

The Magazine About Magazines

# Masthead

## Q&A

The Economist  
Publisher  
Paul Rossi



**Q** You'll be speaking at Mags U about how *The Economist* has evolved from a British magazine with attitude to a global magazine with British attitude. In a nutshell, what's done the trick?

**A** To a large extent we have a magazine whose time has come—globalization has driven people's need to understand events that happen outside their own country and the connections that make them relevant.

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CANADA'S  
TOP 50  
MAGAZINES  
RANKED



# MAGS U SHOW GUIDE

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## PEOPLE IN PRINT

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We have a very unique magazine that consistently looks forward and gives insight. Readers value it highly because there is really no alternative.

**Your magazine is an inspiration to circulators everywhere. Worldwide circ is nearly 1.1 million—almost double what it was in the early 1990s; North American circ is 569,000—a 47% jump since 2001. What's been your most effective tactic, and why?**

Having a magazine that people want and value makes this job a lot easier. Having said that we have consistently invested in marketing over the last 10 years to build awareness and encourage people to sample *The Economist*. We have done this through use of direct mail and inserts to build our subscriber base and expand our newsstand and bookshop sales.

The magazine is one of the few that really seems to invest in promoting itself and developing the brand via advertising. In April you wrapped up a marketing experiment in Baltimore reportedly costing US\$500,000 designed to increase newsstand, subscription sales as well as brand awareness via posters, print ads, Web banners, radio, direct mail, local events and point-of-sale promos—you were even giving away red *Economist* umbrellas printed with the message: "Talk about more than just the weather." You've noted to reporters that these measures are commonplace in the U.K. but rather rare here. What is it with us North American publishers that we don't seem to advertise and push our brands the way the Brits do?

I think the underlying reason is that our publishing model is different. Unlike many magazines our subscription revenues contribute significantly to our profitability, and in short we value the editorial product. This means we can maintain our high quality of writing and ultimately our independence. It also means we can afford to spend money and build our brand. Magazines driven by advertising find this more challenging, especially in a downturn.

**You have about 57,000 active Canadian subscribers. Returning to that Baltimore experiment for a moment: Any plans for a similar test in a Canadian market? Why or why not?**

Our growth in the past few years demonstrates potential in centres around the U.S. so we will use the results from Baltimore to test the campaign in a few more American markets. Canada may factor into our plans later down the road, especially if we can see opportunity with local advertisers.

Former editor Bill Emmott has noted that part of *The Economist's* success has been that it's not American. Indeed, those direct-mail packages sent to Canadians have opened with the line, "NEWSFLASH! Canada is not part of the United States." It's not surprising that this angle gets played up: We're all beginning to wonder about the loss of American journalistic objectivity. You're living in New York; are you beginning to wonder, too?

**"Where other media owners are pulling back on editorial spending, we continue to invest in new bureaus and journalists"**

I think we are seeing this all over the world; there is an increasing number of intellectually curious, internationally minded people who feel that 'mass' media has dumbed down. There has also been an explosion of information on the Internet, making thoughtful analysis all the more necessary. Where other media owners are pulling back on editorial spending we continue to invest in new bureaus and journalists.

**What is the rationale for not running bylined articles in your magazine?**

Since *The Economist* was founded in 1843 we have never used bylines—partly because the magazine is bigger than an individual and the editorial process is very collaborative. It's also because we are opinionated and the views we express are those of the magazine, not of an

## PEOPLE IN PRINT

individual. It's what makes us unique in a crowded marketplace.

You've been quoted as saying that *The Economist* is "one of the most thumbed magazines on Air Force One." There's a real whiff of elitism to the magazine that is oddly refreshing. You incorporate this into your marketing efforts. For example, one of your taglines is, "It's lonely at the top, but at least there's something to read." Indeed, a sense of humour is what sets the magazine apart. There was one cover from 2000, when the leaders of North and South Korea met for the first time. Reclusive, eccentric North Korean dictator Kim Jong-Il was pictured on the cover waving awkwardly to crowds. The headline was: "Greetings, earthlings." Can you explain the idea behind this eccentric tone, which a few commentators have described as a "smarty pants" strategy that produces "snob appeal."

It's part of the personality of *The Economist* that draws readers in and keeps them coming back. We are read by a wide range of people from presidents to professionals, and they all appreciate our often irreverent sense of humor and the way we approach otherwise serious subjects.

**How has *The Economist* fared in terms of newsstand sales over the past five years? The trend is a downward one for most titles. What advice would you give to magazine publishers looking to reverse their slide?**

Newsstand and bookshop sales are a good indicator of *The Economist's* vitality. We now outsell *Business Week*, *Fortune*, *Forbes*, *The New Yorker* and *U.S. News & World Report* on newsstands in North America. The newsstand is also a good route for people to sample *The Economist*. The real challenge for newsstand sales is getting space in a competitive marketplace, but newsstand buyers are important for readership, subscription sales and the bottom line.

**You've called Google a "brand killer." Is Google the biggest threat to publishers? If not, what is?**

I was referring to the launch of Google News, and the fear that over time consumers will see it as the source of news rather than the contributing media sites. The Internet is both a threat and an opportunity.

In the short term I think publishers have to bring the value of their online and offline audi-

ences into line, otherwise it threatens the value of their brand and editorial.

**What aspect of your job do you most enjoy?**

Publishing is a creative, people-driven business and I am very fortunate to work with the world's best. I enjoy the challenge of being innovative, both in finding and keeping readers and in working with advertisers.

I am also amazed when I see someone reading *The Economist* on a plane or a copy on a far-

**"I am amazed...by the process of getting a magazine into the hands of a million people in 200 countries each week"**

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**What's your media diet?**

I tend to turn to one or two sources for everything. I grew up listening to a lot of radio so I get my daily news from NPR and I try to catch as much of their Saturday morning programming as I can—Car Talk is a joy! I have found myself increasing the number of podcasts I listen to—current favorites are All Songs Considered and Rick Gervais—and have started to add the odd video to my iPod as well.

I read text versions of BBCNews.com and NYTimes.com online on my phone/PDA every morning. I scan the *WSJ* and *FT* to make sure I haven't missed anything.

My magazine consumption is fairly sparse—*Wired*, *The New Yorker*, *Dwell*, the U.K. music magazine *Mojo*, and occasionally *Wine Spectator*. And *The Economist* of course! Not much TV. **M**