

## A Professor's Diary of the 2008 American Magazine Conference

*Nancy Pelosi, Arnold Schwarzenegger, Richard Stengel, and others highlight gathering of the country's best-known editors.*

By Sharon Bloyd-Peshkin, Columbia College Chicago

**San Francisco** -- “So how was *your* week?” Speaker of the U.S. House of Representatives Nancy Pelosi’s opening line might well have been the mantra of this year’s American Magazine Conference. The plummeting economy kept any kind of financial optimism in check. Yet the conference powered on under the theme “Unleash the Power.”

The American Magazine Conference consistently attracts top-flight keynote speakers. The program noted that past keynotes were given by Barack Obama (2006) and John McCain (2005.) This year, Speaker of the House Nancy Pelosi kicked off the first evening with comments about how communication and transportation evolved together in the United States, and how freedom of communication is essential to democracy. She spoke about support by the House for shield laws, welcomed AMC to her city, and spent the rest of her time talking about the pending government bailout of failing banks and investment firms.

A year ago, print magazines were still central to any chart explaining what those brands are, with events, products, radio, newsletters, email blasts, mobile alerts, and other extensions orbiting around them. This year the print products, while still essential, are orbiting too, and the brands themselves—not products, but identities—are at the center. The power is the ability of those brands to engage what we once called readers, who became users or audiences and now seem to be creative consumers.

### **Independents Day**

The first day was MPA–IMAG Day (that’s Magazine Publishers of America–Independent Magazine Group). This subgroup of the MPA includes familiar magazines and publishing companies, like the Time Out group, Taunton Press, Working Mother Media, *Dwell*, and the *Harvard Business Review*, along with some less familiar ones: Kalmbach Publishing (*Bead & Button*, *Birder’s World*), Ogden Publications (*Gas Engine Magazine* and *Good Things to Eat*, but also *Utne*), Storm Mountain Publishing (*Freeskier*, *Snowboard*), and String Letter Publishing (*Acoustic Guitar*, *Strings*). It also includes at least one long-lived company that was a brand first and then launched a magazine to unleash its existing power: Hallmark Publishing.

The keynote talk, “Rediscovering the Promise of Media and the Power of Good,” was given by Jonathan Greenblatt, CEO of Good Worldwide, Inc., publisher of *Good* magazine, and founder of Ethos Water. Greenblatt spoke about the trends that guide him: environmentalism, globalization, Googlization (the idea that everything is researchable), inequity, uncertainty, and a craving for authenticity. In all these areas, he contended that government has been late to the game and business has been able to exploit this vacuum. For example, the (RED) campaign capitalizes on consumers responding to the trends of globalization and inequity. Corporate social responsibility (CSR) has evolved, he said, from the days when companies would sponsor a Little League team to Ethos Water, which donates half its net profits to bring potable water to people in impoverished nations and strives to use marketing to educate and inspire people, not just manipulate them. In other words, he said, CSR is no longer Corporate Spin and Rhetoric, but an economy of integrity in which doing

well and living good can coexist. “Ethical brands have an opportunity for engagement,” he argued.

For the past six months, Greenblatt has been CEO of *Good* magazine, which was launched by three of his friends. He explains it as entertaining and relevant, stimulating and socially conscious, solid in design and content, idealistic and pragmatic, global and local, traditional and innovative, top-down in point of view and bottom-up in participation. It is, he says, “an entertaining magazine about things that matter,” taking advantage of the trends that have worked so well for Ethos: collaboration between business, nonprofits, and readers.”

One of *Good*'s clever business/nonprofit high-wire acts is its subscription offer. Instead of spending money on direct mail, *Good* asks potential subscribers to pay \$20 for the first year of their subscription, all of which goes to a nonprofit organization the subscriber selects. (The magazine has raised \$1 million in donations to date.) After that, subscribers get to choose their annual subscription price, all of which goes to charity. The magazine's new website, [www.good.is](http://www.good.is) (that's the Icelandic URL suffix), is regarded as a “branding platform” where the magazine offers videos and music in collaboration with other businesses and nonprofits. Such partnerships pervade the *Good* model. (*Good* offered free single-topic mini-magazines called *Good Sheets* at Starbucks for three months, and as inserts in the *New York Times* sponsored by Mini Cooper.)

