

**THE LISBON REVIEW – BUSINESS PLAN FOR A LIFESTYLE &  
ART MAGAZINE**

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Project submitted as partial requirement for the conferral of

**Master in International Management**

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## **ABSTRACT (English)**

This business plan evaluates the possibility of establishing a special interest publication in the market of print magazines with a combination of themes in lifestyle, art and literature. It attempts to combine modern tendencies and timeless values, collectively implemented through a foreseen market opportunity, approved by the outcomes of this business plan analyses. Therefore, communicational theories have been applied and tools, acquired throughout the master studies, have been utilized in order to do so. Furthermore, this paper draws a cross section through the market, by giving insights on market dynamics, risks and chances. Conclusively it states, what it takes to create an economic successful publication in the world of crumbling magazine and newspaper circulations. Right here this Business Plan is aiming to create a correlation between credibility and prestige in order to guarantee economic efficiency. Knowing what that takes, targets can be defined, strategies can be developed and integrated into a financial plan, which, last but not least, is giving a confident outlook for the defined product and its selected market.

Keywords:

Special Interest Magazine, Business Plan, Art & Culture, Publishing Market

JEL Classification System:

**Z11** Economics of the Art & Literature, **M390** Marketing and Advertising

## **RESUMO (PT)**

Este plano de negócios avalia a possibilidade de estabelecer uma publicação de interesse especial no mercado de revistas impressas com uma combinação de temas em estilo de vida, arte e literatura. Ele tenta combinar tendências modernas e valores atemporais, implementados coletivamente por meio de uma oportunidade de mercado prevista, aprovada pelos resultados desta análise do plano de negócios. Portanto, teorias comunicacionais foram aplicadas e ferramentas adquiridas ao longo dos estudos de mestrado foram utilizadas para isso. Além disso, este artigo apresenta uma seção transversal do mercado, fornecendo informações sobre a dinâmica, riscos e chances do mercado. Em conclusão, ele afirma o que é preciso para criar uma publicação de sucesso econômico no mundo das circulações de revistas e jornais em ruínas. Aqui, este plano de negócios tem como objetivo criar uma correlação entre credibilidade e prestígio, a fim de garantir eficiência econômica. Sabendo o que é necessário, as metas podem ser definidas, as estratégias podem ser desenvolvidas e integradas a um plano financeiro que, por último, mas não menos importante, oferece uma visão confiante do produto definido e do mercado selecionado.

Palavras-chave:

Revista de interesse especial, Plano de negócios, Arte e cultura, Mercado editorial

Sistema de Classificação JEL:

**Z11** Economia da arte e literatura, **M390** Marketing e publicidade

## **STATEMENT OF AUTHORSHIP**

I hereby declare that this Business Plan – Master Thesis is worked out sole by myself, under the supervision of Professor Reinier Starink. All literature resources are used according to the legislation of ISCTE Business School.

## EXECUTIVE SUMMARY

The underlying business idea of this master thesis aims to establish a special interest media in the highly competitive market of print media. A market strongly influenced by trends requiring adequate reactions, without erasing principles and remaining true to oneself. The fast pacing market evolution is stating high numbers of decreasing circulation figures of mass media, but opening niches for small media outlets, which are able to adapt and innovate faster or more convenient to external influences and market requirements. Economic history has proven certain market fluctuations, especially when a big player, in a given field, releases its market shares, new opportunities can arise. This business plan is setting a clear vision, based on a market mission and a time frame for short and medium term goals, given the state of research and the opinion by an industry expert. Establishing a special interest medium on a first sight overly saturated market can succeed, by identifying market potentials. This business plan focuses on the potentials and fluctuations, constituting the print business as not dead and never be, because numbers are showing more special interest magazines entering the market in Germany, than ever before. Regarding this, potentials and risks for *The Lisbon Review* can be identified, analysed and used to be overcome, targeting Young, Dynamic, Creative, Aesthetic, Design loving people with an overall affection for art and literature, educated, middle income. Especially a well-articulated targeting and positioning are essential to maximise the limited amount of resources in the most efficient and effective way, utilizing a unique selling proposition transformed into a corporate strategy that meets market needs and fills vacuums of opportunities untouched. Marketing and organizational structures will come into play, after analysing external ecosystems and internal environments, assertively knowing strengths, weaknesses, opportunities and threats. As a result: the introduction quote by the Columbian Review of Journalism: *Print is Dead, Long Live Print*, will remain valid throughout the following execution. Not just shown in its numbers and financial correlations but furthermore in a highly qualitative transformation in an attempt to control crossfires of quality and economic success. To balance each sides constraints a subdivision of service and product sources will be developed, in order to contribute to an environment, rather than simply consuming of it. Hand to hand, online, in form of hard copies and events *The Lisbon Review* is a tangible brand uniting like-minded interests and creating a platform that aims to involve its target groups rather than operating out of management directions. Studies, used in this business plan, favouring aesthetical, nostalgic, luxury and traditional values for a continual existence of print media. Finally, this business plan shows, not least because of the figures presented within the financial

section, that *The Lisbon Review* can commercially succeed, shown in the financial plan with a break-even point resulting in the years 2023 to 2024 and a taxable income in 2024, leading to first payments in 2025. Creative ideals always seemed to clash with economic sources, then let's start to identify strengths of each weakness, in order to draw the line that connects one from the other, paved into prosperity.

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## 1. INTRODUCTION

*Print is Dead – Long Live Print*, is a quote of the *Columbia Journalism Review*, published since 1961 by the Columbia University Graduate School of Journalism (Rosenwald, 2016). The Magazine exists and it was never not existing. It survived the introduction of television, it was there when centuries changed and found its *Raison d'Être* -even throughout the reign of the internet. The question is justified: why using extra financial and natural resources to produce printed objects. Paying printing costs, designers and distribution fees, editing and struggling with advertising clients for last bits and pieces on the market? Why keeping on with a tradition that seems to be kept artificially alive through nostalgic subsidies by a small groups of special interest freaks? Should the Question be *Why?* or could it also be *Why not?*

Studies show, that a printed information is visually valued higher and carries a comprehensive level of credibility, since precisely these editing costs were applied, content was approved, set, printed, distributed and displayed (Gibbs, 2017). A chain of action creating value in a monument of time dedicated to a single information. Whether everything is going fast around, up, down or backwards, a newspapers was there, available on the newsstands. During wars and recessions.

In a fast moving world newspapers and magazines facing constraints, but these constraints hold potentials. There it is important, for any media outlet, to adapt to its times and needs, without forgetting, what is valued in the past throughout tradition. With redefining print medias values and profiles, a new identity can be created, partnerships acquired and synergy effects established. Quality is the driving force in fields of literature and art. It always was and it will, as shown in hundreds of generations. In between these required trade-offs, a new magazine is born, that maintains its uprightness: *The Lisbon Review*.

This paper presents the business plan for this printed special interest magazine, based in Germany. It covers fields of art, literature and lifestyle in an innovative combination, trying to break up elite and prestigious prejudices the art world is facing ever since. The magazine operates on a highly international level, while being rooted in a well-established, local ecosystem, defined as a think-local-act-global premise. It combines a high level of lifestyle related topics with a high level of intellect, which combination is unique in the field of special interest magazines, only being achieved in the U.S. so far. Europe, known as the old world, a

cultural centre, seems to miss out thus far on a magazine filling up this vacuum of international, cultural understanding and heritage in an adequate way. Given the magazines distribution in Germany as well as German speaking colonies in Lisbon, Madrid, Rome, London, Copenhagen, Vienna, Zürich and Paris, artists such as Writers and Painters gathering a chance to submit works and promulgate this cosmopolitan identity in their countries of residence.

The magazine consists of brilliant short stories, new journalism features, provocative reviews, controversial essays, lunatic poems, conventional drawings and painting, as well as colourful portraits and black and white portfolios. All transmitted in high quality design in a traditional, simple and aesthetic way. It publishes writers or painters, who are curious and risk-taking, avant-garde and reflected. It aims to be an artistic fortune, accurate and imaginative, serious and loose, balanced by opposites.

*The Lisbon Review* understands itself rather as a movement, than a simple medium. A lifestyle rather than just another style in literature or art. It wants to combine old fields in new ways, utilizing synergetic effects and following up current, social trends in self-development, individual expression and the preamble: smart being chic. Literary role models whose idea *The Lisbon Review* is referring to, are Ernest Hemingway, Richard Brautigan, Herman Hesse, Amadeo Modigliani, André Breton, Egon Schiele or Charles Bukowski. All their work was fundamental, ground breaking, criticized and a beginning of new artistic flow, causing changes in society and its overall reception in the art world.

Expediently this business plan aims to combine high levels of contextual quality and commercial maturity, by defining strong internal structures, spotting dynamics and external opportunities. Based on the following business analysation, a market potential will be deducted.

## 1.1. BUSINESS IDEA AND VISION

*The Lisbon Review* aims to be the multimedia point of contact in German speaking areas for a new generation of art & literature aficionados, gathered on a horizontal diversified platform. The media core of the cooperation is the print magazine combining a classic and modern age (print/online/social/video), supplemented through events, cooperate publishing, high grade video productions (TV/YouTube).

Once a clear brand identity is created, based on progression, avant-garde, intellect and rebellion, agency services can be considered. Aside of the media production, attractive services towards the target group will be provided, which circle around fields of life-style, creation and information. One of the big visions, *The Lisbon Review* is trying to follow up on. is the possibility to create a platform, on which talented artists, who tend to be overseen by big publishing houses and galleries, can publish selected works to bypass stiff and elite fabrics the established art sector is known for.

More precisely: The Mission of *The Lisbon Review* is to provide its readers a honest, aesthetic and refreshing magazine, including close connection to the grass roots of art creators. How? By publishing authentic, passionate, in-depth and revolutionary content, close to the *Zeitgeist*, but without social limitations, requirements or restrictions. Art should be unrestricted and thus an art magazine should try to aim for the same and create a platform, where likeminded people come together, exchange, interact and get inspired. The overall goal should be a media home for a modern movement of art & literature aficionados, as *Tempo Magazine* did in Germany or Fernando Pessoa's *Orpheu Magazine* did in Portugal (Jùdice, 2013). Sensing cultural trends, displaying them and supporting them till they are able to function alone. *The Lisbon Review* tries to be a place of longing for passionate artists, intellectual adventurers, followers, enthusiast, cosmopolitans and life lovers. *The Lisbon review* combines them all, whether it is a hobby, an unpaid passion or a profession.

## 1.2. SHORT & MEDIUM TERM GOALS

The implementation period for the presented business plan starts in 2020 with a launch of the first issue in spring 2021. The magazine will appear quarterly. The timetable aspires to gather 50.000 EUR till November 2020 (Seed Financing), in order to establish clear structures leading into a roll out starting in 2021. During the acquisition year freelancers and contributors will be integrated, with whom the launch will be realized with (two senior editors, one intern, external Designers & IT, Sales consultancy). As mentioned above the magazine launch will be in spring 2021 including a launch event (exhibition, reading, gathering) and a website, where previews and selected stories will be seen. It will be possible to preorder online and subscribe. After the release estimations and evaluations are going to be compared and analyzed to adapt financial calculations, if needed. The second issue is planned for summer 2021 including a website showing continuous content provision. A launch event will be hold in an adequate venue, including live performances in art (reading, theater, music, visuals). The second issue will be also available in the German railway station books stores, nationwide, as well as in European Capitals and expat colonies such as Lisbon, London, Paris, Barcelona, Rome and Vienna. By the end of autumn 2021 *The Lisbon Review* will be visible throughout all digital channels including Facebook, Instagram, Pinterest, Tumblr and Twitter. Five permanent employees will be hired and the annual turnover is estimated to be 300.000 EUR with a minimum of advertising turnover of 50.000 EUR per issue.

The question this Business Plan aims to answer is, weather it makes sense, from an economic and managerial point of view, to enter the German market for print magazines in the special interest sector of art, literature and lifestyle. Can *The Lisbon Review* succeed in a market that is presumed dead, at the end of an era?

