

# Digital publishing: A brave new (metrics-driven) world

## Integrated analytics drive new insights and opportunities for traditional and business publishers

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Publishers have witnessed the dawn of a new paradigm for digital content distribution. The adoption in 2010 of the tablet computer—combining lightweight portability with a large, high-resolution display—was swift. Apple says it sold more than 15 million iPads in 2010, and dozens of manufacturers released or announced tablet devices sporting a variety of screen sizes and operating systems. Analysts foresee a mass market, with tech researcher IDC projecting worldwide tablet shipments of more than 70 million in 2012, up from 17 million in 2010 ([www.idc.com/about/viewpressrelease.jsp?containerId=prUS22660011](http://www.idc.com/about/viewpressrelease.jsp?containerId=prUS22660011)).

For users, tablets are a compelling new way to consume content. Many media watchers say the tablet experience is akin to the “lean-back” reading environment of print magazines, newspapers, and books—a sharp departure from the scannable, search-optimized web. For publishers, bridging the traditional lean-back experience of print with the mobility and interactivity of a touchscreen tablet represents an opportunity to reinvent the way they package and present content to more fully engage their audience.

Publishers that get this right can expect to capture new revenues through two key channels: paid applications and premium advertising. As web advertising sales teams compete with ad networks and ad exchanges in what effectively has become a race to the bottom for online advertising, a new era of digital publications delivered through tablet computers could provide a much-needed prescription for growth. Digital magazines promise to add fuel to a growing digital publishing market. In the article, “Print is not dead, but most of the magazine industry will be digital in 2020,” the research firm MediaIDEAS predicts that digital products will account for 28% of revenues in the U.S. periodical market by 2014, up from just 10% in 2009. The figure will reach 58% by 2020, as digital products surpass print revenues (<http://printceo.com/2010/04/magazine-industry-2020>).

To capture the opportunity, publishers must develop a deep understanding of how consumers interact with content on the new generation of tablet devices and how these interactions differ from print reading or web browsing. They need to leverage the right tools to optimize their content and advertising for tablet devices. And they need to embrace new ways of thinking about all aspects of their publishing operations, from editorial and design to sales, marketing, and research. As with many businesses in the digital world, analytics will guide them.

### New experience, new opportunities

Digital publications represent a new reading experience, one that appears to be markedly different from reading a print magazine or browsing the Internet. A tablet’s key features—a high-resolution, touch-enabled display (ranging from 4 to 10 inches in current models), support for rich media (video, audio, and interactive graphics), and, of course, portability—are paving new paths in the user experience.

Early studies indicate that tablet users are more engaged with both editorial content and advertising. In research by the Reynolds Journalism Institute, 79% of iPad owners said they spend at least 30 minutes a day with news content on the iPad. For comparison, only 53% spend the same amount of time with news on TV, and 51% spend at least 30 minutes viewing news on a PC ([www.minonline.com/news/16035.html](http://www.minonline.com/news/16035.html)). A separate study commissioned by Adobe found that advertisements in digital magazines outperformed static ads by as much as 70% across five categories: perceived interactivity, perceived engagement, message involvement, attitude, and purchase intention (<http://blogs.adobe.com/digitalpublishing/2011/01/ad-engagement.html>). Research by Martha Stewart Living Omnimedia and Nielsen found that some tablet advertisers saw a three- or

Digital publishing gives access to a wealth of analytics that provide hard data on how users interact with content.

four-fold improvement in ad effectiveness in digital publications compared with print or online ads. In Martha Stewart Living's first iPad issue, which was produced with Adobe® Digital Publishing Suite, ad recall was 69% and ad awareness rose by an average of nearly 10% ([www.cmo.com/mobile/tablets-publish-or-perish](http://www.cmo.com/mobile/tablets-publish-or-perish)).

Many publishers, in their eagerness to get into the tablet game early, have resorted to basic replicas of their print magazines, perhaps with a few interactive bells and whistles thrown in. These generally static replicas don't fully take advantage of the tablet environment, nor do they provide publishers with the detailed analytics they need to gain better insight into the user experience on tablet devices.

