

# Advertising revenue in print media



When discussing the advertising as a revenue tool for the investments in the print press industry, we must have a deep look in the advertising industry and all the forces that forms the market and drive the investors to invest their capitals in the print press industry and the revenue is one of the factors which attract investors to access the market with high expectations for a great rate of revenues for their investments.

Around the world, the Print Press industry is growing as a source of information and knowledge in the life. The Print Press organization is considered a corporation for good investments and good revenues. The unique factor about the Print Press is that the unlimited source of finance and funds based on the values of the suppliers, the advertising is one of the most popular forces in the Print Press industry which give it good revenue for the business. Therefore, the Print Press allows the high risk investors to transfer their investments into a high revenue market with excellent profits and exchange rates for the stockholders. The press industry is an effective element in the markets and in the daily life of all countries and people.

In the researches there have been indicators to tell the benefits of the advertising revenues for any type of industry, the newspapers and magazines are publications containing news, information, and advertising. General newspapers have articles about political events, crime, business, art, entertainment, society, and sports. The traditional newspapers contain columns expressing the personal opinions of writers, with sections for advertising and comics.

In 1990s, the availability of news via 24 hours TV channels and the Internet posed an ongoing challenge, while the advertising revenue makes up the bulk of most newspapers' income which has been shifting from Print Press to digital media, and result a big decline in profits. A large number of newspapers and magazines worldwide had launched their online versions in order to follow ahead or stay with audiences. The cheaper print press increased literacy with growing in the emerging of electronic media and the newspapers are continued to grow.

The main revenues for the Print Press come from advertising, the contribution from sales; the newspapers generate more than 80% of revenues through the advertising activities, and the remaining revenues from the sales. When there are no advertising, it is called editorial contents, which means the articles in the newspapers and its guests or writers when they express their opinions.

The newspapers have many traditional advertisers, and there are many different channels for these advertising to come to the newspapers, by direct request, or agencies. Due to the press industry consolidation, the advertisements are much less to give the required revenues, and the newspapers are seeing these advertising shifting to the new media platform. The categories of advertisements are shifting into many types of digital websites, auto sites, and TV channels. With the new technology in our lives, the advertising media are varied and include the internet websites, rich media platforms and mobile networks.

Recently the advertisement industry is mostly recognized as opposite editorial contents which pay a fee to be included in the newspapers. The advertisers include their products or techniques such as new design for advertising, and promotions for the customers. It is usually closer to the press release than the objectives of newspapers story.

## **Introduction**

Advertising process is a form of communications which include the product name or the service name and how could they be benefit for the consumers. That process is often attempt to affect the potential purchase behaviors of customers towards a particular products and services. With the variety of advertising methods and types, the modern marketing and the use of information technology is affecting the purchasing decisions made by customers and lead the market forces to make some revenues for the producers.

The main targets of commercial advertising are to increase the rates of consumptions of their products and services, which will increase the advertising revenues for the producers, and enhance the image of the products and services in the market to encourage the customers for more consumption.

There are several elements and factors influence the advertising procedures and trends in the market. The different types of media in advertising could be used to deliver the advertising message to the customers; this message includes the image and benefits of the products and services. Traditional

media of advertising may be placed by agencies on behalf of the companies or the organizations.

Many organizations spent a specific amount of money on advertising and promotion items other than the consumed items or services which could include third party in the advertising or interest groups with targets of controlling the market trends towards their benefits. The money which is spent is indicating the size of the advertising industry and the revenues of them throughout the Print Press.

The advertising communication is used to influence the individuals to purchase a specific product or service, or support a political ideas, it could be displayed on newspapers, magazines, and other digital types of advertising.

According to a study by Booz & Company, thanks to the bold steps taken to promote innovation and efficient management of more aggressive cost on the basis of the success of new strategies, media organizations may be able to prepare a better future.

There are two major powers reducing the profits of the print media.

The first is the continuous change in the areas of expenditure which marketers focus – away from the paid advertisements in favor of other priorities advertisements from outside the budget, what would be a major amount of marketing expenditures when the economy recovers.

The second orientation, which toppled the long-term profitability of publications, it is the birth of digital media.

## **Literature Review**

### **Literature Strategy**

In the study, there are some important concepts to put in concern with all the other principles of the advertising researches, these concepts are related to the literature review of the Print Press. Starting from the first step of planning to plan for the study, then starting to plan the research and beginning to collect information for the study, all these steps and phases required for the literature caring and planning.

