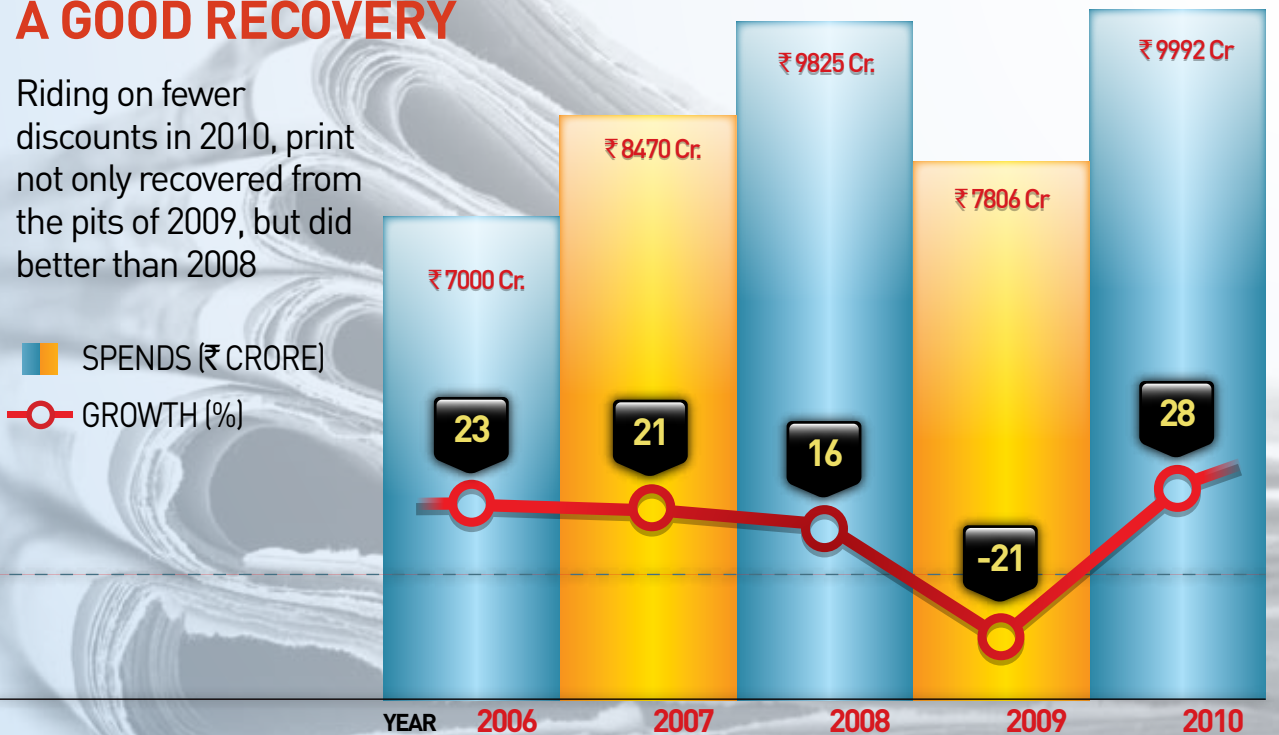


₹ 2186 CR. FIRES UP PRINT

A GOOD RECOVERY

Riding on fewer discounts in 2010, print not only recovered from the pits of 2009, but did better than 2008



Riding on some smart innovations, print has been able to attract the attention of marketers. FMCG and BFSI are the new categories that are looking at print seriously

By **Dhaleta Surender Kumar**

Presented by



Highlights 2010



Top spender

Education emerged as the top spender. FMCG and automobiles too are showing interest in print



New ideas

The Volkswagen 'talking ad' was a path-breaker in innovation. Use of 3D and QR Codes too is increasing



New labels

International titles like Fortune, Lonely Planet and Conde Nast Traveller hit the Indian shores

Print medium generated ₹ 2,186 crore more in 2010 to its share of ₹ 7,806 crore in 2009. But actually, it's not a growth story. It is a story of recovery if we compare it with the figures of 2008, when the medium had ad revenues worth ₹ 9,825 crore. In 2010, it is marginally better at ₹ 9,992 crore.

The medium had seen a negative growth of 21 per cent in 2009. Taking a cautious approach, the Pitch Madison Media Advertising Outlook 2010 had given the medium a chance of eight per cent growth rate. But, in actual, the medium saw a growth of 28 per cent in 2010.

If the Diwali period in 2009 sounded the death-knell for the medium, the Diwali period in 2010, signalled the recovery. HT Media reported an advertising growth of 20-25 per cent

15% of print's ad revenues come from education

The local edge

So the year 2009 was not an aberration when television overtook print to emerge as the largest shareholder in the ad-pie. The norm is here to stay and print will have to play second fiddle to television, in spite of the tremendous growth rate it saw in 2010. The print medium also managed to increase its share in the ad pie marginally by 0.5 per cent against our projections of a loss of 1.7 per cent. That said, it did manage to eat into the share of television.

To say that television has grown and is now competing with print, is a statement that Sanjay Gupta, CEO, Jagran

If the Diwali period in 2009 sounded the death-knell for the print medium, the Diwali period in 2010, signalled the recovery

during the October-December period, as compared to the period in 2009. The growth was led by cut in discounts on advertisement tariffs, which are back to 2008 rates.

Similarly, Jagran Prakashan too showed a growth of 31 per cent YOY in ad revenues in quarter three of the current financial year.

