

# 9.1

## Publishing to Targeted Audiences

A portfolio strategy that includes print and digital publications aimed at segments such as age, gender, ethnicity, location and special interests has a promising future for newspaper companies worldwide

# Shaping the Future of the Newspaper



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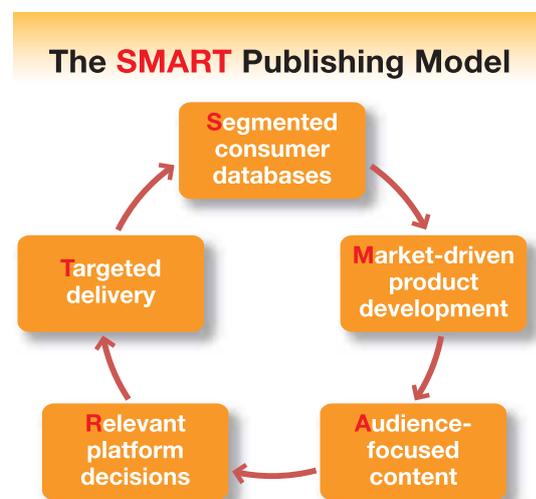
## Executive Summary

In addition to the “general purpose” newspaper, the future of the newspaper industry will require newspaper companies to create a portfolio of targeted print and digital products for a variety of audiences based on age, gender, location, socio-economic status, ethnicity and interest group. In the long term, personalised publications will emerge as a viable and compelling part of that portfolio.

The Shaping the Future of the Newspaper project has produced a report bolstering the argument for newspaper companies to develop multiple print and digital publishing products in order to reach new audiences and to better satisfy the needs of hungry, and increasingly particular, media audiences.

The SMART Publishing strategy, detailed in this report, requires publishers to understand their audiences better by conducting more reader research, and to tap into the infinite consumer databases available to them in order to get a detailed picture of media habits, consumer spending and other valuable indicators that will help bolster the newspaper company’s relevance to audiences and advertisers.

The SMART publishing strategy also requires astute and prolific new product development, and informed decision-making about on which channels to publish for specific niche audiences. The report also details new and efficient ways to deliver print and digital publishing products to targeted groups.



Source: Shaping the Future of the Newspaper 2009  
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Niche publications around the world are typically more successful in these trying economic times, specifically in advertising sales and circulations. The logic is, the more relevant the publication to a specific group, and the more unique the content, then the more easily monetized the publication can be.

Cases in point: Lance! sports newspaper in Brazil, which has grown its circulation 10 percent in the last year while other Brazilian papers have remained flat or are losing circulation. Why? Publisher Walter de Matoos says the newspaper's journalists are connected to their readers through constant dialog and a shared passion for sports – the stories, interactive forums, events and football team blogs provide a synergistic effect for the company. In response to the success of Lance!, the company has spun off two ultra-targeted sports titles, one focused on extreme sports called A+, and another called Vencer, targeted to Rio's popular Flamengo football team. All are growing circulations, Web site user numbers and profitability.

Parenting Web sites are a growing phenomenon around the world. Dozens of newspapers have developed or purchased these highly interactive publications, particularly aimed at expectant mothers, parents of small children and working parents. In Sweden, Familjeliv.se has become profitable and extremely popular since its purchase by newspaper company Stampen Group in 2007. Of the 9 million Swedish inhabitants, the site has 123,668 members, 300,000 unique visitors per week and 47.36 million forum comments. The site reaches 50 percent of all Swedish women between 25 and 35 years old, and 70 percent of all pregnant women, every month, according to Familjeliv Editor-in-Chief Anna Holmquist.

Holmquist credits the success with the relevance of the content and interactivity, as well as the keen connection between journalists and visitors to the Web site.

“Relevance is getting more and more important. I think it is very important to target your audience. If you are relevant to your readers and advertisers you will go further as a publisher.”

Another huge area of expansion of targeted products is hyperlocal content. This report includes several cases of newspapers and Web sites targeting local readers seeking hyperlocal news and information.

One such case study is NaseAdresa. In May 2009, PPF, a finance company based in the Czech Republic, launched seven hyperlocal weeklies and 23 Web sites in three regions of the country. These currently cover about 4 percent of the country's households, with the intention of launching 230 weeklies with a total circulation of 500,000 in the next years. The strategy is a clever cocktail of hyperlocal news, a community hub office for each of the country's 75 districts, each anchored by a coffee shop that is designed to draw in the community and act as an instant revenue maker while the newspapers build momentum.

In addition, PPF launched the Futuroom, the hub newsroom based in Prague where production and editing occurs for the weekly hyperlocal newspapers.

“If we didn't have the cafés, the project may as well be closed. The most profitable part is the café,” said PPF Media CEO Roman Gallo. In regards to the importance of the cafés as they relate to hyperlocal news gathering, the community hubs are invaluable in the collection of news and the building of community relationships.

“There are no doors. Anyone can go talk with reporters. We know that the thinking of the editorial team is very close to that of their readers,” he said.

The next step with the targeted newspaper strategy is to create more hyper-targeted print and digital products, some with an audience of just one. A number of personalised products are being published around the world as experiments. One such product is niuu, just released on 13 October at IfraExpo in Vienna. niuu is a personalised newspaper first rolled out in Berlin, which allows the user to select desired content from a variety of german and international publishers around the world. The unique newspaper, printed on an Océ digital inkjet printer, is delivered to the subscribers' door. Intellectual property agreements were made in advance with a variety of global publishers.

Targeted publishing is opening the door to greater market penetration and higher advertising revenues. The portfolio strategy, which includes a variety of niche print and digital products, can create a mosaic of subscribers for a host of age, gender, ethnicity, location and interest group-related publications. It also provides a solid strategy for the future of newspapers worldwide.

# 1. SMART Publishing Model

In the newspaper industry's heyday in Western countries, when scores of newspapers competed in each city, it was necessary to differentiate one paper's content and personality from the next. Newspaper titles started to proliferate at the end of the 20th century, with the expansion of the Industrial Revolution. A growing number of people were educated and engaged in governmental, religious and civic dealings. Newspapers cropped up with a multitude of political and religious leanings. In New York City, for example, more than 20 newspapers served different segments of the populace.

Between 1930 and 1940, newspapers were consolidating with other papers or going out of business. The larger newspapers became city monopolies and commanded a large slice of the advertising pie. These newspapers became "one size fits all" in their audience focus, a departure from the newspapers of the turn of the century, which served targeted audiences with specific beliefs, political leanings and socio-economic levels.

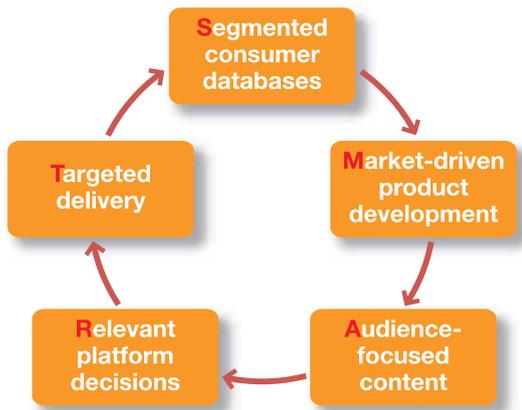
Nearly 80 years later, circa 2009, the

newspaper industry is beginning to turn full circle with its focus on targeted audiences. This time, audiences are demanding more tailored content. If newspaper publishers don't provide the focused content and advertising demanded by the audience, rest assured, other publishers will.

One main difference between targeted newspapers in the first half of the 20th century and today is the use of sophisticated technology that enables precision segmentation. Technology allows newspapers to target advertising campaigns, subscription offers and to identify and develop new publications. Detailed consumer data allows newspaper companies to understand their consumers better, and streamline their processes to reach them individually with targeted publications.

The World Association of Newspapers and News Publishers (WAN-IFRA) calls the process of developing and distributing targeted and profitable print and digital products "SMART Publishing." The key themes in the SMART Publishing strategy are audience

### The SMART Publishing Model



Source: Shaping the Future of the Newspaper 2009  
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focus, sophisticated databasing technologies and savvy product development.

The SMART Publishing model is a complement to the “general purpose” newspaper publishing model. By no means will publishing to targeted audiences replace the mass audience in the near term. Millions of newspapers will continue to demand a general-purpose newspaper for years to come. The SMART Publishing strategy features a portfolio of niche products (the Long Tail strategy), bolstered and enabled by databasing technologies.

As mass audience newspapers decline in advertising and circulation revenues over time, it is the SMART Publishing strategy that can

help enable the recovery of lost revenues. The accompanying chart shows the projected decline in advertising and circulation revenues from 2004 and projected to 2013, according to the PricewaterhouseCoopers. Niche audiences are growing, and represent a huge opportunity for newspaper publishers to more highly penetrate their publishing territories and to expand their advertising and circulation revenues.

SMART Publishing presents a variety of opportunities for print and digital publishing topics, including publications focused on age, gender, ethnicity, location and interest. This report will detail a variety of examples of publications falling under each category. The SMART Publishing strategy is predicated on the Long Tail strategy, that is, a newspaper company publishing a variety of publications that each may only represent 1 percent, 5 percent or 10 percent of the company’s revenues. But together, the niche products represent a real business that is potentially growing and perhaps some day surpassing the one-size-fits-all business.

*“Our niche products are going to be one day just as important as our newspapers.”*

Bill Masterson, Publisher  
*Times of Northwest Indiana, United States*

Many newspaper companies already use Long Tail strategies, which is the first step to launching a SMART Publishing strategy. These companies have multiple holdings in a

### Balance of Advertising and Circulation Revenues, by Region, 2004, 2008 and 2013\*



\* Projections for 2013

Source: PriceWaterhouseCoopers, 2008

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variety of newspapers, broadcast media, online, mobile and magazines. The many newspaper companies around the world with portfolio strategies include:

- JoongAng Ilbo, Korea
- RBS, Porto Alegre, Brazil
- Gannett Company, Inc., United States
- Helsingin Sanomat, Finland
- Archant, United Kingdom
- Lee Enterprises Inc., United States
- MediaNews Group, United States
- Gulf News, Dubai, United Arab Emirates
- McClatchy Company, United States
- Edipresse, Switzerland
- IMPRESA, Portugal

The targeting can comprise a variety of niche and hyper niche publications on a multitude of channels. Some of the targeted publication types can include:

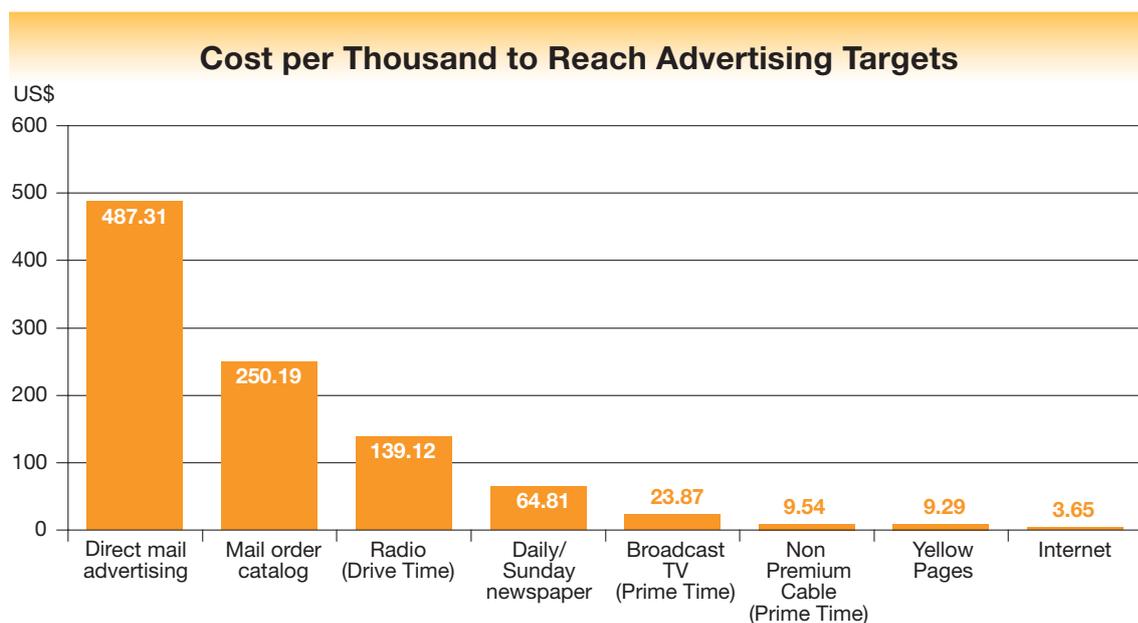
Portfolio Expansion Categories	
<b>1. Mainstream targeting</b>	By age, gender, location, income, interest group, hobby
<b>2. Hyper-targeting</b>	Fragmented targets, such as private pilots, mothers between ages 25 and 30, regional artists, league golfers, Porsche owners, extreme sports enthusiasts, etc.
<b>3. Behavioural targeting</b>	Online ads and content delivered to individual people, not pages
<b>4. Channel expansion</b>	Mobile, e-papers, e-readers, Internet, video, social media, etc.

As the circulation size of the print products and the traffic of the digital products are more limited compared to mass media publications, so, too, do the possibilities for revenue volume to shrink. But the promise of niche publications is to enable advertisers to efficiently reach their intended audience, without wasting advertising spend on readers and users who are not in the target group. In theory, these advertisers would be willing to pay a higher Cost per Thousand (CPM) in order to reach a highly qualified audience.

While the mass audience newspaper might only fetch a US\$30 to \$60 CPM, the opportunity to reach hyper-targeted audiences could earn imminently more, for example, \$200 to \$400 CPM. The targeted audience could be in a printed publication, online or mobile, for example.

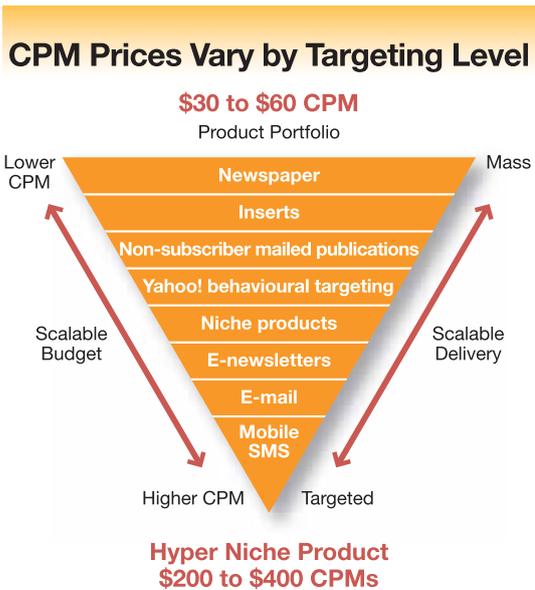
A study by American research company Borrell Associates has shown a vast difference in cost per thousand advertising (CPMs) in the United States across publishing channels. While newspapers average a \$64 CPM, Internet averages only about \$3.65. Meanwhile, mail order catalogs and direct marketing fetch huge CPMs, at about \$250 and \$487, respectively.

With the advent of high-quality digital inkjet printing and targeted home delivery, newspaper companies are able to enter the direct marketing business by creating targeted, mailed advertising, advertising flyers inserted into zoned newspapers, and even personalised, home delivered advertisements. Digital inkjet



Source: Borrell Associates, 2008, Claritas (PRISM NE), Scarborough, Woods & Poole; 2008

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Source: Shaping the Future of the Newspaper 2009 © WAN-IFRA 2009

printing also can enable individualised catalogues printed for advertising customers and target delivered to individualised households.

### Market Research and Databasing

The foundation for SMART publishing is customer knowledge. This can come from internal and external research and databases.

One integrated database containing all of the company's customer information is a powerful tool to create clever cost-saving and money-making strategies.

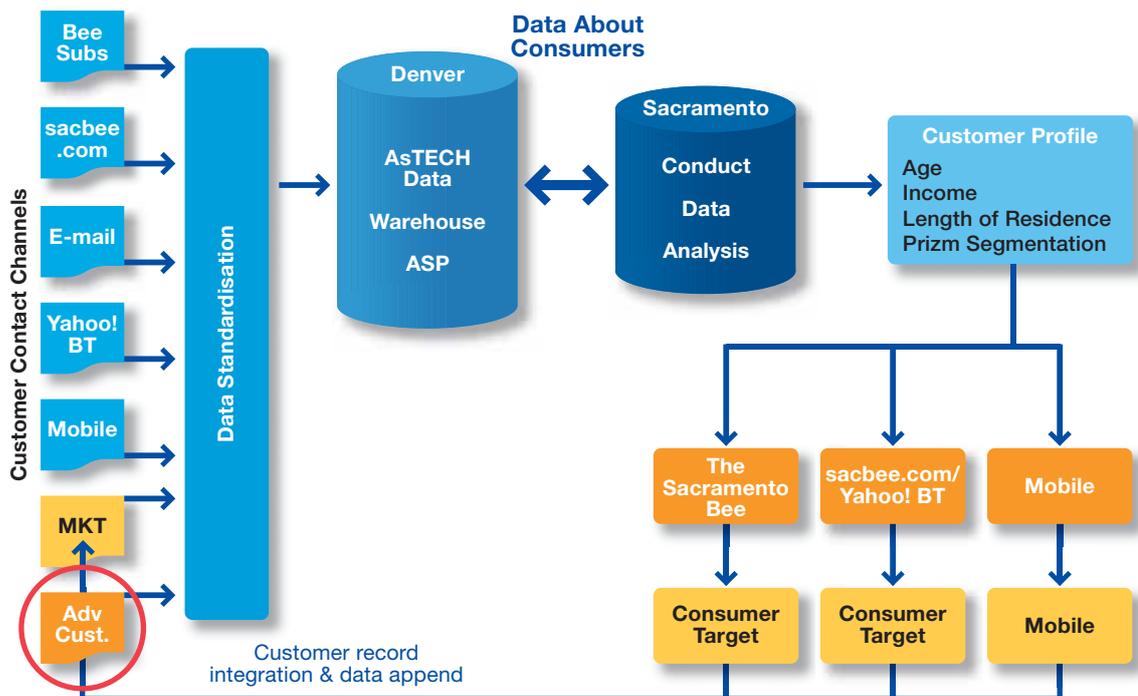
One company that helps media companies combine databases is Astech Intermedia in the United States. Astech is owned by SmartFocus, a UK-based technology company. A variety of databases can be combined to create one data warehouse, which enables data analysts in the media company to gain a 360 degree view of the customer. In some countries, such as the United States, United Kingdom and Australia, this data also can be combined with consumer spending data from consumer spending research companies like Experian and Claritas.

Some newspapers and publishers that partner with Astech to integrate databases include:

- The New York Times, Miami Herald, Sacramento Bee, the Oregonian, Washington Post, Los Angeles Times, New York Post, Chicago Tribune and more in the United States
- The Globe and Mail and Canwest in Canada
- Associated Newspapers, the Guardian, Times of London in the United Kingdom
- Sydney Morning Herald in Australia

### How Consumer Databases Are Integrated and Segmented

An example from the Sacramento Bee, USA



Source: Sacramento Bee, 2009

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At the Sacramento Bee, for example, customer data from subscriptions, Internet registrations and contest entries, e-mail, Yahoo! behavioural targeting, mobile, advertising and more are combined, unduplicated and stored in a data warehouse. Sacramento Bee data analysts check the data for accuracy and develop customer profiles for specific campaigns for advertising, marketing or circulation departments. The information is frequently combined with consumer spending data from PRIZM in order to better understand the customers' profiles. The data has been used to assist advertisers in targeted campaigns, in making subscription campaigns more efficient and even developing new products such as SacMoms.com, a Web site targeting local mothers. Analysed data is then fed back into the customer contact channels in order to enrich the profiles for later use.

Several media companies in the United States are using the Astech databasing system to shave budgets from circulation marketing programmes; to assist advertisers in targeting ad campaigns with the use of segmented data (Silverado Nursery); and to develop new products (Raising Bakersfield). Both cases are in this chapter.

### Circulation Marketing Optimisation

The Sacramento Bee, part of the McClatchy newspaper chain, has used the integrated database technology since 2005.

“We provide information for study discussions for advertising, circulation, newsroom and strategic planning,” said Darrell Kunken, market analysis manager for the Sacramento Bee. “We know how important it is to know your customer. We are focused on customer as a reader and an advertiser.”

Kunken added that demand for segmented information across departments has “been through the roof.” Some of the most recent projects have been a circulation project to determine which customer segments have the most potential to be new subscribers and to pay their bills, based on data from previous experience with socio-economic groups, age groups and geographic information. The data informs future marketing, and optimises marketing campaigns by requiring smaller budgets to achieve more long-term subscribers.

Using predictive modeling, the Bee was able to reduce the growing number of non-pay subscribers. Typically a subscription offer would include a free, limited time offer for a newspaper subscription. Through predictive modeling, the Bee marketing department was able to identify which target groups would be more likely to stop the subscription after the free trial, and which targets would be more likely to subscribe after the period. The model was 90 percent accurate in predicting non-pay customers, Kunken said. The results helped the company be more successful subscription sales with a reduced marketing budget.

### Advertising Sales Optimisation

The Commercial Appeal newspaper in Memphis, Tennessee, has a daily circulation of 150,000 and a Sunday circulation of 194,000. The E.W. Scripps-owned company reaches seven out of 10 adults in Memphis through its newspaper, Web sites and niche publications.

In an effort to create more affordable advertising options for small businesses in Memphis, the Commercial Appeal has offered free Claritas PRIZM segmentation analysis of the advertisers' customer databases. The analysis identifies four types of customers:

- Core customers with a high loyalty and high index of affluence in the market
- Niche customers with a high loyalty, but a low index of affluence in the market
- Developmental customers with a low customer index, but a high index of affluence
- Non-targets, with low customer and market indexes

Based on the analyses, sales executives at the Appeal could recommend advertising solutions to reach the advertisers' customers more efficiently. In one year, 100 Memphis retailers accepted the Appeal's offer to analyse the advertisers' customer databases and half signed new ad contracts with the newspaper. About 65 percent of the existing clients also received an analysis and increased their ad spending with the paper, for a total increase of 57 percent increase in ad sales, year-over-year. Twenty-five of the advertising customers had spent nothing with the Appeal in the year prior to the offer.

