HOW PRINT MEDIA CAN WIN IN THE DIGITAL AGE

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Abstract

This paper establishes for one leading Australian newspaper at least, that reader trust is strongly tied to perceived closeness to that newspaper brand and closeness enables a brand to build a "brand tribe" with the capacity to influence a range of member behaviour. The paper argues that a medium must become a brand if it is to win in the digital 21st century and that a "newspaper" may have nothing to do with "paper". It is conceivable that eventually a powerful newspaper brand may be able to bring moving pictures to its online "tribe" more credibly than a" television brand" and news commentary to the Internet more credibly than a "radio brand". Clearly more work needs to be done to extend these findings across a range of newspapers and magazines.

Background

The debate for many in the print industry today is directed toward what their readers and advertisers are getting out of their particular publications. According to Wilson & Isaac (1995)[1], if a reader "trusts,' a publication they may be more likely to believe the publication would not include "questionable advertising". Therefore, they may also be more likely to believe the advertising it carries, even buy certain of the products advertised. The authors concluded that….

> *"clearly the relationship between reader and magazine is more important than ever. That relationship cannot be understood by knowing the number of issues read, where the reader bought the copy or other behavioural facts and figures. In fact, there appear to be two fundamental psychological drivers, which produce advertising response in terms of perceived reader relevance of advertising and ultimately purchasing of advertised brands. Reader trust epitomised by the statement, "I believe what they write", along with commitment appear to predetermine a positive disposition to advertising i.e. anticipation of reader relevance in that the ads meet certain needs from the reader's lifestyle portfolio. Notably, this new model shows behavioural measures such as frequency of reading more likely to be an outcome of reader involvement than a driver. The researchers advocate a paradigm shift to psychological measures for measuring reader involvement with measures of behaviour as a second choice option only."*

Brand Tribes

The logical extension to this idea, namely the notion of a brand obtaining its strength through its relationship with the user, was first presented by this author in Mexico City in1998[2]. In that paper Wilson proposed that to understand the power of a brand in a digital world, you needed to quantify the relationship between it and the consumer. The writer proposed that a person's most trusted brands became the media or portals through which the consumer reached a broad range of allied goods and services. Bernard Cova[3] labelled the followers of these relationship brands as a *"brand Outline of Presentation tribe"*. Citing the rise of individualism from the postmodernist writings, Cova a marketing practitioner turned author depicts post-modern society as a network of micro-cultures or "tribes" and that the *post-modern* individual as one capable of belonging to several tribes at the one time.

> *"In each he plays a different role and wear a specific mask ...and in each he uses media differently and so too his receptivity to particular types of messages differs. Marketing ethnography becomes the new segmentation and market anthropology the method of investigation".*

"Tribes" or more correctly, *sub-cultures of consumption,* says Cova, provide opportunities for marketers to build symbolic relationships with their customers. Marketers who understand the structure and ethos of a *sub-culture of consumption* can profit greatly by serving its needs with not only products and services but also with all of the flow-ons. In a post-modern world the "one size fits all" option doesn't work.

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[1] Wilson R and Isaac G; Shifting the Frame of Reference in Print Media Research….World Readership Symposium, Berlin ,1995

[2] Wilson R ,"Why Modernist Media solutions are failing in a Post Modern World", World Electronic Media Symposium, Mexico City,1998

[3] Cova B, "Postmodern explained to managers – Implications for Marketing", Business Horizons, Vol37, No 6,1997

The composition of brand tribes may vary by product category. There is no universal solution. A Harley Davidson owner may also be a stockbroker or minister religion and have nothing more in common with other Harley owners than the shared consumption experience of riding a Harley.

How does a "portal brand" work as a medium?

If one accepts the convergence of media into a digital hub then conventional media in its traditional form will become less and less what we are seeking and other guides to the universe will be needed. *These guides, the writer argues, are in fact the brands or symbols that we believe in.* There may be several brands that occupy a special place in our life and each holds sway over a particular aspect of our life – small or large. We become members of that brand tribe and follow its path in relation to a particular part of our lives.