Dainik Bhaskar Group in the nine months of 2010-2011 has grown in advertising revenue by 29.2 per cent.

Group and Editor, Dainik Jagran, is not in agreement with. "The USP for print still remains local advertising coming from smaller cities that gives us the edge over television. Television cannot be penetrative, especially in local retail. It is not practical for any local retailer to go on national television," he says, adding, "Though most of us in this space are national titles, we are extremely local in nature too."

Citing reports from TAM AdEx,



No.1 compact
with 100% impact

India's No.1 compact daily

i-next is the favourite of 20.20 lakh* youthful people and hence grabs the title of being the No. 1 compact daily of India, across all languages.

Total readership figures among key contemporaries

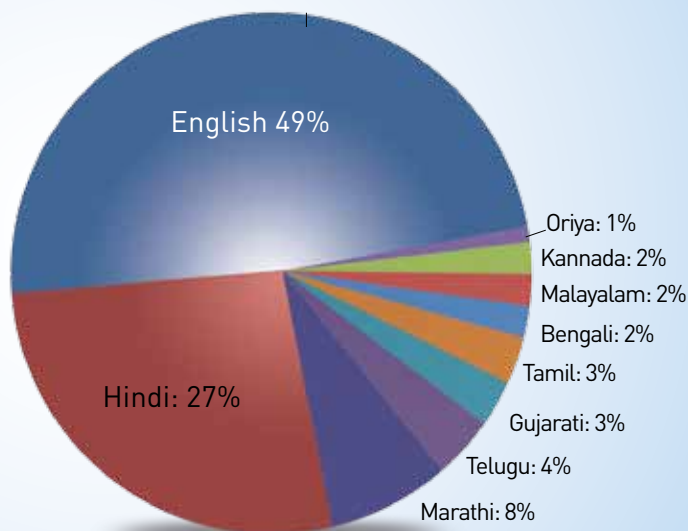
| i-next | DLA | Mid-Day | Mumbai Mirror | Mail Today |
|------------|------------|------------|---------------|------------|
| 20.20 lakh | 19.17 lakh | 14.40 lakh | 14.53 lakh | 2.51 lakh |

*Total readership across 10 cities
Source: IRS 2010 Q3 reports



PRINT SPENDS 2010 (Language Wise)

In spite of Hindi publications having the largest readership numbers, English commands the larger revenue share



Of the 650 odd categories reported in TAM AdEx, there are around 450, which have a print skew. Only other medium that comes closer is radio

Gupta feels that of the 650 odd categories reported in TAM Adex, there are around 450 which have a print skew. The other medium that is successful in this is radio, and it complements print in a sense. "Though even in radio, the national advertisers block most of the inventory, so you still do not see as much local advertisers, as the inventory in radio is fixed," Gupta says.

Sanjeev Kotnala, VP, BrandComm, Bhaskar Group, adds, "Print is having

an exciting time. Print has an advantage of information sharing and tuned response. Add to that the possibility of tweaking – adapting – time taken to react in the dynamic era of brand opportunities, is making all categories have a re-look at their plans carefully. Meanwhile, television communication always remains an intrusion in viewing pleasure."

According to Arun S Natesh, Head - Marketing, Business Standard, the other reason for print's depleting

share in the ad pie are the big events like IPL, World Cup and reality shows, being covered by television. "If print holds onto its share, that itself will be commendable," he says.

Brand building or tactical

The argument held by print leaders holds true for campaigns that are tactical in nature. While three years ago, print was being used for brand building as well, major corporates are skewed towards print only for tactical advertising. For example, Maruti Suzuki, till three years ago had 65 per cent of its ad budgets for brand building ear-marked for press, which it today spends on



66%* Youthful souls enjoy spending time with us. And you?

The engrossing content of i-next entices the youth, which is why 66% of its total 20.20 lakh readers are in 16-39 age group, more than that of any contemporary Hindi daily.

% readers in 16-39 age group amongst key contemporaries

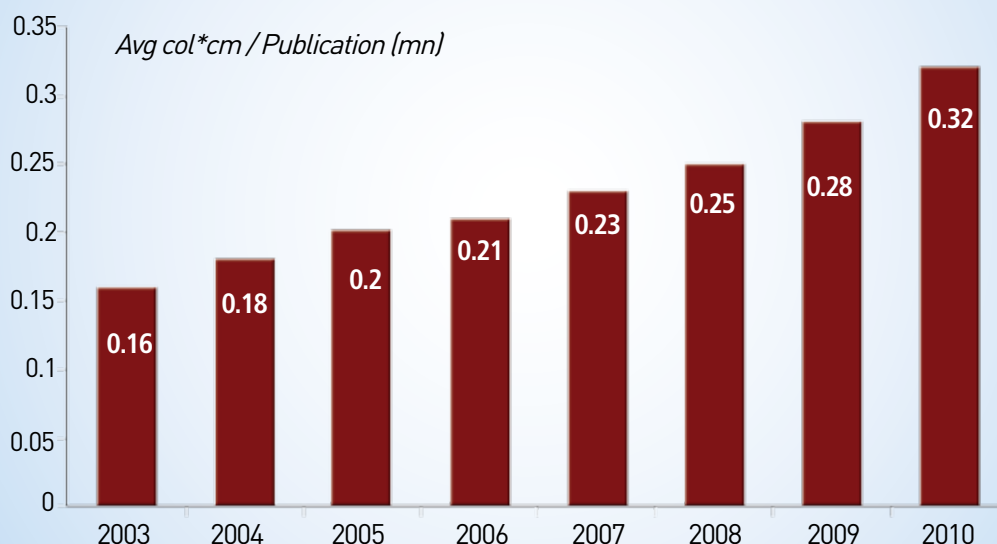
| i-next | Amar Ujala (AU) | Hindustan |
|--------|-----------------|-----------|
| 66% | 62%** | 60% |

