

# Newspaper boy



**ASSIGN  
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**INTRODUCTION** An earlier resource pack described the decisions that must be taken when a company organizes a channel or network of intermediaries who take responsibility for the management of goods as they move from the producer to the consumer. Each channel member must be carefully selected and the company must decide what type of relationship it seeks with each of its intermediate partners.

Having established such a network, the organization must next consider how these goods can be efficiently transferred, in the physical sense, from the place of manufacture to the place of consumption. Physical distribution management (PDM) is concerned with ensuring the product is in the right place at the right time. Place has always been thought of as being the least dynamic of the 4P's. Marketing practitioners and academics have tended to concentrate on the more conspicuous aspects of marketing.

It is now recognized that PDM is a critical area of overall marketing management. Much of its expertise is borrowed from the military practice. During the Second World War and the Korean and Vietnam wars, supplies officers had to perform extra ordinary feats of PDM, in terms of food, clothing, ammunition, weapons and a whole range of support equipment having to be transported across the world. The military skill that marketing has adopted and applied to PDM is that of logistics.

Marketing management realized that distribution could be organized in a scientific way so the concept of business logistics developed, focusing attention on and increasing the importance of PDM> As marketing analysis became increasingly sophisticated, managers became more aware of the

costs of physical distribution whilst the military must win battles; the primary aim of business is to provide customer satisfaction in a manner those results in profit for the company. Business logistical techniques can be applied to PDM so that costs and customer satisfaction are optimized.

There is little point in making large savings in the cost of distribution if, in the long run, sales are lost because of customer dissatisfaction, similarly, it does not make economic sense to provide a level of service that is not really required by the customer and leads to an erosion of profits. This cost/service balance is a basic dilemma that faces physical distribution managers. A final reason for the growing importance of PDM as a marketing function is the increasingly demanding nature of the business environment. In the past it was not uncommon for companies to hold large inventories of raw materials and components.

Although industries and individual firms differ widely in their stockholding policies, nowadays, stock levels are kept to a minimum wherever possible. Holding stock is wasting working capital for it is not earning money for the company. A more financially analytical approach by management has combined to move the responsibility for carrying stock onto the supplier and away from the customer. Gilbert and Strebel (1989) pointed out that this has a domino effect throughout the marketing channel, with each member putting pressure on the next to provide higher levels of service.

Logistical issues facing physical distribution managers today is the increasing application by customers of just-in-time management techniques or lean manufacturing Hutchin(1988) stresses that companies who demand

JIT service from their suppliers carry only a few hours stock of material and components and rely totally on supplier service to keep their production running. This demanding distribution system is supported by company expeditors whose task it is to chase the progress of orders and deliveries, not only with immediate suppliers, but right along the chain of supply (called supply chain management).

Lean manufacturing has been widely adopted throughout the automotive industry where companies possess the necessary purchasing power to impose such delivery conditions on their suppliers. Their large purchasing power also necessitates stringent financial controls, and huge financial savings can be made in the reduction or even elimination of stockholding costs where this method of manufacturing is employed. To think of the logistical process merely in terms of transportation is much too narrow in view.

Physical distribution management (PDM) is concerned with the flow of goods from the receipt of an order until the goods are delivered to the customer. In addition to transportation, PDM involves close liaison with production planning, purchasing, order processing, material control and warehousing. All these areas must be managed so that they interact efficiently with each other to provide the level of service that the customer demands and at a cost that the company can afford. DEFINITION: This material considers the four principal components of PDM: 1. Order processing 2.

Stock levels or inventory 3. Warehousing 4. Transportation PDM is concerned with ensuring that the individual efforts that go to make up the distributive

function are optimized so that a common objective is realized. This is called the systems approach to distribution management and a major feature of PDM is that these functions be integrated. Because PDM has a well-defined scientific basis, this chapter presents some of the analytical methods which management uses to assist in the development of an efficient logistics system. There are 2 central themes that should be taken into account: 1.

The success of an efficient distribution system relies on integration of effort. An overall service objective can be achieved, even though it may appear that some individual components of the system are not performing at maximum efficiency. 2. It is never possible to provide maximum service at minimum cost. The higher the level of service required by the customer the higher is the cost. Having decided on the necessary level of service, a company must then consider ways of minimizing costs, which should never be at the expense of, or result in, a reduction of the pre determined service level.

**THE DISTRIBUTION PROCESS** The distribution process begins when a supplier receives an order from a customer. The customer is not too concerned with the design of the supplier's distributive system, nor in any supply problems. In practical terms, the customer is only concerned with the efficiency of the supplier's distribution. That is, the likelihood of receiving goods at the time requested. Lead-time is the period of time that elapses between the placing of an order and receipt of the goods.

This can vary according to the type of product and the type of market and industry being considered. Lead time in the shipbuilding industry can be measured in fractions or multiples of years, whilst in the retails sector, days

and hours are common measures. Customers make production plants based on the lead time agreed when the order was placed. Customer's now expect that the quotation will be adhered to and a late delivery is no longer acceptable in most purchasing situations. 1. ORDER PROCESSING: Order processing is the first of the four stages in the logistical process.

The efficiency of order processing has a direct on lead times. Orders are received from the sales team through the sales department. Many companies establish regular supply routes that remain relatively stable over a period of time providing that the supplier performs satisfactorily. Very often contracts are drawn up and repeat orders (forming part of the initial contract) are made at regular intervals during the contract period. Taken into logistical conclusion this effectively does away with ordering and leads to what is called partnership sourcing.

This is an agreement between the buyer and seller to supply a particular product or commodity as and when required without the necessity of negotiating a new contract every time an order is placed. Order processing systems should function quickly and accurately. Other departments in the company need to know as quickly as possible that an order has been placed and the customer must have rapid confirmation of the order's receipt and the precise delivery time. Even before products are manufactured and sold the level of office efficiency is a major contributor to a company's image.

