



WORD POWER: THE VALUE OF CUSTOM PUBLISHING

By KAREN RAUGUST

UNLIKE THEIR CONVENTIONAL COUNTERPARTS, health and wellness products are more closely associated with a particular lifestyle. Supermarket retailers eager to leverage that connection have turned to customized magazines and newsletters to help reinforce that bond.

While this is not a new marketing technique — Twin Cities-based Byerly's premiered a 16-page publication, *Byerly Bag*, more than 30 years ago — it is on the rise as more chains use wellness to differentiate themselves in a competitive market.

"This is all about customer retention and brand differentiation," said Steve Fox, president of Minneapolis-based Greenspring Media Group, publisher of *Real Food*, a syndicated magazine distributed through eight supermarket chains. *Real Food*, published quarterly, debuted in November 2005 and today has a total circulation of 360,000 through retail partners including McCaffrey's, Sendik's, Bristol Farms, and Lunds and Byerly's.

"Consumers in the Minneapolis/St. Paul metro area often turn to us for food expertise," added Aaron Sorenson, who oversees the Lunds and Byerly's publication. "Our *Real Food* magazine gives us another way to provide expertise to our customers. It provides us another way to offer consumers trend-forward cooking information and recipes, while also increasing product sales and traffic to our stores."

Hannaford Bros. launched *Hannaford Fresh* in 2004 and redesigned it in 2006, increasing frequency from quarterly to bi-monthly.

"We see this magazine as a great reinforcer of our brand, one that helps us create customer loyalty," said marketing manager Nancy Dumais. "*Hannaford Fresh* has provided us with another

way to connect with our customers. The response we've received from them is overwhelmingly positive." The chain distributes 275,000 copies per issue.

"There's no question, if you create a custom publication, it's a reflection of your brand," said Diana Pohly, president of The Pohly Co., Boston, which produces *Hannaford Fresh*. "But it's also about extending and enhancing your relationship with your customer. You're showing them what the brand is all about, in a highly value-added way. It's a fabulous way to do more than just ring the cash register."

Some chains use their magazines to encourage their highest-spending consumers — who often shop multiple stores due to convenience or price — to come back for high-ring purchases. After amassing a detailed profile of its customers through its frequent shopper program, Shaw's premiered a 36-page quarterly publication, *ducklings*, in 2003 to appeal to young mothers.

"What became clear was that when a woman became pregnant, her cart increased dramatically, and that increase included some very expensive items," explained Cam Brown, president of King Fish Media, Salem, Mass., publisher of *ducklings*. "You want these women to keep coming back to you." The publication is now available through Shaw's, Albertsons, Jewel-Osco and Acme.

Evidence suggests that supermarket publications generate consumer loyalty and enthusiasm. King Fish, for example, conducted a readership study for *ducklings* and received 800,000 responses to a 15-question survey.

"That's unheard of," Brown said of the response. "[The readers] are nuts for it."

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Fox agreed, noting that *Real Food* has gotten more readership comments than any other magazine Greenspring publishes. The company's other magazines include custom projects for General Mills and Land O'Lakes and syndicated publications such as *Carat* and *Drink*.

Reader enthusiasm can translate into sales. One of Pohly's clients, a consortium of gardening centers, found that sales of some products jumped as much as 200% when advertised in its custom magazine, compared to a year earlier when not advertised.

Active Interest Media, based in El Segundo, Calif., surveyed readers of its publications *Wild Oats Magazine* (published for Wild Oats Markets, which was acquired last year by Whole Foods Market) and *Optimum Wellness* (which it publishes for the Kroger Co.) and found that 84% of respondents said their purchasing behaviors were "highly influenced" by the magazines.

"That's huge," said Susan McNamee, vice president and group publisher, custom publishing, for AIM's Healthy Living Group, which is also developing a magazine titled *Feel Better* for the Pharmaca chain of integrative pharmacies. "It's a marketer's dream."

At Hannaford, "we have seen pretty strong sales results on



Checkout is typically where shoppers pick up store wellness magazines. Some chains charge a small cover price for issues.

some items highlighted or introduced in the magazine," said Dumais.

Many custom publications, including *Optimum Wellness*, *Wild Oats Magazine* and versions of *Real Food*, are distributed free in-store. Hannaford sells *Hannaford Fresh* for \$2 at the check-

out, giving it free to customers who buy \$25 or more worth of groceries. *Easy* (another publication distributed through the four Albertsons chains) and *ducklings* are mailed to targeted shopper segments — new mothers in the case of *ducklings* and frequent and high-spending customers in the case of *Easy*. The latter also is available for \$2 in-store, with 50% of gross proceeds — translating to a \$600,000 annual donation — going to America's Second Harvest. Some stores execute saturation mailings to ZIP codes around a particular location, frequently to promote store openings.

Editorial content typically features recipes, how-to cooking articles and information on in-season ingredients. Some extend beyond this into diet, exercise and wellness, or even home decor. Hannaford added lifestyle content when it redesigned *Fresh* in 2006. It still includes recipes and food photography, but also more on food trends, health information and cooking

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gadgets, as well as news about the chain's Guiding Stars program, space for Hannaford personnel to share information, and more specialized recipes for time-starved readers, those on restricted diets and parents who want to cook with their kids. Shaw's has experimented with publications devoted to women's whole health and to wine, while Kroger's *Optimum Wellness* focuses on living a more healthful lifestyle and includes original as well as some repurposed content from AIM's other magazines, which include *Vegetarian Times* and *Yoga Journal*.

"Credible content is what this is all about," said Brown. "Without it, the project would fail."

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*Diana Pohly president,
The Pohly Co.*

Magazines can be tailored by region; *ducklings*, for example, might profile different allergies, depending on location or product availability. *Easy*, on the other hand, is primarily about entertaining and holidays and doesn't require customization from chain to chain, aside from the cover, masthead and editor's letter. *Real Food* devotes eight of its 68 pages to its individual retail partners, with each retailer's insert unique in terms of objectives and voice. "They're talking to their customers in a specific way, and each has its own personality," said Fox.

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advertising from vendors, as well as featuring ads for the chains' store brands. "We do have available ad space, and vendors have purchased ads, but the income is minimal," said Dumais.

"Advertising is nice, and it's important," Brown added. "But this is really a customer affinity program."

Brown also stresses that custom magazines should be just one component of an overall "media channel." When King Fish launched *ducklings* in September 2003 to a test market of 100,000, "the question was, could a benefit-rich mom's

program be born from this publication?" he asked.

There are now 1.2 million moms across all four chains involved in the *ducklings* program, which includes a Web component, a three-times-per-year series of booklets and a savings sampler, in addition to the magazine.

"So, just about every month, you're getting a content-driven piece with meaningful information," explained Brown.

"People are thinking more about their audience and how to reach them," he said. "The supermarkets that get it are those that are trying nontraditional ways to reach their customer base."

