Come TOGETHER

Defining the Complementary Marketing Roles of Print and Online

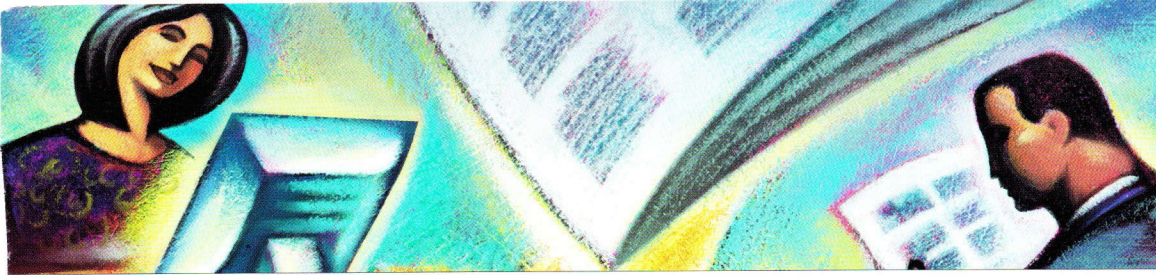# TABLE OF CONTENTS

A Note from the Committee...

Just over a year ago, the NAA Circulation Federation began looking at how consumers use print and online news sources and how their choices affect our business. We began looking at the challenges and opportunities both media would encounter as this new consumer channel developed. One of our first steps was to get representatives of all newspaper disciplines together at a facilitated meeting to identify issues. Frankly, the list was overwhelming. We chose to focus on the issues most relevant to circulation executives with the goal of providing findings that could be actionable. This publication is the result.

We realize that having all the answers in one place is too much for this project. First, there is still is a lot to learn about how the two media interact. Second, each day more newspapers experiment with new programs that bring clues on how to develop this new opportunity. Finally, we had to draw a line in the sand and decide to publish what we had in hand, concentrating on proven success and accepting that we still have a lot to learn. This means we have to immediately launch a second phase of our work monitoring the progress of newspapers as they tinker with their products. We are also commissioning additional research where we left questions partially unanswered.

So please consider this document a work in progress. We've provided snapshot examples of what is working and insight into how consumers use our newspapers and our sites. There are specific recommendations for action in the three areas we focused on: leveraging online for acquisition and retention of the print product; using the two media to build customer relationships; and identifying what needs to accomplished technologically for newspapers to effectively accomplish the first two objectives.

While we limited ourselves to circulation applications, the need to move forward and invest in technology goes beyond that. A truly interactive site has applications for advertising, finance and human resources, among others.

As you consider the issues in this publication, please remember what our research confirms: Online users and print readers make up largely the same group of consumers. They've just found different roles and developed different expectations for the two products. Our customers do not view the newspaper Web site and the printed version as competitors. Consumers who prefer online sources for their information are going online. The question is whether they are going to our Web sites.

Of course, from our vantage point, anything that competes for people's time can be viewed as a competitor. But we are not going to get people who prefer information online to use our print product. What we must do is attract those consumers to our newspaper Web sites so we can dominate that local market.

Fortunately, we found that in some cases we can build interest in our print products among visitors to our newspaper online sites. For our present readers, we have an opportunity to improve our level of service, enhance our newspaper's value and build a stronger relationship. These side benefits may help offset the number of consumers who purchase a newspaper less often now that they can access newspaper content online.

The publication of *Come Together* is a result of the work of the NAA Circulation Federation Print /Online Committee and consultants Finberg-Gentry. The entire committee, along with Howard Finberg and Leah Gentry, should be commended for their efforts. They assembled the most current research and crafted a practical, actionable guide. This also is an opportunity to thank all of the newspaper executives who participated in the survey as well as those who provided information about their individual marketing efforts. By the time this publication comes off the press, the committee already will have started work on additional research that we will be sharing with you. There are many questions that remain to be answered, ideas to be tested and opportunities to pursue. It is our commitment to keep you informed as we progress.

David Phillips (Co-Chair)
Rosemary Cassidy (Co-Chair)

INTRODUCTION

Newspaper marketing executives confront more challenges and opportunities as the media landscape evolves at an ever-increasing pace. No longer can our audiences be solely identified as newspaper readership; online also is becoming an important path for customers to access news and information. As our customers select from an increasing number of routes to us, we conversely enjoy expanded opportunities for marketing to them through multiple routes and for using each platform to strengthen its siblings.

This report delivers a set of strategies to define, understand and improve acquisition and retention of print subscribers using newspapers' electronic media products. Additionally, it explores relationships between consumers and the newspaper and examines ways to leverage and strengthen joint efforts of print and online staffs.

Our analysis contains cooperative approaches for print and online marketing in the areas of reader acquisition, building customer relationships and identifying the necessary technology. It was produced against the backdrop of changing media landscape and changing audience patterns. This report will:

- Describe the unique dynamics of print and online between audiences
- Highlight examples of successful online and offline complementary marketing efforts from within and outside the newspaper industry
- Describe the unique customer attributes of each platform and how to build multi-platform habits in customers
- Discuss the organizational and technical issues facing publishers
- Raise questions about the future role of print and online in relation to total market share.

