
The changing face of publishing: Haymarket Media Group's story



Rupert Heseltine

Haymarket Media Group is one of the biggest players in the editorial and publishing sector, both in the UK and overseas, with titles including *What Car*, *What Hi-fi*, *Stuff*, *FourFourTwo* and *Gramophone* amongst many others. We met up with Rupert Heseltine, Company Chairman, to find out more about the future of the industry and his views on Haymarket's success.

In just over half a century, Haymarket has grown from a small publishing house to a global presence in the media world. Do you think that your father, Michael (now Lord) Heseltine, could have predicted the success of the company when he founded Haymarket back in 1957?

“I think my father always had intentions to go international. When he came back to the company in 1997 he saw all these licensed titles, like *Cosmopolitan*, and decided to set up a separate licensing division: and we're doing very nicely, thank you. I think we have about 130 licences around the world.

The UK is a pretty mature market when it comes to the media: you've got your big established players. So where were we going to go for growth? Well, we could see that several countries were opening up. India was opening up, China was about to open up and obviously places like America and Australia were open for business.

So it actually seemed like we were losing great opportunities overseas. Michael had experience in politics and, therefore, probably viewed the world a little differently to the way we looked at it. We made mistakes along the way, but we learnt from those mistakes and now we're growing well overseas, which is fantastic.”

The company's maxim is 'Know what you're talking about, create something great, and it will attract a strong following. And that will bring revenues.' Does Rupert feel that it's this level of expertise and vision that has driven Haymarket's success?

“We stuck with our heritage, which is our verticals – i.e. new cars, hi-fis, gadgets etc. If you go across, it's a lot more difficult. If you talk to some of our competitors in the last year or so, I think they'll have found it very difficult being a 'generalist'. If you're a car fan, or a gadget fan, then that's what you want to read about. What you might leave behind is the more generalist stuff and also the more general titles are more cyclical. There are hi-fi fans throughout most generations, whereas when you look at the lads mags, they have gone on a pretty difficult journey. Specialisation, I think, is key.”



From an employee perspective, the company clearly believes in being a meritocracy where those with talent will rise to the top. Do you feel that events such as your annual employee awards help to inspire and engage your staff?

“I think it’s a lot of things that help to motivate staff. I don’t think that you can pinpoint one particular thing. For some people it will be the magazine – they are car enthusiasts and if you cut open their veins a whole lot of little cars will come charging out rather than blood. There are other people who are extremely wedded to the public sector, or people with a passion for horticulture. So, passion and connection to the brand is probably the key motivator.

I think, for some people, the work we do with charity is another motivator. For other people it will be the environment and what we’ve done in terms of making our building more sustainable and reducing our carbon footprint and the water we use. I think being a private company, I hope, helps. Everyone has access to me – my door is always open and I walk around the office a lot. I think I’m pretty accessible and I encourage all the other managers to be accessible as well. We all started here quite young. I’m 43 and my chief executive is 46, so we still have a lot of drive. We’ve only just started: I’ve only been in the gig for nine months!”

Over the past decade, Haymarket has greatly expanded the web-based side of the business. Do you see this growth continuing and how does he feel about the idea of ‘pay-to-view’ content in the manner which titles like *The Times* have implemented it?

“I’m a subscriber to *The Times*, so I declare that. Like a lot of people in the media, you have to see what you get and how it works. The biggest question is ‘Is the web here to stay?’. And the answer is yes. The web is

Being an independent voice in the media world is increasingly unusual. Do you feel that Haymarket’s independence is one of its main strengths?

“Absolutely. It’s not our biggest strength – I think that’s our staff and our brand – but it’s great to be able to ring up your bank manager and say ‘Can I see you next week? We would like to invest overseas’ and for him to say ‘That’s fine.’ We don’t have to go to six or seven bankers and explain ourselves and say ‘I want to be in India and I’m going to make a loss over seven years’. I’m perfectly comfortable with losing a million quid in the first year and then a couple of hundred thousand over the next couple of years. Because, actually, I’m merely a guardian for the next generation. It’s a long-term investment and everyone buys into it for a long-term investment because the positives outweigh the negatives.”

We were interested to know why you chose India, in particular, as a market.

“It chose us, to be honest. Our business partner met our former chief executive at a motor show and said he wanted to publish *Autocar*. There was a little competition between us and a German magazine, and he said that he wanted to a deal with us today! So we signed a deal and worked on a consultancy basis together, starting off with a licence.

The intention was, once the market in India opened up, that we would follow them with a joint venture. India now has *Autocar*, *What Car*, *Stuff*, *What Hi-fi*, *Campaign*, *PrintWeek* and *AutoCar Professional*. We work with our business partner and we have an English manager out there who runs the business-to-business side, but ideally I want to have Indian managers.”



here to stay, there is no doubt about it. The web is going to get more and more crowded; there are going to be more and more individuals running businesses on the internet and there will be more and more voices out there. So, our job as media owners is to bring order where there is chatter. Who do you follow? Who do you read? Who do you listen to? I, frankly, don't have time to read every blog and watch every interview, so I want to find somewhere that will give me what I need. And I think that's the role of media players like ourselves.