*From total readership across 10 cities **AU not in Patna
Source: IRS 2010 Q3 reports



A widening canvas

More ads mean more revenues. But they consume more newsprint



Source: TAM AdEx

Maruti Suzuki, till three years ago had 65 per cent of its ad budgets for brand building ear-marked for press, which it today spends on television

television. Shashank Srivastava, Chief General Manager, Marketing, Maruti Suzuki, says, "If you exclude the tactical advertising at local level and see only the brand building part, television is much more important than press and our expenditures reflect just that."

Space vs revenue

Newsprint used for advertising too has increased considerably. As per

AdEx, on an average, a publication used 3.2 lakh (column centimetre) for advertising in 2010. The figure excludes in-house ads. Considering that the average CC used in 2003 by a publication was a mere 1.6 lakh, the ad industry has come a long way. However, considering that the CC/per publication was on the up during the slowdown period, and revenues were down, it is an indication of how much discounting the newspapers gave on

their rate cards. Match these figures: In 2008, when the advertising CC/publication was 2.5 lakh, the revenues stood at ₹ 9,825 crore; in 2009, the CC/publication went up to 2.8 lakh, however, the revenues dipped to ₹ 7,806 crore; in 2009, and in 2010, while revenues are marginally better than 2008, advertising CC/publication has shot up to 3.2 lakh.

Education through newspapers

For the past five years, education has been the top advertising category in print, increasing its share up to 17.3 per cent in 2009. While, it still is the top spender on print, its share has

THE YOUTHFUL ARE ADDICTED TO I-NEXT. AND YOU?

Of all key contemporaries, i-next has the maximum percentage of heavy readers, that is those who spend more than 21 minutes on our paper.

| % readers spending more than 21 minutes among key contemporaries | | |
|--|-----------------|-----------|
| i-next | Amar Ujala (AU) | Hindustan |
| 81% | 75% | 75% |

**AU not in Patna
^Source: IRS 2010 Q3 reports (across 10 cities)



Top 10 Spenders

FMCG and Real Estate are waking up to print

| Print | 2006 | 2007 | 2008 | 2009 | 2010 |
|----------------------------|------|------|------|------|------|
| Education | 15.7 | 16.5 | 17.1 | 17.3 | 14.6 |
| BFSI | 10.6 | 7.8 | 8.3 | 7.9 | 8.7 |
| RealEstate | 7.7 | 7.1 | 6.4 | 6.5 | 8.0 |
| FMCG | 6.6 | 6.6 | 5.7 | 7.2 | 7.4 |
| Auto | 9.1 | 8.6 | 6.8 | 7.8 | 7.1 |
| Telecom/Internet/DTH | 4.6 | 7.3 | 6.2 | 5.4 | 6.3 |
| Retail | 4.9 | 5.9 | 5.5 | 5.8 | 5.8 |
| Clothing/Fashion/Jewellery | 6.7 | 5.9 | 5.1 | 5.5 | 5.3 |
| HH Durables | 6.2 | 6.1 | 6.5 | 5.3 | 5.3 |
| Corporate | 4.1 | 4.1 | 3.6 | 3.0 | 3.0 |
| Others | 22.8 | 24.1 | 28.7 | 28.4 | 28.4 |

considerably come down to 14.6 per cent in 2010. BFSI, which contributed a share of 10.6 per cent in 2006 and had taken a dip along the years, down to 7.9 per cent is again emerging as the top advertising category in print, with a contribution of 8.7 per cent in 2010. Real estate with eight per cent share is the third top most advertising category in print.

FMCG, while remains the top most advertiser on TV, it also is fast emerging as one of the top-spenders on print. From a contribution of 5.8 per cent in 2008, FMCG contributed 7.4 per cent to the print advertising in 2010, with 'personal care' contributing the most. However, the difference in the ratio be-

tween revenue vs volumes for television and print could be quite opposite. According to Shantanu Bhanja, VP, Marketing, HT Media, largely FMCG is dependent on television. Considering the volumes it brings in "FMCG is able to negotiate better on television, hence the numbers for volumes and values could be contradictory. Ironically, most media companies have no way out getting to real value."

Blurring lines

The year saw the print medium getting quite innovative. The Volkswagen 'talking ad' in The Times of India and The Hindu created a lot of buzz for both the newspaper and the brand. The innovations eventually are a signal of the times to come and the blurring lines between the different mediums. Mid-Day has been for quite some time using the QR Codes to link up the newspaper with the mobile phone. Mid Day also had some of its ads in 3D. Later, Hindustan Times had its Real Estate section entirely in 3D.

Similarly, Delhi Press did content innovations in seven of its publications for Star Plus, when the channel went under a rebranding phase. "We did interviews, coverage of Star serials, besides other for Star during the period," says Anant Nath, Director, Delhi Press.

