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6.7 Public place distribution; the effect on magazine audiences of free distribution in selected reception areas

INTRODUCTION

Virtually the total circulation of *Family Circle* magazine is sold through supermarkets on a single issue copy basis.

Of course, circulation is not equivalent to readership. For each copy of any publication, there are more readers for that publication than just the original purchaser — and readership takes place both in-home and out-of-home.

In 1976, *Family Circle* decided to test a free distribution programme as a way to increase readership by making the magazine available for reading in public places where there is a high concentration of female traffic.

This paper reports on this project test and what the findings were for each step in the test procedure.

PRELIMINARY: OBSERVED READING AND RECALL

Since the objective of the free distribution programme was to increase readership among women who did not usually read the magazine, an important first step had to be quantifying recalled readership among non-readers. This was done in the fall of 1976.

Methodology

Copies of the magazines were distributed to 18 cooperating beauty shops and doctors' offices in the New York, Washington/Baltimore, Chicago, St. Louis, and Los Angeles areas. Over a four to five day period, observers kept records of which women read the magazine; there were approximately 550.

The observers also kept the one copy of *Family Circle* from being buried among the other magazines available for reading at each location; it should be noted that more copies were made available when needed to reduce observation time, but the total number of *Family Circle* copies never exceeded the least number of any competitor magazine that had more than one copy at the location.

Findings

Following the observation period, telephone interviews were conducted with women who had been observed reading *Family Circle*. Two-thirds (365) of these women were interviewed and nearly one-fifth (18 percent) of the

respondents said that although they did not usually read the magazine, they did recall reading or looking into it in that public place (where they had been observed).

Resulting action

It was decided to test further to determine the best locations for an expanded free distribution programme.

PRELIMINARY: BEST FREE DISTRIBUTION LOCATIONS

The locations frequented by women that are suitable for free distribution included beauty shops; the office waiting rooms of paediatricians, internists, obstetricians and gynaecologists, general practitioners, and dentists; hospital waiting rooms; company reception areas; company lounges and employee medical facilities; and libraries, both public and post-high school.

Methodology

In the spring of 1977, telephone interviewing was done among a random sample of some 110 beauticians, nurses, receptionists, and librarians, at their 'offices.' There were five 'A' markets — Atlanta, Chicago, Denver, Los Angeles and New York; and five 'B' markets — Ann Arbor, Austin, Brockton, Memphis, and Sacramento. The interviewing was to learn the magazine environment in each of these public places.

Findings

Between two-thirds and three-quarters of internists' and paediatricians' office waiting rooms and hospital waiting rooms, and all or nearly all of the other possible locations, had one or more women's service magazines regularly available.

Each location usually had ten or more different magazines regularly received, of which three or four were women's service magazines.

Each location had an average total of 18 copies of women's service magazines regularly available.

Resulting action

Two copies of the August 23, 1977 issue would be distributed in the 'best' locations; this would be done two weeks after the scheduled release date to reduce pilferage. Research would be conducted to estimate the number of new readers per seeded copy.

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TEST SEEDING AND RESEARCH

Methodology

Three 'B' counties were selected for the test seedings: Northampton County, Pennsylvania; Vanderburgh County, Indiana; and Monterey County, California. All three were representative of the average number of households, and the average *Family Circle* circulation, and penetration in all 'B' counties.

The classified advertising telephone directories for each county were used to locate beauty shops and physicians' and dentists' offices, and they were invited to participate in the study. A total of 1,621 locations accepted and each received two copies of the August 23, 1977 issue of *Family Circle*.

A random probability sample of 625 women residing in the three counties was contacted. They were taken through-the-book using a kit of women's service magazine issues contemporary with the seeded issue.

Findings

The free distribution to public locations in the three counties generated a minimum four new readers per copy.

Resulting action

It was decided to expand the seeding to 10,000 copies per issue, on a regional basis, starting with the February 3, 1978 issue.

