

Newspapers

The daily newspapers have all decreased in circulation. The Sunday sectors year on year results are a mixed bunch with half decreasing and half of them showing an increase. The biggest drop of circulation belongs to *The Sunday Express* with a decrease of 7.84% year on year. *The Observer*, *The Independent on Sunday* and the *Mail on Sunday* have shown slight increases year on year by 3.83%, 2.45% and 1.16% respectively.

After last year's massive increase in readership for *The Independent*, they have had a slight decrease of almost 1% this time round. *The Guardian* is still on the up with another increase of 9.7% year on year. *The Express* and *The Times* have decreased this year by 12.4% and 5.7% respectively. *The Financial Times* has managed to stop their decrease but neither have they increased. The Sunday's readership figures were mixed. The *Observer* and *The Independent on Sunday* have shown increases of 13.4% and 10.4% respectively. The weekend supplement figures remain average. Only the *Sunday Times Magazine* and the *Telegraph Magazine* have shown an increase of 3.7% and 7.6% respectively. The *Sunday Express* had the biggest decrease of 11.7% year on year.

Circulation:

	Jul 06-Dec 06	Yr on Yr % +/-
National Daily		
Daily Telegraph	899,806	-0.46
Financial Times	430,469	-1.07
Guardian	376,271	-1.57
Independent	253,720	-2.11
Times	662,487	-3.87
Daily Mail	2,357,878	-0.25
The Express	803,454	-2.65

Source: ABC

National Sunday

Observer	455,272	+3.83
Sunday Telegraph	659,190	-2.88
Sunday Times	1,300,672	-4.84
Independent on Sunday	219,040	+2.45
Mail on Sunday	2,319,309	+1.16
Sunday Express	796,912	-7.84

Source: ABC

Readership: (all adults; 000's)

	Jul 06-Dec 06	Yr on Yr % +/-
National Daily		
Daily Telegraph	2,292	+11.0
Financial Times*	390	n/c
Guardian	1,324	+9.7
Independent	756	-0.9
Times	1,699	-5.7
Daily Mail	5,343	-5.4
The Express	1,679	-12.4

Source: NRS *It is only available as full year data.

National Sunday

Observer	1,478	+13.4
Sunday Telegraph	1,958	+0.3
Sunday Times	3,648	+4.6
Independent on Sunday	882	+10.4
Mail on Sunday	6,001	-3.1
Sunday Express	2,049	-8.4

Source: NRS

Readership: (all adults; 000's)

	Jul 06-Dec 06	Yr on Yr % +/-
Quality colour supplements		
Sunday Times Magazine	3,172	+3.7
Telegraph Magazine	2,221	+7.6
Times Magazine	1,614	-6.6
You Magazine Mail on Sunday	4,938	-6.2
Sunday Telegraph Stella Magazine	1,169	n/a
Sunday Express Magazine	1,645	-11.7
Daily Mail Weekend Magazine	5,672	-6.5

Source: NRS

Magazines

Condé Nast All of the titles have made increases this year, *Condé Nast Traveller* claiming its 17th consecutive year of increases followed closely by *Tatler* with 11 years. *Easy Living* now has a circulation of 200,116 giving them a 9.9% increase year on year. *Glamour* and *House & Garden* have had slight increases of 0.4% and 0.5% respectively. The remaining titles have held fairly steady. *Tatler* and *Vogue* have also increased their readership figure with 15.6% and 18.4% respectively.

National Magazines NatMags has had varied results. *Esquire* fell by 23.6% last year and is continuing to drop with a further decrease of 3.8% year on year. *Cosmopolitan* has also continued to drop with a decrease of 1.3%. *Good Housekeeping*, who leapt ahead last year, had a slight decrease of 1.1%. The two remaining titles have increased their year on year figures. *Country Living* is up by 1.1% with *Harpers Bazaar* continuing to grow. Their ABC figure is now standing at 105,731 giving them an increase of 2.8% year on year.

