

# **The fragmentation of the South African magazine market: The spawning of niches**

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I, the undersigned, declare that the work contained in this thesis is my own original work and that I have not previously in its entirety or in part submitted it at any university for a degree.

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## **ABSTRACT**

During the first five to six years of the twenty-first century, the South African magazine industry fragmented at a rapid rate and consumers had an ever-expanding choice of titles. The spawning of niche markets as a result of this fragmentation was bolstered by a period of sustained growth in the South African economy, buoyed by conditions in global economic markets.

The research assignment focuses on the fragmentation of the South African magazine market and the subsequent spawning of niche markets. The decline in the market that followed the period of sustained growth is also taken into account.

Qualitative research methodology was used to investigate the research question. The broad theoretical frameworks applied are postmodernism, the fragmentation that occurs as a result of postmodernism, and specifically the political economy of the media.

The short-term and long-term challenges for magazines are discussed. These include increased competition, greater consolidation, decreasing adspend, diminishing marketshare, and the arrival of broadband in South Africa.

Within the context of greater fragmentation and increased competition, it is found that the increase in the number of magazine titles starts to slow, and eventually show negative growth. This is a result of the global and local economic climate, as well as elements within the political economy of the media, namely consolidation and concentration of ownership within the local industry.

## **ABSTRAK**

Gedurende die eerste vyf tot ses jaar van die een-en-twintigste eeu het die Suid-Afrikaanse tydskrifbedryf teen 'n toenemende tempo gefragmenteer. Mediaverbruikers het 'n aansienlik wyer keuse van tydskrifte gehad. Die fenomeen van nissifisering het posgevat en is gevestig danksy 'n tydperk van volgehoue groei in die Suid-Afrikaanse ekonomie, wat verder versterk is deur toestande in die wêreld-ekonomie.

Die navorsingsprojek fokus op die fragmentasie van die Suid-Afrikaanse tydskrifbedryf en die fenomeen van nissifisering wat daartoe gelei het dat allerlei nistydskrifte in die lewe geroep is. Die skerp afname in nissifisering wat ná hierdie bloeitydperk gevolg het, word ook in ag geneem.

Kwalitatiewe navorsingsmetodologie is gebruik om dié verskynsel te analiseer. Die breë teoretiese raamwerke wat die grense van hierdie studie afbaken is postmodernisme en die fragmentasie wat as gevolg daarvan plaasvind, en spesifiek die politieke ekonomie van die media.

Die korttermyn- en langtermyn-uitdagings vir tydskrifte word bespreek. Hierdie uitdagings sluit in 'n toename in mededingendheid, groter konsolidasie, 'n afname in advertensie-inkomste (“adspend”) en markaandeel (“marketshare”), en die koms van breëband-internet.

Binne die konteks van die toename in fragmentasie en mededingendheid word gevind dat die toename in nistydskrifte begin afplat en uiteindelik negatiewe groei toon. Dit is hoofsaaklik die gevolg van die nasionale en internasionale ekonomiese klimaat, maar dit is ook weens aspekte binne die politieke ekonomie van die media, naamlik konsolidasie en 'n toename in die konsentrasie van eienaarskap in die plaaslike mark.

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## **1. Introduction**

The fragmentation of the South African media market can be traced to geopolitical events at the end of the 1980s, closely followed by seismic shifts on the local political scene in the early 1990s (Fourie, 2002:26). In 1989 the Berlin Wall came down and a cessation of the Cold War ensued. On 2 February 1990 South African President FW de Klerk announced the immediate unbanning of the ANC and the planned release of Nelson Mandela. This paved the way for a democratic political dispensation, and an opening up of South African media markets. In fact, the result of these “radical political changes” – both internationally and locally – was so far-reaching that they not only led to an opening up, but to a significant “democratisation of the media” (Fourie, 2002:26).

Political liberalisation translated into changes in the local media market that involved greater freedom. Change occurred on two levels – the influence of international trends and the resultant increase in competition:

[T]he media market [became] more open than before, in line with, but at the same time under the pressure of, major international trends such as privatisation, liberalisation, convergence and internationalisation (Fourie, 2002:28).

### **1.1 Origins of niche magazines**

The origins of magazine niche markets can be traced to the aftermath of World War II:

[T]wo broad trends ... emerged and strengthened within the media of industrial societies since 1945[.] ... The first trend took the form of a movement away from more generalist towards more specialist products and audiences. The second trend took the form of a movement towards concentration of ownership (Ferguson, 1983:22).

The “concentration of ownership” to which Ferguson refers, pertains to political economy theories of the media, which will constitute the primary theoretical framework of this study.

Claassen picks up Ferguson’s point about fragmentation becoming a major trend in the middle of the twentieth century. “Consumer magazines have evolved, especially after World War II, into fragmented niche markets, catering for specific individual needs” (1998:125).



No general-interest title was safe once the large, homogenous markets started fragmenting – not even the mighty “Seven Sisters” that dominated the United States magazine landscape:

*Better Homes and Gardens, Family Circle, Good Housekeeping, Ladies’ Home Journal, McCall’s, Redbook and Woman’s Day* [...] reached their peak in the mid-1970s, when the Sisters had an aggregate circulation of 46 million [...] By 2001 [...] combined circulation was about 32 million (Beasley and Gibbons, 2003:169).

This trend has been attributed to “increased competition from newer magazines more precisely targeted to specific audience segments” and factors such as the rise of the internet (Beasley and Gibbons, 2003:169).

The impact of the internet on the magazine market – at least the initial, perceived impact – can be likened to that of television decades earlier. Johnson and Prijatel (1998:xi) define the internet as “a valuable resource for magazines, especially in terms of their connection with their audiences.” Consequently, the internet is “adding value” and “building brands” in the magazine market (Townsend, 2004:12). Similarly, decades earlier, television also proved a blessing, not a threat, to magazine niches:

Competition from television was probably the best thing that happened to the [...] magazine in the second half of the twentieth century; it forced magazines to define themselves and to act on their strengths (Johnson and Prijatel, 1998:20).

This more focused defining and acting on strengths to which Johnson and Prijatel refer, point to the emergence of niche markets.

## **1.2 Local niche markets**

It is within this international context of media fragmentation and greater specialisation that the South African magazine market also started transforming.

The demise of magazines with large, general audiences after World War II led to a fragmentation of magazine audiences. With the strong growth of television as an advertising medium for mass audiences in the first four decades after the war, the

magazine industry in the United States, and also in South Africa, started offering something that television failed to offer: magazines could direct their messages at specialised audiences through niche publications, bringing a specific readership to the advertiser. This fragmentation of magazine audiences became the saving grace of magazines in South Africa, especially after the introduction of television in 1976 (Claassen, 1998:138 & 139).

The first niche magazines in South Africa were launched “during the early years of the twentieth century [with] the establishment of specialist magazines in the agricultural field” – *Farmer’s Weekly* first appeared in 1911 and *Landbouweekblad* in 1919 (Claassen, 1998:125 & 126).

In 1957 Ramsay, Son & Parker started establishing themselves as “leading niche magazine publisher[s]” with the launch of *CAR* magazine (Claassen, 1998:125), aimed at motoring enthusiasts.

The arrival of a South African edition of *Cosmopolitan* in 1984 heralded the entry of international titles into the local market (Claassen, 1998:126). This trend gathered momentum in the late 1990s and by 2006 the list of major international titles with South African editions was dominated by women’s magazines, including *Elle*, *marie claire*, *Shape*, *O*, *RealSimple*, *Glamour*, *Woman & Home*, *InStyle*, *Psychologies* and more (Le Roux, 2006). It was inevitable that international magazine brands would eat into the market share of local titles, because “every new magazine that appears takes a bite out of an existing one” (Shevel quoted in Rossouw, 2005:2).

The aforementioned assumptions will form the background to this study as it considers the fragmentation of the South African magazine market and the subsequent spawning of niche markets, within the theoretical framework of the political economy of the media.

### **1.3 Developing the rationale for this study**

The rationale for this study was sparked by an interest in the sociology of magazines. Johnson and Prijatelj (1998:xi) summarise the most important tenets of the social impact of magazines as follows:

Magazines help us understand ourselves, live more fully, and vicariously enjoy different lifestyles.

For three centuries, the magazine has endured as the medium for thoughtful analysis, perspective, context, information, and sheer fun.

During depressed, recessed, and inflated economies, the magazine has endured. It has adapted to change in mores, morals, and the marketplace.

This indomitable spirit of the magazine provided the initial motivation for this study. However, the impetus to conduct such a research assignment was further fuelled by pre-eminent South African media scholars exploring questions such as this:

Why then is the media business, almost globally, one of the biggest and fastest growing industries? The answer is that economic trends, the development of information and communication technology, globalisation, and increased consumerism have created a favourable environment for media owners. In general, this environment is characterised by a shift in emphasis from providing quality (in the case of media the quality of information and entertainment) to providing quantity (in the case of media the quantity of information and entertainment); from providing a service to the public to selling a product; on accessing the biggest possible audience (readers, viewers, listeners), even in the case of growing niche markets (Fourie, 2001:108).

Although all of these phenomena bear consideration, this study will be limited to two of the aforementioned – economic trends and growing niche markets – as they combine to form the crux of the motivation for this research.

#### **1.4 The motivation for this study**

In 1998, William T. Kerr, then chairman and CEO of Meredith Corporation in the United States, said that “niches and more niches” would force magazines into an increased “focusing on subjects that are of interest to specialized groups of readers” (Kerr, 1998).

But would such a trend take hold in South Africa, leading to an increase in the number of magazine titles on local shelves? It did.

In 2006 “*The Media* magazine ... described the explosion of ... titles in the print market as a magazine minefield ... with the number of magazines quadrupling in the past decade” (Motloung, 2007). In August 2007, media analyst Mike Leahy went on record, saying “512 new titles entered the overall print market between 2005 and 2006” (Grobler, 2008:38). “This meant that if a media planner were to attend the launch of a new magazine every weekday, he or she would still not know all the newcomers” (Grobler, 2008:38).

This exponential growth in the number of magazine titles on South African shelves was the main motivating factor for this study. Questions about the reasons for this growth led to the formulation of the following hypotheses: The economic boom in South Africa, mirroring that in the international economy, fuelled the growth in magazine titles; the global slowdown, which started in 2007 and strengthened in 2008, would set in motion a natural process of attrition.

### **1.5 Research topic**

Based on the aforementioned readings and those included in the literature review and theoretical frameworks that follow, the research topic for this research assignment has been formulated as “Fragmentation of magazine markets: The spawning of niches”.

### **1.6 Research question**

This research assignment will focus on the following research question: “How has the fragmentation of the South African magazine market led to the spawning of niches?”

### **1.7 Research design and methodology**

Qualitative research methodology – specifically in-depth interviews – will be used to conduct the field research and investigate the research question. The data from these interviews will then be analysed against the background of the political economy of the media and fragmentation as a consequence of postmodernism, as outlined in the literature study and theoretical framework.