Incorrect paperwork and slow reactions by the sales office are often an unrecognized source of ill will between buyers and sellers. When buyers review their suppliers, efficiency of order processing is an important factor in

their evaluation. A good computer system for order processing allows stock levels and delivery schedules to be automatically updates so management can rapidly obtain an accurate view of the sales position. Accuracy is an important objective of order processing as are procedures that are designed to shorten the order processing cycle. 2. INVENTORY:

Inventory, or stock management, is a critical area of PDM because stock levels have a direct effect on levels of service and customer satisfaction. The optimum stock level is a function of the type of market in which the company operates. Few companies can say that they never run out of stock, but if stock-outs happen regularly then market share will be lost to more efficient competitors. The key lies in ascertaining the re-order point. Carrying stock at levels below the re-order point ultimately means a stock-out, whereas too high stock levels are unnecessary and expensive to maintain.

Stocks represent opportunity costs it occurs because of constant competition for the company's limited resources. If the company's marketing strategy requires that high stock levels be maintained, this should be justified by a profit contribution that will exceed the extra stock carrying costs. Sometimes a company may be obliged to support high stock levels because the lead-times prevalent in a given market are particularly short. In such a case, the company must seek to reduce costs in other areas of the PDM mix. 3.

WAREHOUSING: American marketing texts tend to pay more attention to warehousing than do British texts.

This is mainly because of the relevant longer distance involved in distributing in the USA, where it can sometimes take days to reach customers by the

most efficient road or rail routes. The logistics of warehousing can, therefore, be correspondingly more complicated in the USA than in the INDIA. However, the principles remain the same and indeed the European Union should be viewed as a large home market. Currently, many companies function adequately with their own on site warehouses from where goods are dispatched direct to customers.

When a firm markets goods that are ordered regularly, but in small quantities, it becomes more logical to locate warehouses strategically around the country. Transportation can be carried out in bulk from the place of manufacture to respective warehouses where stocks wait ready for further distribution to the customers. This system is used by large retail chains, except that the warehouses and transportation are owned and operated for them by logistics experts (e. g. : BOC Distribution, excel logistics and Rowntree distribution).

Levels of service will of course increase when numbers of warehouse locations increase, but cost will increase accordingly. Again, an optimum strategy must be established that reflects the desired level of service. To summarise, factors that must be considered in the warehouse equation are:

1. Location of customers
2. Size of orders
3. Frequency of deliveries
4. Lead times

4. TRANSPORTATION: Transportation usually represents the greatest distribution cost. It is usually easy to calculate because it can be related directly to weight or numbers of units.

Costs must be carefully controlled through the mode of transport selected amongst alternatives, and these must be constantly reviewed. During the



past 50 years, road transport has become the dominant transportation mode in the INDIA. It has the advantage of speed coupled with door-to-door delivery. The patterns of retailing that have developed, and the pressure caused by low stock holding and short lead times, have made road transport indispensable. When the volume of goods being transported reaches a certain level some companies purchases their own vehicles, rather than use the services of haulage contractors.

However, some large retail chains like Marks and Spencer, Tesco and Sainsbury's have now entrusted all their warehousing and transport to specialist logistics companies. For some types of goods, transport by rail still has advantages. When lead times is a less critical element of marketing effort, or when lowering transport costs is a major objective, this mode of transport becomes viable. Similarly, when goods are hazardous or bulky in relation to value, and produced in large volumes then rail transport is advantageous. Rail transport is also suitable for light goods that require speedy delivery (e. . letter and parcel post). Except where goods are highly perishable or valuable in relation to their weight air transport is not usually an attractive transport alternative for distribution within the INDIA where distances are relatively short in aviation terms. For long distance over sea routes it is popular. Here, it has the advantage of quick delivery compared to sea transport, and without the cost of bulky and expensive packaging needed for sea transportation, as well as higher insurance costs. Exporting poses particular transportation problems and challenges.

The need for the exporter's services needs to be such that the customer is scarcely aware that the goods purchased have been imported. Therefore,

above all, export transportation must be reliable. The chosen transportation mode should adequately protect goods from damage in transit (a factor just mentioned makes air freight popular over longer routes as less packaging is needed than for long sea voyages). Not only do damaged goods erode profits, but frequent claims increase insurance premiums and inconvenience customers, endangering future business.

THE SYSTEMS OR TOTAL APPROACH TO PDM One of the central themes of this text has been to highlight the need to integrate marketing activities so they combine into a single marketing effort. Because PDM has been neglected in the past, this function has been late in adopting an integrated approach towards its activities. Managers have now become more conscious of the potential of PDM, and recognize that logistical systems should be designed with the total function to provide satisfactory service, and causes excessive costs. Within any PDM structure there is potential for conflict.

Individual managers striving to achieve their personal goals can frustrate overall PDM objectives. Sales and marketing management will favor high stock levels, special products and short production runs coupled with frequent deliveries. Against this, the transport manager attempts to reduce costs by selecting more economical, but slower transportation methods, or by waiting until a load is full before making a delivery. Financial management will exercise pressure to reduce inventory wherever possible and discourage extended warehousing networks. Production managers will favor long production runs and standard products.

It is possible for all these management areas to appear efficient if they succeed in realizing their individual objectives, but this might well be at the cost of the chosen marketing strategy not being implemented effectively. Burbidge (1987) has provided guidelines to how levels of service to customers can be provided at optimal cost; senior management must communicate overall distribution objectives to all company management and ensure that they are understood. Ideally, the systems approach to PDM should encompass production and production planning, purchasing and sales forecasting.

Included in the systems approach is the concept of total cost, because individual costs are less important than the total cost. The cost of holding high stocks may appear unreasonable, but if high stocks provide a service that leads to higher sales and profits, then the total cost of all the PDM activities will have been effective. Costs are a reflection of distribution strategy, and maximum service cannot be provided at minimum cost. PDM as a cost centre is worth extensive analysis as this function is now recognized as a valuable marketing tool in its own right.

In homogenous product markets, where differences in competitive prices may be negligible, service is often the major competitive weapon. Indeed, many buyers pay a premium for products that are consistently delivered on time. Similarly, the salesperson whose company provides a comprehensive spare parts and service facility has a valuable negotiating tool when discussing prices. Distribution is not, therefore an adjunct to marketing; it has a full place in the marketing mix and can be an essential component of marketing strategy.