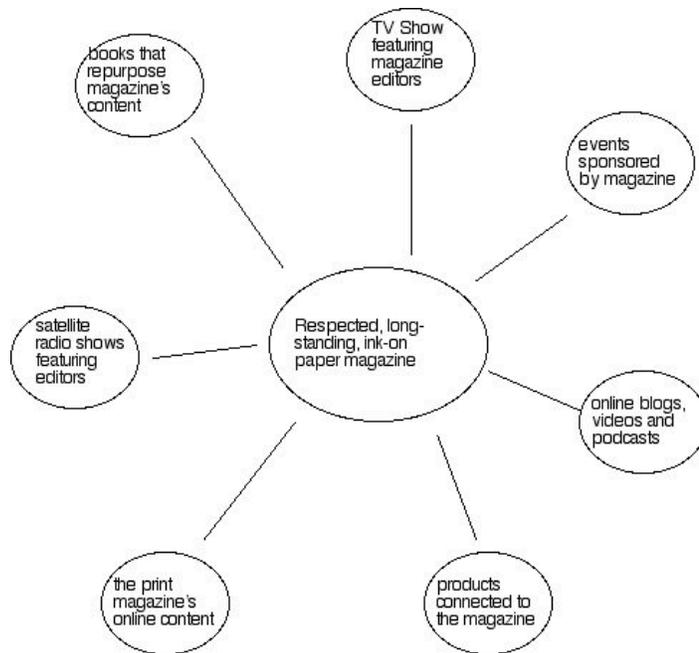
*Good*'s latest partnership is B Corporation, a nonprofit that seeks to create for-benefit businesses like Patagonia and Method that consider their stakeholders over their shareholders. *Good* launched *Good Business* to look at the world of business and the role of the private sector. “*Good* is convening community, enabling action, and enabling people to get involved in the ways they choose to do so,” he says.

### **Let's do digital**

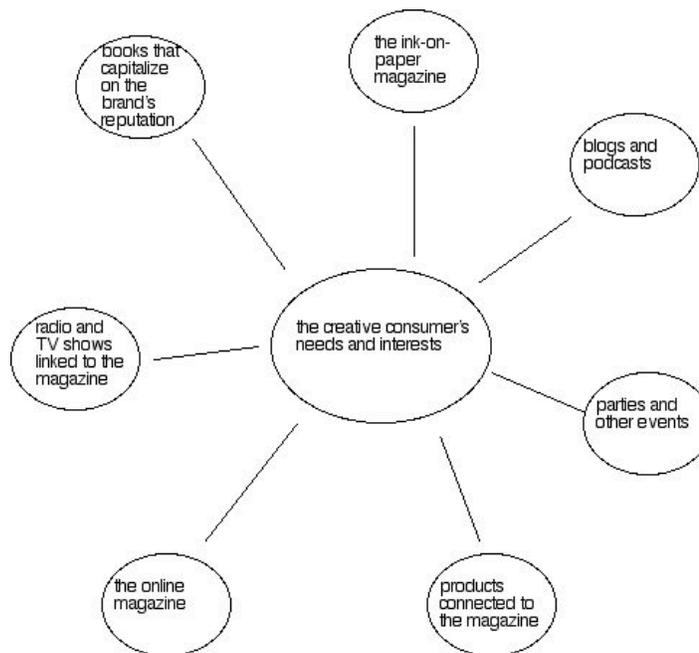
Andrew Clurman, Group Publisher and COO of Active Interest Media, moderated the next panel, titled “Go digital: Publicize your brand and engage your readers.” Panel members Nancy Alonzo (publisher of Dwell), Mitchell Fox (president and CEO of 8020 Media), and Kent Kirschner (media specialist for Neighborhood America) discussed the rise of social networks and online communities. “We're all in the social networking business and have been all along,” Clurman said, adding that the challenge for magazines is to create “social publishing” that puts our readers to work in all kinds of ways, including the development of new products. Their contributions will need editing, moderating, and monetizing, of course, but the challenges he set before his panelists were:

- How to transform print brands and audiences into online communities
- What kind of online and offline products can be created?
- What kinds of tools and best practices apply?

Alonzo said she defines social networking as “passionate people finding new ways to connect and share ideas.” She says there are new applications all the time, and the magazine must play a curatorial role. Listening to her, I realize there has been a Copernican revolution in the magazine world. Where only a year ago a magazine-as-brand looked like:



It now looks like this:



In other words, as recently as one year ago, magazines were looking at themselves as brands with their ink-on-paper publications as the hub and everything else they did orbiting around, dependent on the gravity of the magazine to keep them from spinning out into the dark and infinite universe.

The reader/user/audience/creative consumer is now the soul of the brand, and the magazine has been sent into orbit with the rest of the products and services that depend on that consumer for their relevance.

