

## Newspapers inch forward on audience orientation

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### Executive Summary

The Readership Institute has tracked newspapers' reader orientation since the landmark [Impact Study](#) in 2000. We describe [Reader Orientation](#) as “the degree to which newspapers are focused on meeting the needs of their reading customers.”

Our [previous studies](#) have shown that newspapers' Reader Orientation – as well as increases in it – is [positively correlated](#) with readership as measured by Reader Behavior Scores ([RBS](#)).

The most recent results show newspapers have made slight gains since the 2006 study in responding to their audience. The study, based on self-reported data collected from publishers in late 2007 and early 2008, measured four key aspects of audience-centricity:

- **Learn:** Put more focus on gathering information about the market and audience;
- **Share:** Spread the information around the newspaper so that awareness is heightened and more minds brought to bear on the issues;
- **Plan:** Collaborate on plans to respond to changes and opportunities in the market;
- **Implement:** Execute the plans in a timely manner.

Small gains were made in the latter three areas, with no change in the Learn component – the stage from which all others build, and the perennially lowest rated component of Audience Orientation. The greatest increase was in the Share component.

Despite these gains, newspapers say they are far from what they themselves consider to be ideal. And while most newspapers became more audience-oriented since the 2006 study, others reported they became less so.

You will note that we have re-characterized this study as “Audience Orientation” (rather than “Reader Orientation”) to better reflect the broadening ways newspapers reach their customers. The change is semantic; the essential concept behind the study continues to be an organizational focus on the needs of people who consume news and information.

We also found that Audience Orientation correlates with some more innovative ways newspaper executives are re-defining the industry – executives who rate their organizations as more highly audience-oriented also tend to see the nature of the business as being in non-traditional territory (i.e., that newspapers are in the business of audience aggregation, content aggregation, and connecting audiences to one another).

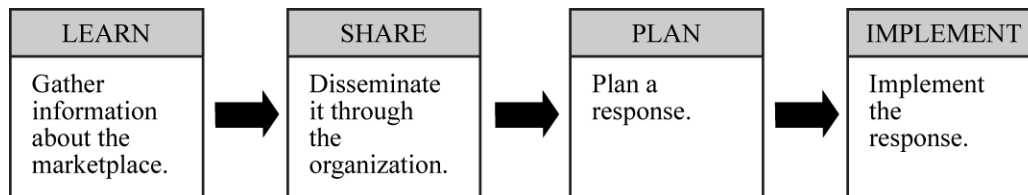
In addition, newspaper executives feel less strongly that the industry as a whole is on the right track and more strongly that their own organizations are pursuing the right direction, compared with the [2006 study](#).

The self-assessment tool used by the Readership Institute at Impact newspapers in 2000, 2003, 2006 and 2008 can be used by individual newspapers to assess progress. It is available on the RI site [here](#).

## Background

The survey assesses the degree to which newspaper executives say they focus on and respond to their audiences. Respondents were asked to indicate the strength of their agreement or disagreement with 24 statements that relate to different aspects of Audience Orientation.

The survey is based on a well-tested, sequential model of how organizations learn about and react to market changes:



Newspapers scoring highly on Learn would strongly agree with such statements as: “Our organization regularly measures how well we are serving our audience” and strongly disagree with: “Reader or user complaints fall on deaf ears at this organization.”

Newspapers scoring highly on Share would strongly agree with statements such as: “Several departments get together periodically to plan a response to changes taking place in our business environment” and “In our organization, marketing personnel spend time discussing readers’ or users’ future needs with different functional departments.”

Newspapers scoring highly on Plan would strongly agree with such statements as: “Business strategies are driven by the goal of increasing the value of our print and online products to our audience” and “principles of reader segmentation drive new developments efforts in our organization.”

Newspapers scoring highly on Implement would strongly agree with: “When we find that readers or users would like us to modify the paper or the Web site, the departments involved make concerted efforts to do so” and strongly disagree with: “Even if our newspaper came up with a great plan to build audience, we probably would not be able to implement it in a timely fashion.”

An organization that is audience-oriented would successfully integrate all four aspects.

For the 2000 and 2003 study, the Readership Institute sent the survey to seven executives at each of the 100 Impact papers: the publisher; the heads of circulation, marketing, advertising and editorial; and two additional editorial people. Respondents were equally balanced between the editorial and business sides. In 2006 and 2008, each publisher was asked to designate a single respondent for the paper. In 2006 the respondents were mostly from the editorial side and in 2008 the respondents were mostly publishers. Sixty-five of the 100 newspapers responded to the 2008 survey.

