



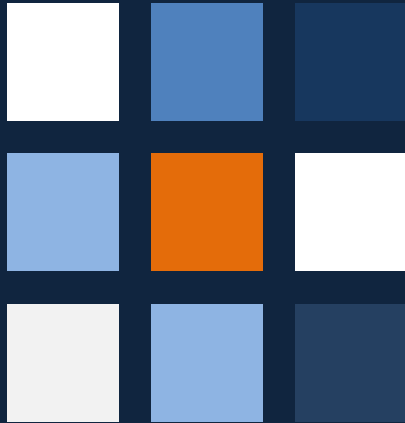
Keeping Print Alive by listening to your customers

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ABOUT US



Since 1957, Frank N. Magid Associates has used consumer insights to help businesses solve challenges and identify growth opportunities. Today, the company talks to millions of consumers each year as a means to counsel hundreds of businesses in many verticals ranging from media to consumer products to gaming.

Our Newspaper Experience

The New York Times

The Washington Post

Los Angeles Times



Star Tribune

The Seattle Times



the guardian



HEARST newspapers

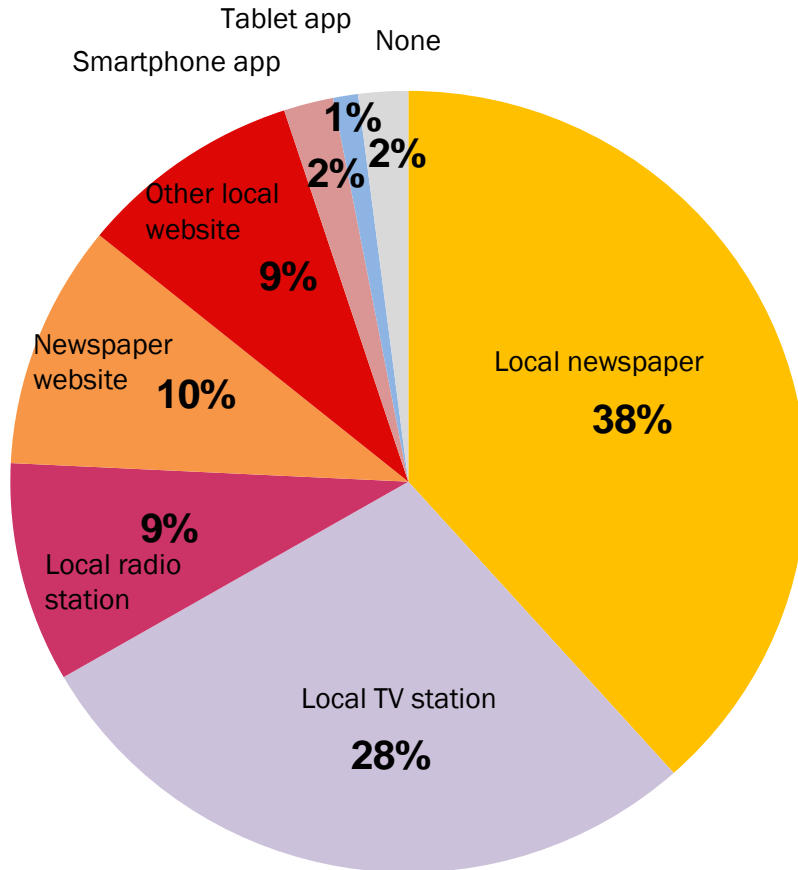
DefenseNews



Poynter.

