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# Action.

When the wind of change blows, some build walls and others windmills, says an old Chinese proverb. The wind of change was strongly felt by the printing industry in the past year. Meanwhile, there are many signs that the first windmills are beginning to turn.

The companies that have already initiated changes to maintain their success under these new conditions are as different as their solutions. However, the various structural adjustments and strategic developments have achieved one thing in common: business is picking up. The printing industry, at least in most regions of the world, is experiencing an upswing.

With analyses and reports from the entire world of print, *expressis verbis* edition 2011 aims to provide the necessary overview to continue setting the course for the future. Taking advantage of difficult times to assess the current situation and analyze their potential and market opportunities allows companies to react accordingly and utilize this information for sustainable growth and success. The crisis is certainly not the easiest of moments to undertake change – but it is the best one. ■



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The Executive Board of manroland AG: ■ Gerd Finkbeiner ■ Dr. Ingo Koch ■ Dr. Markus Rall and ■ Paul Steidle.

# The yin and yang of the printing markets.

■ Black and white. These are the colors in which the global printing market presents itself today. On the one hand, there is the black yin of large, established printing markets: decreasing print runs cast a dark shadow on the future prospects of an entire industry. On the other hand, the sparkling white yang of the BRIC countries displays a strong contrast. There, high growth rates are responsible for a sense of optimism. However, the BRICs also have a flip side. Highly dynamic economies increase investment risks. And in the established printing markets, the prospects are not as dim as they are often presented. Innovative business models pave the way for a secure future.

This requires courage to make changes and the will to look ahead. Painting doomsday scenarios for the printing industry does little more than eat up time and fails to do justice to current opportu-

nities. Four of these are briefly outlined below.

First, paid newspapers have demonstrated growth on a global scale. Decreasing print runs in Oceania, Europe, and North America are more than compensated for by strong growth rates in Africa, Asia, and South America. Second, the Internet has not replaced catalogs. Two thirds of customers – even 69 percent of the 14- to 29-year-olds – prefer using printed catalogs to placing orders online. Third, books are alive and well. Contrary to widespread expectations, the book market has remained stable; telephone books have also maintained their position in the face of online search machines. Fourth, the packaging market has registered increases in every region.

All these developments, however, are not an invitation to wait patiently for better

times. The printing industry must face its current challenges head on in order to capitalize on chances for the future. Adjusting to the decreasing demand for printed products is just as essential as making compensations for the increasing costs for raw materials, paper, shipping, and energy. Above all, entrepreneurial thinking cannot allow itself to be limited by narrow mindsets and national boundaries.

Specific responses for future growth strategies can surely only be found one by one. The current *expressis verbis* edition 2011 would like to offer support in this endeavor by way of analyses, assessments, and forecasts. Let us face together a boldly printed future full of new prospects. ■



*Gerd Finkbeiner* ■ *Ingo Koch* ■ *Markus Rall* ■ *Paul Steidle* ■

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## Looking at newspapers and magazines.

**16 For a fistful of dollars.** It's a fact that one is reluctant to spend hard-earned cash, and certainly not for information from the Internet. This is the Wild West for copyrights. However, often the publishers themselves bend the law somewhat as Thomas Knüwer found out.

**18 A niu newspaper.** A new generation of newspaper with a novel approach that has the potential to attract ever more readers. The concepts of these revolutionary print media forms are as different as the readers they are targeting. Still, Wanja Oberhof believes they all have one thing in common: a healthy portion of courage.

**20 From courier to ambassador.** The Internet does not spell the end of newspapers. On the contrary, it offers newspapers the opportunity to focus. They only have to do it, insists Jörg Häntzschel, Culture Correspondent at the Süddeutsche Zeitung.

## Commercial printing finding new opportunities.

**22 Corporate Publishing is the trump card.** The cards in the media mix are being shuffled anew. As we all know, digital media forms have good chances to gain a significant share of advertising budgets. However, print still holds many trump cards. One of these is Corporate Publishing (CP), as the Stuttgart Media University (HDM) found out.

**24 Many interesting pages.** Walter Freese believes that variety is the key for a successful customer magazine. The more topics a magazine offers, the higher the probability it will provide what the reader likes. It's like a well-run department store: something for everyone so that the cash comes in.

**28 The workhorse of advertising.** After years of riding high from one year of growth to the next, the financial crisis is forcing advertisers to switch their mounts. Sinking budgets demand efficient communication with a targeted customer approach. Modern vehicles such as social media campaigns and e-mail marketing are quick to be heralded as cure-alls by the press. Yet the real work is accomplished by a completely different source. A development report from the Stuttgart Media University about "good old" direct mailings.

**30 Hats off to Mr. Litfaß.** On April 15, 1855, as the Berlin printer Ernst Litfaß was striding along to Münzstraße near Alexanderplatz with his top hat and cane, he knew that he was on to something. Nonetheless, even the father of outdoor advertising would be astounded at the innovative force that his advertising columns still possess today. A development report from the Stuttgart Media University.

**32 Effective Communication.** It is not a coincidence that teacher-centered lessons in classrooms are on the decline. This is a sign of our times. Advertisers have already been forced to learn that one can no longer simply dish up information. These days consumers want individualized content. The trend report from Peter Wippermann shows how this is already being successfully implemented and why print plays an important role here.

## Packaging for professionals.

**34 The sustainability factor.** Obviously, we can't do without packaging. At least when we don't want to go shopping with our own cans, bottles and cartons, and ignore food hygiene regulations. However, for a growing number of consumers there should only be as much packaging as absolutely necessary – and made from the most environment-friendly material. Otherwise more and more products will be left on the shelves. Erik Lämmerzahl believes this is so and has many figures to support his case.

**36 Taking off the organic crown.** No more boasting about environmental friendliness or the reduction of carbon dioxide emissions. Companies can no longer advertise sustainability to enhance their images, says Regina Schmidt. As an economic factor, responsible corporate action is now a given.

**38 Expensive bargains.** There's nothing wrong with being thrifty. Those who honestly look for bargains can be justifiably proud of saving a lot of money. However, counterfeit products are only bargains at first glance because others subsidize them: brands lose customers, workers are paid too little, and sometimes the buyer's health is at risk. Valentina L'Abbate reports on the curse of brand piracy.

**42 Real time.** Time is running out for forgers and product pirates. Only microseconds lie between deceptively genuine and genuinely forgery-proof. In this time, a fingerprint is applied to the package just like the criminal investigation department loves: easily recognizable, unique, and stored in a database. The original text from Dominik Giel explains how this already works with offset printing.

## Looking at books.

**44 Ripe for new editions.** Books are always good for a surprise. The latest: despite all new media, they are achieving a growing readership. An increasing number of people turn to the bookshelf from the age of 50 and above. This can be attributed to higher educational levels, as shown in a study issued by the German Publishers and Booksellers Association (Börsenverein des Deutschen Buchhandels), but also to good legibility.

**46 Writing a book.** For most of us that remains an unfulfilled dream, yet in recent times many brands have been very successful authors. This is of course because brands enjoy the luxury of having others write for them. Still, it also shows that books have regained an attractive niche position in the media mix. Dr. Andreas Siefke investigates the new trend towards the good old book.

## Media competition.

**48 Multicultural media.** Germany gave us the Pope. Spain is the World Cup champion. Dubai has its hotels. These are all clear-cut contributions. But who spends the most time in front of the television? Where do the most avid newspaper readers live? Who is the long-distance champion on the Internet superhighway? A recent study by the Stuttgart Media University provides answers to these questions. Discover the top media-using nations.

**50 Intention connects.** The assertion that the Internet spells doom for all printed media does not even bring a weary smile from the Grim Reaper. Print is escaping death from the Internet just like radio did from the movies and the movies from television. Media is not black and white but a colorful mixture. A life certificate from Yvette Schwerdt.

**52 Friendship request.** If social media and print were members of Facebook, they would have befriended each other a long time ago. Their mutual acquaintances are numerous, their interests nearly identical. At the very latest, they would have found each other in the new media group. But they would be baffled at why so many people object to their friendship. Wolfgang Lünenbürger-Reidenbach is as well.

## Epilogue.

**54 Leaving a good impression.** The last personal message in a person's life is written by their survivors: the obituary. This is a matter of trust and confidence that is often assigned to specialized printing companies. For Reiner Sörries, this is not based solely on tradition. The wide variety of modern customization options can play a convincing role. Not for everyone, of course, as mourning is highly individual.

**56 Sources.** The source directory provides detailed information about the statistics, charts, surveys, and studies contained in this edition.

**59 Glossary and imprint.** Who, what, when, with whom, and where.





# Making it happen.

During a period in which ratings fail to cast a positive light on the printing industry, obtaining lender approvals depends on far more than putting your best foot forward. Print companies are better served by on-time balance sheets and the latest business assessments. An appeal by Raimund Gabriel.

■ The printing industry needs to implement modernization measures to increase its competitiveness. However, the aftershock of the financial crisis, the continuing credit crunch, and surplus capacities in the industry complicate future investments. In addition to classic borrowing – which is currently rather difficult – the industry has a series of financing alternatives at its disposal. These range from private equity investments and leasing to factoring. Public funding programs are also an important component.

Any successful financing endeavor nonetheless requires close cooperation with banks and leasing companies, as well as

a strong balance sheet and even stronger risk tolerance on the part of entrepreneurs.

**Public funding is more important during the financial crisis.** This applies especially to medium-sized companies, historically strong in Germany. The Medium-sized business barometer by Ernst & Young from summer 2009 shows that 46.9 percent of the companies surveyed plan to use public funding programs as a financing instrument. In Germany, the Reconstruction Loan Corporation (Kreditanstalt für Wiederaufbau, KfW) is one of the most important players in providing support to medium-sized businesses. In 2009, support for medium-sized companies increased by 40 percent over the previ-

ous year (to a total volume of 23.8 billion euros).

KfW programs include, among others, services in the areas of loan financing, mezzanine financing, and equity financing.

Financing possibilities depend on the purposes of funding and vary with a company's size. For a company to strengthen its capital base, private equity, i.e. the provision of capital by a capital investment company, mezzanine financing, as well as silent partnerships are all alternative financing options. These options, however, are often only available to companies with revenues starting from 20 million euros. Financing costs are an additional factor:

Since these are for example often higher for mezzanine loans than pure financing through external capital, they are a better match for larger middle-sized companies. Mezzanine capital is a mixture of equity and debt capital, through which the equity ratio is increased and simultaneously treated as external capital for tax purposes. Among its advantages are that the corporate structure and thus the company's exercise of influence remain unchanged.

Most German printing companies number among the smaller companies that continue to rely on classic financing methods such as accumulated profits, leasing or loans from creditor banks, and shareholder contributions. That companies are already actively searching for additional alternatives is shown in the development of factoring, that is, the sale of accounts re-

ceivable from goods deliveries or services to a factoring company. This financing form has grown in popularity: around 17.6 percent of medium-sized companies surveyed by Ernst & Young plan to employ this currently rather seldom-used instrument in the future. Implemented together with other measures, it optimizes liquidity, a typical bottleneck in the resource-intensive printing industry.

The exploitation of financing potential requires improvement in the collaboration with banks and leasing companies. Their evaluation criteria, processes, and assessments, which are published by industry analysts, for example, must be more carefully observed. An initial hurdle are industry ratings. Due to the existence of surplus capacities, low equity ratios, and default risks, printing companies often receive relatively critical assessments.

The default risk in the industry alone was evaluated by the Creditreform business information service in 2009 at 2.49 percent. The estimate for 2010 is at 2.54 percent. The industry-specific equity ratio is viewed even more critically; 10 percent for the printing sector is well below the German (31 percent) and international average. In comparison, in France, the equity ratio is at 38 percent and in Belgium even higher at 53 percent. The industry rating is also negatively impacted by high surplus capacities of up to 30 percent. With 20 percent, even the automotive industry registers a considerably lower rate than the printing industry.

A well-founded, promising business model and thorough business plan are therefore essential for a positive lender assessment. Decisive factors include the quality and timely availability of key performance

#### Benefits and drawbacks of financing methods at a glance

Term	Definition	Benefit	Drawback
<b>Private equity</b>	Off-exchange provision of capital by a capital investment company.	<ul style="list-style-type: none"> <li>■ Management support by the investor.</li> <li>■ No interest and redemption payments in contrast to bank loans.</li> </ul>	<ul style="list-style-type: none"> <li>■ Investor influences company strategy.</li> <li>■ Change in ownership structure with sale of shares.</li> </ul>
<b>Mezzanine capital</b>	Mixture of equity and debt capital that increases the equity ratio and is treated the same as external capital for tax purposes.	<ul style="list-style-type: none"> <li>■ Same accounting as equity.</li> <li>■ Improves creditworthiness and rating.</li> <li>■ Shareholder structure and thus influence over the company remains unchanged.</li> </ul>	<ul style="list-style-type: none"> <li>■ Considerably higher financing costs than with traditional financing options.</li> <li>■ Usually only available to larger medium-sized companies.</li> </ul>
<b>Silent partnership</b>	Lender makes a capital contribution to an existing company without appearing in the public eye.	<ul style="list-style-type: none"> <li>■ Silent partner remains anonymous.</li> <li>■ Straightforward form of capital procurement.</li> </ul>	<ul style="list-style-type: none"> <li>■ Investor is directly involved in the profits and capital gains of the company.</li> </ul>
<b>Factoring</b>	Sales of accounts receivable from delivered goods or services to a factoring company.	<ul style="list-style-type: none"> <li>■ Default risk is transferred to the factor.</li> <li>■ Improved liquidity.</li> </ul>	<ul style="list-style-type: none"> <li>■ High interest payments.</li> <li>■ Not suitable as a replacement for existing loans.</li> </ul>
<b>Leasing</b>	Renting and leasing of assets for a defined period.	<ul style="list-style-type: none"> <li>■ Investments without use of equity.</li> <li>■ Off-balance sheet, therefore improves equity ratio.</li> </ul>	<ul style="list-style-type: none"> <li>■ Usually no property acquisition.</li> <li>■ High overall costs compared to debt financing.</li> <li>■ Leasing contract usually cannot be terminated.</li> </ul>

Source: Doring/Wohe: Introduction to General Business Economics (original: Einführung in die allgemeine Betriebswirtschaftslehre) Vahlen, 1960; IHK Wiesbaden, Financing Alternatives, 2009.

indicators and balances. This is especially critical when institutions separate their analyses, ratings, and lending decisions from customer support. In an anonymous procedure, the quality of a balance sheet is examined and the discretionary framework for account representatives of banks and financing companies defined. Since this leaves little to no leeway for personal persuasion, the quality and transparency of the balance sheet and key figures become all the more important.

**Many financing applications fail due to simple criteria.** Balances are not made available in a timely manner or the monthly management accounts are delayed. To avoid these complications smaller companies without an internal finance department should therefore call in external partners at an early stage.

All measures to optimize accounting and balance sheet quality should be completed before the financing application is submitted. This includes, for example, the reorganization of internal and external accounting based on the criteria of time, quality, and transparency. The submission of data in due time, the completeness of information, and the sophistication of the data are decisive. Improved management of creditors and debtors, as well as timely claims management and handling of supplier credits also optimizes accounting.

Long-term financing is only possible with excellent quality balance sheets and seldom granted without personal collateral. The current financing environment often demands that managing directors, shareholders and proprietors assume corporate risk. Despite claims of limited financial latitude and enduringly difficult business conditions, companies hold the reigns when it comes to improving their position vis-à-vis lenders. ■

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#### Forms of financing used

In Percent	What financing instruments do you currently use?	What financing instruments will you use in the future?
Financing based on retained earnings	63.1	67.4
Financing from write-offs/reserves	51.9	54.3
Leasing	50.5	52.2
Bank loans	48.1	51.6
Financing from shareholder capital	35.2	36.8
Public funding programs	33.1	46.9
Joint venture	15.8	20.9
Private equity/strategic investor	13.8	14.6
Going public	13.7	14.1
Silent partnerships	12.6	19.2
Factoring	11.7	17.6
Sale of parts of the company	10.4	16.0
Participating loans	8.8	10.8
Subordinated loans	7.6	9.1
Profit-sharing rights	7.2	9.1
Promissory notes	7.1	8.0
Convertible/warrant bonds	4.9	8.4

Source: Ernst & Young, Mittelstandsbarometer Update Sommer 2009.



# Why invest in Africa?

Political and economic reforms, privatizations and deregulations have set new forces in motion in Africa in recent years. However, it appears that the word has not yet got around among investors. Susanne Steinel interviews Jean Pierre Gerber and Alexander Salash, Fund Managers African Opportunities, at Bellevue Asset Management.



■ African nations have massively reduced their levels of debt, introduced fiscal disciplines, and most have inflation under control with less than 10 percent. Africa benefits not only from the huge global demand for raw materials – the continent has more than 80 percent of the world's reserves of platinum, 40 percent of the gold, and 12 percent of the crude oil. The dark continent is also experiencing a boom in the renewal and expansion of its basic infrastructure. Sectors such as energy, water, telecommunications or transport routes are benefiting from direct investments from Asia, above all China, made in return for exploration rights. For many investors, Africa is still an empty patch on the investment map. Besides above-average profit opportunities, the diversification potential is especially interesting.

■ **How do you rate the print and media industry in Africa?** The local media in Africa varies widely in terms of quality and spread, and is often subject to state control. The most significant are radio and television, whereas print media plays a lesser role due to the low literacy rate (around 50 percent). The increasing spread of modern information and communication technologies may in the medium term give Internet- and

mobile phone-based media overproportional growth. In this segment for example we have invested in Naspers, a South African media group engaged in online media and Pay TV who have expanded their activities to include Sub-Saharan Africa

■ **What risks do you see for European investors in Africa?** There's no doubt that investments in emerging markets are subject to larger fluctuations due to political, economic and social factors. On top of that, the African continent consists of 53 countries in very different stages of development. Therefore the risks within Africa vary in extent. Furthermore, fundamental developments do not progress in a linear fashion and one has to expect temporary setbacks from time to time. Still, if the continent continues on the reform path it has started, we expect attractive returns on invested capital in the coming years as well.

■ **Is Africa a once in a century opportunity as many people think?** Definitely. It has been plain for many years that a pronounced shift in economic power from industrialized countries to emerging nations is taking place. Africa lacks almost everything. This is an obstacle but also an opportunity. Many fundamental indicators show that Africa lies 15 to 20 years behind India and China and has an enormous amount of catching up to do. Africa, especially North- and Sub-Saharan Africa, is still hard to find in most equity portfolios and thus offers risk-oriented private and institutional investors an extremely attractive entry point right now. As is the case for every investment in emerging nations, a well-diversified portfolio of African equities is of course recommended. ■

# Africa keeps on Waka Waka!

The 2010 FIFA World Cup was only the kick-off for an emerging continent. Management consultant Susanne Steinel analyzes how much Waka or brilliance Africa will radiate in the next few years. Best you put on sunglasses.



■ Sales for the African print market amounted to almost Euro 3.5 billion in 2009: not even one percent of the global print market of Euro 523 billion. Still, the tendency is evident. The print market in the African nations is forecasted to increase by 16 percent by 2014. If one takes South Africa, the continent's leading economic power out of the equation, the growth rate is no less than 30 percent. These growth figures are a wake-up call.

**Enormous potential.** World Bank President Robert Zoellick also agrees and puts it vividly: economic and political tectonic plates are shifting. Zoellick points out that the African national economies have weathered the global economic crisis better than many other countries. The OECD Economic Outlook for Africa forecasts growth rates of 4.5 percent (2010) and 5.2 percent (2011). India and China have already been staking their claims for years. They don't

see Africa as a conglomerate of failed states, or a continent on the brink of ruin shaped by brutal dictators, with boundless corruption, poverty, and civil wars. They see Africa as a powerful emerging region with enormous growth potential.

**Chinafrica.** The figures speak for themselves: China's trade with Africa grew from around Euro 8 billion in 2000 to over Euro 80 billion in 2008. Egypt expects

that by 2012 China will replace the USA as the most important trading partner. In many African countries, China is development motor number one. Two journalists from L'Hebdo and Le Monde have already coined a word for this: La Chinafrique. The title of their book: China safari: on the trail of Beijing's expansion in Africa.

**A creative consumer market.** In the past Africa was mainly considered to be a supplier of raw materials. Meanwhile the continent has caught the attention of international investors as a high-growth consumer market. No wonder, because investments in telecommunications, infrastructure and media are booming. Between 1998 and 2008, more than Euro 47 billion was invested in information and communication technology. In its Nollywood studios, the Nigerian movie industry has ignited a firework of creativity: over 2000 films are produced there every year, more than in Hollywood or its Indian counterpart. Annual revenues: Euro 236 billion. One can argue about the artistic merit of the films but not about the commercial success. The African Yennenga, a golden statue of a prancing stallion, has emerged as a competitor to Hollywood's Oscar.

In many of the 53 African nations there are signs of growing affluence, increasing political stability, and creative entrepreneurial enterprise. A new middle class is emerging. The so-called Black Diamond Segment or Africa Two comprises around 500 million people with access to education, health services, and consumer articles. They are driving the demand for print products. This also explains how the Daily Sun newspaper in Johannesburg managed to reach a circulation of more than 500,000 five years after it was es-

Paid for and free dailies: titles and circulation						
Number daily titles						Change in percent
	2005	2006	2007	2008	2009	2005–2009
Africa	403	422	448	469	469	16.38
Asia	5,196	5,513	5,928	6,080	6,241	20.11
Australia & Oceania	90	92	92	91	91	1.11
Europe	2,389	2,497	2,519	2,504	2,493	4.35
North America	2,140	2,143	2,134	2,128	2,145	0.23
South America	1,112	1,121	1,157	1,293	1,308	17.63
<b>Total</b>	<b>11,330</b>	<b>11,788</b>	<b>12,278</b>	<b>12,565</b>	<b>12,747</b>	<b>12.51</b>
<b>Circulation of dailies in thousand (Total average circulation)</b>						
Africa	9,267	10,068	10,755	11,681	12,246	32.15
Asia	305,791	321,513	340,562	345,884	348,770	14.06
Australia & Oceania	3,675	3,735	3,779	3,670	3,626	–1.33
Europe	109,922	117,521	119,457	118,264	108,406	–1.38
North America	71,186	70,716	69,710	66,942	64,436	–9.48
South America	14,128	14,775	15,670	16,277	15,963	12.99
<b>Total</b>	<b>513,969</b>	<b>538,328</b>	<b>559,933</b>	<b>562,718</b>	<b>553,447</b>	<b>7.68</b>

Source: WAN-IFRA, World Press Trends 2010.

established in 2002. Over 1,000 newspapers and magazines appear in South Africa. In Nigeria, the second-largest economy in Sub-Saharan Africa with a population three times that of South Africa, there are only 100 titles. Lots of catching up to do here.

