

# REIMAGINING THE BUSINESS OF NEWS

MAGAZINES



# DIGITAL TRANSFORMATION

“As we embark on our new journey towards a wholly digital future, we look back at the values that made us successful, and one thing that stands out is our respect for our audiences. Our brands, each with its own strong voice and well-defined identity, have resonated with our audiences because they stand for something, which is why for 23 years, Summit published the most successful and well-loved magazines in the country’s history.

*Lisa Gokongwei-Cheng, Summit Media president*



# SUMMIT MEDIA

[Our Brands](#)[Latest News](#)[Careers at Summit](#)[Storylabs](#)

This month, Summit Media completes its full digital transformation. The 450-strong company can now be called "digital-first" as it bids farewell to its magazine past, closing the six remaining print editions of *Cosmopolitan*, *Preview*, *YES!*, *Top Gear*, *FHM*, and *Town & Country*. These brands are already thriving online as **Cosmo.ph**, **Preview.ph**, **Pep.ph** (for *YES!*), **Topgear.com.ph**, **FHM.com.ph**, and **Townandcountry.ph**.

# MEDIA BRAND EXPANSION

- ONE MEGA
- 10 **Media Brands** - MEGA, Lifestyle Asia, TRAVEL, MEG, MyHome, BluPrint, Condo Living, Appetite, Inside Showbiz, and Celebrity Mom.
- In 2010, producing and hosting the first season of Generation MEGA **TV shows**,
- One MEGA Group television department, TV100.
- The company set up **Events 100**, an events management division
- The company founded launched the **website** MegaStyle.ph, continuing to explore new products through digital media. In 2012, the InsidePinoyShowbiz.ph, iamMEG.ph, Appetite.ph, and MyHomeDesign.ph.



# PUBLISHING BUSINESS MODEL

- HINGE INQUIRER
- HIP **freezine**: Forbes In Touch, Dasmarinas Village Gazette, Southern Living, Northern Living, Turista, Multisport Philippines, and Soul BGC.
- Sold commercially in **newsstands** is F&B World magazine,
- HIP **custom publishing**: SM ShopMag, Chefs on Parade CoffeeTable Book, UFS – Around the World in 80 Plates cookbook, GAP Gazette, Avida Living newsletter, Canon Frames Catalog and Inquirer Supplement, Samsung B2B Catalog, Matimco Wood Living, GNC Live Well, Plantersbank SME Magazine, Sofitel brochure, Alveo CityWalk.
- A COMMUNITY MEDIA SOLUTIONS COMPANY





# BRAND INTEGRITY

- 65 YEAR OLD SPORTS ILLUSTRATED
- Sports Illustrated, which set a standard for sportswriting and photography during its 20th-century heyday,

## Sports Illustrated shaken by major layoffs and massive reorganization



An issue of Sports Illustrated is displayed on a newsstand in May in New York. (Mark Lennihan)



# REIMAGINING THE BUSINESS OF NEWS

- “...replace top journalists in the industry with a network of **Maven freelancers** and **bloggers**, while reducing or eliminating department that have ensured that the stories we publish and produce meet the highest standards,” These plans significantly undermine our journalistic integrity, damage the reputation of this long-standing brand and negatively affect the economic stability of this publication.”



