

Top 10 Insights for Magazine Tablet Advertising

April 2012



Do you remember when the first tablet was brought to market? It's hard to recall a time when tablets weren't on our minds. But believe it or not, the first tablet came to be only a mere two years ago, when Apple released the iPad on April 3, 2010 and sold 3 million units within 80 days, according to company reports. Through the end of 2011, Apple has sold more than 80 million iPads worldwide and has maintained a pretty commanding market share.

The continued rapid uptake of tablets among U.S. consumers is reflected in the projection of 54.8 million tablet users by the end of 2012—that's nearly 18 percent of the total population¹. By the end of 2014, the number is predicted to reach 89.5 million and then increase to 112.5 million users by the end of 2016, or roughly one-third of the population². So what are the implications of this rapid multiplication on your business model? As the tablet technology has revolutionized consumer behavior, it has generated significant interest among media owners as a new platform for distributing content to audiences. And wherever there's a media audience, there's a corresponding opportunity for advertisers. So it's no surprise that marketers are also enthusiastically exploring how to take advantage of tablets as a commercial message channel.

Kantar Media's commitment to provide strategic advertising intelligence for emerging digital media has led to our multidimensional internal research and development program around tablets. Our initial focus is on the hub of the market, the beloved iPad, with the first phase R&D focused on:

- Methods for identifying, collecting and coding ad messages appearing in iPad apps
- Taking an inventory of iPad applications from media content providers – magazines, newspapers, TV networks and games
- Analyzing the creative content of ad messages appearing in a diverse sample of apps from magazine publishers

For our first exploration, we've focused our energy on findings on the last two items. Our goal is to present a snapshot at a moment in time. Given how rapidly the tablet ad landscape is evolving, and in our effort to deliver you clarity, we caution against extrapolating these findings into the future.

¹EMarketer. March 7 2012. <<http://www.emarketer.com/Article.aspx?R=1008886>>.

²Forrester. March 6 2012. <<http://www.forrester.com/home#/US+Consumer+Tablet+Forecast+Update+2011+To+2016/quickscan/-/E-RES61458>>.

Analytic Approach

Over the past two years, tablet applications have developed as extensions of many traditional media types—television, newspaper, magazine, and games, to name a few. Since November 2011, we have been conducting and updating an inventory of tablet offerings from these media channels and have found the highest volume within the magazine sector.

Because magazines currently account for so many of the media apps on iPads, we chose to begin our initial phase of research and development within this sector. Kantar Media has continuously monitored approximately 150 magazines, selected based on top print revenue, top digital spend, and top grossing magazine iTunes apps. We've scanned these 150 properties for the presence of corresponding tablet versions, and as of February 2012, 110 of them had an iPad app, 65 of which had iPad-specific editions with exclusive digital content. We've also identified 42 magazine apps that provide the publication in other versions, including digital print replicas, iPhone version, newsfeed format, Zinio Magazine Reader, or a Magazine Reader App exclusively.

Not only have magazines sparked a proportionately high number of active early adapters of tablet ads, but they've done so at a remarkably rapid pace. Back in November 2011, 88 media properties had iPad apps, 43 of which had iPad-specific editions with exclusive content. Between November 2011 and March 2012, 22 new magazines released iPad-specific apps, bringing our collection of iPad apps and iPad-specific editions to its current count of 110 and 65 respectively—an indication that the magazine tablet app market continues to dynamically grow and evolve.

We conducted our analysis on magazine ads that ran throughout the January 2012 and February 2012 editions in a subset of 52 publications containing both print and iPad tablet ads.

Magazine Publications Included In This Analysis

Allure	People
Automobile Magazine	Popular Mechanics
Better Homes & Gardens	Popular Photography
Bride's	Popular Science
Car And Driver	Prevention
Coastal Living	Reader's Digest
Elle	Real Simple
Entertainment Weekly	Road & Track
Entrepreneur	Runners World
Esquire	Self
Essence	Seventeen
Family Fun	Shape Magazine
Field & Stream	Southern Living
Fitness	Sports Illustrated
Food & Wine	Sunset
Fortune	Taste Of Home
Glamour	This Old House
Golf Digest	Time
GQ	Travel+Leisure
In Style	Vanity Fair
Martha Stewart Living	Wired
Men's Health	
Money	
Motor Trend	
National Geographic	
National Geographic Traveler	
New Yorker	
Newsweek	
O-The Oprah Magazine	
Outside Magazine	
Parents	

Source: Kantar Media

Observations

1. Tablet Advertisers Are Current Customers

Within the universe of advertisers appearing in magazines' iPad editions, more than 90 percent also ran ads in corresponding print editions. We interpret this high duplication rate as the established base of print edition advertisers serving as low hanging fruit for initial experiments. For the publisher, it is good business sense to take new ideas and opportunities to existing customers and build on that relationship.