#### Is Africa a once in a century opportunity?

The growing purchasing power and access to print products is creating a new brand awareness. Product and packaging design is becoming more important. The market researchers at PIRA International forecast growth of more than 33 percent for African packaging printing between 2009 and 2014, and almost 30 percent for label printing. Publishing is in the ascendancy. The Egyptian publishing group Al-Ahram is 64<sup>th</sup> on the list of the world's 100 leading magazine publishers. The banks are growing as well. 28 of the world's 1,000 strongest banks are in Africa, mainly in South Africa, Nigeria, Egypt and Morocco. Efficient stock exchanges bring in foreign capital. The investment climate is promis-

ing. No wonder that the number of mutual funds focusing on Africa is continually rising. It is estimated that the population of Africa will double by 2050 to almost two billion. The basis is there. Africa is a once in a century opportunity for farsighted investors. ■

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# From red dragon to golden dragon.

Big, bigger, China. Reports about the print market in China read like a megalomaniac's diary, with entries such as the world's printer, lightning fast development, or the leading export nation. It almost seems that the Chinese only print in order to print more than all other nations. However, one reads less often that printed in China means much more than cheap mass production. Steffen Peters has discovered completely new qualities.

■ One doesn't need a sharp pencil to sketch the size of the red dragon: fourth-largest country in the world, third-largest economy, one-fifth of the world's population. The Chinese print market is right up there with these figures: as of 2009, China is the third-largest national print market on the planet with around Euro 49 billion. What's impressive however is not just the mass but also the dynamic growth. The market volume has doubled since 2003, and is forecasted to grow by a further 42.8 percent by 2014 to total Euro 69.6 billion. The driver behind this fabulous development is the high rating that print enjoys in Southeast Asia. As opposed to the rest of the world, printing is not regarded here as an industry of the past but an industry of the future. A future in which the red dragon will be permanently transformed.

Made in China will soon no longer be a synonym for allergy-inducing imitations but for quality. This trend is already plain to see in the streets of Beijing. Dilapidated buildings have been replaced by high-tech skyscrapers and bicy-

## Printing revenues by regional/national market, 2003 to 2009

Million Euro					
	2003	2004	2007	2008	2009
China	24,381	26,743	41,810	46,498	48,764
India	7,950	8,915	11,397	12,211	12,639
Japan	77,002	78,772	81,803	82,430	79,106
South Korea	8,406	9,023	9,615	9,689	9,299
Other Asia	15,310	14,913	17,683	18,193	18,408
<b>Total Asia</b>	<b>133,049</b>	<b>138,366</b>	<b>162,308</b>	<b>169,021</b>	<b>168,216</b>
France	20,723	20,751	21,278	20,344	19,141
Germany	32,140	31,803	31,228	30,756	28,774
Great Britain	24,212	24,709	24,528	23,299	21,658
Italy	22,089	22,094	21,102	20,885	19,574
Other Western Europe	50,065	49,921	50,762	49,191	46,113
<b>Total Western Europe</b>	<b>149,229</b>	<b>149,278</b>	<b>148,898</b>	<b>144,475</b>	<b>135,260</b>
Canada	15,051	15,306	16,004	15,685	14,813
USA	157,539	157,618	158,862	155,703	146,390
<b>Total North America</b>	<b>172,590</b>	<b>172,924</b>	<b>174,866</b>	<b>171,388</b>	<b>161,203</b>
Poland	2,719	2,950	3,171	3,089	2,909
Russia	3,927	4,146	4,878	5,198	4,956
Other Eastern Europe	6,280	6,565	7,151	7,092	6,812
<b>Total Eastern Europe</b>	<b>12,926</b>	<b>13,661</b>	<b>15,200</b>	<b>15,379</b>	<b>14,677</b>

Source: Pira International Ltd., The Future of Global Printing. Market Forecasts to 2014, 2009.

cles by automobiles. Every week 13,000 new vehicles are registered in Peking alone – in all of Europe the number is 21,000. Things have changed in the printing industry as well. Presses with the register stability of jelly have made way for modern printing technology made in Germany. Chinese printing companies are gearing up for a large-scale quality offensive.

The volume of high-end products like magazines, catalogs, advertising media and labels will grow around 60 percent on the average by 2014; less demanding print products such as books, newspapers, telephone directories or advertising supplements by 17 percent. The new quality offensive is mainly aimed at the global packaging market, which is forecasted to grow to Euro

582 billion by 2014. This market is subdivided into six types of material: cardboard packaging, rigid plastic packaging, flexible packaging, metal packaging, glass packaging, and other. According to Pira International, by 2014 China will be among the fastest growing of large national markets in all these segments. What does this transformation into a golden dragon mean for the other large print markets? Will the USA, Japan and Europe lose more and more market share to China? At least not without a fight. After all, as was already the case in Siegfried's times, the golden dragon is not invulnerable.

**Weak spot: growth.** Economic growth is the Achilles' heel of the Chinese economy. High annual growth rates are absolutely essential to compensate for the deficit in the pensions fund each year. The extent of support the Chinese government provides to a weakening economic situation can best be expressed in billions. In the crisis-ridden year 2008 – which included the earthquake in Sichuan, the milk powder scandal, and the financial crisis of its largest trading



## Chinese printing revenues by print product, 2003 to 2014

Million Euro						Change in percent 2007 to 2009	Change in percent 2003 to 2009
	2003	2004	2007	2008	2009		
Packaging	7,909	8,042	15,154	16,809	17,583	16.0	122.3
Commercial	4,041	4,699	6,853	7,561	7,834	14.3	93.9
Newspaper	4,327	4,663	6,071	6,708	6,991	15.2	61.6
Books	2,415	2,680	3,698	3,998	4,074	10.2	68.7
Advertising	1,568	1,896	3,141	3,684	4,063	29.4	159.1
Magazines	1,443	1,555	2,325	2,758	3,072	32.2	112.8
Directories	1,236	1,531	2,157	2,326	2,363	9.5	91.0
Security	821	908	1,247	1,390	1,461	17.1	77.9
Labels	319	423	650	720	753	15.9	136.6
Office stationery	197	212	293	288	293	0.1	49.0
Catalogs	105	133	222	255	276	24.3	164.1
<b>Total</b>	<b>24,381</b>	<b>26,742</b>	<b>41,811</b>	<b>46,497</b>	<b>48,763</b>	<b>16.6</b>	<b>100.0</b>

Source: Pira International Ltd.. The Future of Global Printing. Market Forecasts to 2014. 2009.

## Chinese printing revenues by print process, 2003 to 2014

Million Euro						Change in percent 2007 to 2009	Change in percent 2003 to 2009
	2003	2004	2007	2008	2009		
Sheetfed offset	7,424	8,017	14,579	13,102	13,326	-8.6	79.5
Heatset web offset	2,798	3,134	5,731	5,315	5,582	-2.6	99.5
Coldset web offset	3,926	4,570	4,111	7,784	8,293	101.7	111.2
<b>Total offset</b>	<b>14,148</b>	<b>15,721</b>	<b>24,420</b>	<b>26,200</b>	<b>27,200</b>	<b>11.4</b>	<b>92.3</b>
Gravure	825	835	1,267	1,275	1,295	2.2	56.9
Flexo	4,362	4,616	9,045	9,425	9,960	10.1	128.3
Screen	1,196	1,210	1,459	1,450	1,417	-2.9	18.5
Letterpress	1,683	1,764	2,019	2,134	2,155	6.7	28.0
Others	201	205	272	249	254	-6.7	26.7
<b>Total conventional</b>	<b>22,415</b>	<b>24,352</b>	<b>38,482</b>	<b>40,732</b>	<b>42,282</b>	<b>9.9</b>	<b>88.6</b>
Electrophotography	184	277	752	987	1,220	62.3	563.2
Inkjet	1,782	2,115	2,576	4,778	5,262	104.3	195.2
<b>Total digital</b>	<b>1,966</b>	<b>2,392</b>	<b>3,328</b>	<b>5,765</b>	<b>6,482</b>	<b>94.8</b>	<b>229.6</b>
<b>Grand total</b>	<b>24,381</b>	<b>26,742</b>	<b>41,811</b>	<b>46,497</b>	<b>48,763</b>	<b>16.6</b>	<b>100.0</b>

Source: Pira International Ltd.. The Future of Global Printing. Market Forecasts to 2014. 2009.

2010	2011	2014	Change in percent 2009 to 2014	Change in percent 2003 to 2014
18,552	20,458	28,324	61.1	258.1
8,100	9,007	10,135	29.4	150.8
7,277	7,151	8,245	17.9	90.6
4,144	4,266	4,559	11.9	88.8
4,464	4,966	6,720	65.4	328.5
3,406	3,812	5,172	68.3	258.2
2,395	2,458	2,597	9.9	110.0
1,534	1,631	1,929	32.1	135.0
787	861	1,183	57.2	271.8
306	314	337	14.9	71.2
298	326	415	50.4	297.3
<b>51,263</b>	<b>55,250</b>	<b>69,616</b>	<b>42.8</b>	<b>185.5</b>

2010	2011	2014	Change in percent 2009 to 2014	Change in percent 2003 to 2014
13,831	15,211	18,128	36.0	144.2
5,833	6,215	7,931	42.1	183.5
8,809	9,144	10,852	30.9	176.4
<b>28,472</b>	<b>30,572</b>	<b>36,910</b>	<b>35.7</b>	<b>160.9</b>
1,306	1,325	1,325	2.4	60.6
10,523	11,545	16,591	66.6	280.3
1,369	1,274	822	-42.0	-31.3
2,161	2,095	1,762	-18.3	4.6
260	273	270	6.1	34.5
<b>44,093</b>	<b>47,083</b>	<b>57,681</b>	<b>36.4</b>	<b>157.3</b>
1,456	1,835	2,883	136.4	1,467.5
5,713	6,332	9,052	72.0	407.8
<b>7,170</b>	<b>8,167</b>	<b>11,935</b>	<b>84.1</b>	<b>507.0</b>
<b>51,263</b>	<b>55,250</b>	<b>69,616</b>	<b>42.8</b>	<b>185.5</b>

partner, the USA – the Communist Party laced together a Euro 463.7 billion stimulus package. Domestic demand needs to be stimulated as well. At present, one Chinese contributes on average Euro 2,893 per year to GDP. One American contributes Euro 36,481. There's a lot of catching up to do here to free the economy from the ups and downs of export business. How long China can manage these dramatic fiscal measures is questionable.

**Weak spot: automation.** Chinese printing companies benefit above all from well-trained, low-wage workers. However, automation of the printing process can more than compensate for this advantage. Highly-automated printing systems reduce personnel requirements to only one operator per press, offer the advantage of faster makeready and changeover times, and produce fewer waste sheets. Since paper accounts for around one-third of overall printing costs, the savings through automation quickly remove the low-wage advantage.

**Weak spot: environment.** Printed matter produced in an environment-friendly manner is an increasingly important factor. An aspect in which China has traditionally not impressed. Even when the printing technology conforms to modern standards, sustainability ends there. China is the world's greatest emitter of greenhouse gases and thus one of the major contributors to global warming. Last year the People's Republic replaced the USA as the world's biggest energy consumer. The rising energy requirements are mostly met by antiquated coal-fired power stations. Through the high proportion of coal as fuel, the environment is heavily polluted with sulfur dioxide. Acid rain falls in 30 percent of the country.

**Weak spot: exchange rate.** Even though China's economy has been growing strongly for years, and the Chinese central bank has reserves of Euro 2 trillion, the Renminbi only rises in value against the Euro when the Chinese want it to. In a worldwide comparison, the Chinese currency is considered to be undervalued, thus keeping Chinese goods artificially cheap in foreign markets. However, experts believe that the Chinese government will gradually revalue its currency in the coming years.

Therefore we are not looking at a threat from a major power in the Far East. On the contrary. This is an entirely positive development for the print market as a whole. China is giving print its self-confidence back. The high rating of print products there is a positive signal to a global market that in many places has already been measured for a coffin. In the east, a golden sun is rising on the future of print. ■

Steffen Peters is a freelance copywriter and lecturer at the Texterschmiede in Hamburg, Germany.



# For a fistful of dollars.

What people are prepared to do to earn money is something we would rather not go into here. However, it's a fact that one is reluctant to spend hard-earned cash, and certainly not for information from the Internet. This is the Wild West for copyrights, and some publishers run around like a sheriff after their money. However, often the publishers themselves bend the law somewhat as Thomas Knüwer found out.

**Rupert Murdoch** wants to fight Google. His weapon: Paid Content. Piece by piece his News Corp. hides its content behind pay walls. This makes the 79-year-old a great white hope for German publishers as well. They say: "The readers must pay." Why? "Because they have to."

**Paid Content seldom works.** The selling price of a newspaper has never completely covered the costs of the journalism it contains. Up to two-thirds of revenues have traditionally come from advertisements. But now more and more ads are moving to the Internet. At the same time, more and more people think it doesn't make sense to get up early in the morning to read news that is at best a few hours old. So, digital news? Yes, but online there are other rules than those in the world of print. For ex-

ample, the number of providers offering content is growing. However, the old print financing mixture no longer works. Those who rely on online subscriptions lock out Google and Facebook. Websites that try to charge for content lose up to 90 percent of their readers. Here the number of readers has a more direct effect on income than advertising revenue has for printed newspapers: therefore losing readers means less income.

**Only quality brings profits.** Purely ad-financed content on the Internet can work. Spiegel Online is profitable; football clubs like Arsenal London earn good money with fan areas that they charge for. Vital factors here are quality and a willingness to invest. Even in the crisis years 2001/2002, Der Spiegel maintained a substantial edito-

rial team as opposed to most media firms: there still today, poorly paid and understaffed online editorial teams are working hard without any travel budget. This sort of environment cannot produce content that users are prepared to pay for. There are of course Paid Content models that work, but these are highly specific such as legal databases, or of high quality like ebooks or TV programs. This level of quality is seldom found among the digital activities of the media houses. Take for example My Club, a football iPhone App. Under each article stands Visit the Bundesliga Forum here!. But the link is not provided. All one gets in the App are texts from Bild.de. Publishers feel that modifying available content is too expensive – although customers are expected to pay for it. Just imagine, a man in a restaurant orders Zurich Ragout and



Thomas Knüwer is a journalist and founder of kpunktnull. The company provides advisory services for digital communication and social media.

is served a piece of veal in a sauce to that he has to cut himself, or no meat at all. The explanation: "A trip to the butcher would be too expensive."

#### **How do Internet users spend their money?**

There is a lack of innovation. In the field of online advertising, only companies outside the publishing house develop new ideas. Hardly any publishing house manager attends innovation congresses like PICNIC, hardly any ad marketer uses social media.

Publishers are aware that the necessary changes are colossal. They have to grant their best journalists a considerable amount of freedom. Acknowledged experts must not waste their time with conferences, editing, or page planning. Editorial colleagues have to cover for them so

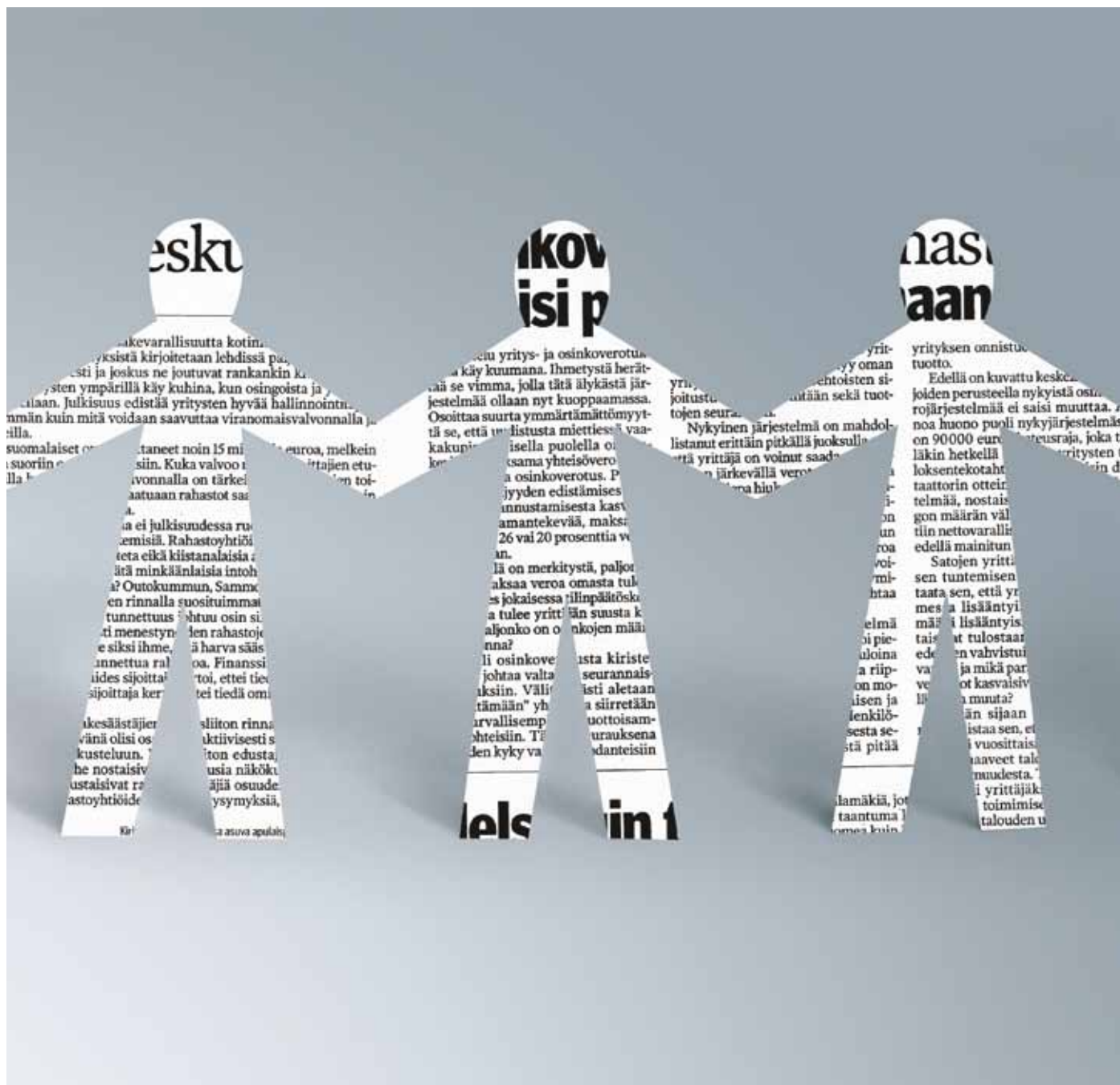
they can prepare as much in-depth content as possible. At the same time, publishers must develop these experts as brands – even though there is a risk that readers will find the authors more important than the publisher's brand.

This may result in content that readers will pay for. However, this will only work in areas where readers intensively search for information because they need it for their jobs, because it promises them financial benefits, or because they are especially interested in a subject. Jeff Jarvis, journalism professor in New York, prophesied: "The hard reality is that media houses shrink or die." And: "The heavy metal that was once their advantage – printing presses and trucks – is a deadly weight around their shriveling necks."

**The end for print and journalism?** No. Take Sascha Pallenberg. He founded the blog Netbooknews. Only subject: netbooks, small and inexpensive laptops. Within a few months he reached a five-digit figure in ad sales. At the end of 2009 he moved to Taiwan to be closer to the manufacturers. Netbooknews is an internationally recognized and profitable journalism venture. And this new form of journalism links with the world of print. Or fashion: all over the world, fashion blogs document the style on the street with photos. The Berlin network I like my style is another example. The first print version of I like my style appeared in May 2010. A high-quality print magazine. Without any big publisher behind it. ■

# A niu newspaper.

Something very interesting is emerging. A new generation of newspaper with a novel approach that has the potential to attract ever more readers. The concepts of these revolutionary print media forms are as different as the readers they are targeting. Still, Wanja Oberhof believes they all have one thing in common: a healthy portion of avant-garde courage.





■ It seems daring: launching a print project primarily targeting younger people. However, doesn't the under-35 generation also want to consume information comfortably? Yes they do, and how!

**What is niuu?** niuu is an individualized printed daily newspaper that links the widest variety of content. Every reader is free to choose which pages or sections from regional, national and international newspapers (for example NYT, BILD, Handelsblatt) they want to have delivered to their door. Furthermore, readers can personalize their newspaper by loading their own photos on the title page, give the paper a name, and adapt the weather forecast, share prices or Sudoku to suit their own requirements. They also have the possibility to receive Internet contents such as blogs and RSS feeds. This project started in November 2007 in Berlin and is supported by a readership with an average age of 30. 40 percent of the readers are under 29 and thus belong to an age group that has been written off a long time ago for printed products. Daily newspapers in particular have found it difficult to reach this generation, so what is the secret behind the success of an individualized daily paper and what is the international opinion about such a project? At international conferences that focus on the future of the publishing industry, one always notices three trends.

