

Magazine Business Plan

Name of the magazine: Nomad
Magazine catch-line: Live. Learn. Travel.

Type of magazine: Consumer Special Interest
Target Audience: 17-25 year olds
Publication frequency: Monthly
Publication date:

Number of pages: 68 (plus eight-page A5 sized insert)
Website: Yes (www.nomad-magazine.co.uk)

Summary of magazine: Publication focused on working, studying and living abroad targeted at intelligent, quick-witted and educated young people, primarily gap year students. The magazine provides practical information, user tips and easy-to-follow advice on aspects of life abroad as well more light-hearted pieces intent on encourage readers to imagine life abroad and inspire them to follow their dreams.

Reader Profile:

Brand values: The unique selling point (**USP**) of Nomad magazine is that is the sole publication on the market that specifically addresses the problems, and scenarios of the younger generation of travellers and want-to-be travellers, as well as offering them entertainment and news relevant to them. While many newspapers contain travel magazines, and there exists magazines on the market better suited for the older traveller, there is no publication that speaks simply and honestly to young people who want to explore the wider world, whether it is for holiday purposes, for study or for work.

There is a distinct lack of authoritative and entertaining magazines that provide information for this fast-growing sector.

Why it will succeed:

Market Research

We questioned over 100 people from our target audience who were thinking of going abroad. We talked primarily to students or post-graduates and sixth formers who were about to leave school.

The three things they wanted most were:

- Real life experiences
- Accommodation
- Job listings

They said practical advice would make them buy the magazine before they went abroad and that compelling features and exciting regulars would make them want to keep buying the magazine.

This is reflected in our choices for the magazine.

Our reader's biggest fears were

- Finding accommodation
- Language barrier
- Making new friends

More than 50% of the people we asked wanted to live and work in Europe, followed by America and Australia.

In order to respond to our readers' needs more effectively, we have chosen to include a monthly guide to each country so that we can give more specific advice and guidance.

Most people said they would be prepared to pay between £2 and £3 for the magazine. We've started with a smaller cover price to try to attract more people.

Most people said they would buy the magazine monthly.

Freebies and special offers would encourage people to buy the magazine more often.

Competitors

There isn't any other direct competition in terms of magazines. Although it's reassuring that there are several similar and very successful publications in the US.

- **Travel Magazines**

RealTravel Magazine – Real People, Places, Experiences – for world travellers of all ages

Food and travel magazine – www.foodandtravel.com

Huck Magazine – sport, surf, snowboarding etc

Wanderlust magazine - a monthly magazine. It has a large age range, for anyone who is interested in independent travel.

National Geographic

Lonely Planet

Rough Guide

Sunday Times Travel: monthly news stand title

Newspaper travel supplements: The Independent (The Traveller) and The Guardian travel (weekly). These newspapers are aimed our audience.

Although there are obviously many travel magazines out there, our USP is that we are not simply about holidays but aimed specifically at young people going abroad to live whether it be for a month or longer. With hundreds of thousands of young people going on gap years before and after university, travelling during long breaks, and working abroad more often, we are the only magazine that is tailored to specifically meet their needs, as well as desire for entertainment.

We have a mix of practical advice, useful tips and more importantly, interesting and exciting features that will keep them coming back to Nomad time and again.

- Main competition in form of **online magazines**, such as:

Travelmag.com – Devoted to the independent traveller

Itchyfeetmagazine.com – sharing travel experiences

Adventure Travel Magazine - atmagazine.co.uk

thetravelmag.com – independent writers

thetravelrag.com – One life. No plan. Many adventures.

thebackpacker.net – Community for backpackers

These don't offer such a variety of comprehensive information and entertainment and are mostly focussed specifically on promoting one kind of travel experience, or selling holidays and gap years. They offer some of the things we do, but they do not have everything for the young traveller in one magazine and website.