2. A Lighter Ad Load in Tablets

In aggregate, the iPad editions carried fewer ad occurrences than the print versions. The average ratio was about 60 percent but for individual titles this value ranged from less than 10 percent to over 150 percent. Considering that iPad magazine apps are at an early testing stage and a developed ad marketplace is still over the horizon, we regard these proportions as an interesting curiosity rather than a harbinger. Coupled with the previous observation, it will be interesting to see if the tablet advertiser roster routinely mimics the print edition or if magazine tablet apps evolve into a separate opportunity.

3. Missing In Action: Rx Advertising

Pharmaceutical is a top five ad category for the magazine industry and is very common in the publications that were part of our analysis. With that said, prescription drug advertising was notably absent from the iPad editions, with only a few placements observed. This may be due to the strict requirements pharmaceutical marketers face to provide detailed disclosure information about their medications.

4. Print Edition Creatives Are Repurposed For Tablets

Our comparison of print and tablet magazine advertisements revealed that the majority of the tablet magazine ads were near replicas of their print counterparts. In general, most magazine tablet ads were repurposed print creatives without elaborate animations or advanced interactive features, other than links to the advertisers' websites or social media pages like Facebook, Twitter, and LinkedIn.

Tablet ads with deeper interactive elements were observed, but primarily in magazine publications such as Wired or Popular Science that target a more tech-savvy audience.

5. Have You Seen Our Latest App?

Advertisements promoting an in-house app download, such as the In Style and Popular Mechanics ads below, were common across all types of iPad publications.



Source: Kantar Media

6. Most Ads Are Not Sensitive to Tablet Orientation

Less than half of the iPad publications provided both portrait and landscape orientation for ad creatives. More often than not, the orientation of the ad did not change when the tablet was rotated. The vast majority of orientation-based creatives contained the same product, text and image, with only slight variations in positioning and cropping. In some cases like the Land Rover ad below, you must scroll or swipe to view the full ad.



Source: Kantar Media

7. Change The Orientation, Change The Creative

Though most magazine app ads were not affected by change in tablet orientation, we did encounter a small number of orientation-based ads that had a visible variation in messaging, advertiser or product. One example is this Honda CR-V ad. The headline, background artwork and product shot all changed when the iPad was rotated from portrait to landscape orientation.



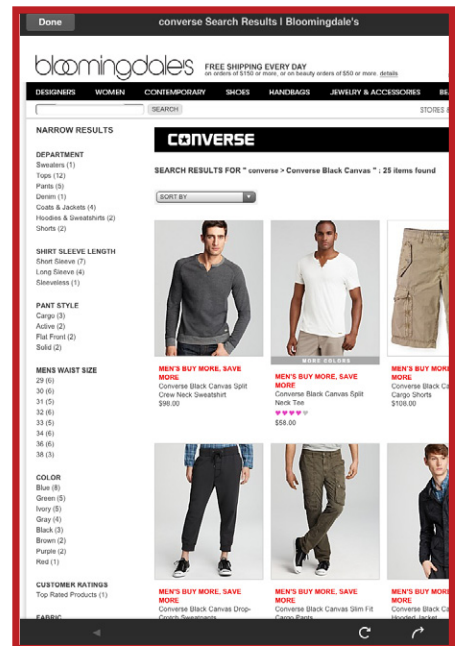
Source: Kantar Media

8. Tablet Ads With Additional Product Information

While most magazine tablet ads lack advanced interactive features, there was a small group that contained overlays to view additional product information. Embedded in the Converse ad below are two calls to action: a tap for product details and a shop now step which redirected users to a Bloomingdale's shopping page.