The Volkswagen 'talking ad' in The Times of India and The Hindu created a lot of buzz for both the newspaper and the brand

Print, according to Kotnala, is a medium of flexibility. "It allows instant message dissemination, instant hype build up and logic. There is a new found experimentation with print; creative teams know that their ideas can be executed to perfection. They are realising the possibilities. It's 'You think it - we print it'," he says.

But innovations can be intruding and disturbing for the reader.



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The compact yet impactful format of India's first and only bilingual daily has grabbed the attention of 20.20 lakh readers across Agra, Allahabad, Bareilly, Dehradun, Gorakhpur, Kanpur, Lucknow, Meerut, Patna and Varanasi (while the Jamshedpur and Ranchi editions are yet to be reported); confirms the IRS 2010 Q3 report. It's youthful content and appeal engages the maximum eyeballs and has thus become the daily of choice for the young at heart. Catch the pulse of the youthful, catch i-next!

To know how i-next can add value to your/your advertisers' communication plan, e-mail us at advertising@inext.co.in or call Bangalore - 9844683539, (080) 30721700; Chennai - 9840286513, (044) 28554047, 28554555; Delhi - 9312658169, (011) 30820300; Kolkata - 9831359863, (033) 22838807/08/10; Mumbai - 9967769855, (022) 30234900



Top 15

Spendthrift Brands

- 1 **IIPM** INDIAN INSTITUTE OF PLANNING & MANAGEMENT
- 2 **Naaptol.com**
- 3 **State Bank of India**
- 4 **Maruti Suzuki** car range
- 5 **Big Bazaar**
- 6 **Chevrolet** car range
- 7 **Sony Bravia** LCD TV
- 8 **Food Bazaar**
- 9 **TimesJobs.com**
- 10 **Ford Figo**
- 11 **Hero Cycles**
- 12 **Croma**
- 13 **Samsung** LCD TV
- 14 **Manappuram**
- 15 **Samsung** mobile phones

More agencies are choosing vehicles, which will innovate as per their specifications rather than a vehicle, which will deliver the audience

According to Bhanja, Hindustan Times has drawn a strong line on what is friendly and non-friendly to the reader. "Innovations like a hand-written newspaper, or value-adds like a set of magazines, wellness guides, career guides are beneficial for both the advertiser and the reader."

Maheshwar Peri, Publisher, Outlook agrees with Bhanja. Outlook brought a Traveller's Guide in association with Maruti Suzuki. "Such innovations have a shelf-life and are liked by the readers and the brand advertising or sponsoring the value-add finds stickiness with the reader," says Peri.

In spite of the growing discontentment with innovations, why are they a norm? Natesh isn't sure if innovations are a norm but he feels publications do feel pressure from media agencies. "I don't know if innovations will be a norm, but you can see more and more agencies choosing vehicles, which will innovate as per their specifications rather than a vehicle which will deliver the audience," he says.

If innovations attract eyeballs, they come at a premium as well, and that means more ad revenues. "Innovations always bring in premium. That is the reason why publishers are willing to go ahead with them. The premium on innovations are justified on the

grounds of extra cost that we incur for executing them, the greater exposure that the advertisers derive from them, and the price for the reader discomfort that an innovation induces," says Nath.

Delhi Press has devised a pricing matrix for calculating the price of innovations that is based on three factors – cost, exposure value, and reader interest erosion. "It is not an exact formula, but it does lend some rationale for arriving at the price," he adds.

Add to that the time needed for planning, says Kotnala. "Innovations normally demonstrate a new approach

23% of ad spends on print are going to Maharashtra

to interact, breaking at times rigid constraints of past. They always need additional planning, time and skill and disrupt the processes. It's worth the pain for higher level of brand involvement. By nature they cannot be rate carded but an understanding of the medium can lead to experiential learning to estimate possible cost," he adds.



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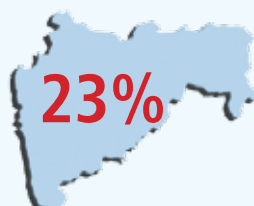
• Noida : 0120 4099100 to 198, 09958696188

• Hyderabad : 040 66486622, 08121110789

Hotspots

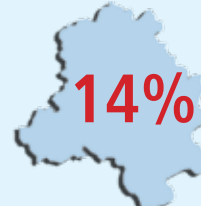
Led by Mumbai, Maharashtra has emerged as the most desired place for advertisers to put their money

1. MAHARASHTRA



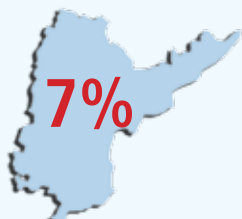
- 1: Times of India (Mumbai)
- 2: Economic Times (Mumbai)
- 3: Daily Sakal (Pune)

2. DELHI



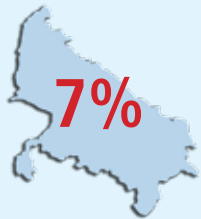
- 1: Times Of India (Delhi)
- 2: Hindustan Times (Delhi)
- 3: Economic Times (Delhi)

3. ANDHRA PRADESH



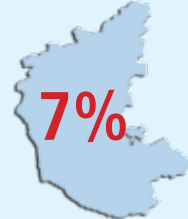
- 1: Deccan Chronicle (Hyderabad)
- 2: Times Of India (Hyderabad)
- 3: Eenadu (Hyderabad)

4. UTTAR PRADESH



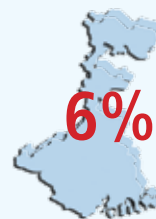
- 1: Times Of India (Lucknow)
- 2: Dainik Jagran (Kanpur)
- 3: Dainik Jagran (Lucknow)