The study combines the work of the NAA Circulation Federation's Committee on "Defining the Complementary Roles of Print and Online" and additional research by *Finberg-Gentry, the Digital Futurist Consultancy*. The Newspaper Association of America commissioned this project to provide an overview and analysis of how local newspapers are integrating print and online subscription marketing. Research was conducted between April and June 2001. Several research methods were used: a review of current industry practices; an online survey; site reviews; and more than 100 telephone, e-mail and personal interviews. All information in the study is believed to be accurate as of the date of completion of this study.

EXECUTIVE SUMMARY

What we found is encouraging. While the obstacles are many, several newspapers have developed and tested successful techniques for complementary marketing programs, ultimately driving print subscriptions. Success depends on the ability of circulation and Web departments to work cooperatively to seek solutions. The challenge that we face as an industry is to build a broader understanding and acceptance of the attributes and opportunities of each medium, so that we can develop a next generation of productive programs.

State of Subscription Acquisition

There are successful models that confirm the opportunity to acquire print subscribers through online. However, most U.S. newspapers are not contributing to subscription growth in a significant way through their Web sites. Although online cannot be expected to be a primary source of subscription sales, we found enough successful newspaper marketing efforts to be confident that online can become an important channel for subscription acquisition, cost-effectively reaching a market insulated from other sales efforts.

There is little or no evidence of circulation erosion *as a* direct result of putting newspaper content online, nor is there is any hard data that support the fear that customers are leaving newspapers *because* all of their information needs are being met online. While the increasing number of media types has the potential to correspondingly fragment readers' media time, we believe that you cannot point to online as the single cause of circulation erosion.

Challenges:

- **The relatively low profile that circulation areas have on many newspapers' Web sites:**
  For example, customers presently have a difficult time trying to find the SUBSCRIBE link.

- **Definition of "customer:"** Customers who use both print and online are more valuable than customers who use only print or only online. These "multi-channel customers" are prime consumers and a group that needs to be more strongly wooed and rewarded through the joint efforts of print circulation and online groups.

- **The complexity of the customer group:** Consumers in this group expect a high level of sophistication when ordering subscriptions electronically — namely, secure transactions, competitive pricing, convenience and ease of buying. They expect to be able to complete an entire transaction (i.e., new subscription order) without having to talk to a person; conversely, they want a person available, just in case.

- **Understanding what works:** Online subscription acquisition depends on so many factors — placement, marketing, underlying technology, e-commerce — that it's usually difficult to understand why something is working. As an industry, we need to more stringently track the various factors to understand what is happening.

- **A lack of technology** to support electronic transaction needs and to tie Web and circulation systems together.

- **Expense:** Developing business methods and technologies, and funding the manpower to achieve these objectives costs money.

Responses/What's Working:

- The *Austin (Texas) American-Statesman* is successfully utilizing their site for subscription renewals. They recently proved this type of promotion is important by using a bill stuffer, a relatively simple piece of marketing, to double their weekly online subscription renewal orders.

- The *Spokane (Wash.) Spokesman-Review* put SUBSCRIBE links on both the top and bottom of their home page and boosted online orders.

- The *Allentown (Pa.) Morning Call* developed an effective method of tracking online subscription efforts using a simple Excel spreadsheet.

- The *Poughkeepsie (N.Y.) Journal* tracks retention of Web starts against new subscriptions from other sales methods. Web starts rank among the highest in terms of retention rates, as well as among the lowest in terms of costs.

State of Customer Relationships

Some newspapers use the interactive aspects of their Web sites to further solidify existing customer relationships, and, at the same time, build bridges to new customers. However, these examples tend to be isolated. For the most part, U.S. newspapers have not yet seized the Web's opportunity to extend and strengthen customer relationships.

Challenges:

- **The expectations of the customer group:** Customers who seek customer service through the Web expect "always on" service — seven days a week, 24 hours a day. They increasingly expect service in a variety of formats: e-mail, fax, telephone, connect-to-chat (where users follow a link to go into a real-time chat session with a customer-service representative), menu-driven help (where users choose from lists to narrow down and finally resolve their problem).

- **Achieving "circular push"** — a constant flow of traffic among all the newspapers' products, both print and online. Exacerbating this is a general lack of cross-promotion between print and online.

- **Developing successful multi-platform loyalty programs** that make customers, especially multi-channel customers, feel valued and rewarded.

- **Extending relationships** without invading privacy.

- **Cross-promotion** is occasional, not ubiquitous.

Responses/ What's Working:

• Lands' End, a direct clothing merchant that sells offline through catalogs and stores and online through its Web site exemplifies strong multi-platform customer service. With its help in-any-medium-at-any-time philosophy, Lands' End sends a clear message to its customers: We value you, we value your intelligence, we value your time and we value your business.