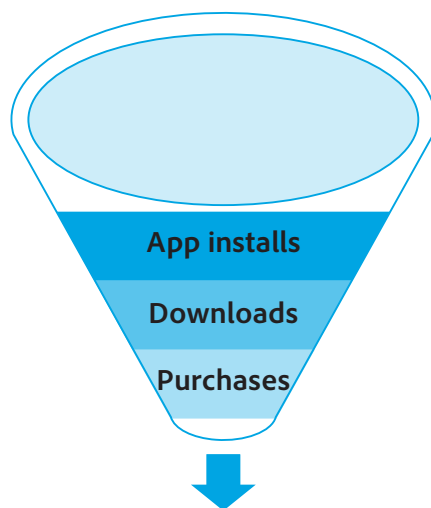
As the tablet market evolves, more publishers are realizing that digital reading on these devices will not be a traditional, front-to-back reading experience. The nonlinear flow of a digital publication—the ability to scroll or swipe, jump around, link to external content, and play rich media—will require publishers to redefine the makeup of a digital magazine. Everything from navigation to layout to premium placement of advertising can be fine-tuned for the tablet experience.

## Leveraging analytics for new insights

The good news is that publishers no longer have to rely solely on market research, focus groups, online surveys, and other traditional measurement techniques to guide them through the uncharted territory of tablet publication design and delivery. Digital publications also give them access to a wealth of analytics that provide hard data about how users are browsing, interacting with, and sharing content in a digital publication.

Like the web, digital magazines offer access to sophisticated analytics that enable publishers to measure how readers are engaging with editorial and advertising content. Analytics can give direct insight into how readers purchase, download, and navigate through a digital edition: which articles they read, skip, or share; how long they spend with an article, a video, an advertisement, or an entire issue; and how often they come back to an issue. Analytic data enables publishers to build stronger business cases for testing new approaches to selecting, designing, and producing editorial content. Are users viewing content in portrait or landscape mode? What should the table of contents look like? Where do we place the lead feature story? A more granular view into content performance can influence and inform these decisions.

Similar metrics can be applied to rich media. How much video or audio should we include in an individual article or an entire issue? Engagement can be broken down and measured across an article's distinct elements—text, video, audio, graphics—in addition to its orientation and positioning relative to other content. Examining audio starts can uncover similar insights, leading a publisher to add more audio components to a digital edition to take advantage of increased user interest.



Publishers can use analytics to perform funnel analysis and identify bottlenecks in the conversion process.

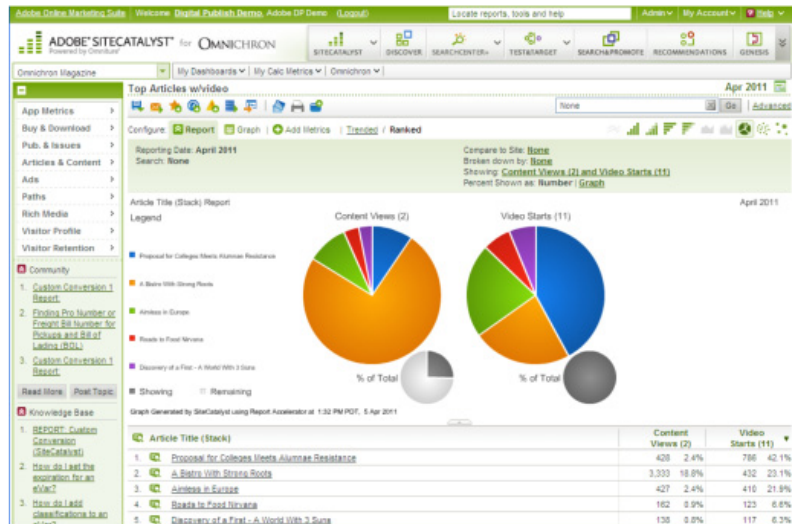
In addition, analytics data can identify bottlenecks in the conversion funnel process. For example, publishers seeking to understand the purchase conversion process can examine a funnel that starts with app installs, progresses through free downloads of sample content and ends with in-app purchases of content. Publishers can then fine-tune the content and experience they are providing in order to maximize user conversion.