6. KARNATAKA



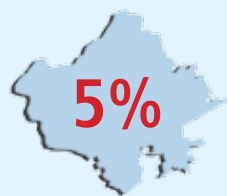
- 1: Times Of India (Bengaluru)
- 2: Deccan Herald (Bengaluru)
- 3: Vijay Karnataka (Bengaluru)

7. W. BENGAL



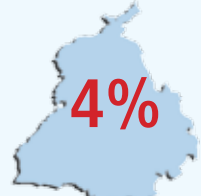
- 1: Ananda Bazar Patrika (Kolkata)
- 2: The Telegraph (Kolkata)
- 3: Times Of India (Kolkata)

8. RAJASTHAN



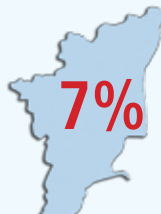
- 1: Dainik Bhaskar (Jaipur)
- 2: Rajasthan Patrika (Jaipur)
- 3: Dainik Bhaskar (Jodhpur)

9. PUNJAB



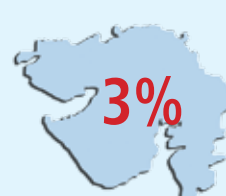
- 1: Dainik Bhaskar (Chandigarh)
- 2: Punjab Kesari (Ludhiana)
- 3: Punjab Kesari (Jalandhar)

5. TAMIL NADU



- 1: The Hindu (Chennai)
- 2: Times Of India (Chennai)
- 3: Daily Thanthi (Chennai)

10. GUJARAT



- 1: Divya Bhaskar (Ahmedabad)
- 2: Times Of India (Ahmedabad)
- 3: Gujarat Samachar (Ahmedabad)



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DAILIES vs MAGAZINES

The share of magazines has shrunk by half in about five years



NEWSPAPERS 96%

MAGAZINES 4%

percentage points.

According to Peri, while general interest and business magazines from the Outlook Group did grow at a rate of 25-30 per cent in 2010, "they still are not at the growth levels of 2008. It will take another year to be at par or ahead of 2008."

Nath too has similar sentiments to share. "We grew by around 20 per cent in 2010, which compared to our growth of 25 per cent in 2009, is lesser in terms of percentage growth," he says. However, he is happy that the growth "still translates into a larger absolute growth."

For Outlook, much of the growth has come from lifestyle, airlines and travel & tourism. Also, "the retail boom has added to the growth. Stores like Madame would surely come to a maga-

growth for some of our publications is 100 per cent," says Peri.

Similarly Conde Nast India's publications (GQ and Vogue), according to Oona Dhabhar, Marketing Director, Conde Nast India grew by 30-35 per cent in 2010 as compared to 20 per cent in 2009. "With the growing affluence and interest, there are more opportunities to launch more specialised and special interest publications," says

Special interest magazines are growing at rate of **100%**

With new interests and hobbies that people are acquiring, there is opportunity of significant growth in the magazine industry

Magazines: The niche space

In spite of the detailed coverage, and analysis and stories that have shook the government and the media industry itself – the 2G scam and Radigate cases in point – magazines have not been doing well as far as ad revenues are concerned. The share of magazines has been ever declining in the print ad pie. From a 10.2 per cent share in the print ad pie, the magazines share was down to 4.6 in 2009. In 2010, it further tanked 0.4

zine rather than a daily," says Peri.

For Delhi Press, the growth has come from personal care and television channels.

So how are publishers tackling the issue. Peri feels that the future is in special interest magazines. As compared to the general interest or business magazines, the growth of special interest magazines from the Outlook Group was stupendous. "While Marie Claire grew by 30 per cent, People grew by 90 per cent. The highest

Dhabhar, adding, "With new interests and hobbies that people are gaining, there is opportunity of significant growth in the magazine industry."

Conde Nast also brought out its travel magazine, Conde Nast Traveler, to India, a couple of months ago. Other international magazines to hit the Indian shores in 2010 are Lonely Planet, Fortune. Meanwhile, Disney Publishing Worldwide has inked a deal with the India Today Group to bring its publications – Disney Princess, Disney.Pixar Cars, Art Attack, and Disney Junior to India.

Bright future?

So how's the print industry expected to fare in 2011? Will it be able to sustain the growth or will it succumb to the pressures of television and growing internet? Find it out in the Outlook section. ■

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Let's unbundle it

More innovations, correction in rate cards and unbundling of editions is expected to be the norm in 2011

By **Dhaleta Surender Kumar**

Print will have to play second fiddle to TV in the fight for the ad pie share. Print's share has been under pressure since 2009, when TV took over to emerge as the leader. The norm is here to stay and both TV and internet will further eat into its share.

According to the Pitch Madison Media Advertising Outlook 2011, print's share in the ad pie will further shrink from 42.3 per cent to 40.8 per cent.

However, decrease in share doesn't spell negative growth for the medium.