## 1.8 Outline

This research assignment will be presented in seven chapters. Following this chapter (Chapter 1 – Introduction), the research will be set out as follows:

Chapter 2 will encompass the literature review and theoretical frameworks that will be used as the foundation of this study. The literature review will refer to the types of reading and literature that were included in this study. It will also elucidate the basis on which these sources were selected for inclusion. Furthermore, this chapter will define the key concepts that form the cornerstones of this study. Finally, the literature will be discussed.

Chapter 3 will present the main theoretical frameworks or approaches that underpin this research assignment.

Chapter 4 will set out the research design and methodology. It will set out the instruments of measurement and the criteria used in sampling. Data collection methods will be discussed, along with the methods employed for capturing, editing and analysing the data. At the end of this chapter, shortcomings of the methods employed will be highlighted in an effort to delineate possible limitations with regard to the quality of the collected data.

Chapter 5 will present the results of the data captured, followed by a discussion of the results. This discussion will be conducted within the parameters of the research question set out in chapter 1. Concluding interpretations will be presented.

Chapter 6 will comprise conclusions and recommendations based on the preceding chapters. A summary and discussion of the research will be presented by interpreting the results within the context of the literature review and theoretical frameworks. Gaps, anomalies and deviations in the data will be highlighted to provide an interpretation of the research question that takes the real world into account. The larger significance, applications and implications of the results will be set out. A list of recommendations for further research will be put forward, based on the findings of this research assignment.

Chapter 7 will provide a comprehensive list of references.

Addenda A and B contain examples of the e-mails used to invite volunteers to participate in this research assignment, and the questionnaires used to conduct the in-depth interviews which constituted the field research.

## 2. Literature review

### 2.1 Historical overview

The roots of the modern-day phenomenon of fragmentation of the magazine market can be found three centuries ago (Ferguson, 1983:15). The emergence of specialised women's magazines dates back as far as 1693 with the launch of *The Ladies' Mercury* in Britain, followed by *The Ladies' Magazine* in 1749, *The Lady's Magazine* in 1770 and *The Lady's Monthly Museum* in 1798 (Ferguson, 1983:15). However, these women's magazines were not specialised in the sense that we understand the term today – where a narrowly defined focus forms the basis for the launch of a magazine aimed at a specific niche market. They were, in fact, general-interest women's magazines, as evidenced by the wide range of topics they covered:

The editors of these specialised publications were intent on improving the minds of their readers, of educating as well as entertaining them. They put into their journals philosophical reflections and snippets of news from home and abroad; they were concerned with social and political ideas as well as with home management, fashion and fiction. Their tone was one of mental and moral uplift well suited to literate, leisured ladies (Ferguson, 1983:15).

After World War I, “from the 1920s into the 1950s”, these general-interest magazines would dominate the market, covering “a wide variety of topics aimed at a broad national audience” (Campbell, Martin and Fabos, 2004:308).

After World War II, the general-interest women's magazines remained popular, but not for long. The onset of their demise was hastened by the “domination of specialization”; magazines started “trading the mass audience for smaller, discrete audiences that could be guaranteed to advertisers” (Campbell et al, 2004:317). A “new constituency and micromarket interest group” opened up and as specialisation “began at the start of the twentieth century” (Johnson and Prijatel, 1998:55), it resulted in “magazine niche marketing and fragmentation” (Johnson and Prijatel, 1998:54).

In the South African context, historical background is even more important as it provides the framework within which to view the present-day phenomena of media fragmentation and the

spawning of niches in the local magazine market. This is underlined by De Beer and Wasserman's reflections on post-apartheid South Africa, and the opening up of local media in the period immediately after the first democratic election in 1994:

Before the fall of apartheid, the emphasis was on governmental control in terms of the furthering of the national interest, but after apartheid came to an end the emphasis seems to have moved on to self-regulation for the sake of the public interest (2004:5).

This happened from "a system of political control via strict laws, to one of self-regulation" (De Beer and Wasserman, 2004:11) and increasing commercial interests.

The relaxing of state controls referred to above, and the resultant liberalisation of the local media market in the post-1994 period, are in line with links that have existed historically between developments in South African politics and resultant changes in the local media market. Claassen explains: "In South Africa the establishment and development of magazines is closely linked to the different [political] periods" (1998:121). Therefore, this researcher can conclude that conditions in post-apartheid South Africa were favourable for the furthering of commercial media interests within the framework of the political economy of the media, which fuelled a concentration of ownership and an increase in niche magazines in the first few years of the twenty-first century – a new era in magazine publishing.

Developments in South Africa followed those in the international media industry to a degree. Ferguson chronicles international developments as follows:

Each post-war decade manifested different social, cultural and economic climates which evoked different responses in terms of the ownership, sales, titles and messages of women's magazines [...] They parallel two broad trends which have emerged and strengthened within the media of industrial societies since 1945, and which are well-documented by the evidence of the market and the analyses of communications theorists [...] The first trend took the form of a movement away from more generalist towards more specialized products and audiences. The second trend took the form of a movement towards concentration of ownership (1983:22).



## **2.2 Related works – international**

The “body of knowledge” and “accumulated scholarship” (Mouton, 2005:87) on niche markets in the South African magazine industry does not include a large number of scholarly works or articles in peer-reviewed journals. However, there are a few academic texts that pertain directly to this research assignment.

Internationally, one of the main works that relate to this study is an academic article by Case (2002). Key points include that women’s magazines are experiencing an “identity crisis – increasingly [being] viewed as indistinguishable from each other”. Secondly, that there has been “a huge influx of new magazines whose reason for being must be premised on filling a niche or a consumer need that general-interest magazines aren’t serving”. Thirdly, that “[t]here seems to be little question [...] that the targeted titles are having an easier time of it” (Case, 2002).

## **2.3 Related works – local**

Along with the abovementioned *Brandweek* article by Case (2002), which appeared internationally, a related article appeared locally. Graeme Addison’s article “New agenda for women’s magazines” in the South African *Journal of Marketing* is relevant to this research assignment. Addison conducts a close-range analysis of local women’s magazines and states *inter alia* that “magazines try to be niched wherever they can be so that readers in that niche have fewer choices” (2003:25), “something is happening in women’s magazines that is exposing them all to more intense competition: all titles are increasingly overlapping in editorial content and presentation” (2003:25), “it is as if editors and their readers are once again searching for new definitions of womanhood” (2003:26) and “readership of women’s magazines closely follows the trend of the entire magazine market” (2003:28).

In South Africa, academic studies conducted by Townsend (2004) and Rossouw (2005) represent “the most recent, credible and relevant scholarship” (Mouton, 2005:87).

Three criteria were used in the selection of these two texts. Firstly, they were selected for relevance – both studies pertain directly to the South African magazine market. Secondly, they inform the research presented here by focusing their investigations on magazine niche

markets – also the chief focus of this study. Thirdly, the texts were selected for reasons of chronological proximity as both studies are less than five years old.

### **2.3.1 Townsend – summary**

Townsend's study is entitled "Repositioning/rejuvenation in the South African women's magazine industry, with specific reference to innovative content" (2004). It considered "the strong upcoming niche magazine market, which seems to have taken over [the] [...] function of providing innovative information and content" (Townsend, 2004:3). The methodology used for the research component was content analysis of the two main competitors in this market at the time, the Afrikaans women's magazines *Sarie* and *rooi rose*.

Townsend concludes that innovative content is not the distinguishing factor that determines the success of the two titles (2004:79). Townsend speculates that "the answer may lie in the role of the magazine" in the lives of its readers (2004:79) and refers to the "emotional bond" that a reader has with a title. She points out that women turn to their favourite magazines for "information and ideas to help them make decisions" and for "advice, empathy and solutions to achieve overall wellbeing" (2004:79). Townsend also writes that niche publications were starting to "take over the role of providing information and supporting decision-making" (2004:79) from general-interest titles. It is specifically the latter part of her conclusion that bears consideration for the purposes of this research assignment, as it points to the fragmentation of the magazine market into a number of niches – i.e. the spawning of niches.

### **2.3.2 Rossouw – summary**

Rossouw's study is titled "The fragmentation in the SA women's magazine market: the influence of female-oriented niche magazines on the traditional general-interest women's magazine" (2005). She analysed the "diversification in the South African women's magazine market" and the manner in which "the advent of the niche market of women-focused magazines has changed the landscape of the South African magazine" (2005:ii). Rossouw set out to

see how the advent and growth of niche-market magazines focused exclusively on matters of interest specifically to women such as home, décor, garden, food, health, lifestyle, handcrafts and parenting have affected the world of the “traditional” South African women’s magazine (2005:ii).

Rossouw (2005:75) refers to the way in which

trends such as globalisation and fragmentation have washed ashore in South Africa and became part of the local media landscape, intensifying the struggle for survival in this market.

Finally, Rossouw examines the future prospects of South African magazine publishers (2005:69) and considers the defining characteristics of the “‘new’ women’s magazine”, concluding that

There is no doubt that the advent of niche markets aimed at women has completely changed the landscape of South African women’s magazines (2005:72).

## **2.4 Academic context**

The works of Townsend (2004) and Rossouw (2005) provide academic context for this research assignment in four ways. Firstly, in the conducting of their research and the construction of their arguments, both scholars succeed in giving a fair representation of the South African magazine landscape at the time of their writing – Townsend through content analysis of the two leading Afrikaans women’s titles, and Rossouw by interviewing key role-players in South African magazine publishing. Secondly, both studies focus specifically on women’s magazines in the South African media landscape. Thirdly, each scholar picks up on a trend or phenomenon, which would come to shape the development of the South African magazine market. Townsend concentrates on innovative content, something which – in this researcher’s experience – has played an increasingly important role in the way in which niche publications have tried to distinguish themselves from each other. Townsend also refers to the rise of niched publications, a theme that is extensively developed in Rossouw’s study. The latter bases her work on a closer look at fragmentation, a major trend that proved a determining factor in shaping the South African magazine landscape in the years following her study. Finally, Townsend and Rossouw both reach conclusions that are in keeping with

industry intelligence, proving that their work was connected to reality, and not isolated academic endeavours.

## **2.5 Merits and demerits**

### **2.5.1 Townsend**

Townsend correctly concludes that niche magazines were starting to assume the role of providing information and aiding decision-making – roles which were previously attributed to general-interest women’s magazines (2004:79). However, then Townsend apparently goes on to undermine the relevance of her own research by saying that the phenomenon she was studying – innovative content – does not appear to have played a role in the rise or fall of circulation figures for the two magazines included in her study – *Sarie* and *rooi rose*. This researcher would suggest that Townsend could have strengthened the conclusion by drawing a parallel between innovative content as not having a determining role in the success of these titles, while speculating, or asking industry insiders, about the factors that had a determining role. These could then have been presented as grounds for further research.

