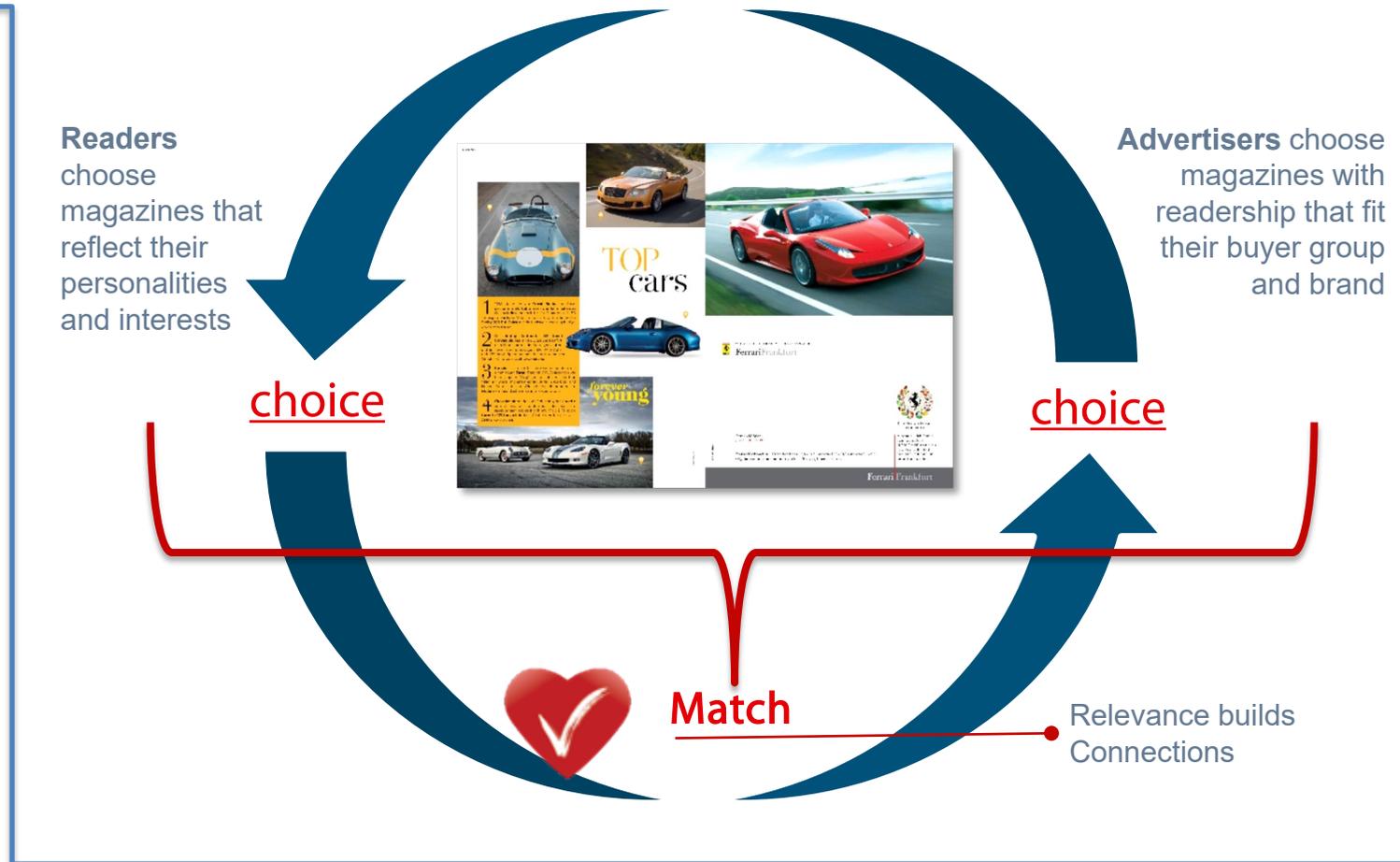
Base: All adults. Source: Medienprofile & Medienbegabungen, Institut für Demoskopie, Allensbach, Germany

- ▶ In the digital age analog magazines are mobile.
- ▶ Enjoying a magazine doesn't disturb anybody.
- ▶ It's really easy for readers to savour the "magazine moment" – "me time", a treasured, absorbing and usually relaxed experience.