# DISTRIBUTION CHALLENGES & OPPORTUNITIES



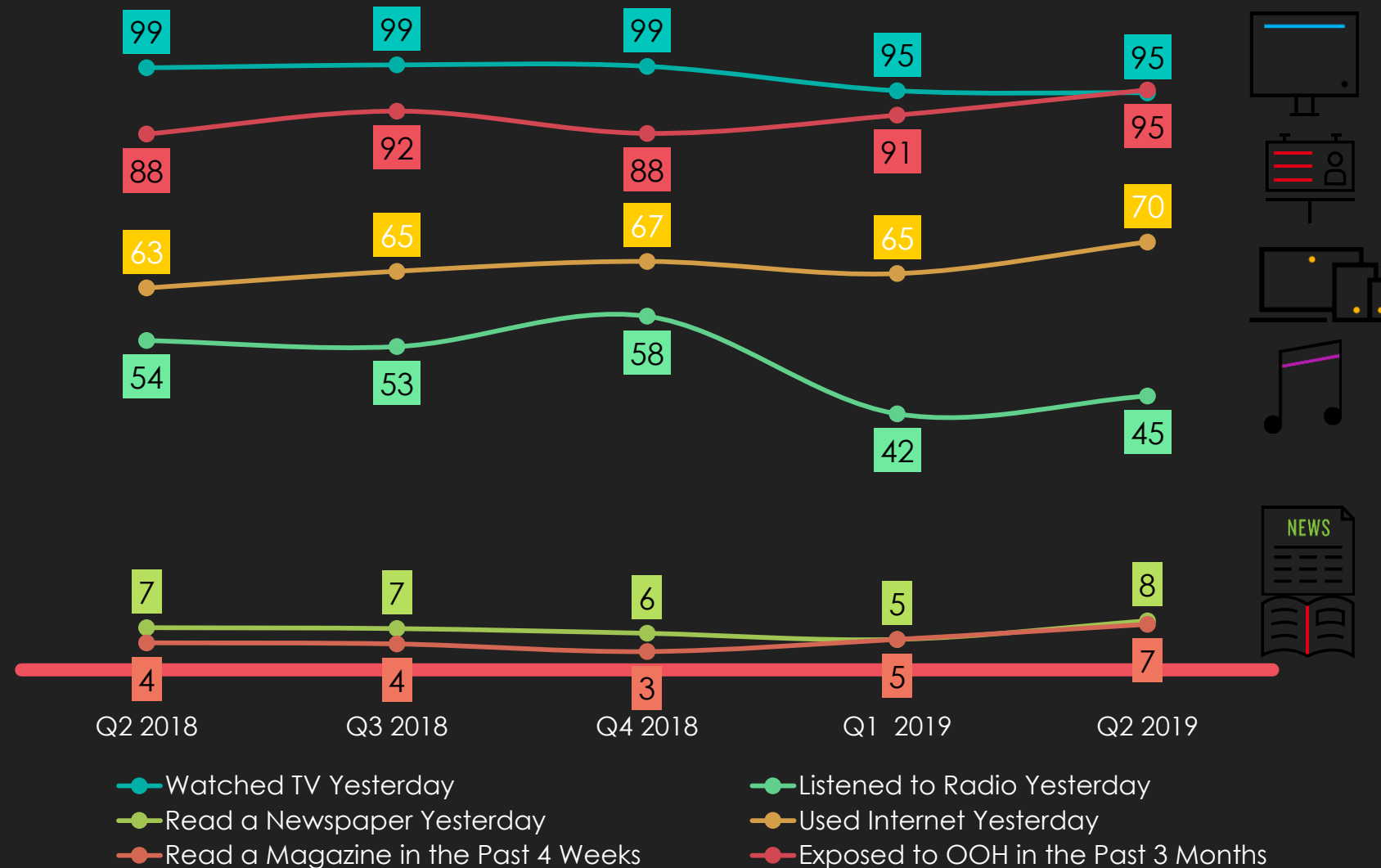
**Supermarkets are ditching their newspaper and magazine racks (and publishers aren't happy)**