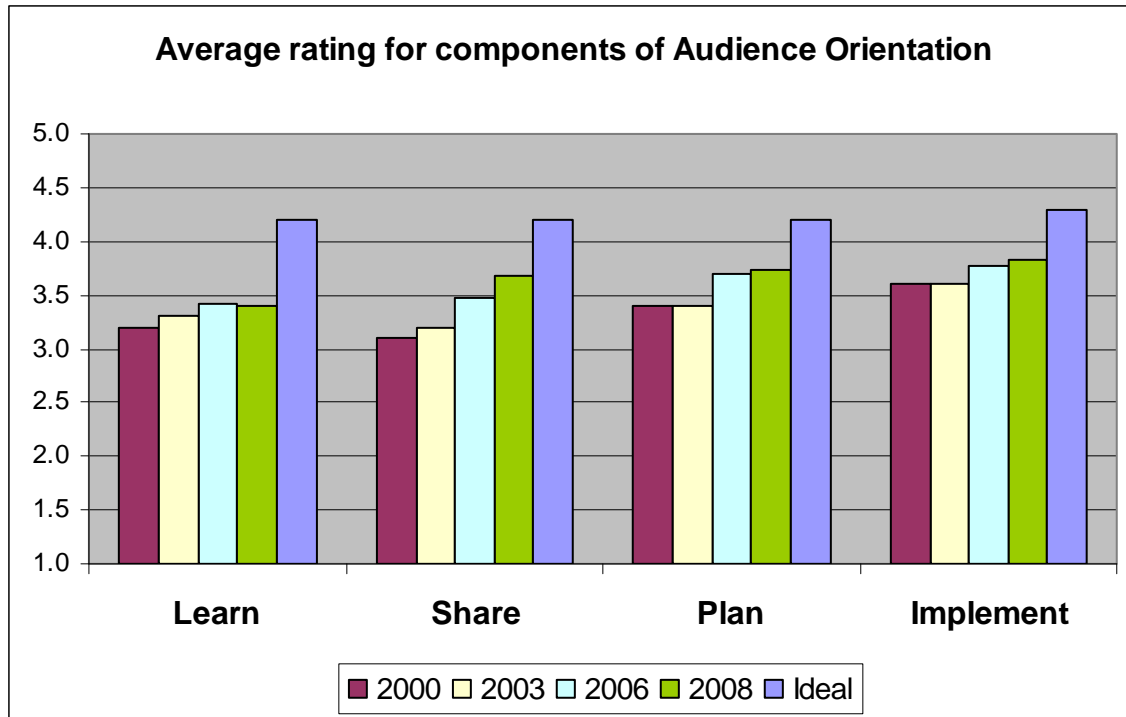
### **General Findings**

While newspapers as a group made measurable progress in becoming more audience-oriented, they still have a way to go to reach what they consider an ideal level.

On the whole, Audience Orientation has been rising consistently – but incrementally – since 2000. The average of the 24 items for all newspapers increased from 2000 to 2008. This is steady improvement, but still below the 4.2 score newspapers said would be ideal when asked in 2000.

<b>Study year</b>	<b>Reader / Audience Orientation (1-5 scale)</b>
2000	3.3
2003	3.4
2006	3.6
2008	3.7

Over the course of the four studies, all four components of Audience Orientation have also modestly increased, with the Share component showing the largest improvement. The Learn and Implement components show the least gain.



### High ratings

Newspaper executives rated their organizations most highly on the following elements of Audience Orientation:

- Not letting reader or user complaints fall on deaf ears (4.20);
- Having business strategies that seek to increase the value of the product (4.11);
- Not letting internal politics drive the organization more than audience needs (4.09);
- Enabling departments to get together and plan responses to changes in the business environment (4.05);
- Having top management that believes that serving the audience is the most important thing the organization does (4.00).

Executives believed they made the most progress on:

- Having business strategies that seek to increase the value of the product (change = +.37 on scale of 1-5);
- Enabling departments to get together to plan responses to changes in the business environment. (change = + .32 );
- Having periodical reviews of the effects of changes in the business environment on the audience (change = + .26).

## Low Points

The Audience Orientation items showing the lowest rating in 2008 were:

- The audience's interests always coming first, ahead of profitability (2.69);
- Disseminating data on audience satisfaction at all levels on a regular basis (3.20);
- Business plans being driven by market research (3.22);
- Regular measurement of how well the audience is served (3.29)

And newspapers exhibit the least progress on these questions:

- Regularly measuring how well the audience is served (change= -.28 on 1-5 scale);
- The audience's interests always coming first, ahead of profitability (change= -.25);
- Having periodical reviews of the effects of changes in the business environment on the audience (change= -.14).