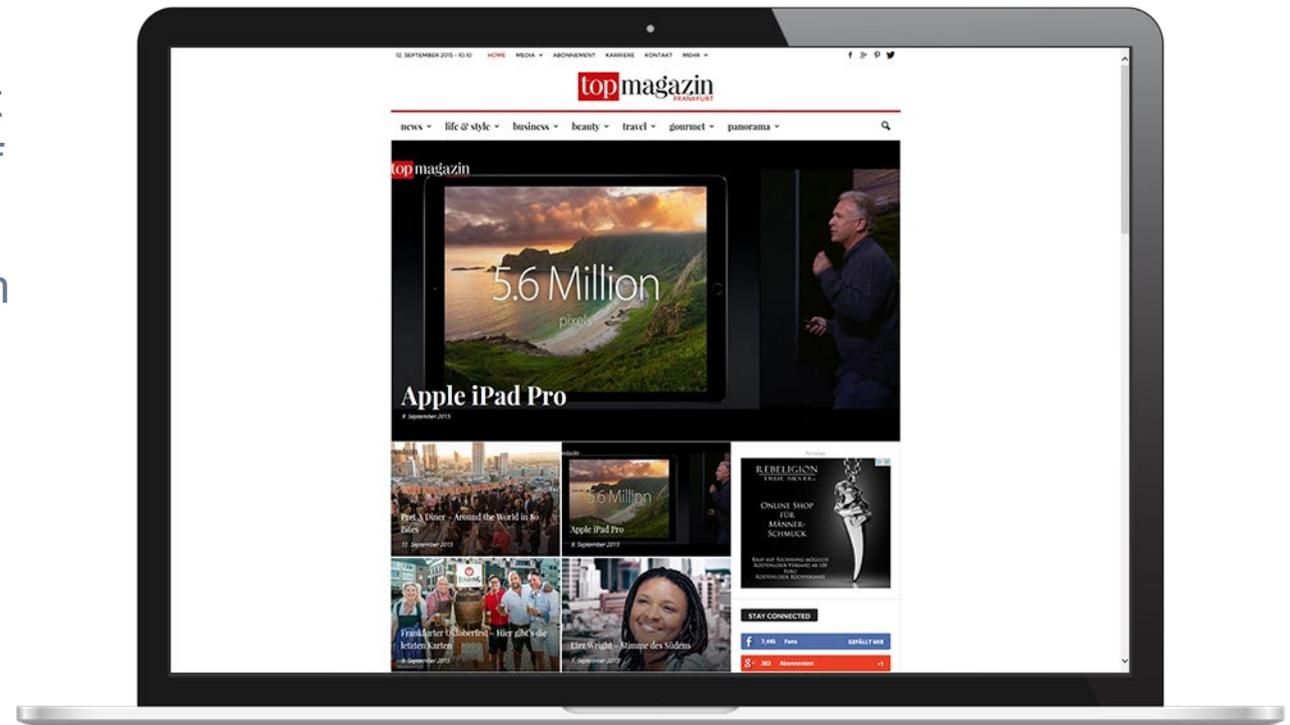
THE PERFECT DATING ARRANGEMENT

- ▶ Magazines are unique in the extent to which ads are welcomed by the audience
- ▶ It's a virtuous circle



PRINT AND INTERNET

- ▶ Websites and print are complementary. Readers find it natural to use both platforms of a magazine brand, looking for different kinds of information on each media channel.
- ▶ The distinction (in part) lies in printed magazines being used for pleasurable relaxation and inspiration, while websites are primarily sources for targeted information-seeking and news.



HOW TO BE SUCCESSFUL

- ▶ Define a promising positioning based on what you (or better research) see in potential audience (demographics, age, income, education).
- ▶ Is there a market big enough to support the magazine?
- ▶ Are there subscribers willing to pay for such a magazine? And how much are they willing to pay?
- ▶ Are advertisers interested in reaching this market and willing to pay for ads to do so?





FACTORS OF FAILING

- ▶ Poor magazine focus/positioning
- ▶ Under capitalization
- ▶ Over-estimation of circulation
- ▶ Over-estimation of advertising revenue
- ▶ Lack of focused editorial concept
- ▶ Lack of “mission”
- ▶ Overstaffing
- ▶ Lack of significant advertising base
- ▶ Poor management

CONCLUSION

- ▶ Success is possible but comes at a cost.
- ▶ Have highly relevant content for your target audience.
- ▶ Circulation and demographics are the key to long-term success.
- ▶ Be sure of positioning advertising appeal.
- ▶ At least have financial buffer to go a few issues before break even.





Wisconsin International University Ukraine (WIUU)

Master Class II

How to be Successful in

Networking with a Lifestyle-Magazine.

Prof. Dr. phil. h.c. Michael Ruiss

Проф. Міхаель Руїсс, почесний доктор філософії

(Publisher of TOP Magazine Frankfurt Rhine-Main)



Prof. Dr. phil. h.c. Michael Ruiss

Born 1978 in Frankfurt am Main, Germany. 2000 Founder/CEO of the biotechnology company humatrix AG (www.humatrix.com).

2005 Managing Director and publisher of Top Magazin Frankfurt Rhein-Main.
CEO of the FourReasons Media oHG.



Awards:

- Golden Badge of the Lesja Ukrainka Eastern European National University (EENU)
- Medal of Honor of the Mayor of Kiev Dr. Vitali Klitschko
- Gregory Skovoroda Medal of the National Academy of Pedagogical Sciences of Ukraine
- Knight of the Order of Saint George – a European order of the House of Habsburg-Lorraine
- Order of Glory of the Ukrainian People's Embassy
- Grand Cross of the Royal House of Portugal
- Medal of Honor of the V. N. Karazin Kharkiv National University
- Medal of Honor (Hryhoriy Skovoroda State Pedagogical University)
- Petro Ivanovich Orlyk Medal (NPU)
- Order of Justice of The Noble Chapter of King Ferdinand VI of Spain
- Order of Archangel Saint Michael the Archistrategos of the Ukrainian Orthodox Church – Kyivan Patriarchate
- Startup Award of the City Frankfurt and the Frankfurt University of Applied Sciences



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