If this is true *the advertising vehicle is no longer the medium, rather it is the brand itself and its ability to influence the consumer or tribe member.* In short, the brand becomes the medium for other advertisers. The medium is the brand. It could be argued that the Wall Street Journal is steadily moving from medium (newspaper) to brand (portal for information on all business matters) in not only the USA but around the globe. Certainly that is the positioning strategy it appears to be developing with its ever-increasing online subscriber base ("brand tribe").

> *Consider the Italian coffee brand, Lavazza. This popular brand may be a portal brand for the sale of many other products or services. In other words, Lavazza becomes a media vehicle in its own right through which an allied advertiser may choose to serve its message. For example, if members of the Lavazza brand tribe believe it to be a great coffee, then they might also place great faith in the Lavazza Company if it were to provide a guide to cafes and restaurants. May be, tribe members would also believe Lavazza if it were to recommend gastronomic tours of Italy or pretty much anything to do with hospitality, food and lifestyle in Italy. However, they would not necessarily regard it as an impeccable source when it came to choosing a car or bank. Another tribe with sway over the consumer would then take over the role of guide. (Wilson, 1998)*

Determining the power of a brand as a medium

To find out how effective a brand can be as a medium in its own right, we need to establish the level of association, identification or relationship between the brand and the individual, we can then determine whether an individual is or potentially could be a member of a particular brand tribe. It is the goal of all advertisers to win members to their brand tribe. This means much more than buying the brand. As a brand tribe member we seek guideposts for a range of kindred activities that are shared with like-minded individuals notwithstanding that such like-minded individuals may have little else in common.

The Proposition

A medium such as a newspaper or magazine will need to become a brand in its own right to manage its changing status in a digital world. Wilson 1998, submitted that all media were collapsing into a vast "Digital Dumpster" known as the world wide web and that trusted brands would become the guides to the Internet and media in their own right. This in turn would put great pressure on traditional media.

If the proposition that brands will become the media of the 21st Century holds true, then the corollary must also apply, namely that media of the 20th Century will need to become brands if they are to move forward in this Millennium.

A newspaper will always be a newspaper but not necessarily newsprint! Rupert Murdoch's News Limited decided in the early 1980's that its brands (mastheads) had value and added them to its balance sheet. However, the problem is more than simply one of accounting. It is about trust and confidence in a brand to deliver on its promise.

This paper examines the extent that major newspapers in Australia have responded to this challenge.

Measuring the ability of brands to build a Brand Tribe.

How might the extent to which a brand can form its own tribe be measured? The key lies in identifying the level of perceived association between the brand and the user, and then understanding the critical links that brand association drives.

The author favours the measure of perceived "closeness" to the brand among declared users, showcased in Wilson, 1998. This approach has been introduced to a sizeable number of research projects in Australia subsequently with useful results. The greater the ratio of those who say they are "close to the brand", the stronger the brand and the greater its ability to deliver a tribe of loyal followers who value it as a portal to a broad range of allied goods and services.

If we are to effectively convey our message to the postmodernist consumer, we need to identify the powerful tribes, the relevant tribal values and evaluate the level of interactivity *as the measured outcome for advertising effectiveness.*

Testing the Proposition

In order to test the veracity of this proposition we need to provide answers to the following questions:

1) To what extent is the Internet delivering the newspaper reader's reading experience?

2) Do readers who claim to be "close" to a particular newspaper" i.e." in the tribe", trust it more than those who claim not to be close to it?

3) *Do those newspaper readers close to a particular newspaper use it more for their information needs than those readers who say they are not close? Finally,*

4) Are those close to a particular newspaper more likely to read the publication online as well as offline?

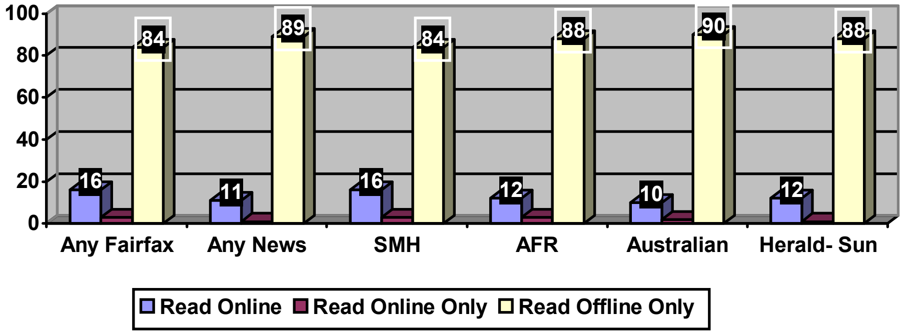
The writer has chosen daily newspapers rather than magazines for the purposes of this exercise as that category provides enough of the survey data necessary to test the proposition.

