HOTSHEET

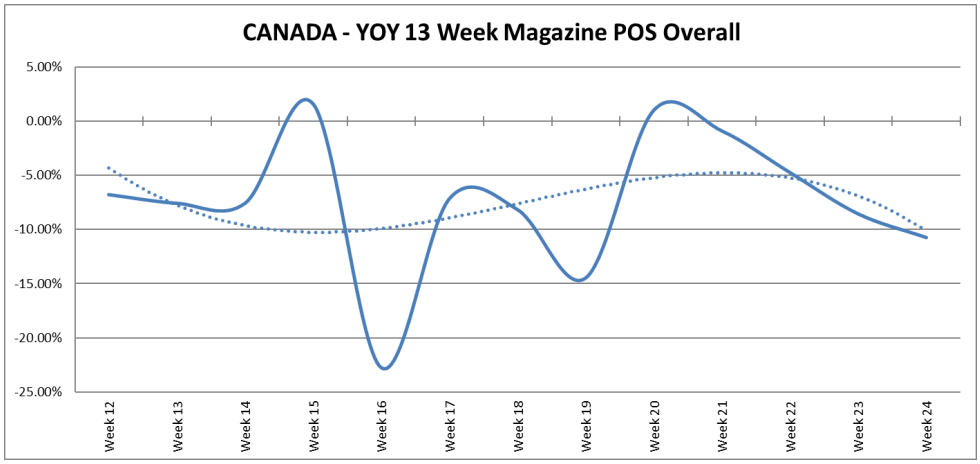
State of the Newsstand Q2 2023

By Craig Sweetman

Newsstand and Circulation Consultant Craig Sweetman/CRS Media shares a quarterly update on the state of newsstand magazine sales for the 2nd/Quarter – 2023 for the Canadian Marketplace.

- The current Year over Year trend for the Canadian market at the Week 24 mark is negative 10% per trend line in graph inserted below…this current decline in trend has been driven for the most part by a decline in distributed product of over 16% year to date. This is a better picture than the US market where sales are down 22% and overall distribution is down 27%. As a result overall sales efficiency in North America is still sitting in the low 20% range. Once again, these declines have mostly been driven by reductions in copies to the retail market. The decline in copies to market continues to be driven by the continually rising costs of printing and shipping of copies, which have gone up anywhere between 15-50% depending upon the printer and carrier. .
- There are some continual positive Individual Retailer numbers to report in that Costco and Airport locations continue to post exceptional sales growth with Paradies and Hudson News both up double digits in growth over 2022 and TNG has embarked on an aggressive retailer relogo program this Summer, which will transform the checkout areas and expand SIP exposure in that area. This will drive higher sales in several retailers.

Magazines Canada



- The current market share breakdown for the majority of the North American market is inserted below and represents the Top 62 NA Retailers and 75% of the NA sales volume. It is broken down in a different manner than the Canadian chart shown in the previous Quarter's report. SIP's now represent 36.9% of Dollar Sales and I expect that percentage to continue to grow. In terms of stronger areas, General Interest, Lifestyle, Digest, (Other)Niche Publications and Foreign Language are performing the best.