In terms of marketing planning, a well-organized business logistics system can help to identify opportunities as well as supplying quantitative data that can be used to optimize the marketing mix as a whole. MONITORING AND CONTROL OF PDM The objective of PDM is: Getting the right goods to the right place at the right time for the least cost. The objective seems reasonable, although it gives little guidance on specific measures of operational effectiveness. Management needs objectives or criteria that, in turn, allow meaningful evaluation of performance.

This is the basis of monitoring and control. Basic output of physical distribution systems The output of any system of physical distribution is the level of customer service. This is a key competitive benefit that companies can offer existing and potential customers to retain or attract business. From a policy point of view, the desired level of service should be at least equivalent to that of major competitors. The level of service is often viewed as the time taken to deliver an order to a customer or the percentage of orders that can be met from stock.

Other service elements include technical assistance, training and after-sales services. The two most important service elements to the majority of firms are: 1. Delivery-reliability and frequency. 2. Stock availability-the ability to meet orders quickly. To use a simple example, a company's policy may be to deliver 40 % of all orders within 7 days from receipt of order. This is an operationally useful and specific service objective that provides a strict criterion for evaluation.

A simple delivery delays analysis (see fig 1) will inform management whether such objectives are being achieved or whether corrective action is necessary to alter the actual service level in line with stated objectives, such an analysis can be updates on receipt of a copy of the dispatch note.

Management can be provided with a summary, in the form of a management report, from which they can judge whether corrective action is necessary.

There can, of course, be over-provision of service, as well as under provision.

Delivery date| Number of orders| Percentage of total order| As promised| 18| 37. 2|

Days late| | | 1| 71| 14. 2| 2| 49| 9. 8| 3| 35| 7| 4| 38| 7. 6| 5| 28| 5. 6| 6| 14| 2. 8| 7| 13| 2. 6| 8| 10| 2| 9| 8| 1. 6| 10-14| 17| 3. 4| 15-21| 15| 3| 22-28| 10| 2| 28 +| 6| 1. 2| total| 500| 100| An example of simple delivery delay

analysis. HISTORY OF NEWSPAPER INDUSTRY The newspaper as we know it today is a product born of necessity, invention, the middle class, democracy, free enterprise, and professional standards. Choose your historical marker to begin the history of newspapers. The first news sheet? The first newspaper? The first daily newspaper? Pre-history “ newspapers” were one-to-one in nature.

The earliest variation on a newspaper was a daily sheet published in 59 BC in Rome called Acta Diurna (Daily Events), which Julius Caesar ordered posted throughout the city. The earliest known printed newspaper was in Beijing in 748. In 1451, Johannes Gutenberg uses a press to print an old German poem, and two years later prints a 42-line Bible — the significance being the mass production of print products, ushering in an era of newspapers, magazines, and books. By 1500, the genesis of a postal system can be seen in France,

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while book publishing becomes popular throughout Europe and the first paper mill can be found (England).

Zeitung (newspaper) is a news report published in Germany in 1502, while Trewe Encountre becomes the earliest known English-language news sheet in 1513. Germany's Avisa Relation oder Zeitung, in 1609, is the first regularly published newspaper in Europe. Forty-four years after the first newspaper in England, the Oxford Gazette is published, utilizing double columns for the first time; the Oxford/London Gazette is considered the first true newspaper. The first North American newspaper, Public Occurrences Both Foreign and Domestic, was published in 1690 in Boston.

The 1700s was a century in which market elements were created that encouraged the development of daily newspapers: rising literacy, the formation of nation-states, a developing postal system, the proliferation of urban centers, a rising literary and philosophical tradition emphasizing democratic involvement in government, and technologies that supported newspaper production. In short, it was a great news century. The first daily newspaper was The Daily Courant in London, 1702. In 1754, The Daily Advertiser in London uses the first four-column format.

France's first daily newspaper appears in 1777, Journal de Paris, while the first United States daily was the Pennsylvania Packet in 1784. The rise of the middle class transformed newspapers in the 1800s. A penny (US\$0. 01) buys a New York newspaper in 1833, opening up the first mass market for newspapers. In 1847, the telegraph is used as a business tool, transforming far-away stories. In 1873, an illustrated daily newspaper can be seen in New

York. In 1878 the first full-page newspaper advertisements appear, and in 1880 the first photographs are seen in newspapers, using halftones.

With the basic technical groundwork for the modern newspaper in place by the late 19th century, the story of newspapers in the 20th century was about professional development and adaptation to changing consumer and media markets. The story also involved an evolving business model that rode an ever-growing wave of mass-market advertising. Increased profitability and higher revenues attracted publicly owned corporations interested in buying newspapers from descendants of company founders, while simultaneously exposing newspapers to the whims of cash- and profit-hungry stock markets.

By 2000, newspapers were juggling priorities: fragmentation of news consumption, fragmentation of advertising investments, the advantages and disadvantages of being a mass medium, balancing the wants of the marketplace with the company's duty to provide the needs of the marketplace, a journalistic backlash against industry changes, the sheer physicality of ink-on-paper production and distribution versus digital distribution, increasing profit pressure surrounding the core print product, and extension of the company's core brand into other profit centers.

## HISTORY OF NEWSPAPERS IN INDIA

Newspapers in India started with William Bolts, an ex-employee of the British East India Company who attempted to start the first newspaper in India in 1776. Bolts had to beat a retreat under the disapproving gaze of the Court of Directors of the Company. Then, in 1789, James Augustus Hicky started Bengal Gazette, a two-sheet newspaper that publicized the private lives of

the “ sahibs” of the Company. In the newspaper, Hicky even dared to mount scurrilous attacks on the Governor-General and Chief Justice, for which he was sentenced to one year in prison and fined Rs. , 000, which finally drove him to penury. These were the first tentative steps of journalism in India. B. Messink and Peter Reed were pliant publishers of the India Gazette, unlike their infamous predecessors. The colonial establishment started the Calcutta Gazette. It was followed by another private initiative, the Bengal Journal. The Madras Courier was started in 1785 in the southern stronghold of Madras. Richard Johnson, its founder, was a government printer. Madras got its second newspaper when, in 1791, Hugh Boyd, who was the editor of the Courier quit and founded the Hurkaru.