## Audience Orientation by Circulation Level

Audience Orientation in 2008 showed no statistically significant differences by the print newspapers' circulation level. The papers with a circulation of 50,000 to 99,999 showed a higher level of overall Audience Orientation, while those with a circulation under 25,000 had the lowest level.

<b>Circulation Level</b>	<b>N</b>	<b>Overall Audience Orientation</b>	<b>Learn</b>	<b>Share</b>	<b>Plan</b>	<b>Implement</b>
<b>less than 24,999</b>	24	3.53	3.35	3.54	3.52	3.69
<b>25,000-49,999</b>	20	3.68	3.28	3.67	3.79	3.97
<b>50,000-99,999</b>	10	3.81	3.60	3.78	3.96	3.90
<b>100,000 or more</b>	11	3.77	3.48	3.89	3.86	3.85
<b>Total</b>	<b>65</b>	<b>3.66</b>	<b>3.39</b>	<b>3.68</b>	<b>3.73</b>	<b>3.84</b>

## Correlation between Audience Orientation and other perspectives

We asked executives to characterize the kind of business their organization is in. We provided eight options and asked for level of agreement/disagreement with each.

Executives agreed with all eight goals to some extent, indicating that they see value in them all. However, as the table below shows, newspaper executives see themselves primarily as providers of local information and news, and as connecting audiences with advertisers.

They are less likely to see themselves as aggregators – of either audiences or content, and even less likely to define themselves as an online business, a print publisher, or as connecting audience members to one another.



\*Average agreement on a scale of 1 to 5, with 1 being “strongly disagree” and 5 being “strongly agree”

Interestingly, we find that Audience Orientation has a modest correlation with some of the goals that executives did *not* rate highly: Audience aggregation, content aggregation, and connecting audiences to one another.

In other words, Audience Orientation (as well as three of the components, excluding Learn) correlates with some more innovative ways newspaper executives are re-defining the industry – executives who rate their organizations as more highly audience-oriented also tend to see the nature of the business as being in non-traditional territory.

Note that we cannot speak to causation, only correlation. The more prevailing perceptions that the newspaper industry is about local information, connecting audiences and advertisers, or being in the news, print publishing, or even online business, were not correlated with Audience Orientation (except for the perception that they are in the online business, which correlated negatively with the Learn component of Audience Orientation).

## Correlation between perceived business and Audience Orientation

My organization is in...								
Audience Orientation components	the business of printing newspapers	the online business	the news business	the local information business	the content aggregation business	the audience aggregation business	the business of connecting audiences and advertisers	the business of connecting audience members with one another
Learn	-.240	-.266(*)	-.159	-.146	-.050	.077	-.160	.073
Share	-.126	.006	-.100	.011	.334(**)	.294(*)	-.046	.285(*)
Plan	-.144	-.017	-.237	.123	.245(*)	.339(**)	-.072	.228
Implement	-.124	-.041	-.136	.129	.428(**)	.267(*)	-.033	.353(**)
Overall score	-.188	-.089	-.189	.038	.289(*)	.298(*)	-.091	.283(*)

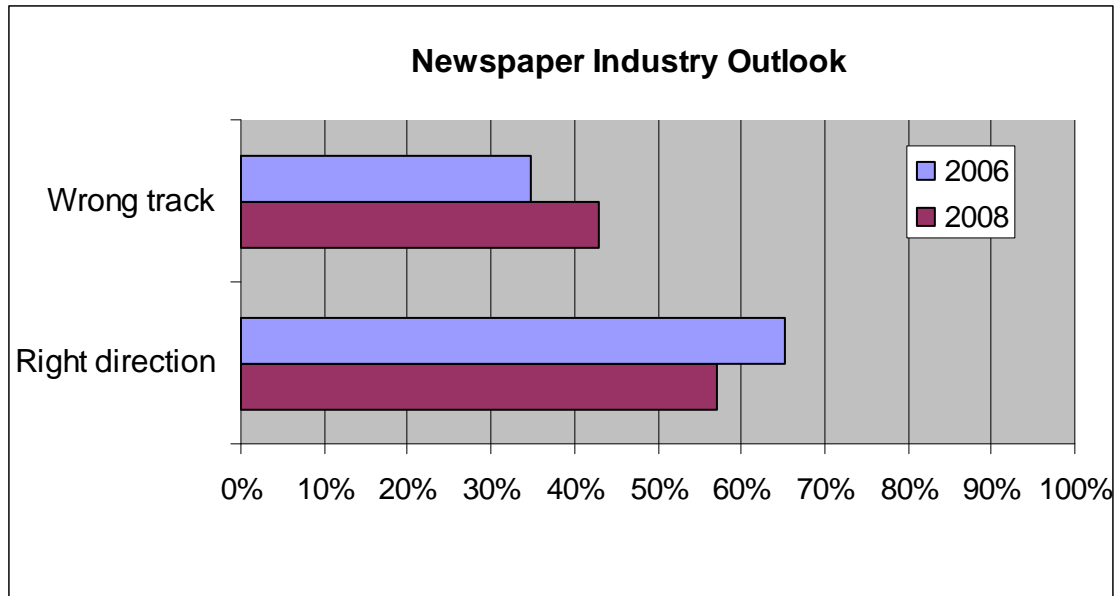
n=65; Cell values represent Pearson r coefficients