**Individualization.** The Internet has significantly changed media usage and information sourcing behavior. The Internet is a multiple-choice medium, as opposed to the classic newspaper which is still a medium that presents a selection of preselected content. A mixture is achieved when the niuu reader preselects his/her areas of interest (multiple-choice) and then receives content from the nominated newspapers. Furthermore, individualization is a general trend, starting with myMuesli (muesli) and going through chocri (chocolate) right up to NIKEiD (shoes). Meanwhile virtually anything can be customized.

**Close to the action.** Another trend is Hyperlocal News. Probably nobody implements this as well as PPF Media in the Czech Republic with its project Naše Adresa. In towns with maximum 30,000 inhabitants, cafés are opened up in the downtown area that also serve as newsrooms. Here one sees citizens and journalists interacting, which gives the journalists a direct feeling for topics and attitudes. Within a very short time, all local editions of Naše Adresa have become the best-selling newspapers in the respective regions.

**Crossmedia.** The third trend is the new and different distribution channels. eReader like Kindle, iPad or WePad, smartphones like iPhone, BlackBerry or HTC, and new printing methods like digital newspaper printing, new office printers or print terminals at airports increase the complexity of reaching the customer. Here the challenge of the future will be to reach all readers with the most convenient distribution channel in each individual case. One possible scenario is to call up multiple latest news with an eReader, receive urgent messages with a smartphone, and get the newspaper at the weekend with bookmarked Internet articles that one did not manage to read during the week.

**Challenges for all involved.** The printing industry in particular has to come to terms with change. Brave new business models are demanded. New technologies need to be devel-

oped rapidly. This leads to the following balancing act: one should not rush new projects that are not yet feasible onto the market, but also not delay so long that the opportunity is gone. As we got started with niuu in 2007, there was no digital newspaper web press in Germany. It was too early. Quality and price were not yet acceptable. Meanwhile technology has changed the situation. niuu is produced every day in Berlin, quality and price are competitive and large advertising customers are coming on board. New ventures such as an individualized daily paper are only possible when all involved, and especially the printing and publishing industry, are open to new ideas and have the courage to shape the future. ■

Wanja Sören Oberhof and Hendrik Tiedemann created the niuu concept that was implemented via an Internet platform provided by InterTi GmbH. Oberhof studies Business Start-up and Succession Planning at the Berlin School of Economics and Law.  
■ niuu.de

# From courier to ambassador.

The Internet does not spell the end of newspapers. On the contrary, it offers newspapers the opportunity to focus. They only have to do it, insists Jörg Häntzschel, Culture Correspondent at the Süddeutsche Zeitung.



■ Running a newspaper is a business for professionals.

■ In his home, Dave Eggers has neither an Internet connection nor cable TV. He doesn't even have a mobile phone. Nevertheless, nobody shakes up the American cultural scene as much as he does. Eggers is now 40 and gained worldwide recognition 10 years ago with his memoir »A Heartbreaking Work of Staggering Genius«. He later wrote the screenplay for »Where the Wild Things Are«. With his organization 826 Valencia, he inspires children to develop their reading and writing skills, and his publishing house McSweeney's produces three magazines among other things.

**A unique panorama.** Still, no other McSweeney's project has made such an impact as the San Francisco Panorama. Together with dozens of authors, photographers and graphic designers, he has produced a 300-page dream newspaper which is a bestseller. The original run of 20,000 copies priced at 13 euros was snapped up from the sales outlets in San Francisco in next to no time and a further 20,000 were printed. With Panorama, Eggers has not reinvented the newspaper. On the contrary. With sections on politics, local news, sport and culture, he follows the traditional newspaper structure. There are also extras such as a magazine, literature and food supplements, plus a children's section with cartoons and games. This was all part, at least until recently, of standard fare with American Sunday papers – something for everyone in the family.

**A newspaper like every other.** From the outside. What makes Panorama different from other newspapers is the quality and originality of the texts and its magnificent get-up. Eggers is looking to demonstrate that by reworking the newspaper model a

bit, it cannot only survive, but actually thrive. Unlike the local news section in other newspapers that report briefly on serious crimes in San Francisco, Panorama provides a city map in which each crime is located and illustrated. Like other papers, Panorama summarizes the latest developments in Iraq, but supplements this with two in-depth interviews of ordinary soldiers: one of them going to the front and the other just comes back. Eggers's Panorama is not only a brilliantly made newspaper; it is above all a plea to publishers to finally come out of their state of shock. By giving their contents away for free on the Internet, he says, they have raised a generation of readers who are no longer prepared to pay for content. And when revenues and circulations started declining, they reduced the print offer, even though in most cases the printed newspaper is still more profitable than the websites.

**Intensive contents and attractive layout.** In many respects Panorama, with its classic format but better paper and outstanding print quality, is of course a magazine disguised as a newspaper. Stephen King will probably not be permanently available as a sports reporter. Nor can such a brilliant review of the Baseball World Series be written every day. The great strengths of Panorama are the long reports, opulently supported with large-format illustrations and graphics. Many of these are deliberately dedicated to local affairs. An eight-page article explains the complex and shocking story behind the rebuilding of the Bay Bridge, which has been planned for years and, with cost overruns, looks like will end up costing some Euro 9.4 billion. A reporter combs California's forests looking for concealed marijuana farms. Yet another reports on how the sustained drought is destroying agriculture in the once-abundant region south of San Francisco.

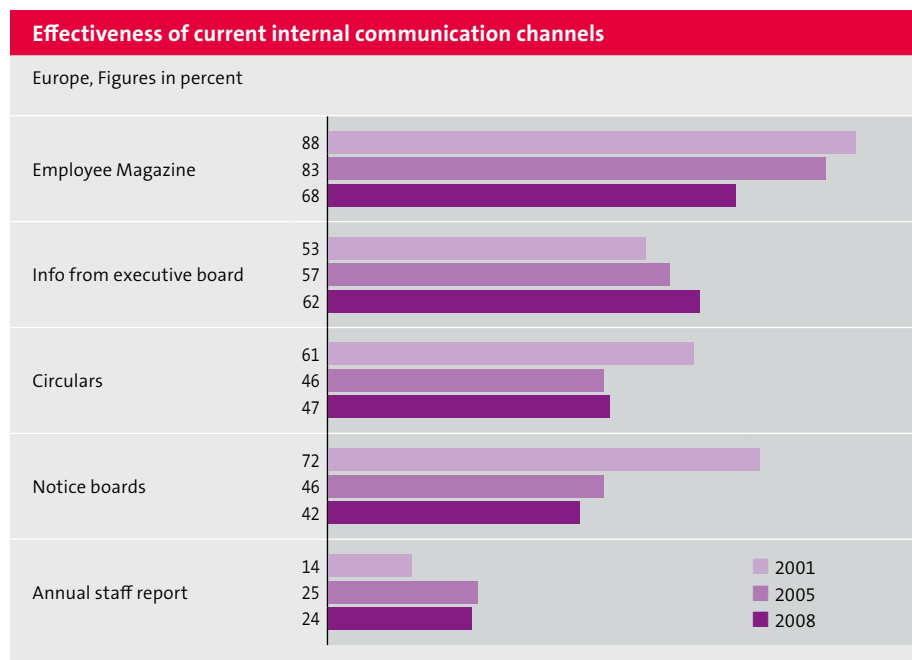
**Panorama has everything that the Internet doesn't offer.** Panorama contains only a few ads, and McSweeney's has not made a profit with it but also no losses. Eggers thus shows that there are other business models for print than the usual ones. "Readers are much more prepared to pay for a printed newspaper when they get something different to what they get for free in the Internet," he says. This is precisely what he offers readers with Panorama: a wealth of long, soundly researched articles and short stories, serious topics and entertainment, global and local news – and all that in a newspaper that looks so good you have to buy it. As Eggers says: "People love print." ■

Jörg Häntzschel is Culture Correspondent at the Süddeutsche Zeitung and lives as a freelance journalist in New York.

■ [826valencia.org](http://826valencia.org)  
■ [mcsweeneys.net/SFPanoramaPR.html](http://mcsweeneys.net/SFPanoramaPR.html)

# Corporate Publishing is the trump card.

The cards in the media mix are being shuffled anew. As we all know, digital media forms have good chances to gain a significant share of advertising budgets. However, print still holds many trump cards. One of these is Corporate Publishing (CP), as the Stuttgart Media University found out. Not of course during a card game but in projects that examined the significance of corporate publications for the printing industry.



Source: FEIEA, Internal Communication Across Europe: Delphi study III, 2009.

In the field of Corporate Publishing, print cannot only defend its leading position but also move even further ahead. In recent years Corporate Publishing has become a much more significant instrument in companies' marketing mix. Seven out of ten companies consider crossmedia concepts more important for the future, but only 23 percent want to reallocate their budgets in favor of digital media. They believe print will remain dominant. Every year total worldwide sales of Corporate Publishing objects amounts to Euro 4.5 billion and, according to the Trendstudie CP 2.0, this will increase.

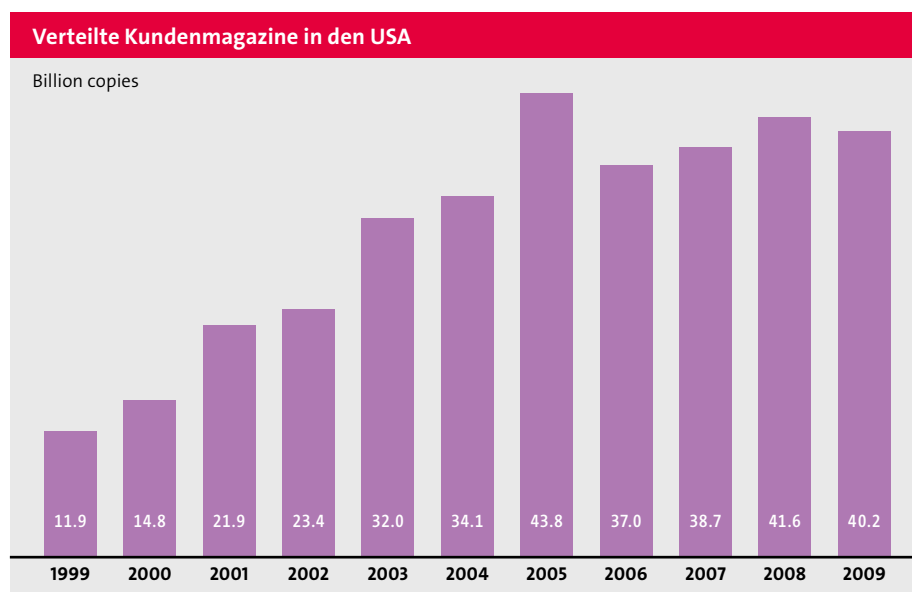
■ 77 percent of corporate publications still appear as print versions.

■ 69 percent of customer magazines are issued at least four times per year.

■ 97 percent of all companies with more than 250 employees use a magazine to approach their customers.

■ 97 percent of the companies believe the advantages of digital tools are best utilized together with print.

Around 15,000 printed CP titles are published in Germany, Austria and Switzerland every year. Of these, some 7,700 titles from 6,700 companies appear in the B-to-B sector. Another 7,200 were identified in the B-to-C sector, published by 5,500 companies. From the total number of 15,000 publications, around 950 million copies are distributed each year. CP services providers have registered an annual growth in sales of around 15 percent since 2003.



Source: Custom Content Council, 10<sup>th</sup> Annual Industry Characteristics Study, 2010.

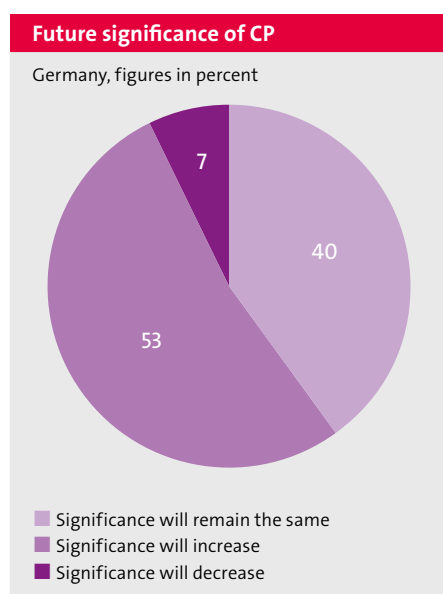
appear nine times per year on the average, have around 25 pages, and are financed 30 percent by ads. Total annual sales of CP items amounts to Euro 35 billion.

**Great Britain.** In 2010, the Corporate Publishing market is expected to have sales of some Euro 1.2 billion. After Internet advertising, the Corporate Publishing market is the fastest growing media market in Great Britain. 47 percent of readers believe it is very probable they would buy a product they have seen in a customer magazine. That is a higher percentage than any other form of marketing achieves there. In the course of 2009, 120 new brand-name companies invested in CP media. Customer magazines top the list of the largest-circulating magazines in Great Britain.

The CP Advisor of the German Postal Service confirms that investments in CP are increasing all over the world:

- Readers of customer magazines are more loyal to a brand or a company than non-readers.
- The more often a customer magazine appears, the greater the reader/magazine bond is.
- 70 percent of readers would recommend their customer magazine to others.
- 89 percent are convinced about the professional competence of articles in customer magazines.
- 72 percent of readers confirm that the magazine succeeds in bringing customers closer to the company that issues it.
- Almost 95 percent of readers confirm that the language and reporting in customer magazines are easy to understand.
- 52 percent of readers consider the topics in customer magazines to be exclusive content.

You can judge all this for yourself. After all, you're holding a customer magazine in your hands right now. ■



Source: medienfabrik Gütersloh GmbH, Hochschule der Medien Stuttgart, Trendstudie CP 2.0 – Corporate Publishing im digitalen Zeitalter, 2008.

**Russia.** In Russia, the Corporate Publishing market comprises between 6,000 and 6,500 titles with an estimated total value of Euro 629 million (as at 2008). Experts assume that the market in Russia will grow by around 20 to 25 percent each year and double in the next five to seven years.

**USA and Canada.** In 2009, the average expenditure for customer media per company amounted to Euro 1.4 million which was the highest ever. 51 percent of this was spent on print publications, 27 percent on Internet media, and 22 percent on video and audio media. Marketing experts emphasize that the main purpose of customer magazines in North America is to strengthen customer loyalty. The current number of 124,000 magazines have an average circulation of 38,000 copies,

**Stuttgart Media University project group**

The contents were compiled by Maria Krahmer, Katrin Girod-Mörgenthaler, Romy Peemüller and Olga Sokolovska during projects of the Print and Publishing Master course at the Stuttgart Media University in the 2010 summer semester directed by Professor Bernd-Jürgen Matt.

Target groups and media usage in Corporate Publishing					
Germany, figures in percent					
	Consumers	Business partners	Employees	Investors	Multipliers
Magazines and newspapers	76.5	65.2	78.7	45.2	70.7
E-Newsletter	56.7	63.0	62.3	36.5	59.0
Annual reports	28.5	47.2	34.4	84.9	54.2
Business TV and Radio	27.5	9.5	5.1	7.4	8.9
Online- and E-Magazines	13.2	15.3	14.6	6.9	11.5
Other (e.g. Corporate Book)	12.6	16.2	11.7	32.4	17.2

Source: Forum Corporate Publishing, Factbook, 2009.



# Many interesting pages.

Walter Freese believes that variety is the key for a successful customer magazine. The more topics a magazine offers, the higher the probability it will provide what the reader likes. It's like a well-run department store: something for everyone so that the cash comes in.



■ Corporate Publishing is a broad field for different instruments of internal and external communication such as financial reports, Corporate Books or staff magazines. Industries that publish them include financial services providers, transport and logistics, IT and telecommunication, as well as the retail trade or non-profit organizations. The variety shows how many firms invest in Corporate Publishing media to regularly communicate with their target groups or stakeholders.

**A customer magazine hits the target.** Precisely. If one asks those responsible in a company why they invest in customer magazines, the answers are as varied as they are predictable: developing and con-

solidating customer retention, image enhancement, or communicative support of the sales organization. Even when the notion of what a customer magazine can and should do is often defined vaguely and may vary within a company – between marketing management and the editorial team for example – the essential characteristic of a customer magazine remains constant: it is target-oriented.

**Between a sales brochure and a lifestyle magazine.** As opposed to publisher-driven media, a customer magazine has very specific tasks and must satisfy the information and entertainment needs of the reader and the interests of the organization that issues it. Therefore, the success of a customer

magazine depends a great deal on whether and to what extent the editor manages to balance these requirements. If a magazine is not sufficiently reader-oriented and is intended only as a sales brochure, it loses acceptance in the target group and also its readers over the long term. On the other hand, if the magazine does not do enough to convey the core expertise and brand messages of the company, the reader is happy about getting a trendy lifestyle magazine but it is not worthwhile for the publisher.

**How does a customer magazine work?** A successful customer magazine is one that is regularly used by the right target group, conveys the communicative messages to

the customers, and strengthens the long-term relationship between the company and the customers. But how does one ascertain whether customer media is successful or not? Awards from a jury in competitions are important for a company's image but say little about the magazine's effect on the readers. For real proof of effectiveness, many companies have reader polling carried out.

**Polling.** Probably the best-known approach here is the CP Standard from TNS Emnid Medienforschung in Bielefeld, Germany. Based on representative reader pollings, all relevant information about usage and acceptance of a magazine is evaluated and the effect for the publisher is analyzed. Recommendations for action are deduced from these findings:

- Directly delivered and personalized magazines are read more frequently and regularly than freely circulated magazines (laid out at POS, supplements).

- The more regularly and frequently a magazine appears, the higher the reader-magazine bond. Most customer magazines are published four times a year.

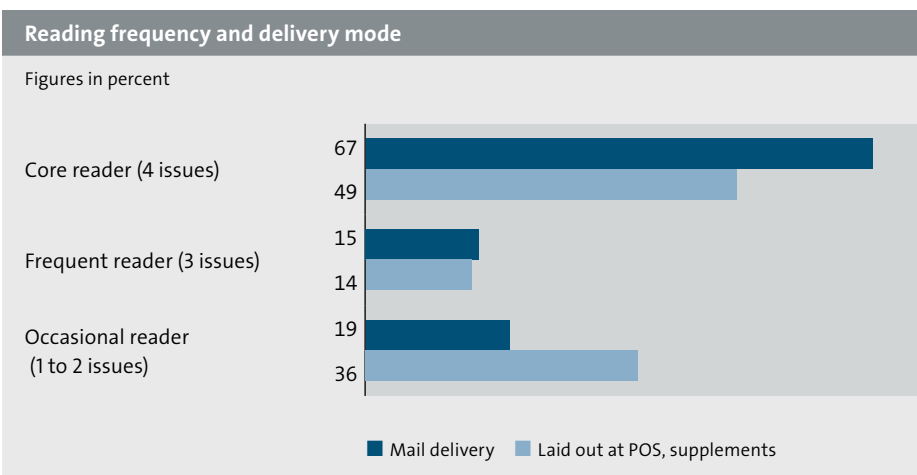
- The more pages a magazine has, the higher the probability that certain topics will interest the reader. This strengthens the reader-magazine bond.

- Besides usefulness, entertainment value is the most important driver of the reader-magazine bond.

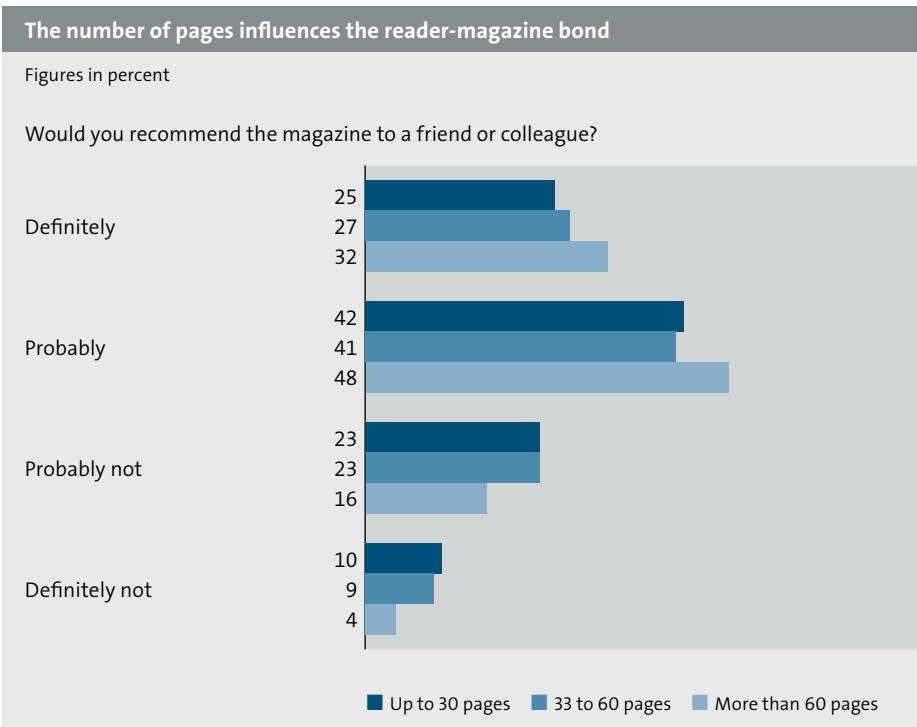
- Users expect professional optical and haptic quality. The actual success factor is satisfaction with the selection and variety of thematic content.

- Cross media is a trump card in Corporate Publishing as well. Most readers of customer magazines are also interested in a company's other media. Online media supplement classic print communication very well, but does not replace it.

Over the long term, regular usage of customer and member magazines has a positive influence on the reader's perception of and attitude towards a company as well as the reader-magazine bond. ■



Basis: TNS Emnid Medienforschung, CP Standard-Datenbank, self-calculated values, 2010.



