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Pitfalls of International Market Research

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Our 2001 paper “*Pitfalls of International Market Research*”, which compared reader-per-copy estimates across Australia, New Zealand and the USA, demonstrated that in the USA and New Zealand, readership estimates are inflated, thus they could not realistically be used in any multimedia scheduling. We have now included UK readership estimates for Readers’ Digest, Cosmopolitan and Time.

To demonstrate by example, the readers-per-copy of four well-known magazines in four markets – using the local readership currency – would have advertisers believe that magazines are “passed-on” to a lot more people in the USA, UK and NZ than in Australia. For instance, that an average copy of People is read by 9.8 people aged 18+ in the USA, and the same magazine (called Who in Australia and New Zealand) is read by 12.9 people aged 10+ in New Zealand, but in Australia only 5.6 people aged 14+ or 5.2 people aged 18+.

Similarly, that an average copy of Reader’s Digest is read by 6.5 people aged 10+ in NZ, 3.6 people aged 18+ in the USA, 3.2 people aged 15+ in the UK and only 2.9 people aged 18+ in Australia.

Similar differences are shown for Cosmopolitan, TIME and Newsweek (See Table 1 below).

Table 1: Readership currency reader-per-copy estimates across countries

Magazine	Australia Roy Morgan		New Zealand Nielsen (10+)	USA MRI (18+)	UK NRS (15+)
	14+	18+			
People / Who*	5.6	5.2	12.9	9.8	NP
Reader’s Digest	3.0	2.9	6.5	3.6	3.2
Cosmopolitan	4.5	3.5	8.0	5.8	4.9
TIME	4.4	4.1	8.1	5.0	NM
Newsweek/Bulletin ⁺	4.6	4.5	-	6.2	NP

* In Australia and New Zealand, People is Who ⁺ In Australia, Newsweek is included in The Bulletin
NP: Not published NM: Not measured

Source: Australia: Roy Morgan Research Apr 2003-Mar 2004, Circulation: Jul-Dec 2003
New Zealand: Nielsen Jan-Dec 2003, Circulation: Jul-Dec 2003
United States: MRI Spring 2004, Circulation: Jul-Dec 2003

However, the next table shows that when Roy Morgan Research applies the same measurement methodology across the different countries, the differences all but disappear.

People (or Who) has readers-per-copy, aged 14 and over of 5.6 in Australia, 3.8 in New Zealand, and 4.0 in the USA; and Reader’s Digest has readers-per-copy of 3.0, 3.0 and 2.8 respectively. TIME has readers-per-copy aged 14 and over of 4.4 in Australia, 4.2 in New Zealand and 5.1 in the USA. A similar pattern of result is shown for Newsweek with slightly higher readers-per-copy in the USA (5.3) than Australia (4.6).

In other words, when a consistent proven methodology is applied to different markets on the same magazines, the magazines attract fairly similar readers-per-copy estimates despite the marketplace differences. Common sense would say this is correct.

Table 2: Roy Morgan Research readers-per-copy (14+) estimates across countries

Magazine	Australia (14+)	New Zealand (14+)	USA (14+)	UK (14+)
People / Who*	5.6	3.8	4.0	NP
Reader's Digest	3.0	3.0	2.8	1.8
Cosmopolitan	4.5	3.6	4.1	3.6
TIME	4.4	4.2	5.1	3.0
Newsweek/Bulletin ⁺	4.6	NP	5.3	NP

* In Australia and New Zealand, People is Who ⁺ In Australia, Newsweek is included in The Bulletin
 NP: Not published

Source: Australia: Roy Morgan Research Apr 2003-Mar 2004, Circulation: Jul-Dec 2003
 New Zealand: Roy Morgan Research Apr 2003-Mar 2004, Circulation: Jul-Dec 2003
 United States: Roy Morgan Research Mar 2002-Feb 2004, Circulation: Jul-Dec 2003