IPC IPC's home titles have had success this year, with *Country Homes* and *Interiors* showing an increase of 5.4% on its circulation but a massive 27% decrease in its readership figure. *Homes and Gardens* has shown an increase of 1.6% year on year. *Marie Claire* is still disappointing with a further decrease of 9.9% year on year. *InStyle* has also had a bad year with a decrease of 7.6%.

Others *Hello Magazine* has had success this year with an increase of 5.7% year on year. After the massive increase from *OK Magazine* last year, it has held steady this year with a marginal decrease of 0.4%. *Red* is steadily continuing to increase with a gain of 2%, but *Elle* has a slight decrease of 0.5% year on year.

New Launches *InStyle* magazine has launched a new look and a new size. The April issue of *InStyle* has been re-designed and has adopted the dual A5/A4 format to compete with A5-sized market-leading women's glossy, *Glamour*. *InStyle* joins *Red*, *Elle* and IPC sister title *Marie Claire* in WHSmith travel outlets, railway stations and airports across the UK in the new A5 format. As well as the new size, they will still have the standard edition available.

Circulation: Monthly Magazines (UK & overseas)

	Jul 06-Dec 06	Yr on Yr % +/-
Condé Nast		
House & Garden	141,074	+0.5
Tatler	90,372	+2.5
Vogue	219,026	+2.2
Interiors	65,085	+0.7
GQ	127,505	+1.0
Vanity Fair	99,344	+4.2
Traveller	84,783	+0.9
Glamour	588,539	+0.4

National Magazine Company

Country Living	193,372	+1.1
Harpers Bazaar	105,731	+2.8
Esquire	52,468	-3.8
Good Housekeeping	463,645	-1.1
Cosmopolitan	455,649	-1.3

IPC

Homes & Gardens	138,323	+1.6
Country Homes & Interiors	80,709	+5.4
Marie Claire	334,729	-9.9
InStyle	181,909	-7.6

Others

Country Life (weekly) *	40,408	+0.5
Hello (weekly)	403,666	+5.7
OK (weekly)	624,091	-0.4
Elle	209,172	-0.5
Red	224,072	+2.0

* Jan-Dec 06 figures

Source: ABC

Readership: Monthly Magazines (Women; 000's)

	Jul 06-Dec 06	Yr on Yr % +/-
Condé Nast		
House & Garden	538	-3.2
Tatler **	156	-15.6
Vogue	1,031	+18.4
Interiors **	110	-5.2
GQ *	391	-6.0
Vanity Fair **	170	+4.9
Glamour	1,183	+5.3

National Magazine Company

Country Living	521	+5.7
Harpers Bazaar *	134	-24.7
Esquire */**	129	-5.8
Good Housekeeping	1,494	+5.1
Cosmopolitan	1,526	-11.2

IPC

Homes & Gardens	608	-0.1
Country Homes & Interiors	184	-27.0
Marie Claire	1,126	+6.1
InStyle **	302	-11.0

Others

Country Life (weekly) **	134	+2.3
Hello (weekly)	1,820	-0.3
OK (weekly)	2,110	-3.3
Elle	770	+6.5
Red	627	+2.1

* Readership of all men 000's

** Jan '06-Dec '06 figures Source: NRS

US Magazines

	Circulation Autumn 2006 000's	% change +/- vs. Autumn 05	Total Readership Autumn 06 000's
Hearst			
Esquire	703	-0.3	2,710
Harpers Bazaar	694	+1.8	2,932
Marie Claire	916	+4.2	3,395
Good Housekeeping	4,558	+0.3	23,892
Cosmopolitan	2,698	+0.4	16,866
Town & Country	468	-0.2	3,687
House Beautiful	885	+1.5	6,726

Condé Nast

Architectural Digest	799	-0.4	4,980
Bon Appetit	1,314	+0.8	5,860
Condé Nast Traveler	773	+0.3	3,143
GQ	840	+3.7	6,057
Gourmet	983	+1.4	5,499
House & Garden	930	-0.3	14,054
Vanity Fair	1,127	+5.8	6,539
Vogue	1,217	+5.3	10,841