Basis: TNS Emnid Medienforschung, CP-Standard-Datenbank, self-calculated values, 2010.

Walter Freese is a senior consultant at TNS Emnid Medienforschung in Bielefeld, Germany. He specializes in advertising media research and efficiency control for customer and trade magazines.

# We've got mail!

The good old mailbox is still good for a surprise. People still prefer to receive a postcard from friends on vacation to an e-mail or SMS. We're just a bit old-fashioned, that's our nature. After all, we are accustomed to getting used to things over millions of years – and not at the speed of ever-faster processors. As Dick Goldsmith, President of the direct-marketing agency Horah Group in New York observes, the direct mail business will benefit from this over the long term.



Marketing-GAP Research released an important study in 2009 about consumers who already have a relationship with a company. According to the study, over the last 2 years, the number of these customers who prefer to be contacted by direct mail rather than e-mail has grown by 11 percent.

**Credit crunch.** While it is true that direct mail spending in the U.S. in 2009 was 51 billion euros compared to 35 billion euros in 2007, this was more a function of the recession, not the effectiveness of direct mail. Many publishers, credit card companies and other direct marketers stopped mailing, not because it didn't work, but because they couldn't afford the investment. This was true for many other forms of advertising, as well. Electronic media spending went up because marketers thought it would be the panacea thanks to the lower Cost Per Impression (CPI). To the frustration of marketing executives across industries, as CPI dropped, so did Return on Investment.

**Direct Mail is effective.** Direct Mail, when done right, is highly targeted, efficient and versatile. It gets response from consumers and businesses. Indeed, business-to-business is almost as big as business-to-consumer. Direct Mail effectively attracts new customers, maintains relationships with current customers and drives traffic.

Catalogers report that when they mail a catalog one third of the business they get come as orders directly from the catalog, one third from increased traffic to retail locations and the last third from traffic to websites. As if to confirm the effectiveness of Direct Mail to build traffic, even online merchants Ebay and Amazon both send printed catalogs.

■ Direct success: Individualized catalogue covers provide 150 new customer in 4 weeks.

Dick Goldsmith, President of the direct-marketing agency Horah Group in New York and Personalized Mobile LLC, is the inventor of Per-Keys™ and author of "Direct Mail for Dummies". He has been in Direct Marketing over 30 years

**What's Working Today.** The more targeted and personal a mailing is the better the response. Think about this. On their birthdays people still prefer a real birthday card received in the mail to an eGreeting card or a birthday e-mail. It has more value to us. Advertising messages are the same. We find much more value in written communications that come in our mailbox than we do in e-mail in our inbox. Today's database, lasering and ink jet technologies allow marketers to send highly targeted personal messages to prospects and customers. They assume the company knows who they are. It can be frustrating for consumers when they receive a mailing for prospects from a company they've done business with for years. Good targeting and personalization will make the message resonate with the recipient so that he or she will respond. A case in point: The USPS reported in their Deliver magazine that Club ABC Tours, a group travel company,

generated 315,000 euros in new business and nearly 150 new members within 4 weeks of its launch; by using variable data printing (VDP) on its catalog covers after analyzing member buying habits and preferences gleaned from post-travel surveys to segment parts of its customer list for a VDP campaign.

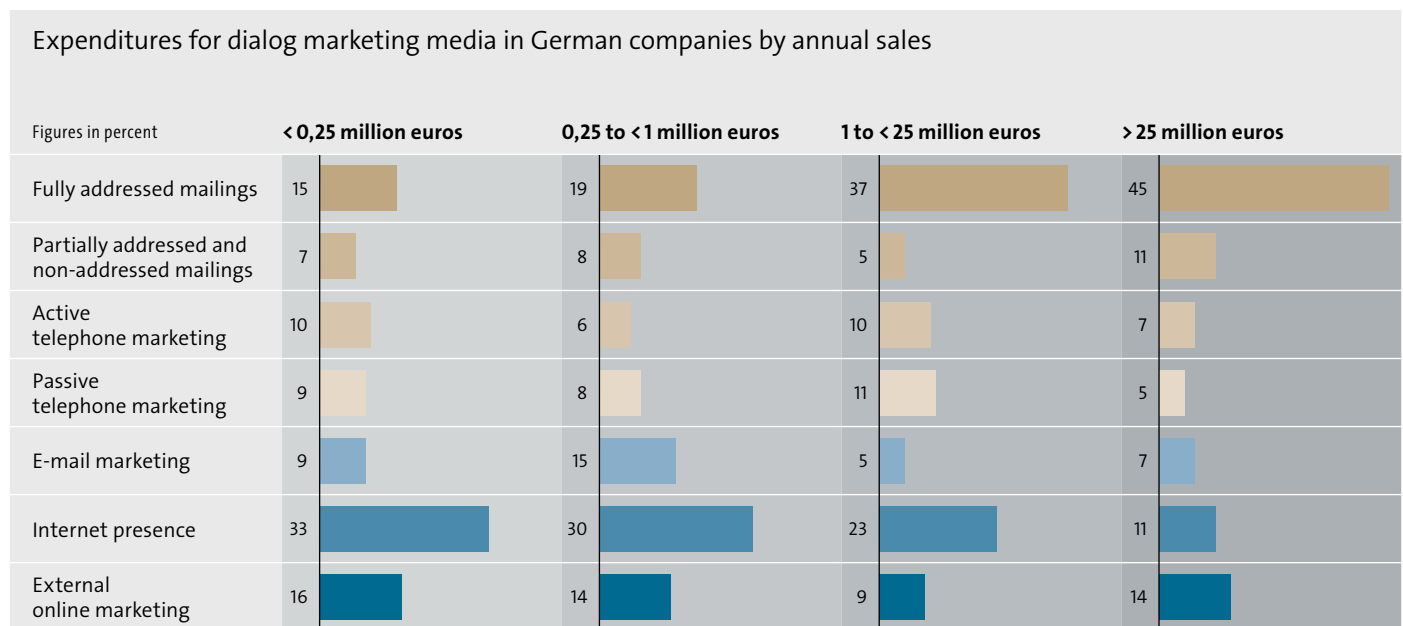
**Multidimensional and interactive mailings.** People like to get packages. They are expensive to mail but again, when measured against return on investment, they can be a great value. Companies can mail a box with their brochure, letter, order form and envelope inside with a sample or a relevant premium to heighten the appeal. There are many more ways to design a direct mail, fancy presentation and inserts convert the mailing into a three-dimensional experience. This type of mailing won't close an order but it can get a salesperson an appointment. Also in the digital age Direct Mail will continue to be a main channel for marketers to sell, drive traffic, raise money and close sales through fulfillment packages sent in response to customer requests. ■

What makes you decide to open/read a direct mail pack?		
Great Britain, figures in percent	Marketers	Consumer
From brand/company that I know	56	50
Personally addressed to me	42	47
May contain a coupon/voucher	31	44
Interested in the product/service	55	42
See it contains free sample/voucher	50	38
Local services or events	28	21
Because it's a competition	31	19
Interesting package	34	15
Looks funny/humorous	25	8
Attractive envelope	19	4
The design	21	3
The color	14	1
Other	3	14

Source: DMA, fast.MAP, Marketing-GAP Report, 2009; basis: 1,376 consumers, 309 marketers.

# The workhorse of advertising.

After years of riding high from one year of growth to the next, the financial crisis is forcing advertisers to switch their mounts. Sinking budgets demand efficient communication with a targeted customer approach. Modern vehicles such as social media campaigns and e-mail marketing are quick to be heralded as cure-alls by the press. Yet the real work is accomplished by a completely different source. A development report from the Stuttgart Media University (HdM) about good old direct mailings.



Source: Deutsche Post AG, Dialog Marketing Monitor 2010, Study No. 22.

A few figures to begin: in 2009, almost two thirds of the total volume of German advertising, 77 billion euros, went into dialog marketing (dialog marketing media and media with dialog elements). According to a joint survey conducted by the German, Austrian and Swiss Dialog Marketing Associations, the financial crisis has proven to be an opportunity for the industry, the preferred communication channels being those that involve minimum waste coverage. The leading role of dialog marketing remains unchallenged in the advertising industry. However, direct media have not come out of the crisis completely unscathed. They even recently took a disproportionate hit. While the total advertising expenditures in Germany from 2008 to 2009 receded by 4.8 percent, dialog marketing media registered a drop of

8.1 percent. The reason would appear to be absurd: the biggest strength of this advertising form is also its greatest weakness. In addition to the general savings strategy of many companies, the trend toward more targeted sales approaches and thus smaller campaigns with lower budgets has caused the market for dialog marketing to falter.

The fact that a turnaround is in sight can be confirmed by companies in the direct marketing industry that have been able to increase their sales in the past year. The major force behind the positive development was new customers and increased budgets. The meaning attached to direct marketing also received a boost in the eyes of companies surveyed. Compared to 2008, many customers reorganized their budgets in favor of direct marketing.

**Fully addressed to the fore.** The greater a company's sales, the more often dialog marketing media are implemented and the more money is spent on customer dialogs. Fully addressed mailings have been the biggest winners in this development. Companies with annual sales of 25 million euros and above invest 45 percent of their dialog media expenditures in fully addressed direct mailings.

**Global potential.** According to the Direct Marketing Monitor International, Brazil and India offer excellent growth potential. Mailboxes have received little attention to date in both countries. In India, 95 percent of the population receive advertising material once a month or not at all. And that in a country with almost unparalleled economic and demographic growth. In Brazil,



direct mailings assume a solid third place among preferred advertising forms. Moreover, personalized mail advertisements with a high-quality appearance and enclosed free samples tend to garner a high response rate.

According to the report Strategic Perspectives on Direct Mail from the International Post Corporation, mobile Internet marketing is strongly represented in large portions of Asia. The number of users with Internet-capable wireless devices is significantly higher here than in the rest of the world. Then again, the average household in Hong Kong receives only ten printed mailings each month. In the Netherlands this number is 110. The potential is great and nowhere near exhausted.

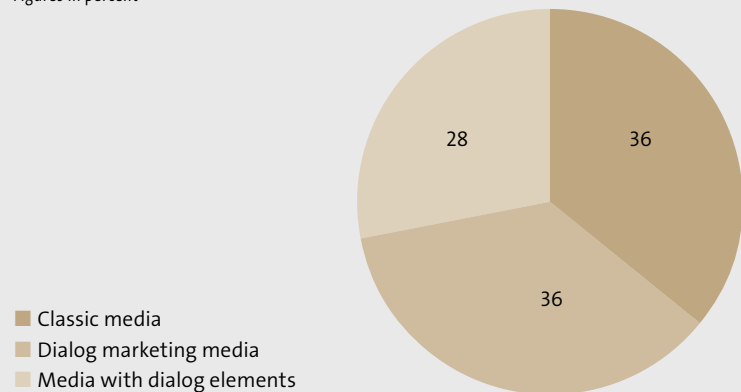
So don't be surprised, John Doe, when the postman ringing twice is a more common sound in the future. ■

#### HdM project group

Compiled by Christopher Jakob, Natalia Maksymenko and Emiliya Goranova as part of the Print Projects course in the Print and Publishing Master's degree program at Stuttgart Media University (HdM) under the direction of Professor Bernd-Jürgen Matt in the summer semester 2010.

### Total advertising expenditures for 2009 in Germany: 77 billion euros

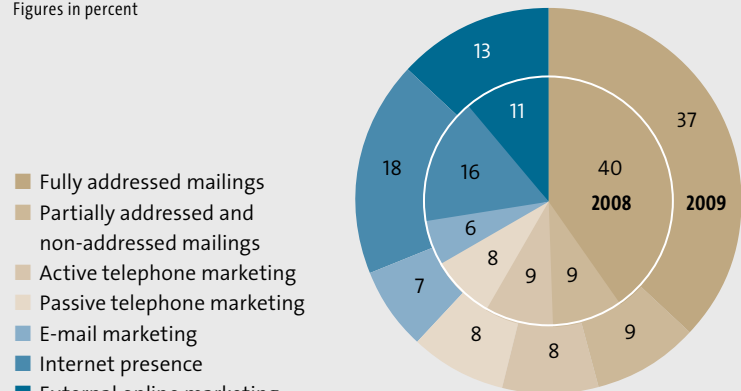
Figures in percent



Source: Deutsche Post AG, Dialog Marketing Monitor 2010, Study No. 22.

### Breakdown of individual dialog marketing media in Germany

Figures in percent



Source: Deutsche Post AG, Dialog Marketing Monitor 2010, Study No. 22.

# Hats off to Mr. Litfaß.

On 15 April 1855, as the Berlin printer Ernst Litfaß was striding along to Münzstraße near Alexanderplatz with his top hat and cane, he knew that he was on to something. Nonetheless, even the father of outdoor advertising would be astounded at the innovative force that his advertising columns still possess today. A development report from the Stuttgart Media University (HdM).

It is not the column that made Mr. Litfaß famous. It could have been a Litfaß cube or a Litfaß pyramid. What is spectacular about his invention is that for the first time advertising could be separated from the location of commerce. Moreover, it is the creative potential of his idea. Suddenly, there was something completely new that had not existed before. Like a primal explosion, this creative impulse has continued into modern times and allows outdoor advertising to remain modern and successful. In times in which printed advertisements are passed over and TV spots as well as online ads often automatically suppressed, outdoor advertising is alive and well. Compared to sharply declining global advertising sales over the past three years, outdoor advertising has fared well. Although total advertising expenditures have decreased, this form of advertising has been able to bolster its market share over other advertising media. In Germany, out-of-home media has even achieved the largest gross growth of all advertising media and thus even overshadowed the online arena. The reasons for this development are diverse. Around the world, there are signs of the distinct importance of outdoor advertising.

## Worldwide development of outdoor advertising to 2013

Million euros	2010	%	2011	%	2012	%	2013	%
North America	578	0.5	5,952	3.0	6,288	5.7	6,826	8.5
EMEA	6,987	-5.3	6,933	-0.8	7,095	2.3	7,43	4.6
Asia	7,571	1.2	7,924	4.7	8,467	6.8	9,051	6.9
South America	518	-1.5	547	5.5	599	9.6	676	12.7
Total	20,858	-1.3	21,356	2.4	22,450	5.1	23,977	6.8

Source: PwC, Global entertainment and media outlook 2009–2013, 2009.

## Advertising market worldwide

Million euros	2008	2009	2010	Percent*
Internet	47,093	46,184	47,382	5.7
TV	132,409	117,256	117,595	-3.4
Magazines	27,665	23,453	22,535	-7.2
Newspaper	87,167	72,890	68,173	-10.3
Radio	25,599	22,543	21,234	-7.8
<b>Outdoor</b>	<b>22,661</b>	<b>21,135</b>	<b>20,858</b>	<b>-2.9</b>
Total	342,595	303,462	297,777	-6.7

\* CAGR 2008 – 2010.

Source: PwC, Global entertainment and media outlook 2009–2013, 2009.

**Germany goes mobile.** While the population remains steady, there is an increasing number of cars on Germany's roads. A curious fact, but easy to explain: today's senior citizens are more active than previous generations and get behind the wheel more often. For the younger generation in urban areas, a different trend can be observed. This group is more open to public transportation or bicycles. 90 percent of all people leave their homes on any given day, making 3 journeys on average. This represents an increase in mobility in Germany of 4 percent over 2002. Higher mobility also increases the number of potential out-of-home media users, thus enhancing its effectiveness.

**Really worth seeing.** Advertising success increases with each additional poster in the media landscape. In Germany, fully-covered sites number among the most effective ways to make this advertising method profitable. With a large-scale campaign, marketers reach 83.4 percent of all inhabitants over 14 years of age in communities with populations of 20,000 and above. City light posters register a coverage of 65.5 percent in locations with over 50,000 inhabitants. The larger city light boards reach 45.8 percent of those over 14 in cities with over 100,000 residents. These figures make it clear that out-of-home advertising works, though in different ways and depending on the size of a community.

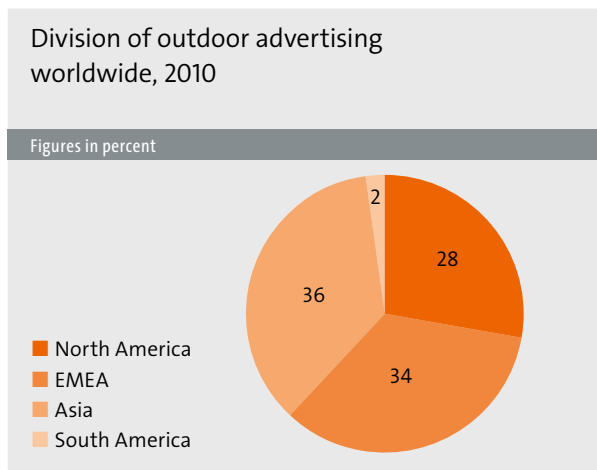
**India's booming potential.** The out-of-home industry in India is only at the beginning of its ascent. Its current growth rates, however, are already dizzying. Aided by industrial and infrastructural development, the population is becoming more and more mobile. New locations have sprung up like wildfire, bringing the out-of-home industry a growth rate of 15.2 percent in the past 4 years.

**Digital future.** Ernst Theodor Amandus Litfaß would cope with the fact that the classic Litfaß column is no longer the only source of outdoor advertising. The global empire built on his column has reached enormous proportions. Too promising are the technological possibilities that will enrich his visionary idea in the near future.

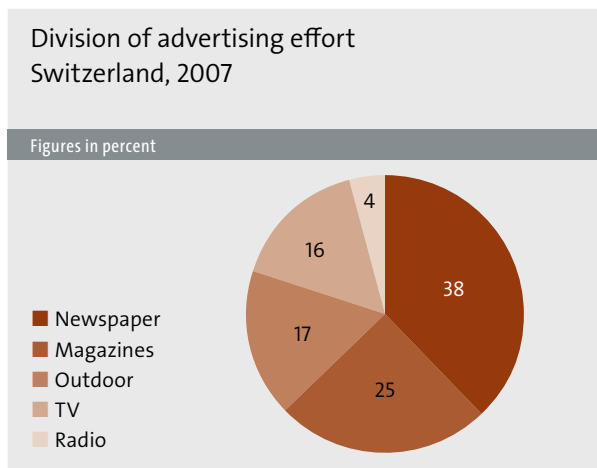
The study »Digital Signage in Europe – The opportunities for digital out-of-home advertising« predicted that net advertising sales ensuing from digital out-of-home advertising will nearly triple from 2008 to 2012 – reaching over 630 million euros in 2012. This also means an annual average growth rate of 29 percent for the digital outdoor advertising market in Western Europe (CAGR). Digital screens, large-scale video boards and audiovisual networks are becoming increasingly prevalent in public spaces. Applications for digital signage installations are highly diverse. They are used as an information channel for corporate TV or promotions at the point of sale and are becoming more and more important as advertising media.

In recent years, numerous out-of-home advertisers have installed large-screen projects at airports and train stations throughout Europe. The large digital installations in the London underground or the Westfield Shopping Centre are also evidence of this trend, just like the large LED screens at central, well visited plazas in the downtown areas of London. Other European countries are following suit with their own impressive projects. Since July 2010, the Friedrichstraße subway station in Berlin is the first to display only digital advertising. In France, too, digital ads already cover the Paris Métro and are also installed in many train stations across the country. Observers can expect to be surprised at what they will encounter the next time they are out and about. ■

**Switzerland on the top.** Looking down from the summit: While outdoor advertising accounts for a total volume of 2 percent globally, in the Alps it towers far above the rest. 7 percent in Austria and a whole 17 percent in Switzerland make up the mountain occupied by this form of advertising. One reason is tourism. The large number of tourists, especially in the mountainous regions, make out-of-home advertising particularly attractive in the Alps. Increasingly specialized forms such as ski lift masts or ticket stations can also be found.



Source: PwC, Indian entertainment & media outlook 2009, 2009.



Source: www.aussenwerbung-schweiz.ch, PLAKATIV and self-calculated values.

#### HdM project group

Compiled by Franziska Dotsch, Tina Jacob, Christian Moser and Stefanie Schuster as part of the Print Projects course in the Print and Publishing Master's degree program at Stuttgart Media University (HdM) under the direction of Professor Bernd-Jürgen Matt in the summer semester 2010.

# Effective communication.

It is not a coincidence that teacher-centered lessons in classrooms are on the decline. This is a sign of our times. Advertisers have already been forced to learn that one can no longer simply dish up information. These days consumers want individualized content. The trend report from Peter Wippermann shows how this is already being successfully implemented and why print plays an important role here.

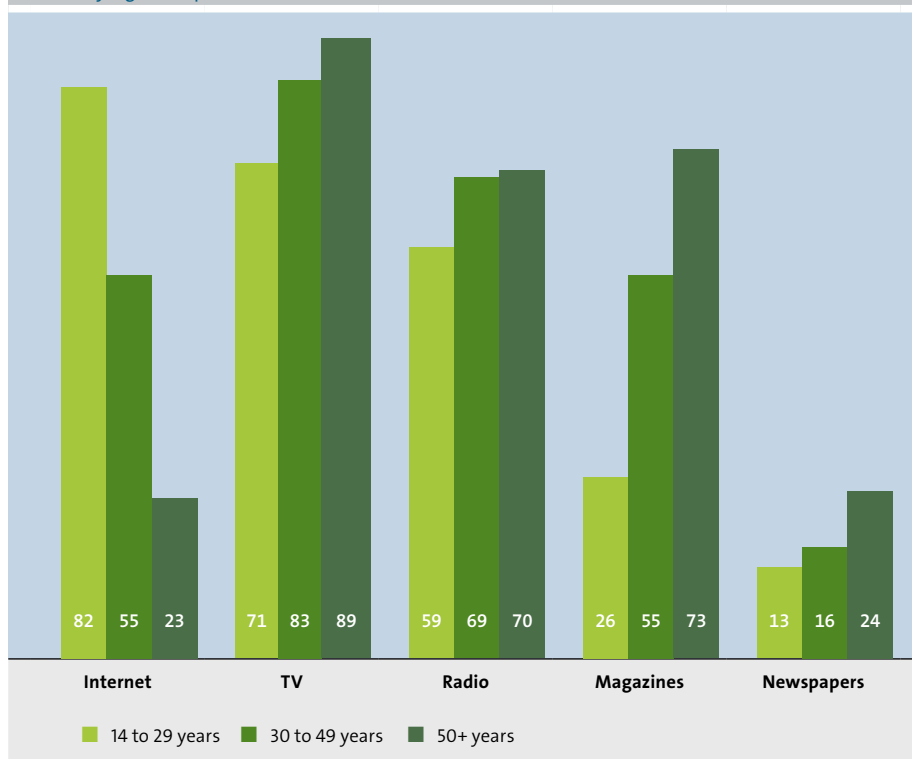
**Aldi axes print advertising:** in mid-April 2010, this information was given to customers and was above all a shock for publishers of daily newspapers. After all, Aldi is by far their biggest advertiser. For many newspaper publishers, the advertising budgets of the discount chain account for 30 to 40 percent of their advertising revenue. According to the figures of Nielsen Media Research, in 2009 Aldi and Lidl alone spent Euro 650 million on inserts and ads in daily newspapers. Without this income, the current newspaper crisis would become much worse.