# MAGAZINE SNAPSHOT

# MEDIA TREND SUMMARY

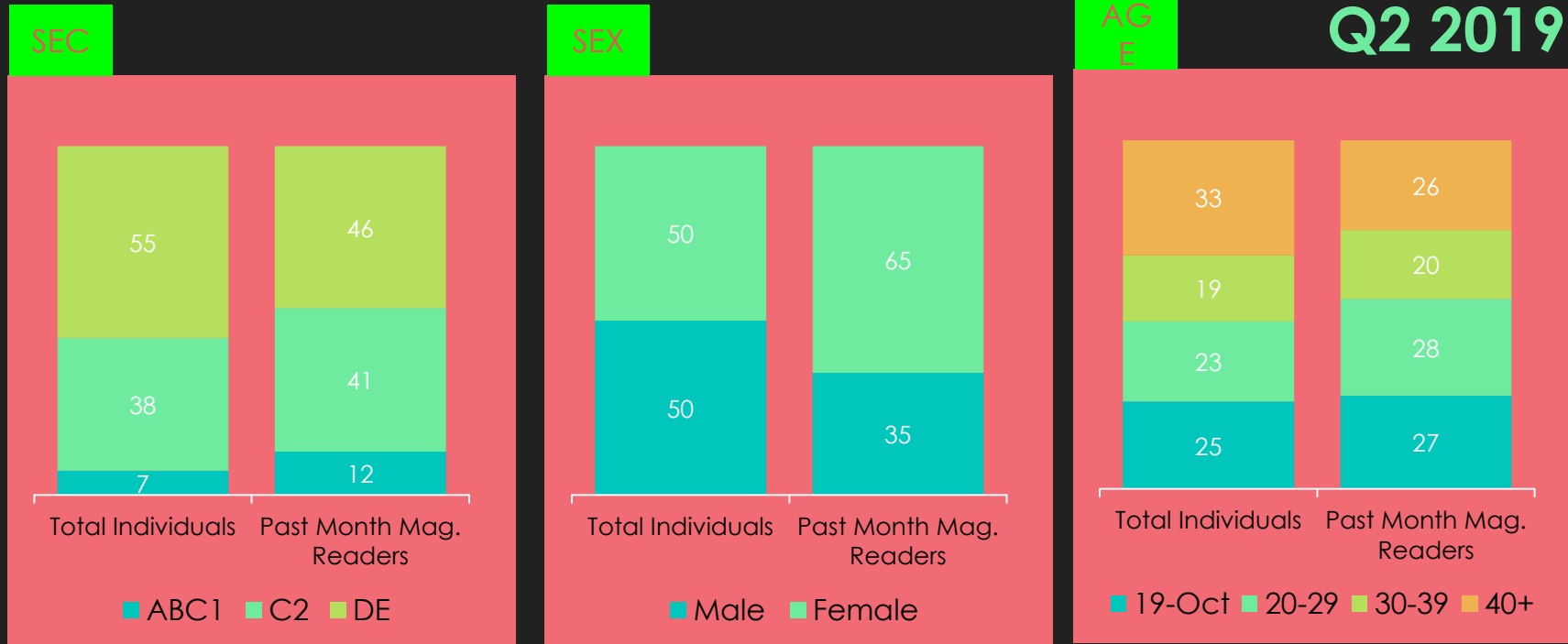
A stable proportion of readers patronize Magazines



CAPI migration started Q1 2019; Transition may have caused trend breaks

# PROFILE OF MAGAZINE READERS

Magazines cater to the upper class, females, and young (10-29 yo) readers



Base: Past Month Magazine Readers (n=188);  
Source: Nielsen Consumer and Media View, Q2 2019

# TOP MAGAZINES IN TERMS OF READERSHIP

With the close of Summit, Magazines have a range of options.  
The top Magazine title differs for most key markets.

**Q2 2019**

<b>National</b>	<b>%</b>	<b>Balance Luzon</b>	<b>%</b>	<b>Visayas</b>	<b>%</b>	<b>Mindanao</b>	<b>%</b>
All Magazines		All Magazines		All Magazines		All Magazines	
Gadgets	1.52	Cook (Buy)	1.17	Gadgets	3.08	Metro	2.14
Metro	1.39	Mega	0.74	Time	1.48	Agriculture	1.82
Cook (Buy)	1.35	Gadgets	0.66	Readers Digest	1.38	Gadgets	1.54
Lifestyle Asia	1.12	Lifestyle Asia	0.6	Cook (Buy)	1.36	Time	1.49
Mega	0.8	Metro	0.40	Lifestyle Asia	1.05	Bisaya	1.4

<b>Metro Manila</b>	<b>%</b>	<b>Mega Manila</b>	<b>%</b>	<b>Cebu</b>	<b>%</b>	<b>Davao</b>	<b>%</b>
All Magazines		All Magazines		All Magazines		All Magazines	
Metro	2.58	Metro	1.31	Metro Home	2.17	Agriculture	2.99
Lifestyle Asia	2.06	Lifestyle Asia	1.29	Cook (Buy)	1.97	Bisaya	2.42
Gadgets	1.96	Mega	1.14	Gadgets	1.68	Travel Now	1.21
Cook (Buy)	1.93	Gadgets	1.08	Lifestyle Asia	1.53	Metro	0.92
Animal Scene	1.7	Cook (Buy)	1.05	People Asia	1.38	Gadgets	0.92

CAPI migration started Q1 2019; Transition may have caused trend breaks

Base: All People 10+ (n=2500); Balance Luzon (n=1000); Visayas (n=400); Mindanao (n=400); Metro Manila (n=700); Mega Manila (n=1400); Cebu (n=200); Davao (n=200)  
Source: Nielsen Consumer and Media View, Q2 2019