### **1.3. METHODOLOGY**

The research method chosen for this paper is a qualitative research method, consisting of a literature review, which bridges selected theories into a business plan. The business plan itself consists of a requirement analysis, online & offline research in journals, papers, literature and business outlines as well as reports and statistic data. The strategic planning is based on tools acquired throughout the master studies completed by a financial calculation. Therefore, business cases of competitors have been analysed and followed up on, into a market analysis, adapted to the product. Based on this approach media data of newspapers and magazines was examined. The thereby collected information was of magnificent matter in order contextualize, estimate and gain in-depth insight in fields of the enclosed ecosystem. Secondary data was used to explain case study phenomena in focus of a corporate concept, this paper is aiming to assess. Furthermore, three qualitative methods can be stated: content analysis, narrative analysis and discourse analysis. All of the above have been chosen to guarantee as successful implementation of the business idea considering tendencies in the market, trends and future outlooks and in this way, meeting the overall research question by combining its objectives.

#### 1.4. STATE OF RESEARCH

In search for public available information regarding magazine media data and the associated strategy methods of media outlets used, the range of scientific research, towards Germany Magazines in the Art & Lifestyle sector is reduced to a minimum. For this purpose, journal articles and online articles offer a versatile repertoire of information that is inherent to this work. Furthermore, most classification and evaluations come, from a large extent, from the German-speaking world, since the legal framework will be implemented in Germany. Since there was no additional budget used for this paper, fee required statistics could not be considered. Nevertheless, Statista Germany allowed access to some, mostly data of past years. Apart from this, the *Association of German Magazine Publishers (VDZ)*, as well as the *Information Union for Determining the Distribution of Advertising Media Germany (IVW)* offered limited resources, to allow forecasts and contextual conclusions. Not least because of the multi-layered designations of the concept of medialization in specialist literature, it becomes clear how important the question of adaptation mechanisms between society and media is, especially in communication science. This results in a variety of scientific contributions that can be used for this business plan. Last but not least, the authors expertise in the field of Magazines and Newspapers needs to be mentioned, including two successfully launched and published magazines, as well as publications in prestigious Newspapers like *Frankfurter Allgemeine Zeitung*, *Der Spiegel*, *Die Welt*, *Neue Zürcher Zeitung*, *Vice* and *Deutsche Welle*.

## 2. LITERATURE REVIEW

Many inventions have shaped, changed and challenged the social economic environment in modern communication history and beyond. These changes influenced markets, or what was seen as a markets, at any given point in time. In the 15<sup>th</sup> century Johannes Gutenberg invented, what is today known as modern letterpress printing closely followed by the translation of the Bible by Martin Luther, which was enhancing an unification of German language (Rees, 2005). Further inventions of similar scopes in the communication field can be considered as the world's first Newspaper being published in Leipzig in 1605, as well as attempts of implementing first examples of modern magazines by German theologian Johann Rist, called "Edifying Monthly Discussions" (Rüdiger, 2019). These factors were essential catalysts forcing the subsequent enlightenment period being initiated. Literature and printed media were the standalone media marks for the following decades determining theater, opera, concert, radio, silent movies and later on movies in black and white or color. Till the commercial implementation of TV broadcasting, after the second world war, newspapers were receiving the main attention in the world wide media environment (Beyer, 2015). On the basis of these facts the monopoly advertising money was being split by these two form media giants, TV and Print Media, leading to reduced leisure time spent reading in almost all western countries. As an example Knulst and Kraaykamp analyzed the reading time in the Netherlands between 1955 and 1995. Their results show decline by about half, especially for books during the implementation phase of commercial television with a magnificent reduction in male readers. (Knulst, Kraaykamp, 1998). In contrast, "The Atlantic" states in a more recent article, that "Millennials are Out-Reading Older Generations" (Lafrance, 2014), reinforcing a statement from German-Swiss Nobel prize Winner Hermann Hesse, stating that most of real literature readers are either young or old, nothing in between, because they get to career focused, giving up own ideals for prosperity (Hesse, 2000).

Nevertheless, the changes for Magazines & Newspaper were significant, the TV novelty acclimatized. Studies illustrate that over 90% of adults in the U.S. still read print magazines and print advertisings enable 35% of its readers to take actions (Lisk, 2019). All of the above allows to conclude both media forms arranged themselves, creating huge advertising sums in their different media fields. Till the implementation of the world wide web, this symbiosis seemed to be flowing (Speck & Elliott, 2013). After the internet's commercialization in 1989 the media landscape was about to change forever into what is now known nowadays as the digital era. The results for the media field of magazines were as slow as they were impactful, especially

with the introduction of social media, offering advertisers financial allocations without scattering effects (Stempel, Hargrove, Bernt, 2000).

From that point in time Newspapers started to face a downward trend in mass revenue and circulation, forcing publishing houses to close or react. Nevertheless, the market for communication adopted. As in macroeconomics commodities, resources and raw materials will not run-out, before they will get more expensive, forcing rethinking and innovation. Like any economic market, the market for communication media had to redefine itself, spot chances and risk and trying to allocate opportunities. Here two main advantages for Print Media can be identified (Gibbs, 2017). A print publication embodies quality, since editing and printing costs needed to be undertaken to surpass an information being printed. Secondly a potential for traditional, aesthetic, special interest magazines occurred, holding a countermovement against a fast moving media landscape (Sundar, 1999). Print media was so forced to identify and define its new role in the market of communication and media (Ask, 2018). Also according to "The National" print media can be seen as gatekeeper in times of biased informational abundance in online media. Since the millennium opinions about the future of the print market vary rapidly. In communication science the gate-keeper theory is a personal influence in the consumption decision making process of news, mostly given through a journalist or writer in between transmitter and receiver. The term was first introduced by Walter Lippmann (Lippman, 1922) and showcases the importance of "Gatekeepers" in selection processes for third parties. Especially in a social media age, where news seem to be free, accessible, neutral and available, the selectiveness of information throughout unilateral resources can be of danger.

While some argue Print will not exist within the next five years anymore, other state it will always do in form of special edited publications. Especially because of the abuse and arbitrariness of modern information in the online sector, print has the chance of still being received as credible. Consumers fear that content is being screen-bounded tending to miss the touch of paper, which is creating an extra appeal in print media. Thus an online page will never substitute a printed article or book (Al Hinai, 2019). Thus readers can favour the touch and feel, the selection and the long-term nature of newspapers in an overstimulated world, they are willing to use less objects requiring a battery in their leisure time, to avoid mental dangers as depression or burn-out. The above stated trends of self-development aiming for physical and psychological wellbeing, a balance between body and soul, considering the fact that reading analog mediums can enhance concentration abilities, creativity and neurological health (Berg, 2019). Scientists from Yale University found out, that regular reading has a positive influence



on life expectation (Hoffmann, 2019). Since more and more working environments require the work with electronic devices as computers, internet or E-Mail throughout the majority of their working day, it can be stated, that people tend to minimize digital usage in their free/leisure time, widely known as Digital Detox (Corvus, 2019). Furthermore, the awareness of over-digitalization increases, also could be predicted as a short-term trend coming potentially to an end (Miller, 2019).

This psychological evolution is tried to be overcome with a backwards trend to nature as well as simplicity and pace throughout society (Emek, 2014). According to Nobel prize winning author Günther Grass, the word communication has gathered a new meaning in the digital age, defining the term with isolation or loneliness. (Grass, 2014). The result conscious disconnection takes place, whose vacuum can be filled with offline media as books or magazines, which are formulating a progressive form of individual quality time. Information has been selected, filtered from noise and distilled to its basic essence, non-frantic, unagitated (Wodak, Krzyżanowski, 2008). Furthermore, personal-development and non-fiction reading trends can be detected throughout society. The self-help market booms and individualization has become a major characteristic of our times. Hence these individuals are seeking for ways to self-express in fashion, culture, religion or even in their selection of media (Boyle, 2016). Especially the individual selection of media consumed, can showcase a person's interest to its outside, formulating world views, political standpoints, interests and ideology. All leading to a personal positioning. Highly elaborated magazines, known as coffee table books are referring to an individual's aesthetic conception in their home interior, work space or exhibition space. It became chic, to use well designed in displays, coffee shops or at home. It became a way of intellectuality expression to continue with what has lasted for decades, sticking to old proven values, reading print media.

Ruben Cui states in his Review of Nostalgic Marketing that people are responding to nostalgic marketing strategies in various ways. Especially older people being reminded of their youth, when everything was supposedly "better". Consumers feel younger and attached to memories while using the medium. On the other hand, younger people tend to appreciate what is known as "old skool" using devices of past times to outstand in their current environment (Cui, 2015). Especially in the field of art and literature, distinctions is valued highly amongst aesthetics, "chic-ness", status and elitism. art and literature be considered as timeless, modern and classic at the same time. However, knowledge and intellect are indispensable, which leads to the next theory that need to be considered for this business plan: Consumption Capital.

The Consumption Capital Theory based on Stigler and Becker is an economical approach to explain consumption behavior of humans in the communicational field. The quintessence of the theory is, that humans act as rational benefit maximizers, always acting towards its preferences. Thus a consumer can create a higher usage for him or herself, when him or her knows more about a product or a service (Stigler, Becker, 1977). Further down the line, this business plan will try to minimize a requirement of needed information to decode and consume *The Lisbon Review*. Nevertheless, art and literature are inherent, when it comes to its secondary consumption. Consumers are willing to pay more in financial terms considering art as a luxury good, and to pay more in terms of time resources, considering literature (Horowitz, 2011). Horowitz describes the Art market as having experienced the greatest booms in the history of the art market during the first decade after the millennium. Accompanied by influences in trends, art and literature seem to remain timeless topics, when it comes to interest orientation. Combining this momentum, with what is calling Print – The new New Media, by the Columbian Journalism Review, stating print as beautiful and enforcing points of the above, that something which was believed to be dead, can attract new affections (Gourarie, 2015). 20 Years into the Digital Revolution print magazines are founded, published and successfully launched.

The above elaborated theories will be now implemented in this business plan in various fields to guarantee a profound basis for *The Lisbon Review* to be successfully launched.

### 3. EXTERNAL ANALYSIS

As seen in the Literature Review, the role of print media is changing significantly. While the market of print media held an information monopoly throughout centuries, online and internet media is taking its place. Hence newspapers and magazine needed to rethink their business model in order to survive in a fast flowing society. While *Forbes Magazine* states the Death of Print Media, others predict at least a growing decline. In spite of all contradiction new magazines are entering the market, several grow, some decline. The technological revolution is a radical change, comparable to the invention of letterpress in the 15<sup>th</sup> century. The downward trend of its advertising potential started in the 1990s with the introduction of the internet. Kenneth Rapoza, from *Forbes Magazine* continues: "The market has failed newspapers since the dot-com bubble burst and ad revenue vanished. Let's face it, the market wants profits and it is difficult to monetize print news other than through readership. Readership is shrinking. Advertising revenue is shrinking." (Rapoza, 2011). However, this paper holds against, that change is not death and that change is forcing a product or a service to reinvent themselves, consequently be a chance. The current ECC-Whitepaper predicts for cross-media trends, that print is still an indispensable unit in a marketing portfolio mix (ECC, 2018). Thus the market of print media is a contradiction of statements, a field of tension, which has been summarized best by The Columbia Journalism Review: "Print is Dead – Long live Print".

As stated above, in a fast moving world, in which reports and headlines overturn, a print magazine can be something of joy, something that decelerates, slows down, give people a break. It is well organized and filtered, without the noise of daily news line constraints. An information printed is still valued more in terms of credibility and remembrance, than news read online. It holds depth, investigation, does not net to be charged and is well selected. Newspapers offer a non-information overflow, while magazine found themselves to become almost an unagitated accessory, something to put on a table or be seen with, what's so defined a coffee table book / magazine. Both, neither magazines nor newspapers, need to be up to date in printed terms of scores and news, they can be time independency is a great value.