Tragically for the paper, it ceased publication when Boyd passed away within a year of its founding. It was only in 1795 that competitors to the Courier emerged with the founding of the Madras Gazette followed by the India Herald. The latter was an “ unauthorized” publication, which led to the deportation of its founder Humphreys. The Madras Courier was designated the purveyor of official information in the Presidency. In 1878, The Hindu was founded, and played a vital role in promoting the cause of Indian independence from the colonial yoke. It’s founder, Kasturi Ranga Iyengar, was a lawyer, and his son, K.

Srinivasan assumed editorship of this pioneering newspaper during the first half of the 20th century. Bombay, surprisingly was a late starter. The Bombay Herald came into existence in 1789. Significantly, a year later a paper called The Courier started carrying advertisements in Gujarati. The first media merger of sorts happened with The Bombay Gazette, which was



started in 1791, merging with The Bombay Herald the following year. Like, The Madras Courier, this new entity was recognized as the publication to carry “ official notifications and advertisements”.

Compared with many other developing countries, the Indian press has flourished since independence and exercises a large degree of independence. In 2001, India had 45, 974 newspapers, including 5364 daily newspapers published in over 100 languages. The largest number of newspapers were published in Hindi (20, 589), followed by English (7, 596), Marathi (2, 943), Urdu (2, 906), Bengali (2, 741), Gujarati (2, 215), Tamil (2, 119), Kannada (1, 816), Malayalam (1, 505) and Telugu (1, 289). The Hindi daily press has a circulation of over 23 million copies, followed by English with over 8 million copies.

The main regional newspapers of India include the Malayalam-language Malayalam Manorama (published from: Kerala, daily circulation: 673000), the Hindi-language Dainik Jagran (published from: Uttar Pradesh, daily circulation in 2006: 580000), and the Anand Bazaar Patrika (published from: Kolkata, daily circulation in 2006: 435000). The times of india group, the Indian express group, the Hindustan times group, and the Anand Bazar Patrika group are the main print media houses of india. The newspaper sale in India has increased by 11. 22% in 2007.

By 2007 62 of the world’s best’s elling newspaper dailies were published in China, Japan and India. India consumed 99 million newspaper copies as of 2007- making it the second largest market in the world of newspapers.

INTRODUCTION TO INDIAN NEWSPAPER INDUSTRY India is one of the few

markets in the world where the circulation and relationship of newspapers is increasing. The biggest driver for this growth is the spread of literacy and demand for India focused content. For example, literacy level in the country has increased from 52. 2% in 1991 to 64. 8% in 2001.

The reach of newspapers in India is estimated to be at 27% lower than the global average, which is estimated at 505. This indicates the enormous potential for growth supported by increasing literacy levels. Further, on similar grounds and the increasing demand for information, the newspaper circulation is expected to increase. This would also be aided by the fact that industry players are increasing and expanding into newer markets and investing considerable amounts to attract readers. We believe these efforts by companies would yield positive results by way of higher readership and bigger circulation base in India.

By 2010, the daily newspaper circulation and readership should increase to 65 mn and 232mn and implying a CAGR growth of 6. 7% and 5. 7% over 2005 to 2010 respectively. Circulation and advertisement revenues are the 2 main revenue streams for the newspaper industry. While the former is a function of the number of copies circulated and price charged per copy, advertising revenue is a function of the total advertising space sold (usually charged in square centimeter) and the rate charged per compared to circulation revenues. In India, advertising revenues are expected to grow at a faster pace compared to circulation revenues.

Estimated advertising revenue in 2005 stood at 53 bn and is expected to grow at a CAGR of 13. 3% over the next five years to 100 bn. In 2005,

estimated circulation revenue stood at 44 bn and is expected to increase at 7.8% over the next 5 years to 63bn. overall, industry revenues have been growing on the back of increasing levels of literacy, greater demand for news and deeper and newer penetration of new and existing players in the industry. TOP 20 NEWSPAPERS ON THE BASIS OF CIRCULATION Newspaper| Circulation| Language| Times of India| 3146| English| Dainik Jagran| 2168| Hindi|

Malaya Manorama| 1514| Malayalam| Ananda Bazaar Patrika| 1277| Bengali| The Hindu| 1272| English| Amar Ujala| 1230| Hindi| Dainik Bhaskar| 1147| Hindi| Hindustan times| 1143| English| Hindustan| 1142| Hindi| Eenadu| 1130| Telugu| Mathrubhumi| 1077| Malayalam| Gujarat Samachar| 1077| Gujarati| Punjab Kesari| 902| Hindi| Dinakaran| 9001| Tamil| Deccan Chronicle| 885| English| Sakaal| 879| Marathi| Dina Thanthi| 854| Tamil| Divya Bhaskar| 840| Gujarati| Aaj| 748| Hindi|

FUNCTIONING OF THE NEWSPAPER INDUSTRY A newspaper industry consists of five major functional areas: 1. Editorial . Advertising 3. Production 4. Administration 5. Circulation If the same is compared to a manufacturing industry, one can easily realize the commonalities in the functions: 1. Editorial: it supplies raw material 2. Production: it is transformed to the finished product through printing 3. Advertising: it performs marketing function 4. Administration: it handles management 5. Circulation: it deals with the key areas of sales of the product Raw material for the newspaper industry, news, is supplied by the editorial, which is a functional area in the newspaper office itself.

The editorial is fed with news from various places by reporters, correspondents and news agencies. The final news is sent to the printing

facility where the newspaper is printed. The printed newspaper is dispatched to various distributors across the country through transportation. Transportation is normally through private contract carriers within local area, public transport in case of longer distances and through couriers in other cases the distribution falls under the circulation department. The advertising department performs the marketing functions pools in funds through giving ad space. Advertising and circulation are the two sources of finance in the newspaper industry.