Others

Elle	1,011	+0.5	4,866
Food & Wine	988	-0.2	6,488
Forbes	934	-0.7	4,616
New Yorker	1,036	+3.0	3,649
Time	4,224	+1.6	21,431
Travel & Leisure	1,039	-1.8	4,883

Source: MRI

Other Media

Television The optimistic atmosphere during the first quarter in the TV advertising market has come to an abrupt end with January figures showing that at *ITV* the share of impacts for 16-34 year olds fell by 10.49% year on year. *ITVI*'s share of ABC1 men was down by 8.5% and its share of housewives by 7%. *Channel Five* also had a disappointing beginning to the year with its main channel share falling 16% for ABC1 men, 3.62% for 16-34 year olds and 8.5% for housewives. *Channel 4* experienced a fall of 4.71% in its share of 16-34 year olds. These figures again show the effect of the change to multichannel, which saw an increase of almost 10% in its share of impacts in every category. Early revenue estimates for April suggest that TV advertising spend could be down by as much as 12%.

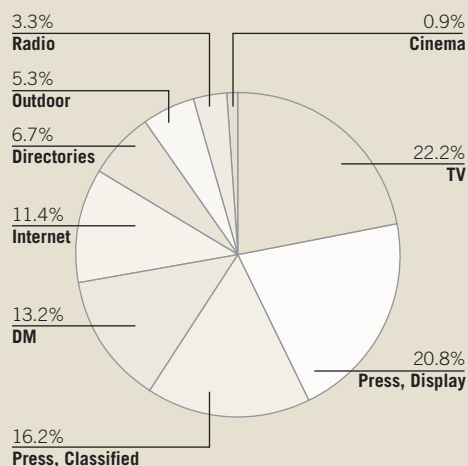
Outdoor *Primesight* has been awarded what is thought to be the biggest point of sale product in the outdoor market. The newly named *EyeQ* product will give it the potential to sell more than 20,000 new panels. The illuminated advertising panels are displayed at eye level behind counters in the UK's major supermarkets, convenience stores and petrol forecourts. These panels give advertisers the chance to communicate directly prior to purchase and take advantage of people waiting in queues. They have proved advantageous with the sales of *Aquadrops* increasing by 29% in a recent test campaign.

Online *Google's* ad revenues in the UK were greater than those of *Channel 4* in 2006, proof of the rise of internet advertising. *Google* made £450 million in the UK in 2005, and this rose to £900 million last year - largely through search advertising. *YouTube* is the advertising model of the future, according to various sources. Having attracted a very large following by becoming the optimum platform for homemade-movie makers, the company now wants to cash in on its popularity and has set its sights on the \$12.5 billion online advertising market. Although it is not a proven business model yet, advertisers are attracted by the highly sought-after audience of males between the ages of 18 and 34 who are bored with cable and broadcast TV and are spending more time on the internet. *Microsoft Corporation* has asked *Yahoo Inc* to start formal talks for a takeover deal. Reports put the value of the deal at roughly \$50 billion. The two companies have held informal talks over the years but this latest move shows a new urgency on *Microsoft's* part. The acquisition of search engine operator *Yahoo* could help *Microsoft* to compete with web search leader *Google*.

Sources: guardian.co.uk / vnuet.com / CNET News.com / domain-b.com.

Market share of advertising spend

Full year 2006



Source: PricewaterhouseCoopers / The Advertising Association / Internet Advertising Bureau / WARC / Radio Advertising Bureau / Directories are estimated.

Online Media

Why invest in an online campaign?