Newspapers are still strong in smaller markets

Tying with TV and killing mobile even with young readers

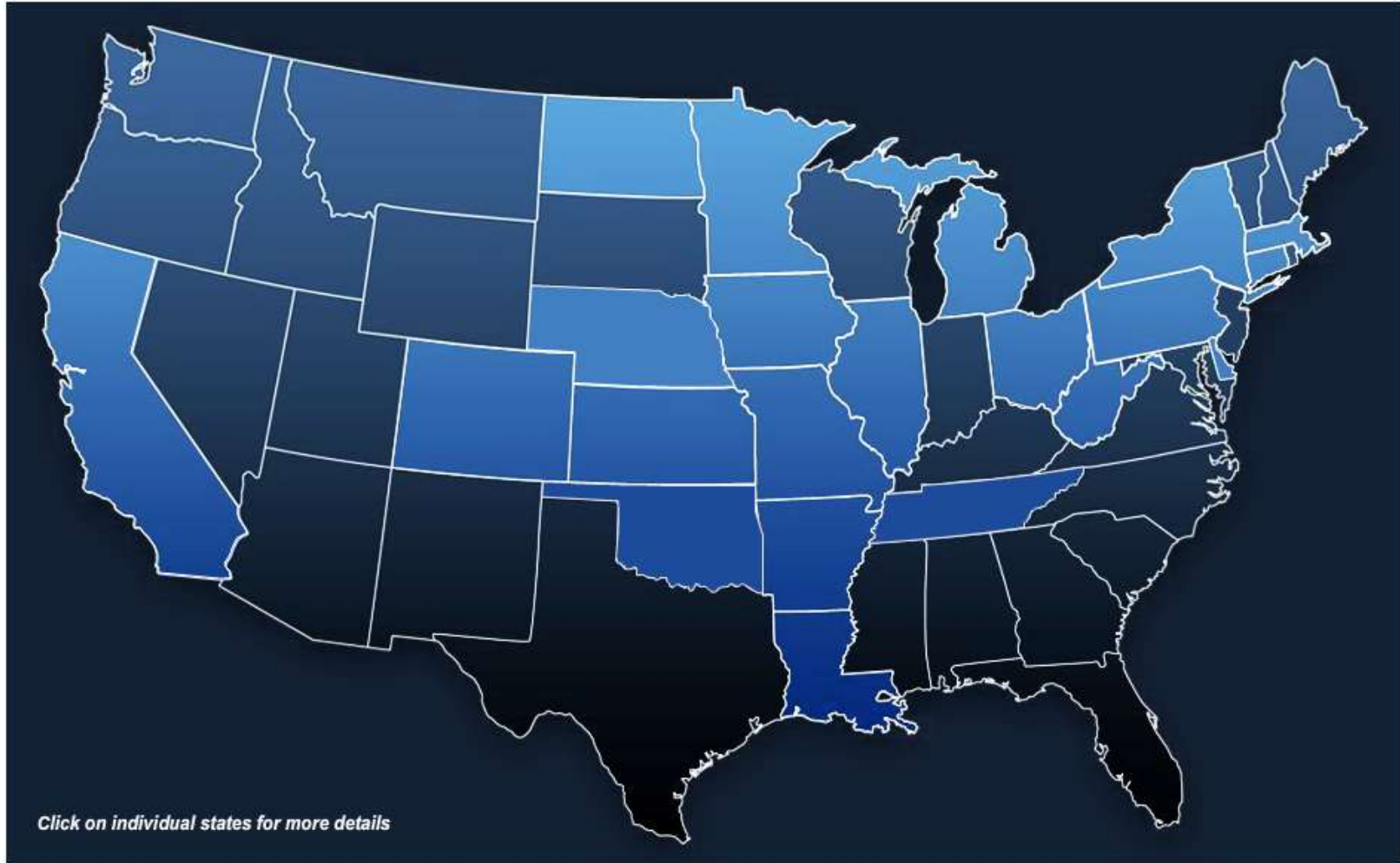


- Typically, in surveys of newspaper readers, Magid finds that TV is the leading choice (norm 44%-53%).
 - Newspapers usually are a distant second (norm 14%-22%).
 - Radio can have a range depending on the market (6%-21%).
 - Digital sources typically are not as strong (13%-16%).
- The findings here are consistent across most Large Dailies and Community papers.
- The print advantage skews A45+. Younger people are more split in their choice of main source:
 - Age 18-34 chose newspaper (14%) and TV (15%) equally
 - Ages 35-44 still preferred newspaper (24%) to TV (22%) equally
 - Digital sources lead for ages 18-34 (55%), and for ages 35-44 (41%), declining rapidly by age to just 12% of ages 65-74.