### **2.5.2 Rossouw**

Rossouw correctly concludes that competition is bound to increase between the different titles, and that publishers will have to focus more acutely on each magazine’s specific market. She mentions the role of adspend and the rapidity of developments in the industry as posing new challenges to media managers. She rightly asserts that the advent of niche magazines brought about seismic changes in the South African magazine market and she correctly predicts that traditional, general-interest women’s magazines will have to adapt or die. There are only two demerits that could be raised with regards to Rossouw’s study. Firstly, she arrives at a conclusion that is not so much her own (bar four short paragraphs at the end), as a collation of the sources that were included in the study. This could create the impression that the research did not yield any new insights. Secondly, Rossouw failed to pick up on the fact that – instead of adapting to niche markets – the traditional general-interest women’s magazines had, in fact, become a niche unto themselves, and a doomed one at that.

In conclusion, both studies represent sound research that cannot be faulted, but this researcher would suggest that each could perhaps have been more daring in terms of future predictions. Both works would have benefited from a discussion that pinpointed a future-oriented view or listed specific predictions. This could have shed light on subsequent developments in the market after the two studies were completed. Even if these predictions proved not to be entirely accurate, they would have provided an interesting counterpoint to a consideration of how the history of South African magazines unfolded in the years immediately after the studies were completed. The omission of such a forward-looking discussion is unfortunate in light of the fact that both Townsend (role of innovative content and increased niching) and Rossouw (fragmentation and increased niching) focused on phenomena which proved to be hugely influential. They could of course never have known that at the time of their writing, and thus this researcher freely acknowledges the benefit of hindsight.

The preceding paragraphs do not seek to detract from the fine work presented in the research of Townsend (2004) and Rossouw (2005) in any way, and this study would do well to be considered alongside these two works.

## **2.6 Summary**

From the literature reviewed above, it has emerged that general-interest women's magazines have been fragmenting and that this has led to the development of niche titles, which are characterised by content that is much more focused than that which was previously contained in general-interest women's magazines.

In the next chapter the theoretical frameworks within which this research assignment was conducted will be set out, followed by a discussion of the theories and approaches.

### **3. Theoretical frameworks**

The broad theoretical frameworks of this research assignment are postmodernism, the fragmentation that occurs as a result of postmodernism, and specifically the political economy of the media.

#### **3.1 Postmodernism**

The theoretical framework of postmodernism was first invoked when the term was originally used “to describe a style of architecture” (Jencks cited in O’Shaughnessy and Stadler, 2002:301). It was then “taken up by political and cultural theorist Frederic Jameson [...] to describe contemporary Western and global society“ (O’Shaughnessy and Stadler, 2002:301) in the late twentieth century.

The relevance of postmodernism to this study draws on one of the most common uses of the term – the “definition of postmodernism as a style of cultural production” (O’Shaughnessy and Stadler, 2002:301). In this sense postmodernism is “relevant to aesthetic products [...] and to lifestyles” and thus it “can be used to describe the media and the way we live in real life” (O’Shaughnessy and Stadler, 2002:302). Its relevance is further entrenched by the fact that “media representations and the real world have begun to blur: we see the real world in terms of media images” (O’Shaughnessy and Stadler, 2002:302).

This blurring of boundaries marks a change in our interaction with the mass media, in line with larger societal shifts.

[M]ost intellectual domains or discourse formations recognise the presence of the “postmodern” in acknowledgement of the radical nature of contemporary changes taking place in all spheres of life (Bramham, 1997).

One of these changes, which pertain directly to this study, is the shift towards consumerism. “[T]he postmodern project is to produce willing consumers rather than obedient citizens” and in this sense theorists such as Baudrillard and Rojek have “emphasised the impact of mass media [...] in the full emergence of a consumer society” and a “global culture” (Bramham, 1997).

At the same time as this global culture developed, groups started “defin[ing] their own identities at levels below that of national identity; through increased access to media technology [as] they celebrate[d] their difference[s]” (O’Shaughnessy and Stadler, 2002:305).

This researcher believes the “definitions” of “identities” referred to above, along with a greater degree of access to media technology, and the increase in differentiation have combined to contribute to the fragmentation of existing media markets and the spawning of niches within these media markets. This fragmentation is the second part of the theoretical framework within which this study was conducted, and is included here as flowing from postmodernism.

### **3.2 Fragmentation**

While postmodernism is commonly associated with a blurring of boundaries, it is also characterised by fragmentation. This is pertinent to the proliferation of niches to which the title of this study refers, and links directly with the history of magazine niche markets as outlined at the outset of this chapter.

According to Bramham, “media consumption, lifestyles [...] traditional and collective patterns have become more differentiated and individualised” with a “growing emphasis on individualised consumption” (1997). This is underlined by O’Shaughnessy and Stadler:

[P]ostmodernism’s observations of fragmentation point to the way that emergent trends feature the break-up, dispersion, and redistribution of previously unified social groups and cultural practices (2002:304).

It follows that “the world is no longer a fixed entity, characterised by freedom or control, but is fragmented [...] and de-centred” (Bramham, 1997). Another pre-eminent media scholar also refers to the result of this fragmentation:

An increasing result of this is market segmentation [...] focusing the product on a specific group, be it the youth, a low- or high-income group, women, men and niche markets (Fourie, 2001:110).

Trend researcher Madelyn Hochstein coined the phrase “conspicuous cultivation” to refer to the development of “niches and more niches”, resulting from “the desire to feel special by knowing a great deal about a fairly arcane subject” (Johnson and Prijatel, 1998:xvi).

Add to this the “discernable long-term process of feminisation of paid employment with increasing proportions of women in work” (Bramham, 1997), plus the fact that women are the primary consumers of magazines in the world, and a picture emerges of why magazine sales and the number of magazine titles – both globally and in South Africa – climbed so sharply at the end of the twentieth and beginning of the twenty-first centuries.

The increase in sales and titles underpinning the proliferation of niches that this study seeks to investigate, will now be considered within the theoretical framework of the political economy of the media.

### **3.3 Political economy**

The political economy of the media is the third – and defining – part of the theoretical framework within which this study was conducted. The political economy of the media is a branch of media theory that seeks “to understand and investigate the power of the media” (Fourie, 2001:121). Its purpose is

understanding how economic and political relationships, interests and affiliations determine the nature and functioning of social institutions (including the media as a social institution), and the impact or lack of impact of these relationship on social transformation and development (Fourie, 2001:121&122).

The earliest political economy theorists argued that the role of the media in a society cannot be distilled down to a set of predictable effects. They argued that the media do much more than that, relating it “to other social institutions, to the economy, to the formation of social ideologies” (Boyd-Barrett, 2003:189). Scholars such as Johnson and Prijatel have expanded this theory, saying there exists an “interaction between magazines and society”, and magazines are “active members of a complex society” (1998:76).

The main drivers of the political economy of the media are the “economic strategies”, which “media owners have adopted” (Fourie, 2001:111). Murdock and Golding call this an



“industrialization of mass communications” as audiences and markets become increasingly commodified (2003:201).

Fourie outlines three important economic strategies that shape the political economy of the media: vertical integration, horizontal integration and rationalisation of consumption (2001:111). Vertical integration “means to integrate the production process or to control the entire production and distribution process” (Fourie, 2001:111). This researcher would propose that Caxton and Media24 are good examples, as both companies own and manage their own printing presses and distribution networks. Horizontal integration “create[s] a product for multiple media use and distribution” (Fourie, 2001:111). This researcher considers the recipes in *RealSimple* magazine useful examples: they are printed in the magazine, presented online on the branded website, and then compiled into a hardcover cookbook and sold in bookshops or given away in competitions that are run on the pages of the magazine and on the website. In this way, one piece of content is spread across three different media. Rationalisation of consumption is an attempt to limit the inherent risks of the media business, where the success of a title “depends on the popularity of a product” (Fourie, 2001:111). This has led “media owners [to] focus increasingly on niche markets [...] [as] they produce a product for a specific group with a specific interest” (Fourie, 2001:111). An example would be Media24’s bridal magazines – *Fairlady Bride*, *True Love Bride* and *Sarie Bruid*.

Magazine editors target a precise niche – a narrowly defined focus – and study the characteristics of the individuals in that niche. They then aim the magazines directly at those individuals. These characteristics concern both demographics – easily quantified elements such as age, income, geographic location – and psychographics – harder-to-measure issues such as values, attitudes, and beliefs (Johnson and Prijatel, 1998:7).

Fourie identifies five key economic trends in the political economy of the media: concentration, convergence, commercialisation, liberalisation, privatisation and internationalisation (2001:112). For the purposes of an examination of the South African magazine market, the first of these – concentration – is particularly relevant. The ownership of the majority of magazines in this country vests with only two large companies: Caxton and Media24. The latter “accounts for more than 65% of the market” (Motloun, 2007). Outside of Caxton and Media24, this researcher would suggest that only two other publishing houses can lay claim to a meaningful stake of the mainstream magazine market – Ramsay, Son & Parker and Associated Magazines.

Finally, the implications of macro-economic forces on the micro-economic environment of the magazine market also bear consideration. In South Africa, the “explosion of titles” has created a “magazine minefield” and “[s]purring the growth has been the country’s recent economic boom” (Motlounge, 2007). Terena le Roux, publisher of Media24’s Creative Living Magazines business unit, says “fragmentation is our biggest challenge” (Donald, 2006:35). In 2007 she said “three years ago, the main players in today’s market were not around. The shelf and the shop have now become the real war zones” (2007).

Motlounge (2007) reported that “[t]he growth [begged] the question whether consumers’ interests [were] being served and how sustainable the boom [was]”, as the South African magazine market was facing a “period of uncertainty” (Grobler, 2008:40) and

the closure of several titles in (2006/7) ha[d] raised questions about the sustainability of the boom, especially in the face of rising inflation, which [was] affecting advertising and consumer spending (Motlounge, 2007).

Under such conditions magazines start being “deemed as luxury items” (Motlounge, 2007) and according to Gordon Patterson, board member of the Audit Bureau of Circulations, it is “clear that the honeymoon is over [...] [t]he challenge will be to hold on to growth. It is now time for the survival of the fittest” (Motlounge, 2007).

This researcher believes that the economic downturn in South Africa and the subsequent drop in magazine sales have taken place against the backdrop of a global economic slowdown as has been widely reported in the mass media. As the American dollar slipped against major currencies and controversial sub-prime lending practices and short selling in the United States brought that country’s economy to the brink of recession, the global economy was thrust into turmoil.

These global economic conditions have to be taken into account for the purposes of this research assignment, because this study sets out to investigate the spawning of niche magazines in the South African market, a phenomenon that is driven by economics in the form of adspend and marketshare. Motlounge explains that questions are being raised about sustainability “especially in the face of increasing inflation, which is affecting advertising and consumer spending” (2007).