• *The Houston (Texas) Chronicle*'s In.Touch online customer service center walks customers through each of the most common customer service needs, making the system idiot-proof without making the customer feel like an idiot. As customers are guided through the most frequently asked questions, In.Touch provides multiple-choice answers in pull-down menus. Customers who don't know their account numbers can also search for them online.

• *Essex County (Mass.) Newspapers* rewards its print subscribers with an online "Plus Edition," which contains expanded content and customized local news searches. Essex' program is more remarkable because it not only achieves circular push, but also simultaneously uses the expanded content to reward existing customers, converting single-channel customers to multi-channel customers.

• *The St. Petersburg Times* conducts about 12 free classes monthly on how to use the Internet, using its Web site [www.stpetersburgtimes.com] as part of the classes. Participants become comfortable with the newspaper's site during the classes, which offer both beginning and intermediate levels. The classes also serve as an effective tool for turning single-channel customers into multi-channel ones, and for introducing new customers to the *Times*' brand.

• *The Orlando (Fla.) Sentinel* collects subscribers' e-mail addresses and sends a twice-monthly newsletter promoting upcoming features and contests in the print edition. Subscribers can opt to be excluded from the mailing, but the dropout rate is very low.

State of Technology

System incompatibility is the heavy anchor holding back many newspapers: Most newspaper circulation systems do not talk to Web e-commerce systems, making information-sharing and online order-taking awkward.

Challenges:

• Most newspapers rely on a "kludge" of systems that includes e-mails to either the circulation or online department, or that requires a customer to call a phone number listed on the Web site.

• Many circulation management systems are "home-grown." It will take resources to either upgrade or build new systems to allow for more dynamic connections between circulation and Web systems.

• Solutions are needed now, but most vendor solutions are still in development.
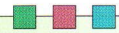
Going Forward

The complementary roles of print and online are gradually taking shape as newspaper Web sites grow out of their childhood. Evidence shows that digital media can promote print readership and subscriptions just as print can generate traffic for the online products.

A newspaper can seize the opportunity to lead its customers to its products on multiple platforms, guiding customers among platforms and maximizing customer relationships. This can be accomplished through inter-departmental cooperative efforts and by learning from successful examples of other newspapers and other industries. While the number of newspapers successfully pursuing subscriptions and managing customer relationships online is limited, those newspapers have lessons to share. But before those isolated success stories can be confirmed as transferable, the majority of newspapers must deal with significant systems integration issues.

Circulation executives and publishers need to understand the unique attributes and opportunities of each medium. This will enable them to take an active role to shape the internal collaboration needed to deal with the myriad issues. They also need to understand system integration challenges and the likelihood that quick solutions will be transitory and incomplete.

Next Steps:

What you, the circulation executive, should do:

- ☐ Read this report, then share it with your publisher and your online and technical counterparts.

- ☐ Take a leadership role in promoting and cooperatively working to overcome system limitations.

- ☐ Do a triage of your newspaper's online circulation-driving and customer service efforts. Use the "action items" checklists throughout this report to help you.

- ☐ Confirm that there is a consensus that the company goal is to capture and gain overall market share. The best route to this goal is building a broad base using a multi-channel approach.

- ☐ Find out what data is being collected at your newspaper to track the success of various online circulation efforts.

- ☐ Determine benchmarks with your counterparts and your publisher.

- ☐ Set goals and a plan to reach them.

- ☐ Develop a tracking program to chart your successes.

- ☐ Join the NAA Circulation listserv — call (703) 902-1777 to enroll — and share your newspaper's successes.

Action Items:

- ☐ *Current and new systems must be integrated to serve both print and Web customer channels. The ability to pass data among systems and departments is critical to success.*

- ☐ *Circulation executives should work with their Web and technical counterparts to make information integration needs clear to all system vendors, for both current and future purchases.*

- ☐ *While there are experiments under way that might affect how newspapers are delivered, it is unclear whether these efforts will be successful. Circulation executives should explore new methods, but be prepared for slower-than-desired change.*

- ☐ *Circulation executives should work with their Web and technical counterparts to establish meaningful return on investment models to convince corporate management that an integrated approach will pay for itself.*
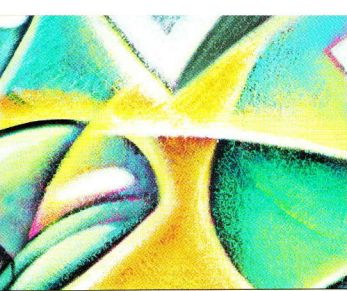
MARKET PERSPECTIVE

The development of a new medium always raises fear in established players. This was true when radio entered the marketplace and when television became a mass medium. Nevertheless, the sound bite "no new medium has replaced an existing medium" misses a critical point.

New media affect their predecessors' economic foundations. Each of the established [old media] players has had to evolve its business to meet the challenge of the newer media. For example, radio changed its content and advertising models with the arrival of television. Today, newspapers — a mass media for more than a century — will, once again, have to adjust how they reach their audiences and with what kind of content.