FREE DISTRIBUTION — 1978

A mid-central region was selected that included nine metro markets: Chicago, Cleveland, Columbus, Dayton, Detroit, Indianapolis, Louisville, Pittsburgh, and Cincinnati. There were several reasons for selecting this 'Chicago' region; the markets included were ones in which regular measurements are taken; this would facilitate analysing the results of the placing of free copies; it included the most *Family Circle* readers; had the highest relative percent of readers to circulation; and had more women than all but one other region.

Methodology

A list was prepared of all ZIP code numbers in the entire 'Chicago' region. Those ZIP code numbers that included demographics similar to *Family Circle* readers were identified; any not so identified were excluded.

Purchased business lists were used to obtain the name and complete addresses, including ZIP code, of all beauty shops and dentists' and physicians' offices in the

region; to identify the higher volume public places (for physicians, the selection was internists and gynaecologists); and to eliminate duplicate listings. Of the remainder, those located in ZIP code areas *not* likely to include women who would read *Family Circle* were deleted from the list.

From this final list, 10,000 locations were selected on a random basis. They were invited to receive *Family Circle* on a regular basis, to make available to their clients/patients.

Findings

The results of a regular, annual syndicated magazine audience measurement service, to which *Family Circle* subscribes, were analysed for *Family Circle* and for the competition, in both seeded and non-seeded areas. It should be noted that because of the starting date of this annual measurement service, only half of the *Family Circle* issues measured reflected seeding.

The results were mildly encouraging but did not justify expanding the programme.

Resulting action

Three decisions were made regarding the seeding programme for 1979: it would be continued to 10,000 public locations in the 'Chicago' area; the mailing lists would be continually updated; the copies sent to these locations would be stamped, FOR RECEPTION ROOM USE ONLY, to abet build-up.

FREE DISTRIBUTION — 1979

The free distribution programme was continued through 1979 in the 'Chicago' region. All of the *Family Circle* issues measured by the (1979) annual syndicated magazine audience measurement service reflected seeding.

Methodology

The same analysis as for the previous year.

Findings

The results still were not clear-cut but they were more encouraging. Specifically: there was a gain in out-of-home readers in the seeded area, an increase larger than that of all but one of the competitors; all the women's service magazines, including *Family Circle*, had a loss of in-home readers; the proportion of *Family Circle* out-of-home audience improved in the seeded areas but dropped slightly elsewhere; in the seeded area, there

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were 17.1 female out-of-home readers per seeded copy of *Family Circle*, whereas the *Family Circle* national average was 2.27 female readers per copy.

Further, a cost-efficiency analysis of the seeding programme showed that the increased programme produced more readers-per-copy than the normal distribution, at what appeared to be an efficient cost.

Resulting action

It was decided to continue the test programme and to update the cost efficiency figures when new data became available.

AUDIT AND INTERVIEW IN FREE DISTRIBUTION AREAS

Early in 1980, it was decided to investigate the dynamics of the seeding programme, specifically: which women's magazines were available in the public locations and the number of copies of each; how the copies got there; how long they had been there; what happened to the copies.

Methodology

A systematic random probability sample was selected of 125 seeding locations in each of four cities — Chicago, Indianapolis, Louisville, and Pittsburgh — which had been participants in the programme since the first seeded issue or later. Interviewers were instructed to hand-count every copy of each women's magazine, and to conduct personal interviews based on the audit results using a questionnaire that had been developed for that part of the test.

Findings

Family Circle copies were more readily available than any other women's magazines; this is as expected since the magazine had been placed in all of the test audit/interview locations. However, one in ten did not have even a single copy available.

Family Circle was observed being read in more of the locations than any other women's service magazine.

There were four major ways in which women's service magazines arrived in these public locations; complimentary copies, mailed directly to the location; subscription copies, mailed directly to the location; customers/patients brought them in; owners/doctors brought them in.