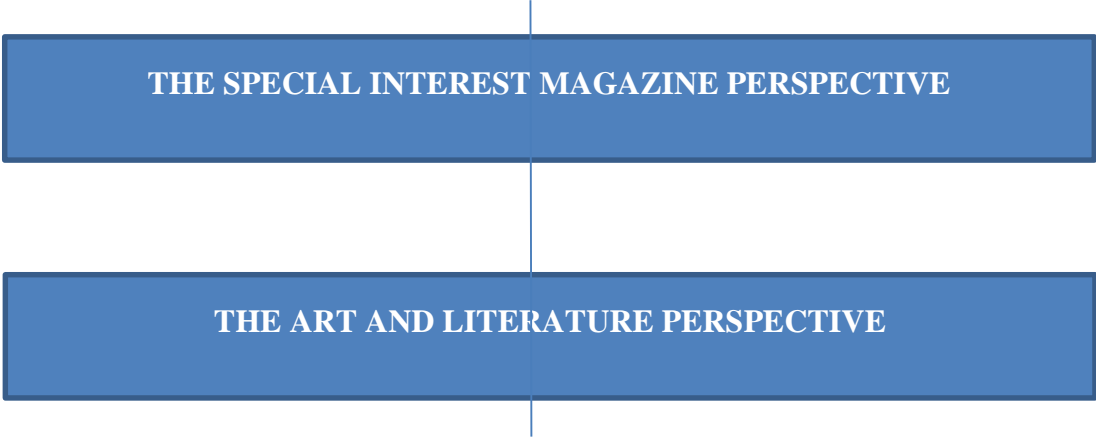
This paper argues from the standpoint, that circulation of magazines may decline, but will never die. Trend cycles show, that a more niche a product becomes, the more demanded it can be in the end. Furthermore, it is distinguished between the target audience in a narrower sense, meaning all people having affections for literature and art (Core Target), as well as people, who are interested in current trends, as mentioned collecting nicely designed coffee table issues,

symbolizing values of lifestyle through print magazine purchase (Step 1). On the other hand, there always has been a demand for special interest magazines and readers, who cannot be caught through art and literature, but through attributes like art and literature interested, rebellious, self-expressive, cosmopolitan, elite and prestigious, passionate, sense of style, urban and differentiated (Step 2).

Last but not least, Print magazines have already achieved cult status. According to Las Vegas Colour, print magazines create corresponding digital editions to drive sales, build credibility, fits with a subscription based model, requests uniqueness from magazine makers and favouring a sense of nostalgia as vinyl or video tapes do (Las Vegas Color, 2018).

**3.1. MARKET ANALYSIS**

Categorically the market of print magazines in Germany will be analysed from two perspectives:



### 3.2. MARKET SIZE

#### Special Interest Magazine Perspective

92,2% of the German population are reading magazines, which includes 65 Mio. Readers. In spite of all contradiction and prognosis, there has not been more magazines published in Germany than nowadays: 1.500 at the moment, while it was 1.048 in 1997, according to Verband Deutscher Zeitschriftenverleger (VDZ). Meanwhile the circulation and the sum of sold copies has declined. While in 2004, 124 Mio. Copies have been sold, just 103 Mio. did in 2013, a decline of 19% (VDZ Report, 2014). Especially the big weekly magazines like *Der Spiegel*, *Stern* or *Focus* had to suffer sufficient circulation losses to be stated, while, simultaneously, new special interest magazines hit the market and became very successful (e.g. *BrandEins*, *11 Freunde*, *Landlust*) as figures of Verband Deutscher Zeitschriftenverleger and Allensbacher Markt –und Werbeträger Analyse show. It is notable that smaller magazines were bought by big publishers combining their economic power in one media house (Axel Springer, Gruner + Jahr). On the other hand, magazines with a medium reach and circulation established their niche on the market. Coming from small publishers, being agile and dynamic as the Magazine *Dummy* or *enorm* shows. New special interest magazines have chances, if they position themselves well enough aside of the mainstream, hitting the Zeitgeist. So the revenue of the Magazine Sector in Germany from 2009 to 2014 with a prognosis till 2020 shows (in Mio. Euro).

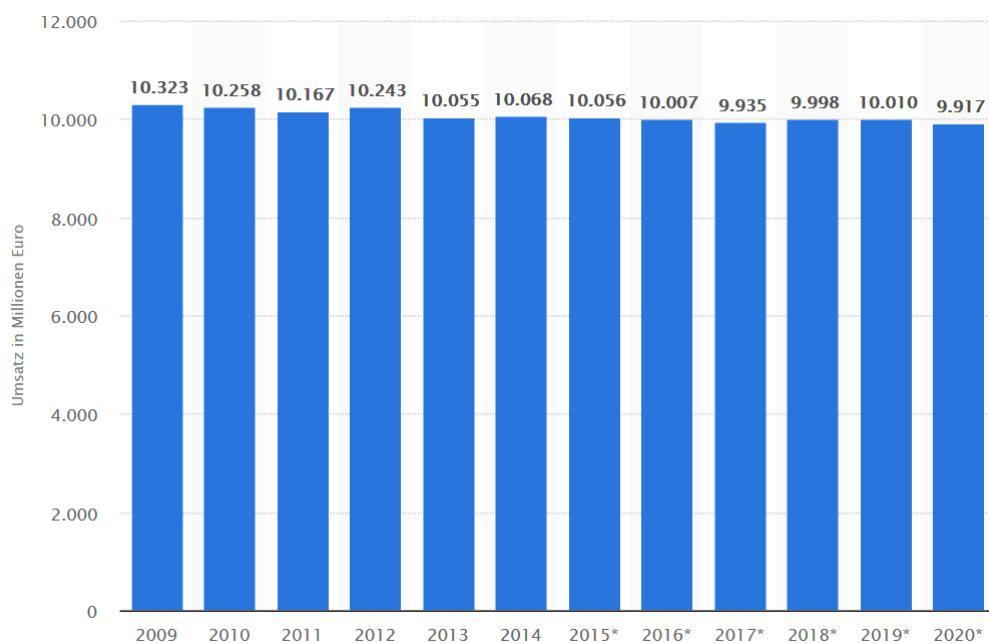


Fig.2: Revenue Publishing Sector, Statista, 2017

According to Lisa Leander from the Medienentwickler and the Stiftung für Zukunftsfragen (Foundation for Future Studies) several thematically trends can be detected:

- *Generation Y (born 1980 – 95) & V (carrying for trust, reliability and responsibility)*
- *Work and Life Balance*
- *Economics and Consumption*
- *Health (Body & Soul) and Wellbeing*

(Leander, 2014 & Stiftung für Zukunftsfragen)

Build on this desires and ideas of younger generations a broad spectrum of topics can be derived. Innovative ideas and creative concepts focusing on sustainability, classification, reduction to the essential and timeless nature. Exactly these aspects can be transformed in imagery and layout. The sum of the designed content should reflect the life plan of its target audience, more than just on a contextual level.

The Circulation Figure of the first quarter in 2019 result the following:

- *Daily Newspaper per publication date 15,34 Mio copies*
- *Weekly Newspapers 1,64 Mio sold copies in the first quarter of 2019, growth of 2,71% compared to year before*
- *Public / Mainstream Magazines sold 83,02 Mio. in the first Quarter*
- *Journals were laying around 9,32 Mio.*
- *Customer Magazines 33, 78 Mio.*

(IVW, 2019)

**Art and literature magazines belong to the Group of Journals in the medium field branch, which is mostly distributed through:**

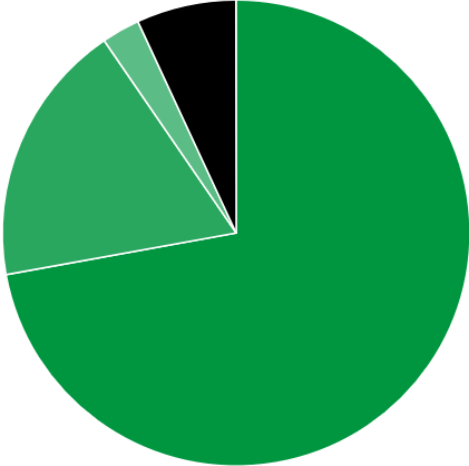


Fig.3: Newspapers Sold Copies, 1<sup>st</sup> Quarter 2019, MEEDIA, 2019

The special interest magazine perspective leads now to the analysis of the market for art and literature Magazines in Germany. A detailed statistic listening of German Art and literature magazine could not be found in research of this paper, without paying services as Statista. Nevertheless, the separate aspects of the art magazines give insight on the market of art magazines in general.

254.657 Companies in Germany operate in the culture and creative sector, including 1,16 Mio. Employees, creating an annual revenue of 158,6 Bn. Which leads to a conclusion that high culture is highly valued in Germany, a country not just famous for its Cars, but also its Poets and Philosophers (Statista, 2018). Currently there are 30 noteworthy art magazines in Germany including culture and literary topics. As the target market analysis shows, *The Lisbon Review* will fill a niche, combining young, rebellious, intellectual cultural perspectives in literature and art with high quality design and simplicity. Magazines like *Lette*, *Monopol*, *Das Wetter* and *Playboy* positioned themselves in other competitive fields within the market for art and literary Magazines. The literary supplements of weekly newspapers as well as Sunday editions trying to fill in this gap from a newspaper point of view (ArtInfo24).

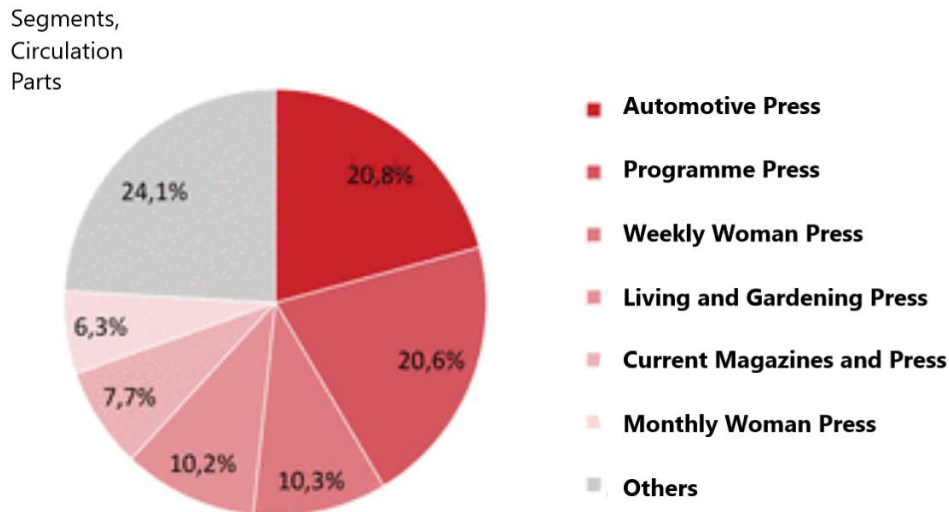


Fig.4: Circulation Figures IVW 2/2014, PZ Online, 2014)

The only non-paid resource found is the segmented circulation parts of public magazines. The grey background shows other types of journals; which art and literature magazines are part of. The motor press covers the biggest market share with 20,8% on in the sum of sold public magazines in the second quarter of 2014. Below TV and Newspapers. These Magazines are holding the third biggest gross sales in the advertising sector. According to VDZ, the advertising sales are stabilizing after a long dry spell, especially in the specialized press, so called special interest magazine sector. The overall revenue of the publishing houses grew in the past five years and is estimated, according to VDZ, to grow over 10 Billion Euro. It is important though, to understand that the distribution of revenue is splitting paths with traditional advertising formats and sales towards online and mobile service revenues. Thus special interest Magazines are able for years to increase shares in the decreasing magazine market. Magazines such as *11 Freunde*, *Landlust* and *BrandEins* are successful stories, showcasing a constant rise in circulation numbers up to 100.000 units and most important of all, that it can be a successful business: print is not dead.