Financial Strategy:

Cover Price: £1.99 (99p for first issue)
Print Run: 10,000 (rising to 20,000 in year two).
Estimated % unsold: 50%
Projected circulation: 5,000
Projected readership: 12,000

Advert/editorial ratio: 25% / 75% [there is adverting space equivalent to 20 full pages]

Advertising pricelist: After assessing what our rivals currently command for companies advertising in their publications, we have produced the following price scale that is less expensive than our rivals and appropriate for the development of the magazine. This may be reviewed before the start of year two when we plan to increase the print run to 20,000.

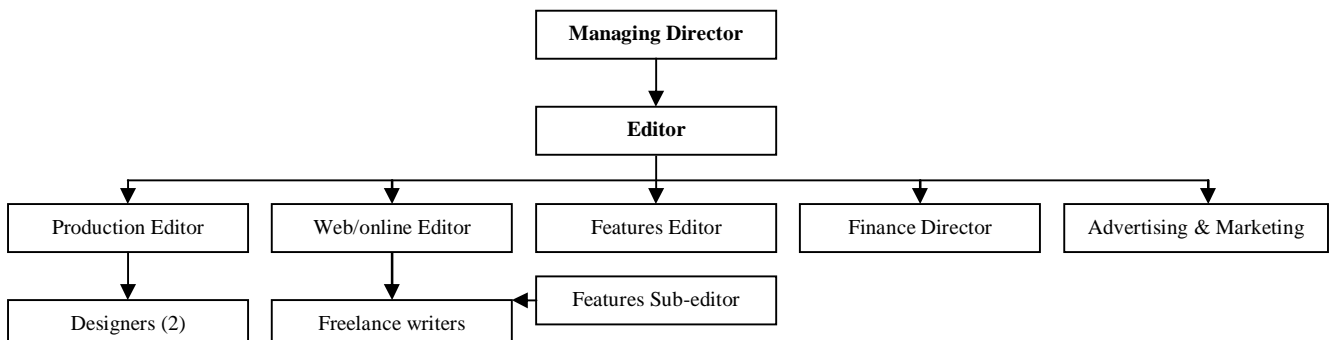
The advertising price scale is as follows:

| | |
|-----------------------|------|
| Full page (A4) | £400 |
| Half page (A5) | £250 |
| Quarter page (A6) | £150 |
| Eighth of a page (A7) | £80 |

This is the price for the advert (in full colour) to appear in all editions of the issue for publication that **one month**.

Number of staff: 10 full-time + freelancers.

Users of the website could also see their content published in the magazine on the dedicated "from the website" page. Users posting their stories on the Internet forums will be made aware that this is a possibility and by submitting they accept they will receive no payment.





Advertising Strategy:

Key advertisers: With our target audience, our main advertisers will feature low-cost budget airline operators, hotels, companies that provide travel insurance and general entertainment (iTunes etc). We have approached such companies as to whether they would be interested and we have received replies from the following companies: (Eurostar and STA provided us adverts for use.)

Already on board: Eurostar
InterRail (Eurail)
STA Travel

Advertorial policy: Our magazine will carry advertorials but they will also be subject to the advertising rates as mentioned above and will be used if there is a gap available in the editorial content. We will endeavour to maintain the 25/75% relationship between editorial and advertising content.

Marketing Strategy:

Promotional activities: First issue will be sold at a reduced price of £1.

In terms of external advertising, we will look into placing adverts for the magazine in fellow competitors' publications and national newspapers. As we anticipate a large number of our readers to be most interested in the magazine when they are travelling, we shall also look into running large promotional campaigns at train stations and airports. Furthermore, as the next generation of travellers (and the lowest end of our target audience) will be in further education, we will approach language departments of such institutions offering reduced subscriptions so they can promote our magazine to their students or purchase copies for display in their libraries.