Results

The following charts provide answers to the four key questions underlying the establishment of the proposition. They are based on an independent survey carried out in Australia by *Initiative Media* based on a representative cross section of 2514 respondents 18 and over. Methodology and details appear in the Appendix of this paper. The data focus on newspapers from the state of NSW and in particular the well-known and respected Sydney Morning Herald broadsheet as sufficient data existed across a range of measures to enable the writer to test the proposition outlined above.

Question 1 - To what extent is the Internet becoming part of the newspaper reading experience or how important is the "paper" in newspaper?

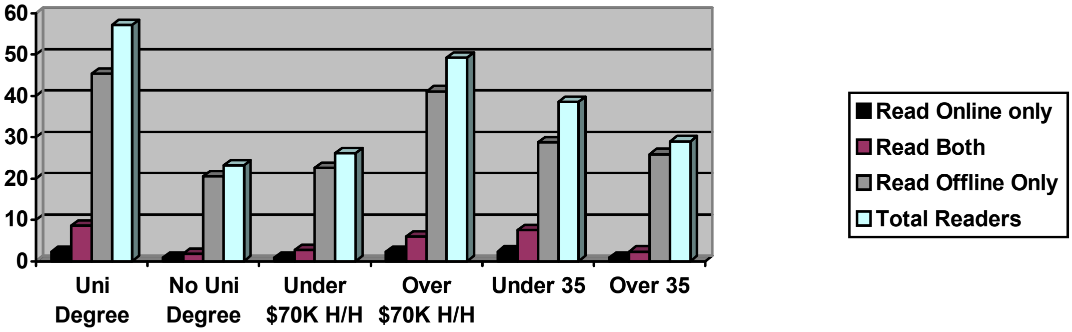
GRAPH 1 - Penetration of online reading for selected Australian Newspapers (%)
Base: All Readers of publication
Criterion: Read M-F editions in the last 7 days.



Graph 1 shows that of all of the Fairfax Group's newspapers measured, 16% of readers had done some online reading in the last 7 days compared with 11% for the News Ltd Group of readers. It would appear therefore that Fairfax Group of newspapers has at this stage holds a lead insofar as the Internet being used as a delivery mechanism for its content.

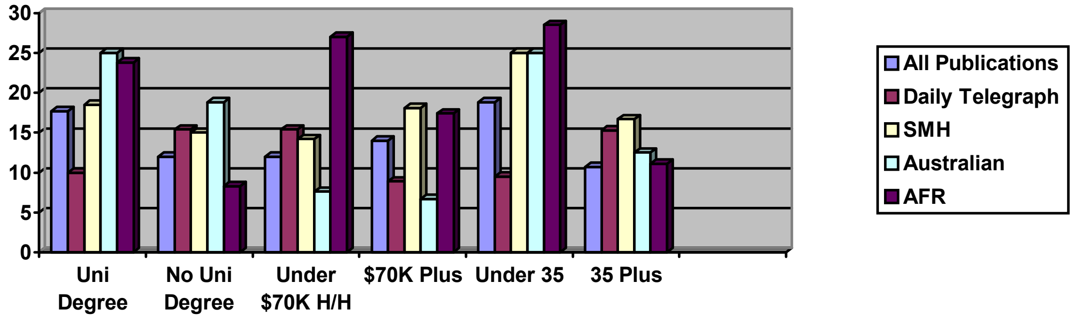
Graph 1 also indicates that from a reach standpoint, the Internet is presently delivering up around 16% of SMH readers overall but the actual proportion of reading online offline is greater – see Graph 3.

