

2011 PRAASA Presentation – Alizon W.
Panel 3, Friday, March 4, 2011, 4:15 pm

Aloha, my name is Alizon and I'm an alcoholic. I'm grateful to be serving Alaska Area 02 as Registrar and Alternate Chair and grateful to be in Hawaii and not Alaska this time of year. I've been asked to present on the 2011 General Service Conference (GSC) Agenda Item V., A., which reads as follows:

Consider that A.A. Grapevine, Inc., be permitted to utilize digital channels and current (commissionable) support and distribution technologies such as but not limited to smart phones, tablets, e-reader, applications, and commissioned online stores for the sale and distribution of magazines, books and products.

I want to let you know that being asked to present on this topic was definitely as my sponsor would term it a "growth opportunity," as I had limited knowledge of the technologies discussed and now I am slightly less limited. So why is this item on the GSC agenda? From what I've read, I believe it's because the Grapevine (GV) wants to reach more people and be financially self-supporting, while not affiliating (real or perceived) with outside sales entities. This agenda item appears to be giving us an overview of how they intend to achieve these goals.

So who do we need to reach that we aren't reaching? Well, a lot of people apparently, as the GV circulation is only 4 ½% of the entire worldwide AA membership, down from an all-time high of 26% in 1955. Also the majority of subscribers are described as white males from age 50 to 59 with 20+ years of sobriety. According to our 2007 membership survey, almost 60% of our membership is aged 50 or under; one-third are women; and two-thirds have 10 years of sobriety or less. So GV subscribership is not reflective of our membership in terms of demographics.

Then, the question becomes how do we reach these members not currently subscribing? For one thing, the way many people want to receive their media has changed tremendously in just the past 5 years. I read some research studies based on 2010 data (1) to learn the following about digital gadget ownership and trends:

Cell Phones: 85% of adults in the US have a mobile phone, with 96% ownership amongst 18 to 29 years olds. Even among seniors ages 65 and older—a group not traditionally known for its high levels of technology use—nearly six in ten (58%) now own a mobile phone and seniors are roughly 50% more likely to own a cell phone than to use the internet (40% of seniors are internet users). 35% of these phones have apps, and 24% of owners actually use the apps. By the 3rd quarter of 2011, smart phones are projected to be 49% (2) of the cell phone market. Mobile application downloads (which apply not only to smart phones, but to iPads, iPods and other mobile devices) are projected to reach 10.9 billion in 2011 and increase sevenfold to almost 77 billion by 2014 (IDC). Although the current apps market is a bit ahead of the average US adult cell phone user, there is a growing apps culture, particularly among men and young adults.

Computers: Three-quarters of Americans own a computer, with the percentage of those owning laptops having increased from 30% in 2006 to 52% in 2010 and a correlation between computer ownership and age, education and wages (those who are younger, more educated and earn \$75,000 per year or more are more likely to own a computer). In addition, 72% of 18 to 29 year olds own a laptop, as opposed to 56% owning desktops.

Mp3s: Mp3 player ownership has increased from 11% in 2005 to 47% in 2010. As with cell phones, young adults are especially likely to own an mp3 player—75% of 18-29 year olds do.

Game Consoles: 42% of Americans own these.

e-Book Readers: 5% of Americans own these, although this is a relatively new gadget.

Tablet Computers: 4% of Americans own these, but again this is a very new technology.

Eight-in-ten American adults (78%) own two or more of these devices, and the median adult owns three of the seven gadgets mentioned above. Among other factors, device ownership is highly correlated with age. For example, the typical adult younger than age 45 owns four devices, while the typical adult between the ages of 55 and 64 owns two and the typical senior (age 65 or older) owns just one. Those with high levels of income and education are also more likely to own a relatively large number of devices compared with those with lower income and education levels.

As subscribership to the GV increases, so does the ability to be financially self-supporting. As we all know, magazines and newspapers have been closing in record numbers. People are also becoming more willing to pay for their digital media. In another 2010 (1) research study, nearly two-thirds of internet users (65%) have paid to download or access some kind of online content from the internet, ranging from music to games to news articles. Music, software, and apps are the most popular content that internet users have paid to access or download, although the range of paid online content is quite varied and widespread. Within that 65%, 21% have paid for apps for their cell phones or tablet computers; 18% have paid for digital newspaper, magazine or journal articles or reports; 10% have paid for e-books; and 7% have paid for podcasts. The typical user in this study pays about \$10 per month for online content. As recently reported in the news, e-Books actually outsold paperbacks in January, 2011. And, providing media content digitally allows both the publisher and the subscriber/reader to save money.

So why would there be opposition to making the GV and La Vina (LV) available to all those who want it through various digital outlets? Given the selection of background information, it seems the GV is concerned about these outlets being perceived as outside sales affiliations. They note however that they are already using a fulfillment company (ESP) to handle

subscription, product customer information and customer service; USPS, UPS and FedEx to deliver printed issues and products; and Real View Technologies to deliver GV and LV digital magazines. I can understand where selling directly to Hazelden at a bulk rate discount as was done in the past could be construed as affiliation, as they are such a well-known recovery service organization. However, what is being proposed here seems to be merely delivery methods. For instance, when I am looking for a book on Amazon.com, I do not consider the publisher to be affiliated with Amazon—it is merely a location where I can find what I'm looking for. Someone brought up to me that having products sold on say Amazon to her smacked of promotion rather than attraction. To me, this is similar to saying that listing the AA Intergroup phone number in the local phonebook is promotion. People need to know how and where to find GV products and they may not always look on the GV website.

Now, I think more specifics from the GV about what they are intending and what it will cost would have been nice, but they appear poised to meet the needs of the digital age. In December, 2010, digital editions of both the Grapevine and La Vina were unveiled, with a subscription price of \$20.00 for 12 issues, as compared to the print version priced at \$27.00 and in fact is strongly encouraging readers to convert their print subscriptions to digital, whereby they will extend the number of issues received, receive them 2 weeks earlier, and allow the Grapevine to reduce their operating costs. In fact, the GV Executive Editor/Publisher, Ami, advised me that before the digital version was even widely advertised, they had 600 subscriptions. In addition, the Grapevine website will re-launch and make echeck and PayPal available, in addition to Mastercard and Visa as payment methods in 2011. Their plans include consistently editing the GV and LV for all platforms, improving the relevancy of content to their audience based on survey results, and bundling subscriptions. Our "Meeting in Print" is becoming a "Meeting in Media!"

In closing, during my research, I came across a quote that I think is very apropos to this item. It's by the Great One, Wayne Gretzky, who once said, "I skate to where the puck is going to be, not where it has been."

Thank you for this opportunity to serve,

Alizon W.

Sources in addition to the GSC background information provided:

- (1) Pew Research Center, Internet and American Life Project.
- (2) Nielsen Company.
- (3) IDC.