

# Marketing strategy for print media



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## **1. Introduction and Background**

About print media it is said that action people do in their daily lives, their sayings and the style adopted by them to say something is actually directly influenced and affected by their readership activity of news paper, whatever they read in the newspaper and see, it affects their actions. And this would be very true to say that print media was and is the major factor in developing and promoting the popular culture, few years back book reading was a very popular activity and was a very influential source for educating people. If we analyze in the recent history of media, it would be very difficult for us to ignore the importance and impact of the print media in people's lives. Media is basically categorized in two famous segments named as print media and electronic media, electronic media is the one using electromechanical energy to give access for its contents to customer or target group, initially it was in the form of audio, video, multimedia presentation and CD ROM etc. now with passage of time becoming more advance in the form or more digital.

Now the static one which is mainly print media, and this also very often use electronics to produce the contents but actually do not use electronics to be delivered to the end user or customer.

News papers are actually customary publications of the contents like news, advertisements and entertainments etc. The total number of daily news papers around the world in 2007 was 6580, and about 395 million copies daily had been delivering at that time, but after global financial recession of 2008 a very significant decrease in the circulation of news papers and advertisements was seen. Global recession was not the only factor, a rapid

growth in digital media and online alternatives to print media are also the root cause for this decline.

And how come it is possible for us to ignore print media as it has contributed a lot to update the people about news and without any doubt it has the power to change the trend or to make the trends like fashion, food and other cultural programs. In this marketing project I have tried to establish that what is going to happen with print media in the future, which was and is a very powerful source for providing knowledge and to keep them up to date about what is happening in the world. And off course this is very unfortunate that print media in the current date is going towards decline at a high rate, a lot of reasons are there which have made the situation of print media like where it stands today. In this report I have tried to establish from different school of thoughts the future of print media, and their perspectives are mentioned about reasons that print media is suffering today, and what are the possible solutions and strategies print media can adopt to come out of this situation.

### **1. 1 Case Study over Berlingske newspaper**

As a case study I have chosen Danish daily news paper Berlingske which is owned by a largest news publishing group Berlingske media. Among many other brands berlingske daily news paper is also a product of Berlingske media, 1749 was the year when the foundation of Berlingske media were laid down, and at that time it was published for the first time.

The history of Berlingske Media has a long story of success, and truly they are proud of it and have a big influence from the level of nationwide to local

level titles. In 2011 the group has reached to the age of 261 years, and from Jutland to Sealand group is well-known, and group has its headquarter in the center of Copenhagen. Until the date group has the 2850 employees working for it, 1100 out of them employed in the head office.

Today after a long struggle Berlingske media is now able to deliver the contents for web, radio, web-TV and print etc. Berlingske media has successfully produced very famous brands; some of them are Berlingske, B. T, ErhvervsBladet. dk, Urban, Dagbladet, Holstebro, Folkebladet and etc. Berlingske media today is in the position that they are producing and publishing 11 daily news papers national and regional, and about 47 local weeklies. Along with this group is also publishing one free news paper, one weekly newspaper and one weekly magazine. Berlingske media has developed more than 60 websites, and have the opportunity of web services, they are also owner of one web shop and are currently having five mobile sites. About 200 Medias are working in the country under the group. Activities of Berlingske media are not limited only to the extent of producing and publishing but also it has produced its own press and has the facilities of printing and afterwards has the services of distribution. Total revenue generated as a result of these activities was 3583 m DKK in 2007.

So this is not very strange to say that group has created a capacity for reaching up to 2. 5 million Danes every week, this is a brief introduction and history about the Berlingske media group but important to mention here is that further in the report focus will be particularly on the Berlingske news paper which is truly one of the famous brand of Berlingske media.

## **2 Problem Definition and Objectives**

### **2.1 Aims and Objectives**

To establish the opinions about future of print media from different school of thoughts, and to identify what changes in the strategies might change the situation.