Just think – how much of your day is spent online and how much reading a newspaper or magazine? Whilst the more traditional methods of advertising are still key to the success of your marketing activity, online you have a very large captive audience at your fingertips. UK marketers spent more than £2 billion on online advertising last year, an increase of 41.2% on 2005. And with an online audience in the UK alone of 30.9 million (as of June 2006), this is a trend that is set to continue.*

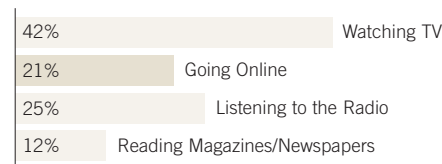
Online advertising can be much more targeted and is very easy to track, particularly with tools such as *Google Analytics* which are extremely user-friendly and moreover, free of charge. These metrics ensure your ROI is maximised, making online advertising a very cost effective and almost fool-proof marketing tool.

We can put together a 3-month trial online proposal for you so you can see the benefits for yourself. Please call us for more details.

*Source: IAB/PwC online study

Reach consumers where they spend their time

The Internet presents a huge advertising opportunity as more and more consumers spend increasing amounts of their leisure time online as the table below indicates.

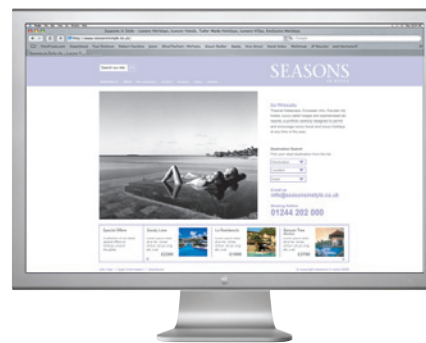


Currently, only 11.4% of total media spend goes into online advertising. The disparity between media spend and consumer activity presents the perfect opportunity to reach consumers in a highly targeted way.

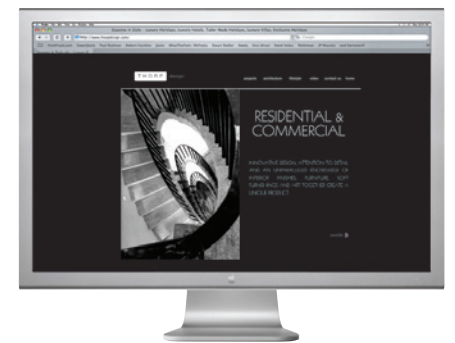
Website Design

As part of our online initiative we have recently carried out a great deal of work on our clients' websites, from the design right through to the programming and implementation. As part of our service we provide full search engine optimisation to ensure your website achieves the best result from the search engines. In addition we also include a very comprehensive Content Management System (CMS), which will give you the ability to make changes to text and images on your website without the need of outside technical assistance. Please call us for more information.

Below are some examples of websites recently designed by Strattons:



seasonsinstyle.co.uk



thorp.co.uk

Online Media Jargon

Has the confusing terminology used by online techies put you off exploring online media opportunities? Our aim is to make online media as clear and straightforward for you as booking a page in a magazine. Below we have explained some key buzzwords for starters...

CPC: Cost per Click. The cost of each click on your online advertisement.

CPM: Cost Per Mille. This was the most common way online space could be bought but is less so now, and is based on a cost per thousand page impressions.

CTR: Clickthrough Rate. This is a metric used to see how your online ads are performing. The more relevant your ads are, the more often users will click on them, resulting in a higher CTR. It is calculated by dividing the number of ad clicks by the number of page impressions X 100.

Page Impressions: These are the number of pages of a site downloaded each month.

PPC: Pay-per-click marketing. This involves advertising on major websites such as *Google*, *MSN*, *Yahoo* and *AOL* and only paying for people who actually visit your site. PPC is a very effective method of getting relevant visitors to your site.

SEO: Search Engine Optimisation. This is the skill of 'getting your website up the search engines'. It includes tailoring your website so it is visible to search engines, writing content relevant to the subject you want to sell and getting other relevant and respected sites to link to your content.

Tenancy: A fixed cost for an advertorial or sponsorship space.

Unique Users: The number of different users visiting a site each month. Returning visitors are not included.