

Newspapers become more reader-oriented

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Executive Summary

The Readership Institute's latest tracking study on reader orientation shows newspapers have made gains over the last three years in understanding and responding to consumers. The study, based on self-reported data collected in late 2006, measured four key aspects of customer-centricity:

- **Learn:** Put more focus on gathering information about the market and consumers;
- **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.

Gains were made in all four areas, with the greatest in Share and Plan. Least progress was made in Learn – the stage from which all others build.

Despite the gains, newspapers say they are far from what they themselves consider to be an ideal level of reader orientation. And while most newspapers became more reader-oriented in the last three years, others reported they became less so.

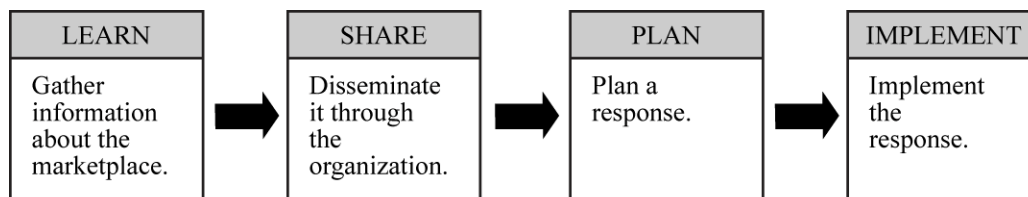
The self-assessment tool used by the Readership Institute at Impact newspapers in 2000, 2003 and 2006 can be used by individual newspapers to assess progress. It is available at www.readership.org/culture_management/reader_orientation/readertest/main.asp

Background

For the 2001 and 2003 study, the Readership Institute sent its reader orientation 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. In 2006 each publisher was asked to designate a single respondent for the paper. Previous studies' respondents were equally balanced between the editorial and business sides. In 2006 the respondents were more likely to be from the editorial side.

They were asked to indicate the strength of their agreement or disagreement with 24 statements that relate to different aspects of reader orientation. In 2006, executives from 52 newspapers responded.

The survey assesses the degree to which newspaper executives say they focus on and respond to their readers. 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 newspaper regularly measures how well we are serving readers” and strongly disagree with: “Reader complaints fall on deaf ears at this newspaper.”

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 newspaper, marketing personnel spend time discussing readers’ 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 value to readers” and “principles of reader segmentation drive new developments efforts in our newspaper.”

Newspapers scoring highly on Implement would strongly agree with: “When we find that readers would like us to modify the paper, 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 readership, we probably would not be able to implement it in a timely fashion.”

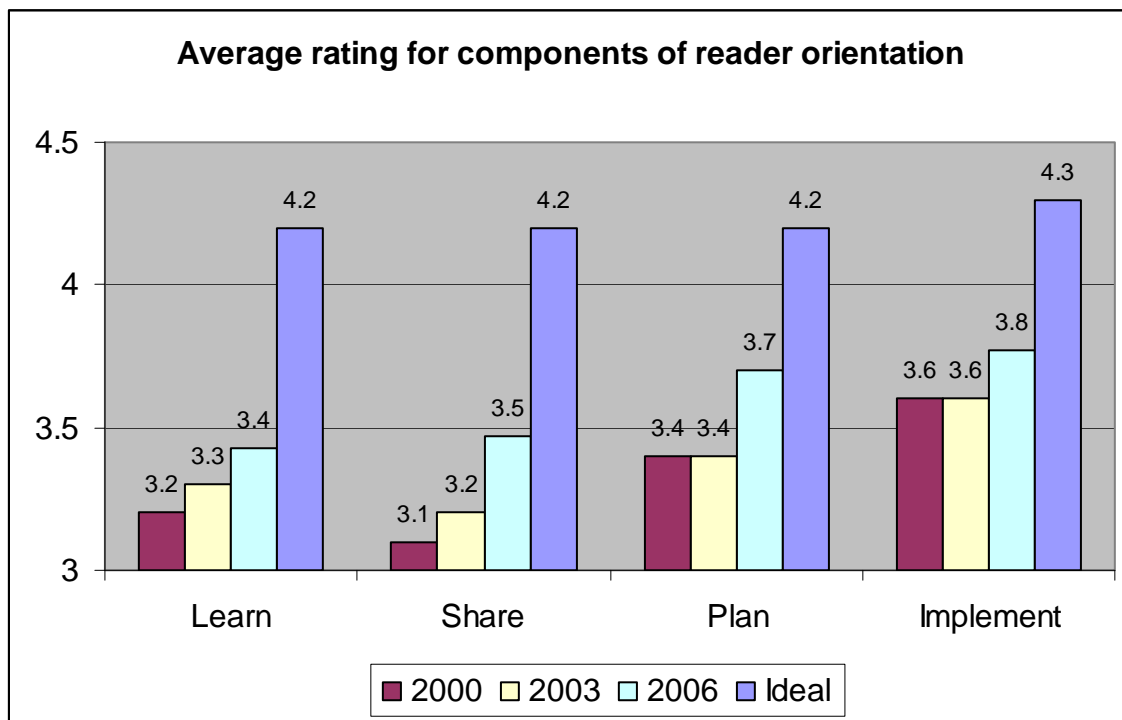
An organization that is reader-oriented would successfully integrate all four aspects.