GRAPH 2 - Current impact of the Internet in readership of Sydney Morning Herald Mon-Friday among key demographic segments.
Base: All People 18+ NSW State.
Criterion: Read in last 7 days at least one weekday issue



Graph 2 is specifically about the Sydney Morning Herald and shows that for University-educated readers, total reach over 7 days for M-F editions was 57.2%. However, 12.2% or 21.1% of readers) read at least one issue online. Among people under 35, reach of M-F editions over seven days was 38.5% and of that number 9.8% (35% of readers) did so at least once in last 7 days online. As these two segments ushered in the uptake of the Internet in general, we can only surmise that this trend will extend to all demographic groups in time. Income per se is not a strong an indicator. Of those in households earning over $70,000 per annum, the number of readers reading the SMH online falls to 16%.

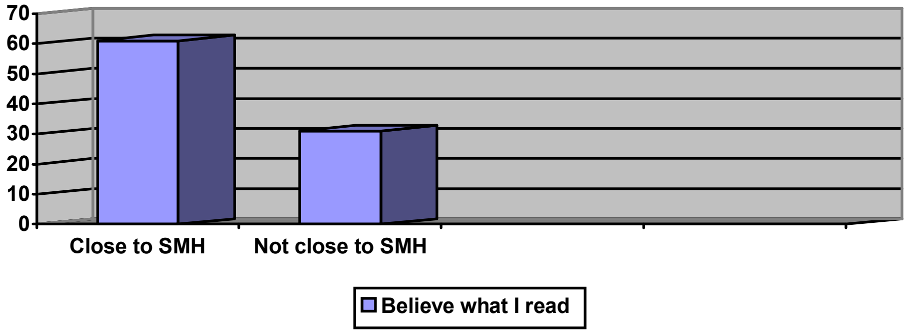
GRAPH 3 - Ratio of Online to Offline reading among key demographic segments for the principal NSW Daily Newspapers (%)
Base: Number of M-F issues read online and offline



Clearly from Graph 3, online reading has made a significant impact on newspaper reading habits in the state of NSW with a penetration level at the time of this survey (October-November 2000) of around 16% for example for the Sydney Morning Herald. News Ltd publications fare less well. In some demographic groups (Under 35's) that ratio of online reading is over 25%. Leading Internet user segments are demonstrating that their reading habits are changing not only in terms of penetration but also in terms of volume of reading done online.

Question 2 - Do readers who are close to a particular publication trust it more than those readers not close to it?

GRAPH 4 – Relationship between Reader Trust and Relationship with a Brand

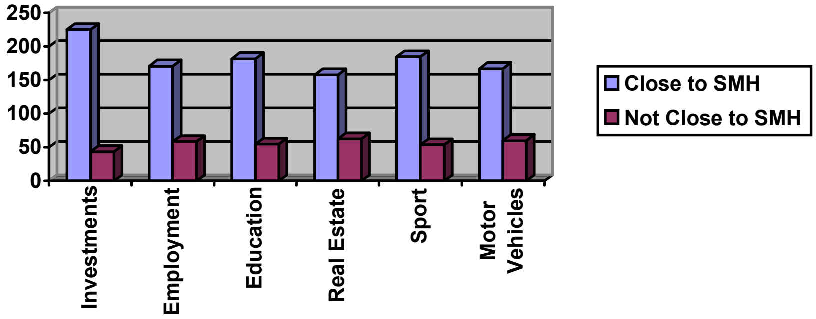


Although data are available on this dimension only for the Sydney Morning Herald, it is clear for that newspaper that those who claim to be close to it are for more likely to "believe what it writes". More work is required to determine if this effect extends across all newspapers. At this point, for the Sydney Morning Herald at least, it would appear that the extent to which it can influence its reader base is tied strongly to the level of closeness to that publication. Building a brand tribe should be definitely considered at the brand level rather than at corporate level. By that the writer implies that the portal should be the brand not the corporation unless the corporation is the brand as would be the case with say, Virgin. Though not presented here, the members of the SMH brand tribe are also major readers of its sister publication Australian Financial Review (AFR). So conceivably, the SMH brand could become the portal for other Fairfax publications – at least in the state of NSW.

It should be noted that the Initiative survey found that 41% of SMH readers maintained they felt "fairly close" or "very close" to that publication and 59% said they were not. Clearly the aim for any publication is to build their tribe by building their closeness to brand ratio (CTB index)

Question 3 – Do those readers close to a particular newspaper use it for their information needs to a greater degree than those readers not close to it?