The study of effects of advertising on the revenues of the print press industry is involving with all the strategic decisions and marketing plans for the most benefits of the advertising. This study will be more effective with help of the marketing researches and activities too. Only the start which is considered a critical phase to decide the segment of customer who the message from the advertisements are going to be focused on, and the researches will indicate the effects of the advertising as whole on the print press and all types of media.

Generally, it could be relatively related to few of the newspapers which have revenues under certain amount of money, and use the responsible departments for performing these researches to increase the income for the newspapers. However, a variety of elements and factors are affecting the size of advertisements in a newspaper than another. Among some studies and researches, we have to introduce some unique services and products in order to attract the consumers and readers to purchase the products or use the service that will increase the size of advertising and the benefits for the newspaper from these advertisements.

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So, the strategy for literature marketing researches must be aware of most of the factors for the market forces, and the other effective elements for perfect planning and introducing the best plan of advertising revenues.

The availability of marketing solutions to enable the media to focus on the broader marketing budget, with a bigger share of the budget information paid. And provides research networks and paid advertising is an effective way at the level of cost for marketers to guide the public about their methods of electronic marketing of certain goods. The building offers a wider range of solutions for marketers an opportunity for media organizations to compete more according to their own laws with research networks and advertising. They can strengthen the relationship with the more committed audience, and thus to get deeper information for the conduct of the consumer, and enhance their level of development of the content up to consumers and serve their interests. The publishers also have the opportunity to attract spending marketed through paid advertisements in the media to help marketers build their brands, through marketing solutions that help marketers build and electronic means for the marketing of certain goods of their own.

## **Advertising Industry**

In the advertising industry, all the managements of the print press are working together so that they can manage a strong strategy for the increase of the size of advertisements in the newspaper, the design of the advertising and the contents of the advertising are going to be determined by a shared members of both sides the newspapers and the producers.

Customers' trends are changing and the advertising message should meet these changes and encourage the customers to head towards these products or services in order to encourage the producer to advertise again and again. The actions by customers towards specific advertising are going to determine the ability to make the advertising again or stop it and change to another media, besides the message contents and the products brands or the services quality all these elements are going to affect the size of advertisements in a newspaper.

Advertisers need to advertise their products and services to others to establish relations of reciprocity, mutual interests, and mutual benefit, the form and manner that is consistent with the nature of the times, and by relying on a Bellman, who was dispatched from the rulers of the kings and princes, who was wandering around the market brings people around the drum to tell them his message, and resorted to this activity class referees calls that have been used to deliver orders and decisions to the masses and to determine their approach to the authorities in order to achieve the Governor demands of them, the traders hire roaming the streets calling for advertisers on the arrival of ships and goods. Within the tenth century AD became advocates widespread phenomenon in many European cities.

These traders were hired to guide customers to their stores and give them an idea of the prices of goods and the store, as well as trade and economic activity back on the market, which was working hard as he could to attract people to his merchandise and tell them their advantages and disadvantages, and hide the stock extent possible so that people deny it, that is publicity in the beginning took the form of oral audio. In the view of



most historians that the external signs on the shops are the first forms of advertising, he has used the Babylonians, who lived in what is now Iraq for signs of such propaganda to their stores since 3000 BC.

## **Advertising Plan**

The main strategy for advertising is the strong marketing plan for the print press organization or the newspapers and magazines. With a strong marketing position and good marketing team, the newspaper will be able to attract many advertisers in order to put their advertisements in the newspaper. The current researches are targeting the description of the advertising method or the advertising plan, but the deep looking here is about advertising campaign which will lead to excellent revenues for the producers and the newspaper.

Starting with this point, the current researches aim to contribute a descriptive study of the situation of the print press sector, by describing the advertising portfolio of each of the firms in the sector, and looking at the changes the companies have made in recent years. Thus, these researches are adopting the product image as its unit of analysis from which to analyse the sector's situation and the trends in its evolution.

Integrated advertising plan is the key to success and should include market research, customer groups that targeted by competition, positioning, product or service they sell, pricing, and marketing. Begin advertising and planning, advertising effective current information about the market. Study the ads of other projects in community, and consult with any professional associations

related, help us with this interactive tool to assess the strengths and weak advertising.