### 3.4 Summary

This chapter outlined the three main theoretical frameworks within which this research assignment will be conducted. They are postmodernism, fragmentation and the political economy of the media.

Postmodernism is a useful way of looking at how media consumers live, because it also accounts for the media's representation of the real world in the sense that the boundaries between the real world and images in the media – specifically magazines, for the purposes of this research assignment – are becoming increasingly blurred. In the current context, postmodernism could also indicate a shift towards consumerism, which has been one of the major drivers of growth in terms of niche titles with more specialised content. At the same time, the liberalisation of the local media market, has led to an influx of international titles, which has increased competition and led to exponential growth in the number of titles on South African shelves.

Fragmentation is included here – and viewed as a result of postmodernism – because it accounts for new patterns of media consumption and media consumers' preferences becoming more differentiated and individualised. It follows that the products that would entice this new generation of media consumers will need to become more specialised.

The political economy of the media seeks to understand the functioning of the media and is concerned with how the media is organised. Theories relating to the political economy of the media look at issues that include concentration of ownership, vertical and horizontal integration, competition and more. The political economy of the media is the central theoretical framework employed here, because this research assignment is primarily concerned with understanding how the South African media landscape has been transformed by the spawning of so many new niche markets, and the eventual scaling back of some of the niche titles.

In the next chapter, the research design and methodology that will be used to conduct the fieldwork for this research assignment will be outlined.

#### **4. Research design and methodology**

Research in the field of media contributes towards achieving the permanent acceptance of communications as a science, as it “establishes a coherent body of knowledge to stimulate the development of new theories” (Lemon, 1996:29).

The topic for this study was chosen to satisfy the criteria for academic research, but it was also selected to contribute to the body of knowledge referred to above, by taking into account its “social relevance” (Bless, Higson-Smith and Kagee, 2006:23), as “[c]ommunication research is implicitly linked to the social context in which it is undertaken” (Du Plooy 1996:ix).

On this basis, the social relevance of this study is premised on the fact that it deals with magazines and Johnson and Prijatel (1998:76) note that “magazines [are] active members of a complex society”. Firstly, the spawning of niche markets referred to in the title of this research assignment represents a phenomenon that has had a strong impact on these “active members” of our society, namely magazines. Secondly, the phenomenon has chronological proximity. Thirdly, this researcher has found that it has not been studied in South Africa in any great depth.

In terms of selecting the appropriate mode of enquiry for a study such as this, Bless et al (2006:43) outline four criteria that ought to underpin the decision of how to conduct research:

The characteristics of the problem, the initial level of knowledge, the properties of the variables, as well as the purpose of the investigation all influence the type of research to be used.

For the purposes of this study, the four criteria highlighted by Bless et al (2006:43) were analysed as follows. Firstly, the characteristics of the problem were considered. The problem with which this study is concerned is magazine niche markets. This phenomenon exists within the media landscape as it forms part of the broader social reality within South African society. Secondly, the initial level of knowledge was gauged. The researcher has five years’ experience working at the largest magazine publisher in South Africa – Media24. The motivation for this study was generated directly by the researcher’s first-hand experience of working as a sub-editor on one of the leading women’s magazines in the country. Thirdly, the

properties of the variables were favourable for a study of this nature. If one considers niche markets as the primary variable, then the close chronological proximity of the phenomenon makes it ideal for study at the time of writing, along with the fact that the researcher had access to the pre-eminent media managers in the industry, owing to her place of employment. The people interviewed:

- Jane Raphaely, Chairperson: Associated Magazines
- Patricia Scholtemeyer, former CEO: Media24 Magazines
- John Relihan, CEO: Media24 Magazines
- Alan Ramsay, Chairperson: Ramsay, Son & Parker
- Vanessa Raphaely, Editorial Director: Associated Magazines
- Bun Booyens, Editorial Director: Media24 Travel Magazines
- Joan Kruger, Head: tip Publishing
- Maria Tiganis, Publishing Director: New Media Publishing
- Three industry leaders at Caxton were contacted repeatedly, but they declined to take part in this study.

Finally, the purpose of the investigation was also to build the body of knowledge with regards to the development of magazine niche markets in an attempt to describe and analyse it as the defining phenomenon in South African magazine publishing during the first five to six years of the twenty-first century. Therefore, the research component of this study was conducted in accordance with the principles and practices of qualitative research methodology, which uses “qualifying words and descriptions to record and investigate aspects of social reality” (Bless et al, 2006:184). Qualitative research – as opposed to quantitative research that is concerned with “numbers”, “measurement”, “scores” and “scales” (Bless et al, 2006:44) – is appropriate to the study presented here, because of the type of research:

[T]here are some kinds of information that cannot be adequately recorded using quantitative data. In many cases language provides a far more sensitive and meaningful way of recording human experience. In these cases, words and sentences are used to qualify and record information about the world. [This] research is qualitative in nature (Bless et al, 2006:44)

## 4.1 Field research

In qualitative research, there are four main modes of enquiry – field research, survey research, content analysis and experimental research (Du Plooy, 1996:vi). The first of these – field research – was chosen for this study. Field research, in turn, consists of “four types: field observation, in-depth interviews, ethnographic research and focus groups” (Pitout, 1996:104). In-depth interviews were selected as the most appropriate type of field research for this study.

An interview is a social situation in which two persons [or more] who are typically unfamiliar to each other meet for a short period of time, on average around one or two hours. The interviewer has set up this situation (Alvesson, 2002:114) “in order that the respondent speaks openly, authentically or truthfully, to produce valid reporting on some interior or exterior state of affairs” (Baker cited in Alvesson, 2002:114)

### 4.1.1. Fieldwork practices

The fieldwork practices for setting up and conducting each interview comprised four steps.

**Step 1:** The interviewees were contacted via e-mail, rather than telephonically, so that a written record – with date and time – could be attributed more precisely to each interview. This method was also chosen because it allowed the researcher direct access to each subject. Each email was written in either English or Afrikaans, depending on the interviewee’s first language. It contained a short paragraph outlining the topic of the study, followed by the reasons why it was important that the insights of that particular interviewee be included in the study. Finally, the preferred deadline for the completion of interviews was added, along with a request for a face-to-face interview and a slot in the interviewee’s diary. See Addendum A for an example of such an e-mail. In conclusion, the undertaking was given that the session would last about 40 minutes, and not exceed an hour, because “[t]he amount of time taken to participate in a study is important. Subjects will be reluctant [...] for a study that takes a lot of time” (Bless et al, 2006:161).

**Step 2:** In instances where a positive response was received, a date, time and location that would suit the interviewee was agreed for each interview. If no response or a

negative response was received, attempts were made to contact the person again, or – where applicable – to convince them to take part.

**Step 3:** All face-to-face interviews were conducted in the interviewee’s office or place of work. The researcher recorded the interview directly onto laptop computer, after obtaining the interviewee’s consent to do so. At the outset of each session, the date, time and location of the interview were recorded. Each interview was conducted using the same list of questions. See Addendum B for an example of the questionnaire. Depending on the interviewees’ responses, some questions did not have to be asked, as the interviewee already answered it as part of their response to another question. Care was taken to ensure that each question had been covered before the session was concluded.

**Step 4:** Care was taken not to exceed the time limit as undertaken in the initial e-mail. At the conclusion of each session, the interviewee was thanked for their time and participation.

#### **4.1.2. Benefits and drawbacks**

The benefits of in-depth interviews include that they allow the researcher to “explore a topic to uncover participants’ perspectives on a particular issue or phenomenon” (Pitout, 1996:112). Furthermore, it “provide[s] more accurate responses on sensitive issues” (Pitout, 1996:114). These two criteria pertain directly to the needs of this study.

In-depth interviews do however have drawbacks. “[T]he cooperation of the participant is essential” (Pitout, 1996:114) and as this researcher experienced when trying to schedule interviews, some respondents – despite numerous attempts at convincing them to contribute their input – chose not to take part, even though it was made clear to them that their insights were important. Second, a great responsibility rests with the interviewer, to have “good listening skills, and [...] be skilful at establishing personal interaction and ways of framing and asking questions” (Pitout, 1996:114). Third, “in-depth interviews present problems in data analysis, because, although volumes of data may be gathered through interviewing, such data may be difficult to transcribe, code and analyse” (Marshall & Rossman and Wimmer & Dominick, cited in Pitout, 1996:114).

These drawbacks were addressed as follows: First, direct access was gained to each interviewee. Second, the researcher employed a decade of media experience to structure each interview by using a questionnaire comprising simple, clear and straightforward questions, in line with Bell et al's guideline that "[m]any people are very busy and if one wants to enrol people in a research process then the questionnaires that are used should be concise and to the point" (2006:161). The questionnaires were vetted by the study supervisor to ensure standardisation and that all aspects encompassed in the scope of the study were being covered by the questions. Third, problems of data analysis were managed by making it clear to each interviewee beforehand what the interview would be about, and that it would take only 40 minutes – helping them to prepare for the session and structure their thoughts. Problems of transcribing were addressed by recording each interview directly onto laptop computer as explained above, saving time by negating the need for transcribing, reducing the margin for error and ruling out the possibility of misrepresenting responses.

#### **4.2 Unit of analysis and sampling**

The unit of analysis is a "person, object or event from which data is collected, and about which conclusions may be drawn" (Bless et al, 2006:185).

Bless et al (2006:73), expand on this definition by explaining that there are "different possible units of analysis", including "individuals", "groups of people", "organisations", "a period of time" and "a particular social artefact". The unit of analysis for this study – media managers – was selected in order to ensure that a representative sample could be drawn.

A sample is "a group of elements drawn from a population that is considered to be representative [...] and which is studied in order to acquire [...] knowledge about the entire population" (Bless et al, 2006:185). The sampling technique employed by the researcher was the compilation of a list of proposed interviewees, which was then vetted by the study supervisor.

#### **4.3 Validity**

Validity is an indication of the "degree to which a study actually measures what it purports to measure" (Bless et al, 2006:185). It "refers to the extent to which a specific measurement



provides data that relates to commonly accepted meanings of a particular concept” (Babbie, 1989:127). Validity “is measured in terms of two separate but related dimensions: internal and external validity” (Bless et al, 2006:93).

Internal validity “examines the extent to which a particular research design has excluded all other [possibilities] which could explain variation[s]”, while external validity “examines the extent to which the results of the study can be generalised” (Bless et al, 2006:93).

This study attempted to maximise internal validity by focusing on a precise population – comprised solely of media managers – and targeting key decision makers (selected in conjunction with the study supervisor) for interviews.

External validity was addressed by drawing a representative sample (again, selected in conjunction with the study supervisor), so that upon completion, the findings of this study could be applied to the South African media landscape in general, and magazine niche markets in particular. The fact that respondents from Caxton declined to take part, somewhat compromises the external validity of this study. However, this researcher would argue that the experience and expertise of the people who did accede to being interviewed, represents a critical mass of decision makers in the industry.