Base: Total Market

About GateHouse Media

418 Websites • **88** daily newspapers • **257** weekly newspapers • **95** shoppers



The Newspaper of the Future

- Magid believes that newspapers can leverage their unique and valued brand attributes and the voids in local markets to fulfill local media and advertising needs.
- Magid has developed a disciplined, multi-phased process of ideation and consumer-based validation research to design the blueprint for the Newspaper of the Future.
- By re-structuring the business model and leveraging local assets, a newspaper can be transformed from a weakening print media company into a highly valuable local multimedia and advertising sales enterprise.

The Goal: Dramatically increase your feedback from people: viewers, users, and information consumers.

- Increasing research capability by establishing a proprietary panel
 - Getting more research for less money per study.
 - Ability to talk to your consumers more frequently – potentially as many as 6 times per year or more.
 - Highly flexible.
 - Faster turnaround.
 - Tracking the growth/change of news consumer wants, needs and opinions.
- What's in those surveys:
 - Content ideals.
 - Concept testing.
 - Test promotion.
 - Tracking customer attitudes
 - Sales efforts – for example, use of panel to test advertising for client development.



Why Newspapers?

Or more importantly, what's happened to print:

- **Understanding Market Voids:** Identifying brand and market shortcomings, and quantifying these gaps to lead to stronger product and consistent growth
- **Defining Content Focus:** Implementing a more focused content selection process based on consumer attitudes to increase product relevance and use
- **Overhauling Content Presentation:** Executing concept development and testing to reinvent presentation, style and tone to create a more compelling product
- **Optimizing Distribution:** Re-working circulation strategy based on areas of readership for efficiency and cost savings
- **Enhancing Advertiser Products and Services:** Developing new and enhancing current ad products, services and sales strategies based on advertiser needs to increase ad revenues
- **Maximizing Advertising Effectiveness:** Helping advertisers optimize print and digital ads to drive incremental revenues for media companies

Understand Market Voids

Finding space to win.

Lack of meaningful depth and detail

Lack of content relevance and uniqueness

Lack of original reporting and watchdog journalism

A failure to understand the community and its ideals

A failure to demonstrate market expertise

Boring and/or confusing presentation

Bias

About GateHouse's survey work

- 5,000-member panel covers 17 markets
 - 8 Large Daily and 9 Community Group papers
 - 7-day and 6-day newspapers only
 - Excludes households with GHS/ media employees
 - Panelists recruited February/March 2013 via newspaper and online ads and email blasts
 - Some papers also ran columns asking for participation
- To date, four content surveys completed:
 - Baseline survey: Studied consumers' attitudes and interests with respect to local news, with specific focus on GHS print and digital products
 - Content interest survey: Gauged panelist interest in broad categories and specific topics of content
 - Two prototype surveys: Tested content/photo mix and design preferences
 - A fifth survey, focused on Local Events and Things to Do is in the field

Key insights

- GHS papers – strong brands, but vulnerable
 - In almost all markets surveyed, the leading source for local news
 - Emotional connections to papers run deep
 - Clear we can make improvements and readers want us too
- Panelists have a strong desire for the paper to feel more substantive – highlighting need for strong enterprise reporting
 - Trustworthy, high quality, investigative, complete, in-depth and smart are among top attributes aligned with positive evaluations
 - ‘More local coverage in the Main section’ and ‘More depth to news stories’ = greater value
 - Preference for front pages with more text, fewer photos

Key insights

Five areas readers consistently say are most important to them, in aggregate, across GHS markets:

1. Things to do
2. Investigative
3. Crime
4. Nation and world
5. Politics and government

Content interests are more similar than different across markets

- Investigative, Things to do rank consistently high
- Personal impact, relevance increases interest
- Variations in emphasis exist by market
- Story interests mostly similar among men and women