I think there's a huge issue of trust. Who do you trust? An individual? Or a group of people who have been doing a job for 20 or 30 years and who are experts? I think mobile devices are obviously the next big thing. I have an iPad, I have an iPhone, I have a Blackberry: I have every piece of different kit and every one I use in a slightly different way. So it complicates the issue for publishers.

But the media has always evolved: it's never stopped evolving. Haymarket started with a hardback,

bound directory in 1957 and now we're working in a huge variety of areas. We've constantly evolved and the web will just make us evolve faster. The majority of our money still comes from magazines, but the web is coming up hard on its heels. We don't see ourselves as a technology company; we see ourselves as an editorial company and our job is to deliver that editorial through the correct channels to the correct person at the right time of day."

Has the introduction of devices such as the iPhone, iPad, Kindle and other eBook readers changed the way you think about your hard copy and web-based titles? Is print, as a medium, on the way out?

"Things like the iPad are amazing and they are a fantastic business tool. They could be a game changer and then we'll have to produce the right apps; and when I say apps I don't necessarily mean magazines. It might look really different on an app, but it's the same thing. A magazine is just a name for a physical product, so it would just mean repackaging and redelivering that editorial content.

I don't see print dying out: I see it doing a different job at a different frequency. Not every business person will want another new bit of kit. They might get kit fatigue. They're talking about tablet PCs which would have a phone and cameras built in, so you could be reading a magazine and then a face pops up and says 'Hi, Dad!'. Not everyone will want that.

People will pay for content. People do pay for our content now in paper format. What we've got to stop doing is giving it all away for free. Some of it will be free – news is probably the main thing that will be free – but it will be the analysis, the hardcore data that helps you do your job better that I suspect people will have to pay for."

Does Haymarket carry out a lot of market research to find what their customers want from their publications?

"More and more. The difficulty is – and this is where the skill of the editor comes in – that every single person wants something that is slightly different. So, you've got to



find that common denominator and you've also got to present that information in such a way that actually it does achieve the majority of people's needs.

When you sit down and start reading a newspaper, or even a magazine, you don't know what you're about to discover. You open it up and you're going to read a story, and then another story and another story. If you look at the average user time on a particular website, or the number of pages that somebody will actually read, it's far less than with a magazine. The engagement is far higher with a magazine."

Even with the expansion of online content, publishing companies clearly still have quite considerable carbon footprints associated with the print side of the businesses. How has Haymarket tackled the issues of sustainability?

"Impressively, I think is the answer – we were the first gold standard in Richmond with our new office; we're part of the Green 500 in London; we've won industry awards

for a number of years in a row. All our paper is from Forest Stewardship Council (FSC) approved forests. We talk to our suppliers and their carbon footprint and what they are doing to reduce it. Obviously, we are in the environmental publishing sector as well. We do have very strong ethics – we encourage people to ride bicycles and join the ride-to-work scheme.

We have gone down to the minutiae of each of our magazines having its own carbon footprint. So I think we've done everything we can. It came from our staff, from staff surveys, that they were very keen to do something about sustainability. And of course, if your business doesn't do something about it, then the Government is going to come along and sting you quite hard. Also, as a family company, one that believes in nurturing, it's a very important part of our ethics. Reducing our impact on the environment is extremely important."

Corporate social responsibility is a key focus for today's large companies. With such a wide global presence, how has Haymarket faced the challenge of interacting and supporting local communities?

"When I became chairman in January the terrible disaster in Haiti came along. Sadly we've had two massive disasters this year in Haiti and Pakistan, both of which we've contributed funding towards. What I want to do is form some kind of foundation which staff can contribute to and where we can contribute to the projects and be a bit more focused on what we do. Some of this would be overseas, some of it would be in the UK.

We want to get local offices doing something for their local community. There are lots of fantastic opportunities out there."

You've been in the publishing business for over 20 years now, 16 of these with Haymarket. How do you see the future of the sector over the next 10 years? Will companies be able to react and adapt to the changes ahead?

"Do I know where my sector will be in 10 years time? No. If I look back 10 years, it was the time of the dot.com bubble and we were all rubbing our hands and thinking 'woo hoo!' and then the next year, bang, the whole thing collapses. That hurt a lot of people very badly: there weren't many survivors. Ten years ago, Google had just been created; there was no Facebook; there was no Bing; Yahoo was around. So, it was a whole different world.

The thing that will affect the sector will be technology and the speed and access to the internet. Those are the two things that will affect our business far greater than anything else. Are we ready? I hope so. I believe we are because we're evolving and changing our business models. Or it may just be that everything will just find its natural order. It's changing every day!"



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