The turnover of Magazine Publishers in Germany from 2009 – 2011 with prognosis until 2014 in Billions:

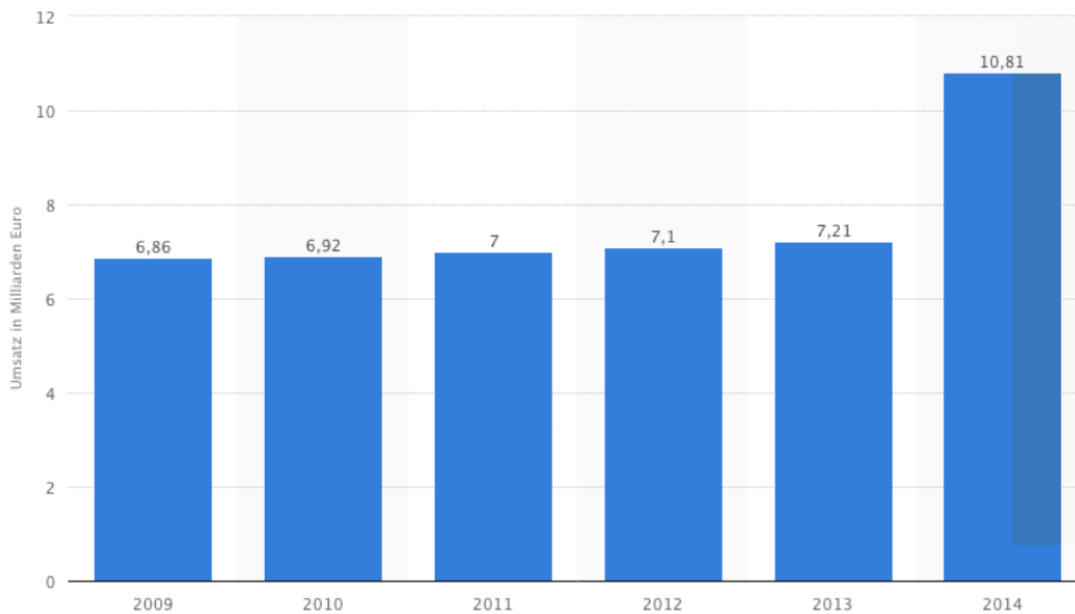


Fig.5: Turnover Magazine Publishers in Billions, Statista 2014)

### 3.3. Market Potential

In order to get more insights into the art markets buying power, a study from *Deutsche Welle* holds further hard fact information in order to draw a German cultural profile. The average German visits a cinema 11,5 times a year, 121 Million a year. Eleven artist per 1000 inhabitants, with Berlin holding the highest density, holding 370 exhibitions a year. 18,3% of all companies in Berlin are creative based. Furthermore, Germany is currently holding 131 public orchestras, 142 government subsidised theatres, making Germany the country with the highest music and theatre density in the world, holding 527 operas a year. 9804 Galleries and art traders are based in Germany, which makes it world number two in this sector behind the US, although the auction business is solely split between China, US and Great Britain. Additionally, 90.000 Books are being published in Germany every year. Last but not least Germany contains 46 UNESCO World heritage sites. Hence an interest group and market potential can be estimated (Traube, 2017).

As shown above (growing shares of decreasing magazine market for special interest magazine) as well as the selected target audience, a market potential can be detected. *The Lisbon Review*

aims towards younger clients than the big art magazine players in Germany are targeting for. Magazines that can be named here, are *Monopol*, *Art* or *Art Review*, *Art map* or *Weltkunst*. Most of them providing figures, facts, estimate sufficient trends for art auctioneers and buyers and mentoring, fields *The Lisbon Review* wants to bypass. According to the target group tool Best-4-Planning in Germany would be 1,4 Mio. people with the following, for *The Lisbon Review*, relevant criteria: German speaking, over 20 years old, personal net income of over 1500 Euro, aspects of life and culture and fun are as important as individuality and making experiences through culture (GIK, 2019).

Thus this papers calculates with a market potential target group, including growth, of 400.000 - 650.000 people. The Market for magazines has been decreasing in the last 15 years, measured according to its circulation volume. Nevertheless, special interest magazines are standing their ground. An optimistic perspective is given overseas journals as *The New Yorker*, *The Esquire*, *The New York Review of Books*, *The Paris Review*, bulwarks in fast moving times. *The Lisbon Review* is aiming towards a total circulation of 20.000 copies including a total readership of 35.000 People.



Fig.6: Estimated Trends for Print Media, IFH, 2013

### 3.4. COMEPTITORS

Since the Magazine is a German speaking magazine, being distributed in Germany, Austria, Switzerland and Expat concentrations in Europe's Capitals, such as Lisbon, Paris, London and Rome, the market competition field is determined by language and theme. Hence *The Lisbon Review* faces the following major competitors:

- *Playboy* – Das Männermagazin
- *DU*- Das Kulturmagazin
- *Lettre* – European Culture Magazine
- *Berlin Quarterly* (English but in distributed in Germany)
- *Das Wetter* – Magazin für Texte und Musik
- *Monopol* – Magazin für Kunst und Leben
- *Bunt & Deli*

These competitors will be approached in format and thematically focus and put in focus of a strategic contour, to enable a direct comparison of the magazines with clear parameters. The general competition is split into three categories: The Core Topic – Culture, German speaking, internationally distributed magazines with Core Topic Culture and Magazines in economic competition, meaning magazines with different core topics, that show similar positioning. The analysis will only showcase the most important Results in this branch.

Focusing first on the German Market, the IVW lists a myriad of magazines, that seem to follow clear conventions, which the culture magazine sector needs to follow. The countless titles seem exchangeable, unique selling points of each format are hardly apparent. *The Lisbon Review* is positioning itself radically different and breaks with these conventions, adapted to the market's needs, by bringing a timeless component into the game. News, Recommendations, Figures & Facts, easy to consume content will not play a central role in the editorial work of the magazine. The focus will be put on reading entertainment and joy in style, great stories, illustrated with simple design and photography. Long features, portraits and photo galleries, emotional, authentic and entertaining. In the graphic design and layout, *The Lisbon Review* will play in another league combining simplicity with high aesthetical quality. It is also striking that most culture, art and literature magazines transmit a stiff intellectual message to the reader. Art in its purest nature is wild, radical and revolutionary. Writing, transformed into literature is elite, paintings hang into galleries are not avant-garde anymore, musicians that struggle to pay their recordings become instantly untouchable when hitting the mainstream. *The Lisbon Review*

wants to fill this vacuum between street mentality and institution, ground and success, in order to make cultural aspects more appealing and tangible to younger generations, in other terms making it cool, without falling over the mainstream cliff and giving up all ideals as the first competitor to look at.

*Playboy*, a magazine for men fulfilling stereotypes. The magazine used to contain literature and art sections, that had to step aside for mainstream topics. Therefore, no direct competition can be found, since *Playboys* core content turned mainstream erotically, only for men, resembling illustrated magazines. The Design is high gloss and the personas featured well known, nothing to be discovered. The magazine seems to be americanised and struggles to keep up with its past, also facing strong economic constraints with its publisher in Germany, Burda.

Another competitor picked from the other side of the scale is *DU* –a Swiss Magazine that offers a well-founded thematic booklet from the wide field of culture, featuring artists, by dedicating whole issues to one personality. The standard of the features is untouched and maintains a periodic pattern, making it expectable for its readers in an excellent way. Therefore, the price is set high, with 15€ being more expensive than what *The Lisbon Reviews* costs seem to be expected. The design is large scaled and simple, the topics vary from national to international relevance combining literature, art and life. However, the magazine is not available on an international scale and mostly distributed in Switzerland as well as selected newspaper stands and shops. The magazine is published ten times a year, six times more than *The Lisbon Review*. Another interesting fact about *DU* is, that the magazine is being passionately collected since the topics are rich in information and facts about specific topics, used as gifts and coffee table books. Remarkable is the early and independent discovery of zeitgeist-topics. Its readership is educated, urban, affluent, international orientated, open-minded and dedicated to an upscale lifestyle.

The next magazine to look at, is *Lettre International*, which is the German Edition of the French publication *Lettre Internationale*, founded in Paris 1988 by Antonin J. Liehm. It is published quarterly with a price of 13,90€ and a circulation of 26,000 pieces, mostly sold at German Airport & Railway stations Bookstores. The Magazine is bigger than *The Lisbon Review* with 23,5 cm x 16cm. The magazines content addresses mainly towards the top layer of nowadays society and cultural distinction. Who reads *Lettre* is smart, culturally aware and intellectual. It addresses towards people working in the cultural sector themselves as directors, actors, left politicians, curators and editors. The pure fire within the artist's world tamed and manner full.

The articles are politically over-correct and culturally competent. It is financed exclusively by sales and advertising revenue. Each issue is exclusively designed by an artist.

The next competitor analyzed is the Berlin based narrative magazine *The Berlin Quarterly*. It contains long form journalism, literature and art and is being chosen, although it is published in English, due to its similar approach. The magazine is regional with a global perspective and combines visually with in-depth features. *Berlin Quarterly* is published four times a year and aims towards a younger, urban, educated, hip target group with one step in the art world, but with professions art unrelated. With a Price of 15€ it is falling in the same segment as *DU*. The language of the pictures matches the writing and the concept is thought through. Nevertheless, it is not published outside of Germany apart of some very selected shops and differentiates mostly due to the inaccessibility and language.

Another Berlin based magazine is *Das Wetter*. It contains cultural aspects in form of music and texts. The magazines publishers are young, avant-garde and provocative bridging music (mainly Rap) with written words, in order to inspire new groups towards literature. Slightly smaller than *The Lisbon Review* it is high-gloss, trendy, without paying too much tribute to big names and timelessness of art. The magazine is non-significantly cheaper than *The Lisbon Review*, with a cost of 8,50€, published and does not showcase independencies towards a big publishing house. The biggest difference here, is the close connection to music, which leads to a differentiated positioning on the market. Like *Berlin Quarterly* it is solely published in German Airport and Railway Bookstores as well as very selected shops.

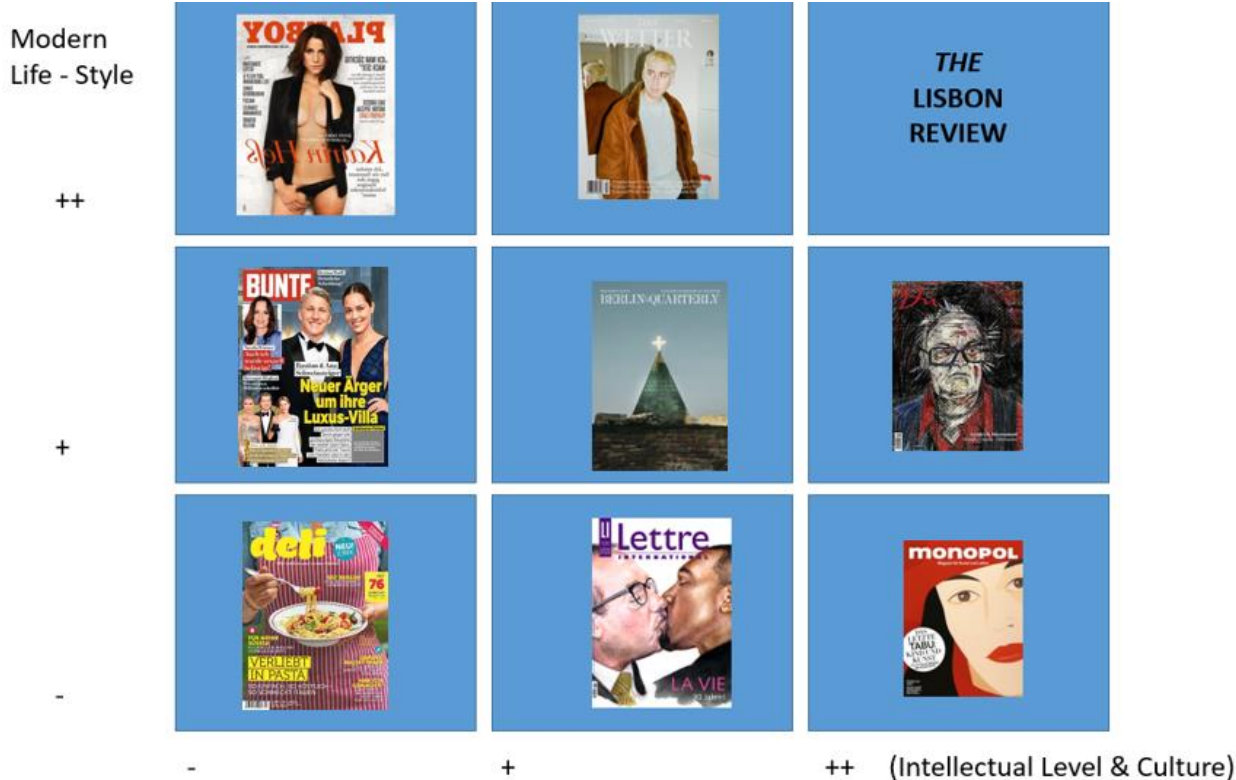
The last magazine to look at from a competitive perspective is *Monopol – A Magazine for Art and Life*, based in Germany. It is strongly elite and does not publish short stories of writers or any other unedited artistic work. Its main focus is reviewing and criticizing the world of art, giving art lovers a key method in order to identify current tendencies and trends. Unique is, that *Monopol* has a broader online appearance not just publishing printed content after release, which is, with *Playboy*, different to the magazines listed above. Published once month, it is a constant companion for the contemporary art business. The target group consist of older, well established populations, with higher income to spend in art collection and sale. The thematically alignment varies from design, fashion, architecture and art.