#### **4.4 Reliability**

Reliability is closely linked to validity and comprises an “estimate of the accuracy and internal consistency of a measurement instrument” (Bless et al, 2006:185). It “refers to the likelihood that a given measurement procedure will yield the same description of a given phenomenon if that measurement is repeated (Babbie, 1989:127)”, in other words, it needs to be “stable and must consistently produce the same measurements” (Du Plooy, 1996:71).

The reliability of this study was aided by the use of a standard questionnaire for each interview. Therefore, if another researcher were to go back and interview the same people using the same questionnaire, it would be reasonable to expect similar results. This means that this study has a high level of reliability.

The researcher acknowledges that validity and reliability are closely associated. This relationship implies that the two constructs need to be balanced in order to obtain sound

results that will stand up to academic scrutiny and further enquiry. To address the need for this kind of balance, the research design for this study has “involve[d] finding a technique that is adequate in terms of both reliability and validity” (Bless et al, 2006:161).

#### **4.5 Triangulation**

In social research, triangulation refers to the use of “different methods, methodological perspectives or theoretical viewpoints” (Miller, 2003:326) to strengthen a single approach. The term derives from “the metaphor of the stability of a tripod” (Miller, 2003:326). Historically, “triangulation” has been used to describe a navigation technique that uses the trigonometric properties of triangles to determine a location or course by using compass bearings from two points that are a known distance apart.

Proponents of triangulation maintain that “the result of combining varied approaches is a net gain – the strengths of each contrasting approach more than cancel the weaknesses of their counterpart” (Miller, 2003:326). Triangulation is thus used in an effort to strengthen the results of the research, and cancel out some of the inherent weaknesses in the aforementioned methods, perspectives or viewpoints.

Detractors of triangulation have cautioned against the blanket application of the technique. Miller (2003:329) notes that “there are many social scientists who do *not* believe that true triangulation is really possible” (original emphasis). Miller bases this assertion on the fact that “different methods often imply different theoretical approaches” and questions whether extreme approaches “can, or should, be combined within a single research project” (2003:329).

In this study, triangulation has been used – as set out in the Literature Review in Chapter 2 – to validate and strengthen the research findings. Relevant academic works produced within the South African context, other academic sources and industry sources were used to construct the context for the in-depth interviews, and corroborate the information gathered in these sessions. The researcher acknowledges – and has taken into account – that industry or mass media sources have traditionally been deemed inappropriate for use in triangulation as it pertains to the validation of academic inquiry. However, within the context and specific parameters of this research assignment, the researcher believes industry or mass media sources are applicable, based on the fact that the phenomena under discussion – magazine

niche markets – occurs within the sphere of mass media. This means that industry or mass media sources are of particular relevance and importance to ensure a credible representation of the reality that is being studied.

#### **4.6 Ethics**

As outlined above, the research component of this study seeks to contribute to the body of scientific knowledge about media, plus it seeks to attain a high level of social relevance. However, this scientific component is underscored by a crucial non-scientific principle that underlies everything presented here – the ethics of social research.

Babbie (2004:28&29) introduces “voluntary participation” and “no harm to subjects” as the “two basic ethical issues to keep in mind” when doing social research.

There are two reasons why the complete set of ethical aspects as relates to social research does not apply here. Firstly, this is not an extensive research project – it is a research assignment. Secondly, the motivation behind the study was never to interrogate the subjects or scrutinise their professional actions. Rather, the research component of this study was primarily concerned with encouraging the subjects to participate on the basis of contributing to the “coherent body of knowledge” (Lemon, 1996:29) mentioned above. Nonetheless, the research component of this study in particular, and the reading and writing of it in general, was conducted by bearing the principles of ethical research in mind throughout. Therefore, in compliance with the University of Stellenbosch Research Policy, an ethical clearance document was prepared for the purposes of this study.

#### **4.7 Summary**

This chapter outlined the research methods and methodology used to carry out this research assignment. All the relevant concepts were highlighted and discussed, namely field research, unit of analysis and sampling, validity, reliability, triangulation and ethics.

In the next chapter, the information gleaned from the in-depth interviews will be presented. It will be contextualised with the use of facts and figures pertaining to magazines within the South African media industry. In addition, two senior media managers’ reading of events within the industry will be included. These insights were gleaned from staff information

sessions that the researcher was privy to, the information of which will be used here with permission.

## 5. Research results

The research component of this assignment set out to investigate the conditions surrounding the phenomenon described in the title of this study: “Fragmentation of markets: The spawning of niches”. This study was undertaken with the express intent of focussing on the magazine market within the South African media industry. With this in mind, the questionnaires used to conduct the in-depth interviews that constituted the research component of this study, were constructed – and the interviewees selected – with the purpose of finding out more about niche markets in the magazine industry. This chapter will discuss the results of these in-depth interviews.

Claassen describes niche markets as “catering for specific individual media needs” and “concentrat[ing] on one easily identifiable topic of interest” (1998:125). In order to come up with a relevant and representative definition for the purposes of this research assignment, the first question of each in-depth interview – see Addendum B for examples of the questionnaires – asked the interviewee to define their understanding of a “niche market”.

### 5.1 Definition

Patricia Scholtemeyer, former chief executive officer of magazines at Media24, now chief executive officer of M-Net – generally accepted as one of the most influential figures in the spawning of niches within the South African magazine industry during the first five to six years of the twenty-first century – says there are three definitive markers of a niche market in the magazine industry: special interest, psychographics and demographics:

A niche market is either one defined by a specialist interest, e.g. fly fishing, racing cars, etc. or one that is psychographically or demographically profiled, as not being large or mainstream, relative to the size of the overall market. An example of a psychographic niche would be *Psychologies*, and of a demographic niche *Femina* (Scholtemeyer, 2008).

Alan Ramsay, chairman of Ramsay Son & Parker, publishers of one of South Africa’s oldest and most successful niche titles, *CAR* magazine, agrees with Scholtemeyer that a special interest is one of the defining features of a niche market:

It is a special-interest market in subject terms, which means things like adventure, motoring ... heart surgery even! However, thoughts about a magazine niche market immediately raise the old question that there may be a gap in the market, but does that necessarily mean there is a market in the gap? That is the one qualification I would add to a definition of a niche market (Ramsay, 2008).

Joan Kruger, now of tip Publishing, formerly editorial director at New Media Publishing, and before that editor of Caxton's *rooi rose*, says she believes the entire magazine market is in fact constituted of niches: "All you can do, really, is distinguish between larger and smaller niches. Along these lines, language and age, for example, are target markets that could give rise to niches" (2008).

Vanessa Raphaely, editorial director of Associated Magazines and the editor who has made *Cosmopolitan* "one of the few women's magazines showing growth" (Grobler, 2008:40), picks up on the main themes highlighted above, saying she thinks of a magazine niche market as "a small segment of the whole. It provides rich pickings for advertisers and media owners, because of the focus of the content and audience" (2008).

Bun Booyens, editor-in-chief of Media24 travel titles and the journalist who started *Weg*, which has now spawned spinoffs such as *WegSleep* – says he believes a niche market is defined by a very simple formula:

A niche title speaks directly to its readers. In our case, we are a friend, a travel companion. If you hear about something new, interesting, exciting ... who do you tell first? You tell your best friend, your travel buddy. Well, we tell our readers (Booyens, 2008).

It is worth including custom publishers here, as "[o]nce the ugly duckling of the magazine industry, custom publishing has developed into one of the most exciting and fastest-growing sectors [or niches]" (Van Zyl cited in Grobler, 2007). In the 12-month period ending March 2007, custom magazines grew more than 40% in revenue (Grobler, 2007). Maria Tiganis, Publishing Director of custom publishers New Media Publishing, confirms that "in our context, we publish magazines aimed at a select or defined group of potential customers" (2008).

For the purposes of the discussion that follows, this researcher will therefore regard the defining characteristics or elements of a niche market as:

- special interests
- psychographics
- demographics

## **5.2 Growth in number of titles**

During each in-depth interview, the interviewee was asked to give their interpretation of the explosion of titles on South African magazine shelves. The question was based on information provided by top media managers, such as former managing director of Media24 and now head of the company's operations in Brazil, Hein Brand, who says, "We went from 18 to 67 magazines in my time [as managing director]", referring to the years leading up to 2007 (Brand, 2008).

Terena le Roux, publisher of Media24's Creative Living Magazines business unit, describes the effect of this exponential growth in the number of titles as follows: "Fragmentation is our biggest reality. Shelf and shop have become the real war zones" (Le Roux, 2007).

Brand and Le Roux's readings of the situation are underscored by the figures quoted in Chapter 2 of this research assignment, which state that "512 new titles entered the overall print market between 2005 and 2006" (Grobler, 2008:38).

In order to understand whether these statements and statistics could be extrapolated across the entire South African magazine industry, each interviewee was asked to identify what they saw as the main drivers of growth, which led to so many new titles being launched.

Scholtemeyer (2008) believes "there were two main drivers of growth. The first was the 'opening up' of South Africa after [the first democratic election in] 1994. Many global publishers who published in English saw South Africa as an easy-entry, same-language market. Thus many international titles came into the market – both in the form of 'published in South Africa', and in the form of imports. The second driver of growth was the booming economy".

Jane Raphaely, chairperson of Associated Magazines, concurs with the impact of the economic boom, saying under such conditions “you can’t hold them back once they see a gap in the market, once something gets into the ether – that’s why very often people are forced into doing things too quickly” (2008).

Ramsay puts it bluntly, stating the launch of so many new titles was simply driven by “greed and money” (2008), although this is placed somewhat in perspective by statistics that indicate there were 20% or more growth in the market for five years running (Brand, 2008), accounting in large part for the boom in titles between 2000 and 2006/7.

John Relihan, Scholtemeyer’s successor as CEO of Magazines at Media24, holds a more pragmatic view. “We’d have been fools if we didn’t expand during that time. We’d have stayed behind. Instead we chose to innovate and lead the way” (2008). An earlier comment from Brand points the way to the strategy Relihan adopted. Brand comments on the actions of former CEO of Magazines at Media24 and Scholtemeyer’s predecessor, Salie de Swardt. “Salie’s vision was that it’s futile to fight off overseas publications and he embraced niching. Also, the last five years (up to the end of 2007) were not the time to be cautious.”

Tiganis (2008) introduces the importance of adspend – how much money advertisers pour into a particular title or bouquet of titles – as a driver of the trend towards niching.

[T]here is a strong growth in niche marketing. Companies are realising the marketing benefits of communicating to a defined target market. It has proven to be far more cost-effective addressing a narrower, more select group of potential customers. It enables a company to speak with one voice to an exclusive group.

Tiganis’ statement is supported by the mass-communication concept or phenomenon known as “narrow casting”, as opposed to “broadcasting”. Narrow casting refers to mass communication that is directed at a specific market, instead of a broad, homogenous audience. This has also been described as a more targeted approach, instead of the traditional “shotgun” approach.