**Times of India Introduction** The Times of India (TOI) is a popular English-language broadsheet daily newspaper in India. It has the widest circulation among all English-language daily newspapers in the world, across all formats (broadsheet, compact, Berliner and online). It is owned and managed by Bennett, Coleman & Co. Ltd. which is owned by the Sahu Jain family.

In 2008, the newspaper reported that (with a circulation of over 3.14 million) it was certified by the Audit Bureau of Circulations as the world's largest selling English-language daily newspaper, placing as the 8th largest selling newspaper in any language in the world. According to the Indian Readership Survey (IRS) 2008, the Times of India is the most widely read English newspaper in India with a readership of 13.3 million. This ranks the Times of India as the top English newspaper in India by readership.

According to ComScore, TOI Online is the world's most-visited newspaper website with 159 million page views in May 2009, ahead of the New York Times, The Sun, Washington Post, Daily Mail and USA Today websites.

**History** The Times of India was founded on November 3, 1838 as The Bombay Times and Journal of Commerce, during the British Raj. It adopted

its present name in 1861. Published every Saturday and Wednesday, The daily editions of the paper were started from 1850 and by 1861, the Bombay Times was renamed The Times of India.

In the 19th century this newspaper company employed more than 800 people and had a sizable circulation in India and Europe. It was after India's Independence that the ownership of the paper passed on to the then famous industrial family of Dalmiyas and later it was taken over by Sahu Shanti Prasad Jain of the Sahu Jain group from Bijnore, UP. This company, along with its other group companies, known as The Times Group, also publishes The Economic Times, Mumbai Mirror, the Navbharat Times (a Hindi-language daily broadsheet), the Maharashtra Times (a Marathi-language aily broadsheet). The Times is self-declared as a liberal newspaper, and is sometimes described as irreverent. The present management of The Times Group has been instrumental in changing the outlook of Indian journalism. In India, as is elsewhere in the world, the Editor of a newspaper has traditionally been considered as the most notable position in a newspaper set up. The Times of India, however, changed this in the early 1990s, in keeping with the management policy of treating the newspaper as just another brand in the market.

The main newspaper and its many sub-editions are now run by individuals often referred to as 'faceless editors'. The paper has diluted the authority of the editor to a great extent, with Managers and Marketing staff involved in selling advertisement space, occupying the top slot in the practical order of hierarchy. The parent company has recently launched a controversial new

business initiative, called “ Private Treaties,” offering to take an equity stake in a company in exchange for advertising.

While the management has weakened the Editorial, it has strengthened the technical, circulation, and the business sides of the newspaper, making it the most profitable newspaper in the country. In January 2007, the Kannada edition was launched in Bangalore and in April 2008 the Chennai edition was launched. Their main rivals in India are The Hindu and Hindustan Times, which hold second and third position by circulation. The Times Group is the largest media services conglomerate in India It is headed by brothers Samir and Vineet Jain. It reaches out from: 1. 1 publishing centers 2. 15 printing centers 3. 55 sales offices 4. Over 7000 employees 5. 5 dailies including two of the largest in the country with approx 4. 3 million copies circulated daily 6. 2 lead magazines 7. 29 niche magazines 8. Reaching 2468 cities and towns 9. 32 Radio Stations 10. 1 Television News Channel 11. 1 Television Life Style Channel 12. Turnover in excess of USD 700 million The Times Group| | Corporate directors| Indu Jain · Samir Jain · Vineet Jain · Sahu Jain · Sahu Ramesh Chandra Jain · Sahu Shanti Prasad Jain| |

Brand Newspapers ; Magazines| The Times of India · The Economic Times · Maharashtra Times · Navbharat Times · Mumbai Mirror · Pune Mirror · Kolkata Mirror · Bangalore Mirror · The Times of India – Kannada · Times Private Treaties · ET Chandigarh · The Illustrated Weekly of India · Parag (magazine) · Vijay Times · Vijaya Karnataka| | Times Global Broadcasting| Times Now · ET Now · Zoom · Lead India| | Times Internet| Indiatimes portal · TimesofMoney| | Times Infotainment ; Entertainment Network India|

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editorial cartoon, featuring the famous Common Man) Bachi Karkaria,

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assistant editor during the 1930s Trivadi, columnist and humorist well known

for his editorials, humor pieces, and satirical poems. Supplements The Times

of India comes with several city-specific supplements, such as Delhi Times,

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Calcutta Times, Bombay Times, Hyderabad Times, Kanpur Times, Lucknow Times, Indore Times, Nagpur Times, Bangalore Times, Pune Times, Ahmedabad Times and Chennai Times, The Times of South Mumbai, The Times of Doon, Meerut Plus, Haridwar Plus , Bhopal Plus .

Other regular supplements include: Times Wellness (Saturdays) – Times Wellness focuses on solutions to health issues and guidance to better living Education Times (Mondays) – Education Times caters to the ever-expanding student community and learning experience, as a career guidance, counselor and adviser. Times Ascent (Wednesdays) – Editorial of Times Ascent centers on human resource development, and the impact and implications on business and society. ZIG WHEELS – ZigWheels. com is an automotive website reviewing, discussing, features and interviews on Indian vehicles.

Times Life (Sundays) – Times Life is the supplement which is feature driven What's Hot (Fridays) – Focus on latest happenings/events. Special pages created for channels and details of programmes Rouge (Saturdays) – Concentrates on women's interest areas. Tabloids: 1. Mumbai Mirror 2.

Kolkata Mirror 3. Bangalore Mirror 4. Ahmedabad Mirror 5. Pune Mirror 6.

Indore Mirror ONE DAY IN THE MAKING OF NEWSPAPER The process of producing a newspaper involves many stages that succeed each other to a tight schedule. As an example, the table outlines the production timetable for one newspaper that appears seven days a week.