Perhaps the greatest demonstration of this is 8020 Media, a “community-driven media company” in which online communities contribute and evaluate content. The best content, as judged by the community, is published in *JPG*, a beautiful, 40,000-circulation amateur photography magazine. People can buy prints of one another’s prints, with payments shared between the amateur photographer and the company.

Kirschner spoke about his company’s work with *Men’s Health’s* “Belly Off” campaign, creating an environment online where people can “engage, listen, and act.” This was followed by a brief discussion about the role of editors in these new magazine ventures. Fox believes traditional editors “can be great community managers if they understand the value of having people contribute. Their job is to ensure the community is effectively voting and evaluating and then be able to curate it—give it a narrative. Alonzo said Web editors understand that their role is sparking conversation and keeping it lively, a “curator” role, and added that *Dwell* still relies on editors to perform this role. And Kirschner noted that social networking is evolving into something more like affinity groups, communities of enthusiasts who know what they’re online to interact about and share a motivation.

### **Bright lights, big names**

The second keynote was an interview of Jeffrey Katzenberg, CEO of DreamWorks Animation SKG, by Andrew Serwer, managing editor of *Fortune*. The takeaway: Movies and DVDs are “recession resistant” because they offer great value, entertainment companies are under subscription and advertising pressure (sound familiar?), and the next generation of 3D will bring people back into theaters.

Finally, Drew Schutte, vice president and publishing director of *The New Yorker*, interviewed Matthew Blank, chairman and CEO of Showtime Networks, and Michael Hall, start of “Dexter.” The network’s clever advertising for this show included parody magazine covers, which Blank says helped build the Dexter brand. “The strong lead character benefits from the visual nature of the magazine medium,” he argued.

By the time the gathering adjourned for a welcome dinner and wine tasting, it was clear that the solution to the nation’s economic ills would be “Congress slashes the budget in 3D.” But nobody asked me.

### **Back to business**

Early the next morning Nina Link, president and CEO of the Magazine Publishers of America, addressed the economic challenges the industry faces this year. “We’re a tough and resilient medium,” she asserted. Magazines offer trusted, filtered content and bring together communities of interest, offering value to readers and advertisers. She talked about the MPA’s Power of Magazine Advertising campaign, which found that magazines are best at causing customers to launch searches online. She also spoke about the MPA’s efforts to develop better ways of measuring the effectiveness of magazine advertising, and about the industry’s expanding digital footprint. “Despite the explosion of media, our connection to our audience remains stronger than ever,” she said.

The first panel of the next morning, “Reshaping the model for magazines,” examined the evolving business models and where magazine companies are making their money. Ed Kelly, president and CEO of American Express Publishing Company, said the core business

is still magazines, but 40 percent of the company's bottom line comes from books, calendars, membership affinity clubs, events, luxury conferences, research, and more.

Bob Carrigan, CEO of IDG Communications, publisher of computer and games magazines, said 60 percent of the company's revenues come from non-print sources, including digital offerings, events, and databases. This last area is sure to become a more prominent revenue-generator for magazines in the future. By actively helping advertisers and marketers reach their target audiences through lead-generation (charging advertisers for actual leads, not just eyeballs) and by offering users and marketers opportunities for one-to-one connections, magazine brands can act as hosts, he argued.

This may make those who still subscribe to the old church/state model cringe, but "relationship marketing" is a growing model in modern magazines. For example, if users want product reviews, the magazine can tag those for online ads. They can also send commercial content to a list of five millions names in their database. "It's about earning appropriate permissions and using the database by brand," he explained. "Essentially, you trade access to information for marketers' access to you."

Andy Sareyan, executive vice president of Meredith Corporation, noted his company's transformation in the past three or four years from a traditional publisher to a "fully integrated marketing and communications company." Of last year's \$1.3 billion in revenues, 25 percent was nontraditional (including product licensing, digital, broadband TV channels, events, and customer analytics). But he noted that Meredith is "just dipping our toes into that world" of relationship marketing. When asked to project the relative percentages of revenue that traditional and nontraditional publishing sectors will provide in the future, all three panelists suggested something in the 50/50 range. But when asked whether they were making money online, Kelly was quick to admit that American Express is not—that online products are viewed as an investment.

**And now a Hallmark moment**

I loved "The most innovative thing I've done this year" sessions. These five-minute talks allow editors to share some of their successes. Lisa Benenson, editor-in-chief of *Hallmark* magazine, explained how her company had turned a brand into a magazine instead of the other way around. The company had a huge database, products, content (user generated and not), a name, but no place where people could share stories and ideas. Two years after launching, *Hallmark* magazine has an 800,000 rate base.

