

Custom Publishing Gets a Makeover

Fueled by Tech Advances, Niche Expands to Include E-Mail, Word-of-Mouth By Nat Ives



Chris Schraft, President, Time Inc. Content Solutions and Liquid Dialog

CUSTOM PUBLISHING, the arm of the magazine business that turns out titles such as Jeep and Departures, is being transformed as surely and swiftly as any other feature in the media landscape -- to

the point that some practitioners even correct you for still calling it custom publishing.

"We would rather call it custom marketing today," said Wendy Riches, exec VP at one of the biggest custom players, Meredith Publishing Group. That's because what used to be custom publishing now includes word-of-mouth, the internet, e-mail newsletters, mobile alerts, deeper database crunches and complex behavioral modeling.

The expansion in related spending can hardly help but transform the field at the same time: Custom revenue ballooned to \$37.4 billion in 2006 from \$22.1 billion just two years before, according to Veronis Suhler Stevenson.

Then there's the media and marketing revolutions going on elsewhere, which have served to elevate the relationship management that is custom's key strength. "In a world of oversupply, where there's very little product differentiation in the marketplace and even some commoditization, it then becomes critical for these organizations to truly create a relationship with their existing customers," said Chris Schraft, president of Time Inc. Content Solutions.

Custom publishing and associated efforts, as a result, are marching across the magazine business. Content Solutions, whose publications include MyFord and

Merrill Lynch Rewards, recently opened an interactive-specialist unit called Liquid Dialogue. Next month the Custom Publishing Council, up to 90 members from 25 when it split from the Magazine Publishers of America in 2002, will publish the second issue of Content, its own magazine.


"The core premise of why people do custom publishing hasn't changed," said Val Valente, VP-publishing director at Rodale Custom Publishing, which has produced titles for major advertisers including Bloomingdale's, Kraft Foods and Johnson & Johnson. "The desire to communicate directly with consumers, control the message, wrap the brand in an editorial context, generate loyalty, express a brand identity -- all those reasons still hold true. Custom publishing has become part of the larger concept that's out there in the market called branded content, where companies are saying, 'We need to control our message.' We're just riding that wave."

TARGETING

Maybe so, but the surfboards are getting pretty fancy. Meredith, for example, recently bought a database-analytics company called Directive to build out its custom abilities. "As the technology's gotten better, the costs have come down," Ms. Riches said. "We can now build enormously strong predictive models to help us. It would be who's most likely to be interested in this new car, what are the characteristics of a really high-value owner, somebody who changes their car frequently, who is loyal to a particular make of car."

Mark Stanich, chief marketing officer of American Express Publishing, said the sector could still use a higher profile. "Custom does get overlooked sometimes," he said. "But it's really cost-efficient, and it's really targeted. You know exactly who these people are, and you know they buy a lot of stuff from you. Why wouldn't you want to talk with them?"

The big players

	<p>TIME INC. CONTENT SOLUTIONS AT&T welcome kit</p>	<p>OTHER TITLES INCLUDE: MyFord for Ford Motor, Merrill Lynch Advisor for Merrill Lynch, Homebasics for Unilever</p>
	<p>AMERICAN EXPRESS PUBLISHING Artful Living for Silverleaf luxury homes</p>	<p>OTHER TITLES INCLUDE: Auberge for Auberge du Soleil, micro travel guides for Delta, Dog's Life for Purina</p>
	<p>THE MAGAZINE GROUP WebMD The Magazine for WebMD</p>	<p>OTHER TITLES INCLUDE: Creative Living for Northwestern Mutual, The Aspen Idea for the Aspen Institute</p>
	<p>MEREDITH PUBLISHING GROUP Food and Family for Kraft</p>	<p>OTHER TITLES INCLUDE: Access DirecTV for DirecTV, Lasting Moments for Creative Memories scrapbooking company</p>
	<p>RODALE CUSTOM PUBLISHING Diane magazine for Curves International fitness centers</p>	<p>OTHER TITLES INCLUDE: Little Brown Book for Bloomingdale's, Tourneau Times for Tourneau, Lamaze for Lamaze International</p>
	<p>PACE COMMUNICATIONS Southwest Spirit magazine for Southwest Airlines</p>	<p>OTHER TITLES INCLUDE: Delta Sky for Delta Air Lines, Hemispheres for United Airlines</p>
	<p>POHLY CO. In Bloom for Bloom supermarkets</p>	<p>OTHER TITLES INCLUDE: Continental for Continental Airlines, Fidelity for Fidelity Investments</p>
	<p>REDWOOD CUSTOM COMMUNICATIONS Expo.com for Home Depot</p>	<p>OTHER TITLES INCLUDE: Legends for Mohegan Sun, Rouge for Procter & Gamble, Zoom-Zoom for Mazda</p>