While print's share in the ad pie is expected to shrink from 42.3 per cent to 40.8 per cent, it certainly will bring in ₹ 1,299 crore more

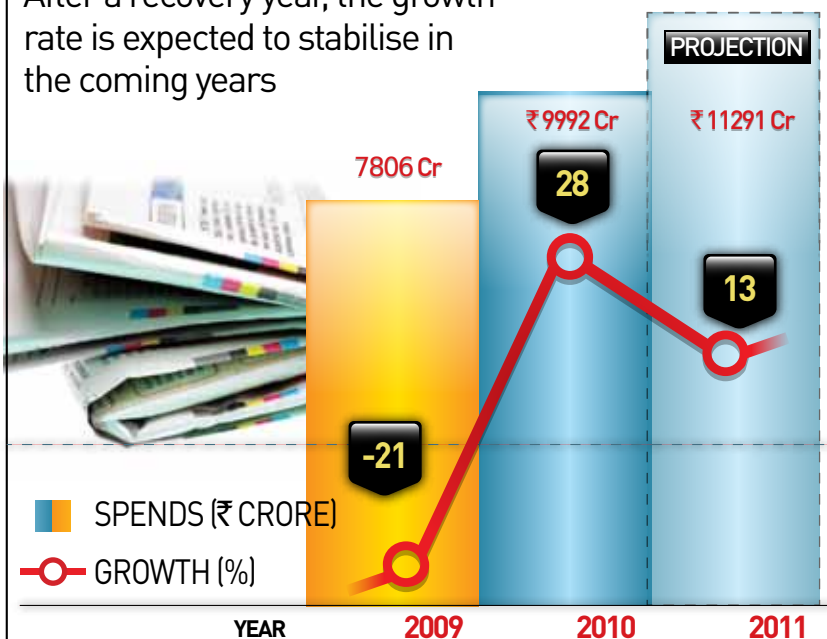
While, the medium witnessed a stupendous growth of 28 per cent in 2010, the pace in the year 2011 will be slower at 13 per cent. But then comparison is not justified as 2010 was a year of recovery. The growth is ex-

pected to stabilise, which will bring to the medium ₹ 11,291 crore, an addition of ₹ 1,299 crore.

Arun S Natesh, Head - Marketing, Business Standard, too is expecting the print medium to grow at our forecast. "Media spends are estimated to grow at 15 per cent and print of course will get its share," he says.

GETTING STABLE

After a recovery year, the growth rate is expected to stabilise in the coming years



Classified numbers

Figures can be deceptive and particularly when Classifieds are not counted. Pitch Madison Media Advertising Outlook doesn't take Classifieds into account. Sanjay Gupta, Editor and CEO, Jagran Prakashan, has another point to make. He feels that TV volumes are easier to measure vis-a-vis print in an advertising estimate analysis. "Print in its entirety is difficult to measure because of the extremely localised nature of advertising in it. I cannot think of anyone who is asking us for any local data and the estimation is based on scanning only some of the main editions that are being published. Even the likes of industry bodies such as TAM AdEx do not scan the 200 odd editions that Jagran, Bhaskar and

others are generating,” he says.

Gupta's colleague, Basant Rathore, VP - Strategy, Business Development & Brand, Jagran Prakashan, too feels that classifieds cannot be passed away and “they are an important source of revenue and holds great importance in the times to come.”

The views get echoed at the Bhaskar group as well. “Classified is and will for time to come remain the platform of buyer-seller interaction. There is a definitive role for them in retail market,” says Sanjeev Kotnala, VP, BrandComm, Bhaskar Group.

FMCG: In the fast lane

So what are the expectations of the print players in 2011? As the economy is back on track and marketers are shifting focus to non-metro markets and even rural areas, print is expecting to benefit from the trend. “The year (2011) promises to be a period of higher growth as brands further leverage their resources to consolidate, expand and gain strongholds in ‘Real’ India. With us, the regional language print will be the biggest gainer,” says Kotnala.

Much of the growth is expected to come from FMCG, which has shown an upward trend in the last few years. As

Classified is and will for time to come remain the platform of buyer-seller interaction. There is a definitive role for them in retail market

is looking ahead. Maheshwar Peri, Publisher, Outlook and Founder of Pathfinder Publishing, says, “BFSI, while may do branding exercises on TV, it has to take the print route to educate the consumer. And then there are the details, and the finer notes that cannot be told on the 30-second spot on TV or the 10-second spot on radio. Meanwhile, IPOs too are big spenders on print.”

While, the major beneficiary of cricket obviously is TV, print too expects to get a good spillover from the ICC World Cup and the IPL. Consumer durables, particularly the TV manufacturers and DTH announce big promotions and launches around the season. Other brands also plan activities around these events, and print certainly cannot be left out from the media plan. “Cricket is religion in India. So is print. And for the readers (and hence for the advertisers) there is enough cricket centric activities, content and opportunities in print,” says Kotnala.

from it, the new trend will be advertorials. We clearly mention that it's a paid article. There is content, which needs to be explained and needs to be experienced. This content can come in form of advertorials.”

A case in point is an advertorial for Skoda, which Hindustan Times carried in Brunch. The advertorial carried pictures and articles on wildlife. “The idea was to have a Skoda moment. Such articles are a value-add for the reader and Skoda finds stickiness with the reader,” he says.

But Hindustan Times is not contented with that and wants advertisers to look at the daily from a brand perspective rather than a vehicle perspective. “We are trying to give a 360-degree experience to the advertiser, for example, follow up with the reader, and things like SMS backend and SMS reminder, and approach the advertiser with solutions,” says Bhanja. He believes that such ideas can bring accountability and help measuring ROI.

