

Strategic International Expansion of Magazine Publishing

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Abstract. There has been an increasing number of globalised magazine brands appearing in the markets recently, Vogue and Bazaar are successful cases of that. Given this prevalent trend, it is essential to analyse the reasons and favourable conditions that make magazine companies focus on strategies of international expansion. And the experience of those successful magazine publishers could provide precious lessons for other content suppliers in media industry and also indicate right development direction for magazine companies. This article aims to discuss the reasons behind this phenomenon and provide good practice for guidance. Initially, influential factors such as digitization, saturation of home market, strength of brands, segmentation and public good characteristics are introduced, before the importance of adaptation and multiple-platform strategy is pursued. Finally, contract-based arrangements with overseas partners and acquisition strategies are discussed.

Keywords: International expansion; Magazine publishing; Localization; Multiple-platform; Acquisition

1. Introduction

With the advancement of digital convergence, the trend of globalization has exerted a profound impact on various industries, especially the magazine publishing, by increasing online content suppliers and facilitating the saturation of home market. The magazine publishing industry has struggled for a decade on account of rising competition from online media and feeling hard to adopt digital monetization strategy. As a result, magazine publishers have to face fiercer competition with not only previously competitive rivals but also online media suppliers, and may suffer from the shrinking print circulation and advertising revenues as some advertisers choose online network to advertise their products (Magazine Media Trends, 2015).

2. Background

2.1 Challenges

As the online media is better at targeting their readers, most of magazine publishers who own strong brands are likely to take strategic measures to make themselves stand out among rivals. Generally, the measure they take is expansion on a global basis, because global market could provide them a wider platform, then they can attract more advertisers and specific reader groups in different geographic markets, thus promoting global expansion across various media platforms to attract advertisers, not being constrained by home market. In this sense, magazine industry has been increasingly much more international than other media providers like newspapers and radio in recent years (PPA, 2000).

2.2 Opportunities

Although technological advance has brought challenges to magazine publishers, the opportunities it provided are noticeable as well. Digitization and prevalent electronic communication infrastructures have provided more convenience for both readers and publishers (Cox and Mowatt, 2008) to read at any time as they prefer and target potential readers then convey the content to various platforms across international publishing networks as the two-way communication characteristic they own (Doyle, 2013). Therefore, a new international scene of

digital media contents and platforms has emerged, getting involved into the market (Küng, 2015), thus boundaries between different kinds of media products may have become blurred (Picard, 2002). BAZAAR, a prevalent magazine in China, has increased iPad-version electronic magazine to catch up with digital convergence trend (Harper's BAZAAR, no date), and thereby reducing the cost of printing and transaction (Cox and Mowatt, 2008).

3. A strategic choice - International expansion

Most magazine publishers take strategies of international expansion as they believe they are able to attract readers who own the same lifestyle, in other words, the niche in different territories all over the world to make more profits and reinforce the brands image to ensure loyalty of readers (Doyle, 2013). However, most of magazines enjoy limited life expectancy, therefore, it is of great significance to identify and assess target market segmentation as accurately as possible (Gasson, 1996). The ability to target the taste, preference and lifestyle of the niche and to offer convenient and cost-effective access to target subgroups in different geographic markets is increasingly essential for magazine publishers (Napoli, 2001).

In addition, most magazine contents are flexible enough to cater for the preference of transnational readers in different territories (Cabell & Greehan, 2005). Within the trend of internationalization of magazines, adapting editorial content to local style can be considered as a feasible choice in most cases of global market (Doyle, 2013). As content is usually free thus not being constrained by language and locality. In terms of magazines, most of them pay more attention to the visual material, therefore, the local editions and translating into other languages are likely to maintain the essential flavour and core appeal that is emphasized in title during the process of localization or translation. Moreover, these magazines usually add eye-catching logos to the cover, making it easier to distinguish it from rivals in highly competitive global market. In this way, the core value of magazines would not lose or be undermined by localization or translation, and meanwhile, the brand image of these magazines has been strengthened in global market. Readers who is attracted by the magazine content may aware this brand and make repeat purchases afterwards (Needle, 2000).

4. Effective strategy and successful practice

Adaptation and localization are strategic methods in terms of internationalizing media products. Actually, different territories around the world have different cultural traditions, regulations as well as consumers' preferences in the markets (Walters, 1996). Given these factors, imposing the media product of home market directly on overseas markets could not be considered as a feasible choice. Yip has mentioned a multi-domestic strategic model, which could address this to some extent (Yip, 2003). In most cases, product for magazine publishers and other sectors in media industry is content, which is intangible product thus not being constrained by locality, language, and so on. Therefore, media content suppliers should adapt their content properly based on the core brand value according to local cultures and preferences. Several U.S publishers have addressed this well by creating localized versions of titles in global markets, *Cosmopolitan*, *Men's Health* and *Newsweek* are cases of that (Cabell & Greehan, 2005).