For completion reason medium life style oriented magazines, such as *Bunte* (Yellow Press) or program magazines giving information about specific topics such as TV Programs or Cooking Recipes as well as boulevard media aiming for older target groups with high interests in society

and royal topics, sensationalism and show business. Both fields have direct nor indirect connections in competition.

In conclusion, the competitor’s analysis showcases, that *The Lisbon Review* is holding a unique selling proposition due to its direction in topics, language, design and approach. Therefore, no direct competitor has been found, as the table below illustrates.

Fig.7: Target Matrix



### **3.4. MARKET ENTRY BARRIERS**

Market entry barriers do not exist. There are no licenses or other legal requirements necessary to issue a magazine (online / print). Nevertheless, the magazine's name should be considered as a brand name from the start and should be protected in the German speaking market including its European legislation. An only barrier is given with the investment at the start, therefore own capital is required. Regarding this and as shown in the financial plan, the costs will be covered with own capital, in order to overcome start-up difficulties and bring the magazine to its readers. A critical point will be to generate enough long-term advertisers right from scratch as well as establishing sufficient reach, without extraordinary marketing investments. Publishers spin-offs (e.g. big media houses owning a lot of magazines under their name) have a clear advantage in these, due to well established infrastructures making it easier to generate advertising clients.

## 4. INTERNAL ANALYSIS

### 4.1. BENCHMARKS

*The Lisbon Review* struggles to be put in a thematically concluded compartment. Since its main principle focuses on quality rather than a restrained thematically match, it is not possible to categorise the magazine amongst other classic literature, lifestyle, art or music magazines. Nevertheless, overlaps can occur and should be considered. Coming from a profound competitor's analysis a benchmark analysis can help to overcome challenges and risks the market for print magazines contains. Therefore, three successful magazines have been chosen, that succeeded to overcome challenges of the print magazine market and securing their circulation in a growing and sustainable way. While others fight against sales difficulties and being shut down short after release, the chosen benchmark magazines not just maintained relevant, they were symbolic for movements and generations. Furthermore, this chapter aims to understand, how these magazines faces difficulties of the magazine sector, overcome them and where their segments of success can be seen. Based on this three Benchmarks have been chosen: *The New Yorker* and *The Esquire Magazine*.

#### **The New Yorker**

Like no other magazine, the *New Yorker* stands for written, photographed and cartoon quality. Founded in 1925, the magazine looks back on a long history that sets the magazine apart from its competition. It is investigative, avant-garde, well researched and artistically valuable. The design is humbled and captivates only by the quality of the stories. Due to its orientation, the magazine may allow itself to go beyond the thematic horizon without constraints and creates an overall unique added value for the reader with background reports. If art, literature, politics or sport. Especially in sports reports, the broad lineup of the magazine shows best, it's about people driving motorcycles, not about motorcycles itself or fears in boxing, but not about boxing scores in general. Although poetical approaches may occur. The features attract mainstream as well as core readers, bridging these spheres through overall known human emotions, which define its stories. Nevertheless, quality as a unique selling proposition cannot guarantee success. What makes the *New Yorker* so successful in the long term? Simple Excellence? Strength in fictional as well as non-fictional stories and poetry? The combination of irrationalities in arts and the pure rationality of its news, researched in field, coverage and humor? It aims towards a higher income class that is highly educated and valuing status, museums, galleries, operas, performances, written word, printed. *The New Yorker* combines



these needs in form of prestige, certifying its readers by being wealthy and intellectual. Whoever reads *The New Yorker* is part of a higher class which is increasing in value since the magazines foundation. The longer a media outlet exists, survives, the more credible it becomes, especially when maintaining their printing circulation. No frills, no noise, just intellectual atmosphere on every page, written by passionate authors, writers and photographers. Especially during its early days, the magazine convinced with new evaluation criteria, broke conventions and set up new conventions at the same time. No results, no striking statistics, understandable politics, written in timeless reports that do not bow to the ever-accelerating pressure of our time. Unruly, but not a joke, that's what the magazine wanted to be after its founding, also the first issues were an economical disaster. Over 90 years later the magazine has over one million sold copies a year through its subscription service, striving towards the two million mark, selling 30 thousand printed copies on newsstands.

### **The Esquire**

The Magazine describes itself as a Men's Fashion, Cocktails, Politics, Interviews and Woman Magazine. Its tradition although roots deeper. Founded in 1933 the Magazine mainly became famous with publishing Short Stories of famous writers as Scott Fitzgerald and Ernest Hemingway. This gave *The Esquire* a Profile, with which it remained successful throughout the centuries. In recent years it adapted to internets fast content creation but maintains the in depth story telling in its print magazine. The department structure is clear. Departments such as Style, Food and Drink are used in order to place advertorials, a well-paid form of editorial work, that creates revenue which is needed to produce high quality content on the other hand. It also deals with old fashioned man ideals like drinking, writing, being adventurous given its male target group, the feeling of being all of the above with buying the magazine. Being a bit of Hemingway, a bit of Fitzgerald, an old classy macho man, carrying intellect and values behind his passion for drinks, woman and food. Like *The New Yorker*, the magazine is building on its momentum introduced by great writers, legendary interviews and avant-garde features. Nowadays the magazine lost its revolutionary vision due to market forced adaption processes, digitalization and regressions in printing paid advertising.

## 4.2. TARGET GROUP

Young, Dynamic, Creative, Aesthetic, Design loving, different Lifestyle, active and aware, Timeless, well-travelled (expat) with an overall affection for art and literature, educated, middle income. This is how to describe the lowest common denominator of *The Lisbon Reviews* Potential Readership, aged between 20 and 45.

This age range has been chosen out of two specific reasons. Firstly, the fields of art and literature require knowledge in order to be decoded, understood and requested, known as Consumption Capital (Stigler et. al, 1977). Therefore, a finished or ongoing academic education is expected. The Readers have ideals, want to change the world as they know it, are rebellious or revolutionary. The idea behind strives to attract an avant-garde audience, who is creating a brand image that attracts follower, who might not be living an authentic artful life, but being attracted and thus integrated into its readership. They are holding the highest buying power.

Since the magazines deals with ideals of life, love and human interaction, it can be assumed, that people trading ideals with wealth, family, security and career purposes, when coming of age (Hesse, 2000). Considering this, a younger target audience has been chosen on the other end. Important will be to clearly separate from urban-fashion and trendy lifestyle readers, by using the timelessness of literature and paintings, which are not in need to response towards current tendencies. In order to decode the target audience more detailed, eight stereotypical reading segments have been analyzed.

The core of the magazines target group is given with simple literature & art loving enthusiasts, that believe culture should be alive and breathing and active, nothing such as a sealed off, elite cosmos ruled by conventions, which have nothing to do with real life. Although it is the core subject, its potential for *The Lisbon Review* will be the lowest as further explained. Nevertheless, these groups are establishing the avant-garde and credible foundation around the magazine, leading it into a new era. *The Lisbon Review* sees itself as a collective who enables interaction between active readers and their magazine. Young writers and artists are readers, pioneers and contributors at the same time, subscribing and hoping to be pushing the magazine, as they want to be published as well. Contemporary culture with respect for tradition and history is found in both target groups life's. Both segments will be the favorite target and will be of most importance for all surrounding segments, operating as ideal utopias, symbolically for a life, which is known out of movies and books and wants to be lived by all.

The both core surrounding segments are cosmopolitans and aesthetes. Both groups are aware of rebellious approaches in art, seen as an attractive avant-garde, a new cool. Especially in print media. Timeless, group dynamic and superior in terms of distinction towards, what is called an everyday person. In this segment the biggest buying power and long-term loyalty is been seen. The outbound of the target segment is built of four groups of international lifestyle lovers. The intellectual Adventurer, The Art is Prestige Thinker, The contemporary Urban Culture Fan and the Transcendent. The potential of all groups combined is the largest. All four do not belong to the expert core of their fields and there *The Lisbon Review* wants to operate, by building the bridge to their goal of becoming cultivated, but rebel, sophisticated but down to earth, smart, but not too nerdy.

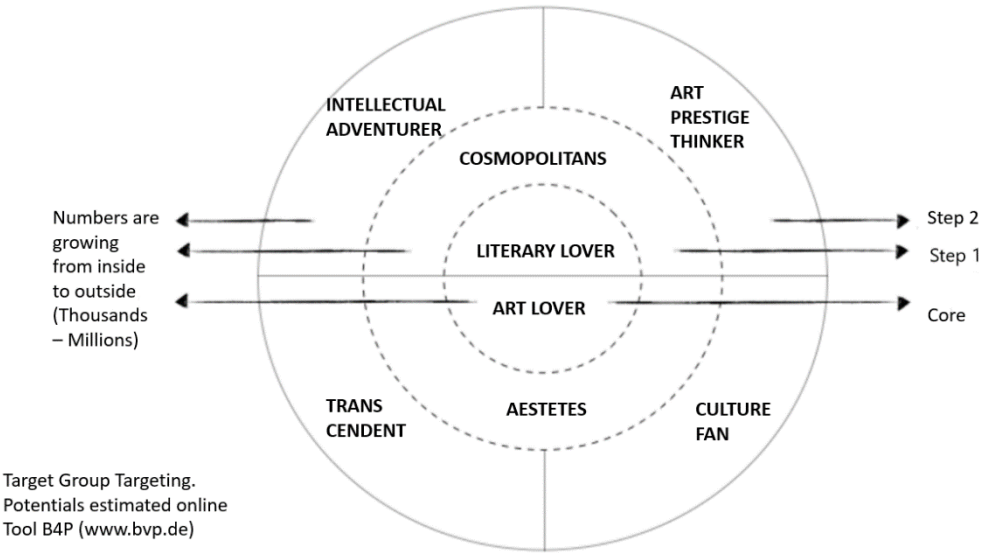


Fig.1: Target Group Categorization

Facing the advertising customer’s potential, a shot excursion on the advertising market is informative. The narrative of the modern art & literature lover is picked up by various brands, that are mostly working though separation. When wearing Hermes, writing with Mont Blanc Pens or driving an Audi Quattro a prestigious separation is strongly visible. Regardless the Art Market as exploded through record breaking sales of paintings at Christies or Sotheby’s, making art a financially strong sector. According to the Art Market Report 2018, the global art market reached 63,7 billion in 2017 with a growth of 12% compared to the year before. The largest markets are in the US, China and UK, which could offer an opportunity towards advertising clients developing markets in Germany, Switzerland and Austria. Galleries and Luxury Brands

have an eye on the art market potentials for centuries as well as fancying the correlative effect it has on their brand (McAndrew, 2018).

