

September 8, 2003

ADVERTISING

# To Sell the Ads, Eager Magazines Write the Copy

By DAVID CARR

**W**hen [MGM Mirage](#) earlier this year sought to reposition its family-friendly Treasure Island casino in Las Vegas as a destination more suitable for adults in search of decadence, its media-buying agency pitted three men's magazines against one another in a winner-take-all contest.

To compete, the magazines — FHM, Maxim, and Playboy — would have to come up with full-blown marketing programs, complete with regular advertising, Internet and party components, to lure Treasure Island's advertising dollars.

FHM won the face-off — and \$750,000 in revenue — with its pitch. A key to its victory was the creation of a four-part, 24-page advertising section to run in consecutive issues beginning in October. These special sections, known as advertorials, are as glossy as any editorial spread, with high-level photography, writing and design.

While special advertising sections are nothing new, the heightened production values are. Magazine companies are investing more time and money — and sometimes their editorial staffs — to see that special sections like these leave advertisers feeling a little special as well.

"Special sections have always been around, but now they have gone on steroids," said Michael A. Clinton, executive vice president and chief marketing officer at Hearst Magazines. "They have become much more complex and sophisticated."

They are also less lucrative than regular advertising, leaving some in the industry wondering whether advertisers are being taught that an elaborate, custom editorial package is a better environment for their marketing messages than the magazine.

Sometimes, in an effort to meet the increasing demands of clients, publishers have engaged in tactics that leave some in the industry wagging a finger and readers scratching their heads over what separates editorial content from advertising. Editorial executives say they are seeing more blurring of that line

than ever.

The shrinking fortunes of magazines in the overall media landscape offer a partial explanation. To the dismay of jealous magazine publishers, even network television — whose ratings are at an all-time low — continues to entrance advertisers, who this spring committed a record number of advertising dollars to the 2003-4 season. Magazines, by contrast, continue to experience a drop in market share relative to other media outlets.

To get reluctant advertisers in their magazines, publishers are resorting more than ever to advertorials. While overall advertising page totals fell by about half a percent between 1997 and 2002, special-section pages jumped by 22.7 percent, according to TNS Media Intelligence/CMR and the Publishers Information Bureau.

Pick up a magazine on the newsstand, and chances are it will contain at least one advertorial. In September, issues of nine Condé Nast Publications magazines, including Vogue and Vanity Fair, carry a nine-page advertorial for Mercedes-Benz. At Hearst, Esquire, [Town & Country](#) and O, The Oprah Magazine, will carry a special section for Tourneau watches in October.

"Marketers are demanding more from magazines," said Dana Fields, executive publisher and president at FHM, which is owned by the British company Emap. "They are coming to us for solutions beyond just selling them an ad."

Susan B. Fleitz, senior vice president for advertising at MGM Mirage, said: "FHM was a great fit for us, they came up with an Internet campaign, they hosted a party for us and then gave us an insert that was about these three guys and their quest to have fun. And they covered the party in their editorial pages. We were looking to make a splash and we did."

FHM's reward, however, was not as lucrative as if it had sold Treasure Island 24 pages of regular advertising at the listed rate, for a \$1.5 million total. (An agency commission could have taken out as much as 15 percent of that amount.) Nonetheless, if the alternative was no dollars, FHM was willing to pull out all the stops, including using its fashion editor to put together the section, a no-no according to advertorial guidelines promulgated by the American Society of Magazine Editors.

"We do not have an `advertorial department,' " Ms. Fields said. "We used Antony Wright, our fashion editor, because he is familiar with going out on photo shoots. Fashion shoots tell a story, and that's what we wanted to do for Treasure Island."

FHM has plenty of company. In its July issue, Maxim, a men's magazine owned by Dennis Publishing and known for its passion for jokes, beer and scantily clad women, combined all three in a special advertising section called "Bite the Big Apple" about a boring business trip that became something else once the subjects of the story opened a few bottles of Miller Lite. The section was produced by Maxim's editors. (The section also ran in the company's Blender magazine.)