## Consumer Databases Enable Targeting

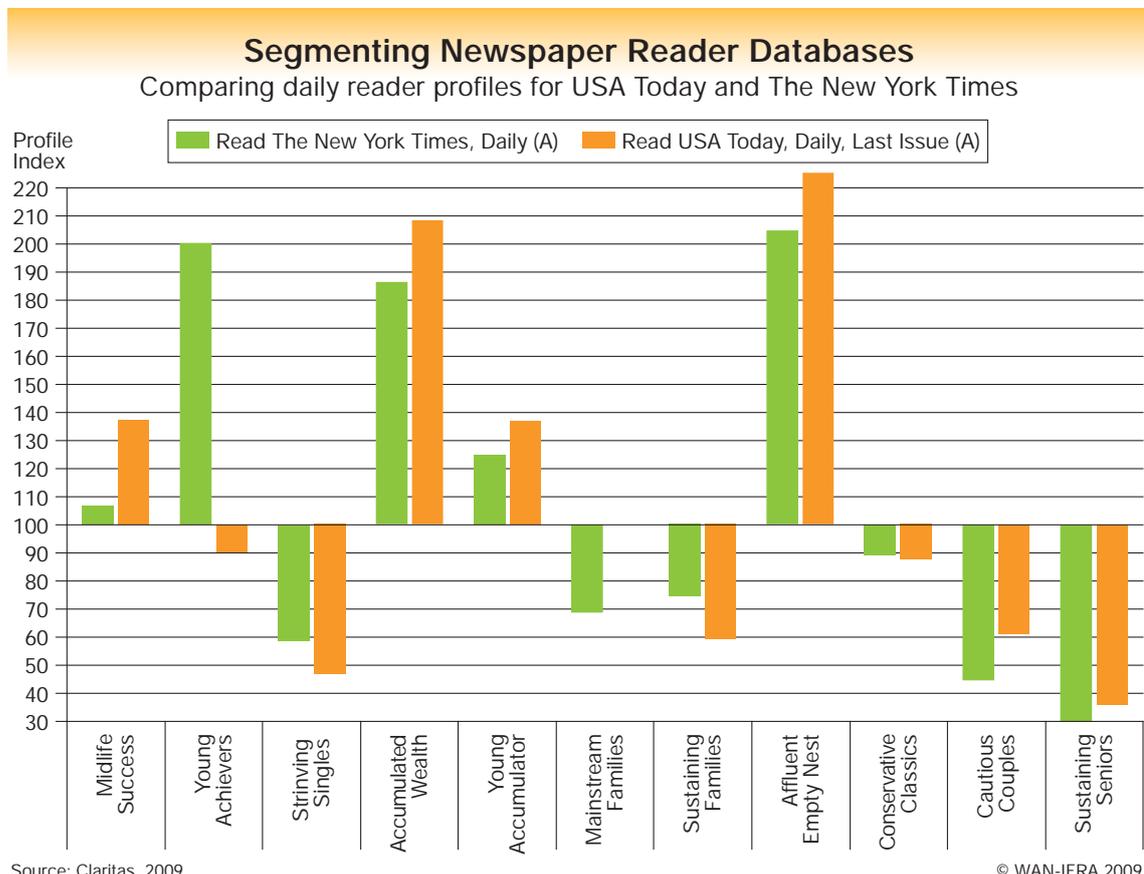
Claritas (Nielsen) PRIZM Lifestage and Experian Mosaic are the two most popular consumer data segmentation companies worldwide that partner with newspaper companies. These companies produce general segmented groups, broken down into clusters of more specific consumer groups. Each cluster group is painstakingly defined in order to differentiate from other similar groups. For example, in PRIZM's Urban Uptown group, there are five segments, including the Young Digerati, a tech-savvy urban group of 25-to 44-year-olds earning an average of US\$78,000 per year; Money & Brains, the older urban sophisticates age 45+ making more than \$80,000; Bohemian Mix, those under age 35 making \$49,500 on average and among the nation's most liberal groups; the Cosmopolitans, established, midscale urban couples age 55+ making \$51,000 on average; and American Dreams, urban, multi-ethnic and middle class people living in multi-lingual neighbourhoods.

The highly targeted groups can be identified by geography, down to the postal code. This

allows newspaper companies to assist advertising clients with campaigns that are tailor made for their customers without waste; target subscription offers to readers who will be most likely to buy a subscription at the end of the offer; and allow new product developers insights into consumer habits in order to identify underserved and engaged segments.

In the United States, PRIZM includes 12 groups and 59 clusters. The overall groups include Affluent Suburbia, Upscale America, Small-town Contentment, Blue-collar Backbone, American Diversity, Metro Fringe, Remote America, Aspiring Contemporaries, Rural Villages and Farms, Struggling Societies, Urban Essence and Varying Lifestyles. The clusters include, for example, Young Cosmopolitans, Minority Metro Communities, Stable Careers and Aspiring Hispania under the Aspiring Contemporaries group.

In the United Kingdom, Experian's Mosaic segmentation includes 15 groups and 67 household types, plus 141 Mosaic person types. These factors can be distilled to the postcode level, and can be broken down to high/low status, cosmopolitan or provincial, children or elderly, youth or mature,



## Comparing The New York Times, USA Today Top 10 Segments

Top 10 Segments The New York Times	Top 10 Segments USA Today
Young Digerati	Blue Blood Estates
Bohemian Mix	Upper Crust
Money & Brains	Movers & Shakers
Blue Blood Estates	Country Squires
Upper Crust	Second City Elite
Movers & Shakers	Winner's Circle
Urban Achievers	Big Fish, Small Pond
Country Squires	Fast-Track Families
American Dreams	Brite Lites, Lil' City
God's Country	God's Country

Source: Claritas, 2009

© WAN-IFRA 2009

employed, self employed or unemployed, and student or traditional.

The 15 groups have been dubbed: Symbols of Success, Happy Families, Suburban Comfort, Ties of Community, Urban Intelligence,

Welfare Borderline, Municipal Dependency, Blue Collar Enterprise, Twilight Subsistence, Grey Perspectives and Rural Isolation.

A Mosaic Type is assigned to each of the 1.7 million households in the United Kingdom. Some of the types include Global Connections, Fledgling Nurseries, Burdened Optimists, Middle Rung Families, South Asian Industry, University Challenge and Old People in Flats.

Each segment can be broken down even further, by postal code. For example, if an advertiser wanted to reach all of the zip codes with the largest number of children per household, a database search could identify which households and which groups would fit the profile. These individual households, then, could be targeted for a targeted, mailed advertisement.

Comparing the segments of the American population that read The New York Times and USA Today, for example, both skew above average to high income, but USA Today draws more suburbanites while The New York Times attracts more city dwellers. Further, The Times attracts significantly more young people, while USA Today attracts more traveling business people.

## Segmentation and Customer Loyalty

By Mike Mancini

Loyal customers are important to businesses because they offer a steady revenue stream, higher profit margins and enthusiastic referrals. But in a down economy, price sensitivity can trump loyalty. To strengthen the bonds with these high-profit potential customers, innovative companies are deploying enterprise-wide strategies built on consumer segmentation.

These strategies go beyond the classic marketing applications of segmentation to drive customer-facing aspects of a business. Among the strategies:

- Real estate departments select sites based on surrounding population profiles
- Stores are remodeled to meet the needs of specific target groups
- Customer service departments differentiate their response scripts according to how long a caller has been a patron
- Merchandise is fine-tuned to meet the lifestyle preferences of the most loyal customers and those with highest profit potential

At Nielsen, analysts have developed a framework for achieving customer loyalty:

- Identify the best consumer segments
- Create the top target groups and develop detailed lifestyle and behaviour profiles
- Deploy enterprise-wide strategies that take into account these profiles
- Measure effectiveness and adjust strategy to maximize ROI

Because this framework crosses functional boundaries, managers may face resistance to their deployment. But a well-executed enterprise-wide segmentation effort can strengthen customer loyalty and position a company for even better performance when a healthier economy returns.

### Introduction

Customer loyalty comes in many forms: consumers who wouldn't think of buying a car from another dealer, shoppers who are on a first-name basis with a boutique store clerk, coffee shop regulars who don't even need to place an order to get their half-caf, no-whip

soy latte. Loyal customers, built one positive experience at a time, provide businesses with a steady revenue stream, higher profit margins and confirmed evangelists who virtually – and sometimes virally – do much of their marketing for them.

But with the economy undergoing a wrenching recession, maintaining customer loyalty is more critical – and challenging – than ever. Industries ranging from banking to telecommunications are scrambling to remain profitable amid dampened consumer spending, high unemployment and financial uncertainty. At the same time, companies are cutting back their marketing budgets and preferred customer rewards programmes as cost-saving measures. Twenty-five years after Neiman Marcus introduced the first customer loyalty programme, nationwide surveys have reported a decline in corporate allegiance as consumers shift their concerns from patronage to price.

An example of this is when the Nielsen Convergence Audit surveyed 38,000 Americans about their technology purchases, 24 percent said they had switched their cell phone, cable TV and Internet service providers in the last six months of 2008. But one upside to the economic downturn is that companies are becoming more customer centric to build long-term value. To make sure they hold on to their most valuable customers, many companies are taking a second look at a classic marketing tool – consumer segmentation – and applying its concepts in new and innovative ways. With consumer segmentation, businesses classify their customers according to shared demographic, lifestyle and behavioral traits. Then they focus their marketing and merchandising efforts on the segments that offer the highest profit potential. The results – increased brand loyalty, higher direct marketing response rates and improved customer acquisition and retention – help explain why consumer segmentation in the U.S. market research industry is a multimillion dollar business.

The strategy has also become more valuable in the current recession as companies face greater competition in a down market, according to Morris Holbrook, Ph.D., a professor of marketing at Columbia University in New York.

“Consumer segmentation doesn’t just provide companies with more data to better serve more customers,” says Holbrook. “They don’t

have to go after customers that are more loyal to competitors. They can concentrate on segments that are strong while shedding segments that are weak.”

While segmentation was initially developed as a tool for market research, the latest applications are taking root as a sophisticated, enterprise-wide strategy. Multiple departments within a company now use segmentation initiatives for customer acquisition, product development, cross-selling, up-selling, customer relationship management, media planning, site location analysis and merchandising.

But to reap such gains, the organisation has to embrace a segmentation framework as a way to build customer loyalty and increase revenue. Only by deepening the relationship with its best customers from multiple touch-points will a company be able to compete more effectively during the recession and grow its loyal customer base when a healthier economy returns.

### Realigning operations through segmentation

Consumer segmentation has been around for nearly four decades, and it’s been proven effective in solving a variety of marketing challenges. According to Nielsen, which offers a number of segmentation systems, the response rate of a direct mail campaign that employs lifestyle-based customer segments can be double that of a scattershot or broad-based mailing. Using consumer segments based on investable assets and lifestage, a financial services company converted 30 percent more prospects to customers than with prior mass mailings. And when Ace Hardware turned to lifestyle segmentation for a customer retention program, revenues rose 5.4 percent as lapsed customers were enticed by discounts to return to their local Ace stores.

Segmentation has always sought to answer four fundamental questions: Who are my customers? What are they like? Where can I find more of them? What channels and messages should I use to connect with them? Segmentation solutions traditionally answer those questions by analysing a company’s current customer database or syndicated research to identify groups of customers with similar traits and behaviors, such as single women living in urban apartments or married men with college degrees living in exurbia. Companies then target the best-performing

customer segments with special product offerings, personalised service, sales incentives and merchandising designed with their lifestyle preferences in mind.

But for companies seeking to become truly customer centric, a segmentation initiative can go well beyond focused marketing pitches to shape virtually every function that touches the customer.

### Loyalty has its privileges

At the Arizona Republic, a Gannett newspaper with the largest circulation in Arizona, United States – 486,686 Sunday subscribers – consumer segmentation drives its interdisciplinary approach to maintaining customer loyalty.

Reporters attend seminars about the most common PRIZM segments among their readers to better craft their stories with their audience in mind. Circulation managers differentiate customer service policies based on whether a subscriber is a long-time reader or a new customer. And marketers target subscription drives to prospects who, according to segmentation data, are most likely to become loyal readers.

To execute this customer-centric approach, the company analyses its subscriber list to identify longtime readers and then classifies those loyal readers by PRIZM segments based on their addresses. The resulting list of dominant segments is then sorted into five target groups with nicknames like Gold (older, affluent readers from PRIZM segments like Upper Crust and Blue Blood Estates) and Silver (younger, upscale residents of segments such as Young Influentials and The Cosmopolitans). Using a software tool that evaluates customers and markets, analysts identify Arizona neighbourhoods with high concentrations of the target groups and the retail areas they are likely to frequent.

Knowing where to find people who share the same demographics and lifestyles as its most loyal readers allows the Arizona Republic to target its introductory direct mail subscription offers and differentiate its pitch based on the prospects' specific interests. And by setting up kiosks outside the grocery and department stores favoured by the various target groups, the paper makes sure it's seen by the people most likely to subscribe.

This approach to finding "look-alike" customers who matched the characteristics of

its most loyal segments yields measurable results. Before 2005, when the Arizona Republic sought new customers with mass mailings of generic direct mail pieces, 23 percent of respondents cancelled their subscriptions after the introductory offer. But in 2007, after the paper segmented and targeted Gold subscriber look-alikes, the drop-out rate fell to just 14 percent – a 39 percent improvement. Just as important, by targeting only selected households, the newspaper was able to cut printing and postage costs, reducing its acquisition cost per subscriber by 23 percent.

"Segmentation has really cut down on our mailing pieces and costs," says Greg Bright, director of IT Data Management, who notes the paper now sends out 40 percent fewer direct mail pieces. "We've learned who we're most likely to attract as subscribers and concentrated our efforts with them. Anyone still doing a mass mailing without target group selection is wasting their time and money."

Once the Arizona Republic has landed new subscribers, the focus of its segmentation efforts shifts to retaining them. The paper longtime Gold readers a thank you note for their loyalty, along with a \$20 gift card to Nordstrom, one of the Gold group's favorite retailers. Silver readers received \$20 gift cards to Target. The segmentation strategy has even guided circulation staffers with a counterintuitive approach to managing customer service problems. If a paper is delivered late to a Gold subscriber, for instance, a simple apology and service credit may be sufficient to assuage a loyal reader. The less loyal readers in the Bronze group, however, receive a longer chat and service credit.

"Just by looking at a PRIZM code, we know if someone is going to stay a subscriber no matter what happens," says Bright. "That lets us divert some of our retention dollars to subscribers on the fringes." But he's quick to add that the paper doesn't take its most loyal customers for granted.

For those companies ready to undertake an enterprise-wide segmentation initiative to increase customer loyalty, there are a handful of guiding principles that are important to achieving success:

#### 1. Identify key customer segments.

Using a consumer segmentation system like PRIZM, P\$YCLE or the technology focused

Nielsen ConneXions, append a segment code to each customer address, or use syndicated data if you lack an address file. Identify your best segments by comparing the customers or sales in each segment to the average in your market or nationwide using syndicated data. But keep in mind that determining who your best customers are requires analysing not just transaction level profitability, but the cost of maintaining them. Do they use a lot of discount coupons, rain checks or rebates? Do they return a lot of items? These factors play an important role in developing the optimal model.

**2. Create target groups of similar segments.** After merging similar segments of your best customers into four to eight target groups, analyse each group by who they are (demographics), what they're like (lifestyle activities and product preferences), where they live (geographic concentration) and how to reach them (media consumption). If possible, identify their psychographics to help determine whether they're early adopters, price sensitive or green consumers.

**3. Prospect for look-alikes in target markets and your own customer database.** Perform a market analysis that projects the concentration of your target groups to potential trade areas, and then rank promising areas by profitability and long-term value. After determining each target group's preferences, develop a media and marketing strategy for each market. Would TV sports programmes and country radio make the right connection or are online job sites and social networks a better choice? One bank based in the South that sponsored NASCAR events was surprised to learn that 70 percent of its core target preferred the opera; it promptly changed its sponsorships.

**4. Deliver differentiated messages and experiences.** Develop different product positioning or messages for your top target groups to keep current customers from defecting. Also, customise merchandising strategies to the target groups to win greater share of wallet. Each approach should reflect their backgrounds, lifestyles and preferences. And your sales staff should be thoroughly briefed on your top customer groups.

**5. Keep it simple.** One automaker spent hundreds of thousands of dollars developing its own consumer segmentation system based on a survey of new car buyers and

created a model with more than 100 buyer segments. While the system worked well in focus groups, it proved unwieldy in the marketplace, and the manufacturer eventually pulled the plug. Off-the-shelf segmentation systems that provide comprehensive data and actionable strategies let you easily connect with customers on the ground. They're also usually less expensive than more sophisticated, custom models.

**6. Get everyone involved in the consumer segmentation approach.** Advanced segmentation initiatives require multiple departments to adopt the strategies. That means that the real estate department no longer selects new store sites based on the lowest lease offered by a mall developer but on the customer segment composition of the area. And it means that a company's merchandising department presents products that appeal to the target audience.

**7. Measure the effectiveness and adjust your strategy.** Use ROI analytics to ensure your strategy is gaining traction and delivering on goals. By measuring how your customers respond to your efforts, you can better predict their future behavior and refine your segmentation strategies accordingly.

Using consumer segmentation to build customer loyalty can help companies prosper even in a difficult economy with comprehensive data and a willingness to modify practices throughout the enterprise. By shifting resources away from mass marketing channels to a focused campaign that puts their best customers front and center, businesses can improve sales and decrease costs, while building a loyal clientele that allows them to weather this challenging market. And when the economy does turn around, a loyal customer base provides the best platform for future growth.

*Mike Mancini is the vice president of Data Product Management at Nielsen Claritas in New York. This article from May 2009 was reprinted with permission. Some excerpts about non-newspapers have been edited out.*

## SMART Publishing: Market-Driven Product Development

In a 2009 study of Nordic publishers, product development on the advertising and editorial sides ranked on the top of the list of top challenges for 2009 to 2013. Product development is the next logical step after discovering the kinds of audiences that reside in a newspaper’s distribution area. Product development requires consumer data analysis, market analysis and new product idea brainstorming among colleagues.

Several media companies have launched new product innovation programmes by involving

employees in new product idea contributions. Some of those companies include Reuters, global; Media General, United States; Schibsted, Scandinavia; and the Bakersfield Californian, United States.

Each company invites employees to contribute print and digital product ideas, which are vetted by a management committee. The ideas are sorted into viable and non-viable ideas. For those ideas that are executed, the employee or team of employees are rewarded with cash and/or prizes.

A typical product development cycle might mirror the Schibsted model, which starts with the idea phase, progresses to the realisation phase, and ends with the commercialisation phase.

In the first phase, employees and product owners (department heads) contribute ideas for new publishing products and improvements to existing products. In the second phase, all employees comment on the ideas and develop the idea further. The ideas are sorted into “buckets,” such as “Quick wins,” or those ideas that can be executed immediately; “Do not pursue;” “Long term;” and “High priority.” In the third phase, the new product is brought to market to build revenues.

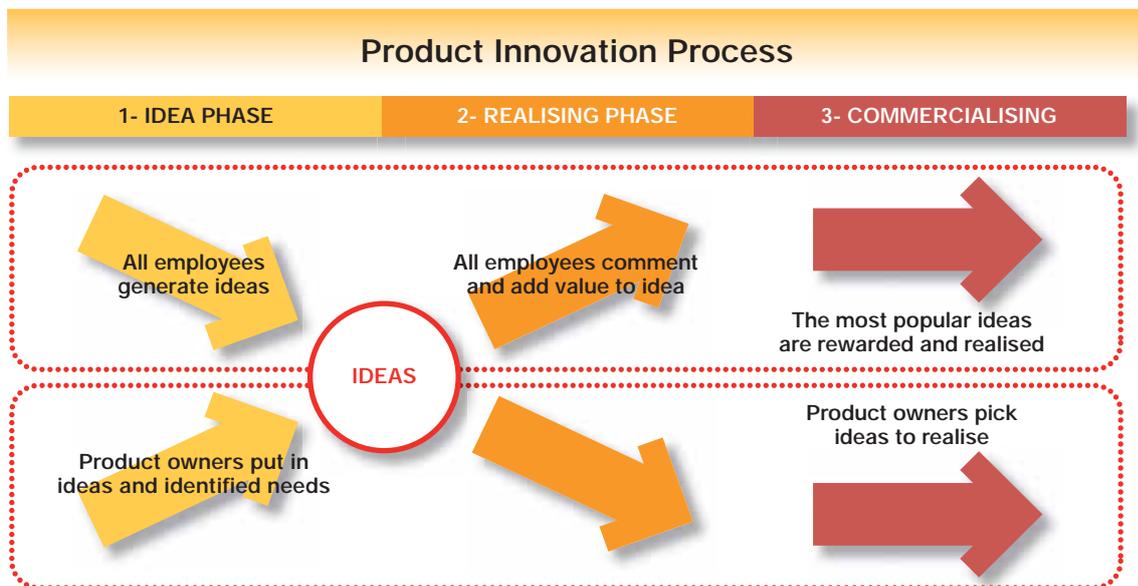
The constant process of innovation and product development is key to the company’s future viability, according to Schibsted executives.

### New Product Development

Top challenges for newspaper companies from 2008-2012

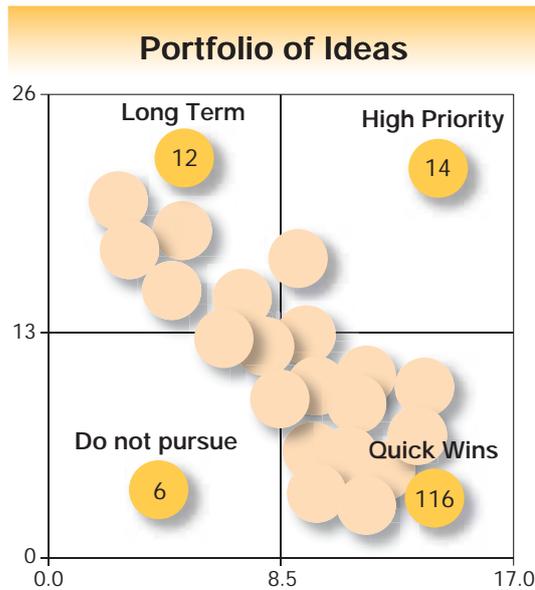
- 1 Product development – market and advertising
- 2 Stable and reliable distribution
- 3 Product development – editorial
- 4 Employee motivation
- 5 Develop employee competence
- 6 Improve integration between different media platform in your company
- 7 Top customer service
- 8 Focus on profitability in all parts of the organisation
- 9 Rapid implementation of changes
- 10 Develop a good working environment

Source: Erik Wilberg Management AS, 2008 © WAN-IFRA 2009



Source: Schibsted ASA, 2008

© WAN-IFRA 2009



Source: Schibsted ASA, 2008 © WAN-IFRA 2009

At the Bakersfield Californian, the process of product development is similar. The four steps to new product development are:

1. Market share measurement using consumer data
2. Identifying market opportunity using community business data to determine advertiser potential for the niche product
3. Evaluating new product ideas contributed by employees
4. New product development

In order to vet new product ideas, Californian marketing executives devised a new product “scorecard,” an informed and consistent way to determine the viability of each new product idea.

First, market data about consumers and potential advertisers provides “objective” information that points to whether there is a need for the published product. The scorecard is a one-page snapshot of:

- The audience size and characteristics for the new product
- Advertising revenue potential
- National and local competition

The Californian’s key research tools are Claritas BusinessPoint, for detailed data on individual businesses in their market; Californian circulation data integrated with Claritas individual consumer data; and Scarborough consumer data gathered annually about local citizens’ spending habits. Both Claritas and Scarborough are owned by Nielsen, the media research conglomerate.

Each potential product is carefully scored on a scale of 100. Advertising revenue and

audience potential must be strong in order to move the product into the realisation stage. After due diligence, The Bakersfield Californian executives decided to launch a new product, RaisingBakersfield.com, a parenting Web site and interactivity hub. Before the launch, the marketing department researched the features, successes and challenges of other parenting Web sites across the country.

The most successful content on other parenting sites were:

- Events calendar
- Discussion forums
- Bargains locator
- Contests and giveaways
- Directory of resources

The Californian also launched a local survey of parents to determine which features they wanted on the parenting Web site. Of the 150 respondents, the majority wanted the following features:

- 73 percent Event calendar & activities
- 48 percent Articles & expert advice
- 42 percent Meeting other parents

The Web site, launched on Mother’s Day 2008, features a variety of interactive content, including:

- Personal profiles (like Facebook)
- Events Calendar
- Discussion forums
- Blogs
- Photo galleries

For advertisers, the site provides an affordable way for local businesses to reach parents not only directly on the Web site, but also through e-mail newsletters and sponsored events.