Lots of different prototypes tested

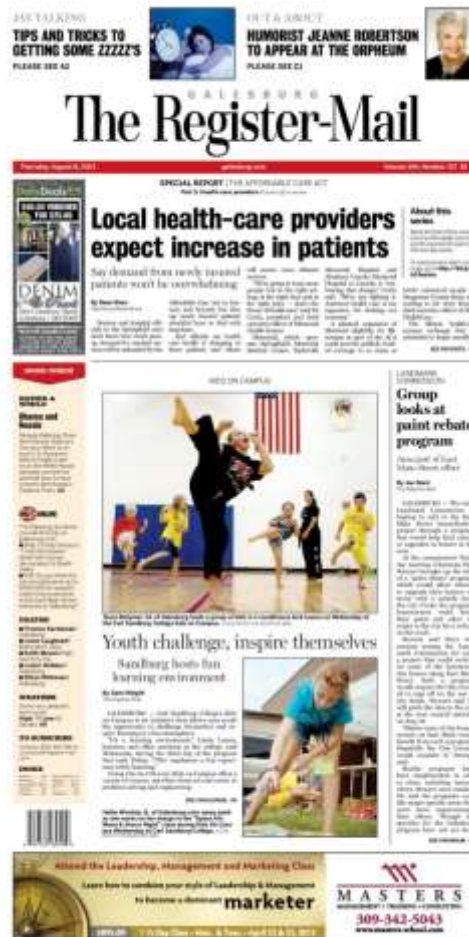


Prototype learnings

TODAY

PREFERRED OPTION

- Two rounds of prototype testing
- 2:1 preference for prototype closest to what we currently produce



Prototype learnings

- What readers like about prototype:
 - Skybox: More colorful, more content
 - Left rail: Briefs clearly highlighting National and Local news
 - Content mix: Four stories, smaller photos better delivers on expectations for newspaper
 - Three-day weather forecast
- Additional P1 insights:
 - Readers prefer a mix of local – national – international on front page
 - Enterprise, hard new stories typically outperform features
 - With photos, quality, size and quantity matter:
 - Too many, too large negatively impacts perception
 - Large photos must be very strong or tied to an important story
 - Feature photos of any size rarely work on P1

Short-term movement

- **ENTERPRISE CONTENT:** Create a mindset and work environment that foster a deeper understanding and explanation of a topic and, ultimately, provide an answer to the question, “Why”?
- **PACKAGE LABELS:** Highlight enterprise/ investigative work with labels to let readers know this type of work is being done
- **BRAG BOXES:** Share with readers the backroom insight and effort involved in creating content. It will add value to the stories
- **THINGS TO DO:** Engage readers through a dynamic display of calendar lists and event guides
- **LOCALIZE CONTENT:** Find the personal relevance to state, nation and world news to let readers know why it matters to them

Label example

A STATE JOURNAL-REGISTER SPECIAL REPORT

THE STATE'S \$100,000 CLUB

More than 6,200 state employees earned \$100,000 or more last year. The state's top earners accounted for more than 17 percent of Illinois' total payroll. Who are they? And ...

THEY EARN HOW MUCH?



Brag box example

CLIP & SAVE
COUPON SAVINGS OF UP TO \$56 IN TODAY'S NEWSPAPER
SEE INSIDE

GRAND OPENING
September 25-30
See Page A6 & A7 for details

GALESBURG

The Register-Mail

GALESBURG, September 25, 2012 galesburg.com Volume 144, Number 1027 \$2.50

REGISTER-MAIL SPECIAL REPORT
NEW IMMIGRANTS

Destination America

French-speaking Africans are migrating to Galesburg on transit, and are finding a curious and friendly community and painful employment

By Joe Ward
The Register-Mail

Following a dream
Kamil Adamowski works to find his way to America

About this series
The Register-Mail has tried for two years to tell the story of Galesburg's burgeoning immigrant population. After many starts and stops, reporter Joe Ward was put in touch with some of the French-speaking immigrants through the organizations that provide outreach to the community. He then spent weeks with the immigrants, spending time in their homes and the classrooms where they study. The following is a series of reports on why the group is here, how they got here and how they are getting along.

ON THE WAY TO AMERICA
Building bonds, banishing demons

Inside the story
A difference that goes beyond religion, culture, or language. It's about the desire to build a better life.

By Tom Lewis
The Register-Mail

GALESBURG — It's a small town, but it's a town that's growing. And it's a town that's growing in a way that's different from the way it's grown in the past. It's a town that's growing in a way that's different from the way it's grown in the past. It's a town that's growing in a way that's different from the way it's grown in the past.