Vanessa Raphaely (2008) raises an altogether different dynamic.



This country has an effective duopoly with regards to printing. One large independent publisher moved its print bill from one player to the other, leaving one with huge capacity to fill. There is more profit in printing than loss in publishing, so that desire to keep printing presses, shareholders and partners busy fuelled some of the growth. Another factor is the knowledge that future success in media lies with ownership of content and communities. The easiest way to build both at the moment is through magazines.

The print duopoly to which she refers is the company-owned presses of Naspers/Media24 and their chief competitors Caxton. The reallocation of print bill that is referred to above, relates to Caxton buying a 30% stake in Ramsay, Son & Parker (RS&P) in January 2006, leading to RS&P moving their printing operations from the Naspers-run presses to Caxton's.

The consensus among those interviewed points to these major factors that fuelled the growth in titles: the economic boom and the resultant increased adspend, along with intra-market shifts, such as magazine changing owners and titles being closed down.

### **5.3 Drop in number of titles**

The economic boom that formed the backdrop to the sharp increase in the number of magazines on South African shelves preceded the inevitable downturn. In an extensive feature London's *Financial Times* reported in their weekend magazine supplement that the global economic downturn was in line with historical data showing the cyclical nature of economic booms and busts going back as far as the early eighteenth century.

Ahead of each big financial shock, house prices rose rapidly, as did equity prices. Current account deficits ballooned, with capital inflows accelerating up to the eve of the crises. And overall economic growth started to fall away as trouble loomed (Lambert, 2008:24).

In September 2007, in an article tellingly entitled "South Africa's magazine minefield", Motlounge quoted Gordon Patterson, a board member of the Audit Bureau of Circulation (ABC), in South Africa's *Mail & Guardian*, saying "[i]t is clear that the honeymoon is over" (Patterson, quoted in Motlounge, 2007). The following figures accompanied this portent of doom: "Of the 512 new titles that entered the print market between 2005 and 2006, 217 have

closed down and more are expected to follow” (Motloug, 2007). This represents a culling of 42%, and with the benefit of hindsight, it is now known that more did indeed follow. At Associated Magazines, *Femina* was no longer deemed a viable economic enterprise, but instead of closing it down, Jane Raphaely says, “we decided to sell to Media24 [in December 2006]” (2008). At Media24, “a number of projects have been closed down, including *InStyle*, *True Love Babe*, *TopMotor*, *TopDeals*, *MaxPower*, *Zoo Weekly* and the *Wisden Cricketer*” (Brand, 2008).

Ramsay and Jane Raphaely – two veterans of the South African magazine industry – concur that the closures were to be expected. Ramsay says “I doubted it could be sustained relative to the size of the economic market and the state of the economy. There was not enough ad support, you needed deep pockets to keep all those titles running, and there is limited advertising in niches” (2008).

Jane Raphaely believes “people were forced into doing things too quickly” (2008).

While a myriad theories may abound, Scholtemeyer – in her trademark direct manner – says there is no need for much soul searching to try and understand why so many of the new titles did not make it. “Very simple – the economic boom did not last” (2008).

Brand is of the same mind, and also picks up on the points made in the *Financial Times* article: “The world has changed. It’s a macro change, not a people or staff or management problem. It was inevitable that a rapid decline would occur after a period of such growth. We are now in a different world [than we were in 2006 and early 2007]. It’s a cyclical thing – not a failure on our part, or in the market” (2008).

#### **5.4 Role of adspend**

This research assignment set out to understand the role of adspend in the success – and failure – of niche publications. In 2007, Julia Raphaely, managing director of Associated Magazines, told the *Mail & Guardian* that adspend is enormously important.

The economy has been booming and that is part of the reason why magazines [have been] on the rise [...] [but] obviously with new titles in the market the advertising pie

starts to get more stretched. The circulation of magazines has quite clearly been affected (cited in Motlounge, 2007).

Brand (2008) sets it out as follows:

Adspend is one of the biggest variables in the success equation – a major driver of success. There was a downward trend in short-term adspend during 2007. Ad revenue is a weak spot. It didn't grow in line with the growth in the market. From 2005 to 2006 we saw 16.1%. From 2006 to 2007 this figure was only at 9%. Circulation did not grow in the time when the number of titles grew. Smaller publishers came and took our pie. We only went from 42% to 47.6% marketshare.

Scholtemeyer (2008) says this is particularly true when one considers the unique traits of niche markets.

Adspend plays a major role in niche titles, more so than mass titles. Mass titles can rely on their volume sales at a given cover price to see them through difficult times. They are less reliant on advertising. Niche titles by their nature, which have much smaller circulations – rely on advertising, rather than copy sales, to be successful. If advertising declines, their only solution is to increase cover price – but this is a double-edged sword – because if they do that – their circulation declines.

Ramsay (2008) agrees adspend plays an important role in the success of a title, but adds a caveat.

You need enough ad support, but you keep adspend with great content. Increased readership means increased adspend. You need to overlay that with great ad sales people. Some magazines are struggling, some are flying – the ad sales people make the difference.

Booyens (2008) agrees that the role of ad sales staff as brand ambassadors is extremely important, and that this function in terms of building the brand, should be viewed alongside that of the editor and editorial staff.

Adspend appears to be a *sine qua non* for magazine editors, especially those at the helm of niche publications, but it is also closely linked to a number of other variables, chief among which are – in the view of the majority of interviewees – the economic climate and the strength of the sales staff.

Vanessa Raphaely (2008) is not convinced, however, stating that adspend is “[n]ot as influential as you would think. Many magazines continue to run at a loss and without enough ad support to make money.” Of course, Raphaely is speaking from a position of strength, as *Cosmopolitan* is – as mentioned above – “one of the few women’s magazines showing growth” (Grobler, 2008:40), and therefore the reasonable expectation would be that it enjoys great ad support. This is indeed confirmed by Jane Raphaely, above, when she says “Advertisers who are notorious for not reading magazines, they get this magazine; they understand *Cosmopolitan* completely.”

## **5.5 International trends in the local context**

The interconnectedness of the global economy and the effects of macro-economic trends on large companies and local economies mean an analysis such as the one set out above cannot be viewed in isolation from what happens around the globe. With this in mind, a question was included in each in-depth interview to gauge – in the view of the interviewee – the extent to which international media trends have influenced the South African media landscape, with specific reference to the dramatic growth in niche titles and the subsequent levelling out of this upward curve.

Brand (2008) explains that one must not be fooled, by notions of the global village, into thinking that everything that happens abroad will necessarily come to pass in South Africa.

Everything that happens in Europe and the US doesn’t necessarily happen here. There are a few things that shield us from that happening: We have a rapidly growing developing market, and we still have very low broadband penetration due to Telkom not being able to deliver; we’ve got a hedge or protection of four to six years in that regard.

Scholtemeyer agrees that the international situation cannot be brought to bear directly on the South African context. She says the local experience can be tied to what was happening

internationally, but not directly. Rather, she believes that major international trends led to an inverse effect on the South African market:

The South African experience was somewhat different from what happened in developed markets. In countries such as the USA, UK and France the overall trend of magazines in the last 10 years has been that of steady decline. There have been the odd exceptions, but overall magazines have not been a growing sector for those markets, hence the eagerness to enter new markets, such as South Africa (Scholtemeyer, 2008).

While magazines were exhibiting a distinct downward trend internationally, this led to a burgeoning of titles on the South African market, as large companies and established magazine brands sought to take advantage of new markets.

Jane Raphaely (2008) also says South Africa has not developed in line with global trends, as “we still remain largely protected from the threat of broadband – for the moment”. She adds that South Africa’s apartheid history also sets it apart.

South Africa is a unique market. What kept us going here is that the 40% who are not literate, want to be literate, so the minute you get people coming up through education, they’re big dreamers, they know what they want and they’ll use magazines to see what it is that they want.

Vanessa Raphaely believes South African magazines do follow some of the international media trends, “but we are behind the trends with regard to the migration of adspend from print to online” (2008). Her comment tallies with an article in *MediaWeek* magazine, published in July 2008, which states that “internet activity is pulling the numbers back up” and “the current ad slowdown is unlikely to affect the internet much” (Allott, 2008:6). Relihan (2008) agrees with the potentially seismic impact on the local market of the international shift in advertising support from print media to online:

We don’t follow the rest of the world exactly, but in one regard we are projecting that SA will follow suit. We can expect internet adspend to surpass that of magazines – this has already happened in the US.

From the input and responses, it emerges that it would not be prudent simply to superimpose international trends on the South African market. Rather, international developments should always be interpreted while keeping in mind the unique conditions, such as historical and political issues, which influence the local industry.

## **5.6 Success and failure**

Following from the determining factors with regards to the growth and subsequent cutbacks that were seen in the South African magazine market, along with the role of adspend and international trends, each interviewee was asked to provide their reading of the factors that pertain directly to the success or failure of a niche title.

Booyens (2008) says there are a number of factors that play a role in determining the success of a niche title, but in his experience one stands out in particular:

A properly thought-out launch is the thing. Before I started *Weg*, I had six months to think about how best to get this thing off the ground. In that time we could really do our homework, legwork, groundwork – speak to advertisers, contributors, sales and marketing people, print and distribution – to lay the foundations for a strong, successful product that would last. You also need staff who live the brand and you must know your footprint and get the distribution right – right from the start.

Booyens believes that when a niche fails, it is often because distribution “is not sorted, the tone not right, the ad package not attractive – or a combination of these factors” (2008).

Scholtemeyer (2008) concurs that the properly thought-out launch to which Booyens refers, is imperative for success: that the potential publishers of a title should do their homework upfront is a non-negotiable in her view:

A niche market must be clearly defined and an upfront analysis of the market potential must be undertaken. Once a niche title is launched, it is imperative that the editorial team fully understands their market and provides content that the market wants. If circulation reaches the prerequisite level for advertisers to be interested, then in theory advertising should follow. One assumes that the market assessment showed that there

would be enough advertising support in the first place – otherwise it is not a good idea to launch.

According to Scholtemeyer (2008), “the list of factors that could count towards failure goes on”, but these would be some of the main reasons:

- The niche is too small and cannot sustain copy sales.
- The offering for that niche is incorrectly positioned.
- The pricing is wrong.
- The niche could be overtraded.
- Advertisers do not “buy in” to the new product.
- There are not enough advertisers with sufficient budget to sustain that niche.
- The distribution footprint is incorrect and the product is not reaching the target market.

Vanessa Raphaely (2008) says she asks herself a very simple question to determine whether a niche title has got what it takes: “Is there a genuine, passionate, affluent market?” And with regards to failure, she agrees with Scholtemeyer that there are several factors, adding five of her own:

- Bad business plans.
- Bad content.
- The monopoly on print and distribution.
- Limited retail space.
- Huge costs to entry.