# Media advertisement spend

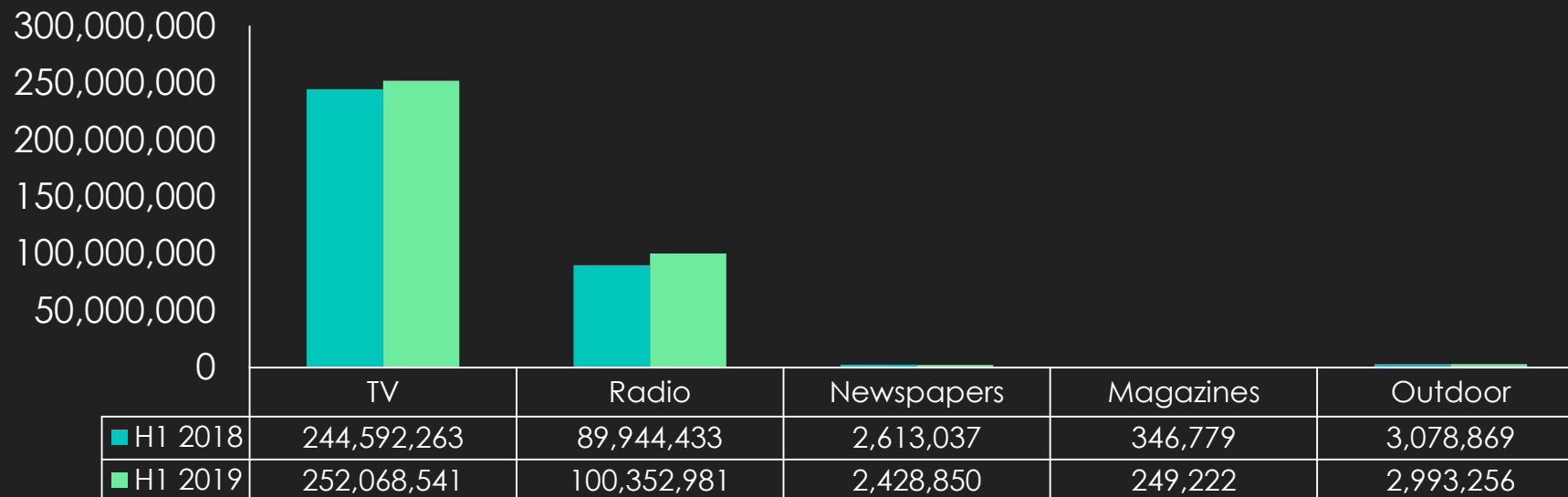
Around 9% of the total investment for Print went to Magazines in H1 2019.

Comparing the last two years, ad spend softened for Magazines in H1 2019, similar to Newspapers and OOH.

## H1 2018 vs. H1 2019

Philippine Peso (Php)

in millions (000,000's)



Source: Nielsen Advertising Information Service (AIS) January-June 2018, January-June 2019

Note: Media spend is based on published rate cards and cost

Figures expressed in '000s

Report includes regular thematic, promotions, and sponsorship placements only

# TOP MAGAZINES IN TERMS OF SPEND

Highest investment in H1 2019 went to Lifestyle and Technology Magazines.

		H1 2019
1	PHILIPPINE TATLER	39,521
2	C!	35,655
3	SPEED	32,155
4	MEGA	20,254
5	READER'S DIGEST	17,000
6	METRO	10,668
7	LIFESTYLE ASIA	9,244
8	PEOPLE ASIA	8,595
9	GADGETS	8,135
10	METRO SOCIETY	7,606