**Company as publisher.** Another sign of impending doom for the Gutenberg galaxy? Certainly not, because Aldi now has its former store leaflets printed in large runs as Aldi-Süd magazine and distributed by mail. Aldi saves the costs for insert fees and ads and informs its customers directly. This is still a large-scale test in Germany's Baden-Württemberg but it's clear to see where the development is headed. Companies are becoming publishers in order to communicate more effectively with their consumers.

According to IVW, the Rewe retail group's women's lifestyle magazine Laviva with a circulation of 336,671 copies occupies second place in individual sales of women's monthly magazines in Germany. Already in its first 2010 survey wave, the media research organization Media-Analyse (ag.ma) recognized Laviva as a fully-fledged member of the magazine family. Red Bull is also charging ahead: the scene brand has launched a high-quality monthly magazine with an initial circulation of 3.1 million copies, which are inserted in 19 daily newspapers all over Europe. It is realistic to expect that companies in other lines of business will also intensify their Corporate Publishing.

## Frequent media usage, at least four times per week

Germany, figures in percent



Source: SevenOne Media/ mindline media, Medien Radar, 2009.

Corporate Publishing and Customer Relationship Management (CRM) merge in Web 2.0. This development is even more noticeable in America: WalMart, the world's largest retail chain, is driving this revolution on the Internet. Consumers can find a link on the company's homepage to the WalMart classified ads market and use this free of charge. Customers love the individual buying and selling of children's toys, automobiles and real estate. For WalMart this is an ingenious crowdsourcing for Corporate Publishing. The company provides

the technical infrastructure and CRM is replaced by Web 2.0. The customers themselves provide the contents and their permanent updating. The benefit for the trading giant is the reputation it gains among its consumers.

Different market surveys show that consumers are more inclined to trust word-of-mouth recommendations than more formal types of promotion such as PR or advertising. The fundamental opening up of the company and the development of di-



Peter Wippermann is the founder of Trendbüro, Beratungsunternehmen für gesellschaftlichen Wandel GmbH, and Professor of Communication Design at Folkwang University, Essen, Germany.

rect relationships with its clientele is more than what is traditionally understood under Corporate Publishing. The WalMart innovation is an example of how radically the Internet can change the meaning of Corporate Publishing. In the WalMart case, consumers can go the company's homepage and, with a click, link to all Web 2.0 offers and share them with friends. The best-known social media channel in Web 2.0 is Facebook. Here some 400 million registered members worldwide network their interests. Companies are starting to utilize the communication streams for their own purposes. In future, Corporate Publishing will be used less for providing information about the company and more for connecting communications with customers.

**The customer is king.** In future, the question will be more than print or online. Fine words and fascinating pictures about the company or brand are simply no longer enough, regardless of the medium in which they are published. What counts in analog or digital media is customer feedback. Companies have to provide content that really interests customers. In this development, the media socialization of customers will be an important criterion of Corporate Publishing. The future is foreseeable and will be shaped by technological innovations and their cultural acceptance. Media usage on the part of consumers is changing more slowly than the current weakness in the business models of established publishers suggests. Computer pioneer Alan Kay formulated this phenomenon very well: "Technology is anything that wasn't around when you were born". People remain the bottleneck of technological development. ■

## How much do you trust the following forms of advertising?

### Worldwide, figures in percent

Word-of-mouth influence	90
Online customer rating	70
Brand websites	70
Newspapers	69
Sponsorship	63
TV	62
Magazines	59
Radio	55
Subscribed e-mail newsletters	54
Cinema advertising	52
Search engine advertising	41
Online banner advertisement	33
Advertising via SMS	24

Source: Nielsen Media Research, Pressecharts Vertrauen in Werbung, Juli 2009.

## Daily media consumption of 12- to 19-year-olds in their leisure time

### Germany, figures in percent

Mobile phone	79
Internet	65
MP3	64
TV	63
Radio	58
Music CDs/cassettes	47
Daily newspapers	27
Books	23
Computer offline	17
Magazines	11

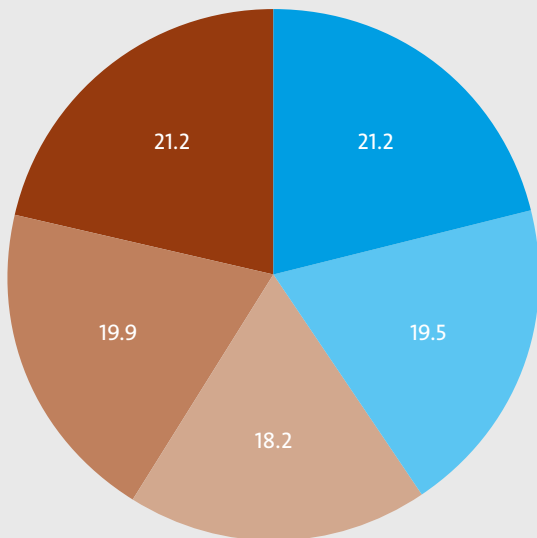
Source: Medienpädagogischer Forschungsverbund Südwest, JIM-Studie 2009.

# The sustainability factor.

Obviously, we can't do without packaging. At least when we don't want to go shopping with our own cans, bottles and cartons, and ignore food hygiene regulations. However, for a growing number of consumers there should only be as much packaging as absolutely necessary – and made from the most environment-friendly material. Otherwise more and more products will be left on the shelves. Erik Lämmerzahl believes this is so and has many figures to support his case.

## Corporate responsibility cluster: consumers in Germany

Figures in percent of total population



### ■ Egocentric epicures.

Pay most attention to individual well-being, under-developed social conscience

### ■ Self-dependent family persons.

Active life in their own world, proactive in their personal environment, high awareness of nutrition and health

### ■ Progressive makers.

Independence, performance and success of utmost importance, committed to topics in their own social circle

### ■ Critical consumers.

Quality very important (also in nutrition), no active involvement in issues, criticizes through boycotting

### ■ Responsible dedicated consumers.

Great interest in social problems, commitment to environment and disadvantaged persons, high nutritional and health awareness

Recycling is the order of the day. A study conducted by GfK Panel Services Deutschland on behalf of Pro Carton in the middle of 2009 about sustainability of packaging came to this conclusion. 2,500 households in Germany selected as representative participated in the polling. Nine out of ten consumers said that the most important information on packaging is the »best before« date. Almost 87 percent of consumers would like the size of the packaging to be proportionate to the contents. This already shows that the second most important property of packaging has a distinctly environmental aspect. As far as sustainability is concerned, the customer in a store thinks above all about avoiding superfluous packaging through too much material or unnecessary secondary packaging.

Almost three-quarters of the respondents place high importance on material recyclability. Since glass in particular is considered to be recyclable in large quantities, almost 60 percent of the consumers believe this material is the most environment-friendly, followed by 36 percent who think carton and paper make the best packaging from ecological aspects. Only around two percent of the respondents nominated plastic or metal.

**Corporate Responsibility.** The study of packaging sustainability was based on an earlier study carried out by GfK Panel Services Deutschland in cooperation with Roland Berger on Corporate Responsibility (CR). This subdivides consumers into five CR clusters according to their attitudes to sustainability and Corporate Responsibility. This identified two segments with an overproportional affinity for sustainability and environment-friendliness: the critical consumers and the responsible dedicated consumers. More than 40 percent of these segments are Germans. As far as the ecological aspects of packaging are concerned, these two cluster segments show a higher sense of responsibility and pay more attention to this topic than the broad mass of consumers.

**More information wanted.** Altogether, 64 percent of consumers want packaging made from environment-friendly material and 55 percent as little plastic as possible. A look at the responsible dedicated consumers and above all the critical consumers shows that they pay overproportional attention to the sustainability of packaging. Whereas almost 38 percent of Germans pay attention to reuse of packaging, three out of four expect that at least the materials used are recyclable. Here as well, the CR cluster segments mentioned above have high expectations. The ecological interest of the responsible and critical consumers is most evident with the

Source: GfK, Roland Berger Strategy Consultants, Corporate Responsibility Study, 2009.

CR cluster and sustainability aspects for packaging						
Figures in percent	Average of all interviewees	Egocentric epicures	Self-dependent family persons	Progressive makers	Critical consumers	Responsible dedicated consumers
The package should consist of environment-friendly material.	64.1	58.1	54.9	60.6	79.0	70.4
The package should contain as little plastic as possible.	55.4	48.8	52.0	47.8	71.0	59.6
The package should be recyclable.	73.7	69.3	70.4	69.9	86.7	74.2
The package should be reusable.	37.4	36.1	32.6	31.6	45.2	42.6
Information on the package about sustainability of product/package.	34.6	27.8	22.6	25.6	52.0	46.5
<b>Sample interpretation:</b> 64.1 percent of the population on average are of the opinion that packaging should consist of environment-friendly materials. 58.1 percent of the egocentric epicure cluster is of this opinion, as compared to 79 percent of the critical consumers cluster.						

Source: GfK, Pro Carton, Packaging & Sustainability, 2009; Basis GfK Domestic Panel n=2,500.

question of information wanted on the packaging regarding its sustainability and that of the product inside. Altogether 35 percent of consumers want this information, but the demand of the two particularly environment-conscious clusters for this is more than twice as high as that of the other consumers.

**Communicate and convey sustainability.** The packaging and its sustainability plays a role in the minds of consumers and can have an effect on the purchasing decision, especially with environment-conscious people. To utilize this aspect and position products and their packaging accordingly, one must provide sustainable packaging and communicate this to the buyer. ■

As Research Manager, Erik Lämmerzahl is responsible for the GfK Direct Marketing Panel, which measures the volume of direct marketing activities in Germany such as public-ity circulars, canvassing calls and canvassing e-mails. GfK is one of the world's largest market research organizations.

# Taking off the organic crown.

No more boasting about environmental friendliness or the reduction of carbon dioxide emissions. Companies can no longer advertise sustainability to enhance their images, says Regina Schmidt. As an economic factor, responsible corporate action is now a given.

Buying behavior for different packaging types in relation to total population									
Deviation in percent	Unpackaged	Mesh nets	Paper bags	Boxes	Plastic bags	Cans	PET bottles	Plastic cups	Vacuum packaging
<b>Egocentric epicures</b>	+1	-13	-1	-50	-10	+11	-3	+11	+13
<b>Self-dependent family persons</b>	-7	-11	+1	-32	+11	-3	+10	-9	+7
<b>Progressive makers</b>	-3	+10	-9	-34	+9	+11	+5	+5	-1
<b>Critical consumers</b>	+11	+14	+17	+44	-8	-15	-16	-7	-7
<b>Responsible dedicated consumers</b>	+1	+2	-5	+84	-4	-7	+1	+0	-12

**Sample interpretation:** Critical consumers purchase boxed goods or cases 44 percent more often than the national average. Self-dependent family persons, in contrast, buy boxed goods 32 percent less frequently than on average.

Source: GfK, Roland Berger Strategy Consultants, Corporate Responsibility Studie, 2009.

Corporate Responsibility (CR) comprises a company's commitment to socially and ecologically responsible management and sustainable action. In addition to an environmentally friendly impact and image-boosting potential, economic benefits are an important aspect. Over 4,500 companies worldwide regularly publish sustainability reports. The leaders in this area are food retailers, who were quick to recognize the key significance of sustainability and respond accordingly. In 2006, Walmart, for example, launched a packaging scorecard that measures the innovation, energy efficiency, material value, as well as compliance with environmental standards for packaging. A sustainability index is currently being developed for all products. This allows

buyers to quickly and easily evaluate an article's ecological footprint. National governments too, have implemented diverse national and international initiatives. The Integrated Energy and Climate Protection Program of the German government, for instance, has the goal of achieving a 40 percent reduction from 1990 levels of greenhouse gases in Germany by 2020. Moreover, non-governmental organizations are calling for specific measures for the ecologically correct use of paper and forests.

**Consumers and buying behavior.** Corporate responsibility will become a necessity for all players in the consumer goods industry. A CR strategy must take into account the demands of all important stakeholders.

A particularly critical factor for success, however, is whether customers endorse a company's CR activities.

Roland Berger Strategy Consultants and GfK Panel Services Germany have published a comprehensive study on this topic. A survey of customer attitudes was taken and then compared to real consumer behavior. Five consumer groups were identified who differ as to their CR expectations. The respective attitudes of these groups clearly influence their purchasing behavior. When asked: "Do you buy environmentally friendly products?" the number affirmative responses was clearly above average among the responsible dedicated consumers (58 percent) and the critical consumers (59 percent).



CR also applies to the printing industry. An optimum work climate includes:

- Environmental management in production
- Energy efficiency and energy recovery

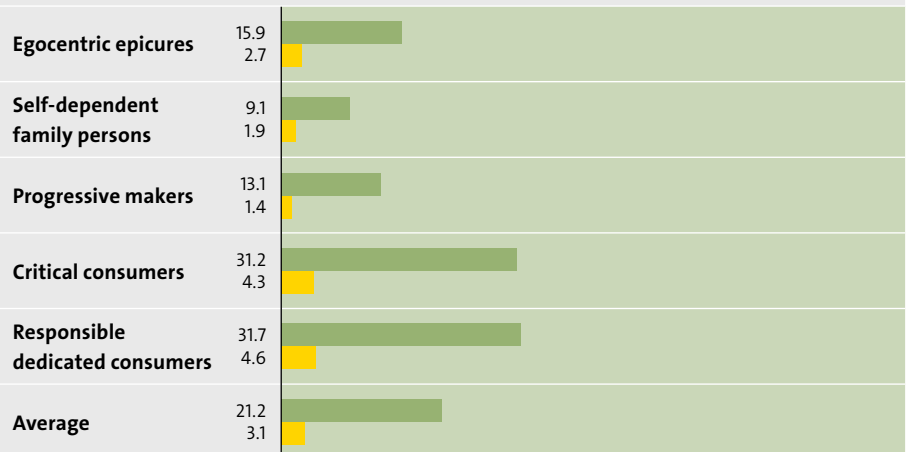
- The reduction of emissions and carbon dioxide
- Waste reduction and resource conservation

Regina Schmidt has worked for Roland Berger Strategy Consultants since 2008 as a partner in the area of consumer products and retail. She focuses on brand management, sales strategy, and business planning.

Observing their purchasing behavior, these two groups spent a good deal of money on environmentally friendly detergents and cleaning products. The behavior of the consumer groups also varies when it comes to packaging. The

#### Influence of attitudes on buying behavior for organic products in 2008

Figures in percent

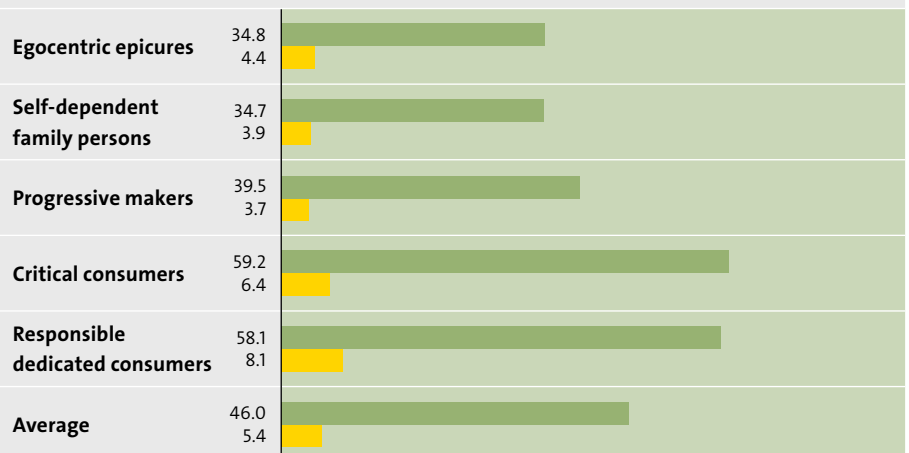


■ Attitude: Prefer buying organic food.

■ Buying behavior: Spending on organic products compared to overall food and drink expenditures.

#### Influence of attitudes on buying behavior for environmentally friendly products in 2008

Figures in percent



■ Attitude: Prefer buying environmentally friendly products.

■ Buying behavior: Spending for environmentally friendly cleaning products and detergents compared to total expenditures.

Quelle: GfK, Roland Berger Strategy Consultants, Corporate Responsibility Studie, 2009.

egocentric epicures and the responsible dedicated consumers choose unpackaged, loose food products more frequently. Self-dependent family persons prefer products packed in paper bags and the progressive makers buy goods in mesh packaging. Companies should be aware of these different consumer groups and their customers' preferences and incorporate them as part of a targeted approach in their CR strategies. Today, CR still holds the

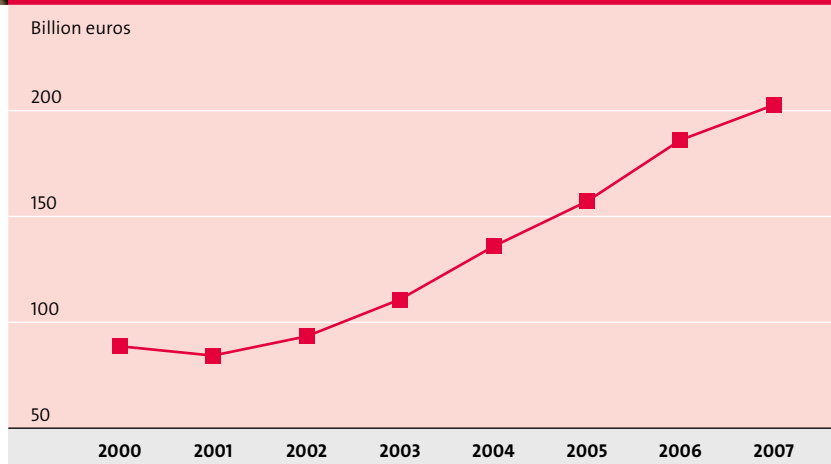
potential for variation; soon, however, it will become an immutable industry standard. Only through the integration of Corporate Responsibility along the entire value chain of a company can the successful linkage of individual measures and the pursuit of overarching objectives be accomplished. ■

# Expensive bargains.

There's nothing wrong with being thrifty. Those who honestly look for bargains can be justifiably proud of saving a lot of money. However, counterfeit products are only bargains at first glance because others subsidize them: brands lose customers, workers are paid too little, and sometimes the buyer's health is at risk. Valentina L' Abbate reports on the curse of brand piracy.



Evolution of trade in counterfeit and pirated products



Source: OECD, Magnitude of Counterfeiting and Piracy of Tangible Products: an Update, November 2009.

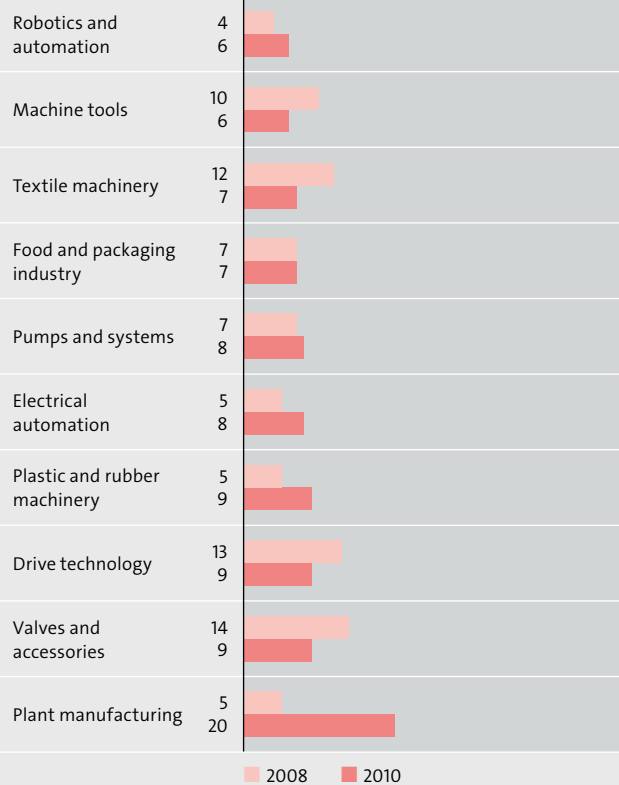
The figures speak for themselves: an OECD study estimated the global damage caused by product piracy in 2008 to be Euro 197 billion. If one adds in economic and intangible consequences such as image loss, the ICC (International Chamber of Commerce) increases the figure to 590 billion. According to the VDMA (German Machinery and Plant Manufacturers Association), two-thirds of the industries represented by the association suffer annual damage of Euro 6.4 billion. Product piracy has developed into an industry of its own and the offenders use modern communication tools like the Internet, as well as the networks and know-how of organized crime.