## **Pricing Strategy**

It is most important factor affecting the advertising size in a newspaper, when they set the pricing for advertisements they must be careful and consider the market with competition and set the acceptable range of prices which will be accepted by the advertiser. The strategy for pricing the advertising products and services depend on different segments and channels for the evaluation of the changes in the market. These changes might need to be affecting the prices and also gain more segments form the market.

The prices are very effective in advertising and the size of advertising in the print press, the changes in the market will lead to changes in the organization strategy and pricing strategy to be more flexible in order to meet the needs of both customers and producers.

When the producer is known with all the prices of the market, he will be considered with the size of the advertising and the content of the message he want to deliver to customers, it will indicate the ability to take the advertising or delay the advertising for another time. The researches distinguished between different pricing strategies, such as high promoter and low promoter organizations, without relying on product differentiation considerations. A segmented switcher perspective enables us to resolve some varied results found in previous models.

There is one way available to the printed media in order to cope with their own business models for success in marketing the new digital environment, and through four strategies as a minimum:

Deepen relations with readers on the target areas of concern.

Focus on the flow of revenue outside the framework of marketing and trading.

Redesign of the content delivery model (with a special focus on reducing costs) and the emphasis on “ content-profit” article written for the unique and reflect the brand.

Innovation of new products and pricing models.

Marketers are aware that the leading force in the launch of digital media to communicate with consumers. And spend the companies that offer e-marketing offers for certain goods such as blogs and mobile applications more money on these offers, compared with other digital ads. And often are designed electronic means marketing of certain goods to attract registered users.

The media printed a special relationship with its readers who trust the content of publications and appreciate its credibility. The sites of high-quality e-enable the printed media to develop a close relationship with its readers: consumers become more committed and willing to recording and exchange of personal data for the meeting offers for them.

The challenge of media organizations on how to increase offers new content and consumer-oriented, without the added costs beyond to create content and difficulty of operational income scalability that can be achieved. I tried some media organizations to enhance the value of online advertising for the brand by directing them towards the target groups of the public.

In the coming years, there will production for the majority of revenue in the digital media for advertising and sponsorship. However, the increase of income by the name of the registered user may play a vital role in creating flows of income and achieve an overall growth of vinegar faster. And media organizations can continue to pursue these sources of revenue in the digital arena with the recognition that there are limitations to the size of the public who can attract in the case imposed a tariff on content to consumers.

## **Research Methodology**

Advertising researches are special type of studies which are specialized form of marketing researches; they aim to improve the efficiency of the advertising according to the market trends. These researches are focusing on a specific advertisements or campaigns, or may be directed at a more general understanding of how advertising works or how consumers use the information in advertising.

There are different types of advertising researches, such as customized advertising and syndicated advertising; the first one is conducted for specific clients to address the client needs. The second type of researches is single research study conducted by a research company with its results available, for sale, to multiple companies. Before the advertising researches, the media

used for advertising such as radio, TV, print, outdoor billboards, or Internet, these methods would apply to gather the required information for testing the benefits of the advertising before starting advertise. The focus is on what the advertising will do for the product or the service and the increase of revenues from advertising for the print press.

In our research about the advertising and its effects for the print press industry, we are going to follow several methods of data gathering and analyzing, all the information related to the advertising and the print press industry, which will lead us to the desired results and approaches form the study. The essential facts her are that we have an important role for the advertising to refresh the market and increase the sales for specific products or services, the size of the advertising is effective element for the revenues of the print press for these advertising.

There are many different ways to perform the advertising researches, most the organizations are using one or more of the several basics of the advertising researches or methods of advertising, such as:

### **Surveys...**

With questionnaires and concise, we can analyses the groups that represent the target area in the market. When increasing the size of the sample of questionnaire, the results of the questionnaire will be dependable. The surveys are working very fine for the researches and studies, which make it a powerful tool in the advertising methodology.

## **Focus Group...**

It is a moderated method using the scripted series of questions or topics which lead to discussing among a group of people. It is usually lasts one or two hours and it takes at least three groups to get balanced results.

## **Personal Interviews...**

Similar to the focus group, but include the unstructured questions, and usually last for about an hour. It's a valuable insight to customers' attitudes and excellent way to uncover the issues related to advertising and new products or services development.