Title Segmentation								
Major Category	# of Bipads	Sales	Prior Year Sal	Sales Pct Var.	Dollars	Prior Year Dollars	Pct Dollar	Category Share
SIPS	801	8,861	11,022	-20%	$119,920	$143,435	-16.4%	36.9%
WEEKLY	54	7,110	10,085	-29%	$48,649	$59,048	-17.6%	15.0%
PUZZLES	170	5,250	5,898	-11%	$31,757	$31,632	0.4%	9.8%
WOMENS	417	5,967	8,622	-31%	$28,330	$35,657	-20.5%	8.7%
HOME	501	1,912	2,661	-28%	$17,860	$23,239	-23.1%	5.5%
GENERAL INTERES	680	1,169	1,105	6%	$12,385	$10,117	22.4%	3.8%
HOBBY	742	946	1,038	-9%	$10,448	$10,516	-0.6%	3.2%
SPORT	663	708	846	-16%	$7,370	$7,939	-7.2%	2.3%
DIGEST	66	972	1,132	-14%	$7,108	$6,813	4.3%	2.2%
CRAFTS	241	502	561	-10%	$6,603	$6,766	-2.4%	2.0%
AUTOMOTIVE	291	680	892	-24%	$5,935	$7,144	-16.9%	1.8%
NEWS FINANCE	107	464	564	-18%	$5,286	$5,719	-7.6%	1.6%
ENTERTAINMENT	269	491	543	-10%	$5,033	$5,076	-0.8%	1.5%
REGIONAL	465	635	807	-21%	$4,683	$5,449	-14.1%	1.4%
HUNT/FISH/SURV	148	470	588	-20%	$4,048	$4,646	-12.9%	1.2%
SPORTS SIPS	37	179	234	-24%	$2,229	$2,970	-25.0%	0.7%
OTHER	576	183	130	41%	$2,151	$1,492	44.2%	0.7%
MENS	43	144	214	-33%	$1,144	$1,614	-29.1%	0.4%
COMPUTER	115	83	94	-12%	$1,109	$1,174	-5.5%	0.3%
TEEN	35	93	127	-27%	$868	$1,076	-19.3%	0.3%
LIFESTYLE	49	51	48	6%	$740	$630	17.5%	0.2%
ETHNIC	38	58	97	-41%	$548	$815	-32.8%	0.2%
FAMILY	50	64	72	-11%	$486	$474	2.4%	0.1%
SOPHISTICATES	11	27	33	-19%	$370	$429	-13.8%	0.1%
FOREIGN LANGUA	34	6	4	33%	$71	$44	60.2%	0.0%
Total	**6,603**	**37,026**	**47,418**	**-22%**	**$325,131**	**$373,913**	**-13.0%**	**100.0%**

- Week 20 in Canada showed an increase of 2% YoY due to the all of the Royal Coronations Specials put out at retail.

- One other note in that TNG has completed their elimination of 2000 negative performing retailers and have migrated as many copies as possible into the remaining 6000+ retailers in their network. This will improve sales efficiency industry wide.
- As far as Retailer Categories go the performance for North America is illustrated in the chart below. The 2 strongest Retail Categories are Bookstores and Terminal accounts.

Class of Trade	Sales	Prior Year Sales	Sales Variance	Sales Pct Var.	Dollars	Prior Year Dollars	Dollar Variance	Pct Dollar Var	COT Share
GROCERY	6,995	9,840	-2,845	-29%	$59,806	$74,170	($14,364)	-19%	36.3%
MASS MERCH	4,989	6,361	-1,372	-22%	$37,451	$42,475	($5,024)	-12%	22.8%
BOOKSTORE	2,400	2,620	-220	-8%	$27,297	$27,937	($641)	-2%	16.6%
DRUG	2,160	2,723	-563	-21%	$20,046	$22,872	($2,826)	-12%	12.2%
TERMINAL	1,151	1,303	-152	-12%	$10,310	$10,519	($209)	-2%	6.3%
DOLLAR	885	1,239	-354	-29%	$6,636	$8,107	($1,471)	-18%	4.0%
SPECIALTY	203	240	-37	-16%	$2,744	$2,984	($240)	-8%	1.7%
MILITARY	28	56	-28	-50%	$272	$472	($199)	-42%	0.2%
HOME IMPRO	0	10	-10	-100%	$0	$98	($97)	-100%	0.0%
Total	**18,812**	**24,392**	**-5,580**	**-23%**	**$164,563**	**$189,634**	**($25,071)**	**-13%**	**100.0%**

- The outlook for the 2nd/Quarter 2023 would be cautiously positive as the appetite for the expected SIP's coming out to celebrate the Royal Coronation of King Charles in May should boost sales for the industry. Also as SIP's and Niche Titles continue to grow their marketshare there is an opportunity there for publishers to grow.