## New Product Scorecard

Determining audience potential for a moms/kids publication

- Idea scores more points if...
- large target audience
  - characteristics desired by advertisers
  - target audience is underserved by current TBC products (low reach %)

End User / Consumer Target	Audience Potential Total Score			23
<b>Description</b>	Primary target moms with children under age 12 Secondary target moms with teens age 12-17			
<b>Size of end user population</b>	Kern County Adults	Mom: kid < 12	Mom: kid 12-17	
Number of people	541,604	110,765	76,248	12
Percent of total adults	100%	21%	14%	
<b>Demographics</b>				
Gender: % men / % women	51 / 49	0 / 100	0 / 100	
Age: under age 35	37%	59%	31%	5
Education: some college +	43%	36%	41%	
Household income: \$75,000+	26%	17%	23%	2
% White / % Hispanic	51 / 39	37 / 51	40 / 48	
Children in household	54%	100%	100%	
Homeowner	61%	47%	58%	
<b>Media habits</b>				
Daily TBC reader	33%	25%	31%	4
Sunday TBC reader	41%	37%	44%	
Internet user	56%	55%	58%	
Bakersfield.com user	13%	18%	16%	

Source: Bakersfield Californian, 2009

Scarborough Research data

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## New Product Scorecard

Determining revenue potential for a moms/kids publication

- Idea scores more points if...
- large # of target business
  - large ad budgets
  - low TBC penetration / share of budget

Advertiser Target - Core	Primary market Potential Total Score			35
	Total	Retail	Service	
<b>Number of businesses</b>	1,928	773	1,155	20
TBC penetration of business	22%	18%	24%	2
<b>Local sales revenue</b>	\$779,000,000	\$263,600,000	\$515,400,000	
<b>Ad budget</b>	\$ 11,201,200	\$ 4,583,800	\$ 6,617,400	10
TBC share of ad budget	12%	8%	15%	3
<b>Advertiser Target - Secondary</b>				
<b>Number of businesses</b>	3,138	389	2,749	10
TBC penetration of business	20%	27%	19%	
<b>Local sales revenue</b>	\$1,049,800,000	\$256,100,000	\$793,700,000	
<b>Ad budget</b>	\$ 13,464,970	\$ 2,729,000	\$ 10,735,970	10
TBC share of ad budget	11%	30%	7%	

Source: Bakersfield Californian, 2009

Data from business & customer databases

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## SMART Publishing: Audience Focused Content

During the development of new products, publishers must determine the types of relevant and compelling content needed to attract the intended audience. This can be done with focus groups, audience surveys, as with the Bakersfield example, and also through research of competing or similar products in other places.

As detailed in case studies in upcoming chapters, the most sought-after content is the kind readers are most passionate about and that is most useful to their daily lives:

- Sports minutiae about a favourite team
- Stock quotes and stock market analysis for the investor
- Interactivity with like-minded people about an important topic like child-rearing, sports,

investing, hobbies, travelling, gardening, genealogy, fitness, elder care, etc.

- Tools like ovulation text alerts for women wishing to become pregnant; hyper local events listings for active local citizens; single-team forums for passionate fans

In upcoming chapters, a variety of detailed cases on targeted print and digital products are outlined, including:

1. Mainstream targeting
  - By age, gender, location and income
2. Hyper-targeting
  - Fragmented targets, such as private pilots, mothers between ages 25 and 30, potters in your region, league golfers, Porsche owners
3. Behavioural targeting
  - Ads and content delivered to individual people, not pages

Some content categories for targeted and hyper-targeted publications can include the following general themes:

Editorial: Some Possible Categories	
Art	Science and nature
Autos and cycles	Sport and leisure
Business and finance	Technology
Children	Travel and vacations
Cooking, food and wine	Women's or men's
Crafts	Lifestyle
Entertainment	Literature and writing
Fashion and style	News
Health and fitness	Pets
Home and garden	Photography
Religion	Political

© WAN-IFRA 2009

Advertising is content, too. And advertising can be powerfully targeted in print and in digital formats.

Silverado Nursery, a Sacramento, California-based garden centre, has been an advertiser for McClatchy Company's Sacramento Bee for years. In April, 2009, Silverado worked with the Bee to optimise the advertising campaign for the nursery's spring garden sale.

Using segmentation analysis, the Bee was able to define Silverado's most loyal customers, including identifying their media-usage habits, annual income and geography. The Bee devised a print, Web and mobile text ad campaign targeted to three major groups: affluent families under 45-years-old with no kids; affluent families between age 25 and 54 with children; and affluent people age 45 and over with no children. The segments marked in red show Silverado's best customers. With 100 being the average, the segments in red show audience groups like affluent adults ages 45 and under with children to be more than twice as likely (210) to be a customer than a less affluent adult 45+ with no children (100). The households with the highest Silverado "usage index" are then targeted on their most-used channels, such as print, Web, text messaging, or e-mail.

The targeted campaign during April 2009 was Silverado's best weekend sales record in history. The add-on text mobile messaging drew about 45 people using the mobile coupon, about a 70 percent "conversion" rate. The online advertising averaged a 0.28 percent click through rate, which is about three times higher than average.

**Sacramento Bee Internet and Mobile Advertisements**  
The targeted Silverado Nursery campaign

**Show this txt @ Silverado  
9297 Jackson Rd to save  
\$50 on \$200 purchase!  
Valid 4/17&18 only! Share  
savings & fwd this txt to  
friends and fam!**



The banner features a green and orange background with the text "Spring Home Show 2009" on the left. In the center, it says "Explore new product lines. Learn at our DIY area. Save big on our event specials!". On the right, there is a circular graphic with a red border containing the text "Text SILVERADO1 to 929299 or click here for \$50 Home Show Coupon!". To the right of the circle is the Silverado logo and the text "Friday April 17 and Saturday April 18, 10:00AM to 4:00PM @ 9297 Jackson Rd, Sacramento".

Source: Sacramento Bee, 2009

© WAN-IFRA 2009

## Silverado Nursery Ad Campaign Segments

Three demographic segments show a variety of media behaviour that informs media channel targeting. The highest usages are highlighted in red.

Lifestage Group	Affluence											
	Under 45, No Kids			25-54, Children				45+, No Children				
	Y1	Y2	Y3	F1	F2	F3	F4	M1	M2	M3	M4	
Total population (000)	195K	189K	40K	78K	213K	191K	49K	182K	244K	140K	67K	
Silverado company (%)	23.1%	9.4%	2.2%	11.9%	13.0%	7.8%	2.7%	9.7%	9.2%	6.0%	4.9%	
Silverado usage index	163	68	30	210	143	70	40	188	100	76	52	
Weekly print audience	103	107	40	120	107	71	38	150	129	104	75	
Sacbee.com	133	152	37	134	148	79	51	114	87	63	44	
Weekly combined audience	106	118	41	114	111	71	36	146	126	99	71	
Text messaging	130	110	43	121	123	108	108	97	71	72	64	
Internet usage	124	107	67	129	113	98	72	114	97	75	72	
E-mail usage	118	101	76	118	111	100	65	111	97	73	71	
Yahoo!	124	107	81	131	121	88	84	112	89	81	71	

Source: Sacramento Bee, 2009

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### SMART Publishing: Relevant Platform Decisions

Data and common sense can assist newspaper company decision-makers about building editorial and advertising content for specific platforms.

NTT Advertising in Japan creates a chart each year that breaks down media usage patterns in Japan by age group, with youth favouring TV, PC and mobile; middle aged users favouring TV and PC; and advanced ages preferring TV and newspapers.

In the United States, a similar measurement is taken, but for a specific newspaper, the Sacramento Bee. By far, more advanced-age people subscribe to the newspaper, while more middle aged readers consume both print and

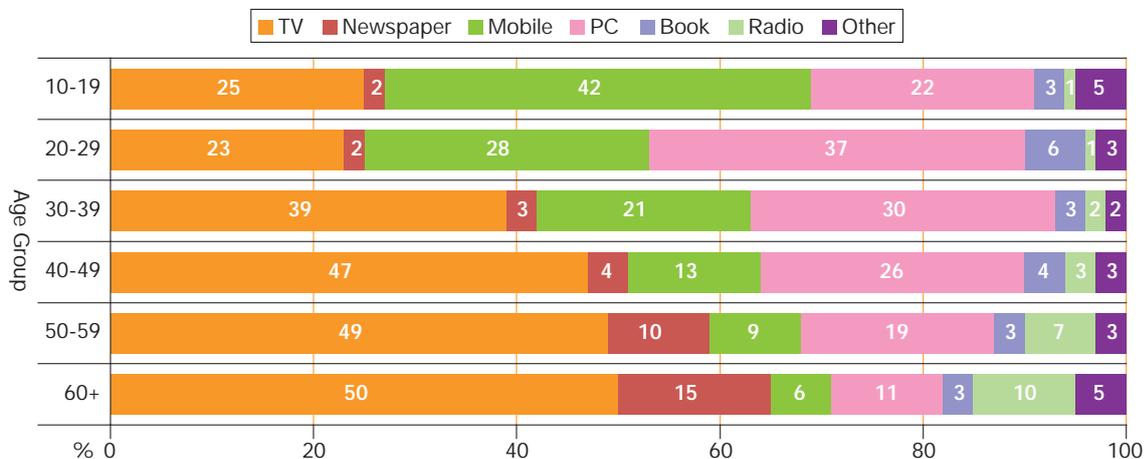
Web; while youth tend not to subscribe, and receive the company’s free “total market coverage” publication.

Detailed media usage patterns assist media companies in making informed decisions about print and digital content publishing across platforms.

Geographic location also can be an indicator of channel delivery. As outlying areas are being eliminated from many printed newspaper delivery routes, e-newspapers are becoming a viable option for thousands of readers.

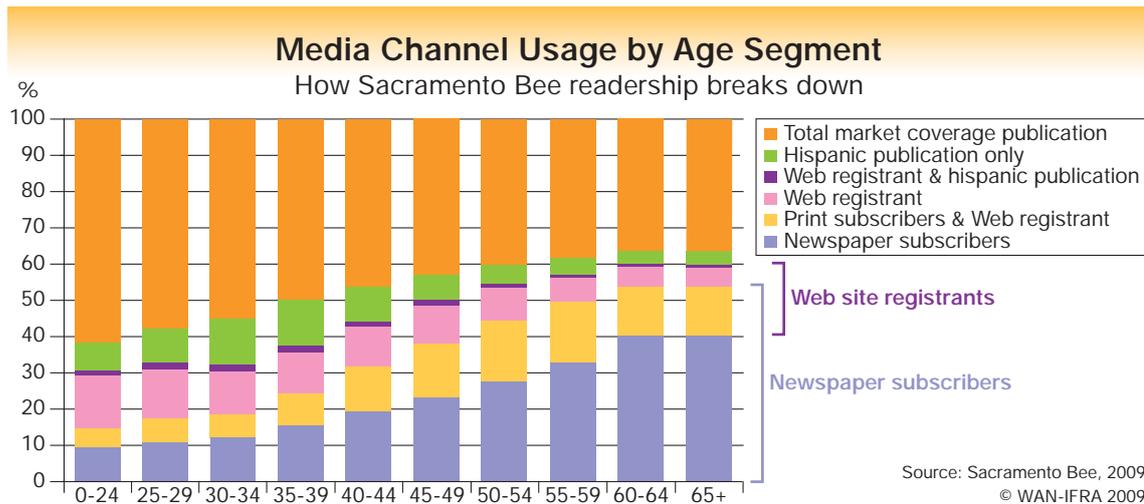
The Denver Post has cut back on delivery to its former 13-state territory, in favour of distribution to its own state of Colorado, thus saving the company more than US\$1 million

## Most Important Media, Japan



Source: NTT Advertising, 2007

© WAN-IFRA 2009



in delivery costs, and saving the customer more than \$70 per year in subscription costs. For subscribers of the Detroit News, which has changed its subscription frequency from seven days a week to three days a week, readers are able to download the newspaper on the days when the newspaper is not printed.

behaviour on member newspaper Web sites and Yahoo! search activity. Advertisements can then be served in “real time” to Web site visitors. For example, if a person is searching for a new car, and is visiting a variety of car manufacturer Web sites, online classifieds for new cars and auto dealer Web sites, car advertisements can be served to the user as he surfs the Web.

### SMART Publishing: Targeted Delivery

Technology is enabling the targeted delivery of newspapers in printed formats, as well as news delivered on digital platforms. Among the examples of targeted delivery of newspaper news are:

- SoftBook home delivery
- Behavioural targeting online
- Personalised newspapers

Some of these technological advancements enabled by digital inkjet printing will be chronicled in Chapter 2 and Chapter 7, including personalised newspapers.

### BEHAVIOURAL TARGETING

More than 800 newspapers in the United States have partnered with Yahoo! on their behavioural targeting programme. Last year, the consortium earned US\$7 billion, with a net profit of \$30 to \$40 million, said Lem Lloyd, vice president of the Yahoo! Newspaper Consortium.

Yahoo! is rolling out its high-tech targeting programme during 2009 across the consortium. The technology draws from consumer



The data is collected anonymously and by IP address.

The cost-per-thousand prices for behavioural targeting far surpass the average banner ad, which fetches less than \$1 per thousand.

The going rate for Yahoo!'s behaviourally targeted auto advertisements is just under \$20.

Yahoo! estimates that U.S. newspapers could make between a half billion to a billion dollars in behavioural targeting in the next few years. The programme is successful so far for newspaper companies.

“We have a relationship with Yahoo! in a behavioural targeting programme. We have capability to target online users, down to zip code, age and gender. This is a game changer; this is selling well; it's like finding needles in the haystack for the advertiser who wants to target specific groups,” said Darrell Kunken, market analysis manager from the Sacramento Bee.

Advertisements are served to Web site users based on age, gender, income, geography and Web site usage patterns. If users search for information about orthopedic surgery, they could be served this ad on both the newspaper Web site and Yahoo!, based on their profiles and usage patterns.

More details on behavioural targeting can be found in Chapter 5.

## SoftBook Home Delivery

While most newspapers worldwide are delivered the old-fashioned way, by a paper boy or adult carrier armed with a list of



Source: Arizona Republic

© WAN-IFRA 2009

**The SoftBook newspaper delivery device affixes to the driver's dashboard.**

subscribers, the Arizona Republic in Phoenix, Arizona, United States, has created efficiencies and advertising opportunities by delivering the paper using an electronic device with new subscriber lists updated electronically every day.

The SoftBook is a tablet-sized reading device that can be mounted onto a vehicle's dashboard. The 1,200 newspaper carrier contractors serving 1,900 routes for the half million circulation Republic, a Gannett newspaper, each use the SoftBook. On the night before delivery, carriers download the latest delivery route into the device. The downloads provide carriers with the newest updates to their route lists, delivery order changes, starts, stops and specific delivery requests from each subscriber.

First conceived of 12 years ago and implemented about nine years ago, the SoftBook system has improved customer service, created more accuracy in delivery, given the company the ability to deliver competitors' papers and thereby earn more revenues, and also provides a way for substitute drivers to take over a new route without an excessive learning curve.

The SoftBook has given the Republic the competitive edge in distribution, as it is seen as the dominant publication delivery operation in Phoenix, and outsources the delivery of a growing list of publications.

SoftBook enables the delivery of The New York Times, Wall Street Journal, Investor's Business Daily, USA Today, Financial Times, Barrons, La Voz, Phoenix Business Journal, Sports Weekly, several Gannett magazines and more.

“We do well over three million deliveries a week, and about 60 percent a week is the Arizona Republic,” said Steve Reed, director of the Republic's Circulation Operations and Single Copy Sales. “I don't think we could do this without SoftBook.”

The SoftBook displays the sequenced route, optimised for efficiency, in table format. Special delivery requests are noted for each delivery, including notes requesting special attention to an angry customer who complained yesterday about a delivery mistake. Over the past nine years, customer service approval has risen sharply, Reed said.

The SoftBook strategy began as a delivery and an advertising improvement strategy. Advertisers requested the delivery of targeted advertising only near their stores, and the SoftBook technology has enabled carriers to deliver targeted advertising flyers, niche magazines and other publications to households fitting the objectives of the advertiser. For example, if an eyeglass retailer wanted to target eyeglass and contacts wearers within a few miles of their stores, carriers would deliver advertisements only to the route list with the targeted customers by following the SoftBook delivery prompts.

Reed said he still marvels at how ahead of its time the SoftBook technology is.

“Twelve years ago, SoftBook was intended to do household specific advertising zoning, even before the business was there. What it did allow to do today was to have an enormous amount of titles to put on the street, and to blend into core newspaper, including magazines that are address specific,” he said.

“We probably underestimated the expense savings ... The beauty of SoftBook is the central list management, and the lack of transaction data that has to flow back and forth. We keep the list current. Every day there’s a new list of starts, stops and complaints.”

Reed estimates that if they would have to manually deal with the record-keeping, the company would need twice the field managers to handle paperwork.

“Central list management allows us to do more with less, and tweak it as it goes along,” he said. “It has improved service dramatically, which means you don’t have the incremental cost of re-delivery. Correcting mistakes costs money, too.”

Advertisers can choose to target advertisements for segments of multiple routes or can buy one route in a specific demographic target and/or geographic zone. For example, advertisers can choose to buy an ad in the Arizona Woman magazine, and the magazine can be delivered to all women in a certain segment of the metropolitan area. For route by route targeting, carriers can stem the confusion of which newspapers to deliver by using a coloured bag system. The next version of the SoftBook software will address the colour-

coded poly bag delivery system by coding each colour on the delivery screen.

The newspapers and other publications are staged and bagged at nine distribution centres around Phoenix.

The newspaper carrier contractors are given an orientation on the simple technology. The carriers can control the sequence of delivery at any time. When they take over the route, they inherit the sequence of the previous driver, but they can change the sequence of delivery as it suits them.

“You do have to remind them to look at the list. Every day it is so different. We tell them not to go by memory,” Reed said.

## 2. Ethnicity and Language

Publications serving ethnic groups have the advantage of being able to become parts of the tight-knit communities they serve.

Understanding how to best serve their readers, from how they prefer to access their news, to the types of coverage they prefer, is key to developing a business model, distribution method, editorial style and public relations outreach within communities.

### U.S. Ethnic Media

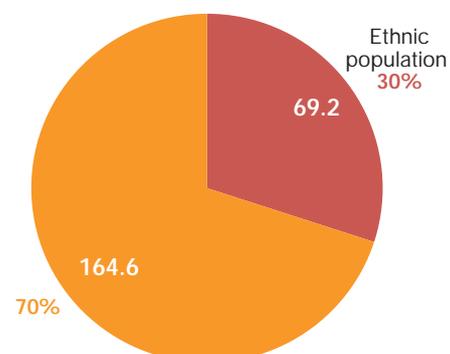
At a time when most of the mainstream media in the United States are losing money and customers, ethnic media appears to be “maybe the most vibrant part of the media landscape,” according to Sergio Bendixen, an expert in Hispanic public opinion research in the United States and Latin America. “The ethnic media is growing, and it is growing at a very impressive rate.”

Over the last four years, ethnic media have attracted eight million new readers, viewers and listeners, and now 57 million Americans regularly gather information from ethnic

media, including TV, radio, newspapers and Web sites. Many of them published or broadcast the content in languages other than English, and that number continues to grow.

“The thirst for relevant news and information has made many residents of ethnic communities turn to media outlets that do

**Ethnic Population in U.S.**  
(in millions)



*Note : Ethnic population includes Hispanics, African Americans, and Asian Americans*

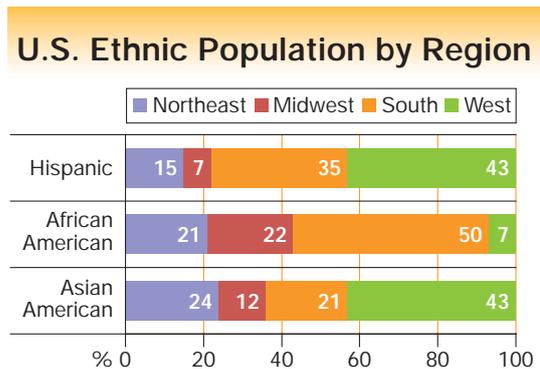
Source: National Study on the Penetration of Ethnic Media in America, New America Media, June 2009

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substantial reporting on their culture, issues and neighbourhoods,” said Sandy Close, New America Media’s executive director. “The increase in ethnic media audiences is incredible, considering the declines that many mainstream media outlets are confronting.”

According to A National Study on the Penetration of Ethnic Media in America, released by New America Media in June 2009, the ethnic adult population in the United States (made up of Hispanics, African Americans and Asian Americans) accounts for 30 percent of the total U.S. adult population.

Forty-three percent of Hispanics and Asian Americans live in the west, while another 35 percent of Hispanics and 21 percent of Asians live in the south. Half of the African American population is in the south, while only 7 percent are live on the west coast, according to New America Media.



Source: National Study on the Penetration of Ethnic Media in America, New America Media, June 2009  
© WAN-IFRA 2009

The study found that ethnic media reach more than 80 percent of Americans with those ethnic backgrounds. Many of them consider non-English programming the primary information source, although most also get information from mainstream national English-language media, such as CNN, Fox News, CBS, NBC and ABC.

The total number of U.S. adults consuming ethnic media has grown by 16 percent, from 51 million in 2005 to 57 million in 2009.

To break down by ethnicity, Hispanics are mostly likely to consume ethnic media; nearly nine out of 10 do so, compared to 78 percent of African Americans and 73 percent of Asian Americans.

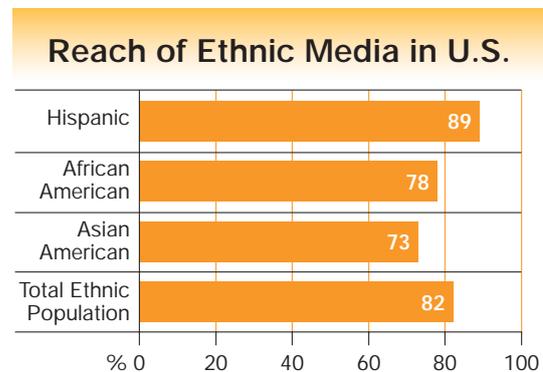
Among Hispanics, TV has the highest reach of all platforms for ethnic media, with 86 percent

penetration in 2009, up from 78 percent four years ago. Ethnic radio reaches seven out of 10, up 16 percent from 2005. The reach of ethnic newspapers and Web sites is up 8 and 9 percent, respectively, to 37 percent and 19 percent.

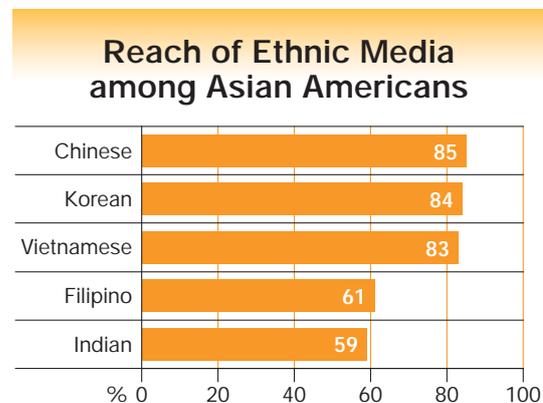
Ethnic radio programming reached 67 percent of African Americans in 2009, up from 58 percent in 2005. Fifty-eight percent of African Americans consume ethnic TV, up 6 percent, while 37 percent and 22 percent read ethnic newspapers and Web sites, respectively.

Fifty-seven percent of Asian Americans watch ethnic TV, up from 44 percent in 2005, while 43 percent read ethnic newspapers, up from 35 percent. Although the percentage of Asian Americans who listen to ethnic radio (25 percent) is comparably lower than that of Hispanics and African Americans, Asians are more likely to access ethnic Web sites, with 35 percent, compared to 22 percent of African Americans and 19 percent of Hispanics, according to New America Media.

To break down the numbers of Asian Americans by nationality, the study found out that Chinese, Korean and Vietnamese

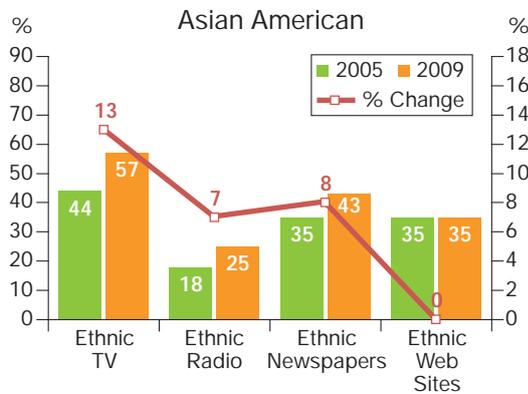
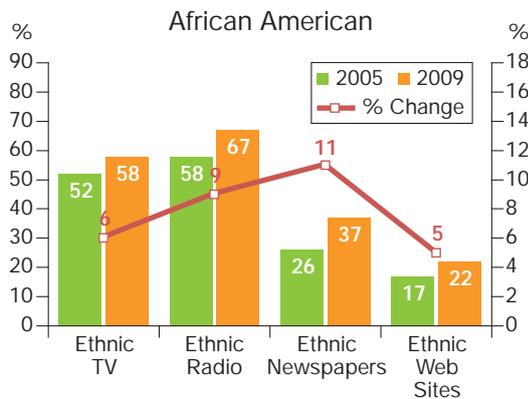
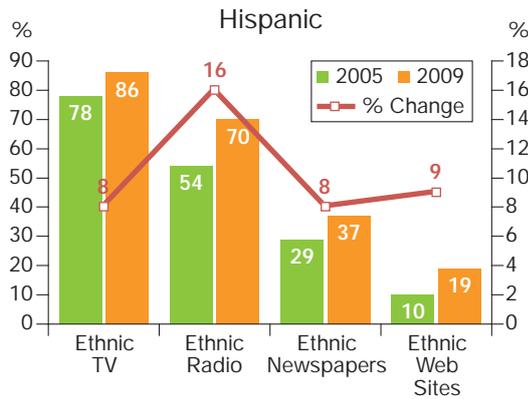


Source: National Study on the Penetration of Ethnic Media in America, New America Media, June 2009  
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Source: National Study on the Penetration of Ethnic Media in America, New America Media, June 2009  
© WAN-IFRA 2009

## Reach of Ethnic Media, 2005 vs. 2009



Source: National Study on the Penetration of Ethnic Media in America, New America Media, June 2009  
© WAN-IFRA 2009

Americans consume ethnic media the most – more than eight out of 10 do so.