Lance Ford, executive vice president at Dennis, is not shy about the fact that Dennis is selling its style and attitude to land special sections.

"It had our tone and style," he said. "We used our editors to find that Dennis spirit. In a small, entrepreneurial company, we don't think of 'church and state' in the traditional sense. We try to pull everybody in to bake that pie."

Other publishers say they do not use members of their editorial staff, but may run afoul of the guidelines just the same.

In its April issue, Men's Journal, owned by Wenner Media, produced an article called "Conquering the Highlands." It looked, in typography and design, very much like the magazine's editorial content save for a logo that combined the magazine's name with Dewar's Scotch. A tiny bit of type at the top of the page indicated to the reader that the package was an advertisement, but many readers probably thought the men's adventure magazine simply favored toasting a day of rock climbing with "a few rounds of Dewar's choicest Scotch whisky."

The guidelines of the American Society of Magazine Editors specifically prohibit the use of a magazine's logo and prohibit special sections from mimicking the design of the publication. Gary Armstrong, chief marketing officer of Wenner Media, said that the section where the Highlands article appeared, "The Men's Journal Adventure Team," was part of a continuing program that includes a television show and that the use of the logo is permitted. "We respect the editorial integrity of our magazines," Mr. Armstrong said.

Officials at A.S.M.E. would not comment about the section.

The editors' society rarely sanctions publishers who do not adhere to its guidelines. A rare instance occurred in 1997 when it stripped Time Inc.'s This Old House of its National Magazine Award nominations because it allowed an editorial insert to be labeled "brought to you by Ace Hardware," giving the impression, the organization said, that the magazine's editors were endorsing a product.

"I think there is only a danger if something is portrayed as something that it is not," said Marlene Kahan, executive director of A.S.M.E. "We try to leave wiggle room rather than being the special-section advertising police and try to be realistic about the business. We put the guidelines out there and hope that the publishers police themselves."

One publishing executive said that the current arms race over building elaborate special sections was hurting the industry.

"The past two years have been thick with them, in part because it was a quick way to fill the page gap created by the tech implosion," this executive said. "But I can't think of a time when people have been

pushing the rules like they are now. Publishers are desperate to get pages in their magazine and they will do just about anything to get them. It's not a great thing for a business that is always bragging about readership trust."

It's hard to expect self-policing when advertisers are constantly pushing magazines to put their editorial imprimatur on a product. Behind the four walls of many publishers, especially in the women's magazine category, there are frequent trades of editorial coverage for advertising, but it is nothing explicit — beauty and fashion producers who do not advertise will soon notice that their products are almost never featured.

The special advertising section is a more overt and transparent trade. And the sections have been used and abused over the years to push up the number of reported advertising pages in a magazine — the Publishers Information Bureau, known as P.I.B., counts special advertising sections the same as regular advertising pages — to give the impression of a competitive lead in a specific category.

The New Yorker, which was reported to have posted a profit last year after years of losses, has made vigorous use of special sections, including some adorned by its fabled cartoonists.

"When used right, advertorial pages can help you grow in new categories and do smart business," said David Carey, publisher of The New Yorker, part of Condé Nast unit of Advance Publications. "When used wrongly, they can inflate your P.I.B. count and hurt your P & L," or profits and losses. Mr. Carey said special section advertising will be down by a third this year, but that profits will be up.

Mr. Carey, who said he was somewhat fatigued by the criticism that The New Yorker has been clogged with special sections, pointed out that other media companies just have more flexibility.

"When The [New York Times](#) wants to get more weekend travel business, they create a section called Escapes," he said. "No readers were crying out for that section."

Catherine J. Mathis, a spokeswoman for The Times, said, "Escapes has been a tremendous success from the perspective of both readers and advertisers."

Ellen Oppenheim, chief marketing officer of the Magazine Publishers of America, said that elaborate special advertising sections have become an increasingly important tool for publishers.

"They have been re-invigorated because advertisers want richer programs with many components," Ms. Oppenheim said. "But it is very important that readers trust and believe the magazine. It's important that the trust not be violated."