General Findings

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

The average of all 24 reader orientation items for all newspapers went from 3.3 in 2000 to 3.4 in 2003 to 3.6 in 2006 (on a 1-5 scale where 5 represents the strongest level of reader orientation). This is steady improvement, but still below the 4.2 score newspapers said would be ideal when asked in 2000.

Each component shows an increase over both 2000 and 2003, with the largest improvement in the Share and Plan components.



Differences among Papers

Impact papers differed in their progress on becoming more reader-oriented. Of the 44 papers for which we could calculate an overall Reader Orientation for both 2006 and 2003, 26 papers had increased overall reader orientation scores while it decreased for 18 papers (on a 1 to 5 scale). The table below breaks out the amount of change from 2003 to 2006.

Overall Reader Orientation Score Change From 2003 to 2006

Point change	# Papers Increasing	# Papers Decreasing
>1.0	4	1
0.5 - 1.0	7	2
0.25 - 0.49	3	7
0.01 - 0.24	12	8
Total	26	18

High ratings

Newspaper executives rated their papers most highly on:

- Not letting reader complaints fall on deaf ears (4.22);
- Not letting internal politics drive the newspaper more than reader needs (4.02);
- Belief that the newspaper exists primarily to serve readers (3.92);
- Periodically reviewing product development efforts to ensure that they are in line with what readers want (3.84);
- Top management belief that serving readers is the most important thing the newspaper does (3.84).

Executives believed they made the most progress on:

- There is a great deal of communication between different departments concerning reader trends and developments. (change = .51 on scale of 1-5);
- Data on reader satisfaction are disseminated at all levels of the newspaper on a regular basis. (change = .41);
- Periodically reviewing product development efforts to ensure that they are in line with what readers want. (change = .40);
- The newspaper regularly measures how well it is serving readers. (change = .34);
- When readers' unhappiness becomes known, corrective actions are taken immediately. (change = .31).

Low Points

The four questions showing the lowest reader orientation in 2006 were:

- Having the readers' interests always come first, ahead of the level of profitability (2.94);
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- Disseminating data on reader satisfaction at all levels of the newspaper on a regular basis (3.10);
- Being fast to detect changes in reader's preferences (3.12);
- Having marketing personnel (or individuals performing a similar function) spending time discussing readers' future needs with different functional departments (3.24).

And they saw the least progress on these questions:

- Being fast to detect changes in reader's preferences (3.12); (change = -.07 on 1-5 scale);
- Reader complaints never fall on deaf ears at this newspaper. (change = -.01);
- The readers' interests always come first, ahead of the level of profitability. (change = -.01).

Reader Orientation by Circulation Level

Reader orientation in 2006 showed small differences by the circulation level of the newspaper. Only the Implement component's means showed statistically significant differences ($p=.025$). The mid-size papers (25,000 to 99,999 circulation) showed the highest levels of reader orientation, those under 25,000 were next lowest, and the newspapers with a circulation of 100,000 or higher having the lowest reader orientation.