About six out of 10 Filipinos and Indians in the United States use ethnic media, too.

Some other highlights from the study include:

- The penetration of Spanish-language television – led by network giants Univision and Telemundo – increased during the last four years and are now almost universal, covering 86 percent of the country’s Hispanics. New Spanish language television stations are

broadcasting in Raleigh, North Carolina and Seattle.

- The availability of African American-oriented channels is still limited, but a majority of black adults report watching Black Entertainment Television (BET) and similar channels on a regular basis. Meanwhile, the penetration of African American-oriented radio stations has increased. They now reach two-thirds of adults in this group.

- Newspapers like Sing Tao, the World Journal, Korea Daily and Korea Times have substantially increased their circulation since 2005. The reach of weekly and monthly publications that cater to the interests of the Filipino and Indian populations has also expanded. A biweekly newspaper for the Filipino community, the FilAm Star, launched in San Francisco in 2007.

- Many new Spanish-language newspapers have begun publishing in the last four years and now reach more than one-third of Hispanic adults. New publications include Padres & Hijos in Atlanta and La Voz de San Diego.

### ImpreMedia

**Founded** New York, United States

**Web site** <http://www.impremedia.com/>

**Language** Spanish

As the reach of ethnic media grows, so, too, do the revenues from subscriptions and advertising for many ethnic media. Compared to general purpose newspapers in America, many which will lose 50 percent of advertising revenues from 2006 to 2009, Hispanic newspapers, for example, are vibrant and growing in America, where circulations and advertising revenues are generally falling during the economic downturn.

The No. 1 Hispanic newspaper company in the United States, ImpreMedia, based in New York with newspapers in nine major cities across the country, represents a 30 percent reach among almost 50 million Hispanic Americans.

Only 18 months ago, the newspaper company transformed into a multimedia company, adding to their print and Web operations a variety of channels, including video, audio and mobile.

Compared to mainstream American newspapers, ImpreMedia expects to lose in the “low single digits” in newspaper ad revenues. ImpreMedia Chairman John Paton attributes the resistance to downward economy to the strength of the ethnic niche media, and mostly, to the addition of multiple media revenue streams in the past 18 months. Paton estimates 25 percent of ImpreMedia’s profits will come from non-newspaper sources in 2011, compared with 100 percent of the profits coming from the company’s newspapers in 2007.

In the past 18 months, the company has undergone a wholesale change, from monomedia to multimedia; and from siloed newspapers to integrated multimedia companies. The integration among the nine newspapers and the addition of several media channels have enabled synergies and have simplified workflows. The full time employee headcount has been reduced from just over 500 to about 300. Now each newspaper publishes brand first and digital first, Paton said.

“We now have a corporate standard for IT across the company. We mapped that to workflow processes for doing news, so we all follow the same protocol. It starts with an SMS alert, then goes on the Web, Twitter and Facebook, and then we add value to the content, such as create a video episode or podcast, and last thing we create is the paper,” Paton said.

In total, ImpreMedia titles reach 216,387 daily in Los Angeles, New York and Miami; almost two million circulation in weekly newspapers; and almost one million for its monthly magazine, Vista. The audiences for digital media are growing. Mobile media is hot among this demographic. In August, ImpreMedia served 836,000 text alerts in August, and zero 18 months ago. The company plans to monetize the mobile channel with ringtones, downloads and audio ads in the future.

The dailies in New York and Los Angeles are sold as single copies in the cities. Many weeklies are free newspapers that have home delivery.

The publications target the middle and lower middle class urban Hispanic population in the United States. These workers typically do not

## impreMedia publications



- El Diario La Prensa** (Daily)
- The country’s oldest Spanish language newspaper, founded in 1913.
  - #1 Hispanic daily in New York, the 2nd largest U.S. Latino market.
  - 52,780 daily circulation.
  - 266,127 daily readers and 651,380 unique readers each week.



- El Mensajero** (Sunday)
- San Francisco’s #1 Spanish language newspaper, founded in 1987.
  - Serves the 7th largest U.S. Latino market, San Francisco Bay Area (San Francisco, Oakland and San Jose).
  - 102,664 weekly circulation in the Bay Area.
  - 83,385 weekly readers.



- La Opinion Contigo** (Weekend)
- Free, targeted, home delivered publication, launched in 2005.
  - Distributed to 5 high density Hispanic areas: East Los Angeles, Huntington Park, Montebello/El Monte, San Fernando Valley and Santa Ana.
  - Distributed to 255,091 homes weekly.
  - 443,240 weekly readers.



- La Prensa** (Thursday)
- Central Florida’s leading Spanish language newspaper, founded in 1981.
  - 34,266 weekly distribution.
  - 77,472 weekly readers.



- La Raza** (Sunday)
- Chicago’s #1 Spanish language newspaper, founded in 1970.
  - Serves the 5th largest U.S. Latino market.
  - 152,154 weekly circulation.
  - 174,055 weekly readers.



- La Vibra** (Thursday)
- The premier Latino entertainment weekly, launched in 2001.
  - Distributed in 5 markets.
  - 432,699 weekly circulation.



- Rumbo Houston** (Friday)
- Serves the 4th largest U.S. Latino market.
  - 50,000 weekly circulation.
  - 50,891 weekly readers.



- Vista magazine** (Monthly)
- Most read, dual-language, general interest magazine among Hispanics, founded in 1985.
  - 900,000 monthly circulation, inserted into multiple English-language newspapers
  - 2,791,000 readership

Source: impreMedia

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have desk jobs, so they are unlikely to access the newspapers' Web site. Most Web sites have almost completely unduplicated, younger and more affluent demographics than their newspaper counterparts.

Many of the papers have a mission as a “defender” or a “champion” of their readers. The newspapers are serving an underserved community that needs quality information and journalism and that these newspapers and other platforms can provide, said Alberto Vourvoulias, executive editor of ImpreMedia’s newspapers.

“We believe we know our audience really well. We have never have had the disconnect between the journalists and our audience as other media has,” Vourvoulias said. “I think it is critical to know your audience these days. One thing that makes our newspapers successful is that they are newspapers with individual voices, they have their own flavour, their own viewpoint, their own history. Our audience is close to us. We are living along with them.”

One of the most compelling stories for the readership has been the recent coverage of the confirmation of the first Hispanic U.S. Supreme Court Judge Sonia Sotomayor. In the last year, ImpreMedia has pioneered the use of video on demand on its national portal, [www.impre.com](http://www.impre.com), and has partnered with the publicly-funded Public Broadcast System (PBS) in publishing ongoing coverage and analysis of the Sotomayor Senate confirmation hearings.

“We shared a live feed from PBS, and commented and translated in Spanish the commentary from journalists live from the hearings,” he said. “We had background videos and more in depth information about her family members, and a feature about the public housing project where she grew up in the Bronx.”

ImpreMedia conducted a national survey of its readers, and took away two major points: First, the whole family consumes media from the ImpreMedia brand. Second, the brand ImpreMedia has helped readers and viewers to connect with their community.

“Many Hispanic households are multigenerational. We intersect the household life in a variety of ways. Different family members seek out our products in different

ways. Some use the paper, others use the entertainment magazine, some check out our video database,” Vourvoulias said.

“The thing they most remarked, is our products made them feel part of their community. We believe that will keep us in good stead in the future,” he said.

## Hoy

**Owner** Tribune Company, United States

**Web site** <http://www.vivelohoy.com/>

**Language** Spanish

There are nearly 7.9 million Hispanics in Los Angeles and 1.9 million in Chicago, and Hoy, a free daily, seeks to target the Spanish dominant portion, which represents about two-thirds of those markets.

Hoy is published separately in each market, and although each edition targets local readers, there are specific themes both papers work jointly on.

For example, Chicago, Los Angeles and sister publications El Sentinel in Orlando and Fort Lauderdale, work together to cover themes such as the 2010 World Cup, Back to School and Hispanic Heritage, among others. Each theme is “specifically designed to capture national advertisers who might be looking for consistency across markets,” said John Trainor, general manager of Hoy in Chicago.

However, targeting the very local is increasingly important to readers and advertisers. Because Hoy relies fully on advertising, striking the correct balance is crucial.

“We maintain editorial independence in order to enable each newsroom to cover from their own local perspectives, for example if we cover something related to the war in Afghanistan, we might look for a local Hispanic connection such as a Hispanic family with a sibling at war or something of that sort,” said John Trainor, general manager of Hoy in Chicago. “The key to our must recently discovered success is to win locally by being sensitive to the uniqueness of each market and avoiding putting news ‘in a box’ for all markets.”

One example of a very successful local story down to the neighbourhood level was the story



of a girl who inspires to become a mariachi and is studying music in a local school in the Chicago neighbourhood of Pilsen, Trainor said.

“Another important cultural aspect to stand out from this story is that the little girl’s father pushes a paletas cart (frozen popsicles) for a living, another mostly Mexican tradition very much alive in the streets of Chicago,” he said.

On Hoy’s Web site, Los Angeles and Chicago share an overall site, but each market has a separate page.

“The content under Chicago is about Chicago, and the content under L.A. is about L.A.; the main page normally rotates news from both markets and combines some ‘general interest’ features such as sports and entertainment,” Trainor said.

“Preferences by market are pretty consistent online; we see the majority of page views coming from our home page as well as from photo carousels and videos regardless of the city its coming from.”

Out in the community, Hoy actively participates in events such as parades, concerts and festivals, and is always in the position to be “the voice of our community,” he said. “Our new marketing strategy is to establish an emotional connection to our reader under the theme ‘a mi me mueve Hoy,’ linking our brand to all that is important to our readers.”

Hoy recently began engaging readers with mobile strategies, but so far the results “have been phenomenal and surely will play a more

important role in all future plans,” Trainor said. “Another new technology we are incorporating has to do with digital signage, as we are unveiling 114, mostly 42 [inch] flat plasma screens, on November first in Hispanic grocery retail stores across the Chicagoland area.

“Such initiative is geared to drive readership, as content will consist of the daily headlines and breaking news, as well as highly entertaining video content. This initiative is geared to attract CPG advertisers representing very interesting growth potential for Hoy.”

Hoy’s distribution model is classic: traditional boxes and retail locations across the city, as well as door-to-door distribution of the weekend print product, Fin de Semana.

Distribution of Hoy in Los Angeles reaches 145,000 every Friday, and 500,000 on weekends with Fin de Semana. In Chicago, Hoy distributes 64,000 copies Monday through Thursday, 100,000 on Friday and 300,000 on weekends. In total, circulation for both markets on an average week is more than 1.3 million.

“When we originally launched Hoy, readers had to pay but we quickly realised that the Hispanic market was used to receiving their news for free and we quickly moved away from that model,” Trainor said. “Therefore Hoy has been free almost since its inception; such model seems to be working as our financial performance is way ahead of all industry trends.”

## Nguoi Viet Tay Bac

**Northwest Vietnamese News**  
**Founded** 1978, California, USA  
**Web site** <http://www.nguoi viet-taybac.com/>  
**Language** Vietnamese

Nguoi Viet Tay Bac, founded in 1978, is the oldest and largest Vietnamese-language newspaper in the United States.

What started as a four-page weekly with a circulation of 2,000 copies is now a 36-to-76 page daily newspaper with an audited circulation of 17,500. Nguoi Viet targets the young, multi-cultural generation of Vietnamese Americans and aims to deliver news to overseas Vietnamese communities, educating readers and promoting the Vietnamese culture.

As the only Vietnamese-language newspaper with home delivery service in the United States, Nguoi Viet also has more than 1,000 subscribers living outside California. The newspaper is also available at more than 1,400 sales locations, newsstands and retail locations across southern California.

*“Mainstream and ethnic news organisations should partner to deliver news”*

Julie Pham,  
 managing editor of the *Nguoi Viet Tay Bac*

More than 100,000 people living in Seattle, or about one out of six in the city, were born in a foreign country. Therefore, many of their children grow up speaking a language other than English at home.

Just like everyone else, these new immigrants access news to better know the society, according to Julie Pham, managing editor of Nguoi Viet.

“From my experience with managing Northwest Vietnamese News, I know how immigrants rely on newspapers in their own language for information. When my parents founded Nguoi Viet Tay Bac in 1986, we were the first private Vietnamese-language newspaper in the region. Since then, five other Vietnamese-language newspapers have opened to serve the approximately 70,000 Vietnamese

living in Washington,” Pham said in an article.

It’s becoming important for newspapers to foster intercultural understanding among different communities in an increasingly multiethnic society. Pham pointed out that in order to maximise news resources and maintain relevancy to readers, mainstream papers and local ethnic media outlets should partner to better serve and increase their respective readerships.

“Ethnic newspapers do not have salaried reporters producing regularly updated news like their mainstream media counterparts. But they have a lot to offer in their legwork and their analysis of ethnic communities,” Pham said.

For example, ethnic media reporters can provide their news stories translated to English to mainstream papers, which staff could then edit and publish. Therefore, journalists at ethnic media would benefit from working with professionally trained copy editors, editors and reporters, and mainstream papers could also provide readers with more culturally-diverse perspectives.

Conversely, ethnic media outlets could also access and translate fresh news provided by mainstream newspapers, and give non-English speaking readers the chance to find out what is happening at the city, county and state level.



## Azizah Magazine

**Founded** 1999, Atlanta, Georgia, United States

**Web site** <http://www.azizahmagazine.com/>

**Language** English

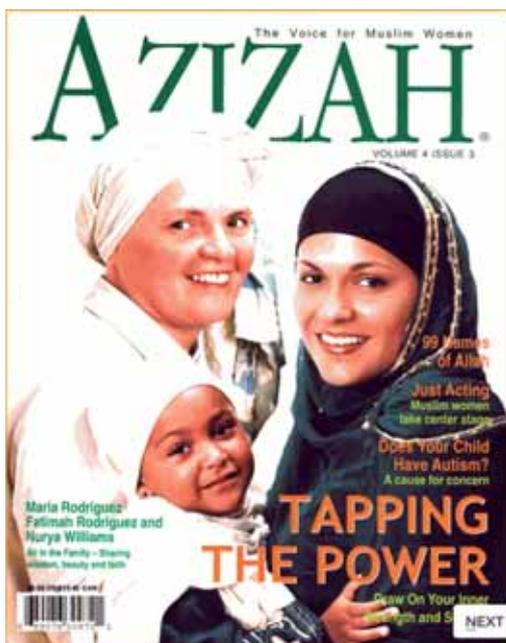
Azizah Magazine was founded in 1999 in Atlanta, Georgia, and its first issue was published in late 2000. The full-colour quarterly publication targets contemporary Muslim women living in the United States.

“The Muslim population accounts for around five to seven million in the states, so the (female) population is about half of that,” said Tayyibah Taylor, publisher and editor-in-chief of the publication.

Azizah serves as a source of information, inspiration and ideas, as well as a line of connection to Muslim women.

Currently Azizah has about 10 employees, including the editorial staff based in Atlanta and the creative people in Seattle. Most of the articles are written by freelance contributors all around the country.

In the United States, there are a few other magazines targeting the same demographic, such as *elan*, and *Muslim Girl*. However, *Muslim Girl* stopped the publication in 2008, and *elan* is not-for-profit, and receives subsidies from some organisations. “Azizah is the only for-profit magazine targeting Muslim women in the states,” Taylor said.



The magazine’s circulation is between 40,000 to 50,000, mostly from subscriptions in the United States, while a small portion of subscriptions are in Canada, Europe, the Middle East and southern Asia.

“We don’t have many retail sales. But we work with some distributors, such as bookstores and online stores which target our audience groups. We also have distributors outside the U.S., in Bermuda and in Indonesia,” she said.

Azizah recently moved the printing process from Indonesia back to Seattle. Although printing costs are lower in Indonesia, shipping, taxes, tariffs and other fees still cost a lot, as most of Azizah’s circulation is in the United States.

“We think (moving printing sites) would streamline our operation,” Taylor said. “Our main revenue sources are subscription and advertising, which accounted for about 80 percent. The rest of (our) 20 percent revenue sources include single sales and reprints.”

Taylor said the magazine’s Web site features partial content from the print version, and that the site won’t be offering the magazine’s complete content for free any time soon.

“If you have millions in circulation and make tons of money, maybe the free content online model would work. However, we are a small publication, so content is still key to our revenues.”

In order to expand its reach, Azizah plans to launch a digital version in 2010, which will target markets outside the United States.

## Tamil Murasu

**Founded** 1935, Singapore

**Web site** <http://tamilmurasu.com.sg/>

**Language** Tamil, some English

The Singapore Press Holdings-owned Tamil Murasu is Singapore’s only Tamil-language newspaper. Although it serves as the main source of information for the Tamil-speaking Indian community, the paper’s audience is wide, ranging from older readers who are fluent in the language, to Indian expatriates who work and live in Singapore, to students studying Tamil as a compulsory subject in school.



**Tamil Murasu offers readers the news coverage they need, as well as the extras they want.**

“Tamil Murasu provides readers with a mix of stories on the Singapore community, in particular the Indian community, key developments in South Asia, particularly the state of Tamil Nadu in India and Sri Lanka,” said M. Nirmala, editor of the newspaper.

Serving readers’ main interests is key, so other than general news, readers want sports, cinema and kollywood news, as well as special supplements and tips for Tamil-language students.

“The paper also provides news on the vibrant Indian cinema scene. A page is also devoted to sports, mainly cricket, and another page covers the main world news. There is also an English page for readers who prefer their India news in English,” she said.

Other than the content itself, Tamil Murasu’s strength lies in being a part of the community it serves. For example, each year the newspaper organises a Most Inspiring Tamil Teacher Award. Teachers are nominated by students, principals, fellow teachers and parents.

“This event celebrates the good work done by Tamil teachers in schools,” Nirmala said. “It is a significant community event and this year we had a record number of over 700 submissions.”

After a winner is selected, several articles are written about the winner and runners up, detailing everything from teaching strategies to views from the school, parents and pupils.

## BUSINESS MODEL

Tamil Murasu readers access news via print and online versions, and plans for mobile are in the works. Most print readers buy copies daily at newsstands. The island-wide distribution network also includes bus terminals, schools, petrol kiosks and supermarkets, which is successful for gaining audience, Nirmala said.

In 2008, readership on Mondays through Saturdays averaged 31,000, for readers ages 15 and above, while average circulation was 13,000, according to the Nielsen Media Index 2008. On Sundays, circulation averages 20,000, while readership reaches 51,000.

The newspaper’s loyal readership base and high rate of home reading (87 percent of readers read the paper at home on Mondays through Saturdays, 96 percent on Sundays) allow for greater attention to both news and advertisements.

The newspaper earned S\$3.1 million (US\$2.2 million) in advertising revenue and S\$1.8 million (US\$1.28 million) in circulation revenue for fiscal year 08/09.

### Reading habits of Tamil Murasu readers

Reader base of 31,000 Mon.-Sat., 51,000 on Sun.

	TM readers	TM(S) readers
Read 5-6 issues weekday	84%	NA
Read all 4 Sunday issues per month	NA	90%
Buy copies from news-stand	77%	80%
Median reading time	32 min	33 min
Read at home	87%	96%

Source: Tamil Murasu, Nielsen Media Index 2008  
© WAN-IFRA 2009



## 3. Total Youth Think

By Aralynn McMane

The best examples of success in targeting a young audience (under age 25) come from newspapers that have embraced a “Total Youth Think” strategy, a top-to-bottom rethinking based upon a core philosophy that places young people at the centre.

When done right, the result is a product that young people embrace: a newspaper for children, a general interest newspaper that does not alienate older readers, a niche publication, a Web site, a special event or a promotion.

Newspapers that adopt this attitude create post-Internet print content combined with smart digital approaches, and directly engage young people and the parents and teachers who influence their media loyalties.

Zero Hora, published in Porto Alegre, Brazil, is a general interest newspaper that adopted “Total Youth Think” 15 years ago. Paris-based Play Bac Presse publishes daily newspapers for children and offers good ideas for any

newspaper wanting to target youth. In both cases, smart practice in targeting youth looks a lot like smart practice in targeting adults.

### **Zero Hora**

At Brazil’s Zero Hora, niche print products targeting youth emerge from an overall “Total Youth Think” strategy that puts the young at the centre of the paper’s content and approach.

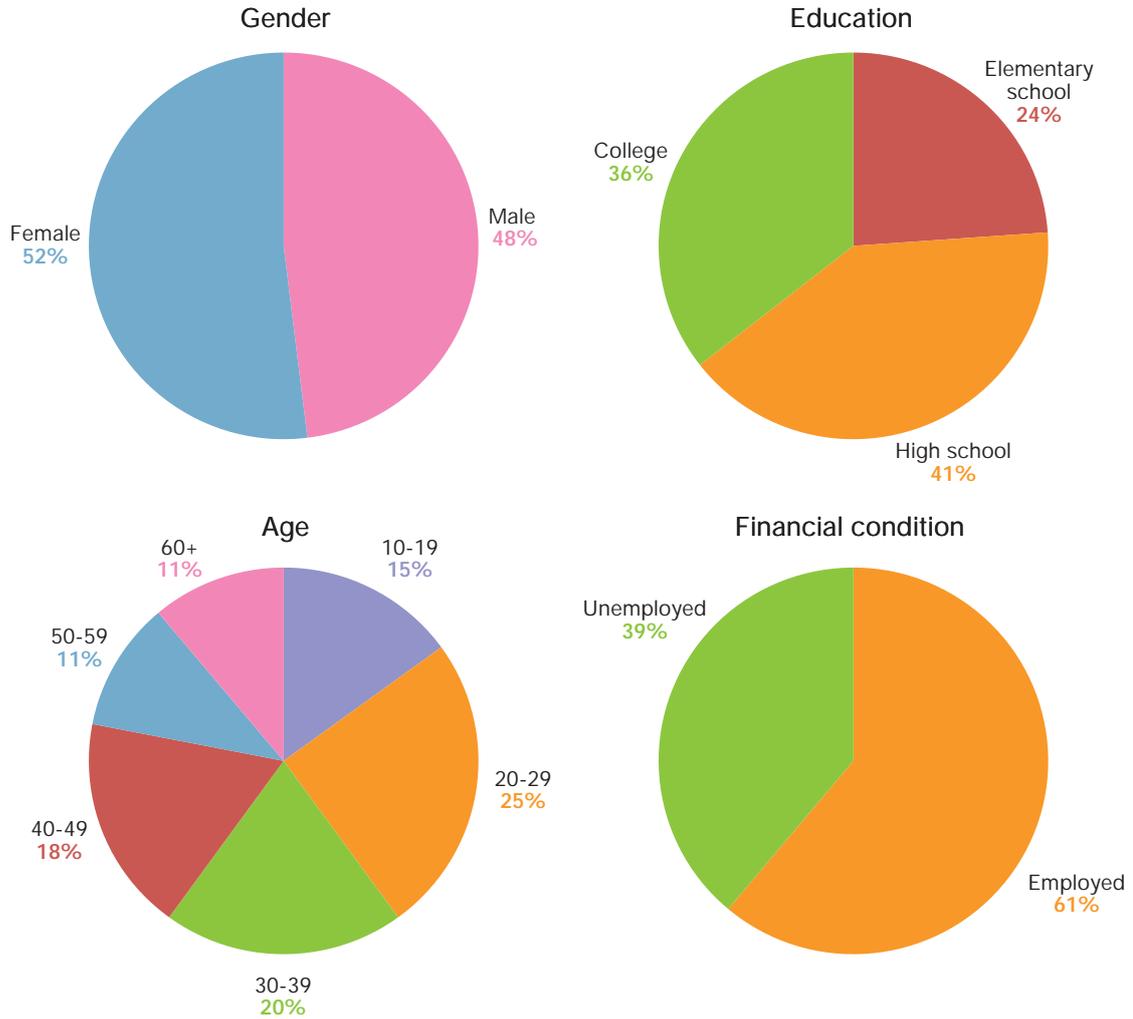
In a country where half the population is under age 29, Zero Hora now has an enviable position with 40 percent of its readers under age 30.