By Joe Ward
The Register-Mail

New York City was too expensive. Making soap in Pennsylvania didn't pay enough. But soon after arriving to America, Charlie Ngunda caught a break. A fellow immigrant told him about a meat processing plant in Monmouth, where he could earn twice as much as in Pennsylvania. Ngunda departed for the Midwest.

Ngunda is one of a growing number of African immigrants living in the Galesburg area and working meat processing jobs. The phenomenon is too recent to be accurately reflected in U.S. Census data — many of Galesburg's newest residents have come since 2010 — but census estimates show that 710 Knox County residents have African ancestry,

SEE DESTINATION, A12

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Things to do example

THIS WEEK'S HIGHLIGHTS
Here's a look at some of the biggest events happening around the Rock River Valley this week. For a listing of more events, visit rockstar.esiesays.com/events.

FRI.

Have a laugh

What: Comedian Dennis Miller
Where: 7:30 p.m.
Where: Coronado Performing Arts Center, 304 N. Main St., Rockford
Cost: \$77, \$57 and \$45
Information: Miller is a five-time Emmy Award winner for his late talk show, "Dennis Miller Live," which had a nine-year run on HBO. He also is an author.
Contact: 815-968-5222; ticketmaster.com

FRI. - SAT.

View artists' works

What: 26th annual Fall ArtScene
Where: 5 to 9 p.m. Friday, 8 to 9 p.m. Saturday
Where: Thirty-four locations in the region. For a full list, visit fallartscene.com
Cost: Free
Information: The event showcases original works of art.
Contact: fallartscene.com

SAT.

Attend a concert

What: Rockford Coronado Content Association presents Cantus
Where: 7:30 p.m.
Where: Coronado Performing Arts Center, 304 N. Main St., Rockford
Cost: \$35, \$45, \$30, \$15 for students
Information: Cantus is a male a cappella vocal ensemble.
Contact: 815-847-6014; rockademics.org

CAN'T MISS THIS WEEKEND

Build a scarecrow

What: Scarecrow Harvest Festival
Where: Noon to 5 p.m. Saturday and Sunday
Where: Midway Village Museum, 6799 Guilford Road, Rockford
Cost: \$7, \$5 for students and 3- to 17-year-olds, free for museum members
Information: Make and take a scarecrow. The museum will provide the straw for free. Buy a clothed, hat, shirt, pants and other traditional accessories on a timer using your old clothes from home to make as many scarecrows as you can carry.
Contact: 815-397-9112; midwayvillage.com



Rockford Register Star
Newspaper of the Rock River Valley

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Cancer study hopes to use your vitals

Voters might have say on \$12M Irene project

Crimson Ridge PANDORA® Breast Cancer Awareness Beads

Implementing the front page

- Ongoing: Continue to experiment with content in priority areas: Investigative, Things to Do, Localization of national news
- Page 1: Template changes in place
 - Consistent left rail, with National and Local brief sections
 - Four stories, with one National story most days
 - Keep photos at four columns most days
 - Three color sky boxes
 - Front page weather



Next steps

- Deeper-dive content surveys will focus on:
 - Local Events/Things to Do (in field through 3/7)
 - P1/Main News: Mix of local, state, national, international, politics and government, investigative
 - Crime, business, education and weather
 - Sports, opinion, obits
- Using insights from next round of content interest surveys, develop strategies and implementation plans for content coverage across targeted categories and sections

Getting it into Readers hands

It's all well and good to make a great paper....

We have found that newspaper circulation strategy needs to be re-assessed based on:

- Those who read the paper live in higher demo areas that are generally suburban as opposed to center city
- Those who “use” the paper for coupons and non-content reasons live in lower demo areas
- Different marketing messages needed for acquiring these different types of readers
- Content that needs to specifically reflect important geographical areas
- Circulation tiers need to be created to ensure alignment with acquisition and subscription goals