Aims of this report basically are mainly two, firstly to highlight the current situation of the print media and its future, secondly to some extent identifying the benefits and some possible successful strategies which might change the situation for print media.

As it is already mentioned that as a case study Berlingske daily news paper has been chosen, so the main objective of this report is to propose a possible marketing strategy for print media of Berlingske, so that it can be able to maintain its competitive advantage and leadership.

### **2.2 Research Question**

At the quite initial stage prior to this research project in a session we were asked by our supervisor Andreas to work together in group for the selection of the research topic, so all the instruction that were taught to generate the ideas and then turning the ideas into research question and objectives has been taken into considerations. For instance in the capability section it is mentioned that access to data is would be easy or not, as the author is an employee of a distribution company which delivers paid newspaper at night. So it was not a complicated matter for making a survey to get the data. So in the light of individual advice session with supervisor and theoretical work I have made my research question or the problem statement as follows.

## **2. 3 Problem statement**

What would be the future marketing strategy of Berlingske newspaper to sustain itself in the presence of electronic media?

## **3 Conceptual framework**

### **3. 1 Literature Review**

After the World War (ii) like many other countries in Denmark news papers declined rapidly but particularly in the recent years the ratio was too high to decline and that is from 1, 600, 000 per day circulation to 1, 130, 000.

Among almost 32 daily news papers Berlingske news paper is most prominent figure in the context of newspaper circulation. Berlingske media which is owned by a UK based Mecom Group plc has maintained its position in the industry after having different activities of mergers and alliances with other newspaper companies. Decline can be significantly analyzed as in 1993 74 percent of the mature population is been reading one newspaper daily, it decreased in 2006 to 72. 5 and in 2008 it was 68. 9 percent(Jauert, 2010).

Danish daily news papers had a very sever war for the advertising revenue in the past, which resulted in the loss of revenue for many companies as they trapped in the competition and tried to lower down the prices and finally got a big loss. In 1995 Danish newspaper were sharing 35 percent of the overall advertising market which was in came down in 2005 with 27 percent and in 2008 it became 19 percent. And this situation developed because of the main route cause of internet advertisement (Jauert, 2010).

As a solution to the problem Berlingske media now changed the strategy and started to publish two of the free new newspapers, and the loss for

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publication of these two was about 1 million DKK every day. They also had been affected by the major problem of the distribution for these papers, and many of the free news papers could not survive because of the decreasing revenue from advertisements and also because of having great difficulties and cost problem in distribution. A common distribution company was founded by “ MetroXpress” and “ 24Timer” in 2007 (Jauert, 2010).

Here it's important to mention that in regards to paid news papers Berlingske here adopted the proactive strategy or in other words strategy is called first mover advantage, the concept is presented by Vaccaro (2009) who mentioned two strategies, one is called proactive or assertive and the second is described as reactive or defensive approach, the difference between these two is the implementation of the strategy according to the changes happening around in the environment. Second one becomes activate when changes in the form of threat or opportunity already occurred, but in the proactive approach company has to be active before some thing from the external environment happened. So talking about Berlingske media it is very clear that they preferred the proactive approach as free launching of news paper Urban represents their activity.

Then another free news paper comes in the market called Urban which is product of Berlingske Media, and statistics revealed by Dansk Oplagskontrol (Danish Bureau of Circulation) of 2008 showed that 15 weekly and 49 monthly magazines were there in the market, and according to Jauert weekly magazines were distributed in 1.8 million copies in 2008 whereas in the same year 1.140 monthly magazines were distributed. But this ratio has continuously been decreasing and as a result in 2006 it was 1.6 million for <https://assignbuster.com/marketing-strategy-for-print-media/>

weeklies and 1.3 for monthlies and further in 2008 it became 1.4 million for weeklies and 1.3 million for monthlies and quarterlies (Jauert, 2010).