In conclusion characteristics of *The Lisbon Reviews* readership can be named as:

- *Age 20 – 45 years Old*
- *60% Male / 40% Female*
- *German Speaking*
- *Higher Income Level*
- *Academic*
- *Freelancer or aspiring*
- *Lust for Life*
- *Purchases 10 or more Books a year*
- *Visits at least three galleries a year*
- *Attends a theater or live performance every year*
- *Makes Hotel Holidays in Europe*
- *Travels internationally*
- *Cosmopolitan parental Home*
- *Identified culture as important included in their Lifestyle*
- *Affection for Food & Drinks*
- *Identified Travel as important in Lifestyle*

### 4.3. SWOT ANALYSIS

#### Internal Strengths

- *Experience in working in the media environment*
- *Journalistic expertise and know-how in building a magazine structure*
- *Well established network in the scene and art world*
- *Big portfolio of creative minds, including the management board itself*
- *Commercial expertise of the Managing Director*
- *Artistic Expertise and Education of the Creative Director*
- *Simple, cost efficient Marketing and Communication Strategy*
- *Reputation of Founders*

#### Internal Weaknesses

- *Unpredictability of first magazine success*
- *No experienced sales manager at the start*
- *Overlap of tasks in a small team*
- *Travel for Story (Cost of Time)*

#### External Chances

- *Generation Y & V leading into times, where Self-Development is trendy*
- *Art & Literature gaining new Momentums in younger demands*
- *No direct Competitor, specific target group in thematic alignment*
- *Freedom of Choice, no big Publishing House dictating strategy*
- *Current conservatism of Art Magazines in general*

#### External Risks

- *The market of magazines is a hard market*
- *Deviations of Target Group Volume*
- *Prejudices towards intellectual Topics & towards lifestyle Topics*
- *Current tendencies of Moralism in Art and Society*
- *Low market entry barriers attracting big publishing houses to enter*

#### 4.4. POSTIONING

*The Lisbon Review* belongs to special interest magazines, journals and coffee table books/magazines, sold in selected shops, displayed in appropriate forms. However, the magazine is struggling to be put onto thematically closed shelves, making it harder for distributors to classify. The task of the magazine is not to satisfy every need, which is already saturated throughout other market players: Reviews, Critics, Dates & Figures, Journalistic Overdrive, put into quickly research stories which are trying to keep up with their competitors and time. *The Lisbon Review* defines itself as a classy magazine, self-confident enough to take its time to do so, embodying the literary or art styles as a life styles. A clear mission is, to breath more life into clichés, that arts are boring and old and for rich people. Not in its core, not when it is done right and real, because then it becomes wild, rebellious and revolutionary, appealing. This message *The Lisbon Review* aims to spread in contemporary ways.

*The Lisbon Review* tries to pioneer, rather than to follow, bridging past and timeless values through innovation. A classic meets modern approach. The result: a magazine conquering a standalone positioning on the market, ready to defend, ready to start were everyone else has stopped, to start.

On one hand due to its diverse topic –matrix, on the other, caused through its high level of lifestyle and intellect. The thematic classification will be simply the transporter of the stories, which is referring to an agile base of themes. Attracting mainstream readers, low on consumption capital, while writing stories attracting core audiences will be one of the main forces, lifting the magazine into areas, where no direct competition can be expected.

*The Lisbon Review* will be a high priced premium product, tuning out to be a cheap one in the market of art magazines. This penetrable structure allows the magazine to move, adjust and change, obviously within its spectrum of ideals. Down the line, the magazine is not trying to impress, not trying to be read, creating artificial shortages in circulation and material enhancing its legend. Nevertheless, it always aims to the things for the sake of doing them, ensuring real reasons and showing content how content is, rather than how it is supposed to be. Creation, experiences, sub-culture, human emotion & interaction, everything, but present time debates, an area left for the others. *The Lisbon Review* is mature, grounded and timeless.

#### **4.5. INTERVIEW WITH INDUSTRY EXPERT**

Jan Zühlke is the founder and editor-in-chief of *Craftrad* Magazine. After studying social and business communication at the University of Arts in Berlin, he launched the magazine in 2014 together with his companion Christoph Blumberg with a circulation of 20,000 copies and extensive online offering, establishing themselves as the leading medium in the scene. Last year the Magazine was awarded for Cover of the year.

In an Interview with Mr. Zühlke it became clear, that the positioning of *The Lisbon Review*, is chosen reasonable and will be of key importance in a highly competitive magazine market. The print market is very active and often misinterpreted, since it is not as overloaded as it used to be. Nevertheless, it is offering new chances, that need to be identified rather than feared. He enhances the idea of keeping distinctive values over time and fluctuations, since trust and authenticity towards a magazine are valued highly by its readers. Furthermore, setting up the right positioning, can, as Zühlke refers, lead to consolidation and partition as an established and not exchangeable name on the market. He states the positioning of *The Lisbon Review* as outstanding in the German Market for Special Interest Magazines, by combining opposed aspects of low and high gloss characteristic on a high cultural level.

The Interview was done via Skype. The Protocol you can find on below on page 54.

#### 4.6. UNIQUE SELLING PROPOSITION

As the first German speaking magazine *The Lisbon Review* is aiming to, what has been done so far just in the U.S., establishing a magazine, that is able to combine a high lifestyle level with in-depth forms of new journalism and intellect. Thereby *The Lisbon Review* puts itself on market position, no one else is in Germany and utilizing expat groups of German colonies in other European Metropolis such as Rome, Paris, Copenhagen, Vienna, London, Madrid and Lisbon. Thus, the magazine is growing from the inside market towards its branches and back. Hence *The Lisbon Review* fills up a vacuum of tangible dynamic content, which is as intellectual as it is not. All of this will happen within the Special Interest Magazine Market, which has been constantly growing over the years, independent of new TV formats or internet.

It will start with a small team, minimized fixed costs and a successive growth strategy, as soon as *The Lisbon Review* has proofed, to be successful. With a close, but not too close connection to the literary and art world, the management is able to pay attention in detail, but without forget to keep a bigger picture in mind. Core of content will be raw human emotion; motives everyone can relate to. Writer or not, Plumber or not, Plumber that wants to be a writer, or not. Everyone combines a passion that is transferable to almost anything happening in life. The focus on simple, but high quality design, will secure this message in a visual form, attracting readers from various fields, not forgetting how important a high contextual quality, unrelated to business constraints, for the success of the magazine is.

Additionally, a well-established network has been built through the management board acquiring experiences while working for magazines and newspapers as *Frankfurter Allgemeine Zeitung*, *Die Welt*, *Neue Zürcher Zeitung*, *Vice* and *Der Spiegel*.

*The Lisbon Review* is not a publisher's spin-off, but a small independent player, who creates content for authentic and passionate reasons. Furthermore, the magazine makers work in similar fields as their target group, being artists and writers themselves, knowing what is needed. Especially with using the text submission sections in the magazines create a brand relationship, since reader's stories can be submitted and eventually be published.



## 4.7. CORPORATE STRATEGY

*The Lisbon Review* pursues the differentiation strategy in a niche. The separation from other likeminded magazines is given through high approaches in quality, but being punk, a new thematic composition transformed into a new creative vacancy.

Summarising, *The Lisbon Review*:

- *Combines the Balance of the Opposites*
- *Knows the rules in order to break them*
- *Uses a roll-out on a small cost basis*
- *Founders are part of the scene*
- *Established media network which can be used*
- *Content and design in a simple, but high quality format*

## 5. IMPLEMENTATION STRATEGY

With buying *The Lisbon Review*, people are buying a shared attitude towards life, literature and art, a statement, something that certifies their social positioning. *The Lisbon Review* has a clear core target audience, who's radiance is attracting people from other fields also. It deals with intensity and transcendental aspects in life, a modern form of self-development, pursues mental training, simply acquired by purchase. The Magazine unfolds longing, better known as "Sehnsucht" in German or "Saudade" in Portuguese. *The Lisbon Review's* readers want to be part of a selected, authentic scene which they can access by buying the magazine as a code of conduct, showing others that they are different, chic and integrating style in their daily life.

Throughout the early adopters, refinancing is possible and with the majority a breakeven point and substantial revenue can be estimated. With creating a brand, an identity, a symbol for a movement, the magazine aims to gradually launch other events and side projects, which need to be pre-financed primarily, but soon to become solid sources of autonomous income. Because of their prediction and accountability, these type of incomes can be used to stabilize the fluctuating income, a magazine itself is able to generate.

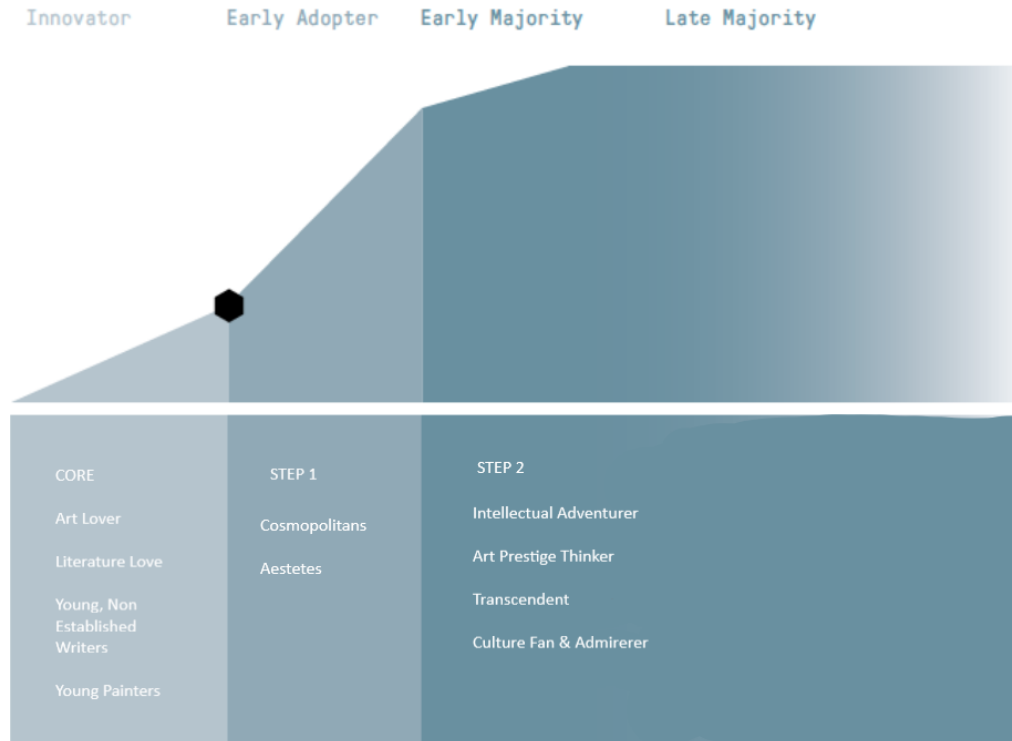


Fig.8: Maturity / Life Circle

## 5.1. MARKETING

It is of most importance to build an authentic brand, with a high level of credibility, as well as contextual quality and aesthetic design approaches. Therefore, this report aims to allocate and penetrate its target market in an efficient way, without risking high scatter –and authenticity losses.

### 5.1.1. PRODUCT

The core product of *The Lisbon Review* will be its print magazine at the start, as well as a step by step growing online platform, where old articles will be published and submissions can be accepted. These outputs can be used for social media purposes or multimedia attempts in form of video or podcasting formats. Once the relative reach is formed services will be provided, which operate supportive along the media product. Thus additional topic related needs can be matched.

**The Print Magazine (technically):** Magazine Format 23,5 cm x 16cm, smaller than A4, 120 – 160 Pages in Volume, natural open-pore paper including changes, if it favours the design for photo stories, innovative processing to attract attention.

**The Print Magazine (content):** Protagonist and their experiences will be put in the foreground, art –and literary styles operating as lifestyles, no intellectual restrictions in form and style. The magazine will have a repeating editorial structure including short stories, essays, portraits, interviews, columns, photo series, art illustrations, portfolios and drawings. This can be adjusted over time due to experience. It will be functioning as a platform for talents to expose their works. The first issue will start classy. Controversy is criteria. Features will not have a theoretical or thematically limits as long as they are entertaining, interesting, humorous, smart or in-depth. Irony can be a stylistic device, unexplained, expected by readers to be understood.

**The Online Magazine (website):** Split in two components. After the first launch, just before the release of the second issue, contents used for the first issue will be published online to create a profile. Secondly writers, painters and other artists can submit their work once a valuable reach has been built. Video and Picture will function in a complementing form, but also standalone. For the start WordPress will be used. The website is going to be simple, easy to access and clear, no information noise. Social media based, flanked by Tumblr, Instagram and Pinterest.