As display ads become a blind spot for the reader, the print custodians are looking at innovative ways to catch the reader's attention

aspirations rise, automobiles too are expected to use print for communication for retail sales and local promotions. Real Estate, which too is back on track and, in fact, an organised industry is moving beyond the metros. It is also expected to increase its contribution to the growth of the medium.

BFSI, is another sector, which print

Advertorials are a value-add

As display ads become a blind spot for the reader, the print custodians are looking at innovative ways to catch the reader's attention. Expect brands to go beyond display and into advertorials in 2011. Shantanu Bhanja, VP, Marketing, HT Media, says, “While display will have its place, and we are not moving away

Correction of rate cards

The innovations are obviously a way to counter the gap between the rate card and the actual space sold on the medium and this is something the print industry finds very challenging. “Price discounting is a huge challenge. Because of larger number of players across all media categories, all vying for that same pie of advertising, pricing has remained stagnant in case of magazines. This has to change as product cost (paper, talent, and editorial production) has consistently gone up. With paper prices expected to rise in 2011, this will

As product cost (paper, talent, and editorial production) is consistently going up, the industry will have to correct its pricing at the earliest

further create problem for magazine publishers," says Anant Nath, Director, Delhi Press.

Meanwhile Hindustan Times has found a work around to the problem. It has taken a conscious decision to unbundle its publications and sell them separately. "We have created separate rate cards for Hindustan Times and Hindustan, and they are no longer clubbed together. We believe that each of our brands and offerings are very strong, and can be priced independently. And because of the growth in the industry we have been able to get volume increase and get people on board and pay more," says Bhanja.

National advertisers in Mumbai, who

were looking at bundled offers for a national plan, will now have to buy Delhi separately. "Delhi has a readership, thrice than Mumbai. So obviously, Delhi as a leader will get disproportionately higher rates. This will ensure that people value the product they are getting rather see it as a bundle," he adds.

Plans are to unbundle Hindustan Times' north editions as well.

As ad revenues are back on track and the industry is taking measures to correct numbers in its rate cards, will they fall back on the low cover prices of 2008? No, is the answer in unison. Cover prices are already low in India and even publications in neighbouring

countries have five to ten times the cover prices of India. Maheshwar Peri believes that he'd rather make money from and let the fate of the magazine be decided by a million of people (the readers rather than 100 advertisers). So there's no going back on the cover prices.

Challenges galore

To end, Rathore mentions four challenges for the print industry in 2011: a) Keep driving newer categories into print; b) Continuous innovations ; c) Work in closer partnerships with advertisers to deliver better solutions – not just in Print, but across multiple media; and d) Retain and develop core talent and continue on the path to developing category specialists.

So will print deliver on these fronts? Only time will tell. Meanwhile, let's read out in the next section, what leaders from the print industry think. ■

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Print needs to correct pricing

Talent cost, newsprint prices, production costs and distribution costs - all are shooting up. The industry in unison is of the view that there cannot be further discounting and rate cards need to be corrected

Print's USP is local advertising; TV cannot be penetrative

On print's performance in 2010

Last year was very good for print advertising. It has been a constant, stable growth. There is still a cautious approach by national advertisers but because economy is growing at 8-9 per cent, and cities are growing at a higher pace, retail advertisers are becoming big. We are yet not looking at the boom of 2007 but the inventories that were once filled by national advertisers, are now filled by local.

On the fight for share in the ad pie

It is easier to measure TV volumes vis-a-vis print in an advertising estimate analysis. Print in its entirety is difficult to measure because of the localised nature of advertising. I cannot think of anyone who is asking us for any

local data and the estimation is based on scanning only some of the main editions that are being published. Even the likes of industry bodies such as TAM AdEx do not scan the 200 odd editions that Jagran, Bhaskar and others are generating.

On the edge print has

Our USP is local advertising. TV cannot be penetrative, especially in local retail - it is not practical for any local retailer to go on national TV. Though most of us in this space are national titles, we are extremely local in nature too. A break up of the TV and print spends over the past few years demonstrates that of the 650 odd categories reported in TAM AdEx, there are around 450 which have a print skew. ■



Sanjay Gupta
Editor & CEO,
Jagran Prakashan

Let a million people decide the fate of the magazine rather than 100



Maheshwar Peri
Publisher,
Outlook Group

On growth of magazines

The future is in special interest magazines. As compared to the general interest or business magazines, the growth of special interest magazines from the Outlook Group was stupendous. While general interest magazines grew by 20 per cent, Marie Claire grew by 30 per cent and People grew by 90 per cent. The highest growth for some of our publications is 100 per cent.

On categories that are fueling growth

For Outlook, much of the growth has come from lifestyle, airlines and travel & tourism. Also, the retail boom has added to the growth. Stores like Madame would surely come to a magazine rather than a newspaper. BFSI, while

may do branding exercises on TV, it has to take the print route to educate the consumer. And then there are the details, and the finer notes that cannot be told on the 30-second spot on TV or the 10-second spot on radio. Meanwhile, IPOs too are big spenders on print.

On cover prices

Even though ad revenues are at par with 2008, the slowdown gave the industry an opportunity to correct its cover prices. We still are far behind our neighbouring countries. More so, I'd rather make money from and let the fate of the magazines be decided by a million of people (the readers rather than 100 advertisers). So there's no going back on the cover prices. ■

We are unbundling editions and having different rate cards

On discounting

We have taken a conscious decision to have separate rate cards for our publications. So Hindustan Times and Hindustan are sold separately. We also have unbundled Delhi and Mumbai. So advertisers in Mumbai will have to buy Delhi separately. Considering that Delhi has thrice the readership and is a leader, the rate cards for Delhi will be higher than Mumbai. Going ahead, we are looking to unbundle other editions from North, once they consolidate their position.