Publishers can also measure performance of their editorial content over periods of time, such as which articles performed best across the last 12 issues, or which recurring columns or departments score well consistently. Editors can even measure their own performance, measuring the frequency and time spent, for example, on articles under individual bylines.

Perhaps most importantly, analytics enable editorial teams to test new features, functions, and content types to subsets of users before investing in comprehensive (and costly) redesigns or editorial development. These efforts, similar to the A/B or multivariate testing that's popular on websites, can also drive

incremental sales. For example, a publisher could test purchase and download rates based on different cover treatments.

Publishers can gauge the effectiveness of interactivity, such as how many users start and complete a video embedded in a publication.



## Benefits to ad sales

Advertising sales teams will also benefit from the advanced insights that they can garner from in-app analytics. For print magazines, publishers rely on reader panels to gather samples of data on ad impressions and recall that, combined with audience demographics, give advertisers some sense of who they're reaching. A digital publication, however, provides a more comprehensive view into readers' engagement with ads by using many of the same metrics used to measure editorial engagement, such as time spent and rich media starts.

A more immersive experience increases the publisher's value proposition to advertisers—and potentially their revenue opportunities as well. On a tablet, conventional wisdom about premium ad placement—inside cover, first feature, and so on—is supplemented by path analysis and other hard data that could redefine what constitutes premium positioning. Within the ads themselves, advertisers have an opportunity to integrate their own rich media content, further increasing engagement. By examining peak reading times, digital publishers might also be able to charge more for ads served during these times, much like radio stations charge advertisers more for exposure during peak driving times.

As print revenues decline and online advertising inventory is increasingly commoditized by advertising networks and ad exchanges, digital magazines, with their rich presentation format, offer an opportunity for ad sales teams to create premium programs that emphasize brand building in addition to direct response.

## A more targeted approach

A deeper level of insight into audience behaviors and activities on their tablet devices provides an opportunity for forward-thinking publishers to create more customized experiences for individuals or target groups. Demographic and psychographic profiles provide a baseline of information that can be further honed using three emerging inputs:

**Location**—Geo-targeting opens up new opportunities for delivering localized content to magazine subscribers. Advertisers could also leverage location information to offer real-time promotions at local retail outlets.

**Interaction**—Analyzing users' paths as they navigate through a digital magazine can lead to customizable layouts and more targeted content recommendations ("if you like this ..."). Likewise, advertisers can tailor a call to action based on a user's interaction with a dynamic ad.

**Day-parting**—Early studies show that tablet users spend a lot of time reading at night or while sitting in front of the TV. Insight into when users are consuming content can help publishers create customized content that is relevant to the time of day—breaking news in the morning, for example, followed by long-form analysis at night.

When collecting this information, publishers must make sure that they are adhering to industry guidelines and regulations regarding consumer privacy. A transparent policy that provides clear opt-in and opt-out language for users is the best approach.

## Getting started: four guiding principles

Four guiding principles in using analytics to optimize digital publications:

1. Integrate, don't separate your analytics from editorial and sales operations
2. Realign your metrics for the tablet experience
3. Embed analytics into existing workflows
4. Be smart about rich media

More than a decade on the web has helped content publishers develop an appreciation for the value of digital metrics. And while much of the knowledge they have gained is transferable to the tablet environment, publishers are beginning to realize they need a more sophisticated blend of analytics, combining the engagement metrics of print with the transaction-oriented measures of the web. How do publishers prepare for this next step in the evolution of digital publishing? Here are four guiding principles.

**Integrate, don't separate**—Tablet production and measurement processes should be layered onto existing editorial and sales operations. The right tools and processes can increase efficiencies by integrating digital magazine design, development, and analytics into existing workflows. With the proper education and training, editorial, design, sales, and marketing teams can incorporate tablet requirements into their existing roles. Publishers don't need to reinvent the wheel to accommodate tablets.

**Realign your metrics**—Existing print metrics will need adjusting to incorporate key performance indicators for a tablet-based reading experience. Some metrics translate easily—app downloads versus copies sold, for example. Others require some recalibration. How, for example, do you define a page view in a digital magazine? Which new metrics will you need to measure engagement? And what is the equivalent of back issues: How many times a person returns to a previous issue stored on the tablet can provide additional insight and opportunities to change the content experience for repeat visits.

