

MAGAZINES & THE MULTIPLE RETAILER

The Consumer Perspective

(September 2003)



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SECTION 1

Background Brief & Methodology

Background brief

The retail route to market for magazines is becoming increasingly complex and competitive:

- Complex, because consumer shopping patterns are becoming more fragmented and diverse across the retail universe.
- Competitive, because there is far greater pressure on retail shelfspace to yield a return across an increasing range of products.

Therefore, understanding how and why consumers buy magazines in different kinds of retail outlet is central to circulation planning. This project is intended to offer broad-based insights and benchmarks rather than a detailed mapping of the retail market.

In the Spring of 2003, the PPA *Selling Magazines* group commissioned Brandlab to assess the independent retail sector. Subsequently, PPA has extended that work to review the role of the multiple retailer, with particular reference to the High Street Primary Newsagent and Supermarket retail types – the focus of this project.

Methodology

In August 2003, Brandlab researchers conducted exit interviews outside 20 WHSmith High Street shops and 20 supermarket stores (a mix of Tesco and Sainsbury outlets) chosen to achieve a representative spread in terms of geography, location and shop type. There was a bias towards larger outlets in order to catch sufficient consumer traffic and to assess retailers with a significant magazine range.

Shoppers were approached as they left the shop on a random selection basis. No purchase was required to trigger the interview, but a filtering question was asked: “Do you buy magazines at all nowadays?” For those answering negatively, the interview was then terminated. For those answering positively, the interview continued: 1,135 full interviews were completed. The sample profile is summarised below.

	Phase 1	Phase 2	
Fieldwork	March 2003	August 2003	
Retail type	Independent CTNs & convenience stores	Major High St outlets	Major supermarket outlets
Retailers	Independents	WH Smith	Tesco, Sainsbury
No. of sample stores	50	20	20
No of consumer interviews	768	541	594

The Phase 2 questionnaire contained a number of core questions that were identical to the Phase 1 project so that direct comparisons between the surveys could be made.

SECTION 2
Management Summary

2. Management Summary

The research shows a complex consumer market where shopping patterns and motivations vary from retailer to retailer, sometimes subtly, sometimes very significantly.

Shopping frequency. The frequency of shop visit ranges from 1.4 per week (High Street) up to 3.4 per week (Independents).

Shopping drivers. Whether magazines are a primary, “destination” purchase or a secondary, “add on” purchase varies significantly from outlet to outlet. This shapes the role of magazines in the retailer’s consumer offer. Yet taking the primary and secondary purchase of magazines together, the category is a very significant element in the consumer’s portfolio of products with 40% of Independent shoppers, 57% of Supermarket shoppers and 68% of High Street shoppers regularly buying magazines at these outlets (all the figures are for shoppers who also “buy magazines at all nowadays”).

Purchasing frequency. The consumer dynamics of when and why people buy magazines at different outlets varies significantly from outlet to outlet.

- High Street outlets have a large core of regular magazine purchasers, but also attract many “satellite” shoppers who are adding to their core purchases from the wide magazine range that is available at these outlets.
- Supermarket outlets are driven by food purchasing, though more and more of this is “top up” shopping and more and more secondary purchasing is made up of non-food with magazines being one of the premier categories. These outlets have developed a remarkably large core of regular magazine buyers

and the consumer seems relatively open to the idea of buying more magazines from these shops if the conditions are right.

- Independent outlets suffer from a relatively low penetration into the magazine purchasing market. Yet the magazine is very much part of this outlet’s consumer offer which is driven by the regular purchasing pulse of newspapers, tobacco and confectionery.

Purchasing intentions. Magazine purchasing is polarised between two extremes. There is a large core of purposeful shoppers who know precisely what they want before they enter the shop and who follow that intention through to completion. At the other extreme are consumers who buy magazines on pure impulse. In between are others who are diverted from their original intended purchase by the attractions of a wide magazine range on display. These dynamics vary from outlet to outlet:

- High Street outlets cater for more planned magazine buying.
- Supermarkets, though they have a core of regular shoppers, cater for a more impulsive, “treat” purchase.
- For both Supermarkets and Independent outlets, convenience is a key issue.

Magazine range. Consumers have very clear perceptions as to which retailers offer the widest magazine range and High Street outlets emerge as the clear winners with Supermarkets in second place. Of concern to the Independent sector must be their relatively low ranking in the consumer’s mind when it comes to magazine range.

Key retail services. Consumers also have very clear ideas as to what retailers are good and bad at. The general level of in-store promotions is felt to be uninspiring and capable of improvement.

There are also differences between outlets in terms of consumer perceptions regarding advice, availability, ease of locating titles and magazine range.

The shopping experience. The overall impression is that consumers feel that magazine displays are generally well positioned in-store, well signposted and well maintained and that browsing is an enjoyable and important part of the shopping trip.

Magazines may not be a totally “front of mind” purchase when consumers are shopping. Yet they are an important element in making the shopping trip more enjoyable and they form a category about which the consumer has strong opinions and clear views as to which retailers provide the best magazine service.



Brandlab is the research company commissioned to run and report on this whole project.

Brandlab is a joint venture between Wessenden Marketing and Decipher Publishing Services.

What distinguishes the company is:

- Its focus on the consumer buying decision and the motivations that lie behind the purchase.
- Its usage of mixed methodology to find commonsense solutions to real life problems.

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