Paying for All This Great Content

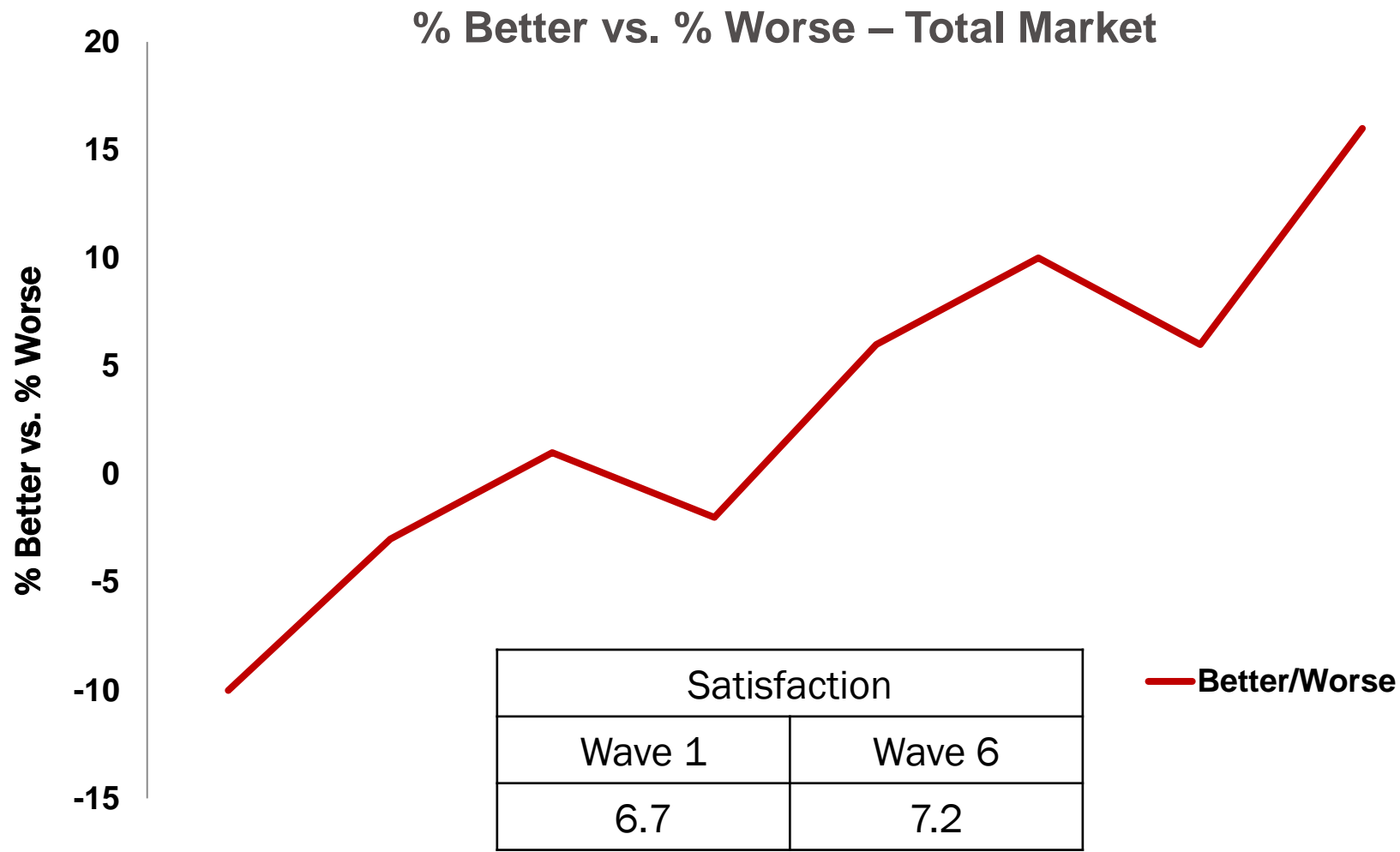
Are your ads helping or hurting your efforts for your clients

In order to increase ad effectiveness for advertisers and ad revenues for media companies, Magid has developed a customized process (Magid Advertising Performance Research) that improves advertising effectiveness across platforms.

We work with media clients to identify opportunities, conduct consumer research to test ad creative, and provide actionable recommendations to improve advertising performance.