\* = significant at p<.05 level (two-tailed), \*\* = significant at p<.01 level (two-tailed)

In 2006 and 2008, we also asked newspaper executives about their perspectives on the newspaper industry and about their newspaper in particular. Specifically, we asked two questions:

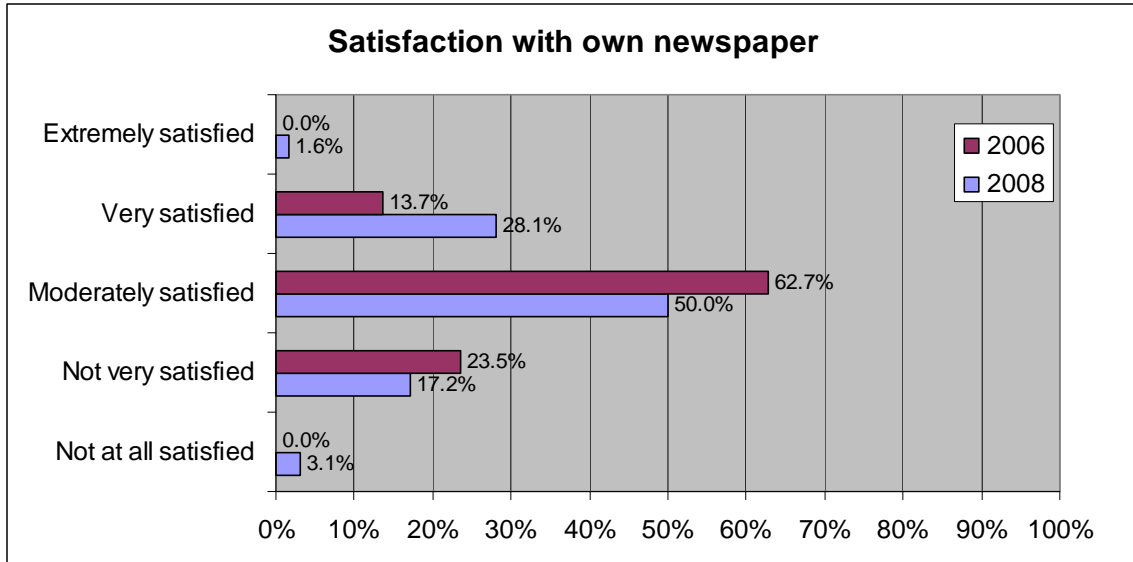
1. “Thinking about the newspaper industry in your country today, do you think it is generally going in the right direction or do you feel things are seriously off on the wrong track?”
2. “All in all, are you satisfied or dissatisfied with the way things are going for your newspaper today?”

A majority of newspaper executives say they think the industry is on the right track. However, that majority has shrunk from 65% in 2006 to 57% in 2008.



We find no correlation between an executives' perception about the industry's outlook and how they rated their organizations' Audience Orientation. Only one Audience Orientation component, Learn, shows a statistically significant correlation with this question (in the 2008 study) – those who think the industry is on the right track score higher for this component (3.49 on a 1-5 scale) compared with those who think the industry is on the wrong track (3.22).

In terms of satisfaction with their own newspaper, executives in 2008 are overall more satisfied than dissatisfied: About 30% say they are “very” or “extremely” satisfied, compared with only about 14% who said the same in 2006. Much of this increase comes from the fact that fewer executives said they are only “moderately satisfied” (about 63% compared with 50% in 2006). Only about 20% say they are “very” or “extremely” dissatisfied, compared with about 24% who said the same in the previous study.