Among these international publishers, *Vogue* has done excellent works in terms of localization process. *Vogue* focus on product localization mainly in 4 parts, including cover figure choice, languages utilized, topic of content and recommended items. As far as Chinese market is concerned, *Vogue China* usually invites domestic models such as Du Juan and Liu Wen who are highly welcoming in China to be the cover figures instead of international models like Gemma and Kate moss. This strategic method may be regarded as the most effective one in terms of appealing to local consumers. Recently, the ratio of native and foreign models *Vogue* has invited is about 1: 1.

Moreover, Vogue China uses simplified Chinese like other magazines, though the language style in Chinese version of Vogue lacks colloquial intimacy to some extent, kind of authority feeling of international version of Vogue could be expressed. Additionally, in order to attract more local readers, Vogue takes advantage of international team to produce various Chinese content including hot topic about Chinese fashion for high-end group. According to the target group, besides their own high-end products, several advertisements for Chinese products at the same level are also involved in the magazine (Liu, 2008).

In pursuit of localization, facilitating the development of core brand could not be ignored as well. In order to maintain the brand value and promote brand expansion, multi-platform strategy and expansion in business scope are supposed to be adopted during internationalization process. For instance, FHM magazine, which mainly focus on fashion lifestyle topics for 18 to 34 years old young men, has provided successful practice for multi-platform strategy. Several contents of FHM have been put on the website such as Facebook, Twitter, TV channels and mobile phones to achieve an all-sided promotion (Doyle, 2006). By doing this, media publishers can impress their brands on more potential consumers and thereby generating a brand recognition on a global basis.

Besides, expansion of business scope, is also an effective strategy to reinforce the brand and facilitate the development on a global basis. This could be evidenced by internationalizing development of BAZAAR. BAZAAR used to provide print version of magazines for fashion-conscious group, while it has devoted itself to innovation on digital platforms (Cox and Mowatt, 2008) and tends to explore new fields such as education and investment business based on media industry in recent years. BAZAAR BEST is one of the online innovation products of BAZAAR, which provides a weekly well-designed comprehensive information about fashion (Harper's BAZAAR, no date). Moreover, expansion in new fields and facilitating a cross-border development could be based on its main media foundation before supporting media development in return.

Another lesson is building contract-based partnerships with overseas partners or careful acquisitions. Actually, the production process of international magazines is affected by local and transnational factors (Karan and Feng, 2009). In order to deal with this process well, most media publishers choose to find right international partners to cooperate with as international publishing requires a combination of cooperation, knowledge-sharing as well as risk-sharing (Walters, 1996). This is particularly essential for those companies that tend to expand in foreign-language-speaking countries as they may encounter cultural and language barriers during management process. After a careful selection of partners, signing a license agreement is a must to ensure a stable framework (Doyle, 2013), as the contract-based arrangement could lower the risk of cooperation by avoiding some possible but unnecessary disputes between them effectively.

In addition, acquisition of local publishers or setting up subsidiaries in other territories may be a feasible option for large media companies to internationalize their products (Albarran & Chan-Olmsted, 1998). For instance, FHM has become well known and ripe enough to expand in global market like its parent company EMAP, which has been involved in overseas expansion for several years, acquiring overseas publishing businesses, and meanwhile building up various subsidiaries in different territories around the world such as America, Australia, and also the Europe. Actually, in recent years, EMAP has become the second largest consumer magazine publisher in France due to the efficient international acquisition strategies it has taken since the 1990s (Cabell & Greehan, 2005).

5. Summary

This article overviews the reasons for the prevalence of international expansion strategies among the consumer of magazine publishers and valuable lessons that content suppliers in other sectors of media industry could learn from the successful internationalizing experience of magazine publishers. With the trend of digital convergence and technological advancement, both external factors such as

saturated home market, fierce competition, niche consumers in other territories and internal factors like brand strength, multiple digital platforms, potential to achieve localization and its public good characteristics are requiring a wider global market to develop. Currently, many magazine companies like Vogue, FHM, and BAZAAR have successfully expanded on a global basis by focusing on localization, expansion in multiple platforms or business scope, and contract-based cooperation with overseas partners or acquisitions, which could be valuable guidance for other content suppliers to some extent. Overall, generally, expansion in global market is a strategic choice for most media companies to facilitate revenue growth, but meanwhile, their core brand development should not be ignored during this process.

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