The example relates to the Times of India a newspaper that has the highest circulation in India and largest readership in the world. The distributors receive the newspapers in the morning between 01. 45 and 4. 00 A. M. and



the normal early morning delivery is completed by 06. 00 – 8. 00 A. M. TIME (24 HRS CLOCK)| ACTIVITY| 07. 00| Advertisement production begins| 08. 15| Office opens| 08. 30| Editorial office opens| 09. 00| Editorial meeting| 12. 00| Deadline for handing in draft ads for “ The after tomorrow”| 14. 00| Deadline for handing in advertisements over 100mm| 14. 0| Tentative page assignment based on the amount of advertisements| 15. 30| Submission of classified ads ends| 16. 00| Final number of pages decided| 16. 30| Office closes| 17. 00| Layout of advertising pages| 18. 00| Mailing register updates| 20. 30| Advertisement complete and ready materials processed| 21. 30| Layout of advertising page complete| 23. 15| Layout of all pages done and printing plates ready| 23. 30| Printing begins| 24. 00| Transportation begins| 00. 30| Last pages changed| 00. 30| Editorial work and preparation of print area closed| 02. 30| Papers printed| 01. 45 to 04. 0| Newspaper to distributors depending on district. | 04. 00 to 05. 00| Newspaper received by vendors| 08. 00| Customer receives the newspaper| Source: TOI officials and the data provided is tentative

DISTRIBUTION OF NEWSPAPER

The newspaper production/distribution is an example of a perishable-good production and distribution problem. A perishable good is one that either loses significant value if stored or a good that will cause economic loss if delivered late. There are 3 main categories of perishable goods. 1. Goods those are perishable only when considered by the customer 2. Goods those are perishable only to the manufacturer . Goods those are perishable to both the manufacturer and the customer Newspapers fall into this later category. Newspaper companies cannot print the news section of the newspaper in advance because of the requirement that news be timely. Additionally, with the increase in commuting times, especially in the large, metropolitan markets, late delivery

is also not entertained. Therefore, newspaper production/distribution is the problem of distributing highly perishable products under severe time constraints. **IMPORTANCE OF DISTRIBUTION IN THE NEWSPAPER INDUSTRY**  
Physical distribution logistics forms a pivotal part of the distribution task.

**Confers Place and Time utility for Newspaper** It is physical distribution that confers place-utility and Time utility to newspaper by making it available to the user at the right place at the right time. Thereby, it maximizes the chance to sell the product and strengthen the company's competitive position. Newspaper is one such where the time gap between the production and distribution is very less as per the time table mentioned earlier the distributor has just eight hour to distribute the newspaper outside the city and around four hours for distribution within the city and suburbs.

Moreover newspaper is one of the highly perishable products if it is not delivered on the time it gets perished. According to a survey conducted around 80% of the population reads the paper before eight if paper doesn't reach their house by eight the life of paper is over for them. As majority of the people reading the newspaper falls in the category of students and working people and they leave the house by then. Here distribution plays an important role in carrying the newspaper from the place of production to the place of consumption at the right time. Also without this flow of newspaper marketing cannot take place.

**Ensures customer satisfaction and retention** Customer satisfaction is a very crucial part of any business. The company can run its business only if its customers are satisfied. In case of newspaper, customer satisfaction can be

achieved by providing the newspaper in time where ever the customer wishes to have it and in proper condition. In case these demands are not fulfilled the customer will switch of to other substitute newspaper which fulfills his demand. An efficient distribution system retains the customer by ensuring customer satisfaction. Increase funds from advertising

Though distribution does not directly enable this benefit but it does have an indirect influence on the funds raised from advertising. The advertising cost in newspaper industry depends upon the circulation of newspaper. If the circulation of a newspaper is vast they can quote high price. But the circulation aspect of newspaper is directly related to the distribution of the newspaper. Hence an efficient distribution system that enables a company to build up its clientele which in return enables the company to quote a high price to advertisers. Thus distribution also helps the company to raise funds from advertising.

The selection of distribution channel differs from one company to another. There are various factors which influence the selection of channel and the channel partner for e. g. the location of printing press, the area of operation, location of the customers etc. The TOI press is located at Kandivali from where the papers are distributed all over Mumbai and Thane district. Since area covered by the Kandivali printing press of Times of Indian is restricted to Mumbai and Thane district is uses two distribution channels to reach its customer. CHANNEL 1: The 1st channel is use to cater the common public.

Here the paper is collected from the printing press (located at kandivali) by the distributors; TOI has outsourced the distribution to a 3rd party logistics

company. The distributors go on dropping the newspapers bundles at the various newspaper depots on their route; these depots are usually located near the railway station for transportation and travelling conveniences. From depot the vendors come and collect their respective bundles and then it is supplied to the customer. CHANNEL 2: The 2nd channel is exclusively used for the Times Of India NIE edition which is designed especially for the students.

Here the copy is received by the TOI supplier from the printing press. This is then sent to various schools across Mumbai and suburbs by the TOI suppliers. These bundles are collected by the school authority and distributed among the students who have subscribed it. FUNCTIONS OF THE CHANNEL PARTNERS The channel partners are the connecting bridge between the publisher and the reading population. They do not only perform the work of moving the good but help overcome the time, place and possession gaps that separate goods and services from those who want them. The members of the distribution channel perform a number of key functions.

Following are the functions performed by the channel partners in a distribution channel of a newspaper. Distributor: 1. The distributor collects the newspaper bundles to be distributed in his route. 2. Sorts and arranges it area wise. 3. Then they safely drop each bundles at their respective depots. Depot manager: 1. The depot manager collects the bundles form the distributor. 2. He also sets a wholesale newspaper distribution counter. 3. One for the counter vendor i. e. the stall vendor and another for the

registered vendors they supply newspaper to the houses and corporate customers. 4.