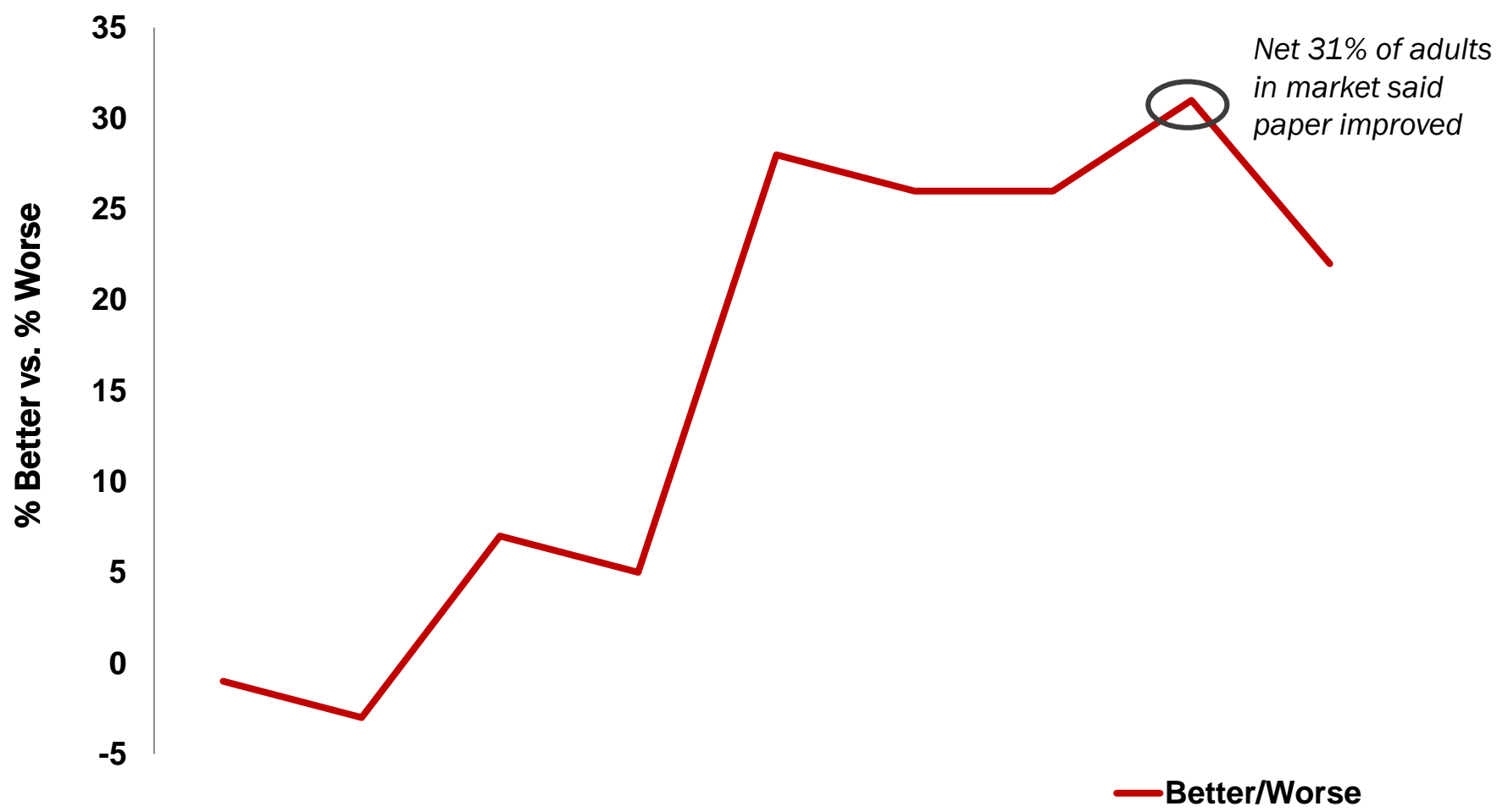
The process positions our media clients as valuable partners in helping to improve ad performance, thus **enhancing their relationship with key prospects which leads to new or larger media buys**. We have completed over 75 engagements and generated over \$1MM in incremental advertising on average for top ten market clients.

Case Study: Improvements in Market Position After One Year



Case Study: Improvements in Market Position After One Year

% Better vs. % Worse – Total Market





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