**Piracy affects all industry sectors.** Consumer goods are affected most of all. The international BASCAP study 2009 commissioned by the ICC reports that counterfeit cameras, audio and video equipment, brand-name clothes and sport articles are often sold. There is widespread piracy of premium quality alcoholic drinks, cosmetics, software products, jewelry, and above all pharmaceuticals. Counterfeit medication is a health hazard because it sometimes contains toxic substances. 38 percent of Germans buy medication of dubious origin. According to a 2009 study conducted by pharmaceutical giant Pfizer, this puts them well above the European average of 21 percent. Germans spend Euro 2.7 billion for counterfeit medication every year, but Italy leads the way in Europe with Euro 3.6 billion. In parts of Africa, South America, or states of the former Soviet Union, the VDMA reports almost every second medication is counterfeit. This directly affects the packaging industry because counterfeit medication is sold in counterfeit packaging. According to the BASCAP study, counterfeit goods are mainly available in stores and from street traders. In Russia, 75 percent of all counterfeit goods can be found in stores, and in Mexico 42 percent are sold on the streets. 58 percent of the buyers don't even know the items are forgeries. Those who do know are looking for brand-name products at a low price as status symbols or because they consider the originals to be over-priced.

**In the 21<sup>st</sup> century, forgeries are socially acceptable.** Besides the items mentioned above, a growing number

## Industries affected by product piracy

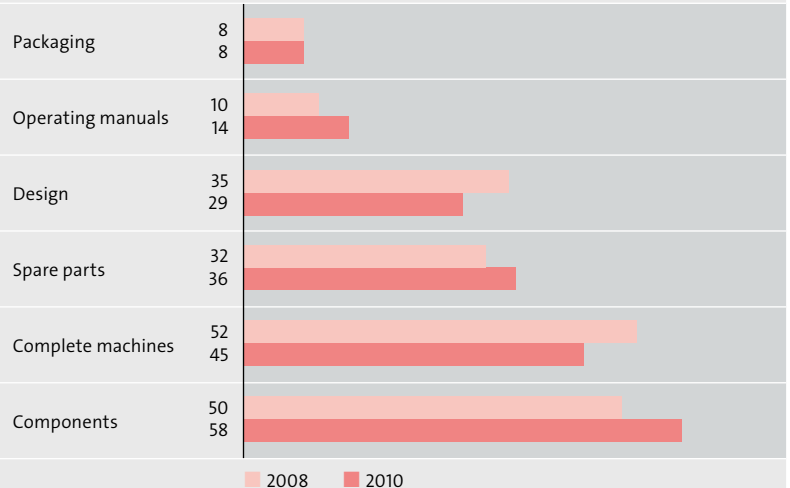
Engineering and plant construction, figures in percent



**Sample interpretation:** Whereas in the plant manufacturing sector in 2008 only 5 percent of the respondents said they were affected by product piracy, this rose to 20 percent only two years later. In the valves and accessories industry on the other hand, there is an opposite trend. The proportion of those affected by product piracy dropped from 14 percent in 2008 to 9 percent in 2010.

## Typical articles copied in engineering and plant construction in Germany

Figures in percent



**Sample interpretation:** In 2008, ten percent of the respondents said that operating manuals were forged. By 2010, two years later, this proportion rose by almost half again to 14 percent.

Source: VDMA, Umfrage zur Produkt- und Markenpiraterie, 2010.

of imitations of capital goods like technical products from the engineering, automobile or aviation industries are in circulation. According to the VDMA, in Germany the plant manufacturing industry is affected the most with 20 percent. Spare parts and components are copied more frequently than complete machines, with the result that user complaints are rising and user safety is at risk. 82 percent of the copies of German original goods come

from Asia, mostly from China. However, the focus should not only be on those who produce counterfeit goods but also on those who commission the production of them. Manufacturers, wholesalers and retailers all over the world profit from dealing in counterfeit goods, and their quality is improving all the time.

### Deterrents to a counterfeit purchase

Worldwide, figures in percent

They can damage your health or safety	70
Poor quality can damage the equipment you own	59
If you buy genuine you'll have better service and warranty	54
Your money goes to criminals	39
You set a bad example to children around you	34

**Sample interpretation:** 70 percent of the respondents do not purchase counterfeit goods because they are concerned about risks to their health or safety.

### Reasons for buying counterfeit products

Figures in percent	Great Britain	South Korea	India	Mexico	Russia
Cannot afford the genuine product	38	44	15	48	31
They don't know it's not genuine	31	10	24	6	36
They think genuine products are overpriced	10	32	22	22	17
It would be ridiculous or stupid to pay the full price of genuine products	8	8	3	5	5
Counterfeit product "do the job" just as well as genuine ones	7	0	6	8	2
Because they don't have access to the genuine products	3	1	7	7	5
They are constantly offered those products by sellers	1	2	8	1	1

**Sample interpretation:** 36 percent of the Russian respondents believe counterfeit products are purchased because the buyers don't know they are not genuine. Only 6 percent of the Mexican respondents think this is the case.

### Complete control along the entire production chain.

Multiple approaches are needed to successfully combat product and brand piracy:

■ **Curb supply.** Only the threat of much heavier penalties can discourage offenders who feel safe following the motto »high profit, low risk«.

■ **Reduce demand.** Businesses, associations and governments must make consumers aware that the higher price for original goods is justified by actual performance and investments. Counterfeit articles are often produced in developing countries under unhygienic and unsafe conditions.

■ **Devices and systems for differentiating** between originals and fakes must be used along the entire production chain.

**Concrete measures.** Trade and industry suffer from the negative effects of product piracy, along with governments because they lose income tax and jobs in their region. The VDMA runs various campaigns against product piracy: Pro Original conveys to customers the advantages of original products, the Product and Know-how Protection AG unites the interests of technology and services providers. The O-PUR project with partners including manroland and the Hochschule Mannheim (Mannheim University of Applied Sciences) makes every package unique by means of an authenticity barcode. The important thing is that a comprehensive concept of organizational, technical, legal, and communication measures is superordinate to individual projects. Also global measures like the ACTA copyright agreement, the cooperation of the G8 countries in customs activities, and more research such as the BASCAP study are all aimed at sinking the pirate ships. ■

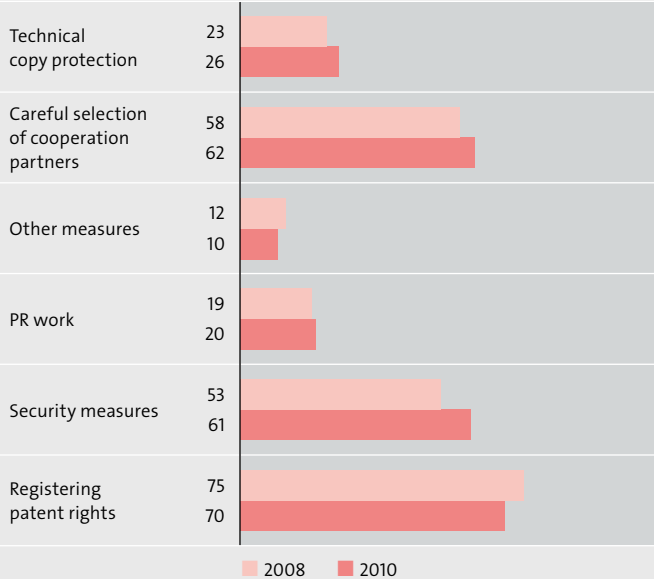
Valentina L' Abbate  
is a Cultural Science and  
Humanities graduate  
and freelance author.





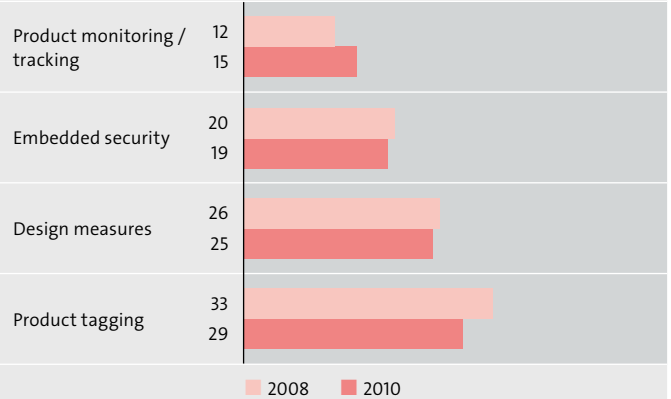
### Preventive protection measures

Engineering and plant construction, figures in percent



### Technical measures in detail

Engineering and plant construction, figures in percent

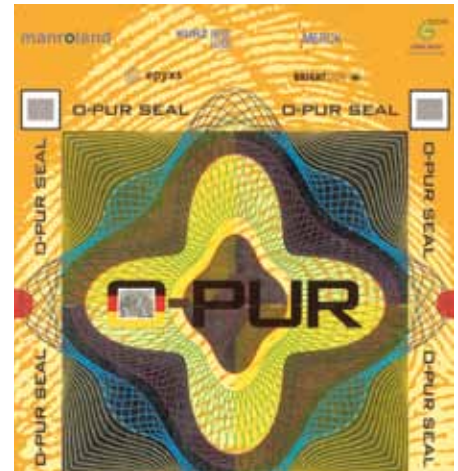


Source: VDMA, Umfrage zur Produkt- und Markenpiraterie, 2010.

Source: VDMA, Umfrage zur Produkt- und Markenpiraterie, 2010.

# Real time.

Time is running out for forgers and product pirates. Only microseconds lie between deceptively genuine and genuinely forgery-proof. In this time, a fingerprint is applied to the package just like the criminal investigation department loves: easily recognizable, unique, and stored in a database. The original text from Dr. Dominik Giel explains how this already works with offset printing.



A printed O-PUR security feature (4.32 mm x 3.60 mm), integrated at the right side of a demonstration sticker.

Dr. Dominik Giel works at the Fraunhofer Institute for Physical Measurement Techniques IPM in the fields of Optical Manufacturing Measurement Techniques and Exposure and Holography Systems.

Product counterfeiting has evolved into a gigantic market. Copies have long since ceased to just concentrate on wrist watches or luxury ladies' handbags. Figures available on how many euros the pirates turn over are only estimates. One thing is certain though: they earn billions every year. The strategies that companies use to protect themselves against plagiarism are sometimes costly. This is particularly true for mass-produced goods. It's hard to pass these costs on to the customers because they want an original MP3 Player or an authentic medication of high quality but are not prepared to pay for combating product piracy. Industry is therefore demanding reliable protection against forgery that costs as little as possible but offers the high security of high-tech solutions like RFID.

**The O-PUR project.** Fraunhofer IPM, together with manroland and other industry partners, has developed such a solution in the O-PUR project (Originäres Produktsicherungs- und Rückverfolgungskonzept, original product security and tracing concept). The process developed with the support of the German Federal Ministry of Research is fast and inexpensive and also functions with mass-produced products. With O-PUR, forged product packaging can be easily distinguished from authentic packaging. The idea is to print on the package a small code only a few millimeters in size by sheetfed offset with fine structures in the micrometer range, similar to the much larger, two-dimensional data matrix code now used as a replacement for postage stamps.

**High standard of security.** Only when the package is filled, this individual code is scanned by a high-resolution camera. Since every single code is unique through

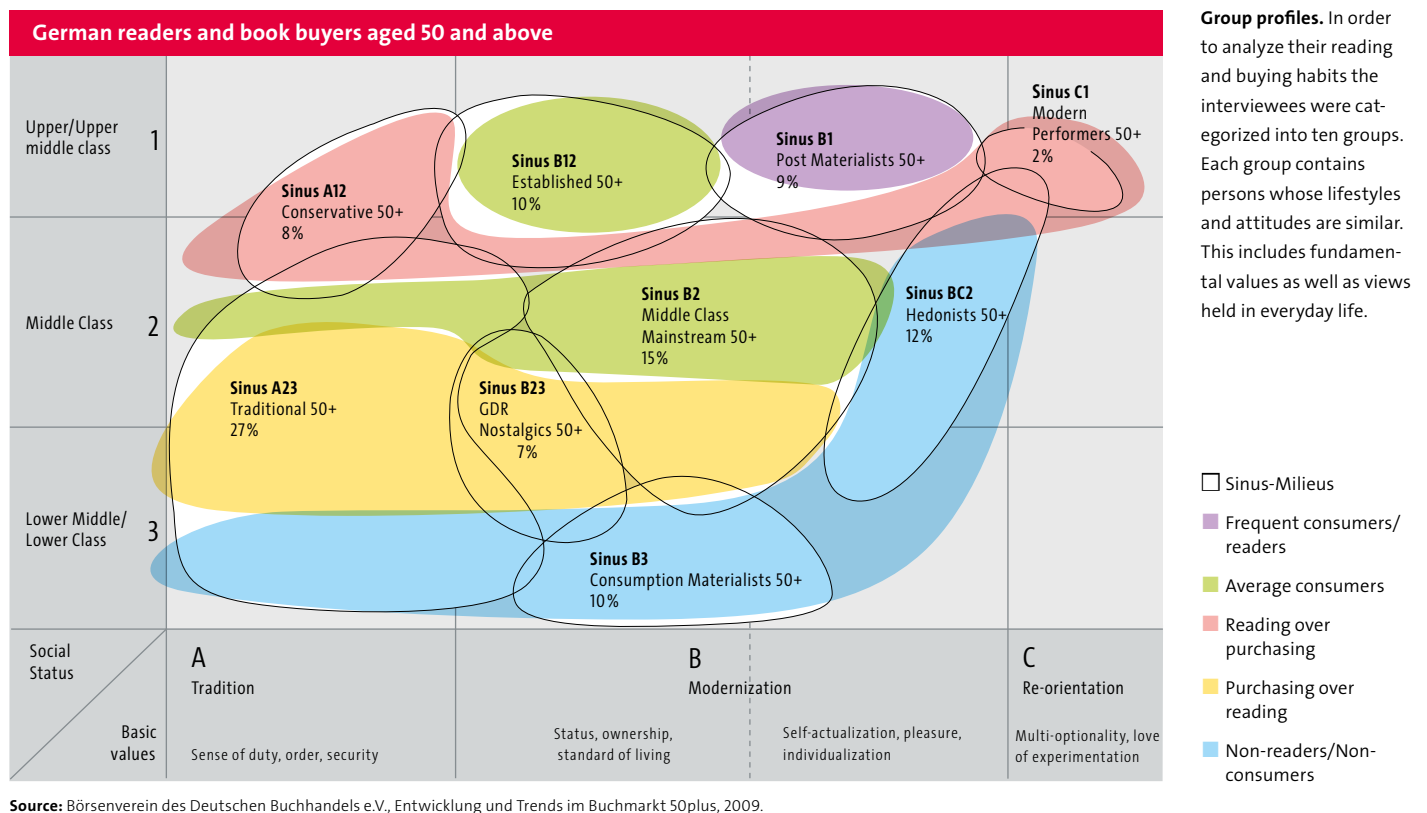
the individual structure of the paper fibers, a fingerprint is created for every package which is stored in a database. Before a dealer hands an MP3 Player over the counter, or a pharmacist medicine, they will in future read this individual code with a hand-held scanner. Via an Internet connection, the scanned-in code is compared with the fingerprint stored in the database. This enables the seller to check the authenticity within seconds, and manufacturers receive information about the distribution channels of their products. Further in the future this type of scan can be done using the camera function of a mobile phone. At present their resolution is not yet sufficient but that will come.

**Fractions of a millionth of a second.** For the Fraunhofer IPM researchers, the challenge primarily lies in the camera technology that has to scan in the fine code in micrometer scale during rapidly moving production. In a sheetfed offset press for instance, the paper surface runs past the camera at five to seven meters per second. To record the fine details with dot diameters of 20 micrometers ( $\mu\text{m}$ ) at these high speeds without blurring, the time for taking the picture cannot be much longer than fractions of a millionth of a second: an incredibly short time that is shorter than the shutter time of most electronic cameras. The IPM researchers solved this problem with a trick: the camera opens its electronic shutter before the security code flies by. Then at precisely the right moment an electronic signal releases a bright and very short flash that reflects back from the moving paper surface and generates the security code image. The use of LEDs ensures that a high percentage of the energy is actually transformed into light and only a small amount is lost as heat: a particularly reliable and low-maintenance technology.

**Protection against unwarranted complaints.** Which surface structure is suitable for a code depends on the product. In any case the structure must be wear-resistant and still be clearly detectable after many years. This applies in particular to safety-relevant wear parts such as brake disks. When components fail, the manufacturer is liable. It must be clarified within a very short time whether the defective component actually came from the manufacturer because liability claims may be made. In that case, reliable authenticity checks with the aid of a protected and wear-resistant code is extremely helpful. ■

# Ripe for new editions.

Books are always good for a surprise. The latest: despite all new media, they are achieving a growing readership. An increasing number of people turn to the bookshelf from the age of 50 and above. This can be attributed to higher educational levels, as shown in a study issued by the German Publishers and Booksellers Association (Börsenverein des Deutschen Buchhandels), but also to good legibility.



Once a bookworm, always a bookworm. This even applies to readers who are well over 50. But what about their contemporaries who are only occasional readers? They hold a high sales potential for publishers and booksellers. This is the conclusion of the study *Developments and Trends on the 50-Plus Book Market*, published 2009 by the German Association of Publishers and Booksellers.

Over 40 percent, that is 26.8 million people in Germany, belong to the 50-plus target group, who are perceived as frequent consumers with high purchasing power. There are 14.5 million book consumers among

this group. Reason enough for the German Publishers and Booksellers Association to research the buying behavior, motives, and expectations of these book consumers in order to derive practical tips for publishing houses and bookstores.

The 50-plus generation is not a homogeneous group. After celebrating their 50<sup>th</sup> birthday, consumers do not abandon their basic values, identities, and aesthetic preferences. So the study not only evaluates purchasers and readers based on their age, but also takes their attitudes and lifestyles into account, and thus their classification within the so called Sinus-Milieus.

**Older consumers purchase more books than younger ones.** In general, the 50-year-olds of today have better educational and professional training than previous generations had at the same age. They have high demands for comfort and quality of life. They enjoy a broad range of hobbies. For 68 percent of people over 50, reading is one of them. Those who no longer work often use their increased leisure time for precisely that activity. It is also not astonishing then that the purchasing intensity for adults between 50 and 69 is roughly 20 percent higher than for adults 49 and under. Purchasing intensity and diversity begins to decline for those aged 70 and above.

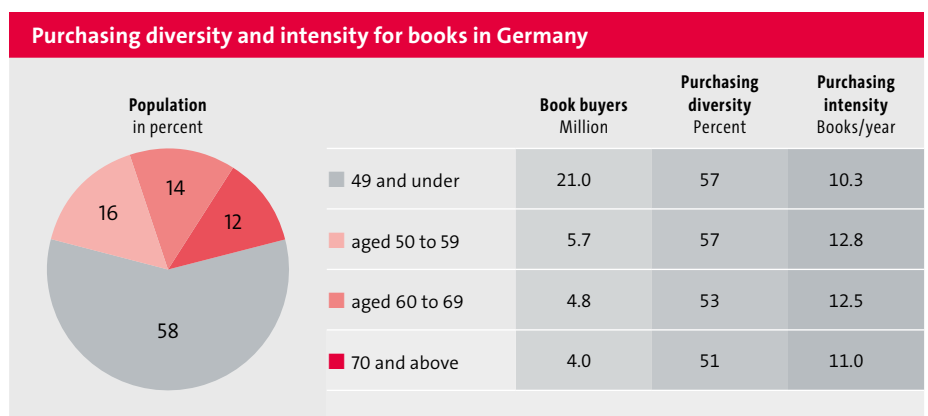
Frequent readers themselves are not the main focus of the study. They no longer need to be convinced of the merits of books. A strategic relevance was assigned instead to average readers, i.e. people who read more books than they buy or those who purchase more than they read. This group holds a high sales potential, provided that publishers and booksellers take into account their wishes and needs. What those are can be derived from the milieu-specific classifications. Average readers can be found in the milieus 50-plus Established, 50-plus Conservative, 50-plus Traditional, and 50-plus Bourgeois mainstream.

**50-plus Established.** For this milieu, books are a highly-prized cultural good. There is, however, also an openness in this group to new forms such as audio books. The reading spectrum is broad. Mainstream novels and mysteries, however, are rejected. Increasing age, complex sports, or travel increase the importance of reading. Books must exude value: high printing quality, a valuable binding and a pleasant haptics.

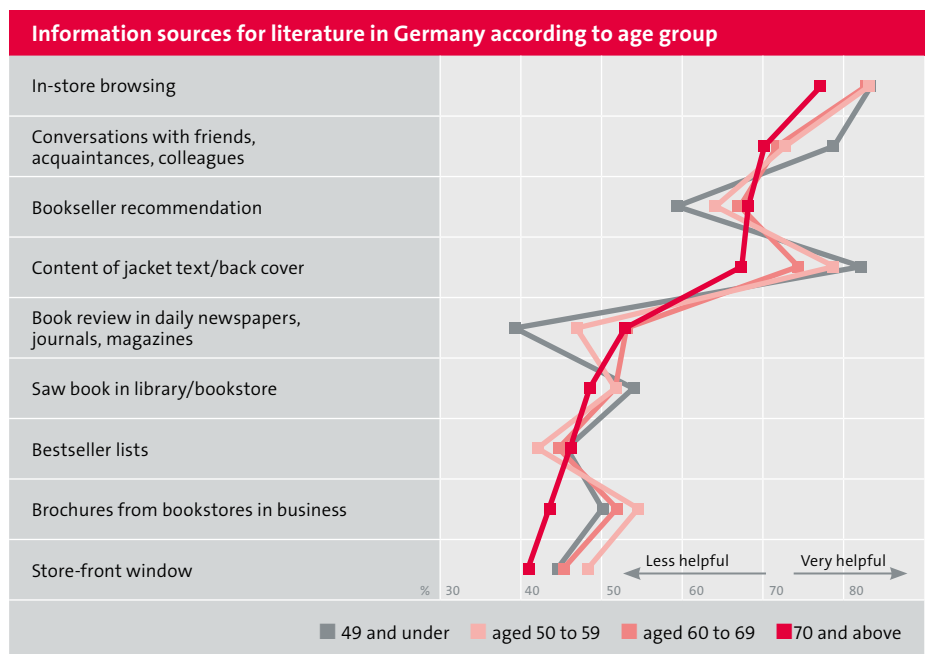
**50-plus Conservative.** Reading is solely a matter of general education. The main focus is therefore on classic literature, biographies of important figures, and elaborately designed travel literature. A good book has inherent values such as flowing, elegant language. Its exterior, in contrast, should be unassuming while conveying quality. This group likes to purchase elaborate special editions. To guide their purchases, bestseller lists from reputable sources, publishing house brochures, and authors' readings in appealing, refined settings are preferred.