This highly practical session was followed by a fascinating think session, in which futurist Paul Saffo spoke about "the future of magazines in a post-information age." Good forecasts embrace uncertainty, he said, and we're "in the midst of fundamental changes in the information industry." Information is ubiquitous now, and we've shifted from a mass media to a personal media.

	Mass media (a little while ago)	Personal media (now)
<b>Platform</b>	Television	The Web
<b>Location</b>	Living room	Everywhere
<b>Activity</b>	Watch and consume	Participate and create
<b>Ownership</b>	Few large players	Many small players

He encouraged the audience to look for patterns in history to see the future, but avoid expecting change to be linear or follow quickly. "Most ideas in Silicon Valley take 20 years to be an overnight success," he noted. "We tend to overestimate the pace of change and underestimate the long-term implications."

The biggest shift now, he said, is the shift in the economy from industrial to consumer to a new economy where the “central actor is neither worker nor consumer but people who do both at once—creators—ordinary people who create as they consume.” Wikipedia, MySpace, and YouTube hint at where we are going, but Google embodies it because users pay for the service with their search strings. “The companies that harness the smallest pieces of information will be the largest,” Saffo argued. He concluded with a phrase he found on a coffee house tip jar: “If you fear change, leave it in here.”

Saffo was followed by Steve Elmendorf, who addressed the election outlook and what this would mean for magazines. In a nutshell, he expects some legislation favorable to magazine interests, such as a shield law, but also advertising restrictions that might hurt the industry (such as on pharmaceutical ads) and perhaps an end to the tax deduction for advertising.

The results of the Best Cover Competition are easily found online at <http://www.magazine.org/asmc/2008-best-magazine-covers-winners.aspx>. Suffice it to say that *New York* magazine’s Eliot Spitzer cover, featuring the word “brain” and an arrow pointing to the former governor’s groin, was a hands-down favorite.

### **How green is your magazine?**

This year *Backpacker* magazine answered the question “Which has a bigger carbon footprint, this magazine or a cheeseburger?” with a complete energy audit, which revealed that 48 percent of the magazine’s footprint is paper, 26 percent is distribution, 9 percent is staff travel, 5 percent is ink, and the remaining 12 percent other activities relating to putting out a magazine. The total footprint for 2007 was five million pounds of carbon dioxide, which is about 10 pounds per subscription, or 1.12 pounds per copy. The audit enabled the magazine to find places to cut back, including changes in paper and light bulbs to more telecommuting. In 2008 the magazine reduced its carbon footprint by 12 percent and saved money. It also invested in offsets and is now carbon neutral.

This was a good lead-in to a panel on “Getting to Green,” which this intrepid reporter missed because of an urgent call from her own office—call it telecommuting on demand.

### **“Community-driven media”**

Sheryl Sandberg, COO of Facebook, spoke after lunch. Reliable content, she said, is becoming more, not less important, with the proliferation of media outlets, particularly online. Sandberg spoke about “push” vs. “pull” media, and her preference for media that benefit from editorial guidance (like the *New York Times*) and personalized sites (like Google News). Technology sped us up, she says, then the Internet connected us anonymously. But the next big evolution is people being their authentic selves online and the creation of social communities that people wish to join online. “We have to ask how to help people get connected with each other on your sites, as well as interact with the information on your site,” she said. Facebook is developing a program called Facebook Connect to help magazines and other sites enable readers to do that.

Sandberg subscribes to the Google model of measuring success: How quickly can users get off your site, not how long can you keep them on it. And since monetizing search is the one thing that has worked online, that makes sense. The challenge now is how to generate (not just fulfill) demand. “We need to find a new model and new metrics because we don’t generate demand,” she said. Facebook is now looking at what people do on the site and how to make advertising part of that experience. The new design has interactive

engagement ads. “The idea of pushing information to people, not just having them pull it, is key,” she explained.

This was a good lead-in to a panel on “New uses for user-generated content.” This is the real explosion in the past five years, according to moderator Kevin McKean, vice president and editorial director of Consumers Union. More than 70 million people in America read or create content, and most do both.

The five panelists have taken advantage of this in various ways. Mitchell Fox of 8020 Media spoke again about his 100 percent user-generated content online community that selects its own best content for the print publication. He calls it “community-driven media.” Alec Bandon, multimedia editor of *This Old House*, spoke about the June '08 issue that was entirely user-generated content: *Your Old House*.

Edward Grinnan, editor-in-chief and VP of *Guideposts*, explained his magazine, which is written by readers and heavily edited by editors. The editors look for great stories, not great writers. “Readers want to see themselves and connect emotionally with the narrators, so professional writers don’t click with them,” he said.

