

TMG announcement - a breath of fresh air

 By [Gordon Patterson](#)

23 Nov 2012

What a breath of fresh air, a bold and confident statement, that the [Times Media Group's \(TMG\) rate setting for 2013](#) would be based on the Advertising Media Forum (AMF) definition of core circulation. This will send a clear message to advertisers that TMG not only means business but will commit to a partnership of shared responsibility and reward.

From an advertiser perspective the better the TMG titles perform the more they can charge and obviously if they decline, the less they will earn.

Within the broader publishing community it remains to be seen who else will follow. Media 24 have for some time now reflected the AMF Core circulation results on their circulation presentations and marketing collateral. Insiders within INC confirm that their KPI's are based on single copy sales which is an even more severe measure of circulation. Will other groups follow? Time will tell.

What is clear is that in these tough economic conditions the financial wellbeing of a title/publisher group cannot only rest in the advertising sales department. Good, honest journalism plays a significant role as circulation is a demographic expression (vote) of support for the content. Let me emphasise this again, **CONTENT!**

Where core circulation came from

For those newcomers to the industry, let me sketch where core circulation came from.

In 2009 and just as the global recession started biting in the SA economy, a major publisher suggested that the 50% rule was anti-competitive. This rule simply required a newspaper to prove that it had obtained at least 50% of the cover price (on average) before the sale could count as circulation. While not perfect and still open to abuse, this was the compromise accepted historically by all stakeholders.

The suggestion was that the ABC figure should include circulation sold at less than 50% of the cover price...on average. The opportunity for abuse was enormous.

Smaller publishers were threatened by this; advertisers saw the move as a devious way to move the currency (ABC) closer to print order and many worried that the ABC currency would lose its value. Within publishing circles the view was split between pro, against and a large group who thought it would not make a difference.

The AMF stepped in and following internal discussions and a snap survey there was a meeting/presentation held at the JSE

to share the findings and announce the AMF way forward. It was a heated time for all involved. Fortunately the pre-meeting industry furore was such that views were forged well ahead of the meeting. The attendance exceeded expectations as stakeholders prepared for a battle ...which ultimately never happened.

In the presentation the originator of the proposal to include sales at less than 50% chose to remain silent.

Watch dog currency

Following this meeting the broad print industry accepted the arrival of this watch dog currency and while the intention was not to challenge the authority nor credibility of the ABC, its presence was nevertheless a reminder.

Looking back over the years I truly believe that in a more prosperous economic time that greater tension would have formed between the ABC and the AMF currency.

The announcement by Times Media Group should be welcomed by all and applauded for its simplicity and fairness. This is the sort of maverick action we've grown to expect from their newly appointed general manager: advertising sales and strategic communications, Trevor Ormerod.

For more:

- Bizcommunity: [Linking ad rates to core circulation](#), 20 November 2012

ABOUT GORDON PATTERSON

With over 25 years experience in the media industry, Gordon Patterson is MD of Starcom and an active and outspoken media professional well-known for his passion for insight/strategy and creativity. He is currently deputy president of the ABC and a past chairman and active member of the Advertising Media Forum (AMF). Contact him on tel +27 (0)11 235 4159 or email him on gordon.patterson@za.starcomworldwide.com

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