Source: Kantar Media



9. Rich Media Tablet Ads

We rarely came across ads with deeper interactive elements. However, when we did see them, they appeared primarily in publications targeting more tech-savvy audiences. We found a limited number of ads containing interactive games or digital video (always user-initiated). This American Airlines creative, which ran in Wired Magazine's tablet app, contains a link to a digital video.

The Tic Tac ad is another striking example of interactive tablet ads. In this movement-based creative, music plays when the user shakes the iPad.

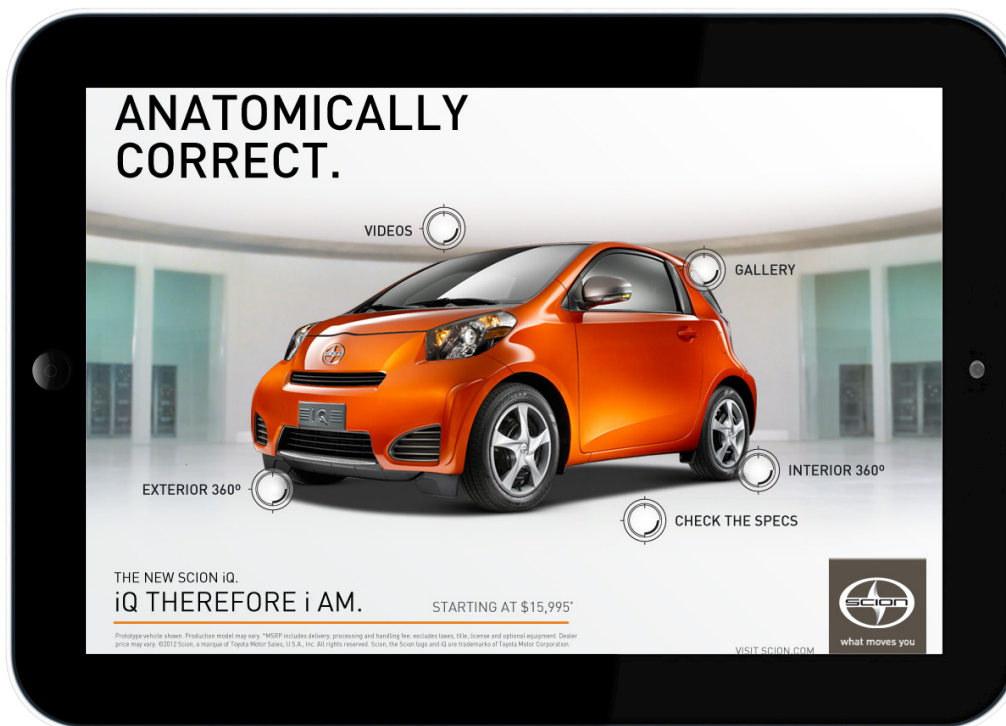


Source: Kantar Media



10. Auto Advertisers Leverage Rich Media

Some of the deepest rich media functionality was observed in automotive advertisements. Wired Magazine ran a Scion ad which allows readers access to image galleries, video, animation and movement-based features (lift, rotate, shake, etc.).



Source: Kantar Media

Summary

Through our examination of tablet ad creative, we've seen a number of patterns that point to a key role for tablets in the future advertising to come. While many of the analyzed tablet ads were recycled versions of print ads, unaffected by tablet orientation, there were also a handful of tablet advertisers who demonstrated creative leadership in spearheading interactive, distinct opportunities within the medium.

Our analysis of creative trends in tablet advertising is based on our monitoring of the tradigital marketplace. If you'd like to know more on the tablet spectrum, please contact:

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About Kantar Media

Kantar Media provides strategic advice and competitive intelligence to the world's leading brands, publishers, agencies and industry bodies, helping them navigate and succeed in a rapidly evolving media industry. This includes analysis of paid media opportunities; counsel on brand reputation, corporate management and consumer engagement through owned media; and, evaluating consumers' reactions in earned media. Kantar Media provides clients with a broad range of insights from audience research, competitive intelligence, vital consumer behavior and digital insights, to marketing effectiveness and online influence. Our experts currently work with 22,000 companies tracking 3 million brands in 50 countries.

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