**50-plus Traditional.** This is the post-war generation that most values safety and order, and is characterized by traditional values such as personal duty and frugality. The home and garden is the place for retirement. Reading as a pastime has become more important. Novels, mysteries, and popular non-fiction works can be exchanged or borrowed. Purchases are reserved for inexpensive paperbacks, especially when they are available as low-cost irregular copies or as part of a special offer.

**50-plus Middle Class Mainstream.** For the 50-plus middle class mainstream, books and an imposing living room book shelf are indispensable. Reading is mostly done to unwind; this group's preference there-



Source: Börsenverein des Deutschen Buchhandels e.V., Entwicklung und Trends im Buchmarkt 50plus, 2009.



Source: Börsenverein des Deutschen Buchhandels e.V., Entwicklung und Trends im Buchmarkt 50plus, 2009.

fore goes to lighter literature. The cover needs to reveal the book's content. Inexpensive paperbacks are preferred. For reference books, this group chooses hardcovers, since they are more robust and durable. The format and font size are important; these books need to be easy to handle and reader-friendly.

The study makes it clear that books become more important with age. With the onset of limitations, this target group is more demanding in the areas of service and convenience than its younger counterparts. Though the 50-plus generation is Internet savvy, when purchasing books they prefer the nearby bookstore (27 percent) with competent staff. Those who order by mail (14 percent) usually do so with the aid of a catalog. Books themselves should feature

high-quality printing with a high black/white contrast, a legible font and comfortable line spacing. Exaggeratedly oversized letters are not appreciated. And it will be interesting to see how this group responds to new offers such as the iPad. ■

Birgit Eisenlöffel is a freelance author with many years of experience in the graphic design industry.



# Writing a book.

For most of us that remains an unfulfilled dream, yet in recent times many brands have been very successful authors. This is of course because brands enjoy the luxury of having others write for them. Still, it also shows that books have regained an attractive niche position in the media mix. Dr. Andreas Siefke investigates the new trend towards the good old book.



**Corporate Books or Branded Books** are books that are produced on behalf of companies or with considerable support from companies. They are written journalistically which makes them significantly different from advertising as such. Interestingly, the demand for Corporate Books has risen since the economic crisis. What are the reasons why?

**Image bearer and brand ambassador.** Compared with electronic media, a book has a more lasting effect. Besides that, it enjoys a high degree of credibility which is mainly attributable to the haptic. One trusts something one can touch most of all. With a high quality get-up, especially when iconography plays a central role, there is also a Collector's Item effect that deliberately appeals to our desire to collect things. Precisely these properties underline the suitability of Corporate Books as image bearers and brand ambassadors. However, the purposes of a Corporate Book are many and varied depending on a company's objective. Is a company looking to play the role of a publisher and for example use the book as a discussion platform? Or shall the publication directly highlight the company, its history, or its portfolio of products or services?

For a seller or producer of brand-name goods with tangible products, a classic (brand) chronicle may be the right choice. For companies in a complex communications environ-

ment or with abstract products, a better approach would be content that indirectly promotes the company's image. As far as content is concerned, a certainly unusual variant is a corporate story. In all cases it is decisive that the book is journalistically credible in form and content. This starts with the authors, photographers and designer, and extends through to well thought out handling of brand logos and CD guidelines.

**Durable and good for the budget.** Apart from content aspects, economic aspects certainly also play a part in the permanently high rating of Branded Books in corporate communications. Corporate Books can be produced with a relatively low budget. Furthermore, providing it is not intended that the book be produced exclusively for a defined readership, a certain refinancing potential exists via bookstores. Here, unlike a magazine or classic advertising, the company has no obligation to publish at regular intervals. With one-time costs, it is possible to produce a book that can often be used and admired for many years. Besides the sales promotion aspect, in many cases the presence of the book and thus its content in the public domain is a central objective.

**Appealing design.** As far as current design trends are concerned, the increasing possibilities of print enhancement are very significant. This is because, apart from the unbroken trend towards haptic, even in the digital age, companies want to convey value and set themselves apart from the competition. Not least of all, the character of a book is shaped by the paper selected and here there is a wide choice. An excellent example is the book commissioned by BMW AG called MINI The Book. Every

chapter is in the form of a separate file. The varying character of each chapter is emphasized through the use of five different types of paper, and the sheets that separate the chapters are printed in nine different special colors.

**Multimedia advantages.** The print product can of course be linked with the possibilities of the digital world by cross media applications. A good example is »Energie! Entdecke, was die Welt bewegt« (»Engery! Discover what moves the world«), a comic and non-fiction book for children between 10 and 14 years old, which was produced on behalf of RWE AG, one of Europe's five leading electricity and gas companies. In order to address the target group more precisely, a website [www.jungeenergie.com](http://www.jungeenergie.com) was developed at the same time as the book, which refers visitors to the book. This online publication not only extends the content of the book in the Internet but also supplements it through multimedia applications such as games and video and audio formats. The different communication channels online and print are thus optimally networked with one another. ■

Budget change of marketing mix in the next months			
Figures in percent	Will be increased	The same	Will be reduced
Conventional advertising	4.3	37.0	58.7
Events	2.2	40.0	57.8
Public Relations	4.3	50.0	45.7
Direct Marketing	6.8	61.4	31.8
Corporate Publishing	10.0	60.0	30.0

Development of budget for Corporate Publishing in media sections			
Figures in percent	Will be increased	The same	Will be reduced
Print media	16.0	42.0	42.0
Mobile media	44.4	40.7	14.8
Online media	48.0	40.0	12.0

Source: zehnvier/EICP, CP-Barometer, March 2009.

Corporate Publishing at times of crisis	
Figures in percent	
Will become more important	21.6
No change of importance	68.6
Will be less important	9.8

Corporate Publishing as a marketing tool	
Figures in percent	
Fits outstandingly	33.3
Fits well	52.9
Neither fit nor unfit	13.6
Fits not well	0.1
Fits not at all	0.1

Source: zehnvier/EICP, CP-Barometer, March 2009.

Dr. Andreas Siefke is Managing Director of Hoffmann und Campe Corporate Publishing in Hamburg, Germany, and member of the Executive Board of Forum Corporate Publishing e.V.

# Multicultural media.

Germany gave us the Pope. Spain is the World Cup champion. Dubai has its hotels. These are all clear-cut contributions. But who spends the most time in front of the television? Where do the most avid newspaper readers live? Who is the long-distance champion on the Internet superhighway? A recent study by the Stuttgart Media University (HdM) provides answers to these questions. Discover the top media-using nations.



Media consumption			
Minutes per day and capita			
	Television	Internet	Newspaper
Brazil	130	156	35
Canada	123	120	33
China	125	105	38
Germany	220	58	28
Great Britain	225	103	27
India	200	60	30
Japan	203	93	25
Spain	225	42	18
Russia	210	12	10

Source: WAN-IFRA, World Press Trends, 2009.

**Brazil, the Internet champion.** In soccer circles, the technical virtuosity of the Brazilians is undisputed. But they also stay on the ball longer than any other nation when it comes to Internet usage.

**China, the newspaper magnate.** A quick glance at the headlines? Not in China. Like the patience that goes into the preparation of millennial eggs, the Chinese devote a copious amount of their day to reading newspapers.

**Russia, the title winner.** A glance at the Russian media landscape reveals what it means to be a multinational state. Russia has the largest number of newspaper titles per inhabitant.

**Great Britain, the networker.** Maybe it's an island thing. The need to be connected – or the fear of being cut off from the rest of the world. Or it could just be a coincidence that such a high percentage of Brits has an Internet connection.

**Japan, the bounty hunter.** No need to panic, no samurai swords will be brandished or old scores settled. All accounts have been paid. The Japanese spend more money on printed products per capita than any other nation. ■

## HdM project group

Compiled by Marc Groger, Oliver Grossmann, David Khil, Daniela Pichotte and Sina Schmitt as part of the Print Projects course in the Print and Publishing Master's degree program at Stuttgart Media University (HdM) under the direction of Professor Bernd-Jürgen Matt in the summer semester 2010.



## Internet connection

Percent of population

Brazil	37.2
China	28.5
Germany	75.4
France	69.1
Great Britain	75.8
India	6.8
Japan	75.5
Canada	74.7
Russia	32.1

Source: HdM, Andere Länder, andere Sitten?, 2010.

## Newspaper issues

Quantity per 100,000 inhabitants

Brazil	2.2
China	0.2
Germany	2.5
France	0.2
Great Britain	2.1
India	0.4
Japan	8.0
Canada	0.1
Spain	0.4
Russia	19.0
USA	2.8

Source: HdM, Andere Länder, andere Sitten?, 2010.

## Annual spending for media consumption per capita

Figures in Euro

	Magazines		Books		Newspapers		Average	
	2003	2014	2003	2014	2003	2014	2003	2014
Brazil	6.3	8.7	3.9	4.7	3.1	3.1	4.4	5.5
China	0.8	3.9	1.6	3.1	3.1	6.3	1.8	4.4
Germany	48.0	37.8	14.9	11.0	22.0	14.9	28.3	21.2
France	27.5	22.8	16.5	11.8	18.1	11.8	20.7	15.4
Great Britain	50.3	39.3	23.6	16.5	7.9	5.5	27.2	20.5
India	0	0	0.8	0.8	1.6	2.4	0.8	1.0
Japan	77.1	64.5	52.7	40.1	60.6	44.0	63.5	49.6
Canada	33.0	30.7	14.9	11.0	23.6	16.5	23.8	19.3
Russia	1.6	3.1	0.8	0.8	2.4	3.1	1.6	2.4
USA	46.4	40.1	20.5	14.2	33.0	15.7	33.3	23.3

Source: HdM, Andere Länder, andere Sitten?, 2010.

# Intention connects.

The assertion that the Internet spells doom for all printed media does not even bring a weary smile from the Grim Reaper. Print is escaping death from the Internet just like radio did from the movies and the movies from television. Media is not black and white but a colorful mixture. A life certificate from Yvette Schwerdt.

They exude confidence, the nation's leading magazine publishers, as they look straight into the camera and proclaim the vitality of their trade. "Rumors of our demise are greatly exaggerated," quips Cathie Black. In reality, the CEO of Hearst Magazines and her competitors are probably in no mood for jokes. Their advertising revenues keep shrinking – as do their magazine portfolios. Now five major publishers have decided to put an end to this trend. Together they launched a 90 million US dollars (about 70 million euros) print campaign entitled The Power of Print. Their goal: proving that print is alive and kicking and that, in Black's words, "there really is no better medium to advertise in than magazines".

**US companies count on social media.** Really? US companies seem to differ. They increasingly invest in online marketing. The biggest winners are social networks. With over 127 million Americans flocking to Facebook, Twitter, YouTube and LinkedIn, marketers hurry to follow suit. Awareness, a social media platform company, found that 93 percent of organizations use social media as part of their marketing mix. The print services and media community is no exception. According to industry guru Dr. Joe Webb, 44 percent of America's commercial printers use LinkedIn, 26 percent Facebook, and 18 percent Twitter for marketing purposes, while 11 percent maintain corporate blogs.

The industry also boasts a number of custom social media initiatives, such as PrintJunkie, the Print Services and Distribution Association's communications platform that features blogs, videos, forums and more to promote a lively exchange among its members. The industry's uncontested social media king, however, is Jeffrey



Social media sites on which companies maintain profiles

	Percent
Facebook	80.0
Twitter	56.0
LinkedIn Groups	39.0
LinkedIn Companies	38.0
YouTube	35.0
MySpace	20.0
FriendFeed	5.0
Plurk	1.0
Other	7.0

Source: Business.com, Business Social Media Benchmarking Study 2009, 2009.

Hayzlett. Together with his team, the CMO of Kodak has created a number of blogs, a Facebook page with nearly 60,000 fans, various Twitter handles, podcasts and several branded YouTube Channels. "Not participating in social media is like not having a telephone or an e-mail account. Your ROI will end up being a return on ignoring," he says. He even credits social media for the come-back of Kodak, which had been "in deep trouble" just a few years ago. Banking on the new social technologies, the company was able to re-engage customers on a personal and emotional level, build trust, and maximize profitability. As for the platforms' more menacing implications, mainly the negative comments that can rapidly spread and cause damage to the brand, Hayzlett sees them as opportunities. After all they give him a



## Most popular social media resources for business information

	Percent
Attend webinars or listen to podcasts	69.1
Read user ratings and reviews for business products or services	62.2
Visit company or product profile pages on social media sites	62.1
Visit company blogs	55.1
Conduct searches for information on social media sites	54.5
Participate in online business communities or forums	51.1
Read or download business-related content on third party content sharing sites	50.4
Ask questions on Q&A sites (e.g., Yahoo! Answers, LinkedIn, forums, etc.)	49.4
Subscribe to RSS feeds of business-related news or information sites	35.4
Use Twitter to find or request business-related information	29.2
Participate in discussions on third party sites	29.0
Save business-related links on social bookmarking sites	27.7

Source: Business.com, Business Social Media Benchmarking Study 2009, 2009.

chance to recognize a problem, respond, and take action.

**Print and social media complement one another.** Optimally. Print media, by contrast, has long held social media in contempt considering it a cluttered, qualitatively-inferior competitor. While the original scorn has subsided, a subtle scepticism seems to have taken its place. Still some industry pioneers have embraced the Web 2.0 environment. Just like commercial printers, they, too, have been following their audience. According to the Pew Institute, 59 percent of Americans are currently looking for news both on- and offline. To reach their readers, media outlets must therefore maintain a presence in both worlds. One newspaper that clearly understands this call is The New York

Times. The paper offers a branded YouTube channel with constant feature updates, a Facebook page with 600,000 fans, themed Twitter-Feeds and a proprietary social network. The results: the paper was able to post a handsome profit, this past quarter. Growing online ad revenues had offset persistent losses in print. What's more, established media outlets benefit from valuable online leads. Such was the case, for example, when tweets first alerted veteran journalists to the unrests during last year's Iran elections.

In short: The US print industry is increasingly appreciating the unique potential of social networks, and their ability to drive customer engagement, trust, relevance, reach and cost efficiency. At the same time, the trade is also starting to understand

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## Sites to which companies upload content

	Percent
YouTube	64.4
Flickr	25.9
Slideshare	12.2
Photobucket	11.6
GoogleKnol	10.7
Squidoo	7.6
Vimeo	6.4
Hubpages	5.9
Work.com (business.com)	5.0
Scribd	4.3
Others	14.6

Source: Business.com, Business Social Media Benchmarking Study 2009, 2009.

what social media cannot do – namely replace print. The market calls for a seamless integration, with customers searching Facebook for product information and then requesting a glossy print brochure for more in-depth data, or readers scanning Twitter before scrutinizing the analysis in their daily newspaper. Fact is: print and social media complement rather than supplement one another.

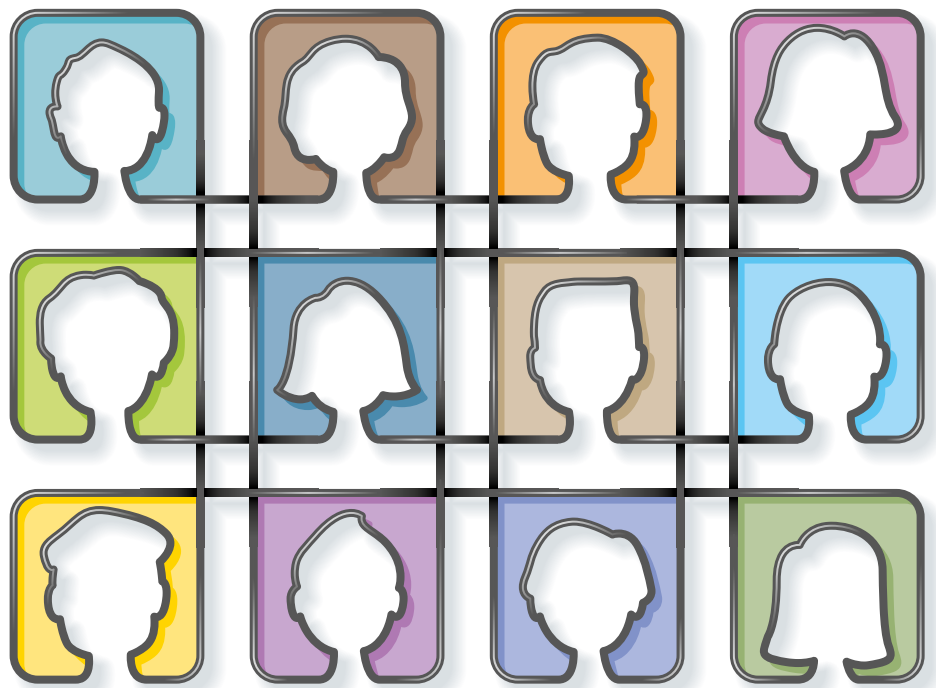
The US magazine publishers behind The Power of Print campaign agree, which is why they have released their video even before the official launch of the campaign. On YouTube. If only they would also enable comments now ... ■

# Friendship request.

If social media and print were members of Facebook, they would have befriended each other a long time ago. Their mutual acquaintances are numerous, their interests nearly identical. At the very latest, they would have found each other in the new media group. But they would be baffled at why so many people object to their friendship. Wolfgang Lünenbürger-Reidenbach is also baffled.

The term social media is used to refer to all Internet offers and pages that contain user content. This includes blogs, forums, social networks such as Facebook, the German network Wer-kennt-wen (Who-knows-who) or Xing, and also rapid short message services like Twitter. About one third of all Germans are currently active users of social media; in the under 30 age group, the percentage is two thirds. Social media are especially interesting for content and authors because – similar to the invention of the printing press in its time – they expand possibilities. Space is no longer a problem; restrictions on pages (or broadcasting minutes) are replaced by the limitless expanse of the world wide web.

**Content is always published.** The medium is flexible. This is why the changes induced by social media for media products as a whole are often compared to the invention of the printing press. While we are still witnessing its beginnings and experience the old alongside the new, the basic principle seems to hold: whoever can operate the Internet can also publish their texts, images and music, without the need for printing equipment. Some printing companies have long since responded to this development by adding web publishing to their services. And this makes sense. From the perspective of users and authors, print and the web go hand in hand. Simply put: one person writes a piece and someone else works to get it published. Classic print products are also used and consumed by network activists and social media content creators. This starts with wedding invitations or confirmation announcements, which are often preferred in paper form, and does not end with brochures and newspapers. Above all, social media are used intensively by a group that distrib-



utes numerous jobs: agency employees, journalists, and publishing house staff.

**Trivial text messages?** This has been the experience of Bartels Druck in Lüneburg. The team has tweeted since November 2009, sending out more or less insignificant messages in a feed to which about 170 followers subscribe. The content is usually related to colors, special jobs or the development of paper prices. Though this activity is mostly a source of enjoyment for the customer consulting team, the first orders are already coming in. At the last major Twitter event near Hamburg, @bartelsdruckt, as the company is called on Twitter, was a sponsor and donated name tags, elaborate labels that could be easily removed without leaving residue on clothing. In one fell swoop, the company was able to establish itself on the scene,

a good portion of which consists (see above) of agency members who dispense contracts.

**Social ambassadors.** This admittedly minor example already shows the chances that social media can bring: standing out among the vast sea of providers, making business contacts, establishing confidence. For those who actively use social media, Facebook or Twitter are mainly a meeting place, an unending stream of small talk that creates trust and familiarity, and signals that the others are “there” and engaged. As for most occupations and industries, here too, the value of social media is the social capital accumulated by those who take part in conversations. Creating trust, proximity, and familiarity takes time and effort. It is usually only possible through direct conversation. The charm of social media in

this process is that these very same conversations are visible to others. When the customer consultant from Bartels Druck talks to me and explains something via Facebook or Twitter, then not only his contacts, but mine too are listening. Two-person dialogs become audible to many, creating familiarity and a name for the company involved. Solely based on my conversation with the consultant, I serve as a testimonial or an ambassador. My contacts can ask me about the company when they are looking for a print shop. Or they can contact the company directly. Even though it may seem paradoxical: the same environment that would seem to signal the demise of the industry is the one where contacts are made that bring orders. ■

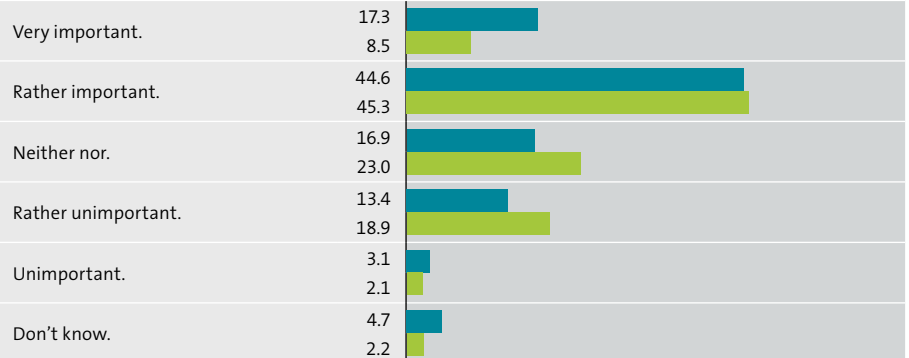
Wolfgang Lünenbürger-Reidenbach is responsible for digital strategy at the communications agency ach-tung! in Hamburg, Germany. The professional journalist has authored a blog since early 2003 and is one of the leading consultants for social media in Germany.