Give-away strategy: Each issue will contain an *eight-page A5-sized pullout* that will be country specific and so will attract readers to the magazine should they be interested in that country. Each pullout will contain vital walk-through guides to important aspects of life in that country, as well as some useful vocabulary and emergency contacts. The pullout will also contain links to a special section on the magazine's website that will contain additional helpful material as well as links to the online discussion forum where readers will be able to air their problems and questions with fellow travellers.

Circulation Strategy:

Newsstand positioning: The travel section of the newsagent's newsstand would be the most appropriate for the positioning of our magazine. From our research, we uncovered there was not so many travel magazines as we expected so feel we would get good coverage there. However, with our target audience, a position nearby to all the other teenage magazine could prove to be more beneficial as it would attract more gazes than those of the people who do travel and who looks especially in the travel section.

Retail outlets: Due to the nature of our target audience, we anticipate our main selling outlets are in airport departure lounges and secondary schools. However, we would also anticipate sale in newsagents such as WHSmith, who through

our research into competition do not stock a large selection of travel magazines, especially those for the younger traveller (see market research section).

Subscription strategy: Readers will be encouraged to subscribe to our magazine through the placing of in-house advertising, displayed in favourable positions. The subscription offer will entice readers by offering them a substantial saving on the cover price and will run for a period of 12 months or 18 months.

Subscribers will also be offered the chance to subscribe to the online-version of the magazine, which will be significantly cheaper because it will cost very little to implement. Subscribers to this will **not** receive a hard-copy of the magazine, but will be granted access, via the magazine's website, to read a digital, online copy of the magazine which they will be able to download in a globally readable format.

Non-subscribers will be able to buy individual copies of the magazine online for a **small one-off payment**, but this amount will be greater than the eventual single price through a subscription, and will cost **no more** than the hard-copy cover price. It is hoped that this will encourage online readers to subscribe to either of the suggested plans.

Production Strategy:

Paper type:

The 68-page magazine will be compiled and produced as follows:

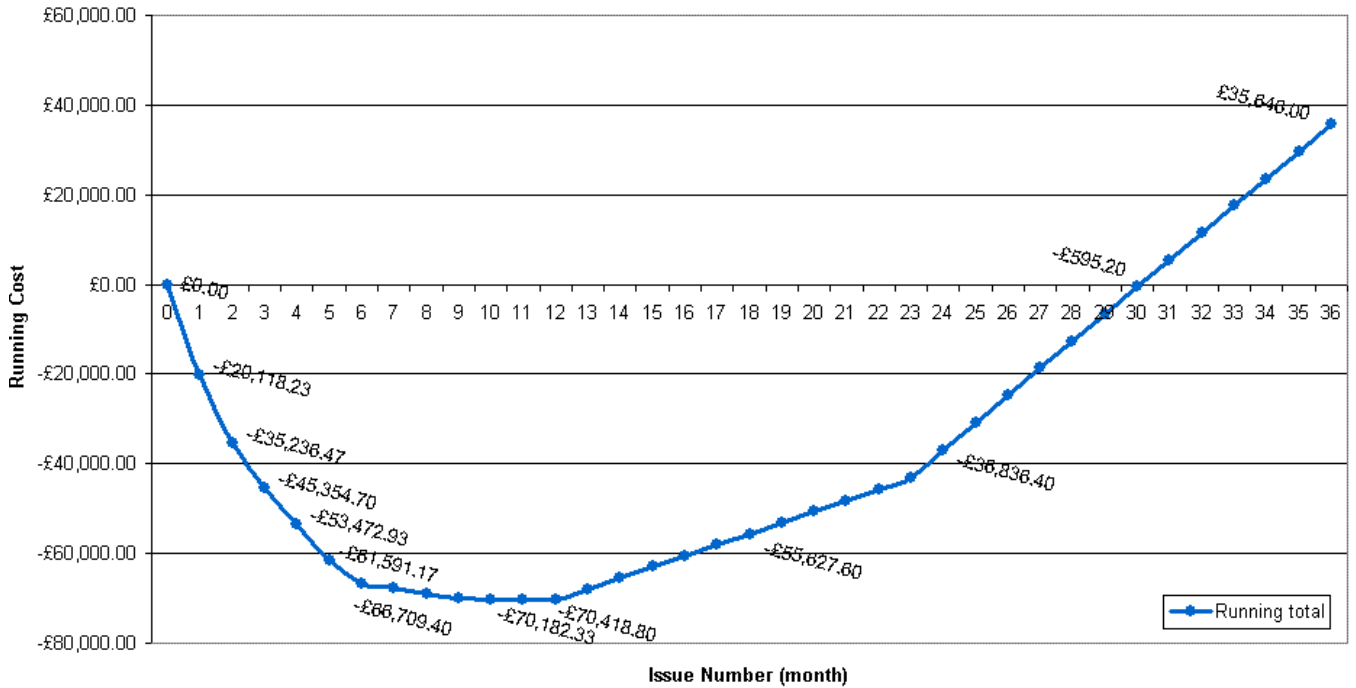
- 64 A4-sized pages printed in full colour, on 60gsm non-gloss silk-finished paper,
- 4 A4-sized pages (front and back cover plus inners) printed in full colour, on 100gsm glossy silk-finished paper,
- 8 A5-sized pages (insert) printed in full colour, on 80gsm non-gloss, recycled paper.