The NAA study "Leveraging Newspaper Assets: A Study of Changing American Media Usage Habits" released in 2000 paints a more ominous picture:

"We find that there is some evidence that weekday newspaper readership has declined more sharply among those 'who used the Internet in the past week' than among the public at large. 'Yesterday readership' declined 12 percentage points among Internet users between 1997 and 2000 but only 4 percentage points among those ' who did not use' the Internet."

While newspapers remain the dominant information medium for local and community news, high school sports, entertainment and television information and religion and faith issues, they still face a slew of competitors.

TREND IN WEEKDAY NEWS MEDIA USAGE
Percent used regularly; 4–5 times per week...

Study Year:	1997	2000	Change
Local TV News	63%	55%	-12%
Daily Newspaper	51	46	-5%
World/National TV News	42	37	-5%
Radio News	49	43	-6%
Internet For News	7	18	+12%

Source: Newspaper Association of America, 2000

However, there also is evidence those Internet users — and by extension digital consumers — are not totally running away from newspapers. A Yankee Group survey shows the average monthly spending for newspapers among Internet users is the same versus all households, raising a
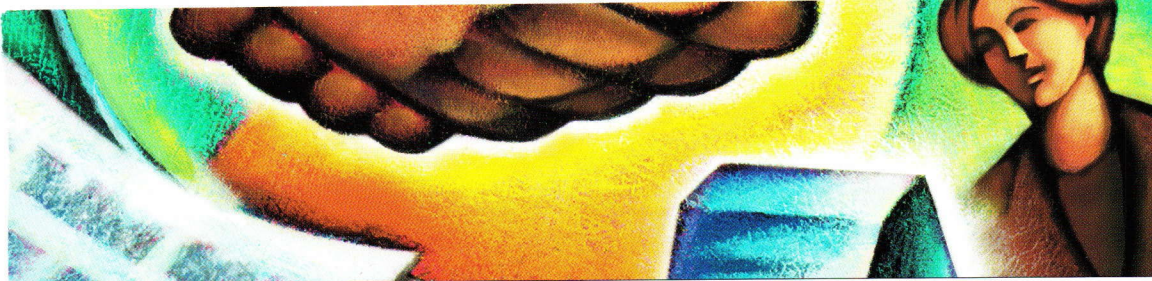
question of how newspapers can position themselves as providing value that goes beyond delivering the "news."

INTERNET HOUSEHOLD VERSUS NON-INTERNET HOUSEHOLD SPENDING BY MEDIUM

Average monthly spending by...

	Internet Households	Non-Internet Households	Index
Movies	$12.40	$8.14	152
CDs/Tapes	$17.78	$11.81	151
Concerts/Plays	$11.77	$8.08	146
Sporting Events	$10.05	$6.93	145
Video Rentals	$11.31	$8.09	140
Books	$14.22	$11.22	127
Magazines	$10.93	$9.58	115
Video Purchases	$8.45	$7.55	112
Newspapers	$11.40	$11.42	100

Source: The Yankee Group, 1999

In fact, compared to "total adults," a greater percentage of Internet users read daily and Sunday print newspapers. This also is true of consumers who visit newspaper Web sites. They are more likely than the population as a whole to read a printed newspaper. This 1999 study by Scarborough Custom Research for NAA also documented that 74 percent of Web users that read online newspapers continue to read print newspapers as often as they had prior to reading the online versions. Fifteen (15) percent reported spending less time with the printed newspaper, but 8 percent reported spending more time with the newspaper.

A more recent study by Belden Associates further examined the media habits of online users and specifically the dynamics between the print and online versions of newspapers. This study, conducted in 2001, used pop-up boxes online and confirmed that online news viewers are heavy consumers of all media, particularly print newspapers. Participants read or looked into a local daily newspaper 3.6 days per week (mean), less often than they used AM radio and cable TV, but more frequently than various TV news programming.

The study also pursued the big questions: Does the Web edition hurt print readership? How does it affect home delivery print subscriptions and single-copy sales? The Belden Associates survey indicates that 84 percent of participants who read the affiliated paper during the past seven days said their visits to the site had no effect on their subscription purchase habits. Site usage did not affect the single-copy purchase habits of 70 percent of respondents. A smaller number, 55 percent, said site visits had no effect on their reading habits (base of 4,917 respondents). This data point tells us that a sizeable number of readers are changing their habits.

But one would expect print readership patterns to change somewhat if viewers are calling up segments of the newspaper's articles on the Web. Forty-one (41) percent of the newspaper site visitors were print subscribers, 24 percent were single copy buyers and 35 percent were pass along readers. Specifically, when asked about changes in their home delivery status since they started visiting the site, 7 percent had started a subscription, 4 percent had stopped a print subscription and 89 percent had made no change. Regarding single-copy, 15 percent said they bought more print editions since visiting the newspaper site, 7 percent have bought less often and 78 percent expressed no change in their buying frequency.