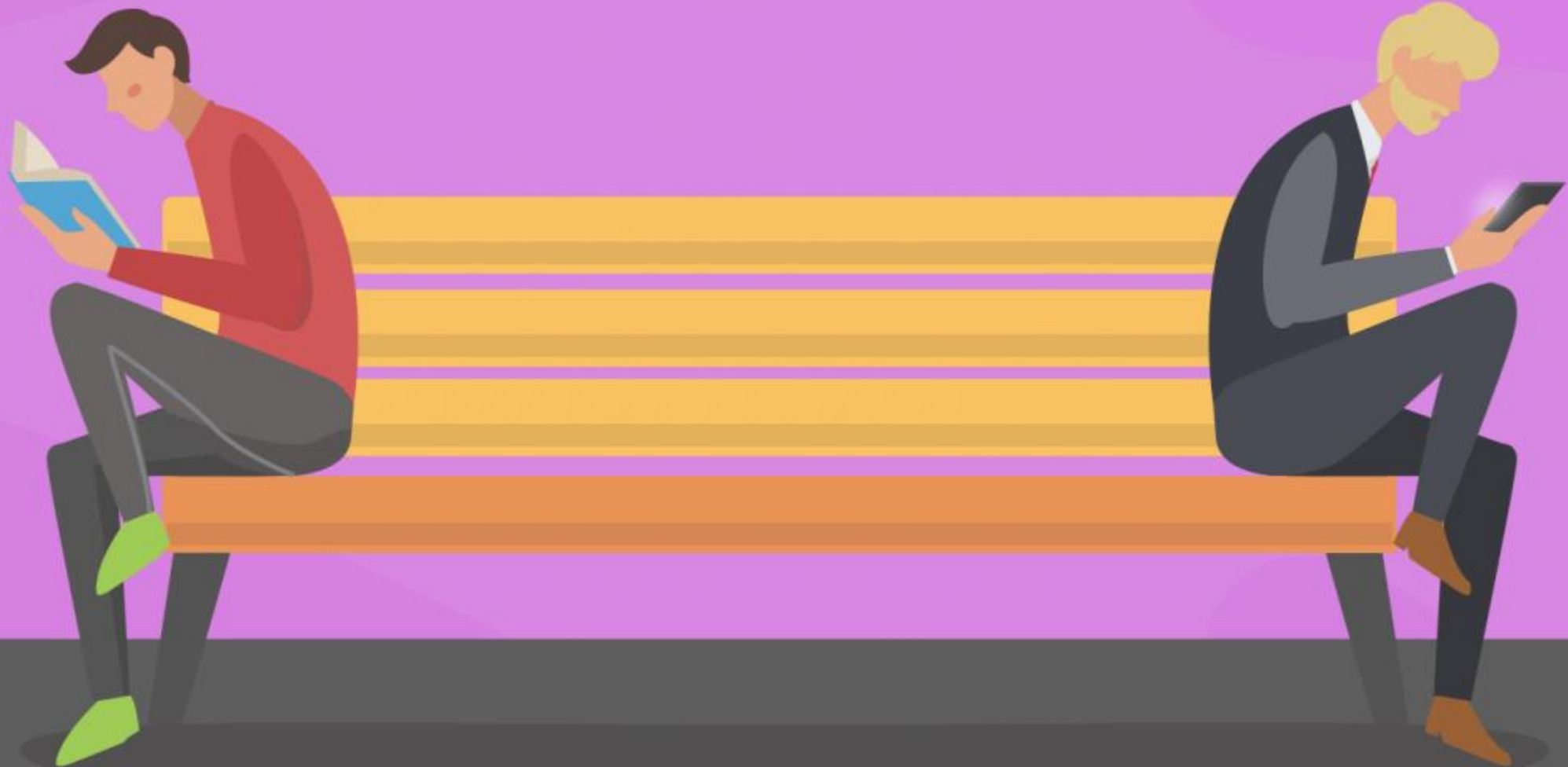
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# PRINT VS DIGITAL





- # The Printed Edition

A Break From Screens  
Digital Detox  
Deeper Comprehension  
The Demand for Exemplary  
Storytelling & Writing  
Design Aesthetics MatterS