Circulation Level	N	Overall Reader Orientation	Learn	Share	Plan	Implement
less than 24,999	17	3.58	3.47	3.49	3.60	3.78
25,000-49,999	11	3.79	3.57	3.65	4.02	3.92
50,000-99,999	11	3.71	3.50	3.55	3.85	3.95
100,000 or more	11	3.29	3.17	3.17	3.47	3.36
Total	50	3.59	3.43	3.47	3.72	3.76

Reader Orientation by Type of Newspaper

Local papers had higher reader orientation scores than regional papers, but the differences were not statistically significant. The Implement component just missed being statistically significant ($p=.061$).

Circulation Level	N	Overall Reader Orientation	Learn	Share	Plan	Implement
Local	34	3.67	3.51	3.52	3.80	3.85
Regional	16	3.42	3.26	3.35	3.53	3.55
Total	50	3.59	3.43	3.47	3.72	3.76

METHODOLOGY

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

“The following list of statements is related to the relationship between your newspaper and its readers. 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 leftmost column.

The following table shows the 24 reader orientation questions and their average response for the three study years (2000, 2003, and 2006). The items are sorted on the item’s 2006 average, with the most pro-reader orientation questions listed first.

	Statements	2000	2003	2006	2.5	3.0	3.5	4.0	4.5
R	Reader complaints fall on deaf ears at this newspaper.	4.18	4.23	4.22					
R	Internal politics drive the newspaper we sell more than reader needs.	3.90	3.77	4.02					
	I believe this newspaper exists primarily to serve readers.	3.60	3.69	3.92					
	We periodically review our product development efforts to ensure that they are in line with what readers want.	3.40	3.44	3.84					
	According to top management, serving readers is the most important thing our newspaper does.	3.80	3.71	3.84					
R	For one reason or another, we tend to ignore changes in our readers' product or service needs.	3.61	3.60	3.80					
	When we find that readers would like us to modify the paper, the departments involved make concerted efforts to do so.	3.32	3.46	3.74					
	Business strategies are driven by the goal of increasing the newspaper's value to readers.	3.27	3.45	3.74					
R	Even if our newspaper came up with a great plan to build readership, we probably would not be able to implement it in a timely fashion.	3.70	3.69	3.73					
	Several departments get together periodically to plan a response to changes taking place in our business environment.	3.25	3.52	3.73					
	When we find out that readers are unhappy with our newspaper, we take corrective action immediately.	3.27	3.40	3.71					
R	There is minimal communication between different departments concerning reader trends and developments.	3.13	3.20	3.71					
R	We are slow to detect fundamental shifts in our market (competition, technology, etc.).	3.32	3.45	3.57					
	Our newspaper regularly measures how well we are serving readers.	3.19	3.23	3.57					
	Our top managers are in close personal touch with the average member of the community.	3.38	3.36	3.54					
	Principles of reader segmentation drive new development efforts in our newspaper.	3.11	3.25	3.52					
	The business objectives of our newspaper are driven by reader satisfaction.	3.12	3.26	3.49					
	We periodically review the likely effect of changes in our business environment (technology, competition) on readers.	3.07	3.19	3.47					
	Our newspaper is quick to respond to significant changes in our competitors' product or service offerings.	3.04	3.16	3.38					
	Our business plans are driven by market research.	2.96	3.07	3.26					
	In our newspaper, marketing personnel (or individuals performing a similar function) spend time discussing readers' future needs with different functional departments.	2.69	2.99	3.24					
R	We are slow to detect changes in our readers' preferences.	3.15	3.19	3.12					
	Data on reader satisfaction are disseminated at all levels of the newspaper on a regular basis.	2.63	2.69	3.10					
	The readers' interests always come first, ahead of the level of profitability.	2.98	2.95	2.94					

Differences by Job Description

In 2000 and 2003, respondents were evenly balanced between editorial and non-editorial positions since the publisher; the heads of circulation, marketing, advertising and editorial; and two additional editorial people were surveyed at each newspaper. In 2006 only one executive, selected by the newspaper's publisher, was surveyed. This resulted in 72% of the 2006 respondents being editorial executives.

While there is no statistically significant difference in reader orientation by job title, editorial executives had the highest overall reader orientation score. This may explain in part the substantial increase in reader orientation in 2006.

	N	Overall 2006 Reader Orientation
Editorial	36	3.68
Administrative	3	3.46
Both	2	3.00
Other	9	3.42
Total	50	3.59