He takes bulk orders. 5. Collects information regarding the demand and passes same to the company. 6. Convey the various schemes to the vendors. 7. He back hauls expired editions from the distribution sites. Counter vendors: 1. They collect their copies from the newspaper depot. 2. Then they sort them and insert supplementary copies as the main paper and the supplements are received in separate bundles. 3. E. g. In case of Times Of India (toi) the vendor receives the main paper Bombay Times (BT) and the Mumbai Mirror is in different bundle. The vendor sits and inserts BT and MM in the TOI and makes one set. . They make the paper available for the customer at the convenient places like the railway stations, signals, roadside, outside offices, residential areas and many such places from where the customer can conveniently purchase their copies. Registered vendors: 1. They collect their copies from the depot as per the order received by them and distribute them. 2. The vendor has supply boys sit and sort the paper. 3. Insert the supplement and arrange them house wise. 4. They convey the new schemes of company to the customers. FLOW OF NEWSPAPER Index Printing press Truck delivering newspaper \_\_\_\_Distribution route \_ \_ \_railway track depot railway station counter and registered vendor sorting area cost structure| | | | | times of india primarily uses three modes of transportation and they are| | | | | approx cost incurred per month for delhi| | | | | airways| 1 lakh| | roadways| 7 lakhs| | railways| 2 lakhs| | | | | | however in delhi itself only vans and trucks are used| | | | | the cost of hiring these per day is (Rs. )| (Rs. /vehicle/day)| 200| | | no. of trucks or van used everyday is | |

190| ||| therefore cost per day per truck is (Rs. )| | 38000| ||| Cost of machine | | 180 Cr|

Depreciation| 15-20% p. a. | | | | | | | Cost of ink and printing (Rs)| | 10| 40-50 paise per page| | | | | the sale price is 20% of this total variable cost | | |

thus the newspaper business covers its cost from advertisements| | | the maximum no. of advertisements are in toi and ht and as a result various other newspapers are in loss like the hindu statesman, even volume is a problem | margins for distributors| | | | | | | | | | in case of newspapers| | | |

Reader| pays cover price| | | | | | | | | | vendor| 25 – 35%| depending upon the margins on various newspapers| | | | | | | conomic times- 25%| | | | |

navbharat times-30%| | | | | times of India-35% | | | | | THE STORY OF HOW

YOUR DAILY MORNING PAPER IS DELIVERED TO YOU... Time| 08. 00 A. M. |

Place| CUSTOMERS PLACE| Activity| CUSTOMER RRCIEVES THE NEWSPAPER|

0 Time| 03. 00 A. M. | Place| KANDIVALI (PRESS)| Activity| THE DELIVERY VAN

LEAVES FOR DISTRIBUTION OF NEWSPAPER. THIS IS THE FIRST PHASE OF

THE PROCESS. | NOW THE START OF THE DAILY RUN... Time| 04. 00 A. M. |

Place| DROP POINTS. MAIN JUNCTIONS| Activity| THE NEWSPAPERS ARE

GIVEN AT THE MAIN JUNCTIONS OR THE DROP POINTS. | HALTS AT DROP

POINTS Time| 04. 0 A. M. | Place| TRANSFER TO THE SMALL VEHICLES. |

Activity| HERE THE NEWSPAPER IS TRANSFERRED TO THE SMALLER

VEHICLES TO BE TAKEN TO DIFFERENT AREAS OF THE CITY. | ...ONWARD

JOURNEY BY SMALLER VEHICLES Time| 05. 00 A. M. | Place| AREA'S

CONCERNED BY THE | Activity| SMALLER VEHICLES GIVE THE NEWSPAPERS

ACCORDING TO THE RQUIREMENTS OF THE VENDORS. | ...TO THE VENDOR

Time| 05. 30 A. M. | Place| VENDOR AND SUB VENDOR'S PLACE. | Activity|

HERE THE NEWSPAPER IS GIVEN TO THE SUB VENDORS ACCORDING TO THEIR REQUIREMENTS. | ...THEN TO THE SUB VENDORS Time| 06. 00 A. M. | Place| SUB VENDOR'S AREA. Activity| HERE THE SUPPLEMENT INSERTIONS ACCORDING TO THE CUSTOMER REQUIREMENTS IS DONE. | ...SUPPLEMENT INSERTIONS Time| 06. 30 A. M. | Place| DIFFERENT AREAS. | Activity| THE DELIVERY BOYS HIRED BY THE VENDORS AND SUB VENDOR GET ON THEIR TOES TO DELIVER THE PAPER TO THEIR CUSTOMER. | ...DELIVERY BOYS Time| 08. 00 A. M. | Place| CUSTOMERS PLACE| Activity| CUSTOMER RECEIVES THE NEWSPAPER| ...THE DAY BREAKS ...AND FINALLY IN THE HANDS OF OUR READER... PROBLEMS: The newspaper production/distribution problem is an example of a perishable good production and distribution problem.

We define a perishable good as one that delivered late. Using this definition of perishability, we can classify physically robust commodities-automobile seats, vehicle transmissions, or newspapers- as perishable goods. Late delivery of car seats or vehicle transmissions may result in the shutting down of a production line, while late delivery of a newspaper may result in the loss of a customer. There are 3 main categories of perishable goods. 1. Goods those are perishable only when considered by the customer. For e. g. an automobile manufacturer is the customer for the car seats delivered by the car seat manufacturer.

If the automobile manufacturer operate a JIT plant, and the car seats do not arrive on schedule, production of a particular model may be temporarily halted. Therefore, because of the tardy delivery of car seats, an economic loss is incurred. 2. Goods those are perishable only to the manufacturer. A

chemical manufacturer may use a volatile substance, which it produces, in the manufacture of a certain product. Until the product is produced, the volatile substance is lost, and the manufacturer suffers a concomitant economic loss. 3. Goods those are perishable to both the manufacturer and the customer.

Newspapers fall into this category. Newspapers companies cannot print the news sections of the newspaper in advance because of the requirement that news is timely. Additionally, with the increase in commuting times, especially in the large metropolitan markets, delivery after the commuter has left home for work may mean canceled subscriptions. Therefore, NDP is the problem of distributing highly perishable products under severe time constraints. The problem statement, which is essentially the same for each category of perishable goods, is: develop a distribution system so as to minimize total cost.

Costs can be divided into 2 major categories: 1. Costs associated with the actual distribution activities 2. Costs directly attributable to the perishability of either an input or an output. Category 2 costs will be accrued only if the schedule is not feasible. In the newspaper problem, an infeasible solution would be one in which not all newspapers are delivered by the deadline. The costs associated with this infeasibility may include the cost of the newspaper, a lost subscription, the cost of processing the complaint, the cost of making a special delivery, etc.