## Social media in companies

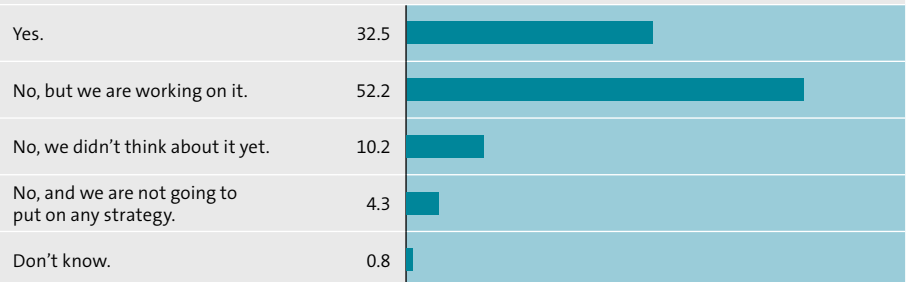
Figures in percent

■ **Press offices: How important is social media for your company?**

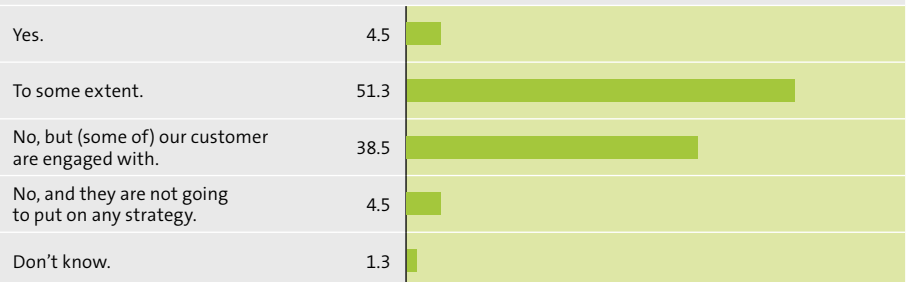
■ **Agencies: How important is social media for your customer?**



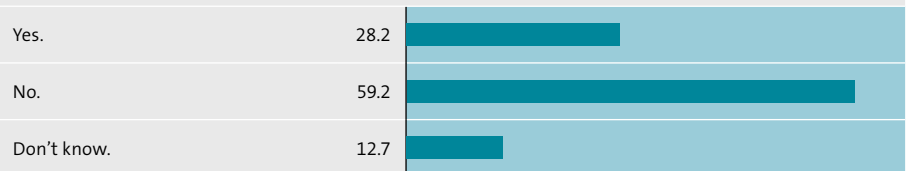
■ **Press offices: Does your company have a social media strategy?**



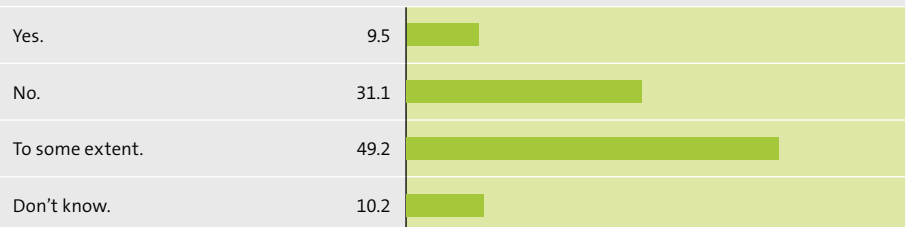
■ **Agencies: Do your customer have a social media strategy?**



■ **Press offices: Does your company have a budget for social media communication for the current year?**



■ **Agencies: Do your customer have a budget for social media communication for the current year?**



Source: Faktenkontor, news aktuell, PR-Trendmonitor Blitzumfrage: Social Media in Unternehmen, Mai 2010.

# Leaving a good impression.

The last personal message in a person's life is written by their survivors: the obituary. This is a matter of trust and confidence that is often assigned to specialized printing companies. For Reiner Sörries, this is not based solely on tradition. The wide variety of modern customization options can play a convincing role. Not for everyone, of course, as mourning is highly individual.



■ Obituary from: Matthias Nolke, Christian Sprang, Aus die Maus. Ungewöhnliche Todesanzeigen, Cologne 2009 (Unusual Obituaries).

■ When a person dies, their death is announced. The family spreads the news of the recent passing and relatives, acquaintances and friends express their condolences. Whereas this originally occurred by word of mouth, the written form quickly took over with the invention of printing technology.

**Media change interpersonal communication structures.** A quantum leap came with the introduction of the newspaper in the 17<sup>th</sup> century. In Leipzig, »Die Einkommende Zeitungen« was first published in 1650, the first daily newspaper in the world with six editions per week. Obituaries were first printed in business or miscellaneous advertisements. The unemotional notices were used for business purposes and to signal new ownership to customers and suppliers. In the 19<sup>th</sup> century, as the family news category appeared, obituaries became lengthier and more emotional. At the turn of the 20<sup>th</sup> century, they became the object of criticism; newspaper editors recommended standardized formats, which have since changed little over the past 100 years. The printing industry

Reiner Sörries is managing director of the working group for cemeteries and memorials and director of the Central Institute and Museum of Sepulchral Culture in Kassel and professor at the University of Erlangen.

continued to profit to the extent that in addition to the obituary, individual letters were sent out to a specific group of addresses and in catholic circles printed remembrance cards of the deceased gained popularity. Condolences also began to be sent in written form. During the last thirty years of the 19<sup>th</sup> century, especially luxurious formats were offered featuring stamping and embossing techniques in conjunction with color printing; the integration of photography played an additional part in revolutionizing the printing of these announcements.

**The online cemetery.** Obituaries are still an indispensable component of daily newspapers, but their importance has gradually changed. In small towns and villages, their social importance is greater than in large, anonymous cities. While older generations still regard it as an obligation to send a personal letter in the event of a death, young people tend to pick up the phone or write an e-mail. The introduction of electronic printing processes and online messaging represents a decisive break that has brought enduring change to communication structures. Though digital obituaries are becoming more widespread in the USA, the written form is still preferred in Germany. Digital condolences will also become more popular among the Germans when younger generations begin to send these messages in the future.

**Printed obituaries and condolences are firmly rooted.** Even when changes may be observed, printed communication in the event of a death will still retain its importance for some time to come. Certain standards have meanwhile achieved worldwide validity. Even without an understanding of the language or the writing of a foreign culture, obituaries are clearly

<p><b>Literature</b></p> <hr/> <p>Arnulf Kutsch, Johannes Weber, 350 Jahre Tageszeitung. Forschungen und Dokumente, Bremen 2002 (350 Years of Daily Newspapers. Research and Documents)</p>	<p>Karl-Wilhelm Grumer, Robert Helmrich, Die Todesanzeige. Viel gelesen, jedoch wenig bekannt. Deskription eines wenig erschlossenen Forschungsmaterials, in: Historical Social Research, Vol. 19., 1994, No. 1, S. 60–108 (The Obituary. Often read, but little known. Description of seldom examined research material)</p>
<p>Eva Martha Eckkrämmer, Die Todesanzeige als Spiegel kultureller Konventionen: eine kontrastive Analyse deutscher, englischer, französischer, spanischer, italienischer und portugiesischer Todesanzeigen, Bonn 1996 (The Obituary as a Reflection of Cultural Conventions: A Comparative Analysis of ... Obituaries)</p>	<p>Matthias Nolke, Christian Sprang, Aus die Maus. Ungewöhnliche Todesanzeigen, Köln 2009 (Unusual Obituaries)</p>

recognizable by their form. In the south of Europe and the Southern Hemisphere, they often appear in poster format in public spaces, attesting to the public nature of death, while in the northern latitudes they have retreated into private spaces.

**Courage to change.** Printed notices of death will not make an abrupt disappearance from the market, but they do present new challenges for daily newspapers, funeral homes, and printing companies. In Germany, funeral homes that are taking advantage of new digital print options to satisfy their individual customers' wishes are playing an important role. At the same time, they are already relying on virtual mourning forums and Internet memorial sites. Whether printing companies and

publishing houses will be able to respond similarly to changing needs will be critical for their future viability in this market. Printed announcements and obituaries are becoming more colorful, individual, and demanding. Sometimes they also require a bit of courage, for example, to fulfill a request when the deceased person was gay and survivors wish to express a combination of mourning, pep, and unabashed eroticism. New products are enjoying great popularity, such as announcements of gratitude after funerals or ads to commemorate the anniversary of a death. Changes and innovations always bring new chances. It is important to keep up. ■



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The DMA/ fast.MAP Marketing-GAP Report measures consumer attitudes towards direct-mail shots and marketers' perceptions of them. In November 2009, 4000 British consumers and more than 300 marketers (DMA members and fast.MAP panel) were selected by fast.MAP and polled using an online questionnaire form..

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Over more than 40 years, this publication has developed into one of the leading standard references on general business administration. Prof. Günter Wöhe taught general business administration at the Saarland University. Prof. Ulrich Döring is teaching business administration and business accountancy at Leuphana University in Lüneburg.

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200 internal communication experts from eleven European countries took part in the FEIEA survey, which was conducted using an online questionnaire assessing the topic of internal communication. This is the third Delphi study after those in 2001 and 2005.

**Forum Corporate Publishing e.V., Factbook. Trends, Tools, Facts im Corporate Publishing, 2009.**

[forum-corporate-publishing.de/](http://forum-corporate-publishing.de/)

Media diversity in the CP market and the various possibilities of modern corporate communication build the focus of the new Factbook from the industry association Forum Corporate Publishing (FCP) e.V., Munich. In addition to increasingly important CP content in digital media, from e-magazines to corporate trailers, the publication examines new variations in the medium of print.

**GfK, Roland Berger Strategy Consultants, Corporate Responsibility Studie, 2009.**

[rolandberger.com/company/press/releases/519-press\\_archive2009\\_sc\\_content/Study\\_on\\_corporate\\_responsibility\\_de.html](http://rolandberger.com/company/press/releases/519-press_archive2009_sc_content/Study_on_corporate_responsibility_de.html)

For this study in Germany consumers were surveyed on the topics of corporate responsibility, purchasing behavior and packaging preferences. Five different consumer groups and their characteristics were distinguished. In the year 2009 Roland Berger Strategy Consultants and GfK Panel Services surveyed the two household panels GfK Consumer\*Scan (FMCG) and GfK Consumer\*Scope (durable goods, services). Both panels cover in each case 20,000 households.

**GfK, Pro Carton, Packaging & Sustainability, 2009.**

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**Goldmedia, Screen Digest, Digital Signage in Europe – Opportunities for digital out-of-home advertising, 2008.**

[goldmedia.com/presse/pressemeldungen/info/article/digital-signage-kommt-europaweit-in-schwung.html?tx\\_ttnews\[bakPid\]=303&cHash=a633c0ea47](http://goldmedia.com/presse/pressemeldungen/info/article/digital-signage-kommt-europaweit-in-schwung.html?tx_ttnews[bakPid]=303&cHash=a633c0ea47)

The study contains analyses of the ten most important European markets, a market overview, and a description of the key players, information about business models and, for the first time, a market potential analysis with forecasts for advertising and hardware sales as well as advertising displays up until 2012.

**HdM, Andere Länder, andere Sitten? Länderspezifische Unterschiede in der Nutzung von Medien, 2010.**

[hdm-stuttgart.de/](http://hdm-stuttgart.de/)

This study was compiled by Marc Groger, Oliver Grossmann, David Khil, Daniela Pichotte and Sina Schmitt as part of the Print and Publishing Master's degree program at Stuttgart Media University (HdM) under the direction of Professor Matt in the summer semester 2010.

**ICC BASCAP, Research Report on Consumer Attitudes and Perceptions on Counterfeiting and Piracy, 2009.**

[iccwbo.org/uploadedFiles/BASCAP/Pages/BASCAP-Consumer%20Research%20Report\\_Final.pdf](http://iccwbo.org/uploadedFiles/BASCAP/Pages/BASCAP-Consumer%20Research%20Report_Final.pdf)

The study summarizes the key insights and results determined by an 18-month consumer analysis on the topic of product piracy worldwide. A total of 176 studies examining consumer attitudes as well as 202 media campaigns from 40 countries were analyzed, and 1,000 consumers from Mexico, Russia, Great Britain, India, and South Korea were surveyed.

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This is an informational brochure from the IHK Wiesbaden. It contains the most important financing alternatives as assessed by the IHK Wiesbaden according to their advantages and drawbacks, and also with regard to their effects on Basel II.

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In the Germany-wide basis survey, information from 25,922 households and 60,713 persons regarding 193,290 routes, 34,601 vehicles and 36,182 trips was acquired. In ten regional add-on random samples, another 24,021 households were interviewed in addition to the basis survey. The survey was conducted for more than one year, from the end of January 2008 until mid-April 2009.

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The International Post Corporation (IPC) is an organization with its headquarters in Brussels, Belgium, with 24 member companies from the postal industry in Europe, North America, and Asia-Pacific. Reports on topics to do with direct mail are published every month. IPC commissions independent third-party companies to provide all figures and data contained in these reports.

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The direct marketing barometer is published every year by the Internet market and opinion research organization marketagent.com on behalf of the Swiss Direct Marketing Association (SDV), the Austrian Dialog Marketing Association (DMVÖ) and the German Direct Marketing Association Inc. (DDV). For the latest direct marketing barometer, 196 members of these associations were polled online between 19 January and 14 February 2010.

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Trendstudie CP 2.0 – Corporate Publishing  
im digitalen Zeitalter, 2008.**

[medienfabrik.de/news/detail/browse/6/id/trendstudie-cp-20-corporate-publishing-im-digitalen-zeitalter.html](http://medienfabrik.de/news/detail/browse/6/id/trendstudie-cp-20-corporate-publishing-im-digitalen-zeitalter.html)

A trend analysis was conducted among 160 listed companies in Germany on the topic of corporate publishing and published by medienfabrik Gütersloh, a member company of arvato AG. It is based on a thesis written at Stuttgart Media University (HdM).

**Medienpädagogischer  
Forschungsverbund Südwest,  
JIM-Studie 2009.**

[mpfs.de/fileadmin/JIM-pdf09/JIM-Studie2009.pdf](http://mpfs.de/fileadmin/JIM-pdf09/JIM-Studie2009.pdf)

Like its predecessors, the JIM-Studie 2009 examines the seven million young people aged 12 through 19 in households containing telephones in the Federal Republic of Germany. From this total population, a phone survey was conducted with a representative sample of 1,200 young people from 2 June through 6 July, 2009 on the topic handling and use of media.

**Nielsen Media Research,  
Pressecharts Vertrauen in Werbung,  
Juli 2009.**

[de.nielsen.com/site/documents/VertraueninWerbung\\_Presse\\_Deutschland.pdf](http://de.nielsen.com/site/documents/VertraueninWerbung_Presse_Deutschland.pdf)

The Nielsen Press Charts represent an annual online interview of the household panels of Nielsen about a certain topic.

**OECD,  
Magnitude of Counterfeiting and  
Piracy of Tangible Products: an Update,  
November 2009.**

[oecd.org/dataoecd/57/27/44088872.pdf](http://oecd.org/dataoecd/57/27/44088872.pdf)

This short report gives an update on the results from the study The Economic Impact of Counterfeiting and Piracy (OECD, 2008), which examines the economic impact of product piracy.

**Pira International Ltd.,  
The Future of Global Printing. Market  
Forecasts to 2014, 2009.**

[pira-international.com/The-Future-of-Global-Printing-Market-Forecasts-to-2014.aspx](http://pira-international.com/The-Future-of-Global-Printing-Market-Forecasts-to-2014.aspx)

The report deals with the global development of the printing market from 2003 to 2014. The data was gathered from primary studies in the form of telephone interviews

with industry experts worldwide, as well as secondary research using extensive PIRA databases.

**PLAKATIV**

[plakativ-magazin.de/](http://plakativ-magazin.de/)

PLAKATIV appears five times a year and is the only magazine in German-speaking regions that reports exclusively on the topics out-of-home media and large format printing. Additionally, it produces the data compendium PLAKATIV-Daten at the beginning of each year. PLAKATIV is primarily aimed at the target groups marketing and advertising managers, creative people, media planners, printers, and media production specialists.

**PwC,  
Global entertainment and media  
outlook 2009-2013, 2009.**

[pwc.com/gx/en/press-room/2009/global-entertain-and-media-outlook-2009.jhtml](http://pwc.com/gx/en/press-room/2009/global-entertain-and-media-outlook-2009.jhtml)

The tenth edition of this annual report provides in-depth analyses and forecasts regarding the global entertainment and media market through to 2013. The analyses examine 12 large economic areas in North America, Europe, Africa, the Middle East, Asia, and South America.

**Indian entertainment and media outlook  
2009, 2009.**

[pwc.com/en\\_IN/in/assets/pdfs/PwC-Indian-Entertainment-and-Media-Outlook-2009.pdf](http://pwc.com/en_IN/in/assets/pdfs/PwC-Indian-Entertainment-and-Media-Outlook-2009.pdf)

The report covers the entertainment and media landscape in India and provides an overview as well as an outlook through to 2013. Eight different areas, including television, Internet, and outdoor advertising, are analyzed.

**SevenOne Media/mindline media,  
Medien Radar, 2009; Basis: 1006  
Befragte, 12/2009.**

[sevenonemedia.de/unternehmen/presse/pm/index.php?method=pmview&pmid=28048&plattform=som\\_de](http://sevenonemedia.de/unternehmen/presse/pm/index.php?method=pmview&pmid=28048&plattform=som_de)

For the data elevation 1,006 persons were asked via telephone interview (with a questionnaire) from 18 November through 23 November, 2009. These people stand as representatives for the total German-speaking population from 14 years.

**TNS Emnid Medienforschung,  
CP-Standard-Datenbank, selbst  
errechnete Werte, Stand 2010.**

[emnid.de/](http://emnid.de/)

The CP-Standard is an instrument for testing the success of customer newspapers. It consists of three parts and connects findings of media research with insights from the advertising effect analysis and experience of customer relationship management. It was developed by the market research institute TNS Emnid (Bielefeld) in conjunction with the industry association Forum Corporate Publishing FCP.

**VDMA,  
Umfrage zur Produkt- und  
Markenpiraterie, 2010.**

<http://www.vdma.org/wps/wcm/connect/94ea1b804223ae5290def413200b0330/VDMA+Umfrage+Produkt-+und+Markenpiraterie+2010.pdf?MOD=AJPERES&CACHEID=94ea1b804223ae5290def413200b0330>

The VDMA representative survey was conducted in February/March 2010 among 326 members of the VDMA with a questionnaire made available both online as well as by e-mail.

**WAN-IFRA (World Association of  
Newspapers and News Publishers)**

[www.wan-ifra.org](http://www.wan-ifra.org)

Located in Paris, the WAN-IFRA supports the economic interests of news publishers.

**World Press Trends 2010.**

[wan-press.org/worldpresstrends/home.php](http://wan-press.org/worldpresstrends/home.php)

Annual publication with comprehensive data on the global development of the press landscape. The figures are based on surveys conducted with the national publishers associations and present developments in markets for consumers (number of titles, editions, coverage, etc.) and advertisers (sales trends).

**zehnvier/EICP,  
CP-Barometer, März und November  
2009.**

[eicp.eu/projekte.cfm](http://eicp.eu/projekte.cfm)

The industry barometer of the corporate publishing sector provides regular information about current trends and developments in German-speaking countries. The online survey is conducted twice a year with a fixed group of participants (composed of 250 persons) from companies and CP service providers. Each survey round also includes a topic of current economic relevance.

# Glossary.

<b>ACTA</b>	Anti-Counterfeiting Trade Agreement.
<b>BASCAP</b>	Business Action to Stop Counterfeiting and Piracy.
<b>B2B</b>	Business-to-Business: relationships between companies, in contrast to those between companies and other groups (e.g. B2C, Business-to-Consumer).
<b>CAGR</b>	Compound Annual Growth Rate = Average annual growth.
<b>CPI</b>	Cost per Impression = Costs per piece.
<b>CRM</b>	Customer Relationship Management.
<b>EICP</b>	European Institute for Corporate Publishing.
<b>EMEA</b>	Europe, the Middle East and Africa.
<b>FEIEA</b>	Federation of European Internal Communication Associations.
<b>GfK</b>	Gesellschaft für Konsumforschung (Association for Consumer Research).
<b>HdM</b>	Hochschule der Medien Stuttgart (Stuttgart Media University).
<b>HTC</b>	High Tech Computer Corporation.
<b>ICC</b>	International Chamber of Commerce.
<b>IVW</b>	Informationsgemeinschaft zur Feststellung der Verbreitung von Werbeträgern e. V. (Association for Declaration and Circulation of Advertising Media).
<b>OECD</b>	Organization for Economic Cooperation and Development.
<b>RSS-Feeds</b>	Really Simple Syndication = RSS services. RSS services are usually offered as special service web sites (so called RSS channels). Similar to a news ticker, an RSS channel often provides the addressees with short informational blocks consisting of a headline with a short teaser text and a link to the original page. Data provision in RSS format is also referred to as an RSS feed.
<b>PwC</b>	PricewaterhouseCoopers.
<b>ROI</b>	Return on Investment.
<b>VDMA</b>	Verband Deutscher Maschinen- und Anlagenbau (German Engineering Association).

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