It is now very clear that and also it's been proven that print media is not off course dying but on the other hand growing worldwide, there is no doubt that digital world has captured most of the media and this is said to be their age but even in this situation print can not be avoided. The print media market now started offering a variety of product and is mainly divided into two broad categories which are respectively commercial printing and periodicals. Commercial printing is often used on some occasion's context for example making of brochures and cards etc. but the periodical printing includes the products in the routine like newspaper circulation and magazines etc. (Kipphan, 2001)

Today the business publishers are having a very bad advertising sales and the economy in many recent years could not contribute to the publishers, so to achieve the success in this digital era it is very important for publishers to come with variety of products and services, so they can fulfill the demand of the reader as well as of advertisers. (Jim Kilmetis, selling communications Inc, Future of Print, 2004).

Recently a new terminology has been introduced about the integrated media and marketing models, but to make this new model on the way of success and for the purpose of implementation it will obviously be a need of skilled and broad minded people. The fact of the matter is that there are off course some problems which readers and publishers face when using print publications, for readers the problem is that they can not be well addressed



to the information they want acquire, from advertiser point of view after having a campaign for anything it is not possible to measure the affect. (Jim Kilmetis, selling communications Inc, Future of Print, 2004).

But in this kind of circumstances would it be possible to for print publishers to make a solution to the problem, and the answer is yes, off course they can have the opportunity of zero based assessment where they can understand to what extent their information structure is dependent on the print and advertising and what strategies can be adopted to align them in current market place. Not only this they also have a big advantage of technology to use for the progress on integrated media and marketing. Today technology became so fast that publishers can be able to control all medias by using an integrated platform. (Jim Kilmetis, selling communications Inc, Future of Print, 2004).

To achieve the success in the current date it is of vital importance for the publishers to make a shift, change is now necessary expertise are required to bring that change, it would be considered that what is demand of people how they want to acquire the information. Time is changed today, old models and theories are no longer very fruitful and now according to the changing environment many publishing companies have their websites to meet the competitive edge, as they are offering related services through these website but important point is to consider all this as an initiative. Internet features must be used for the purpose of distribution and other stages of the traditional publications. (Jim Kilmetis, selling communications Inc, Future of Print, 2004).

### **3. 2 Other Concepts from Related Work**

Here another perspective comes from Schibsted, a Norwegian news paper, this is said about it that if they would like to greet anyone visiting them, it is hand operated printing press which was actually bought by the founder of this group Christian Schibsted in 1856. This was initially established for only the purpose of printing, mean printing for others, but later on it started to make its own publishing, now the point which is to be noted that there is no doubt that the company did not compromise for presenting their machine as a proud for them, but even then this is also the fact of the matter that they are now trying to run away from the print. As they got a loss in having activities in the print publications, And like many others they also adopted the policy for being online and got 35 percent of the operating profit after activating online activities. (The Economist, 2006)

The news paper industry after the success news of Schibsted's started to join their footsteps, as industry was declining day by day, but this successful experiment of being online by Schibsted's changed the environment to a great extent. Schibsted's actually developed a web site for their established news paper industry and also many others like Sesam a search engine comparable with Google etc. But if talking about the news paper industry particularly then the situation is very alarming that even Schibsted's seemed like hopeless. (The Economist, 2006)

Ron Miller suggests that if we analyze and compare the situation in the context that in the past if we wanted to establish a set up for the news publication or for the magazine production, that was clearly meant to have a good resources and wealth to do that, he mentioned that in the past news

paper industry had been relied very much to make the news paper available for us, and they got a lot of benefit out of this. But today the situation is changed totally. (Miller, 2009)