Ramsay (2008) believes you need “pertinent content that meets the needs of the market”. Failure, he says, can often be attributed to there being “no market in the gap, wrong content, a sales effort that is not what it should be” or a combination of these factors.

Jane Raphaely (2008) takes a broader view, but also emphasises the importance of getting the message and tone spot-on.

Magazines cannot succeed by being everything to everybody anymore. So the people in your market have to be as well known to you as your friends. You have to speak to them as confidently and clearly as you would to a friend. When you discover something new

– who is the first person you run to? Your friend! Month after month, *Cosmopolitan* hits all its readers' soft spots. Advertisers who are notorious for not reading magazines, they get this magazine; they understand *Cosmopolitan* completely. It's been completely colourblind right from the start, rather focusing on fun, fearless females. It really knows its readership.

She believes the size of the South African market has a direct bearing on why so many niche titles have closed down. "This market is still a very tiny market and it is overtraded. The problem is the advertising pie for magazines hasn't increased [with the increase in titles]" (Jane Raphaely, 2008).

## 5.7 Future predictions

For all their knowledge, expertise, experience and the direct access they have to valuable market research and information, the interviewees all admitted they had no idea of what would happen next on the volatile global and local media markets. The one issue on which there was consensus, however, was that there would be more magazine closures, or what Vanessa Raphaely calls a "culling of the herd" (2008.)

Scholtemeyer says there can be no doubt that there will be "some closures, some consolidation, some new business models, for example mobile [technology]. I believe these are all healthy moves for the industry" (2008).

Relihan says the future can only go one way and that is digital.

There will be more closures, but the move towards digital will be huge. We have a few years' respite until broadband comes; then there will be big changes for magazines. We've seen that all over the world (2008).

Booyens believes reports of the demise of magazines "have been greatly exaggerated" and says he firmly believes people will still want what he calls in Afrikaans "*'n keurig saamgestelde bundel*", a phrase that can be translated as meaning "a carefully compiled collection of stories and images" (2008). Other connotations include choice, select and sophisticated.



Jane Raphaely says, “I do not necessarily see the niche curve coming down. I think the good magazines, that really deliver what their markets want, will succeed” (2008).

Shifting the focus from existing publications – and whether they would thrive or fail – the interviewees were also asked if they thought there were as yet untapped niches. Most were loathe to speculate on untapped opportunities, fearing they would give away strategic information in these competitive times, but one did accede to being drawn. Relihan says the emerging black middle class still represents a huge growth opportunity for magazines. This market, commonly referred to as the “black diamonds” in South Africa, promises to be a valuable one in years to come, as evidenced by the following pronouncement in Motlounge’s article entitled South Africa’s magazine minefield:

While there is evidence that the growing inflation rate is affecting advertising and consumer spending, with magazines now deemed luxury items, the black women’s magazine industry continues to show consistent growth (2007).

Jane Raphaely agrees, saying “There is still a lot of water in that well, there is still a lot of growth in that economy” (2008).

A number of the above issues will be discussed further in the next chapter, which contains the conclusion to this research assignment, and suggestions for further research.

## **5.8 Summary**

This chapter covered the core of the research component that constitutes this research assignment. It set out the results of the fieldwork by comparing the interviewees’ answers in order to gain a greater understanding of the phenomena – fragmentation and the spawning of niches – described in the title of this study: “Fragmentation of markets: The spawning of niches”. The purpose was to find out more about niche markets in the magazine industry through the research results contained in this chapter.

The next chapter will present the conclusion of this research assignment, and a list of suggested topics for future research.

## **6. Conclusion and recommendations**

This chapter will conclude this research assignment. It will contain a summary and discussion of the work conducted. There will be an interpretation based on the works included in the literature review in chapter 2, and the theoretical frameworks set out in chapter 3. A discussion of the gaps in the data will be included before the larger significance and possible implications of the research results contained in chapter 4 will be outlined. Finally, recommendations for further research will be presented, based on the work done for this research assignment and major themes that emerged from the in-depth interviews that constituted the fieldwork.

### **6.1 Summary and discussion**

This research assignment set out to investigate the phenomenon of the fragmentation of magazine markets and the resultant “spawning” of niches – as set out in the title. The relevance of conducting such a study was underscored throughout the course of the research assignment as events pertaining directly to the investigation kept shaping and reshaping the magazine industry within the broader context of the South African media landscape, a broader global media landscape, and developments within the global economy.

The lifecycle of this research assignment is in fact the lifecycle of the very event it sought to investigate. When ideas for this study were first mooted with the study supervisor in early 2006, the boom in niche titles was having a profound impact on the South African magazine market and both the local and world economies were experiencing a period of sustained growth. By the time this research assignment was concluded at the end of 2008, scores of magazines had been closed down, a number of review processes were underway to investigate which of the remaining titles should continue to operate, and the world economy was in recession.

It follows, therefore, that this research assignment proved links between the South African economic situation and the state of its media enterprises – specifically magazines – for the purposes of this study. Furthermore, links were revealed between what happened locally and what had taken place internationally – or was taking place at the time in terms of the global economic slowdown. However, it also emerged that the South African scenario did not precisely follow the trends that were seen in some international markets such as the United

States, the United Kingdom, France and Australia. This appears largely to have been caused by the fact that South Africa is a developing economy (not a developed one like the aforementioned examples) and that media consumption in this country is influenced – though not always determined – by a unique set of historical, political, cultural and sociological variables. It can therefore be reasonably expected that these factors would insulate the South African media landscape to some degree, leading to a local scenario that was in some ways markedly distinct from international trends.

## **6.2 Interpretation**

### **6.2.1 Literature review**

Scholarly works and articles in peer-reviewed journals were included in the literature review in chapter 2, based on the fact that this study investigated mass-market events, and was not focused solely on an academic, meta-science investigation. It is specifically premised upon real-world events, and aims to contribute to existing knowledge about South African media in general, and the local magazine market in particular. Academic works were included alongside mass-media articles to show that this study is grounded in the mass market, and to ensure this study contributes to the “coherent body of knowledge” (Lemon, 1996:29), rather than highlight an academic meta-aspect that is removed from events in the real world.

This research assignment can be contextualised as follows, with regards to material included in the literature review: In terms of the specific scholarly works – those of Rossouw (2005) and Townsend (2004) – that formed part of the literature review, this research assignment picked up on specific themes within each of those works. Rossouw’s work deals directly with fragmentation in the women’s magazine market; so does this research assignment. Rossouw focuses on the impact of niche magazines on the traditional general-interest women’s magazines. This research assignment in turn, draws its *raison d’être* from the fragmentation of the traditional general-interest women’s magazine market into smaller sub-sections and specifically focuses on the spawning of niche markets – and within that niche titles – as a spin-off of this fragmentation.

There are also certain parallels to be drawn with Townsend's work. These include the fact that Townsend too is concerned exclusively with the South African magazine market. However, while this study is also concerned with repositioning and renewal in the sense that a market reorganisation has been sparked by the global economic slowdown, Townsend focuses on repositioning or renewal with regards to competition between two Afrikaans women's titles.

In terms of academic articles that were included in the literature review, this research assignment picked up on themes mentioned in both the writing of Case (2002) and Addison (2003).

Addison's remarks about the move from general-interest magazine to more niched titles, increased and more intense intra-market competition – along with an escalation in overlap between the content of these more niched titles – all served to contextualise this research assignment (2003:24-28).

In turn, Case's references to "targeted titles", "a huge influx of new magazines whose reason for being must be premised on filling a niche or a consumer need that general-interest magazines aren't serving" and a resultant discussion of the trend towards increased specialisation and more niched content (2002) all serve to lay the basis for – and demarcate the scope of – this research assignment.

## **6.2.2 Theoretical frameworks**

This research assignment was placed within the theoretical frameworks of the political economy of the media and postmodernism, and it concerned itself with fragmentation as a sub-section of postmodernism.

### **6.2.2.1 Political economy**

The branch of media studies known as the political economy of the media is relevant here, because it is concerned with the organisation of the media market, specifically issues of ownership, control, concentration, competition and integration. These five aspects of political economy theory were accounted for by conducting field research among senior media managers at the largest magazine

publishers in South Africa, namely Media24, Associated Magazines, Ramsay, Son & Parker and New Media Publishing (the latter also a subsidiary of Media24). The selection process that preceded the conducting of in-depth interviews with individuals, took all five aspects into account in order to ensure that results that would be yielded by the research, would be valid and reliable in order to contribute to the aforementioned “coherent body of knowledge” (Lemon, 1996:29).

#### **6.2.2.2 Postmodernism**

This researcher set out to investigate whether a postmodernist falling away of boundaries – specifically in terms of the concepts associated with a global village – could explain whether the South African magazine market was changing and developing in line with international trends. However, while the research results do indicate a degree of interconnectedness between the international magazine industry and the local market, the research revealed that South Africa went against the international trend at a time when magazines were on the decline. The South African market grew at this time, as it proved a profitable alternative for many of the companies and magazine brands that were struggling in countries such as the United States and the United Kingdom. This led to local editions of magazines such as *RealSimple* and *Psychologies* being launched in South Africa in the period under discussion.

In other respects, the South African experience did mirror global trends and prove that there was indeed a postmodernist falling away of boundaries. This was mainly in reference to the effect of the global economic slowdown, which also had a strong impact on the South African economy, resulting in numerous niche titles being closed down when the losses they were making could no longer be absorbed.

The second way in which it emerged that South Africa was experiencing the postmodernist falling away of boundaries was an international movement away from print media and towards mobile and digital media, i.e. embracing the era of technology. Without exception, the media managers who were interviewed agreed that digital media would be the next major challenge on the South African media landscape, and that sweeping changes were in the offing for the magazine market once broadband could be rolled out. They disagreed on whether magazines had a

two- to three-year (Relihan, 2008) or a four- to six-year (Brand, 2008) period of grace, but the seismic shifts would come – of that they were all convinced.

### **6.2.2.3 Fragmentation**

For the purposes of this research assignment, fragmentation was viewed as a result of postmodernism. This study was done against the backdrop of a sharp increase in the access to media technology and a resultant differentiation within the realm of existing media products and technologies. Firstly, this greater access to media technology stood firmly within the context of postmodernism as it represented a falling away of barriers to access. Secondly, the increased differentiation that resulted from greater access – and by implication increased consumption of media products – led to a spawning of niches within different media markets. Based on these market realities, fragmentation was one of the key concepts that drove the search for greater understanding during the course of this research assignment.

## **6.3 Anomalies or deviations, and gaps in the data**

The aim throughout this research assignment was to keep the work on a scale that will comply with the requirements of a limited research component, as this is a 25% research assignment. Therefore, with the guidance of the study supervisor, the sample group was intentionally kept small, and the research design simple, to ensure that the research question and research results could be directly and coherently connected, to make a meaningful contribution to existing knowledge within media studies in South Africa. The fact that this research assignment was constructed with a very specific aim of keeping its scale in mind, means there was not a significant number of anomalies and gaps in the research as the execution of the various aspects of the assignment could be tightly controlled and managed.