## **Observation ...**

The individual response to surveys and focus groups are sometimes at the actual behavior of customers everywhere. We observe the actions and reactions by several methods to give more accurate picture of customers' usage habits and shopping patterns.

## **Questionnaire**

Successful newspapers measure the profitability of their advertising, territories, customer groups, and segments. This information helps management determine whether any products or advertising activities should be expanded, reduced, or eliminated. The first step in marketing-profitability analysis is to identify the functional expenses such as advertising and delivery, incurred for each activity. Next, the newspapers measure how much functional expense was associated with advertising through the advertising campaign. Third, the newspapers prepare a profit-and-loss statement for each type of advertising.

Print Press and Media organizations can follow the tracks consumer shift focus to new flows of income resulting from the readers rather than to produce for marketers. But these challenges even greater, readers pay to meet the content difficult to find elsewhere, and which is difficult to imitate or copy. It has bypassed some of the publications of consumer reluctance of consumers through the development of credibility by a unique research cannot be found elsewhere on the Internet. The media organizations also find new ways to configure a particular brand as centers addressed by the community or data, and impose the cost of meeting additional benefits save people time and contribute to building their networks and social identity.

Questionnaire is one of the cheapest ways to collect data on a particular topic by a very large segment of people and through this data, you can do an analytical study on that subject. It is important to know that the effort to get the strong design of the questionnaire questions on the place and the size and shape to take it out inevitably give data that could be utilized to make a particular decision on the subject to be studied. It is important to develop a questionnaire to the definition of phases, beginning with the things that will be tested and ends extraction results. Each stage must be designed very carefully because the final result depends on the interdependence of all stages, although that way all the data through the questionnaire is the cheapest way, but it can be expensive in terms of design and the extraction results.

Questionnaire Factors:

Determine the targets of the questionnaire.

Written questionnaire.

Surely we will not get required results if there is no clear goal and a specific work of the questionnaire, the more difficult goal or purpose is not clear where a waste of time participants and wasting the resources of the owners of that questionnaire. For example: Suppose that there is a program for computer and there is a problem in use by multiple users and resolve this problem have been identified target, (identify points of dissatisfaction with the user interface program and how it affects negatively on its performance).

We might think that this really is the goal, but in fact not the case. The duty of the questionnaire designed to determine precisely what is meant by “non-user satisfaction” Is it to learn the program or in the strength and performance of the program or the difficulty of learning the program and whether it is important to the user quickly learn the program, also must determine what is meant by “performance the program.” The questionnaire is designed to clear, we must be very careful in defining the target and floating to general things might be understood in several aims, objectives and summary of the tower will, if we find it difficult to write a questionnaire, remember that we did not take sufficient time in defining the objectives of the questionnaire.

## **Questionnaire:**

Name: Age:

Nationality: Income:

Job Title: Address:



Favorite Newspaper: Magazines:

Reading times: Purchasing:

Attractive Ads:

Interests in Ads:

Important Ads:

The advertising questionnaire is not easy to start, but with random groups in the society, we got some results to help us evaluating the importance of ads for people, these results could be summarized as:

95% of readers are not looking for advertising.

70% are interested in advertising.

40% are actual customers for advertising products and services.

90% are attracted to the colors and design of advertising.

30% are attracted by the contents.

## **Analyzing and Interpretation of Data**

The results of advertising are not encouraging for the advertising itself, but the importance of advertising is undeniable for all organizations, no one will know about any organization or services without advertising or announcing, from here we find the importance of advertising itself. Only the print press advertising became very shortly used and sometimes not effective for the investors.

For the Print Press newspapers and magazines it is a very important source of income, and in the UAE market there more than one newspaper based on advertising, which make this industry very profitable and include a high range of income for the newspaper or the magazine.

A recession can take place lasting change in the environment and the media, with the emergence of increasing pressure on newspapers and magazines. Decreased in the total advertising revenue in the year 2008, was recorded in newspapers, magazines and consumer publications for institutions of a decline in print ads more than two to three times. According to a study by Booz & Company, thanks to the bold steps taken to promote innovation and efficient management of more aggressive cost on the basis of the success of new strategies, media organizations may be able to prepare a better future.