The study also gauged the change in reading habits. Among those who read the paper in the past seven days and had been visiting the newspaper site during the past week, 29 percent said they are reading the newspaper more often since they first started visiting the site and 9 percent said they are reading less. Almost two-thirds said there has been no change.

That brings the larger question back to the forefront. Has the decline in newspaper readership paralleled a greater availability of news and information from other media? The answer is yes and the decline in newspaper readership has been greater in the demographic segment that is most likely to use the Internet. Some newspaper readers are reading less frequently since they added online to their list of media choices, but there is little evidence that newspaper sites are preying on print readers to the point of causing a net decline in print newspaper readership. Looking at the longer term trends, the decline in overall newspaper readership has not accelerated at a time of an explosion in online usage. Consumers continue to use multiple channels, including newspapers, for news and information and there is every reason to believe that this will continue.

The bad news is that newspaper sales are flat or trending downward. Few media companies have found effective ways to capitalize on the Web to drive new customers. Anecdotal evidence — perhaps urban legend — argues that single-copy sales have suffered the most because of the digital delivery of news via a variety of devices. Unfortunately, there is little hard evidence to provide guidance to circulation managers.

This report provides more specific evidence regarding how newspapers are using online and other digital media to attract and retain customers to either the core newspaper or to new products. Among the opportunities:

☐ The list of digital devices delivering news and information gets longer ever year. New entrants include the PDA, the Web-enabled cell phone, audio delivery of text[1] and other printed material, the e-book [electronic book] and Web tablets or pads.

☐ The emerging Web tablets and e-books should interest traditional publishers, as the technology is much closer to the current consumer experience of reading on paper. With lightweight screens and more readable type and resolution,[2] the e-book will display content beyond the latest Tom Clancy thriller. First to be affected will be the textbook industry; next might be the publishers of academic works or trade books. Not far behind will be books requiring frequent updates, such as travel guides. Ultimately, this will be just another device, wirelessly, to receive information and news.

☐ The Audit Bureau of Circulation recently clarified its rules regarding online subscriptions and the bottom line is that editorial delivered online can be included as paid circulation, assuming the reader pays at least 25 percent of the basic print rate.

☐ Historical organizational models also challenge newspapers. Most early online efforts were independent of the newspapers' marketing efforts. Developing a cohesive consumer message about the value of both print and online requires time, internal agreement on a multi-platform strategy and a better understanding of the value of branding.

☐ Newspapers need to rethink not only how they view customers but also the importance of a collective effort that views the audience as a whole.

Even at their simplest, online efforts have the potential to affect their print counterparts. AOL Time Warner has written one million new magazine subscriptions through its AOL platform. And because these new customers sign up using credit cards, half of those subscriptions are self-renewing. Signing up online not only provides new revenue, but also reduces renewal costs. Currently, six percent of all magazine subscriptions are generated online.

Understanding and meeting these kinds of challenges are paramount if the newspaper industry is to leverage its strength in both old and new media.

UNDERSTANDING NEW MEDIA

No medium is an island.

All media types are connected and bound together by common heritage, customers and content. While the form of delivery, crushed trees and smeared ink versus silicon wafers and energy pulses — only matters as it affects the nature of content, the foundations of both newspaper and online are very similar. Both serve information-hungry consumers: Each depends on a variety of revenue sources; each is struggling to find the right combination of business models in tough economic times.

Understanding those premises is important to understanding the strengths and weaknesses of each medium and why newspaper executives need to take a more active role in shaping collaboration between print and online in securing and retaining customers.

News in Print: What Works Best [and Why]

Newspapers have been buffeted by a series of technologies and lifestyle changes during the past 20 years. Publishers, editors, advertising directors and circulation executives have been struggling to meet the challenge of declining circulation / readership with a variety of efforts.

In broad, sweeping terms the newspaper consumer's media choices and lifestyle activities have expanded and shifted. Several studies point out that printed news has become less relevant to consumers.

One such effort was the 1997 NAA / ASNE study titled, "So Many Choices, So Little Time," by Clark, Martire & Bartolomeo, Inc., one of the most complete studies of media use ever conducted in the U.S. by the newspaper industry. Its mission was to find out how Americans approach newspapers in the context of the other media. The report warned: "*At the present time, relevance is NOT a strength of newspapers. It should be.*"

Even earlier, the industry was exploring these issues with a series of roundtable discussions in 1989, sponsored by New Directions for News. These sessions, "Reaching Tomorrow's Readers," looked at ways to attract new readers and retain existing customers by changing content focus and presentation.

Even further back in the last century's industry archives is a 1974 internal report on the *Chicago Tribune*, titled "Proposals for Improving the Chicago Tribune and Attracting Younger Readers." It was one of the catalysts that changed that newspaper.

Throughout all of this turmoil, however, newspapers have maintained and built upon several major advantages:

- **Mass Medium.** With the increasing fragmentation of broadcasting, newspapers hold a very powerful position as a mass medium, especially in the regional and local marketplaces.