**Additional Services & Products:** The goal of *The Lisbon Review* is to create an emotional attachment to the brand, collectivizing desires of its readers. For each magazine's release a launch will be organized including an exhibition, drinks and music. A tangible get-together, to showcase that the brand physically exists beyond its magazine. Advertorial events with advertising clients are conceivable when matching the magazines cooperate identity. Merchandise will be produced, readings organized, new books or favourable movements supported.

### **5.1.2. PRICE AND MONETARIZATION STRATEGY**

The magazine will cost 9,00 EUR. Relatively expensive compared to other special interest magazines, but cheap in comparison within the art sector. The price should showcase quality but also humbleness. The target audience is financially well, not rich, but willing to pay for its passion. It is favourable to attract less readers that are willing to pay 9,00€ than more readers, who are willing to pay less. Hence no over compensation occurs. An annual subscription will cost 36 EUR, which is relatively cheap compared to other indirect competitors.

The online magazine will be free of charge. It is possible that high quality contents could require a fee in the future. Also to value creational works upstream, as the *New York Times* does. Furthermore, a registration could be useful. Readers are able to see abstracts and need to register in order to have full access. On this basis data can be used to reach higher advertising sales. Submitted works will be selected, edited and published with the authors information, hoping that every author will share their publication throughout their channels.

The events, launches, readings or exhibitions will be financed through partners or cooperation deals, offering reach, product placement and goodwill.

In terms of cooperate publishing agency fees need to be considered.

### **5.1.3. DISTRIBUTION**

The print magazine will be available through the online shop on WordPress and available as subscription. Around 2000 copies will be distributed within railway station bookstores. In contrast to the wholesaler, railway station bookstores are known, to be organized and arranged. This increases the chances of being found by our target market without any additional actions. The biggest part will be distributed via retail-partners, advertising clients, events, selected shops, cafés, publishing houses and trade fairs, in order to guarantee a sufficient circulation

distribution at the beginning. This approach is not just important for advertising clients, but also used for credibility formulation. Step by step *The Lisbon Review* aims to hand out more copies through sale, when printing circulation remains stable or increases.

Another strategy used, could be the shortage strategy, to generate exclusivity. The copies would not be available for sale, but rather available in very selected partner shops or online, which requires an infield study. In order to get a copy an insider status would be required, which could increase the attraction level of the brand, as mentioned above in order to pick up on the aspiration idea (Sehnsucht / Saudade). The goal of this strategy would be to become talk-of-town and thus creating perception as well as desire, which could be done for the first or second issue, but not beyond.

Another possibility of distributing is given, by conceptualizing a supplement (20-30 pages, 2-3 Stories), which would be included into other magazines and newspapers, *The Lisbon Review* is cooperating with. Hence a higher reach and awareness could be created, including a branding given by another newspapers or magazines identity (automatic classification). With this increase in publicity higher advertising rates can required. This could be an additional service for advertising clients to be published in the magazine itself and its supplement transported through other mediums (sales push). The idea behind is that magazines would pay money to include a cool, fresh, literary *Lisbon Review* supplement in their publications (give & take). Magazines and Newspapers this could work with are *Frankfurter Allgemeine Zeitung*, *Frankfurter Rundschau*, *Die Welt*, *Junge Welt*, *TAZ –Die Tageszeitung* and *Playboy*.

Alternatively barter-trades can be considered, while the medium takes the supplement, whilst they get an advertising in the print issue.

The magazine distribution in Germany universally operates through press distribution intermediates. The prices vary according to the category chosen. A distinction is made between railway station bookstores & airports, petrol stations, kiosks and supermarkets.

### 5.1.4. ADVERTISING

The advertising activities of *The Lisbon Review* bases on three columns.

**Exclusiveness:** artificial shortage of copies at beginning and strong connection to authentic partners, artists, events and retailers. Magazines launches, exhibitions, readings and talk rounds in bars.

**Authenticity:** Spread by word-of-mouth and other newspapers writing about the work of *The Lisbon Review*. Strong connection to German Communities in European Capitals will give the brand a cosmopolitan atmosphere. Supporting artists abroad.

**Efficiency:** Google Ad Sense, Facebook Ads, Email-Newsletter for direct appeal without scattering loss, Twitter, Instagram, Tumblr. Visibility on movie premieres, trade fairs, abonnements for introduction prices, supplements in other media.

The prices advertising in the Print Magazine are set as followed:

ANZEIGE	FORMAT	PRICE in EUR	VISUAL
2/1 Page	430 mm x 285 mm	11.000	
1/1 Page	215 mm x 285 mm	4.500	
½ Page up	107 mm x 285 mm	1.000	
½ Page cross	215 mm x 142 mm	1.000	
1/3 Page high	77 mm x 285 mm	1.000	
1/3 Page cross	215 mm x 98 mm	1.000	
U2	215 mm x 285 mm	6.500	
U3	215 mm x 285 mm	4.500	
Opening Spread	430 mm x 285 mm	13.000	
1/1 Advertorial	215 mm x 285 mm	5.000	

Fig.9: Advertising Prices

Prices are adjustable for individual, one-off advertisings or long-term agreements. Every price excludes VAT. If a client decides to continuously publish advertisings, the client will get 5% discount on any future issue cooperated. Every issue will have an announced copy deadline for advertising clients. Early booking discount included.

### **5.1.5. MARKETING BUDGET**

For marketing actions, listed above, TLR calculates a unique investment of 5.000 EUR for the launch of the magazine. Cross-financing through partners, advertising clients and sponsors is realistic. Followed up the magazines calculates with a marketing budget of 500€ per month.

## **5.2. ORGANIZATION**

The organization is structured in three levels: A Management board consisting creative director and a managing director. Below are its core sectors as like magazine (print & online), shop, cooperation and events. The third part is split into several detailed pieces: Design & IT, editing, distribution & sales, marketing, text editor, picture editor, translator and advertising. The overall Goal is, to achieve a slim organizational hierarchy, which is able to function independent, fast and efficient. Functionality is the focus, although individual responsibility of the employees is the central element of leadership. The challenge here will be, to find talented and ambitious employees, that identify with the magazine and its values, being willing to work extra hours for, at the start, a non-adequate payment.

### **5.2.1. MANAGEMENT**

The management of *The Lisbon Review* focus on offering high levels of individual responsibility and, most of all, opportunity. No one will be hired and constantly supervised, since every employee should be an expert in their field, holding talent and expertise. The managing director must have a business education, preferably holding experience in the market of publishing and magazines. He will be responsible for the numbers as well as economic survival, overseeing the monetary department of the Magazines structure. It will be his duty to limit creative megalomania, which leads to the creative director. The creative Director should hold a degree in communication, writing or visual art, but most importantly having experience and passion in the magazines main fields. More likely he is an artist himself, that has the vision of bringing likeminded people, independent of the big institutions, to people without using the fast consumed tools of nowadays society (Facebook, Instagram). Both CEO & CCO are the magazines founders, holding complete management responsibility. It will combine transactional, laissez-faire and authoritarian management styles. Nevertheless, due to flat management structures, which are characteristically for the creative sector, close relationships with the employees will enhance and challenge the professional working level.



## 5.2.2. PERSONAL AND ORGANIZATIONAL STRUCTURE

For the preparation of the first issue, *The Lisbon Review* will mainly work with freelancers. After the first launch and successful implementation, which can be presented to advertising clients, a fixed team will be established. Justified, that new founding resources will be established after the first launch.

Editorial Staff	The magazine will start with one fixed extra editor on a freelance or permanent basis. Further Contributors will be acquired on a commission base.
Sales	Sales will be done through the Managing Director. Prior to the launch. After the first release another sales assistant will be hired.
Design	The design will be done with an external agency, based in Porto named This is Pacifica. Freelance designers and Interns will be hired.
IT	The Website and E-Commerce Structure will be worked out externally as well. One-Off costs and <u>maintance</u> costs apply. A in-house developer will be hired on a fixed / free / fee base.
Product	Will be done through the Management board at the start. After additional income apart time product manager will be hired.

Fig.10: Organizational Structure

### 5.2.3 VALUE CHAIN AND SERVICE CREATION

The value chain illustrates the levels of production as a well ordered structure of process. These Elements creating values, use resources and are strongly connected throughout the process. The concept is based on Michael E. Porter from his Book *Competitive Advantage*.

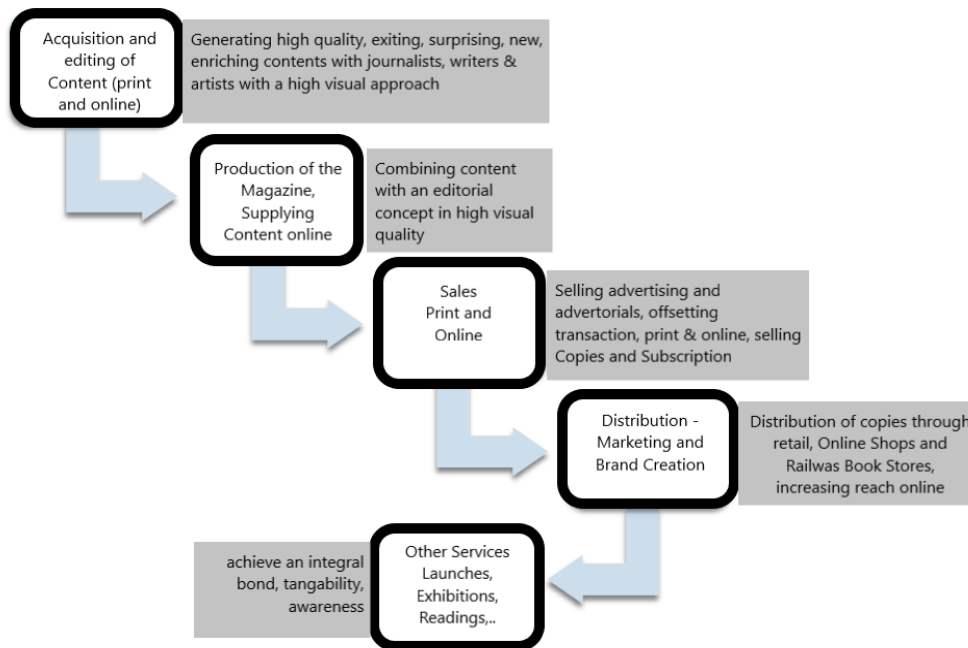


Fig.11: Value Chain

Based on the assessment above the performance creation of *The Lisbon Review* can be split in products and services. The actual magazine and its underlying services such as sales, customer service and printing. The primary activities include content creation or acquiring articles and photographs (purchase), editing, design and printing (production), followed by transport and distribution. After, supporting activities need to be put in consideration. The Company infrastructure, an office space rented in a favourable location (own office or co-work space) including fees, rent, electricity & water, a company’s car and costs for telecommunication. Furthermore, human resource management, firstly implemented by the Managing Director, although the requirement and training process is part of both Directors. Since big technology departments are outsourced, fees will apply. Therefore, procurement is mainly seen in terms of acquiring external articles and work of contributors. Concrete numbers will be applied in the following chapter of Financing to define a revenue. The created value is estimated according to the difference between maximum willingness to pay of the customer and the overall cost of the company. The overall performance in the procurement market of magazine creation is based on

printing costs and delivery, compilation of content, fixed (e.g. rent) and variable costs (fees for contributors, IT and Design). This value commitment leads to a value output is highly deepening on the well-defined target market potential in order to transform costs in revenue. This performance process will be followed up in detail in the financial chapter.

## **6. LAW AND TAXATION**

### **6.1. LEGAL FORM**

The Magazine will be based in Germany functioning as a GbR (Gesellschaft Bürgerlichen Rechts) for the first year of its existence. In the second year a UG (Unternehmergeellschaft) followed by a GmbH (Gesellschaft mit beschränkter Haftung) as soon as the equity allows this step.

### **6.2. COMPANY NAME**

The registered name will be *The Lisbon Review Media GbR*, transforming into a capital company in the second year, named *The Lisbon Review Media UG* (limited liability). Lisbon is chosen, as it has a close connection to the managements boards living situation, passion and career paths.