On the future of classifieds

Classifieds though is a small proportion of the overall portfolio, it has been growing very significantly on the back of the overall industry moving up, and

more so from real estate.

On cover prices

We are not going back to the lower cover prices. India is a strange phenomenon completely across the world, where main line newspapers are selling at the fraction of cost of production. Even countries like Pakistan and Sri Lanka are selling newspapers at ₹ 15.

On expectations from 2011

We are all optimistic about 2011. As a brand custodian, I see Hindustan Times going from strength to strength. We are trying to build a close connect with the readers with initiatives like the 'No TV Day' in Mumbai. From an advertising point of view, advertorials that would act as a value-add should be a norm. ■



Shantanu Bhanja
Vice President, Marketing,
HT Media

Advertising to kids is under-tapped and has great potential



Anant Nath
Director, Delhi Press

On growth in 2010

We grew by around 20 per cent, which although compared by our last year's growth of 25 per cent is lesser in terms of percentage growth, still translates into a larger absolute growth. When compared with the overall growth in magazine ad spends over the last two years, which has been marginal, I think we have fared pretty well.

On categories that will fuel growth

Delhi Press magazines will actively work towards garnering a larger pie of lifestyle and premium luxury advertisers. Kids' advertising is another potential that is under tapped. Champak, which is the largest selling

children's magazine will go through some changes this year and we will work towards increasing our share from this sector.

On challenges in 2011

Price discounting across media is a huge challenge. Because of larger number of players across all media categories, all vying for that same pie of advertising, pricing has remained stagnant in case of magazines. This has to change as product cost (paper, talent, editorial production) has consistently gone up. With paper prices expected to rise in 2011, this will further create problem for magazine publishers. ■

There is new found 'experimentation' with print

On future of print

Literacy is growing, but it's print that really differentiates between literate (as per census) and real literate; the dominant real consumers. This is unique to print not found in other mainline mediums. Brands bank upon this capability of print to create and strengthen opinions.

On the edge print holds

Print is a medium of flexibility. It allows instant message dissemination, instant hype build up and logic, without being intrusive. There is a new found experimentation with print; creative teams know that their ideas can be executed to perfection. They are realising the possibilities. It's 'You think it - we print it'.

On if roadblocks will be common

Roadblock is really an execution innovation and due to its huge cost commitment will always be rare. Innovations must have a cost-output equilibrium along with being really brand-message-synergistic, without being intrusive to the level of being annoying.

On expectations from 2011

Dainik Bhaskar Group in the nine months of 2010-2011 has grown in advertising revenue by 29.2 per cent. In 2011 the challenges for Bhaskar are simple. Markets have already shifted to non-metro and market-aware brands have been first to recognise this shift. So it will take its own course of time to explode. Our challenge remains to be the catalyst in speeding up this process. ■



Sanjeev Kotnala
Vice President, BrandComm,
Bhaskar Group

It will be commendable if print holds on to its share



Arun S Natesh
Head, Marketing,
Business Standard

On the fight for share in the ad pie

The gap between TV and Print has been increasing for years now. Print is now lower than TV. With the proliferation of media vehicles, print revenues have been impacted which is obvious as it used to command the highest share of the revenues. The other reason being events which are covered on TV take away a sizeable share – IPL, World Cup, Reality shows etc. If print holds onto its share, that itself will be commendable

On innovations

We do innovations only if they do not interfere with the reading experience of a reader. Some innovations are detested by the reader. We have done wraps in the

past. But agencies are choosing vehicles, which will innovate as per their specifications rather than a vehicle which will deliver the audience.

On plans to cover cricket

Advertising will follow if there are readers. So whilst we cover the business of cricket and will have some amount of cricket content, it will not be a separate section or feature to rope in advertisers

On expectations from 2011

We at Business Standard are forecasting a healthy growth for our brands and believe that the market will also grow. Media spends are estimated to grow at 15 percent and Print of course will get its share. ■

With growing affluence, there is an opportunity for niche magazines

On cover prices of magazines

Our magazines have a cover price of ₹ 100. When we launched Vogue, there were very few magazines or absolutely none that are priced at ₹ 100. Most were for ₹ 50 or less. Before the launch, we asked for the distributors' opinion on the cover price. They said ₹ 50. However, we told them that we were looking forward to selling it at ₹ 100 and then asked them, how much do you think we will sell? They said 5,000 copies perhaps. We thought that is not what our business model is and we want to sell more like 50,000 copies. And all our magazines are a sell-out.

On trends to look out for in 2011

I think one is digital; it is going to be an important medium, with iPad or other

such devices coming into play. It's a huge opportunity, and we all shall be ready to embrace it. In terms of magazines, I will see the readers more and more demanding in terms of content, production quality and production value. And with the growing affluence and interest, there are more opportunities to launch more specialised and special interest publications. With new interests and hobbies that people are acquiring, there is opportunity of significant growth in the magazine industry.

On future plans of Conde Nast

We have licenses for many different titles. We have Glamour, Allure, Architectural Digest, etc. We currently have a whole bouquet of options, but probably, the lead option is Architectural Digest. ■



Oona Dhabhar
Marketing Director,
Conde Nast India