- **Easier to Use.** Newspapers are "instant on," with no waiting for news, even when compared with the cable's all-news channels, which often have lots of material that isn't news. Newspapers are more portable than current interactive media devices — whether wired or wireless.

- **Local, Local.** One of the key strengths of newspapers is their ability to reach the local consumer. However, what is relevant to this group is still the key issue and that applies even more so to online sites. What works well at the local level for print does not guarantee that it will work well on a Web site.

- **Price.** Newspapers are still one of the most economic information purchases available.

- **Tactile Experience.** Readers relate to an item they are holding in a unique way.

- **Serendipity.** Readers find stories in adjacencies and on facing pages that they might not have otherwise read. Because many Web pages contain only one or two stories, the serendipity factor is minimized.

- **Brand.** Newspapers have a trusted brand in the local market which, done properly, can be leveraged across a different medium.

- **Brand Credibility.** It will be increasingly important for customers to identify sources of credible information online. The old famous joke by Peter Steiner, "On the Internet, nobody knows you are a dog," is especially telling when it comes to news and other local information. Trusted sources will become increasingly important and online newspaper sites can leverage their print companion's brand[3].

Does online do as well or better than newspapers?

News Online

There are several areas where online news [newspaper] sites excel over their print companions. However, we need to keep in mind that success in one medium is as much about technology — the ability to do certain functions — as unique editing talents or customer base. Some of the strengths of online newspapers include:

- **Interactivity and customization.** Newspapers have the ability to establish a dialog with the customer and allow the consumer to contribute to the content of the site. Some of this interaction is obvious, such as chat sessions, message board, polls, etc. More important are interactive features that allow consumers to find and customize information that is uniquely important to them. Online auto and housing sections are examples of that kind of interaction. Personalization of news content is another form of interactivity. Interactivity has proven to add to a positive customer experience online.

- **Communities.** Users have the ability to sort by communities of interest as well as by geographic communities.

- **Deep and deeper.** All the news and information that couldn't fit in the printed product can find an organized and structured home online. We emphasize the words organized and structured because too many sites simply dump unused wire service copy on to a site under the guise of "more information." Sometimes more is less if you can't find what you are looking for. Part of the challenge will be for online newspaper sites to develop relevant additional content to what has already appeared in print.

- **New and cool.** New kinds of information will emerge from traditional journalist styles and in multimedia formats, such as video and audio.

- **Youth segment.** The medium is familiar to the younger segments of the market. They are acquiring a comfort level with online, and judging other media with this yardstick.

- **Immediacy.** Online can deliver news as it is happening. Live television and radio raise the bar for the instaneous dissemination of news and events.
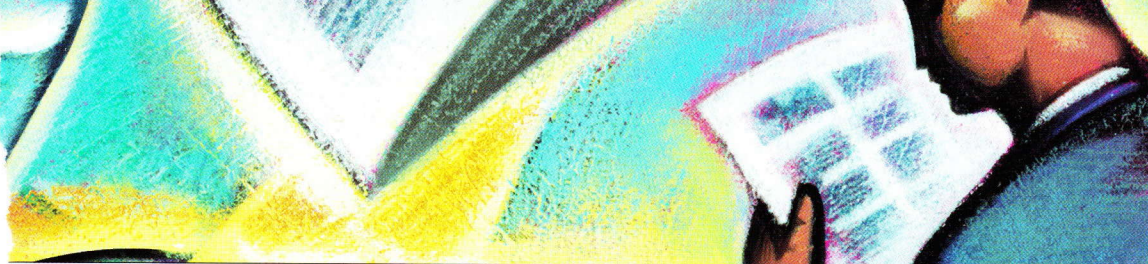
NEWSPAPERS ONLINE

| Strengths	Weaknesses
Trusted name brands to adapt to online customer	Perception of being too slow
Long tradition of serving local communities and extensive local presence	Internet business models still unproven
Experience in adapting to "new" media revolutions	Fear of potential cannibalization of customers and content
Backing of multimillion-dollar companies (for newspapers with chain ownership) development projects	Little interest in taking risks or sustaining research and
Ability to adapt to ebbs and flows of markets	Reliance on online advertising revenues
Understand the needs of their readership	Expensive technology upkeep; antiquated technical systems

Sources: Newspaper Association of America, Yankee Group

The strengths of these two media provide unprecedented opportunities for newspaper executives in acquisition, retention and customer relationship management. To seize these opportunities, it is vital that the circulation executives understand the inherent value of print and online and use different approaches for acquisition, retention and customer service depending on the customer's preference. As online becomes much more of a medium where "the customer is in control," circulation departments will need to develop programs that currently may seem to be counter-intuitive. [See Acquisition section of this report, page 25.]

Who Are the Audiences?