**Embed analytics into existing workflows**—Analytics give editors more fuel to make good content decisions. As such, performance metrics should become an integral part of the editorial planning process. Data can inform story assignments, content types, and layouts. At the same time, editors should not become a slave to the data; analytics should augment, not replace, editorially curated content. The same applies to the rest of the company: Analytics should be embedded into sales, research, audience development, and other groups to help people make smarter business decisions.

**Be smart about rich media**—It's easy to fall in love with shiny new objects, but always keep the user experience in mind. Rich media, used intelligently, can greatly enhance digital magazine content. But it also can unnecessarily distract from and bog down the magazine-reading experience. On the flip side, not using enough video, audio, or interactive graphics leaves your readers with the unsatisfying feeling that they're viewing little more than a replica of the print edition. Finding the right balance requires frequent testing of different treatments—and letting the analytics guide your decision-making.

Sample of key digital publishing metrics			
<b>Apps</b>		<b>Ads</b>	<b>Rich media</b>
<ul style="list-style-type: none"> <li>• Purchases – starts and completions</li> <li>• Downloads – starts, completions, errors</li> <li>• Visits – per individual, per issue</li> <li>• Time spent – per issue</li> </ul>		<ul style="list-style-type: none"> <li>• Views</li> <li>• Time spent per visit</li> <li>• Return visits</li> </ul>	<ul style="list-style-type: none"> <li>• Video starts and stops</li> <li>• Audio starts and stops</li> <li>• Overlay starts and stops</li> </ul>
	<b>Content</b>		<b>Authors</b>
	<ul style="list-style-type: none"> <li>• Views</li> <li>• Time spent per visit</li> <li>• Return visits</li> <li>• Navigation</li> </ul>		<ul style="list-style-type: none"> <li>• Time spent per article</li> <li>• Social sharing</li> </ul>

## Summary

Publishers are in the midst of a revolution in the way magazines are made, marketed, and consumed. This digital transformation provides an opportunity to reimagine the magazine for the digital space, while bringing along the existing print and web workflows and processes that have allowed publishers to produce high-quality magazines and attract loyal audiences. To be successful in this brave new world, publishers need to increase their appetite for testing and adapting. As companies adopt more of an R&D approach to publishing, measurement cannot be an afterthought.

For all the interesting development that's been done on digital magazines to date, publishers are simply scratching the surface of the potential of this new medium. Analytics play a critical role in helping publishers figure out what's next—including the role it will play in helping corporate publishers extend their brands and engage with their customers. Analytics enable publishers to watch and learn from the activities of their users as they interact with digital periodicals, and then leverage these insights to push the boundaries of magazine design and delivery, learning about what works and what doesn't every step of the way. The waters may be uncharted, but they are full of intriguing possibilities.

### Platform for corporate publishing

Tablets aren't just for media publishers looking to develop a new channel for digital magazines. The form factor and mobility of this new generation of devices open up new distribution doors for business publishers and brand marketers as well. Here are two areas in which companies can leverage tablets for their own corporate publishing efforts:

**Marketing and communications**—Marketing teams can repackage and redesign their corporate magazines, annual reports, and other content for emerging digital channels. Because of the personalized nature of tablet devices, marketers can use analytics to customize and measure campaigns for select target audiences, both internal and external, to improve the effectiveness of corporate communications and branding programs.

**Commerce**—Retailers can expand traditional advertiser partnerships with publishers to bundle digital catalogs with publications as a standalone program or as part of a premium ad buy. Catalogs delivered directly to consumers on tablet devices—with a clear path to online or in-store purchasing—can increase conversion rates. Search capabilities included in a retailer's app, for example, could help marketers know whether a consumer is intending to visit a brick-and-mortar location. The ability to tie exposure and awareness directly with sales or other conversions is the ultimate ROI metric for brands.

## Learn more about digital publishing

[blogs.adobe.com/digitalpublishing](https://blogs.adobe.com/digitalpublishing)



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