“We have a young personality in the whole paper all of the time,” explains Marcelo Rech, who guided the paper in that direction after becoming editor in 1993. Rech was recently named product director for the entire RBS multimedia group.

“We believe stories that are more prone to be read by young readers will not alienate older readers,” Rech says. “Older people read them as well. The stories are not just for youngsters

## Zero Hora Readers' Profile

60% of readers are between ages 10 and 39



Source: Zero Hora, 2009

© World Association of Newspapers and News Publishers

but also for people who feel younger than they are and who are attracted by this young flavour. People who are 50 right now think that they are 20 years younger; 60 feels like 40 now.”

Core news and sports sections reflect the approach. Rech jettisoned heavy coverage of traditional sports, such as horse racing and golf, to add more sports that interest younger readers, especially women.

“Sports is a huge window of attraction, not as it was traditionally done in an old-fashioned way, but sports with a magazine and vibrant approach,” he says. Now the pages have more sports, like skating and surfing, and more of an emphasis on youthful activities.

The paper also takes news very seriously. “We

pay full attention to real-life issues, treating them with our best journalistic skills,” Rech says. “We don’t just reflect on the issues of the day before; we try to anticipate the stories and set the agenda of the state and the city. We don’t rely on what Internet, television and radio did, but try to be exclusive and different.”

Robert Barnard, of the Toronto and London-based youth consultancy DECODE, notes that an involvement in the “firsts” at each life stage can be very powerful. WAN-IFRA international young readership research has found there are two key youth life stage “firsts” when a newspaper can have the most impact on building loyalty: discovering the newspaper as a child and, later, at the point of leaving home, using the newspaper in search



of a university or a career. Zero Hora puts considerable effort into catching the young at both points.

Zero Hora has a regular feature to target children within the news pages. Since 2006, the paper has included short summaries in simpler language alongside key stories to help 8- to 11-year-olds understand the news and develop into regular newspaper readers. The summaries, called “For your child to read,” give background to controversies and conflicts, and explain complex topics.

“Children can do more than just look at the pictures, or at one or two stories,” Rech says. “We are trying to get their attention in a way that makes the newspaper a daily habit for the rest of their lives.”

Further, parents react to that engagement. “When they see that their youngsters are reading the paper, they think ‘my son or my daughter is not just watching television or playing games,’ and they are more motivated to keep their subscriptions,” Rech explains.

Children are encouraged to be part of local news by sending pictures of themselves and their friends for the “My Folks” section of the paper’s hyper-local supplements, ZH Bairros.

“When a youngster sees himself or herself in the paper it is a matter of prestige or self-esteem or status,” unlike on MySpace or

Facebook “where anyone can be presented,” Rech says. “To be present in the paper means that someone chose him and that means this filtering by the paper is a strong force on our side, not against us.”

Zero Hora also concentrates giving a “helping hand” to young people facing major life choices.

“Youngsters between 15-and 18-years-old become very worried about choosing their future professions and choosing a job, and the paper must be on their side,” Rech says. “Where else could they find it? In a chat? I don’t think so; so the paper must illuminate this road and be very relevant, decisive, using its credibility to help youngsters choose their future.”

The paper has long offered a weekly supplement for just this purpose: Vestibular runs sample university entrance examination tests, advice and other key information to help young readers choose their path toward adulthood. The supplement derives revenues from a university examination preparation company and advertisements from universities.

### **KZUKA: CATERING TO YOUNG READERS**

In 2005, Zero Hora bought Kzuka, a small company specialising in researching and creating events for young people. In 2007, Zero Hora’s number of young readers between ages 15 and 29 began declining fast. This is when the Kzuka brand entered the paper’s own content. The result added regular news coverage that more carefully catered to readers under age 30, plus a targeted printed supplement, a presence on other platforms and even more special marketing and events.

The word Kzuka means nothing in Portuguese; there is no translation. However it has had a big impact on the company.

Within eight months of launching the strategy, there was a 27 percent growth among young readers, recouping the previous losses. By late 2008, the paper had a 78 percent penetration rate among young people aged 20 to 29 years, and a 71 percent penetration rate among those aged 15 to 19.

Adding original content with a young twist to the main news sections was the first step to

counter the sharp decline in young readers, helping them feel represented and involved in the newspaper.

One of the ways Kzuka does this is by incorporating the youth perspective into main-section articles likely to be of interest to young people.



“For example, on the front page of a conservative supplement containing job classified ads, the Kzuka logo is present with its brand signaling that there is a youngster’s point of view inside,” Rech explains. “Sometimes, there are whole stories or even full pages with youngsters’ approach in order to promote their views, to give them recognition, as an important voice and vision.”

More routine elements include surveys that bring young people’s opinions to the story, and added reporting in a broader story to explain how young people are affected. Kzuka relies heavily on the help of special “trend hunter” reporters whose job it is to stay close to and understand what is going on with the target audience.

“These reporters do this not just by research, but by going straight to the places where youngsters go to find out what they are talking about, what they do, not just during the weekdays but on the weekends as well,” Rech says.

The printed Kzuka supplement offers 12 pages weekly and makes money as it focuses on

issues important to young people, mainly ages 15 to 20. Kzuka supplements are also published in five other newspapers owned by the RBS Group.

Content features a less formal language and design than the regular paper with a wide use of photos, user-generated content, stories about youth behaviour, pop stars, sports, humour and offbeat contests. One weekly contest asks readers to identify someone whose face is circled in a picture of a crowd at an event. The person is profiled in the next edition.

“The idea is that it’s cool to be where you can be interviewed by the newspaper,” explains Eduardo Lorea, editorial projects coordinator for RBS group.

Amid the fun, the content can be serious, often dealing with the practicalities of being a young Brazilian right now. An edition in mid-September concentrated on the perils of videotaping sex scenes or naked friends who could become featured worldwide on video sharing sites, and featured cases and advice.

The supplement has three sponsors: Pepsi Co., a company involved in the preparation of university entrance exams and a department store that is trying to rejuvenate its image. “It is important that it is profitable,” Rech says.

The brand also serves as a theme for events and festivals hosted by the newspaper, including the introduction in 2007 of a new kind of activity for Brazil: organised sports competitions among secondary schools. Since 2007, Kzuka has promoted these games and attracted more than 3,000 participants in 2008 to play soccer, futsal (a sort of indoor soccer), basketball and volleyball.

The Kzuka project also incorporates the Internet, and RBS’ holdings in radio and television offer additional ways to showcase the approach.

On the radio, Kzuka takes the form of short, informative insertions known as “drops” in the programming of six Atlântida radio network stations, which play pop and rock music, plus the Rádio Gaúcha news station and Rádio Cidade, a popular music station.

“The Kzuka insertions are like those in print, approaching the topic from a youth point of view,” Lorea says.

Kzuka has a wide-ranging television presence on RBS group stations, including an

entertainment program at TV COM, a local TV station, and shorter segments as part of Jornal do Almoço, a traditional lunchtime news show that has been on the air for 25 years. The Kzuka news has included a segment about adolescents who go to nightclubs with their parents, most often a single mother with her daughter, or a son with his single dad. Another segment featured teens who live by themselves.

“The reporter made them show how good they are in household activities, such as cooking and washing clothes,” Lorea explains.

The Kzuka contribution to the entertainment show has included coverage of parties and sports, jokes, an assessment of the most popular YouTube videos and offbeat physical competitions around Porto Alegre. The most popular feature of the online presence, [www.kzuka.com.br](http://www.kzuka.com.br), is the Eu.JPG (eu means “me”) section where people upload their photos. Nine-hundred were uploaded between Aug. 24 and Sept. 14, 2009 alone.

“It’s basically virtual hanging out with some serious issues present, but not too serious,” Lorea says. In addition to forums, where recent topics included “best movie to watch with the guy that you want to date” and “the best approach that you tried to kiss a boy/girl,” the site also offered an online simulated university entrance exam.

### BUSINESS MODEL

The online presence makes money through the promotion opportunities that connect companies to the audience.

“It is the potential for those connections that attracts advertisers, not the banner they get,” Lorea says. Promotions often link to the print Kzuka supplement. For example, a recent issue of Kzuka examined the pros and cons of the main choices for travelling abroad: a short study abroad experience versus a longer work experience. One option in the promotions section of the site was an expo about studying abroad.

The Kzuka effort is doing well, even amid tough economic times. Although managers say they can not reveal figures, they do say revenue has increased 46.8 percent in 2008 from 2007, with a 40 percent increase expected for 2009. The plans for 2010 are to continue the growth and extend the Kzuka platform to other cities in Brazil.

Expansion and innovation also continues for

the entire youth effort at Zero Hora. In 2009, the paper was named a WAN-IFRA World Young Reader Newspaper of the Year. The projects it entered were typical of its approach, engaging the young with a clear link to print.

The “I am a Gaucho” contest invited young residents to explain why they were proud of their state, with the prize including an A4 copy of the newspaper page containing the winning entry. The “Farroupilha Album” project, supported by Fiat, gave children the tools to create their very first picture-filled textbook about a 19th century revolution in the state, thanks to getting the basic album with the newspaper and then 60 stickers that appeared within the paper over several weeks. Finally, a three-month series provided information to help parents with 12 key firsts in their child’s life, from a first sibling to sexual intercourse.

### Play Bac Presse

Play Bac Presse takes the “total youth think” approach to the utmost, giving children the last word on the content of the company’s three dailies for children in France.

Play Bac, founded in 1986 by François Dufour, Gaëtan Burrus and Jérôme Saltet as an educational games company, saw a need to provide something a child could read every day. Today children are more than readers – they also assist editors in producing the paper. Each day, a new group of two to six young people recruited from among readers chooses the top stories for the next edition from those the editors suggest.



At Play Bac Presse, a new group of readers meets with editors each day to discuss and select the top stories for the next day’s edition.

“They also write our movie and video game reviews,” says Dufour, the editor of the papers.

The dailies target three different, and narrow, age ranges: *L’Actu* is for secondary school students, ages 14 to 16; *Mon Quotidien* is for readers from age 10 to 13; and *Le Petit Quotidien* is for those age 7 to 10. (A daily for five-to seven-year-olds, *Quoti*, was launched in 2002 and closed in 2007).

All three newspapers are compact and in colour. The paper for the youngest readers has four pages, while the other two have eight pages. In all, they go to a total 150,000 home subscribers by post five days a week.

“At the start, with *Mon Quotidien* in 1995, no one thought it would work, because – let’s face it – France is not a country where a lot of people read newspapers,” Dufour told Agence France-Presse. (WAN-IFRA’s 2009 World Press Trends lists average, circulation for the paid French daily press per 1,000 inhabitants as 152 copies, compared to 283 in Germany, for example).

“But after two years it suddenly took off. Today we benefit from what I call a virtuous triangle: children who like to read news that is directed at them, parents who just like their children to read and teachers who welcome material which feeds into the school curriculum.

The three papers share several key tenets about what children and adolescents like:

- **Children and adolescents like news, real news, but clearly targeting them.**

“What’s most important for us is that we publish news that is really for kids, not for adults. For us the game is to find what is going to be of interest for kids in the day’s news,” Dufour says.

The topmost interests include environment, sports and entertainment, but the paper also covers major events such as war, disasters and scientific breakthroughs.

“Obama’s election or 9/11 can be news because kids ask questions after they have heard it on the radio, television etc. So, we need to explain adult news to kids,” Dufour says. “Kids like to be taken seriously but not in a serious manner. You should not use a childish style ... We ask the journalists to use a radio or news agency style of writing with a strong commitment to very strict journalism.”

Treatment of the subject matter must also be right.

“We insist on clear journalism, telling the facts,” Dufour explains. “We wouldn’t say simply that the war is terrible, but give the facts behind such a statement: how many people have died. And we make sure to explain words they might not understand.”

Dufour stresses that the papers produce real news, and there is no taboo subject.

“We talk about paedophilia, even in the newspaper that targets 7- to 9-year-olds,” he says. “We do not do Walt Disney and we do not paint in pink. We show the reality.”

The paper also uses strong images, but with care. “In our coverage for *Mon Quotidien* of the [2004 Asian] tsunami, we were clear that



*Le Petit Quotidien* is for readers ages 7 to 10; *Mon Quotidien* is for readers from age 10 to 13; *L’Actu* is for secondary school students, ages 14 to 16.

many children died but the only photo of a dead person showed only the top of a boy's head – not his face – as he was carried in the arms of his parents," Dufour explains. "For the youngest readers [of *Le Petit Quotidien*] there was just a line of empty coffins."

- Children and adolescents like news done in a way that fits their age group.

Unlike many newspapers, where youth supplements target a very wide age range, Play Bac keeps those age groups very narrow: three years. Teachers re-read all pages before each edition goes to press to assure that the language is understandable and that references in stories will make sense to someone born seven, eleven or fourteen years ago.

- Children and adolescents like to read 10 minutes a day.

"My strong belief is that it is easier to ask them to read 10 minutes every day – unless you are talking about Harry Potter – than to read for an hour on Saturday and Sunday," Dufour says. He originally thought the daily for adolescents should be 16 pages. His readers told him he was wrong, and the paper quickly went down to eight pages.

- Children and adolescents like small formats, tight writing, full colour and no messy ink in their newspapers.

"Every time I have an editor come to my office, he says, 'You know, François, it's exactly the same for the adult newspapers,'" Dufour says.

### BUSINESS MODEL AND TARGETING

Play Bac relies heavily on a sampling model to sell its newspapers, targeting its audience through parents via teachers. The company distributes a total of 15 million copies in packets of 30 to the nation's teachers, mostly at the start of the school year in September, with some arriving around the year-end holidays. The papers go home with the students to parents, who buy the subscription. Teachers themselves account for 20 percent of subscribers.

The newspapers benefit from that educational positioning. "The teachers like our newspapers," Dufour says. "They like kids to learn new words and know what's happening in the world. Also, reading, reading reading, is a key for teachers."

The company does this massive sampling each year because the age specificity of each product means subscriptions last, on average, only 18 months. "We spend 30 euros to get a new subscriber and are not willing to spend more," he says. To go past the current 150,000 total circulation simply would cost "too much."

Parents pay just under €10 a month for 25 issues and can pay on a monthly basis.

"In a country where adults do not read newspapers, it is hard to get a subscription," Dufour explains, "so we say, 'Try it for a month and, if you like it, keep going.'" For two out of three families, that receive a Play Bac daily, this is their only newspaper subscription.

Two things are key to the modest profit the company makes from its newspapers, about 1 percent on a €20 million turnover. First, France gives newspapers a low postal rate, 0.05 euro per gram instead of 0.2 euro for normal mail. Second, at newsstands, the company sells between 30,000 and 50,000 copies of infographic compilations that appear in *Mon Quotidien* and *Mon Petit Quotidien*. Those compilations account for half of the company's sales revenues.

Advertising is virtually nonexistent.

"Advertisers are not impressed by our figures, even though the polling institutes say we have two million regular readers, which is enormous," Dufour says.

The company created a "club" of advertisers who signed up for a year to appear periodically, from once a week to once every two months. "It's been rather successful, but it's been only 5 percent of our turnover," he says.

Play Bac has a Web presence but does little direct marketing online. However, a quarter of parents subscribe online after receiving paper subscription forms. Online content, except for an English edition with imbedded audio, is near nil.

"We've tried, but parents are not ready to pay for online content," DuFour says. "There is also often a fight in the families about the amount of time kids already spend on the Internet. I also strongly suspect that kids would do a lot of things online before going to my digital newspaper."

The newsroom's 40 journalists, who are split into separate teams for each paper, prepare editions two days before a child sees them. Thus, a paper prepared during the day on a Tuesday and sent to press at 1 a.m. on Wednesday arrives in the subscriber's mailbox on Thursday. The child sees it upon return from school that afternoon.

Efforts to export this model of dailies for children have brought very mixed results, with only one country buying into the Play Bac formula. Since 2004, online editions in Hong Kong have targeted children between ages five to eight (Daily7) and eight to 11 (Daily10) in a licensing agreement with Play Bac. However, a version of My Daily 10 launched in 2006 for

## Play Bac Presse: Attracting and keeping audiences

**P**lay Bac runs contests and workshops which, like its newspapers, have a serious side that concentrates on professional journalism.

The company offers three-hour workshops for seven-to nine-year-olds at €25 per person to produce a newspaper and take it home. The project won a 2009 commendation in the "Making the News" category of WAN-IFRA's World Young Reader Prize.

Its contests also link to producing newspaper journalism:

- The adolescent readers of L'Actu can do an interview they think will be of interest to the target group and then fit it into the paper's format. The 2009 winner, a 17-year-old who had interviewed a prison guard, won a computer, printer and an invitation to spend time at the radio station RTL, a partner in the contest.

- Readers of Mon Quotidien, which ran the project with the French senate, and Le Petit Quotidien worked with their school classes to create a school newspaper exploring the question "Will newspapers on paper still exist in 20 years?" A total of 3,200 French children between the ages of 9 and 13 accepted the challenge to think hard about the advantages and disadvantages of having a newspaper on paper, and then create a special four-page newspaper with their findings.

"The best 50 entries I saw were as good as the global reports by experts all over the world," says Dufour.

Some excerpts of the arguments made by contestants:

### FOR:

#### The older students (ages 13 and 14):

1. You can read a newspaper anywhere, on the bus, in bed... even in the toilet.
2. Information in newspapers is verified by reporters and the editors-in-chief.
3. You don't need electricity to read a newspaper.
4. You can use recycled paper to create a newspaper.

#### The younger students (10-to 12-years-old):

1. The printed newspaper is a gift you give yourself.
2. In the printed newspaper, you can go directly to the news topic that interests you instead of waiting for a television or radio news show to get to it.
3. Newspaper reporters can take the time to verify information.
4. Colourful, well-organised newsstands (kiosks) give life to city centres, transport stations, etc.

### AGAINST:

#### The older students (ages 13 and 14):

1. Many newspaper readers throw away their copies anywhere, paying no attention to recycling bins.
2. Printed newspapers are expensive.
3. Printed news is slow to arrive.
4. Printed news is less attractive, as it has less colour and fewer pictures than we can find on Internet.

#### The younger students 10-to 12-years-old)

1. The environmental impact of the printed press seems more than for other media.
2. Radio, television and Internet allow news to arrive nonstop.
3. Printed newspapers cannot provide as many images as other media.
4. Even if you have to buy a television, radio or computer, pay for access and pay for electricity, information from electronic media seems free.

the North American market attracted few readers and lasted only a few months.

A separate division of Play Bac produces “tailored editions” for outside companies and organisations in the style of each newspaper. Past work includes an edition in the style of *Mon Petit Quotidien* for the agriculture and fishing ministry, with information for 6- to 10-year-olds about health, food and habitat involving fish.

### CONTINUED EXPANSION

In mid-September 2009, the company launched “L’Actu-éco,” an eight-page weekly for 15- to 20-year-olds focusing on practical economic and business news. The preview editions featured an analysis of film financing and a profile of a manga cartoon editor.

“The concept is simple,” Dufour says. “We want to explain the economy to adolescents with an educational and visual approach.” The publication will start as a supplement to *l’Actu*.

In October 2009, Play Bac launched a four-page “My Weekly,” an English-language weekly supplement to *Mon Quotidien* and *Mon Petiti Quotidien* with audio versions of text available in the online edition.

The centre spread focuses on top stories from around the world, as do those pages in the other Play Bac newspapers. Pictures feature vocabulary for the main elements within them, with a French translation, and users hear stories read when they click on them.

For all the papers, reporters and editors are admonished to separate fact from opinion and to check those facts. Dufour has been highly critical of the French press on that point, especially the national dailies.

“In emphasising opinion, [the national press] has abandoned the heart of the profession: investigation and reporting, local or international, that surprises the reader, captivating with words and photos,” he wrote in the economic daily *Les Echos*. “And the press has forgotten its strength against all of the small screens: the visual layout of information at the service of explaining the world.”

His 2009 book, “*Les journalistes français sont-ils si mauvais?*” expands on that theme. So far, however, he has not tried to complete in the

non-youth press market. That will change in September 2010, when Play Bac will launch a new weekly for families. Details remain “top secret,” according to Dufour. However the move is a logical one. Already, the company is reaching adults. Among subscribers, half of the fathers and two-thirds of the mothers say they read the newspaper destined for their child.

*Aralynn McMane is the director of young readership development for the World Association of Newspapers and News Publishers.*

## Pots Weekly

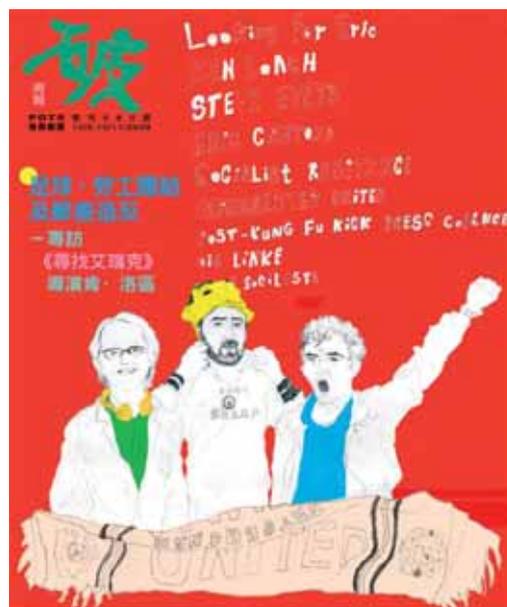
### Pots Weekly

**Founded** 1995, Taipei, Taiwan

**Web site** <http://www.pots.tw/>

Pots Weekly was originally created in 1995 as a supplement in Taiwan *Lihpao*, but became the first free paper in Taiwan after a reorganisation in 1997.

Following the *Village Voice* in New York as a model, Pots Weekly provides the latest art and culture updates as well as social concern columns. Initial circulation was about 4,000 to 5,000 copies, which were distributed only in Taipei City. Currently, circulation is at about 80,000 copies, and is widely distributed in college campuses, theatres, coffee shops,



galleries, book stores and libraries across Taiwan.

“We also offer subscriptions to readers who live in rural areas, but we just charge postage,” said Eno Chen, executive editor of the publication.

“Our target readers are youth people, and most of our readers are from 18-years-old to thirties. We have a goal to empower young generations with alternative views of current issues, offer them different thinking from mainstream media,” she said.

In all the major cities around the world, there are always some free papers offering comprehensive information on art and culture, as well as points of views different from mainstream media.

According to Sun-Quan Huang, editor-in-chief of Pots Weekly, none of the papers actually make money from subscriptions, so why not slash down the distribution costs and focus on attracting more advertising by understanding the readers?

“We are making the news accessible for everyone. And we try hard to make readers know that we are free, but we are not cheap,” Chen said.

Because Pots Weekly is a free paper, its main revenue source is advertising. Another small part of the revenues come from sales of other publications, including books and yearly PDF versions.

“Right now, we only sell print advertising, but not online ads,” Chen said.

In recent years, Pots Weekly has worked hard to digitise in a blog format, developing Chinese-English bilingual editing, and establishing other online discussion forums, such as twblog.net and twimc.org. The newspaper has also adopted new technologies to reach more readers, such as Flickr and Facebook.