In 2008, we see a correlation between how satisfied executives are with their own newspaper and Audience Orientation – the more satisfied executives are, the higher their Audience Orientation score is. The correlation is stronger in 2008 than in 2006.

Note, again, that this is a correlation, and we have no evidence of a causal relationship (whether Audience Orientation leads to more satisfaction with the paper, or vice versa).

In terms of particular components, three of the four components (excluding Plan) are significantly correlated with satisfaction, while only one component (Learn) is correlated in 2006:

### Correlation between satisfaction with own newspaper and Audience Orientation

Audience Orientation components	2006	2008
Learn	.361**	.491**
Share		.349**
Plan		
Implement		.358**
<b>Audience Orientation</b>	<b>.283**</b>	<b>.414**</b>

n=65; Cell values represent Pearson r coefficients

\* = significant at p<.05 level (two-tailed), \*\* = significant at p<.01 level (two-tailed)

## Methodology

In the survey, respondents were asked to rate their agreement or disagreement with 24 statements related to Audience Orientation. The introduction to the question read:

“The following list of statements is related to the relationship between your organization and its audience in print and online. Please indicate how much you agree each statement describes your organization on a scale of 1-5, where 1=strongly disagree and 5=strongly agree.”

Since some statements were phrased positively and some negatively, for purposes of analysis the ratings for negative statements were reversed so that positive and negative answers are equivalent. Therefore, a score of 5 on the 1 to 5 scale reflects either the strong agreement with a positive statement or strong disagreement with a negative statement. In the following table the reversed statements are marked with the letter “R” in the left most column.

The following table shows the 24 Audience Orientation questions and their average response for the four study years (2000, 2003, 2006 and 2008). The items are sorted based on the 2008 averages, with the most pro-audience orientation questions listed first.

	Statements	2000	2003	2006	2008
R	Reader or user complaints fall on deaf ears at this organization.	4.18	4.23	4.22	4.20
	Business strategies are driven by the goal of increasing the value of our print and online products to our audience.	3.27	3.45	3.74	4.11
R	Internal politics drive the products we sell more than audience needs.	3.90	3.77	4.02	4.09
	Several departments get together periodically to plan a response to changes taking place in our business environment.	3.25	3.52	3.73	4.05
	According to top management, serving our audience is the most important thing our organization does.	3.80	3.71	3.84	4.00
R	Even if our organization came up with a great plan to build audience, we probably would not be able to implement it in a timely fashion.	3.70	3.69	3.73	3.97
R	There is minimal communication between different departments concerning audience trends and developments.	3.13	3.20	3.71	3.95
	I believe this organization exists primarily to serve its audience.	3.60	3.69	3.92	3.84
	When we find that readers or users would like us to modify the paper or the Web site, the departments involved make concerted efforts to do so.	3.32	3.46	3.74	3.83
	The business objectives of our organization are driven by reader or user satisfaction.	3.12	3.26	3.49	3.73
	We periodically review the likely effect of changes in our business environment (technology, competition) on our audience.	3.07	3.19	3.47	3.73
	Our top managers are in close personal touch with the average member of the community.	3.38	3.36	3.54	3.72
	We periodically review our product development efforts to ensure that they are in line with what readers or users want.	3.40	3.44	3.84	3.70
R	For one reason or another, we tend to ignore changes in our readers' or users' product or service needs.	3.61	3.60	3.80	3.70
	When we find out that readers or users are unhappy with our products, we take corrective action immediately.	3.27	3.40	3.71	3.68
	Principles of audience segmentation drive new development efforts in our organization.	3.11	3.25	3.52	3.61
R	We are slow to detect fundamental shifts in our market (competition, technology, etc.).	3.32	3.45	3.57	3.48
R	We are slow to detect changes in our readers' or users' preferences.	3.15	3.19	3.12	3.35
	Our organization is quick to respond to significant changes in our competitors' product or service offerings.	3.04	3.16	3.38	3.34
	In our organization, marketing personnel (or individuals performing a similar function) spend time discussing readers' or users' future needs with different functional departments.	2.69	2.99	3.24	3.34
	Our organization regularly measures how well we are serving our audience.	3.19	3.23	3.57	3.29
	Our business plans are driven by market research.	2.96	3.07	3.26	3.22
	Data on reader or user satisfaction are disseminated at all levels of the organization on a regular basis.	2.63	2.69	3.10	3.20
	The readers' or users' interests always come first, ahead of the level of profitability.	2.98	2.95	2.94	2.69