Miller further describes the situation in the way that today it became very easy for any kind of content publications to deliver it online. There is no need of big staff and large set up like a factory process to achieve this, not only this it is very obvious that ad dollars is moved to internet now. And now this is happening in a very speedy process that now we get the news right after it occurred. So due to these circumstances now the situation is happened to be like that newspaper industry failed very badly. Considering the 2009 statistics of FOLIO 279 magazines were closed, and only 77 became possible to launch, 105 newspapers were closed in the start of 2009. This is not the case only with the small business of newspaper industry, it happened with large companies as well, for instance New York Times is rapidly declining towards destruction and has come to the level that they now considering to sale their Manhattan headquarters. (Miller, 2009)

Dan Haight described a particular segment of advertisement that advertisers became very smart today, as they don't hesitate to adopt any kind of medium to reach their consumer. He feels that this is very possible that advertisers will used to go at the door steps of their consumer and ask for the consumption in very near future. Further He described the situation about the future of print media that it has to focus on the advertising, Haight believes that in future off course print is going to play an important role, the only need is that print media should be able to carry the messages from the advertisers and at the same time advertisers would have to keep in mind

that they advertise exactly what consumers demand is and at the appropriate time when consumer really want to consume this. Because as technology becoming advance day by day, the consumers are getting more empowered so in this situation there are almost no chance for advertisers to make any mistake or error. (Haight, 2005)

According to Gene Gable the defenders or the supporters of print media are always been arguing that print media due to its nature of giving the impression of touch will not lose its position with other medias of digital world. Defenders of print media said that you can take the news paper with you into bathroom, but at the same time from other side very comprehensive answer comes that off course is true what is been argued by supporters but what about the new generation who is coming with the digital world. And after analyzing different surveys and statistics here Gable describes the situation about the current existence of ours, according to him the situation of print media decline is more sever among the kids and in the age group of 65, He further explains that may be they are very much used to for the internet, they buy a very few news paper today. (Gable, 2007)

Gable also mentioned that predictions of Dire publications about the sever decline of news paper industry were quite true as many of the analysts showed that this situation can be even worst. In America the decline in the newspaper industry circulation was 2. 8 percent daily and 3. 4 percent on Sunday, if talking internationally the trend is also downward as in the biggest newspaper industry of China the revenue by ad decreased by 15 percent and also the ratio of newspaper readers decreased very much about 1. 3 percent since 2003 and it was said by government that industry is entered an ice-

age. The case with the developed and established industries is also not very much satisfactory, as in Germany the ratio of circulation declined by 9.35 percent, in France by 5.7 percent, Italy 4.49 percent, Netherlands 11.13 percent, Denmark 11.5 percent and the United Kingdom 12.5 percent.

(Gable, 2007)

In another article by Ron Miller suggested that with passage of time media companies are caught up with recent changes that are brought by internet. Ron believes that if old media companies do not update themselves with these changes of recent history, they will become late in the game as this is very obvious that these rapid changes and the internet enabled media knows better delivery channel than old media. According to Miller problem actually occurs when old media companies treat the new digital world as a different thing to them, they separate internet from their traditional media. But author believes that this is wrong mindset as according to him they can open new horizons of success if they work together. He made his case strong by giving two examples; one of Greyson Chance who uploaded a song by playing a piano, other one is of Dave Carroll who also made a YouTube video of his song “United Breaks Guitars”. In both cases author describes that when were being picked up by the print publishers and TV, their views turned in millions, finally Miller concludes that if the old companies want to be on the path of success then it is vital for them to understand the different ways for combining with digital delivery channels (Miller, 2010).

### **3.3 SWOT Analysis**

To reshape a strategy for any company or to make a totally changed new one, it is very important to understand about the capabilities required to

achieve the goal. SWOT analysis actually tells us about the health of a company and that where do it exist, this cannot be used to plan a new strategy or to give the solution for any existing deficiency in the organization. SWOT analysis is quite helpful in identification of problem area so it became easy for the people in management to take the decision accordingly. SWOT analysis consist of four parts to make an analysis of adopted strategy of any company, and to make this analysis successful and objective, this is required that company don't hesitate to be a critic of its own. And adaptation of such an analysis might lead the company to understand the areas where they are powerful and so they can emphasize on these areas to utilize the opportunities they can have. SWOT stand for strengths, weaknesses, opportunities, and threats. Two of them are the internal to the company, strengths and weaknesses is actually a measurement of where company does exist currently, whereas opportunities and threats are the external factor to company, after this stage of identifying and examining the both factors, then companies might be able to analyze them to make a balance between these factors.