The distribution of perishable commodities has a number of features distinguishing it from other distribution operations. For e. g. the commodities



may not be able to be produced or purchased in advance for inventory. Distribution centers rather than warehouses play an important role, and production and distribution are necessarily intimately related. In addition, the total time devoted to distribution may be severely limited thereby further tying together the design and operation of the distribution functions. These distinguishing features increase the complexity of distribution problem for perishable goods.

**Criticism** The present management of The Times Group has been criticized for its policy of treating the newspaper as just another brand in the market and compromising on journalistic integrity in order to boost circulation. A common criticism is the use of sexual-themed articles of little relevance. The main newspaper and its many sub-editions are now run by individuals often referred to as ‘faceless editors’. The paper has diluted the authority of the editor to a great extent, with Managers and Marketing staff involved in selling advertisement space, occupying the top slot in the practical order of hierarchy.

The parent company has recently launched a controversial new business initiative, called “Private Treaties,” offering to take an equity stake in a company in exchange for advertising. While the management has weakened the Editorial, it has strengthened the technical, circulation, and the business sides of the newspaper, making it the most profitable newspaper in the country. [citation needed] New York City-based human rights and media activist Partha Banerjee criticises Indian media, including the Times of India, of bias in favour of the ruling Congress party.

Apart from this, critics also say that the newspaper seldom publishes negative articles about businesses and individuals who are a source of revenue through advertising. The supplementary publications like Zigwheels and Education Times for example, are advertisements in the guise of news and information. In addition, this newspaper company is created by Brahmins during the british times with funding from all Indians to support Brahmins and it is completely run by 73% of brahmin journalists.

This can be very well verified from the section 99% of the people listed above are pure orthodox brahmins. This journalist had never really cared about the 97% of the non-brahmin people living in the country India. It may consider publishing neutral, well analyzed and non-biased articles in its columns like Tehelka. GENERAL DESCRIPTION OF THE NEWSPAPER

DISTRIBUTION PROBLEM Time factor: The newspaper distribution problem involves the distribution of newspapers to home delivery subscribers at minimum cost while getting the correct edition of the newspaper to each subscriber on time.

For a major metropolitan morning newspaper production of a total of several hundred thousand newspapers in many editions and of delivering them to home delivery customers in approximately six hours is routine task. The key timing parameters are the start of the press run, say at midnight, and the requirement that each customer receive her/his paper before, say 6 a. m. In order to better serve their advertises and subscribers, newspapers produce many versions (editions) of the newspaper for different demographic/geographic regions. Spoilage:

Delivering a tattered and withered newspaper poses a hindrance in a good customer service. It is an important consideration on the part of the distributor to deliver the newspaper in good condition. There are various reasons for spoilage of newspaper. Firstly it could be due to the mishandling on the part of labor at the press, the delivery van, or by vendor which may cause spoilage of newspapers. Secondly newspaper being made from water resistant material leads to a lot of wastage or delivering spoiled newspaper during the monsoons. This degrades the customer service and may also add up to the cost of loss sales.

Company ends responsibility once paper collected by vendor: The companies control is restricted up to the newspaper depot once the bundles are received by the vendor, responsibility of the newspaper company ends. They don't interfere in the further process of distribution carried out by the vendor. To some extent this is not bad as the vendor has his freedom of work, but at times this backfires. In case if the distribution under companies control is carried out efficiently, but if the vendor fails to maintain the distribution efficiency the company will have to bear the consequences of late delivery.

**SOLUTION** Integration of editorial, production and distribution activity The physical newspaper distribution process involves carrier districts, truck routes and loading. However, the distribution start depends on the printing start and the mailroom activities. Therefore, the printing process and the mailroom process, hereafter called the production process, have to be considered in the distribution planning. All processes have to be planned to

meet the delivery deadlines. Therefore, the planning of the processes should occur in the reverse process order.

When the delivery deadline is set, an analysis of the process times for each process will generate the required starting times for each process. Process that should be considered in the planning of physical distribution Proper packing: A proper packaging ensures ease in material handling, storage and ensures preservation of the product. The newspaper companies should thus improvise on the packaging of newspaper. Special attention should be paid towards packaging during the monsoons. Plastic envelope is an expensive solution but company can recover by sponsorship from the advertisers. Web presence

According to research carried out by ComScore (an Internet market research company), timesofindia. com was the world's most popular news portal as of May 2009, with 159 million page views. Latest in times of India Online: " TOI in 2 Minutes" is your quick meal of news, if you are hungry for news but pressed for time. On a single page, it gives you a snapshot of important events in India and the world. Research shows that in two minutes an average person can comfortably read 400 to 500 words. Hence, this attempt to condense 12 stories in less than 500 words and present them to you on one page. TOI in 2 Minutes" is updated three times a day in the time bands 2am-3am, 10am-11am and 6pm-7pm. It can also be updated any time to include a big story. CONCLUSION Through this project I learn a lot about the working of the Newspaper Industry. Newspaper is the most important tool of knowledge and TOI has a very good Physical Distribution System to satisfy their customers by providing the Best product at the lowest Price and Fastest

Delivery as compared to others to get a competitive edge over others and increase their customer service levels. The future strategies to be followed by Times of India:

DISTRIBUTION (TRADE+): 1. Opening more depots 2. More extension counters 3. Streamlining distribution process 4. Covering the width and depth of distribution area 5. Availability of copies in bus stands, rly stations, crossings etc(CSPS) 6. Developing colonies (extension counters/ first to reach) BIBLIOGRAPHY Books: Physical Distribution Management Logistical Approach by Khanna KK Logistics and supply chain management by G Raghuram Websites: [www. timesofindia. com](http://www.timesofindia.com) [www. google. com](http://www.google.com) [www. wikipedia. com](http://www.wikipedia.com) Interview: Interviewed Mr. Nitin Agrawal working in Times of India in the RMD department.