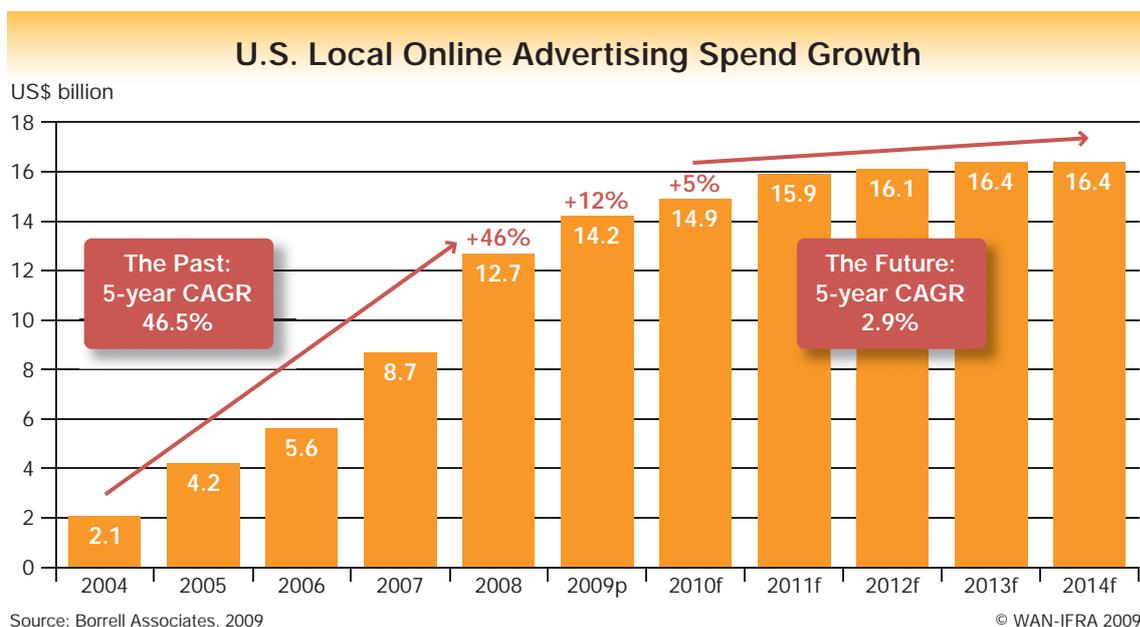
## 4. Location, Gender and Special Interests

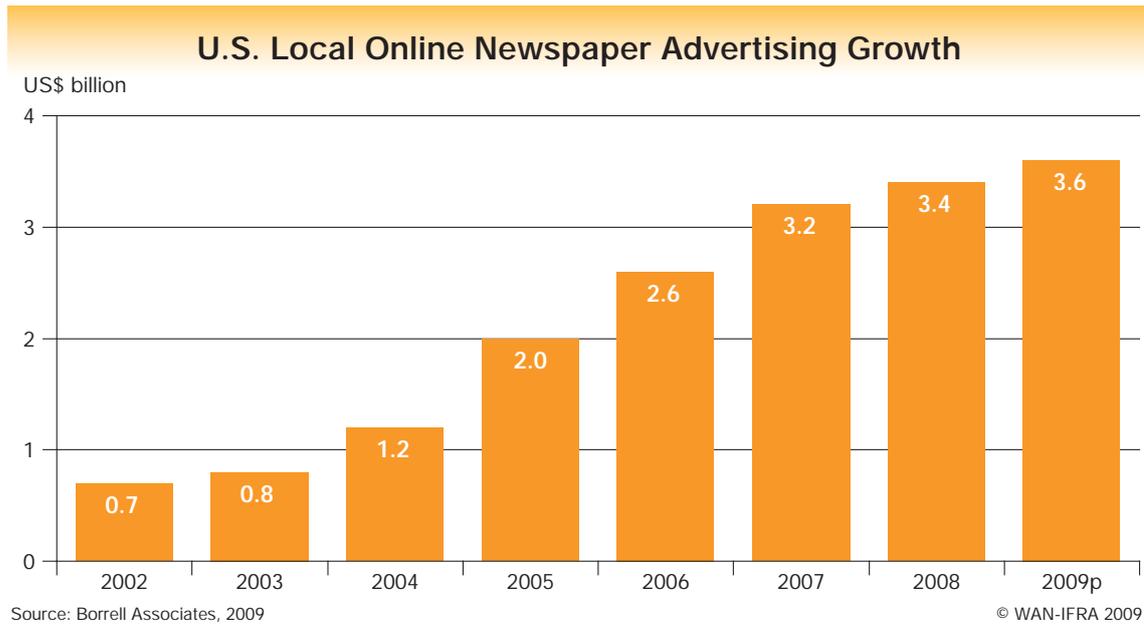
### Local and Hyperlocal Products

Locally targeted newspapers and Web sites are important and potentially lucrative investments in the future of newspapers. Local online advertising is one of the few robust advertising categories circa 2009, and several media

companies have proven that by combining print and online advertising offers, local products can be money making products for the future.

While local online and print advertising continues to climb, the growth rates are





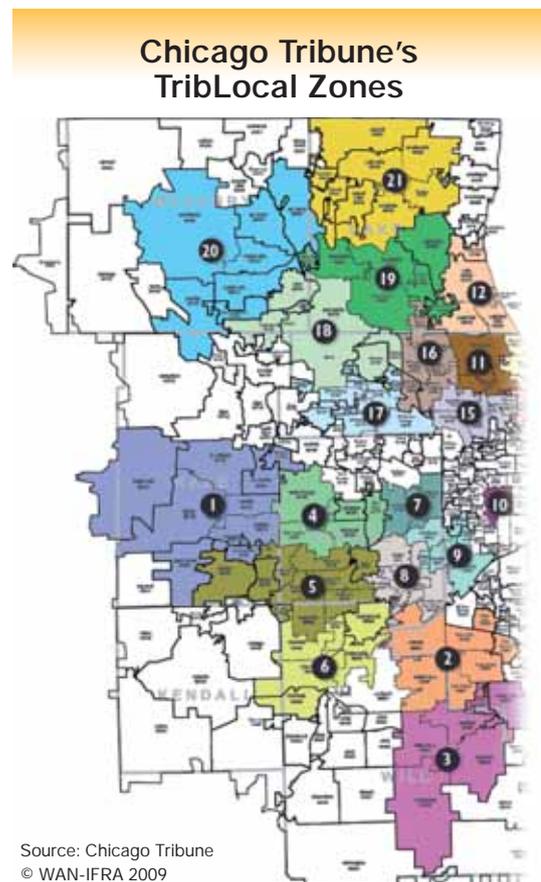
slowing down in some parts of the world. In the United States, for example, local online advertising growth has slowed from a 46.5 percent compounded annual growth rate (CAGR) from 2004 to 2009, to a projected 2.9 percent CAGR from 2010 to 2014. In 2008, local online newspapers garnered 11.8 percent of the market share of all local online advertising in the United States.

The following case studies, TribLocal in Chicago; NaseAdresa in the Czech Republic; and MSNBC.com/EveryBlock.com will illustrate the hope for the future of local print and Web site publications.

TribLocal	
Owned by	Chicago Tribune, United States
Launched	2007
Print circulation	320,000 in 100 towns
Editions	21
Web sites	86
Profitable	Yes

For a large metropolitan daily newspaper like the Chicago Tribune, with a half-million circulation, it's impossible to reach local communities with any consistency, and equally difficult to sell local advertisers run of paper advertisements.

Enter TribLocal, a hyperlocal newspaper and Web site product for the Chicago suburbs.



Two years after its launch, TribLocal's 21 editions boast 320,000 in circulation in about 100 towns, and are delivered to subscribers every Thursday in the Chicago Tribune newspaper.



© WAN-IFRA 2009

Each edition is 16 to 20 pages long and serves between four and five towns in the region. Clusters of four or five towns for each edition were determined by their geography, and any shared governmental bodies, such as school and park districts. The tabloids are also distributed for free as a standalone product at local stores and area Starbucks coffee shops.

Much of the content is produced by citizen journalists online – in most cases between 50 and 80 percent. The content is then reverse published into the zoned newspaper tabloid. Currently, TribLocal operates 86 Web sites that reverse publish content into the 21 editions.

The zoned Web sites reached more than half a million visitors last month. Citizen journalists have contributed more than 19,000 stories, 5,000 photos and 20,000 event items, in addition to thousands of blog items.

Each cluster has a community manager, and an average of 1.5 reporters for each cluster. “We cover stories in the towns that only journalists can cover, like investigative stories about what’s happening in the community,” said Jane Jansen, general manager of TribLocal.

Since more than half of the content in the printed editions come from community contributors, TribLocal makes an effort to promote the brand and train citizen journalists. “We have a lot of grassroots marketing tactics, like ‘posting parties,’ where we show citizens how to post content.” TribLocal sponsors local events including festivals, local chamber of commerce events and business-to-business events. “Our strategy is to be the title sponsor of certain local events, including kids-oriented events.”

TribLocal has an overall branding campaign on local billboards, cable spots and ChicagoTribune.com to promote the commitment to community journalism. To date, the formal and grassroots promotions have drawn 80 to 100 regular contributors of news and information about community organisations, park districts, sporting events, non-profit organisations, blogging and more.

“Getting the info out and sharing with the community, that’s what motivates the contributors. We never have to say no. There is always room. Then we sometimes feature the information in the print edition for additional exposure,” Jansen said.

Each cluster has an average circulation of 15,000 to 18,000, which is the foundation for flat-rate advertising pricing. Advertising is sold mostly to small and mid-size advertisers either as combination buys with the Tribune and/or its Web site, or geographic buys so the advertisement can appear in only a certain location, be it a zone or a group of zones.

TribLocal employs 14 sales reps who sell on a regional basis for TribLocal only. Other “hybrid” sales people sell the hyperlocal product as part of a cross-portfolio package. The hyper local strategy has netted the company 500 new sales accounts. Ad prices run \$300 to \$500, which is just a fraction of what the Chicago Tribune charges for ROP ads. The small to midsize advertisers are looking to target a small geographic area with their offer.

“What customers are looking for is to target an area,” Jansen said. “Small businesses are looking to target a 10-mile radius.”

TribLocal was originally powered by Kodak’s Microzone computer software. The newspapers are printed on offset presses at the Tribune’s Freedom Center printing plant.

NaseAdresa	
Location	Czech Republic
Launched	May 2009
Current circulation	28,000 for seven weeklies
Projected circulation	500,000 in the next few years for 230 weeklies in 14 regions and 75 districts
Projected Web sites	700 in the next few years
Profitable	Tracking toward profitability

By Emma Heald,  
Editor, World Editors Forum

In May 2009, PPF, a finance company based in the Czech Republic, launched seven hyperlocal weeklies and 23 Web sites in three regions of the country, covering about 4 percent of the country’s households. As of September 2009, PPF is printing 28,000 copies of a 24 to 32 page tabloid at one offset printing plant in Brno, southeast of Prague.

The papers are distributed throughout the country from the central location through the

Czech Post. The weekly tabloid is projected to reach 230 weeklies with a circulation of 500,000 and 700 hyperlocal Web sites in the future, covering 14 regions and 75 districts in the Czech Republic, which has a population of more than 10 million.

Part of the hyperlocal strategy is to launch a local office in each district, featuring a news café to foster community spirit and create a central gathering space, with the newspaper at the centre of the conversation. Each district would feature a café, while Prague would have 14 cafés.

In addition, PPF launched the Futuroom, the hub newsroom based in Prague where production and editing occurs for the weekly hyperlocal newspapers.

The Futuroom headquarters is designed to earn money, while the news cafés are designed to cover costs. The rent for the news cafés is completely covered by café income. This means cafés can be located in the town centre, in the middle of community life, said PPF CEO Roman Gallo.

“If we didn’t have the cafés, the project may as well be closed,” he said. “The most profitable part is the café. There are no doors. Anyone can go talk with reporters. We know that the thinking of the editorial team is very close to that of their readers.”

At present, the seven weeklies range in circulation from 2,000 to 7,000 for the first six months. PPF offered citizens a six-month



Source: PPF

© WAN-IFRA 2009



Source: PPF  
© WAN-IFRA 2009

promotion price for subscriptions. PPF executives estimate circulation will be about 4,000 or more in each district after the promotion.

NaseAdresa has 18,000 subscribers out of a potential 200,000 households in the areas covered. The projection was 16,000 subscribers. The weekly is home delivered, but is also sold at news stands, post offices and news cafés. The cover price per issue is 11 Czech crowns, or about 40 to 45 euro cents.

Page views are “rising dramatically.” Gallo said. “If we achieved the same attention throughout the whole Czech Republic we would be the number two Web site. The challenge now is to convert the 3-month subscribers, who were offered a special deal, into long-term subscribers.”

Each region has one sales person and a handful of journalists running the news café. Each editorial employee works for the print version and Web site. The staff includes one general reporter, one sports reporter and one half-time general reporter and a page composer. The budget for each office is 8,300 euro for staff and 1,500 euro for contributors.

The hyperlocal content covered by professional reporters includes a cover story

about an intensely local topic, features about interesting people, answers to public enquiries, interviews and local news coverage, according to Editor-in-Chief Petr Sabata. A recent cover story topic was about budgets of villages and small towns during the economic crisis. Another important component of the hyperlocal weeklies is they include all of the local sporting events coverage from the weekend. The paper is published on Mondays.

Another component is content written by community members, including school officials, fishermen and senior citizens. They are paid a small amount for contributing.

Several of NaseAdresa’s strengths represent a competitive edge. Two important weapons are credibility and independence, which are well known to readers, said Sabata. Also, reporters are trained to tell stories across multiple media, in text, photos, audio and video.

“They are responsible for meeting people in news cafés and talking to them. Sometimes it is hard to finish your article and somebody arrives to discuss their problem... the reporters are not only journalists but they are local promoters.”

Since May, NaseAdresa leaders have learned



Source: PPF

© WAN-IFRA 2009

**A NaséAdresa news café in Czech Republic.**

from and have corrected mistakes. At launch, they published in print first, and online second. They now have changed their philosophy to publish online first. Also, the team is trained continuously, and young people are hired who don't have old-fashioned habits to break, Sabata said.

The staff members in the café have aggressively pursued a variety of community groups to interview, invite to events and made to feel involved so they will contribute content in the future. The efforts have paid off. The involvement by community members has become viral, increasing community life in the cafés, such as meetings, parties and play groups.

The cafés also have been a hub for local information. Public notice boards have been posted in the cafés, and editorial staff members have contacted mayors to display notices there as well. The cafés have been a centre for successful subscriptions; 70 percent of those who stop in to talk have subscribed.



Source: PPF

**Futuroom in Prague is the hub for editing and production for NaséAdresa, and also a high-tech, multimedia journalism training facility.**



**MSNBC.com and EveryBlock.com**

Local online advertising is predicted to reach US\$13.3 billion in the United States alone. In response, America's No. 2 news Web site after Yahoo! purchased EveryBlock.com for an undisclosed amount in August 2009.

EveryBlock.com automates the collection of local information down to the city block level, including news, photos, crime and government data.

EveryBlock was developed starting in 2007 with a US\$1.1 million grant from the Knight News Challenge programme. Knight stipulates that the News Challenge projects can be sold after the project's objectives have been met. The EveryBlock open-source code has been published, as a requirement of the programme.



Source: PPF

**NaséAdresa's top editors work in the Prague newsroom hub.**



MSNBC is a joint venture between NBC, a national television broadcaster, and Microsoft, the international software company. Before the buyout, EveryBlock published data from governmental databases from 15 American cities, such as Chicago, New York, San Francisco, Atlanta and Los Angeles. Among the database-driven information published on the city block level include police reports, new housing statistics, restaurant health inspections, school scores and more.

The EveryBlock operation, based in Chicago, would remain somewhat independent from MSNBC, based outside of Seattle. Since the merger, the operations are set to expand to other cities, as well as expand local content coverage and enrich the user experience, according to Adrian Holovaty, EveryBlock founder and programmer.

In turn, MSNBC will be able to expand its local coverage based on news that emerges from these data findings; for example, a concentration of crimes in certain neighborhoods or specific crimes, a rash of restaurant closures due to failed inspections, or increased average college entrance scores by local high schools, to name a few possibilities.

The companies would not comment on the terms of the deal. EveryBlock's Knight Foundation grant expired in June 2009 and the five-employee startup has been talking to investors and other grant makers.

"If you look at the local space, you have incumbent local news providers like newspapers that have a lot of content but are under great economic pressure to keep that content coming," said Charlie Tillinghast, president of MSNBC.com. "And then you have hyperlocal startups dependent on citizens contributing content, or just aggregating news from others, and there's not a lot of there there."

"What EveryBlock represents is true local content in the form of substantive data. It adds something to the mix that nobody else does," he said in a recent published report.

### Diario Lance!, sports newspaper

Location	Brazil
Launched	1997
Circulation	140,000
Users	10.3 million unique users in August 2009
Spinoff targeted newspapers	Vencer, Rio's Flamengo team newspaper, and A+, an extreme sports newspaper

Since 1997, the popular Brazilian sports newspaper Diario Lance! has built a strong brand by tapping into its readers' and viewers' passion for sports, particularly football. In the past year, during a time when Brazilian newspaper circulations were shrinking, Lance!'s circulation grew 10 percent, to 140,000.

President and Editor Walter de Mattos attributes the success to a number of factors, including a keen understanding of the audience, constant interaction with audience members and the elevation of the newspapers' brand to iconic status, on par with the football clubs they cover.

Lance!'s logo is an important part of the marketing strategy. Over the years, Lance!'s logo has changed to a bold logo reminiscent of a football club logo. The reasoning behind the new "Lance! Passion Sports Logo" is that Lance! has become an object of sports passion, just as the fans' clubs have.

"Our logo looks like one of their trademarks; it looks like a football club logo. It has a similar shape and look. We live on the passion of these clubs. We are quite different from other sports newspapers, we are fighting, our editorial is very tough on those who run clubs, we have opposition to club managers, we do a lot of investigative reporting," he said. "We live on the passion of the fans and we are passionate ourselves."

The passion translates to success for Lance! The audience responds favourably to the media company that feeds the insatiable curiosity of the fans for their teams.



Source: Lance!

Lance! football newspaper, Brazil

“I think it’s fundamental to understand the audience. As newspaper companies, we have to behave more like consumer product companies. This is a trend we cannot escape from,” de Mattos said.

The intense passion for football has driven the popularity of the newspaper, and the Web site, [www.lancenet.com.br](http://www.lancenet.com.br), which drew 10.3 million unique users in August 2009, and has 1.6 million registered users. Two years ago, Lance! launched lanceactivo, a social network devoted to the fanatical passion for football clubs, divided in segments by 10 clubs across Brazil. Fans espouse their love for their teams, discuss game minutiae and interact with fellow fanatics. Lanceactivo already has 100,000 registered for the free network.

“They talk about their clubs and talk about the crazy things they do for their clubs, they criticise their present performance, they express themselves in the environment and everyone is crazy for football. They are identified by their clubs, their names reflect the club they root for.”

Because of the incredible readership built by Lance! and the cult-like following for the Web site and social network for specific teams, de

Matoos decided to launch a new, more targeted title: Vencer, or “winning,” a 15,000 circulation newspaper for the popular Flamengo football team in Rio de Janeiro. The title ramped up its circulation quickly in just 14 months, and is expected to be profitable later this year.

Vencer is a daily 16-page tabloid, smaller than Lance! at 36 to 40 pages. Eighty percent of Vencer’s content is focused on the Flamengo club, and three pages are devoted to general news, including social services and city news. The general news was added by design. The publication’s target audience, they reckoned, would not buy two newspapers, one for sports and another for local news.

De Matoos said he thinks there’s a strong need for more targeted newspapers like Vencer, “No longer do we live in a world that is one size fits all.”

### THE MAKING OF LANCE!

Lance!, pronounced Lan-say, was launched in 1997, amongst a number of Brazilian sports newspapers.

“We had to differentiate ourselves, so we focused on the upscale and the young. Meanwhile the competitors were struggling with advertising because they were targeting their newspaper to a downmarket audience that was not as desirable to advertisers,” de Matoos said.

“Our audience is 50 percent under 24 years old, which is quite remarkable ... We have a small number of subscribers 10 years of age. We have been referred to by teachers for young boys who have trouble reading. Parents are frequently buying Lance! for their kids. We have numerous testimonials. The boys start reading bits of the paper, and then start reading all of it.”

The younger audience did not happen by accident, he explained. “We do substantial marketing efforts for the paper, and we try to go to schools and universities.” But football is a universally popular topic, and plenty of people, young and old, read the paper and Web site.

“Since the beginning we wanted to create a newspaper with graphics, color, comics, cartoons, and (a special) language,” de Mattos said. “We use movie language, and



Source: Lance'



Source: Lance'

we play with the names of the movies, and names of the characters; it's a very focused language. We think of our readers as 18 to 25. That doesn't stop the older audience from reading. Everyone wants to feel a little younger. Everyone likes it if you produce a really good paper."

For the past four years, Lancenet revenues have grown to 15 to 20 percent of all advertising revenue produced by the company.

While football is the predominant sport covered by Lance! in print and digital, with an estimated 70 to 75 percent football coverage, the editorial staff also covers a variety of other sports of interest to the audience.

Mobile has been a profitable and popular medium for the sports media company. For three years Lance! has offered an SMS service to fans of Brazil's individual football clubs, offering a minimum of three news items per day about their favourite club. The mobile SMS subscription base has grown to 108,000.

Two months ago, Lancenet launched a smartphone portal, which has been rapidly growing in usage. The portal has been sponsored by Samsung, and is not a mirror of the Web site, which tends to have a lot of historic sports data and other content. The smartphone portal features breaking news and content divided by football clubs.

De Mattos credits market research and constant interaction with readers with the success in growth across channels. Lance! subscribes to regular media consumption research in Brazil, and conducts its own research on consumer preferences. "We ask questions about our international coverage of sports, and how we're doing on Olympics sports coverage, for example. We always try to get them to evaluate any changes we make to the newspaper. We try to get their opinion on these matters. We do that regularly."

Further, de Mattos and writers post e-mail addresses prominently on the Web site and in the newspaper. A group of avid readers have been summoned to be permanent consultants for the newspaper, serving as a user group when new ideas are tested. "We communicate with them at least once per month. There is an open channel to criticise what we do. They keep us on our toes about coverage of the clubs. They act like permanent ombudsmen."

## REVENUES

Lance!'s revenues break down to 70 percent from newspaper sales, 20 percent advertising and 10 percent from promotions for "add-on" products. About 96 percent of newspaper sales are single copy sales on the street and at kiosks.

Add-on products include shirts, backpacks, a football encyclopedia, football directories, books, and tickets to games.

“Add on products have been a very important part of our strategy. We offer very high quality products, such as backpacks that would normally cost US\$60 or \$70, and licensed shirts for the clubs. We license a shirt from FIFA for every World Cup,” de Mattos said.

Readers can get discounts on these items by collecting tokens in the newspaper every day. In order to get the discount, between 15 and 30 tokens must be collected and organised on a form by a specific date. “We do big campaigns to go to kiosks and start collecting tokens,” helps drives single copy sales.

Lance! offers name brand merchandise such as Nike and Adidas, and is now are considering its own Lance! apparel brand. Items such as backpacks already bear the Lance! logo.

Events are also an important and powerful way to extend the brand. In September 2009, Lance! sponsored its first major international event, the World Championship Motocross in the south of Brazil. Honda Motorcycles sponsored the event.

Among the most popular items are remakes of vintage or retro club jerseys. “We ask clubs for the most important shirts in their history. We buy rights to these designs. We make the shirts from almost the exact fabrics from 60s; we go to that detail to offer a special item to the customer,” he said. So far, Lance! has sold 170,000 shirts around the country. This year, they will start with a new collection of retro shirts for other famous football clubs, including Barcelona, Chelsea and Ajax.

The sale of these items has helped launch the development of a database of customers with details about them. So far, the database has 130,000 names, which will enable more sophisticated promotions in the future, deMatoos said.