Strength of a company is very important to identify as it might be possible that company could not realize that what is they are good at, which is actually their strength, what are the key factors making company on the way of progress. Similarly the weakness is an area of the company where company is not performing well, it is important in this regard that sometimes misinterpretations of the things might lead a company toward a problem, misinterpretation means that something which was really important to the company but perceived as less important and could not be focused. But

opportunities are some external factors happened in the environment that becomes favorable to your business, these factors extra ordinarily affect the business strengths, weaknesses, and threats and are helpful to improve the business. Threats are the external conditions that are not in favor of business of company, while doing business it is not very unusual that business face different threats, these might occur at any time.

Now by keeping all this into considerations Berlingske news paper is been analyzed to have an understanding of its current performance and capabilities, so talking about the strengths first it has been analyzed that since the Belingske news paper and media is the largest and oldest in Denmark so it has developed a strong customer base, as with the use of new technologies and strategies now capable for reaching about 2.5 million Danes every week. News paper has developed a strong relationship with their customers by fulfilling the demands of their customer. Berlingske has been considering the customer relationship mangment strategy to build the long term loyal relationship.

Another strength of Berlingske is demand of its print publication from a specific segment of its customers, these are educated people and have the know how of business and also people from elite class, as their demand for the print publication in spite of all the revolution in technology and digital online media can not be decreased. so this demand for the print publication is increasing as a strength of Berlingske news paper. Also Berlingske has strong infrastructure, as it is already mentioned in the introduction of case study part that Berlingske management owns around 200 medias, and 11 dailies and similarly magazines and weekly newspaper, so it has proven that <https://assignbuster.com/marketing-strategy-for-print-media/>

they have the right capabilities to manage all this, and due to best practice of CRM strategy implementation they have the strength of direct interaction with their customers and changing the policies accordingly. Berlingske news paper is today after a long struggle is recognized in all over Denmark and now Berlingske is name of brand. And recognition of the brand is a very powerful strength for any company, because some times for the purpose of making balance in some hard times, brand name can be used to adopt a different strategy to generate revenue by new ways.

Weaknesses for Berlingske print publication is mainly like many other print publications that with changing environment of the digital world, print is seemed to be as outdated technology, along with this in the long journey of Berlingske, it has been under many different leaderships, and as every new management would have its own goals and priorities.

So talking about the opportunities of Berlingske it is vital to mention that with the revolution in the online technology and digital media there are many positive outcomes for Berlingske print publication, first of all now with advancement in the technology it became easy and also very cheap for direct marketing with the customers, as it has been mentioned in case study part that berlingke group has developed more than 60 web sites, so to get a subscription for any willing customer it became very easy to do that just with click of mouse. So due to this more and more customers are being attracted. Also because of the advancement in technology and the use of computer has made Berlingske to produce their contents with a less investment or in other words cost is decreased to produce and deliver the content to the end user, and because of technology enabled factors bugdt with out any doubt is



increased, that is a necessary element to maintain the competitive advantage for Berlingske.

Regarding the threat one thing which I feel is necessary to mention that there was an opinion from one analyst that income which print publications have some times becomes equal to the cost for collecting news and other contents and then circulating and publishing them to the customers. So the actual revenue generator for print publications is advertisement dollar. So in the case of Berlingske this is also a threat that as advertisers now in this date increasingly prefer the online medium, so day by day this segment of decreasing advertisement is a biggest threat For Berlingske.