The magazine will be **perfect-bound** to give it a more sophisticated feel.

Financial Strategy:

Below is a graph outlining our projected running costs over a 30-month period:

Projected running costs for Nomad Magazine



The lowest point of the graph is at month **12** when the running cost is at **-£70,418.80**.
 The magazine will **break-even** in month **30** and will operate a projected profit of **£35,640** at month **36**.

There are details to note when considering this graph:

- From Month **13**, we intend to double our circulation from 10,000 to 20,000.
- The cover price for issue 1 will be £0.99. From issue 2, the cover price will be £1.99.
- The production costs have been produced using the quote we received from MPC (£5,097 per 10,000 print run).
- From the offset, we have budgeted 10 staff paid at £10,000 p/a. This wage budget rises with inflation and also includes a £500 after month **12** and month **24**. Included in this is an amount of £2,000 set aside for external commissions.
- The income received from advertising has been calculated realistically, with the target amount used in the calculations. We hope to achieve £2,000 through advertising in the first three months, £4,000 in the next three months, £8,000 from month 6 until 24 when we anticipate being able to achieve £12,000 through advertising.

Online Development Plan

We aim to have as much user interactivity as possible on the website, and hope that it will become an essential resource and forum for any young traveller as well as supporting the magazine.

Our website will:

- Provide forums for the young English communities in every country
- Have links to relevant social networking sites.
- Have links to major companies involved in gap years, working and studying abroad, and comprehensive and regularly updated job listings.
- Have more information and links on practical features in the magazine – from this month's edition for example: essential French vocabulary,
- Photo and story of the month competition.
- Encourage the reader to buy the next edition with hints of what is to come.
- Give snippets of features in the magazine and supply more practical information related to them. It will not simply give extended versions of features from the magazine, and there will be few long features. There will be more focus on practical tips and guidance for travellers, as we feel the website will be more useful to our reader as a resource for quick access to important information, rather than extended reading.
- Give readers a one-off opportunity to download the magazine to pdf from the website, after publication, which allows us this will increase our profit.
- Offer subscription to the magazine at a reduced cost, with a free gift.
- Offer email and mobile updates on everything from what's being discussed on the forums to current affairs around the world.
- Have a regular letter/problem page sections where readers can ask advice from professionals, writers and experienced travellers.
- Have a current affairs section that will be updated more regularly than the magazine, but will, again, direct readers to the next issue of the magazine by promoting and advertising features and analysis that will relate to the current affairs on the website.
- Give us the chance to make more profit, by offering advertising space and priority links to relevant companies such as Eurostar.
- Offer downloadable checklists for every type of travelling – including safety and preparation