Chris Johns, editor-in-chief of *National Geographic*, which also solicits readers’ photos, noted that “letting people vote on what they like works for these publications.” The editors sometimes find that what they’d choose and what readers pick are not the same thing, and go with the latter.

McKean asked the panel members what they wish they had known in advance about soliciting and working with user-generated content. They replied:

- how much stuff they’d get and how much time it takes to work with it
- the need to allocate more space
- the need to find staff members who want to work with user-generated content
- how to transfer that loyalty to the Web, which has a different audience
- how cynical the marketing community is.

### **Blurry lines**

Michela O’Connor Abrams, president and publisher of *Dwell*, opened the third day of the AMC with a statement that expresses the ever-more-blurry line between editorial and advertising, readers and users, content and commerce, authority and community: “We have been told that our business has changed,” she said. “The companies that will be successful are those that take advantage of these times.

“We have to understand that our sales people and our marketing directors are our brand managers as well,” she continued. “We have to make sure everything we do is responsive to the customer and how they want to reach our communities.”

ASME president Steve Willey, editor-in-chief of *Runner’s World*, then addressed how the job of editors has changed in recent years, and noted that ASME will soon release digital guidelines to complement its current editorial guidelines for print magazines. “These church/state issues are getting tougher and tougher,” he said, adding, “Our most important asset is our readers’ trust. The best content will win, and we have the best content—curate, edited content will win.”

This was followed by a panel titled “Cause marketing/edit in magazines: What’s good for your readers...and your brand?” Dave Zinczenko, editor-in-chief of *Men’s Health*, spoke

about his magazine's Fit Schools initiative. Stacy Morrison, editor-in-chief of *Redbook*, spoke about her magazine's commitment (though a partnership with Liz Claiborne) to combating domestic violence, which "moves the magazine from being about your relationships and your busy life to more complex issues." Anthony Licata, editor of *Field & Stream*, spoke about his magazine's Heroes of Conservation competition (sponsored by Toyota), which "recognizes everyday hunters and fisherman who did something for the environment." And Linda Fears, editor-in-chief of *Family Circle*, spoke about her magazine's efforts to end childhood hunger through the Great American Bake Sale partnership with Share our Strength.

Moderator Peggy Northrop, editor-in-chief of *Reader's Digest*, asked the panelists how they keep control of cause-related programs, particularly when they involve corporate partners as well as nonprofits. The answer, according to Fears, who partnered with Avon: "It didn't feel like a church/state issue."

### **Bringing it to a close**

The rest of the morning consisted of a presentation by Mimi Valdez Ryan, editor-in-chief of *Latina*, on that magazine's stunning redesign, and by Steve Sachs, president of *Real Simple*, on "Real Simple Real Life," the magazine's TV makeover show that also appears in 12 pages of the magazine. This led into a panel on "Monetizing beyond the ad page," which is essentially the holy grail for magazines, and a brief presentation by Jane Chesnutt, editor-in-chief of *Woman's Day*, and Carlos Lamadrid, vice president and publisher of *Woman's Day*, on their new "snap now" icon. (Readers who photograph the icon on ad or editorial pages and send the image to the magazine receive featured items, such as coupons and recipes.) They spoke of "user-determined content" as the new wave of "user-generated content."

The morning concluded with Richard Stengel, managing editor of *Time*, interviewing Governor Arnold Schwarzenegger. The most fascinating moment occurred when Stengel asked Schwarzenegger, "Who is Barack Obama?" and Schwarzenegger spoke about people who have, from a very young age, "a drive inside to do something great"—something the two men, for all their differences, share.

That afternoon some attendees toured the Google campus while others returned to their day jobs. As I flew home, I listed the take-away points from this year's AMC:

- The term for the people who do whatever it is they do with and to magazine content, in print and online, continues to evolve. The latest term seems to something like "creator/consumers" or "creative consumers," but watch for that to change.
- If the lines between editorial and advertising were blurry, you ain't seen nothin' yet. Now the lines are blurry between cause and commerce too, and those creative consumers don't seem bothered.
- Print products are no longer central to magazine brands. They're just one more medium for reaching people and making money, and if they fail to achieve those objectives, they're in jeopardy.
- Editors need to become adept at soliciting and working with user-generated content and even organizing community-vetting of user-generated content.

Words and concepts to keep an eye on:

- creative consumers
- community-driven media
- user-determined content
- community manager
- editor as curator
- relationship marketing
- “push” vs. “pull.”