“We’re estimating that after the end of the World Cup we’ll have more than 400,000 names,” he said.

### Familjeliv parenting Web site

<b>Owner</b>	Stampen Group, Sweden
<b>Launched</b>	2004, bought by Stampen in 2007
<b>Traffic</b>	300,000 unique visitors per week
<b>Registered members</b>	123,668

*“Relevance is getting more and more important. I think it is very important to target your audience. If you are relevant to your readers and advertisers you will go further as a publisher. Targeting is important now and will become even more important in the future.”*

Anna Holmquist,  
Familjeliv editor-in-chief

The Stampen Group of Sweden knows exactly who the target market is for Familjeliv, a parenting Web site. The site, which the group purchased in 2007, has 123,668 members, 300,000 unique visitors per week, 47.36 million forum comments, more than two million uploaded pictures, more than 75,000 blog items and 1.1 million blog comments. About 50 percent of the traffic to Familjeliv comes from Google searches.

The Web site reaches 50 percent of all Swedish women between 25 and 35 years old, and 70 percent of all pregnant women, every month. Familjeliv is Sweden’s most popular forum, on any subject. Content includes parenting advice, parenting forums on a variety of subjects, and plenty of user-generated content, from videos to photos to blogs to forum interaction.

The Web site’s proposition is “To get support, to get advice; to share joy, to share sorrows; want to know, need to know; just hang out, network, meet others, share interests, have fun.”

“When they first come to us they ask questions about pregnancy or why they don’t get pregnant. We also see that many of those who stay, they talk about life, their husbands, what they do and don’t do at home, about mothers-in-law, relationships, their work, decorating their homes, family travel, they talk about everything,” Editor-in-Chief Anna Holmquist said.

“The interesting thing is, as they stay, they make friends – they are friends on the side, many never meet face to face,” Holmquist

said. "Sometimes they meet in forums where they don't belong, like the adoption thread. One mother said she usually hangs around in the adoption thread, because she found nice people there."

The entire database of photos is comprised of two million user-generated photos, including pregnant bellies, pictures of babies, fathers, and even pictures of dead babies. The fact that grieving parents post the personal photos suggest the connection and trust the site has for its members, Holmquist said.

The user-generated content will always be Familjeliv's core, Holmquist said, but the site's editorial staff also contributes more professional content. "You can say that the editors act as a filter for the users' discussions, views and thoughts," she said. "Instead of editorial ideas based on what the reporter believes that the user wants to read about, Familjeliv assumes that the user tells us what she want to read more about/know more about via voting, forum posts, etc. Our users often write to us and tell us what they would like to read about, but most of all we follow the activity in our forum, blogs and galleries.

"Editors make decisions about content based on what they know about users. They draw information from member registration information, when they tell us many things about themselves. We can also track people on the site. If you register when you are pregnant, we have a lot of information."

For example, earlier in the autumn, editors noticed that many members were discussing the swine flu, which showed they understood what an important topic it was to discuss. An editor put up "the question of the day" that asked "Are you afraid of the swine flu?" The result showed that the majority of the site's visitors were very worried and afraid of infection. Afterwards, the editors arranged a live chat with Sweden's leading infectious disease doctor who answered visitors' questions. The editors collected the questions and answers in an article they published on the site. Meanwhile, users continued to talk about the swine flu in the forum, Holmquist said.

## REVENUES

Familjeliv is profitable. About 80 percent of the revenues come from targeted advertising and sponsorship, while 20 percent come from membership fees for premium content.

Subscriptions for premium content cost 20 crowns per month, and include special services like watermarking photos so members cannot re-use them.

Familjeliv also produces advertising-supported targeted newsletters based on age, gender and how active members are on the site. In addition to Internet content, Familjeliv also provides mobile alerts, such as an ovulation alert when the woman is most fertile.

Six people staff the sales department. "We don't want to have our advertising partners look at a price list. We want to have a discussion with them about how they can be seen on the site. Many times editors know readers very well, and with their knowledge, they can find great ways to find the right advertising idea for readers and advertisers," Holmquist said.

For example, Familjeliv worked with Electronic Arts Sports, a video game maker, to offer a fitness computer programme to house-bound mothers.

"We knew our readers enjoy doing things and interacting, so we launched EA Challenge, a contest for members who bought the game for a special Familjeliv member price. EA Sports got a lot of publicity during this campaign."

"Typically advertising and editorial are separate departments. Many think I'm crazy," she said. "But I think this is the way to survive. I think it's important to begin to work together. This is a business. You can't afford not to think about this. You can't let the ad department do this because they don't know the readers as well."

Consequently, members of the editorial staff often follow sales people to meet advertising customers.

Advertisers can buy ad banners, but Familjeliv offers a variety of clever advertising opportunities, including sponsoring tools like ovulation and pregnancy calendars; act as experts in sponsoring content sections such as baby food, and can be partners in competitions.

"We believe in advertising solutions that create value for both the company and the user. The most effective advertising campaigns are created when we succeed in involving our users and creating interaction," she said.

## Politico

Owner	Albritton Communications
Launched	2007
Online traffic	3.2 million unique visitors in April 2009
Print circulation	32,000

Launched in January 2007 by two former Washington Post editors, Politico has become a staple in Washington D.C., a place where political junkies come to feed on the most fresh insider information, from the very minor to the biggest stories of the year.

The creation of John Harris and Jim VandeHei has become a rival of the Washington Post, an institution for U.S. political coverage, in less than three years. The political feeding frenzy starts at 4:30 a.m. when Mike Allen, who left Time magazine to join Harris and VandeHei, usually begins putting together Politico's "Playbook." This is generally where every political story, big or small, can be traced back to in its infancy.

"Politico is the essential print and online destination for coverage and analysis of Congress, the White House, politics and lobbying," said Roy Schwartz, vice president of business development and marketing for Politico. "We like to think of ourselves as the modern voice of Washington, reaching the most influential political professionals running the nation's capital and the millions

of people consuming political news on a daily basis. Our journalists know everyone who matters and are read by everyone who matters."

Online, Politico sifts politics into the following categories:

- **Politico 44:** "A Living Diary of the Obama Presidency" that records everything the president does, and even gives his daily schedule.
- **Click:** A section devoted to photos of everything politics.
- **Congress:** A section listing the top Congressional news, a search tool that gives finance data relating to members of Congress, candidates and election contributors, and more.
- **Politics:** Political-related news.
- **Arena:** A section addressing top news driving political conversations. Arena Players include more than 200 current and former elected officials, strategists, scholars and authors, who can give their opinion on the topic of the moment.
- **Lobbying:** Lobby-related news.
- **Campus:** News happening across the country that relates to politics. For example, news about protests, a company announcing its views on the U.S. Chamber of Commerce, etc.
- **Community:** A list of subcategories and their most recent stories, as well as how many threads and posts each have received.
- **Multimedia:** Video and photo and audio slideshows.
- **Headlines:** Top news stories of the day.

"At Politico, we're successful because we don't try to be everything to everyone. From the outset, we've been successful and dominated the niche in which we cover online and in print – national politics, lobbying, Congress and the new administration. We're an insider publication that has outsider appeal," Beth Frerking, assistant managing editor for partnerships, told an SFN study tour group in summer 2009.

As writers and reporters post the day's politics by the minute, Politico is also sure to





show off its star players, creating a caricature of each to go with their blogs, and displaying names prominently. When Harris and VandeHei left the Post, it was clear to them that what mattered more than the newspaper business or a flagship newspaper's reputation was its journalists, Harris told Vanity Fair's Michael Wolff for an article published in August 2009.

"What mattered was the individual talents and reputations of journalists," he said. "The best have their own names. They were carrying the business."

Schwartz agrees, calling Politico "a print product that is far superior to our Capitol Hill competition. We have the best reporters in the business: Mike Allen, Jeanne Cummings and David Rogers, just to name a few. We have an online product that has many times the audience of our competitors," he said. "Politico has drawn national attention as one of the great success stories in modern media. We have sponsored three presidential debates and come within the Beltway and beyond one of the most powerful brands for Washington journalism."

It is the talent Politico has filled its newsroom with that pulls in two important audiences, he said.

"First and foremost, the political professionals who run Washington. Everything we do is designed specifically to make our publication essential reading for them. The second audience is the millions of people who regularly consumer political news: these are the highly motivated voters who are heavily engaged in politics and

shaping opinion locally and nationally," he said. "Our audience has expanded since our launch to include federal agencies on Capitol Hill, as well as the collegiate communities. We've also garnered local partnerships with local TV and newspaper Web sites, which enhances our reach nationally within the opinion leader audience."

The tabloid-style printed version of Politico has a 32,000 circulation. The print version is published five days a week when Congress is in session, and each edition has about 24 pages.

Readers obtain copies at one of 100 newsstands in the D.C. Metro area, as well as distribution points on Capitol Hill, the White House, federal agencies, K Street's so-called Power Corridor, think tanks, associations, law firms, lobbying shops, the Pentagon and others. Through a partnership with Starbucks, Politico is distributed to more than 70 Starbucks coffee shops in the D.C. Metro area each day.

"We've somewhat figured out advertising online, but we do really well with print ads," Frerking said of Politico's advertising-based business model. "We're in a city where people want things from government. We get full page print ads from the Boeings of the world, lobbying associations, healthcare firms, etc. We also have integrated campaigns. These people are desperate to reach Washington leadership. We are also not afraid to try something new or drop something that doesn't work."

Online audiences find Politico in a few ways, Schwartz said. At least half of the site's audience has Politico bookmarked, while several thousand receive e-mail updates. The newspaper's reporters also appear on television and radio more than 100 times a week, which helps drive audiences online to find out more. Other traffic comes from link backs and search engines.

As of April 2009, Politico had 3.2 million unique visitors, Frerking said, quoting Nielsen data. Internal numbers show six million unique visitors, she said.

To reach out to audiences, Politico is available on mobile, podcasting and video, and also uses Facebook, Digg, Twitter and other social networking tools.

**skirt!**

<b>Owner</b>	Morris Publishing Group
<b>Launched</b>	1994
<b>Markets</b>	Available online in 23 markets, available in both print and online in 12 markets
<b>Average print distribution</b>	32,000



Morris Publishing Group's skirt! magazine began in 1994 in Charleston and Columbia, South Carolina. Fifteen years later, it has tripled in size, available in 23 local U.S. markets online and in print,

focusing on the important aspects of women's lives – "their work, play, families, creativity, style, health and wealth, bodies and souls," the publication states.

The free monthly is currently available in print to 12 different markets, and targets affluent, influential readers and advertisers – "educated, motivated and self-possessed women who are often referred to as part feminista and part fashionista ... We celebrate women's accomplishments throughout their communities, thus building strong bonds with our readers," according to the publication's stated value proposition.

Distribution varies by market, with the highest being 100,000 in Atlanta, Georgia, and the lowest being 15,000 in Augusta, Georgia. Average distribution is 32,421.

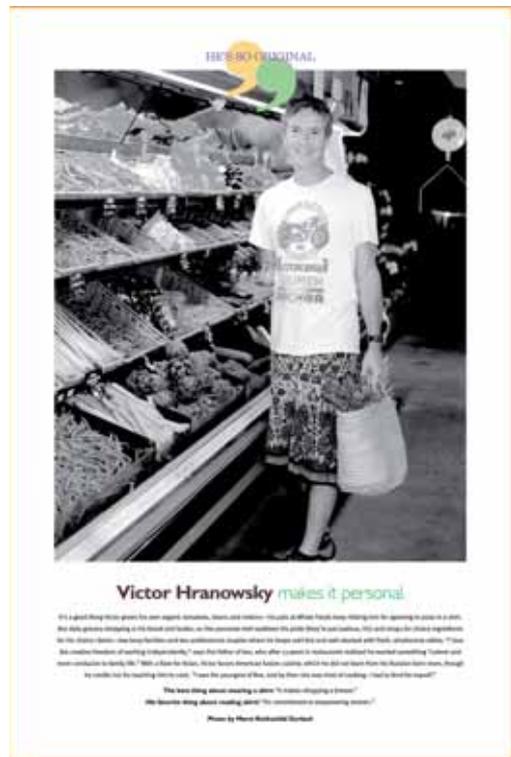
Of skirt!'s readers, 80 percent are female and 20 percent are male. Most readers, at 38.5 percent, are between ages 25 and 44; however, the average reader age is 47. Readers' average annual income is just under US\$75,000, and 29 percent hold one university degree.

For advertisers, the female audience is important, as women make 80 percent of all purchasing decisions, according to skirt!. Marketers also look to the magazine for both advertising opportunities across markets, as well as local advertising.

"All of the profiles are of local women, plus we have local calendars, local Girl Power profiles [and] a [photo of] a local guy wearing a skirt. Some of the nonlocal pages are the personal essays, Girls First article, a monthly essay on feminism called The F Word, a health/wellness page and BRAVA/SHAME [a section on achievements by women and issues that negatively impact women]," said Nikki Hardin, publisher of skirt!.

Outside the pages of the magazine, skirt! currently reaches out to readers via Facebook and Twitter, as well as events, charities and fundraising events that go to a skirt! scholarship fund.

Revenue is primarily from advertising, which suits skirt!'s target audience best, "because our readers love the ads!" Hardin said. "When I started skirt! in 1994, the designer (who is still with skirt!) and I wanted the ads to be as sophisticated and stylish as the editorial look, so we have focused on designing great in-house ads. Now clients vie with each other in terms of having a cool ad and they get terrific feedback from the readers/shoppers, many of whom write to us to say how much they love the ads."



A regular local feature is to profile a man wearing a skirt, such as this page, dedicated to a local chef.

## 5. Hyper-targeting

Hyper-targeting, or the practice of targeting editorial and advertising content on a small group or individual level, is a trend that is starting to show promise for newspaper companies. A variety of experimentation is being done in Europe and North America to reach individuals on a highly relevant and engaging basis.

In this chapter, we will explore the visions for the future of hyper-targeted delivery in age, gender, ethnicity, demographic, locality, interest group, and particularly for personal preferences on both print and digital platforms. We'll focus on the emergence of new forms of hyper-local printed publications, as well as behavioural targeting, and how it works on digital channels.

### **Behavioural Targeting**

Targeting content to specific users and groups has been made much easier through behavioural targeting technology, which uses Web browsing information collected on an individual user level to increase the effectiveness of advertising campaigns.

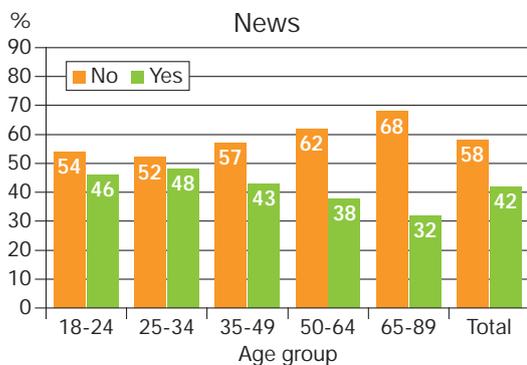
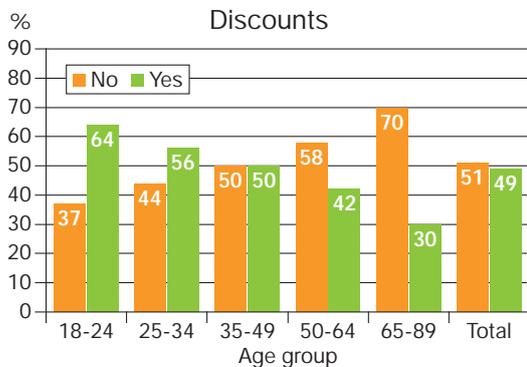
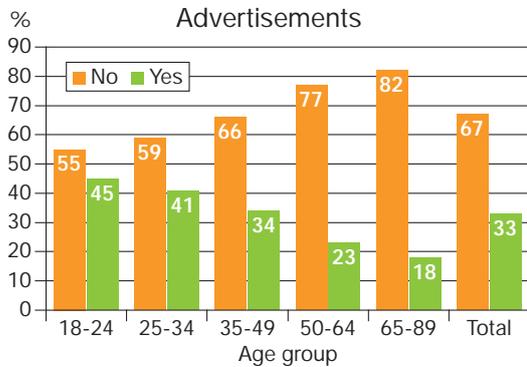
The information collected typically includes the pages a user has visited or the searches he has made, which will affect which advertisements show up for that person. It can be used on its own or along with other targeting methods such as geography, demographics or the surrounding content.

However, while this technique can help site owners and advertisers display content more relevant to a user's interests, many Internet users and advocacy groups are concerned about privacy issues. About two out of three Americans object to advertisers' tracking their behaviours online, according to an October 2009 report from the University of Pennsylvania and the Berkeley Center for Law and Technology. The number is even higher when users learn the methods marketers use to follow their online movements.

Among the 1,000 interviewed adult online users, 66 percent said they are averse to tailored ads. When informed they were tracked on the site, another 7 percent said it was "not OK." An additional 18 percent of the original 66 percent said so when they were tracked via

## Most Americans Opposed to Tailored Ads

Q: Do you want Web sites you visit to show you ads, discounts or news tailored to your interests?



Source: Annenberg-Berkeley Report © WAN-IFRA 2009

other Web sites, and an additional 20 percent said so about being tracked offline.

In terms of customised discounts and news, 49 percent of respondents said tailored discounts were OK, while 42 percent said the same for customised news.

Advertisers often use teenagers' behaviours on social sites such as Facebook as evidence they do not mind sharing information to marketers. However, 55 percent of those between ages 18 and 24 objected to tailored advertising.

The survey also covers topics on laws regarding tracking. For example, 69 percent of

those surveyed said there should be a law providing people with the right to know what information a Web site had about them. Most respondents (92 percent) also favoured a hypothetical law that would require Web sites and advertisers to delete information about an individual upon request.

"I don't think that behavioral targeting is something that we should eliminate, but I do think that we're at a cusp of a new era, and the kinds of information that companies share and have today is nothing like we'll see 10 years from now," said Joseph Turow, lead author of the study. "I'd love to see a regime in which people feel they have control over the data that marketers collect about them. The most important thing is to bring the public into the picture, which is not going on right now."

### BEHAVIOURAL TARGETING AT THE YAHOO! CONSORTIUM

*"Geo-targeting and behavioural targeting are key to making it work at desirable CPMs,"*

Ken Doctor, newspaper industry pundit and lead news analyst at Outsell, in regards to Yahoo!'s relationships with paper publishers.

The Yahoo! Newspaper Consortium is comprised of 30 companies that represent more than 800 local papers. Together, they make up almost 32 percent of all U.S. daily circulation and 41 percent of all U.S. Sunday circulation. With the Yahoo! partnership, members are able to offer local advertisers new chances to reach audiences online and enable Web readers to access local information.

In early 2008, Yahoo! started testing behavioural and geo-targeting across its newspaper publisher network sites.

The Yahoo! Consortium members are able to sell ads using this technique only on their own sites or throughout Yahoo! properties, "based on 350 standard Yahoo! audience segments, as well as customised behavioural segments," said Lem Lloyd, vice president of the consortium. "They could also create one of their own and it might be very local."

Early In June 2007, Yahoo! announced it would combine its separate display and search advertising departments into one operation, which facilitate advertisers to integrate search and display campaigns and focus the buying process more around customers, instead of products.

Due to the large gap it has in search compared to Google, Yahoo! is not interested in large networks like AOL's Advertising.com and Valueclick, but is instead interested in ad management platforms like DoubleClick's DART, according to ClickZ.

"Google is a search engine, but we have search content, with 545 million users worldwide. We categorise people in buckets when we target. Yahoo! is No. 1 in e-mail, entertainment news, Web hosting, home page, games, finance, news," Lloyd said.

The Web-based Yahoo! ad management platform, called ATP, "simplifies the process for advertisers when buying targeted, guaranteed and non-guaranteed advertising inventory across Yahoo!'s owned and operated network, partner sites and other advertising networks," Yahoo! President Sue Decker stated on the company's blog.

The platform was used first for display advertising, but will eventually allow advertisers to plan, preview and submit single orders targeted across the network of publisher partners.

"We target our users based on the demographics and their behaviours," Lloyd said in response to questions raised about privacy issues. "We look at their behaviours online, purchasing lifestyles and other categories. We put info in buckets, based on behaviour, recency and relevancy. The methodology is gathering what they [are] typing into the search bar and what they are clicking on. We do not include e-mail or IM conversations. This is done anonymously, identified only by IP address."

"Behavioural CPMs far surpass remnant CPMs of less than [US]\$1. The average CPM for automotive, for example, is \$19.82, guaranteed," Lloyd told a group of World Association of Newspapers study tour participants in Yahoo!'s headquarters in April 2009.

Newspapers choose to work with Yahoo! on this technology because they couldn't build such robust technology to serve ads and also

achieve behavioural targeting, he said. "We have 600 engineers building the software. Newspapers typically have fewer than five building software."

In terms of revenue, Lloyd said he expects behavioural targeting to generate \$400 million in over the next few years, and this number could reach \$800 million to \$900 million.

According to Michael Silver, executive director of The Newspaper Consortium, Yahoo! is an extension of what consortium members are doing on their own sites to offer broader reach to advertisers.

"Most of our members sell campaigns that integrate both their own sites and Yahoo! – with Yahoo! currently getting more behavioural targeting because it reaches more people and not all of our papers have deployed [Yahoo!'s] APT ad platform for ad serving," Silver stated in an e-mail to SFN.

"Compared to other non-targeted ads, behavioural targeting secures higher rates," he said. "Members on the APT platform have access to Yahoo! behavioural targeting data to serve behavioural targeting on our own sites, because Yahoo! reaches more users, which means better data."

The reasons newspapers are placing more behavioural targeting on Yahoo! than on their own sites are two-fold, Silver said. First, Yahoo! has more inventory than newspaper sites. Second, the ability to serve behavioural targeting ads on newspaper sites has not yet rolled out to all newspaper members of the Consortium.

"When it does (in 2010), we will see an increase in behavioural targeting ads on newspaper sites," he said.

### **Digital Inkjet Printing: Enabling Hyper-targeted Printing**

In addition to printing targeted and hyper-targeted newspapers, digital printing opens up the door to a print outsourcing business and new kinds of targeted printing businesses. There are five categories for growth in digital inkjet printing, which can be developed for days when the digital inkjet printer is idle:

- International titles to be distributed in and around the country and targeted to pleasure and business travelers

- Short run or ethnic minority titles distributed nationally
- Special editions with repurposing of content and personalisation, such as the Washington Times week-in-review experiment run by Océ (discussed later in this chapter)
- Personalisation or micro-zoning, such as the Océ's Niiu project in Berlin and the Washington Times' week-in-review experiment in this chapter; and TribLocal and NaseAdressa (Chapter 4)
- Advertising flyers and inserts

### NEWSPAPERS PRINTED OFFSHORE WITH DIGITAL INKJET PRINTERS

The most popular use for digital inkjet printing in newspapers today is printing international newspaper titles for distribution to business and pleasure travelers.

Among the companies that are using digital inkjet printers to publish international editions offshore include:

- Spain's Imcodavila
- The United Kingdom's Newsworld in the United States and Dubai
- Italy's Rotomail
- Océ Digital Newspaper Network worldwide

### Océ AND IMCODAVILA

"Digital inkjet printing is a real business, you have to build it over time," said Josef Simmerl, executive director of the General Commercial Printer Business Group/Graphic Arts at Océ, outside of Munich. In an interview with SFN, Simmerl said that in addition to press runs for international titles, the company fills day shifts with book printing and other commercial printing.

"That has been our experience; the model works, if you have an additional workload during the day," he said. "We see this market expanding, absolutely. This is changing into a



Océ digital inkjet press

whole new game" We started in the digital inkjet printing businesses in 2001, and as time goes on, the presses are becoming faster, with better colour and more competitive pricewise, he said.

Océ launched the "Digital Newspaper Network," a portfolio of international titles distributed the world over, when digital printers only printed in black and white. Now DNN distributes these papers, including the Guardian, The Irish Times, the Sydney Morning Herald and The New York Times, in full colour, according to Duncan Newton, manager of client development for production and printing systems for Océ North America. "We like the offshores [newspapers] because we can fill up schedules for printers, and fill time differentials. Print runs are relatively low and cover prices are high."