The September 2000 NAA report,"Leveraging Newspaper Assets: A Study of Changing American Media Usage Habits," prepared by Clark, Matire & Bartolomeo, Inc., depicts a mixed picture about whether newspapers will remain a viable medium. The study contends that while all Internet usage is up from 1997, use of all other media has declined, at least in frequency. Newspaper readership among young adults aged 18 to 24 years has taken a significant drop and is tied with online as a regularly used medium.
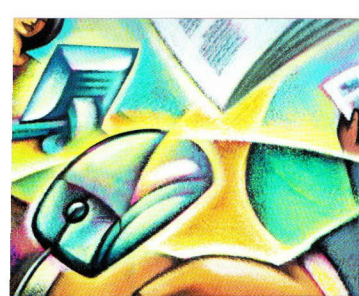
MEDIA CONSUMPTION BY AGE GROUP

Use / Read Regularly — 4/5 Days Out of 5 Days

	Daily Newspaper		Local TV News		World National TV News		Internet for News		Radio News	
Study Year:	1997	2000	1997	2000	1997	2000	1997	2000	1997	2000
Base:	3005	4003	3005	4003	3005	4003	3005	4003	3005	4003
	%	%	%	%	%	%	%	%	%	%
Total:	51	46	63	55	42	37	7	18	49	43
Age										
18–24	33	24	44	36	17	16	7	23	31	25
18–34	36	28	49	40	24	22	8	23	43	36
35–49	49	43	62	53	37	33	8	20	55	54
50–64	63	60	73	64	53	49	6	18	54	45
65 or older	70	66	81	75	73	58	3	7	46	36

Source: Newspaper Association of America

Although less slippage has occurred within older groups, for the most part, the audience for news is being split between media types and the generations. In other words, the younger the customer, the more important the Internet is.

The NAA report asked this critical question for the newspaper industry: Do these young people represent the wave of the future?

Here is the response from the report:

"We find that there is some evidence that weekday newspaper readership has declined more sharply among those who used the Internet in the past week than among the general public at large. Yesterday readership declined 12 percentage points among Internet users between 1997 and 2000 but only 4 percentage points among those who did not use the Internet."

This premise gets slightly more worrisome when we look at customer satisfaction levels among the various media types. While newspapers have fared well, the Internet is playing an increasingly important role in meeting the information needs of consumers.
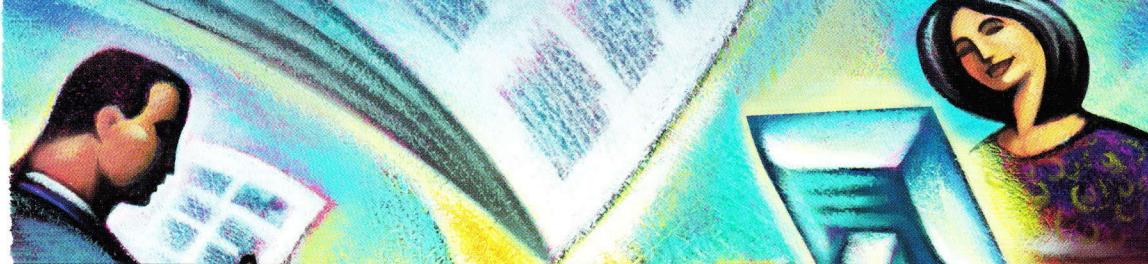
Here's what the NAA study showed:

CUSTOMER SATISFACTION AMONG MEDIA TYPES

Content area	Who dominates
Local news	**Newspapers** dominate.
General news coverage	TV leads followed closely by **newspapers** and the **Internet**.
Business, technology news	**Internet** leads. The Internet dominates for personal finance, national business news and science and technology, followed by **newspapers** and **magazines**.
Entertainment	**Newspapers** dominate.
Fashion and clothes	**Magazines** dominate and/or share the lead.
Health and fitness	**Magazines** share the lead with the Internet.
Sports	**Newspapers** and **TV** lead but the **Internet** makes a very strong showing.

Source: Newspaper Association of America

Comparing strengths and weaknesses of newspapers and online is an important topic that should increasingly interest newspaper executives if there is going to be a great sense of collaboration between media.

One form of collaboration might be the opportunity to induce new print subscriptions by highlighting local content information within general interest or national / international news pages on the newspaper's Web site. If you can identify those Web customers who are more likely to subscribe based on their online habits, there is an opportunity to target acquisition messages.

Conversely, print executives need to find ways to provide credible and well-organized general interest news within their local sites and promote those features within the newspaper pages. This means that newspapers and their online operations need to take a look at two types of customers and their interests: the print reader and the online consumer. It will be increasingly important to define where and how the groups overlap. Where they are unique, we need to understand the information needs of both groups in order to cross-promote and cross-sell effectively. Our goal is to turn the two groups into one, wherever possible.