Three of the subscription magazines handled by the same fulfilment house had labels with meaningful coded information. A count and analysis of the labels showed; two-thirds (67%) of the locations received these labelled copies directly; one-fourth (23%) of the locations

received them indirectly from customers/patients/employees; the balance of the locations mostly (7%) received them indirectly from the owners/doctors who brought them in.

A further analysis of the labels revealed that more than half (53%) of them came through agents; and most of the balance (39%) were individual subscriptions.

Resulting action

Because this audit, and the analysis which was done of the syndicated audience measurement service that was used for the earlier 'Chicago' seeding programme — both of which showed a positive effect; and because, as is generally assumed in the industry, it could take two years before any definite effects of free distribution might become apparent — it was decided to continue seeding 10,000 copies per issue in the 'Chicago' region. The mailing lists would be continually updated. It was further decided to extend the seeding programme with an additional 10,000 copies on a less frequent basis to another region. The admonition, FOR RECEPTION ROOM USE ONLY, would be improved by moving the position and by using a more contrasting ink colour each issue.

FREE DISTRIBUTION — 1980

In addition to continuing placing 10,000 copies of every issue in the 'Chicago' region, in 1980 the project was extended to the Southeast region, which included nine metro markets: Atlanta, Birmingham, Fort Lauderdale, Memphis, Miami, Monroe County (Florida) including Key West, Norfolk-Portsmouth, St. Petersburg, and West Palm Beach. The criteria for the inclusion of these markets were the same as for the 'Chicago' region.

To test the effect of issue frequency on readership, it was decided to send only one out of every three issues to locations in the Southeast region.

Methodology

The preparation of the preliminary lists of beauty shops, and dentists' and physicians' offices, and the selection of the high volume locations to be invited to participate, followed exactly the same procedures as had been used to develop the participant list for the 1978 'Chicago' region seeding.

Findings

The analysis of the results of the 1980 syndicated magazine measurement service, comparing *Family Circle* with its competition in both the free distribution and other areas, showed a definite gain in out-of-home

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women readers in the test areas. In fact, the gain for *Family Circle* was the highest among all women's service magazines.

Further, the indications were that if the distribution was continued, and if there continued to be an increase in readership, a page rate increase would be justified, thereby adding to the cost efficiency of the programme.

Resulting action

It was decided to continue the project, unchanged, in the 'Chicago' and Southeastern regions. It also was decided to expand into a third, smaller region, on a two-out-of-three issues basis.

FREE DISTRIBUTION — 1981

In addition to sending 10,000 copies of every issue to the 'Chicago' region and one of every third issue to 10,000 locations in the Southeast region, in 1981 free distribution was extended to the New England region, which included six markets: Providence; Wooster; Boston; Hartford; New Haven; and Litchfield (Connecticut) County.

The criteria for the inclusion of these markets were the same as for the 'Chicago' and Southeastern regions.

As noted earlier, the effect of frequency also was being tested. Therefore, it was decided to send two out of every three issues, in the New England region, but only to 3,000 locations.

Methodology

The same procedures were used as for the two previous

regional procedures.

Findings

As noted above, it could take two years before the effects would be evident; in fact, this two-year minimum reflects 'conventional wisdom' in the industry. Nevertheless, data available to date tend to indicate an improvement in out-of-home readership in the seeded New England region.

Resulting action

It was decided to continue all three programmes.

FREE DISTRIBUTION: WHERE IT STANDS

The programme was begun by *Family Circle* as a way to increase out-of-home readership.

Over a period of some six years, procedures were tested and developed for identification of the best public locations in which to place free copies; magazine audits were done in a sample of locations; women who frequented these locations were observed, contacted, and interviewed; distribution was begun with a different issue frequency in each of three regions; the audiences in each of these regions were measured and compared with non-free distribution areas; and the data were analysed, using a different analytical approach for each of the measurement services that were used.

With all of this, however, the data still are limited. Regardless, our conclusion is that seeding appears to work and appears to be cost-efficient.