Offshore newspapers are popular with tourists and expatriates. More than 11 percent of Spain's residents are foreigners, and tourists book 60 million room nights in Spain each year.

Imcodavila prints and Press Terra distributes multiple Spanish- and English-language titles throughout Spain. Each of the following newspapers distribute 5,000 copies or fewer per day in Spain. Among the Latin American titles available are El Mercurio from Chile, El Colombiano from Columbia, Diario Hoy from Ecuador, La Jornada from Mexico and El Comercio and El Correo from Peru.

In Portugal and Spain, Press Terra also distributes Tages Anzeiger from Switzerland, NRC.next from the Netherlands, The New York Post and El Nuevo Herald from the United States, Romania Libera from Romania, 24 Chasa and Trud from Bulgaria, and Dagens Nyheter and Goteborgs Posten from Sweden. In Portugal, Press Terra also distributes L'Equipe from France and de Volkskrant from the Netherlands.

Océ's JetStream 2200 model printed the first digital newspaper installation ever in Spain at Imcodavila. The company prints titles such as La Vanguardia on offset presses. The digital inkjet printing job, however, was for the series of short-run international titles to serve the expatriate and international business and pleasure travellers. The JetStream 2200 has a tabloid maximum width of 21.4 inches, or 54 centimetres.

Now Océ sells the JetStream2800, which

features a maximum width of 30 inches, the widest available for digital inkjet newspaper printers to date.

Since printing international titles in Spain, the JetStream has also printed a number of experimental titles including highly personalised and tailored titles, all inspired and enabled by the sophisticated digital inkjet printing technology. In Berlin, the intensely tailored newspaper Niiu, [www.niiu.de](http://www.niiu.de), will launch in October 2009. The concept is to offer subscribers the ability to pick and choose pages from newspapers from around the world and have the tailored newspaper delivered to their doors. In Washington, D.C., the Washington Times offered subscribers a tailored week in review product, based on their preferences.

### SCREEN AND NEWSWORLD

Screen, based in Japan and Europe, is the most prolific seller of digital inkjet machines, having sold more than 200 machines since the early 2000s. A recent installation is in suburban New York City, where a Screen press prints 500 copies of London's the Daily Mail for British tourists and business people visiting New York. Screen's partner, Newsworld, prints the Daily Mail on a Screen Truepress Jet520 at AlphaGraphics in New Jersey.

Last year, Atlas Media in Dubai signed a deal with Newsworld to print U.S. and European titles in the United Arab Emirates, with the printer making 500 to 2,000 copies each of the yet undisclosed titles.

"Moving forward, inkjet can be gradually used to replace to litho, but digital inkjet is still relatively expensive," said Tim Taylor, director of digital printing for Screen Europe, based in Amsterdam. "That will not change overnight, but in the next two to four years. The costs are ink and the machine itself. The machine itself isn't expensive, but it is compared to how much you can produce in your production window in eight to 10 hours."

### ROTOMAIL (KODAK)

Rotomail, a commercial printer located outside of Milan, uses Kodak's Versamark VL4200 to print 3,500 copies of USA Today each weekday. The printing is done in just over an hour. The papers are distributed to kiosks and hotels in major tourist areas and airports around Italy.

The volume that is printed has grown from just 500 copies at the end of 2008 to more than 3,000 copies during the summer of 2009. PDF files of the reduced version of the broadsheet are sent to Rotomail and can be printed upon receipt.

## Personalisation: The future?

### NIIU, BERLIN, GERMANY

Inspired and enabled by sophisticated digital inkjet printing technology, a personalised newspaper called niiu has been in development since 2007 in Berlin, Germany, and will be officially launched in November 16, 2009.

The concept is to offer subscribers the ability to pick and choose pages from newspapers from a variety of German titles, plus foreign titles, such as The New York Times and International Herald Tribune. For example, a prospective subscriber would take an online inventory of her preferences, for example, fashion from IHT, sports from Handelsblatt, politics from Tagesspiegel, commentary from Bild and news from blogs and favourite Web pages.

The home-delivered newspaper is primarily aimed at students, but is expected to pull from a wider audience. Students would pay €1.20 and non-students would pay €1.80 using PayPal, an online payment system. By comparison, Bild costs €0.60 and Tagesspiegel costs €0.95. The paper will be delivered Monday through Saturday.

The young co-founders, Wanja Oberhof, 23, and Hendrik Tiedemann, 27, hope to have 5,000 subscribers in the next six months in Berlin before expanding the delivery to Hamburg and other German cities.

The large-format tabloid will be ad supported, with the hopes of hyper-targeted advertising sales once the paper reaches a critical mass of customers. The cost to print the paper on the digital presses is about €1 for a 24-page newspaper, according to Peter Wolf, an executive with Océ.

The niiu workflow is simple:

1. The subscriber chooses pages from a variety of German and international newspapers, blogs and Web sites.
2. Once subscribed, tailored software allows personalised newspapers to be produced.



Source: niuu

3. Each individual paper is printed on a digital inkjet printer.

4. Newspapers are delivered to individual subscribers.

The workflow includes the use of sophisticated software developed by Previar in Switzerland, which includes 20 programme processes including MS.Net, Windows, QuarkXPress and Drupal OpenSource CMS. Currently 2,500 newspapers can be printed per hour on the Océ digital inkjet printer, compared to the capability to print 100,000 per hour on an offset press.

Perhaps one of the most challenging problems was to secure permissions and pricing from a variety of publishers to re-publish their pages.

“There are several different contracts,” Oberhof said. “There are variances from country to country and from publisher to publisher. It took a long time to get all of these contracts written and signed.”

During the test phase in early 2009, Oberhof reports “very positive” feedback from the audience. “I don’t want to be too positive, because the moment of truth is in [November], when the real market reaction will come.”

### THE WASHINGTON TIMES, WASHINGTON, D.C.

In Washington, D.C., the Washington Times offers subscribers a tailored week in review product, based on their preferences.

Subscribers were able to choose from the best of the Washington Times’ daily print edition, including national, international, investigative,

culture, national security, commentary and opinion content.

The daily circulation is 52,000, mostly outside the beltway area of Washington, D.C. About 3,500 Washington Times subscribers and non-subscribers were e-mailed invitations to partake in the four-week experiment by choosing single pages from the daily paper’s coverage. Sixty people completed the subscriptions process out of the 144 respondents. Each chose between 20 to 60 page papers, and 40 was standard.

Readers were able to choose most of the content, including the core product, national



security content, plus citizen journalism, international news, features, sports and more.

A template was created to display the selected content. Readers could select half page or full page text modules for the 20.25 inch-wide tabloid. Modules were the same as the daily publications for easy makeup. The content management system SaxoPress handled the pagination and ad insertion, with the assistance of a designer. PDFs of the personalised editions were prepared for output on the Océ press.

The experiment did encounter some challenges, including Web registration problems, extra labour needed for additional content processing and newsprint jamming.

The personalised newspapers were mailed first class every week for four weeks. Afterward, in June 2009, the Times surveyed the results of the experiment by polling the participants. Forty of 60 responded, including 35 percent of subscribers and 65 percent non-subscribers, with an average age of 60 years.

When test publication subscribers were asked if they would subscribe to an individualised publication of any kind in the future:

- 63 percent said it is likely or very likely
- 10 percent were neutral
- 15 percent said it is either unlikely or that they would definitely not subscribe

When asked how important story selection is:

- 80 percent said it is important or very important to select different types of stories
- 20 percent said they were neutral or that it is was unimportant to select different types of stories
- 70 percent said it was important or very important to select different amounts of stories

The majority of participants said the experiment exceeded or greatly exceeded their expectations, while 35 percent were neutral and 3 percent said it was less than expected. Of those who said they would be interested in subscribing to an individualised paper, only 5 percent said they would pay more than a regular newspaper, while 25 percent said they would pay the same. Thirty percent said they would pay less, and 40 percent said they didn't know.

In contrast, when asked if they would be interested in individualised advertising in the publication, 40 percent said they would be

likely or very likely, while 33 percent were neutral and 25 percent responded they would be not likely or definitely not interested.

While targeted advertising is important, it is not the reason to buy an individualised newspaper. When asked if newspaper advertising had been individualised, how likely would you be to subscribe, 64 percent of the respondents said they were either neutral or not likely or said "definitely not," while only 20 percent said it would be likely or very likely.

Subscribers also are not interested in an advertiser-free publication. When asked if they would pay more if the publication had no ads, 78 percent were either neutral or would likely not pay more for the publication, while 15 percent were likely or very likely to pay more.

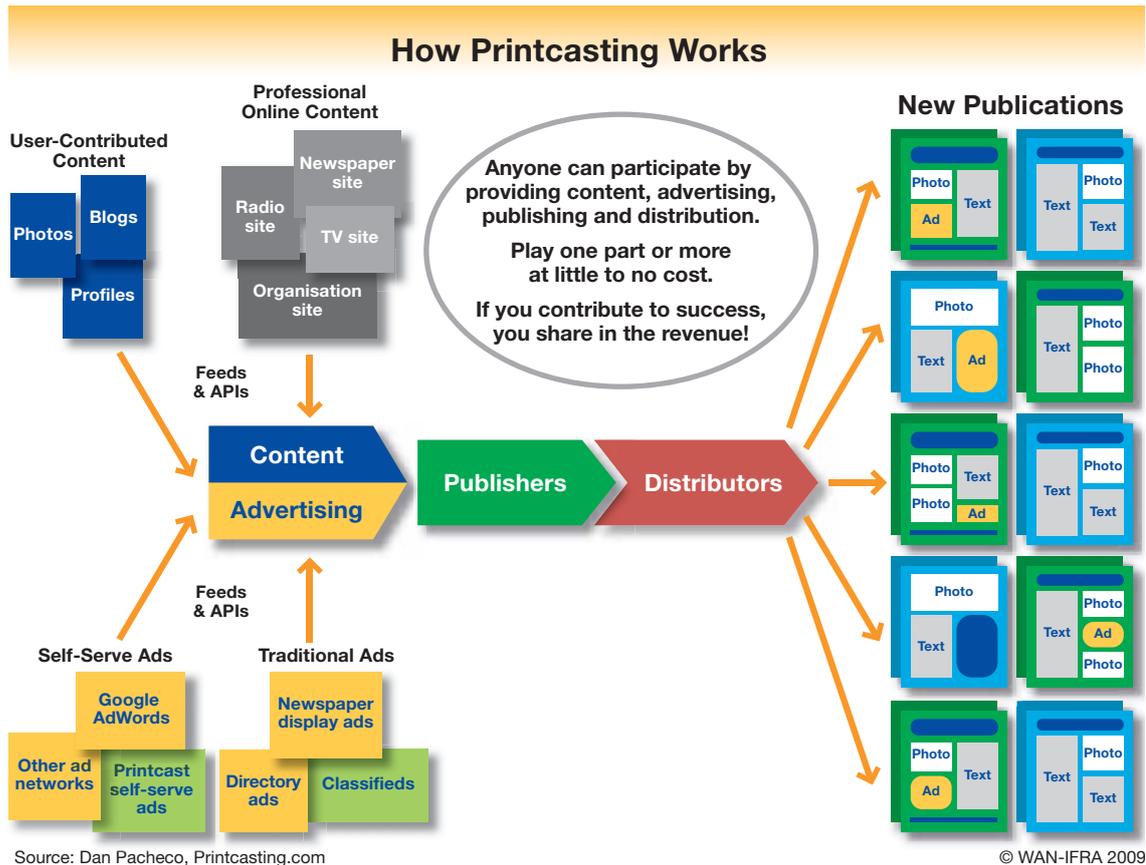
### PRINTCASTING

The Printcasting idea won almost US\$1 million from the Knight News Challenge in 2007. The project, conceived of and run by Dan Pacheco of the Bakersfield Californian, enables geographically focused city hubs. Each hub produces multiple digital or printed publications focused on hyperlocal news, and relies on citizen contributors for much of its content.

"There are two objectives for printcasting, which we call 'democratised printing.' First, let anyone create a printable magazine, with no software, design skills or content needed. Second, make print advertising easy, fun and more affordable." The Web site, [printcasting.com](http://printcasting.com), offers a variety of templates to make it easy for anyone to create publications.

Pacheco outlines four reasons why Printcasting is compelling for the local audiences and advertisers:

- **Reason No. 1: Advertising prices:** By comparison, ad rates for targeted publications can be lucrative (See Chapter 1). Monthly Web site banners are less than \$1 per thousand. A bi-weekly magazine is \$40 per thousand for a full-page ad. That's \$600 for a full page ad that reaches 15,000 people, he said. Meanwhile, CPMs for direct mail are \$400 CPM, mail order catalogs are \$250 CPM, weekly print magazines are \$18 CPM. It's affordable for advertisers, but still a business for publishers.



• **Reason No. 2: Stuff matters.** Physical things matter to locals. Local printed products people find at coffee shops, car washes, businesses and racks are picked up and read. Even audiences that we assume dislike print, such as younger readers, do pick up magazines.

• **Reason No. 3: Relevance:** perception that people are leaving print is wrong. hyper-targeted local publications are highly relevant. Also, businesses prefer print ads to Web, and prove it by a higher volume of sales.

• **Reason No. 4: Efficiency:** Highly targeted content and advertising create efficiency. Ad campaigns reach target audiences. Targeted local audiences create efficiency and reduces waste.

“Printcasting will allow individuals to easily create ad-supported, customised publications with a mix of local news and information. The software will help aggregate feeds from news organisations, bloggers or newsletters, for example, so that would-be publishers can pick and choose among them to create a niche publication. The Printcasting model then will guide users through placing articles, photos and ads onto a template that either could be delivered by e-mail or printed

at home and distributed,” Pacheco said.

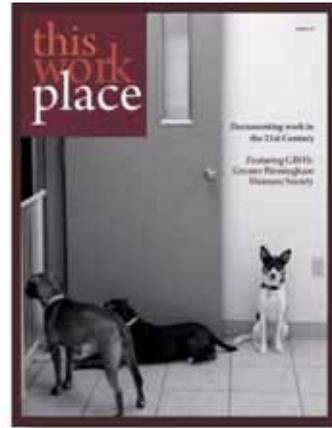
Printcasting works by processing information through RSS and advertisers, and then the magazine is published and distributed. All participants share in the revenue.

The revenue breakdown:

- 60 percent to publishers because they print, distribute and locally market magazines
- 30 percent to contributors proportionate to content use, paid out every quarter
- 10 percent to the network, printcasting.com

“In addition to ad revenue, we will have e-commerce. We will be a network of niches,” Pacheco said. “Here’s how can newspapers benefit: Publishers can use others’ content as filler for the people powered magazines, and also their own. They can monetize existing content. This is a cheaper way to create your own content. Partnerships last one year. We’ll create city hubs for cities with content. We need to market the print product. We’ve launched in Bakersfield. There have been some early adopters.”

Some early adopters include a weekly magazine for aviators, and the Kern County library, which wants to publish book reviews,



event calendars and community information. Also, the local business association is participating, which has convinced downtown businesses to blog their event calendars and pull them into printcasts that they hand out from local trolleys.

The open source technology is available for free, and is created in the Drupal programming language.

**MAGCLOUD.COM**

Compared to Printcasting, MagCloud is a similar, print-on-demand publishing scheme that has high relevance for publishers, who could conceivably create targeted magazine publications for various audiences, as well as catalogues and advertising flyers for advertising clients. Hundreds of magazines have been created since Magcloud's inception in 2007, including those illustrated.

Andrew Bolwell, business development director for the Hewlett Packard office of corporate strategy and technology, has developed Magcloud, a Web platform for printed magazine self-publishing.

“It’s a bit of a YouTube for magazines,” Bolwell said of the experiment. Magazines can be printed on demand from the Internet. Entrepreneurial magazine publishers can create content for their magazine, upload the content, publish the pages and distribute the magazines to their audiences using MagCloud.

“You can choose whether it will be public or private. If it’s public, people can buy it, paying the production costs, plus the mark-up you added to it for how much money you’d like to make. It’s a high-quality, commercially printed product,” he said.

The concept works for clubs, schools and communities, and can be targeted to niche groups with common interests. Small businesses can also use it to create catalogues or create promotional materials. The concept provides a way to test new markets and to sell niche advertisers on targeted audiences. The concept has implications for newspapers. For example, newspapers could provide a self-service glossy magazine service for short-run catalogs for niche advertisers who only want to distribute in a limited geographic zone.



## How to Publish a Magazine in a Day and a Half

### The story of the creation of *Strange Light*: Photos from the Australian Dust Storm

By Derek Powazek



**Editor's Note:** When the biggest dust storm in 70 years blew through Australia in September 2009, the photos of it were stunning. So San Francisco freelancer Derek

Powazek decided to create a photo magazine on Wednesday. It was published on MagCloud.com Thursday night.

All told, it took 31.5 hours from idea to publication. The simple process and high-quality product have implications for the newspaper business. These tools can be given to both readers and journalists to tell stories in powerful new ways. These are Powazek's steps to creating a news magazine in 31.5 hours.

#### Step 1: Pick a Topic

The newsy topic of the dust storms was timely. Go with what you know. Go with what you care about.

#### Step 2: Gather Content

This is the most time-consuming step. Powazek started by writing to a few friends in Sydney. Then he searched Flickr for photos and wrote to the photographers to ask for the one-time use of their photographs.

Important: Flickr photographers, especially good ones, are inundated with requests for their images. Be sure to tell the photographers where the photo would be published, and if the publication is for-profit. Also offer to send them a copy of the printed magazine if their work was selected. Ask for their name, a short biography and URL, and how much you will pay, if anything.

Another option would be to seek out Creative Commons licensed photos. Powazek sent 74 invitations.

#### Step 3: Wait for Permission

It took a few hours to receive 124 submissions from 55 photographers.

Only one person politely declined. No one was angry or offended that he had asked. Step 4: Design the Magazine

Powazek used InDesign to create the 40-page magazine. MagCloud also has design templates if the designer does not have InDesign or Quark or another layout programme. He included 54 photos by 34 people in the final design.

#### Step 5: Break the News and Proof

Inform contributors about which photos were used or not. Powazek thanks all of the contributors and apologizes to those photographers whose work was not used. He made a PDF screen resolution document and sent images to each of the accepted photographers. He asked them to proof the photo, caption and biographies.

#### Step 6: Publish!

Once the design is done and the proof is approved, Powazek created a PDF of the InDesign file, and uploaded it to MagCloud. The issue was then published on MagCloud digitally, and printed according to Powazek's specifications.

#### Step 7: Followthrough

Once the issue is published on MagCloud, it's time to promote the issue. Powazek used MagCloud's existing promotional tools, and also emailed friends, and posted on Twitter, Facebook and his own Web sites, including [www.Powazek.com](http://www.Powazek.com).

*Derek Powazek is a consultant for Hewlett Packard's MagCloud.com. He publishes blogs online, including [Fray.com](http://Fray.com) and [Powazek.com](http://Powazek.com). The September 2009 article was reprinted with permission.*

# Conclusion

In the future, not all newspapers will be targeted to small, niche audiences. General purpose, general audience newspapers will continue to thrive for years to come. However, adding targeted products to a newspaper's portfolio can only strengthen the all-important market penetration and revenue potential for newspaper companies. The combined general purpose newspaper plus a variety of niche print and digital publications is a Long Tail strategy that will serve newspapers well for the foreseeable future.

As the newspaper industry moves into the future, the revenue streams that targeted audiences bring will be increasingly necessary, with an added benefit of forging a tighter bond with the community. The publishers of targeted publications interviewed for this volume espouse a common theme, that is, the targeted products allow journalists, editors and publishers to create emotional ties to the community that perhaps had been lost over the years with general purpose newspapers. For example:

- Journalists and editors of Brazil's sports newspaper Lance! are just as passionate and knowledgeable as their readers about the

football teams they cover, and reflect that in the stories and interactivity of their newspapers and Web site. The publisher of Lance! credits this connection with their continuing growth of the newspaper and Web site audiences.

- Journalists, editors and the publisher of Sweden's Familjeliv.se (Family Life) are in touch with their readers' devotion to parenting, and their emotional engagement about pregnancy, child rearing, loss and love. These connections are leveraged in improving both content and advertising opportunities for the site. The editor-in-chief of Familjeliv says the deep connections between readers and staff is the reason they reach the majority of parents and pregnant mothers in Sweden.

- Reporters of America's Hispanic newspapers are Hispanics themselves and living in the neighbourhoods where the target audience lives. This ensures they can understand and reflect the newspapers' "champion of the people" mantras in their stories. The executive editor of ImpreMedia, the largest Hispanic chain of newspapers in America, credits that engagement with their continued success.

“We believe we know our audience really well. We have never had the disconnect between the journalists and our audience as other media has,” Alberto Vourvoulias, executive editor of ImpreMedia’s newspapers, said in Chapter 2. “I think it is critical to know your audience these days. One thing that makes our newspapers successful is that they are newspapers with individual voices, they have their own flavour, their own viewpoint, their own history. Our audience is close to us. We are living along with them.”

In Chapter 1, the SMART Publishing Model (Segmented consumer databases, Market-driven product development, Audience focused content, Relevant platform decisions, Targeted delivery), shows how newspapers can break away from using the general news model only, and can use consumer database segmentation technology to create new products, and optimise advertising and circulation campaigns.

“We provide information for study discussions for advertising, circulation, newsroom and strategic planning,” said Darrell Kunken, market analysis manager for the Sacramento Bee, in Chapter 1. “We know how important it is to know your customer. We are focused on customer as a reader and an advertiser.”

One large targeted group, found in every country and on every continent, is ethnic media. Publications serving these groups, such as Hispanics in the United States or Tamils in Singapore, are likely to become integral parts of the communities they serve.

In many cases, ethnic media publications become lifelines to the communities they serve. Tamil Murasu, a Tamil-language newspaper published by Singapore Press Holdings in Singapore, is focused on giving readers the news that matters to them most, such as a mix of news on the Indian community in Singapore, information on developments in South Asia, and Bollywood news, as well as special supplements for Tamil-language students reading the newspaper for their studies.

Readers’ dedication to the newspaper is clear, as weekday readership averages 31,000 and Sunday readership is up to 51,000. Eighty-seven percent of these readers spend time at home with the paper during the week, and 96 percent do so on Sundays.

Another important lesson can be learned from publications targeting children. At Zero Hora

in Brazil, for example, coverage was added that would interest younger readers, especially women.

“Children can do more than just look at the pictures, or at one or two stories,” Marcelo Rech, editor of Zero Hora, said in Chapter 3. “We are trying to get their attention in a way that makes the newspaper a daily habit for the rest of their lives.”

Meanwhile, outside of ethnic or interest groups, local and hyperlocal products are currently one of the greatest investment opportunities for newspapers. Local print and online advertising is continuing to grow, and are opportunities for both large and small newspapers.

In the Czech Republic for example, NaseAdresa is launching a café in each district, in order to foster community spirit and create a gathering place for local readers, who are invited to talk to journalists.

“[Journalists] are responsible for meeting people in news cafés and talking to them. Sometimes it is hard to finish your article and somebody arrives to discuss their problem... the reporters are not only journalists but they are local promoters,” Editor-in-Chief Petr Sabata said in Chapter 4.

Hypertargeting, the practice of targeting editorial and advertising content to a very small group or individual level, is another trend that is showing promise in Europe and North America. Being able to target down to the individual has been helped by technology, especially digital inkjet printing which makes it easier to print personalised, short run or very targeted publications.

“Absolutely we see this market expanding, having started in newspaper business in 2001, we see now with the new colour inkjet presses and higher productivity and competitive costs and quality is good. This is changing into a whole new game,” Josef Simmerl, executive director for the Digital and General Commercial Printer Business Group Graphic Arts at Océ, outside of Munich, said in Chapter 5.

From ethnic publishing and hypertargeting to special interest and hyperlocal, targeting can be tailored to fit the needs of both the publication and the audience. Newspapers around the world are achieving greater market penetration and advertising revenues through targeted publishing both in print and online.

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Shaping  
the Future  
of the Newspaper

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