#### **4 Research Methodology**

My project is a research based project. So I have to use some research approaches and methods or techniques to carry out this project. For this purpose I studied some books related to this topic. From these books I got the guidelines about how a research is conducted. First I would like to explain what is a research? Research is a systematic way to investigate the solutions of the problems. Research is not a single step but it is a brainstorming. It involves multiple steps that the researchers have to follow to conduct their research. I have also planned to follow the same research process to respond the research questions effectively. Through this process I was able to collect the data and then performed analysis based on that data. To get better understanding, research process is shown in the following figure.

After exploring different research methodologies and techniques, I have made plan to use qualitative approach in my research project. This approach is suitable in a short period of time. This helped me to gather the data and find out the solution of the given research question. Under this approach I used different techniques to investigate the solution.

#### **4. 1 Literature review**

In this research project first I have planned to review the related literature in order to enhance my understanding on this area. I have planned to make literature review as the base of my research work. I studied and reviewed different articles, unpublished documents, journals and papers, books of different authors on the topic ' Print media and electronic media'. Literature is the best tool particularly in my area of research to get the optimum data within short period of time. It is an effective and cheap source for data gathering. Literature survey may provide a strong foundation for further research (Blaxter, Loraine, Hughes Christina, and Tight Malcolm, How to Research).

“‘ Literature’ refers to all available research on this subject and ‘ Literature Search’ refers to the process of finding the material and a ‘ literature survey’ simply describes the literature which exists (Blaxter, Loraine, Hughes Christina, and Tight Malcolm, How to Research).

This technique produces reliable and consistent data which can be analyzed and generalized with more assurance. Thus the data achieved is easy to manage and further field work is not involved (Verma Gajendra V, Mallick, K, and Neasham , Perspectives and Techniques, 1998).

I have carried out a comprehensive literature review to explore what has already been done in this area, what are the strategies that push a business towards upside. Based on the literature I have tried to produce a quality of data (Blaxter, Loraine, Hughes Christina, and Tight Malcolm, How to Research).

#### **4. 2 Informal discussion**

Informal discussion has been carried out for this research study. Informal discussion means no preplanned schedule and no formal layout. It can occur at any time at any stage. I conducted informal discussion with the colleagues that are doing business study or have some sort of business experience. From informal discussion I got many new ideas and new directions for this research work.

#### **4. 3 Conduct Survey**

Survey is an excellent and cheapest way to retrieve the data from the users. I have also planned to conduct the survey in my research work. This technique is supportive to further evaluate the results. For this purpose a questionnaire has been prepared under the light of data that I have retrieved from literature and informal discussion. Questionnaire is designed in a careful manner so that it is easy for the users to answer them. Questions are clear and close ended. There is no redundancy among the questions (Preece, J., Rogers, Y., and Sharp, H., Interaction design: Beyond human-computer interaction, 2002).

Target users of the survey are those who are doing business study or having business experience and background.

#### **4. 4 Case study-Berlingske newspaper:**

Case study is a qualitative approach in which we further narrow down our research. Similarly I have planned to conduct the case study in my project. Initially I have explored such business strategies due to which print media can survive in the presence of electronic media. But further I have investigated business strategies that particularly supportive for Berlingske newspaper. Because, I have chosen Berlingske newspaper as a case study in my research work.

#### **5 Data Collection**

After declination of print media there is a great pressure on newspaper and magazines companies. They are losing their business and their revenue is coming down. Marketers have changed their trend and they switch on to the digital media. They have built their own sites. To survive in digital environment print media needs to switch online and they charge for contents online as they are charging previously. But this is not successful effort as readers pay for only those contents which they cannot find anywhere or which is hard to replicate. For its survival print media needs to adopt the following strategies. They have to focus on different ways and business techniques to enhance its revenue.

##### **5. 1 Build Deeper Relationships**

Leading marketers have strongly realized the power of digital media. They are expanding the boundaries of digital innovation and spending much more on own web sites, mobile applications, interactive kiosks in order to deliver more targeted contents to the consumers. The