

THE CENTOFANTE GROUP

City and Regional Magazines are Profitable for Retailers!

Several city and regional magazines sell more copies per issue in their cities than leading national titles. Publications such as 5280 Magazine, D Magazine, Honolulu, Bend Living, Mpls. St. Paul, Boston Magazine, Phoenix Home & Garden, Baltimore, Chicago, and Portland Monthly are the No. 1 best sellers in terms of copies sold per issue in their respective metropolitan areas.

The sales at the store level can be stunning. One example is Seattle Metropolitan's newsstand sales success. In Seattle, People Weekly's top-selling grocery store sells about 175 copies per issue. Seattle Metropolitan has 14 grocery stores that sell more than 175 copies, five stores that sell more than 400 copies, and two stores that sell more than 600 copies per issue. Another example is St. Louis Magazine's top-selling grocery store that sells over 500 copies per issue.

Strong unit sales deliver strong profits. In affluent retail stores, city and regional magazines are often in the top five in magazine profit rankings. In middle-class retail stores, the local magazine often ranks in the top 10.

The true sales ranking of city and regional magazines is often hidden. The sales ranking for a regional pocket should include the sales of all of the local magazines that would reside in the checkout pocket. For instance, if a Philadelphia metro area chain looks at Philadelphia Magazine's ranking of No. 12, that would be considered a strong ranking. The true ranking of the checkout pocket would include Philadelphia Magazine AND its sister titles: New Jersey Monthly, Delaware Today, and Mainline Today. The true ranking is No. 5 with the combination of local titles.

City and regional magazines not only deliver strong profits, but reinforce a retail chain's image of being the store of the community. Area residents have a strong fondness for their local magazines. Many magazines have a long, rich history and a brand that is loved. Arizona Highways is more than 80 years old, Philadelphia Magazine is nearly a century old, and Honolulu is more than 100 years old. By placing a local magazine in a premium checkout position, chain stores can use the local magazine's brand to reinforce the chain's image as a "store of the community."

CMG is the category leader of city and regional magazines. It now represents most of the major local magazines. CMG's Bruce Thompson says, "CMG has always recognized the strength and profitability of regional titles in their markets, especially at checkout. It is an opportunity for retailers to build profits and their store-of-the-community image."

Retailers can increase their sales of their leading city and regional magazines by following these suggestions:

1. Affluent chain stores should have the city and regional magazines located at premium checkout positions:
 - Top row, next to People and US Weekly
 - Displayed at every checkout
 - Facing rear of the store, or the customer's left, or over the belt
 - Placed in the deepest pockets
2. Middle-class stores should place the local magazine: Top or second row pockets, at every other checkout.
3. Consider a permanent stand-alone rack (like the one to the left), located in a high-volume, strategic location.
4. Meet with local publishers to discuss special issue promotions. For instance, Phoenix Magazine's "Top Doctors" issue is the No. 1 best selling issue of any magazine for many Phoenix chains.

The Centofante Group represents over 50 city and regional magazines. Alan Centofante has spent over 20 years helping city and regional magazines maximize their newsstand sales. Alan can be reached by calling 503-849-0007 or by e-mailing alan@centofante.com.