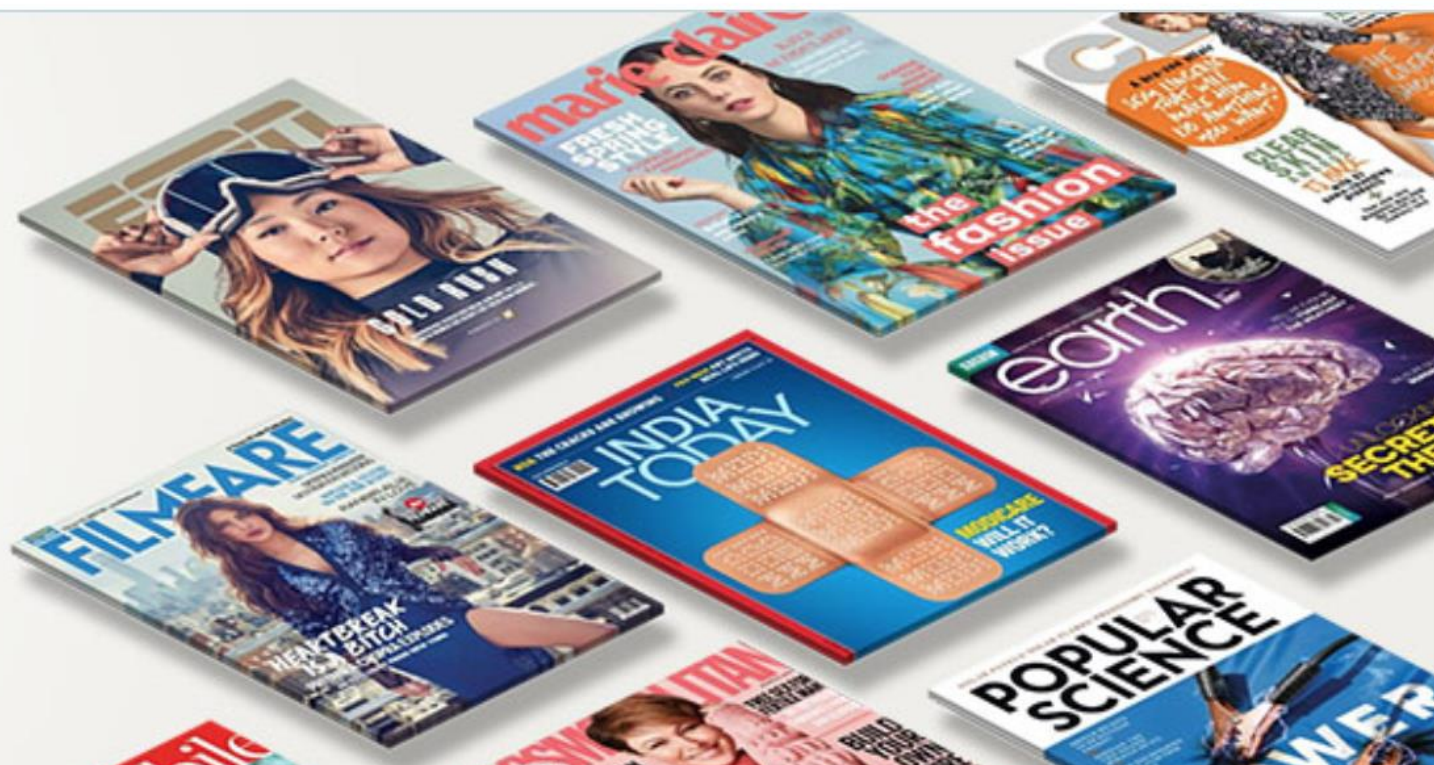
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**THE SHOWBUSINESS & CELEBRITY TITLES**

# PRINT MEDIA MARKET

- Asia- Pacific was the largest region in the global print media market, accounting for 34% of the market in 2018. North America was the second largest region accounting for 32% of the global print media market. Africa was the smallest region in the global print media market. – The Print Media Global Report



# AI Making Waves In News And Journalism



**Ron Schmelzer** Contributor  
**COGNITIVE WORLD** Contributor Group ⓘ

# AI in Journalism



**Content Writing and Information Gathering with AI**



Content and news organizations are making increasing use of AI systems to uncover data from multiple sources and automatically summarize them into articles or supporting research for those articles.



AI systems are also used to gather information for marketing and advertising operations.

# REIMAGINING THE BUSINESS OF NEWS

- Ride the **DIGITAL WAVE**
- Add more **JOURNALISTIC & DESIGN FIREPOWER**
- Boost **INVESTMENTS IN TECHNOLOGY & DATA**
- Add value through **CURATED EVENTS**. Festivals are forms of curated content.

# REIMAGINING THE BUSINESS OF NEWS

- Build YOUR COMMUNITY
- Leverage the power of the BRAND

# REIMAGINING THE BUSINESS OF NEWS

- “Leverage on digital because unfortunately or fortunately we cannot run away from it,” adding that it should be used as an engine to expand print’s content ecosystem that can deliver business solutions. Leverage on the ability of media companies, particularly print media companies, to create credible content. It is your bailiwick.

– Joanna Mojica Chan, Chief Media Officer, Dentsu Aegis Philippines





# REIMAGINING THE BUSINESS OF NEWS

THANK YOU!