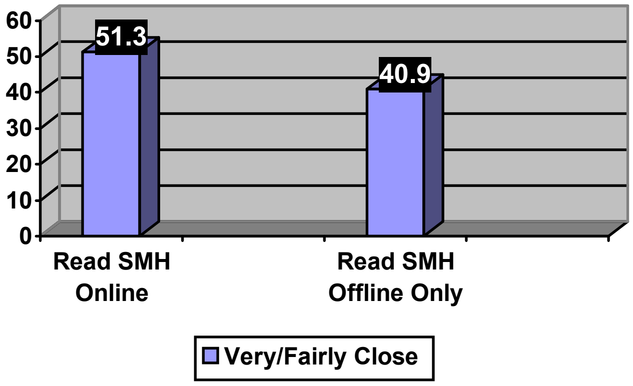
GRAPH 5 – Subject Preference Index for M-F and Saturday newspapers i.e. where SMH readers nominated newspapers as the preferred delivery mechanism.
(Index of 100 is average).



Graph 5 indicates that those readers who maintain a close relationship with the SMH (i.e. the SMH tribe - 41% of readers) are far more likely to rely on that publication across a wide range of information and entertainment content. Those less close do not see the publication as a major supplier of that same content and are relying on alternative media. As a member of the SMH brand tribe the newspaper clearly influences its readers on many matters. This could include a wide range of endorsed brands.

Question 4 - Are those readers who claim to be close to a newspaper more likely to read it online than those who say they are not close?

GRAPH 6 - Relationship between online reading and closeness to the publication
Example available is Sydney Morning Herald (SMH)



It is evident from Graph 6, that Sydney Morning Herald readers at least, are more likely to read that publication online if they are "close" to it. This means it is likely to be the brand (SMH) more than the delivery mechanism (SMH) they are seeking and that they are using the brand as a preferred information and entertainment portal. To this end we can say that for the SMH the brand tribe at least, the Internet is becoming a significant part of the access mechanism for that brand.

Conclusion

There is some evidence, albeit tentative at this stage, that a newspaper can become a portal brand in its on right capable of forming its own tribe. Substantially more work will be required to corroborate these early findings and the writer suggests exploring these effects across a range of publications.

As the trend to online reading continues (it is at present principally in the early internet adopter segments), we will see the brand taking over from the delivery mechanism and people in search of particular information, entertainment or other elements will seek out the portal using whatever access means are at hand. In other words the leading newspapers may not always be "newspaper" - that is merely a delivery mechanism for a "news and entertainment brand". People are moving from media users to content seekers.

The key element in all of this is the newspaper's understanding of its reader base and the underlying strength of its "tribe". Without that it cannot be a portal brand and assume a meaningful position in the readers life.

As people seek out pathways through the maze of modern life, they need guides. For a medium to assume the role of guide for at least part of an individual's life then it must become a brand. To become a brand it must build a relationship with its readers, form a tribe and provide tribe members with material that they can trust. The power of advertising in this context cannot be underestimated. "Permission to buy" from a portal brand is the position to which all brands, particularly media brands should aspire.

The rider of course, is that with such a position goes enormous social responsibility and the key question about moving in this direction is an ethical question. Should the media be given or have so weighty a mantle of social responsibility?

But that's another paper!

Appendix

The survey was conducted by mail. It was based on the selection of a random sample of names and addresses from the Australian Electoral Rolls. Voting is compulsory in Australia so the electoral rolls represent a strong approximation of the universe of households in the country and of people 18 years and over which is the sample base for the survey.

A random sample of 6000 names and addresses was selected from the Australian electoral rolls and each prospective respondent was mailed an introduction card explaining market research and alerting the respondent to the fact they would receive an interesting questionnaire in a few days time. A questionnaire was duly mailed and accompanying it was a covering letter and a shiny $2 coin in a plastic pouch with a note explaining that it was a token and there to brighten the day of a small child they knew. The questionnaire and covering letter explained that there was a prize draw for participating and attractive cash and product prizes could be won.

Following the questionnaire respondents received a small thank you card and reminder and ten days later if they had note returned the form were mailed a second with a further covering letter

Results are detailed below:

Mailed out	6000
RTS	543
Net households receiving	5457
Completed and returned usable	2514
Effective response	46%

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