MEPA Middle East Publishers' Association

Newsletter

VOLUME 33, ISSUE 33

NOVEMBER 11, 2006

DUBAI TAKES 30% STAKE IN GALADARI GROUP

The Government of Dubai has taken a 30 per cent stake in Galadari Brothers Co, a family-owned group in the emirate that publishes the *Khaleej Times*, according to Dow Jones Newswires.

A court appointed by His Highness Shaikh Mohammad Bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai, first restructured the group and then replaced the board with a three-member temporary board, the financial news organisation said.

It quoted an October 5 memo, which said one of the members of the temporary board is Mohammad Abdul Rahim Galadari, it's the group chairman.

The memo, sent to managers of 11 Galadari companies, which includes an auto dealership, three hotels and the franchise for Baskin Robbins ice cream, was signed by Sharif Khoory and Yahya Kazi, directors of the executive board of Galadari Brothers.

Dow Jones quoted sources as saying the government's 30 per cent stake replaces Galadari's debt to the government and other companies.

"This board will continue to perform its duties during the interim period, that is, until the formalities of including the Government of Dubai or any of its nominated companies joining the Galadari group with a shareholding of 30 per cent, are completed," Dow Jones said, quoting the memo. It also added that members of the Dubai government will also be represented on the new board

Source: Gulf News

MAGAZINES ARE THE BEST PERFORMERS

Based on 19 recent case studies in which magazines, television and online advertising were used in combination, magazines produced the best overall performance. This is the conclusion of an analysis by Marketing Evolution, a US research consultancy. The analysis was commissioned by Magazine Publishers of America and published in October 2006.

Marketing Evolution tracks shifts in consumer attitudes and behaviour, and calculates the return on investment for each medium. The four basic measures, which moves progressively closer to the point of purchase, are brand awareness, brand familiarity, brand imagery, and purchase intent. For three of these measures, magazines were found to make the strongest contribution, and ranked second for the remaining measure.

Brand awareness

Brand awareness was the exception. Aggregating the 19 cases, television produced a positive increase in brand awareness for 73% of brands, compared with 66% of brands for magazines and 55% of brands for online advertising. This measure is, however, the furthest from the point of purchase. Moreover magazines' contribution was far greater than television's per dollar spent (see below).

Brand familiarity

Magazines proved to be the most powerful medium for creating shifts in knowledge about the brand. Magazines produced a positive effect for 85% of brands, followed by online (64%), and lastly television (57%).

Brand imagery

Magazines also made the biggest contribution to creating favourable images of the brands: there was a positive shift for 75% of brands, compared with 61% for TV and 55% for online.

Purchase intent

Purchase intent is often regarded as the most important of these measures, because it is the final stage before a purchase is made. Magazines earned a clear lead here. 72% of brands experienced favourable shifts due to magazines, contrasting with 53% of brands for TV and 33% for online advertising.

Another way of looking at this is to consider the absolute lift in purchase intent scores, comparing pre- and post-advertising scores. Aggregated across the 19 studies, magazines induced an average uplift of 5 percentage points in purchase intent: from 21% to 26%. TV produced an average uplift of 3 percentage points, from 17% to 20%. And online produced 2% uplift, from 22% to 24%.

Summary of the four measures

Overall, the results suggest that television is particularly powerful at forcing brand awareness, because of its intrusive nature. But when it comes to absorbing the advertising messages, magazines become the more powerful medium. Readers' ability to hold the printed page, and choose the content in which to become truly engaged, enables them to better mentally process the information and impressions delivered. This in turn tends to lead to greater persuasion to purchase the product.

Return on investment

The performance of magazines and online is especially impressive when the ad expenditure is taken into account. Television outspent magazines and online combined for all 19 products. TV's share ranged from 60% to 90%. Magazines' share ranged from 15% to 40%. Online's share was 5% to 25%.

As a rough guide, on average television ad expenditure was about three times that of magazines and about five times that of online advertising. Across all four measures, therefore, magazines and online produced considerably higher positive shifts per dollar than television. At worst, magazines produced two and a half times the shift per dollar (brand awareness); at best, around four times the shift per dollar (brand familiarity and purchase intent).

Clients' subsequent actions

These results, and other data emerging from the analysis, led clients to change their media plans. Share of spending:

- for magazines increased by up to 15 points
- for online increased by up to 12 points
- for TV decreased by up to 5 points

Source: FIPP

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