Advertising agencies is administered by the advertising expenditure for the big advertisers usually. So, form a strategic relationship between advertising agencies and print media, such as TV channels, is considered a sine qua non of any means ... but this does not prevent the TV channel to organize visits to some identifiable potential advertisers to introduce them to the canal and nature of the audience and that does not hold any advertising agreements only with the advertiser through the ad agency, and can be made of those visits in coordination with the agency's ad spender... do not forget that there are some spenders who want to deal with the advertising means directly, and these could be targeted through the channel directly.

With the global crisis had entered a tunnel to free press, the crisis and closed dozens of them in Europe with fierce competition and rising costs for

distribution of homes and declining advertising revenue, with The New York Times report to fall by more than one-third in the early months of 2009, compared to last year, prompting the majority of these newspapers to reduce the number of employees is clearly to control costs and balance of income and some of which is to ensure the superiority and control through their monopoly contracts to ensure the distribution of the newspaper not to compete in some public areas, for example, newspaper Metro which has a monopoly of distribution in the subway in London, which gives it a significant advantage to advertisers and reached the monopoly as a result of a contract signed with the supervisor of the subway, and the paper fears losing its monopoly contract with the end of next year, and newspapers seeking competition to get the deal attractive and profitable, which means that free newspapers are paid to monopolize the distribution in some important sites of density of human permanent, a type of expenses and costs it cannot support a free press, but with large advertising revenue and has from the outset as a strong entity in the market transactions.

Does not deny that major news organizations in the world seeks through information services, the broad sense to make more of the extra revenue and complementary services, particularly the print press is not a printer of books and information services and press services for the sale of diverse press kit for the participants, diversity and excellence, credibility and depth, which newspapers offer European and American major, and was provided by the expansion of the Al-Ahram Arabic press in prior years ago. With the Internet age, the e-press services and other value-driven can become an important income for publishers releases provided they need Internet

browser with high quality and very distinguished and diverse specialization in the form of news is interesting and attractive.

In the light of the high cost of editorial quality and excellence and financial requirements in the form of large fixed costs and expenses in progress, the waiver of the press free from 15% to 20% of total revenues represented by the income distribution as a result of lack of interest in article releases and non-remittance of available and presented to the reader levels and high rates and high in light of the predominance of advertising material and clout, this kind of newspapers make a reduction in expenses and issuance costs more than the value distribution of income by the cost of editorial distinct rise inevitably and of necessity for the investigator from the sale proceeds are paid in case of traditional printed newspapers,

This means that the decision to sell free of charge in the beginning and the end reflects the economic and financial accounts for the quality of new and updated list of the press on the concept of a new focus primarily on the advertising material which occupies the interface and the first priority and with the press material back to second and third, which means that there is a new industry was prioritize and re-arrange their sources of income and revenues, and also re-select the services and the quality of the target readers and the nature of influence, and thus contact printed advertising message aimed at focusing on the promotion and advertising and promotional goods and services rather than the promotion of ideas and press services of various kinds and forms, which fall under the industry opinion and conscience of the world.

And even avoid publishing press crises and obstacles and avoid falling into the dark tunnel of indebtedness, the awareness and understanding the limits of economic and financial relationship between advertising revenue and the number of pages of the newspaper and also their relationship to the number of copies printed must be completely clear in the minds of managers and editing, and indicators show that the standard financial and economic mainstream press to the success of the paper and not stumble and ensure the realization of revenue and profit for the appropriate activity requires that a material ad rates estimates ranging between 25% minimum and a maximum of 40% of the total material printed in emergency situations of need, which means that the press material about 60% on average year to ensure balance and ensure the rights of the reader and provide a press release that variety and sometimes can be as high advertising material to at most 45% of the total printed material.

And sets it in the end the newspaper ads pricing paper also determines the efficiency of the ad and its failure or success which are not only relate to access to the declarations and dissemination, but also linked and closely associated with success in the collection of ad revenue on a regular basis and without delay, while ensuring a minimum level of bad debt ad uncollected by the fact that the basic rule in advertising is the prompt payment, and the payment deadline must be the exception to the rule, even in large scale advertising campaigns and extended periods of time, the legal control of the financial rights of uncollected immediate should be the object of attention and scrutiny when agreeing to contracts with advertising

campaigns to ensure letters of bank guarantees in the conditions of customers who Aidfon full value advertising directly.

The same applies to set discounts for older customers, the exaggerated and left outside the scope of controls cause the loss of an important aspect of advertising revenue, and requires complete control and control the outcome of the advertising material as the main outcome of the financing costs and expenses of publishi