### **6.3. FISCAL ASPECTS**

The first year of existence the project partners are only liable to income tax as far as there is an income which needs to be taxed. The capital company. in the second year, faces a value added tax, a business tax as well as a cooperate tax. In times of distribution of profit or salary payments for the employees of the UG income taxes occur. *The Lisbon Review* will have a notary and tax consultant based on royalties.

## 7. FINANCING

### 7.1. CAPITAL REQUIREMENTS

For the founding and pre-financing of the first Magazine, a capital requirement of 75.000 EUR is needed. After a successful market launch the magazine requires a further investment of 300.000 EUR, in order to establish a stable market position and expand. The second financing is highly dependent on the success of the first issue and is conclusively not predictable.

<b>Profit &amp; Loss</b>		2020	2021	2022	2023	2024	2025	2026
Number of Months		2	12	12	12	12	12	12
<b>Turnover (exkl. VAT)</b>		<b>0 €</b>	<b>141.000 €</b>	<b>347.904 €</b>	<b>663.270 €</b>	<b>1.022.304 €</b>	<b>1.446.764 €</b>	<b>2.192.397 €</b>
Growth		0%	0%	147%	91%	54%	42%	52%
<b>Costs</b>								
<i>Material</i>		0	119.100 €	211.100 €	266.150 €	296.576 €	357.810 €	451.054 €
<i>Human Ress.</i>		3.600 €	106.800 €	216.720 €	362.160 €	472.824 €	647.114 €	761.494 €
<i>Rent</i>		300 €	14.400 €	20.400 €	27.000 €	27.000 €	35.400 €	47.400 €
<i>Advertising</i>		0	10.450 €	18.000 €	18.600 €	30.000 €	30.000 €	48.000 €
<i>Financials</i>		0	3.000 €	5.750 €	6.250 €	6.750 €	6.750 €	9.500 €
<i>Other</i>		0	2.750 €	3.000 €	6.000 €	6.000 €	6.000 €	6.000 €
<i>Amortisation</i>		0	0 €	0 €	0 €	0 €	0 €	0 €
<i>Formation</i>		2.300 €						
<b>Total Costs</b>		<b>6.200 €</b>	<b>256.500 €</b>	<b>474.970</b>	<b>686.160 €</b>	<b>839.850 €</b>	<b>1.083.074 €</b>	<b>1.323.448 €</b>
Growth		0%	4037%	85%	44%	22%	29%	22%
<b>Revenue before Tax</b>		6.200 €	115.500	127.066 €	22.890 €	182.453 €	363.690 €	868.949 €
Loss carry-forward		0 €	6.200 €	121.700 €	248.767 €	271.656 €	89.203 €	0 €
Average Tax	30%	0%	0%	0%	0%	0%	82.346 €	260.685 €
<b>Revenue after Tax</b>		<b>6.200 €</b>	<b>115.500 €</b>	<b>127.066 €</b>	<b>22.890 €</b>	182.453 €	281.344 €	608.264 €

Fig.12: Financial Requirements

As shown above 2023 to 2024 will be the magazines breakeven point, when revenue hits and exceeds, considering advertisings, all costs the magazine generates. Over time growth rates of costs decreasing rapidly whilst turnover growth remains stable at the end of 2025. Thus taxable income continuous to arise in 2024, leading to first payments in 2025 followed up by advanced payments for the prior year. Noticeable also the increasing costs of human resources, which are assumed to correlate the quality the magazine is able to deliver by the end of 2026. Amortisation is zero, due to no machines or similar objects are planned to be in-house, as stated above print and design will be done out bounded. The design studio is going to be in Porto (This Is Pacifica), whilst the print will be done through a Fine Printing House in Eastern Germany.

## 7.2. FINANCIAL PLAN

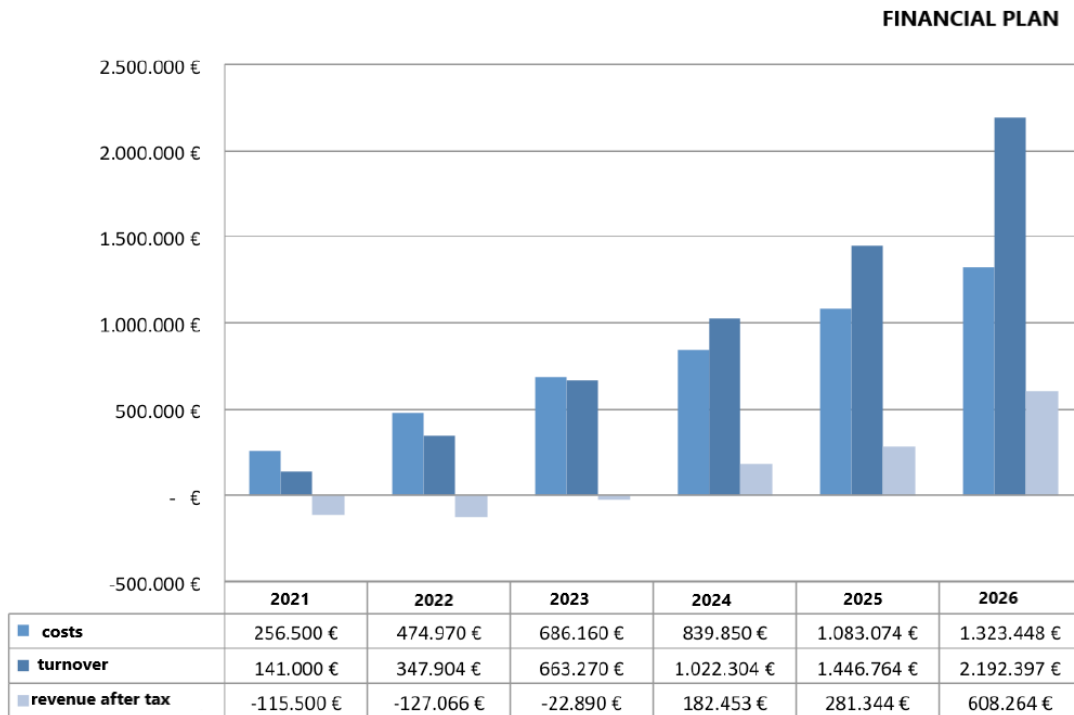


Fig.13: Financial Plan

## 7.3. FINANCING

Financing with own capital constitutes the base of the initial funding. 75.000€ will be collected, at the start, with help of business angels. Founding and launch will be financed. Besides support programs of the German state, subsidies will be addressed (e.g. Innovation Assistance Support, KfW Gründergeld, IBB). Furthermore, publishers or media houses can be put in consideration. The German Ministry of Culture also supports artistic and entrepreneurial ideas and institutions with several programs. Last but not least, creative competitions offer prizes of prestige and monetary.

## 8. CONCLUSION

The quote from the *Columbian Review of Journalisms*, used at the beginning of this paper, remains valid: *Print is Dead, Long Live Print*. Although the circulation numbers of several sectors decrease, new special interest magazine hitting the market. As in everything, transformation processes are taking place and a product has to react and adapt towards it, not the other way around. Print Magazines nowadays are not what Print magazines were back in the day. The ones, that respond sensitively to changes in society leading into market changes, have established their position with successful tradition by redefining their strategy, without giving up on their cooperate identity. Magazines like *The New Yorker* showcase that high quality and timeless economic success can correlate, even in a fast changing world on the edge of a new digital era. Print magazines will always be there, whether it be for aesthetical, nostalgic, luxury or traditional reasons. Studies have shown, that a printed feature or information contains a higher selective value as well as carrying higher levels of credibility than a non-printed information. Especially in a news overflowing world always on the edge to collapse.

Considering these market tendencies and valuations *The Lisbon Review* can be successful in the special interest magazines market, when remaining flexible, while remaining firm, frank and loyal to its own ideals, readers associate with in the long-term. Print magazines survived Wars, Recessions, TV, Print Magazines, Millennium and Print Magazines will survive the reign of the internet. Especially in times where most things used in daily life needing a battery, a printed Magazine seems to be a relaxing alternative towards screens and electrolytes.

How the evaluation of this business plan shows, not least because of the figures presented within the financial section, *The Lisbon Review*, located in the special interest sector, can commercially succeed. Firstly because of its unattached positioning, beginning where others ended to begin, and ventures to step in the high voltage between commercial success and high quality content. Most successful print magazines on the market owe their existence to fact of perseverance in this crossfire. Creative ideals seemed to always clash with economic sources, the question is, to identify the fine line between, paved with prosperity.

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## 11. INTERVIEW PROTOCOL

*Mr. Zühlke, how would You evaluate the market for Print Media and its fluctuations with focusing on Special Interest Media?*

The media market is highly competitive. Therefore, the choice of the target audience and positioning are the most important variables in order to guarantee success. If this is done wisely and authentic the competition can almost be reduced to a minimum. Loyalty and unique features retain the customer to the product. With the introduction of the Internet, the print market had to adapt and advertising money was distributed in new ways. But it is very wrong to say, that the print market has no inherent opportunity anymore. Nowadays it comes down to identifying the opportunities rather than mourn them.

*Regarding to your answer, how do You assess the Vision & Mission of The Lisbon Review in perspective of market needs?*

It is indeed a very fine line between the right respond to market needs and an own creation and identity, strong enough to carry the values through cycles without strong adaptation. The reader wants to know, what a Magazine stands for now and he wants the Magazine to stand for these exact values in five years and in ten years. What is very interesting about *The Lisbon Review* is, the attempt of full honesty towards its reader, by opening processes behind the processes. Another advantage is the interactivity the magazine is offering. These two factors together are unique in the field of high quality life style and cultural value.

*Do you think, that The Lisbon Review can succeed with its positioning?*

Yes, I do think so. As I have mentioned before, the market is very competitive, but choosing the right positioning in the market, can lead to consolidation and partition. The thematic matrix is hard to realize, but possible, and if done right, outstanding in the German speaking market. A lot of Magazine are going high gloss or low gloss, whereas *The Lisbon Review* tries to jump into these crossfires between and using its energy in a way of two converse directions. I very much feel on a day to day base, that authenticity is the most important characteristic, readers value in a magazine they are committed to, more than being in everyone's favour, meaning romanticizing with masses.

*Looking at the Marketing Mix, does Pricing and Distribution seem logical?*

Very smart is to create a brand identity and combining the spheres of product and service. Focusing more on Print than on the Internet, as a medium, saves resources, by not having to compete in the endless width of online content creation. It can be outstanding too. The brand will be carried out by interactivity, customers becomes contentual shareholders, rather than marketing targets. Pricing and logistics, as well as production costs, are reasonable. Especially when thinking of distributing through established paths, using channels of already established media giants, that are happy to collaborate and offering their own target group an additional service without both products detain on another.

*Can creativity and economic success succeed?*

Yes, they can. Economic constraints can lead to the most creative solutions, since creativity comes from dealing with what you have, improvising on shortages, using the resources you have given. Economic factors are there to create this limitation, because nothing can function without a frame, that holds it together. It will be interesting to see, how *The Lisbon Review* manages this correlation, in the first years and also maintaining quality throughout time.

*Are you unsure about a long-term market establishment of The Lisbon Review?*

No, this is not what I think. *The Lisbon Review* is constructed to be timeless, lasting, long-term, rather than seeking for a short kick. Grounded enough to not look out for quick success. Just like in the Art World itself. World famous painters and writers, if not the best, take years and lifetimes to be seen and appreciated. It will not be difficult, for *The Lisbon Review*, to set a bar. It will be difficult to keep it on that level over time. But it is possible considering the values related to the Magazine.

*Last but not least, the financing. How do you evaluate the calculations?*

Very realistic! It is normal that magazines have to go through their first dry years, before making any money and the money does not come from selling a magazine, it comes from advertising and this depends absolutely on the content and brand value, that has been created in the dry years. If external money sources can be found in first place, in order to establish an independency and planning security, all, and I mean all, energy should go in the creation process. The Magazine can succeed the way it is planned. And it will. You might not get rich with it, but monetary richness is nothing compared to the one you feel, when creating.

Thank you very much for the Interview, Mr. Zühlke.