### **6.3.1 Anomalies or deviations**

The first anomaly or deviation in the data involved the question that asked interviewees to give their interpretation of the explosion of titles on South African magazine shelves. There was broad consensus among the interviewees that three factors had direct bearing on the exponential growth in the number of niche titles in the local magazine industry,

namely the economic boom and the resultant increased adspend, along with intra-market shifts.

A slightly anomalous answer was provided by Vanessa Raphaely, when she inferred – without naming company names – that Media24 decided to launch scores of new titles in an attempt to feed their hungry presses, after Caxton bought 30% of Ramsay, Son & Parker and the latter took their printing away from the Media24-owned printing presses.

The second deviation in the data occurred in an answer provided in response to a question about the importance of adspend in determining the success or failure of a niche title. There was strong consensus among interviewees that adspend was enormously important. In fact, that it had a make-or-break influence: As adspend increased, success was virtually assured, whereas if adspend fell away, a title would find it very hard to keep going.

Again, it was Vanessa Raphaely whose opinion stood out from those of the other media managers. She stated that she did not consider adspend to be very important and that many magazines still operated while making great losses. Two factors provide the context for her answer. Firstly, she speaks from a position of strength as the title she edits, *Cosmopolitan*, has long enjoyed very strong ad support. Arguably, that title has not felt the pinch of dropping adspend as acutely as other titles. Secondly, while Raphaely's assertion that many titles still operate despite running at a financial loss holds true, one can say with some certainty – and the benefit of hindsight – that a number of titles that had been operating at a loss, such as *InStyle*, *TrueLove Babe*, *TopMotor* and *MaxPower* were indeed closed down, and *Femina* sold.

### **6.3.2 Gaps**

The only gap in the data as generated by the in-depth interviews, which probably bears mentioning here, was the fact that the market was so volatile at the time the research was conducted that media managers were loathe to make future predictions. Some of them did say there was still room for growth in magazine markets aimed at the black middle class, but the only thing that was certain was that digital media would rise more sharply and that the economic slowdown – both globally and locally – would lead to

further downscaling of the number of titles, and an even greater consolidation in the market.

While the lack of real future predictions could be viewed as a gap in the data, it provides historical context within which to view this research assignment. When the interviews were conducted – July and August 2008 – the global economic slowdown was starting to take hold, but within two months central banks across the world had to step in to save the world economy from plunging into recession as large investment banks such as Lehman Brothers filed for bankruptcy and insurers with global reach, such as American Insurance Group (AIG) required an \$85 billion bailout. In the end, a controversial \$700-billion rescue package had to be brought before the US Congress, as was widely reported in the mass media.

#### **6.4 Significance, applications and implications**

This research assignment deals with a significant phenomenon in the South African magazine industry, namely the fragmentation of the market, and the spawning of niches. The timing of this research assignment was fortuitous: its lifespan coincided with a period of exponential growth, followed by a marked downturn. The fact that both eras could be chronicled, adds to the significance and value of the research. It serves as a chronicle of a period in South African media history that may not be repeated if the rise in digital media continues to skyrocket.

Specifically with regards to the future applications of this research and its implications for the market, one quote stands out, and serves as an indication that actions and decisions need to be based on and grounded in reality – something this research assignment has attempted to do. Former Media24 managing director Hein Brand believes “Hope is not a strategy” (2008). This means that the magazines that keep going, and the people who run them, will continue to do so subject to market forces and pressures generated by aspects contained in political economy theories of the media such as ownership, control, concentration, competition and integration – and that strategy will be built on these elements; not on “hope”.

#### **6.5 Recommendations for further research**

During the course of this research assignment, three main branches of enquiry for further research emerged. Within each branch, there will be scope to delve deeper into a single



phenomenon, or include a number of different phenomena in an attempt to provide an overall understanding, rather than an in-depth view. That would depend on the individual researchers. The three suggestions presented below are not the only possibilities, but they represent potentially worthwhile and satisfying opportunities for further study.

### **6.5.1 Adspend**

There are three aspects of adspend that would make good topics for further research: the migration of adspend from print media to online media, the effect(s) of this migration, and the increase over time of adspend in digital and online media. The first and third suggestions could be conducted as quantitative studies, while the second would justify a qualitative research project.

### **6.5.2 Digital media**

The predicted move from traditional print media such as magazines and newspapers, to mobile and online or digital media, such as cellular phones and websites, is something that all of the interviewees talked about during the in-depth interviews. The shift to digital media is poised to have seismic effects on the local and global markets.

Within the move to digital media, there are two branches of enquiry that could be explored. Firstly, the way in which media consumption is moving away from traditional print media to digital media. Secondly, the adaptation of traditional print media to new digital technologies, i.e. the way in which magazines, for example, are adapting their content – and consequently their offering(s) to advertisers – in order to enable readers to consume their products in a digital format, which currently would mean either on the internet or on a cellular phone. Within the next few years, however, a major new avenue for digital media consumption will burst onto the South African market – broadband.

### **6.5.3 Broadband**

The impact of broadband internet access on media consumption – with specific reference to the effects on traditional print media such as magazines and newspapers – has to be studied in the next few years. Media scholars and students of media effects simply will not be able to ignore the advent of broadband in South Africa. Moreover,

current experiences in countries such as Australia and South Korea, where there is high broadband penetration, may prove valuable sources of knowledge and information for anyone wanting to analyse and understand the South African situation.

Until broadband can be rolled out on a large scale locally, media scholars can only speculate on its impact. The uncertainty surrounding the global economy makes it even more difficult to make sound predictions, but certainly broadband will reshape the South African media landscape, just as it is already doing in many countries across the globe.

## **6.6 Final remarks**

From the work presented here, it has emerged that the next revolution in the South African magazine industry will most likely be the advent of broadband. However, it is generally accepted that this is still a few years off. In the interim, a period of sustained self-examination will occur, where media managers review each title in their stable to decide whether it should be kept going, closed down, sold, refocused or rebranded. These decisions could lead to further consolidation in the market.

As competition increases and the advertising pie shrinks, sales teams will be under increased pressure and scrutiny. Their role in ensuring the growth and survival of a title will increase in line with an increase in competition in the market.

The challenge for publishers, editors, editorial staff and sales teams will be to give increasingly demanding media consumers a product so compelling that they will choose that brand, and remain loyal to it. However, a caveat should be added here, namely that brand loyalty is not what it used to be 10 or even five years ago. In the twenty-first century, media consumers no longer have the kind of close personal relationship with a magazine that they used to have in the twentieth century. This poses even greater challenges for individual titles.

Magazines can no longer be publications only. They must embrace technology and merchandising, and employ innovative marketing techniques to consolidate marketshare and grow their reader base in order to secure adspend. They must create contemporary-style communities – in the virtual and real worlds – and build a new kind of brand loyalty. This needs to take into account the fact that media consumption is no longer confined to a time that is dictated by the consumer (reading a magazine on the couch, curling up with it in bed).

Rather, people are bombarded by messages and advertising on a sustained basis. Only by ingratiating itself into the life of a reader – for example by hosting workshops, offering special deals and free gifts, demonstrating corporate social responsibility and a concern for the environment – will a title become a trusted friend, and an indispensable companion that is perceived to be making the world a better place, instead of cluttering it further with useless information. Magazines need to adapt, or their numbers will be greatly reduced, and their role in society greatly diminished. No one who feels passionately about the medium could possibly stand by and let that happen.

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## **Addendum A**

### **EXAMPLE OF ENGLISH EMAIL**

**From:** Caryn Voigt  
**To:** Patricia Scholtemeyer  
**Subject:** Participation in M thesis

Dear Patricia,

I'm in the final year of Masters studies in Media Management at the University of Stellenbosch, with Professor Lizette Rabe, and my work is being funded by a Media24 bursary. My thesis is about magazine niche markets and I am keen to include your insights in my work.

My thesis documents the recent growth spate in the South African magazine market, and the conditions that are now putting the brakes on the phenomenon.

You've had such an influential role in shaping the South African magazine industry, that in order for my study to be a balanced and true reflection of the real world, it is important that your experiences be included.

Would you have an hour in your diary to speak to me? It'd help me greatly if we could schedule something next week or the week after.

Sincerely,

Caryn Voigt

## EXAMPLE OF AFRIKAANS EMAIL

**From:** Caryn Voigt  
**To:** John Relihan  
**Subject:** Deelname aan M-tesis

Hallo John,

Ek's besig met die laaste jaar van my Meestersgraad in Media Bestuur by Professor Lizette Rabe op Stellenbosch. Ek skryf oor tydskrif nismarkte en my tesis kyk na die geweldige groei van tydskrifte die afgelope paar jaar, en na die toestande wat nou dié verskynsel begin kniehalter.

Ek wil baie graag jou ervaring en insig insluit in my studie – veral ook in die konteks van jou nuwe rol aan die stuur van Media24 Tydskrifte. Ek sou jou graag wou uitvra oor die groei in nismarkte en hoe jy die ontwikkeling in die SA tydskrifmark gesien en beleef het die afgelope paar jaar.

Sou jy 'n uur opsy kon sit om met my te gesels? Ek sou graag volgende week of die week daarna 'n afspraak wou maak, indien moontlik.

Dankie by voorbaat,

Caryn Voigt



## **Addendum B**

### **EXAMPLE OF ENGLISH QUESTIONNAIRE**

**Name:**

**Title/job description:**

**Date of interview:**

**Location and time of interview:**

- How would you define a niche market?
- Why was there such a spate of growth in terms of niche titles?
- Why did it not last?
- How influential has adspend been in the rise – and now fall – of niches?
- How did the SA experience mirror international trends?
- What are the main determining factors for a successful niche title, or niche market?
- What causes it to fail?
- What next?
- General comments
- May need to send follow-up questions, if necessary – if that's in order?

Thank you very much.

## EXAMPLE OF AFRIKAANS QUESTIONNAIRE

**Naam:**

**Titel/posbeskrywing:**

**Datum van onderhoud:**

**Plek en tyd waar onderhoud gevoer is:**

- Hoe sou jy 'n nis definieer?
- Waarom was daar 'n fase van sulke sterk groei in nismarkte?
- Waarom kon die mark dit nie volhou nie?
- Hoe invloedryk is die rol van 'adspend' in die groei – en nou daling – van nisse?
- Hoe hou wat in SA gebeur het verband met internasionale neigings?
- Wat maak 'n nistydskrif (of 'n nismark) suksesvol?
- Wat lei tot die ondergang daarvan?
- Wat nou?
- Enigiets om by te voeg?
- Sal moontlik opvolg vrae stuur, indien nodig – as dit in die haak is?

Baie dankie.