How Online Users Use News Sites

Because of the unique way Web sites can track customer behavior patterns [see measurement discussion that follows], we know more about those behaviors while, in addition, acquiring a rich collection of data about how those sites are used. Most Web sites should be able to easily identify which areas of content — news, sports or classifieds — receive the most traffic. By themselves, however, those measurements can be misleading, as traffic numbers at some sites are more a reflection of the number of "pages turned" rather than content viewed or even read. Searching for a home or auto

can generate a large number of page views, versus a single page that displays a news or sports story.

It is, therefore, important that other measures are taken into account. For example, Jupiter Media Metrix performs consumer research using a panel of online users. Here are the top 25 activities of online customers during a typical month:

TOP ACTIVITIES OF ONLINE USERS

Online Activities	Total	Online Activities	Total
E-mail	93%	Chat online	35%
Use search engine	79%	Check stocks and quotes	34%
Research products and services	78%	Music sites	32%
		Online coupons	31%
Local content	59%	Newspaper Web site	31%
Electronic greeting/ post cards	57%	Message boards	31%
Contests or sweepstakes	57%	Listen to audio online	29%
Instant messaging	50%	Online banking	28%
Daily news	49%	Play action, fantasy games	27%
Online directory	49%	View personal web pages	27%
Download free software	49%	View jobs in classifieds	26%
Health sites	48%	Play board, card or trivia games	26%
Travel research	43%		

Source: Jupiter/Media Metrix

We have highlighted topics or areas where newspapers have or could have a strategic advantage (see page 14) based on their content and publishing experiences. This is not to suggest that newspaper Web sites pare down other material. Rather, we urge a better understanding of how customers are using the Web, in much the same way the newspaper industry has developed methods for better understanding what kind of content is popular, regardless of whether there is revenue support for such material.

In addition, this needs to be looked at from a holistic viewpoint, understanding the strengths of print and online together. It makes little sense to look at online in a vacuum or as an R&D project. Online is its own news / information channel that newspaper companies have been given the opportunity to own. How companies take advantage of this opportunity will depend on how well they understand the needs of both audiences and find ways to move customers between each platform.

What Gets Measured and Why

Unlike print, online has little in the way of standardized measurements. Because of the very nature of how the Internet communication protocols were developed, the foundation for tracking involves individual or groups of computers rather than users or consumers.
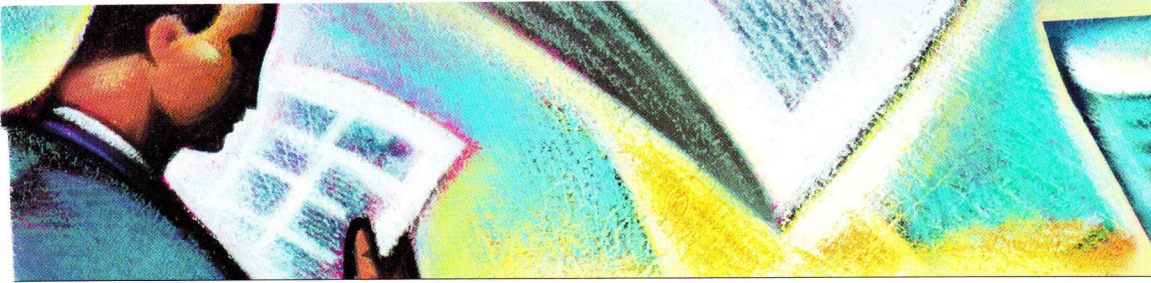
Typically, when a consumer visits a Web site, the computers delivering the content, which are called "servers," open a session and take note of the Internet Protocol (IP) address of the visiting computer.

While this might sound like a way to track customers, the Internet does not work that easily. Many consumers do not have a "fixed IP" address, because the service provider they use (e.g., AOL or Earthlink) assigns a temporary address for the time the consumer is online. Therefore, only the service provider is tracked, not the customer.

Businesses do the same thing — using other servers to automatically assign an IP address to an employee as needed. The value to businesses and online service providers is an easier way to provide IP addresses without worrying about updating records of individuals and their IP addresses. It also makes upgrading computers easier.

This issue of IP addresses gets even more complicated for Web publishers. For example, AOL, the largest online service provider with 30 million subscribers, uses computers to "cache" popular Web sites. A cache is a copy of the most popular pages on a site. When a consumer using the AOL service visits a cached site, AOL is actually displaying this content from its own "caching servers." There is no record of that visit on the publisher's Web site, only a visit from one of AOL cache servers.

In the print world, this would be like a distributor making copies of the newspaper and giving those to subscribers rather than the printed original. Caching does not endear AOL to various Web sites, and some sites add codes to prevent any caching of sites. While a Web site is cached, the site loses traffic and the potential to make money from that traffic.

Knowledge of these fundamental issues is necessary to understanding why Web sites do not count consumers the same way as newspapers count subscribers.

Web sites do have some advantages in understanding their customers: tracking is immediate and almost real-time[4]; Web sites can track more specific information, such as popular areas or features; Web sites also can track the time spent during an average visit to a site.

Here are some of the measurements used by Web sites[5] :

- **Page Views**. Accessing of a Web page is often used to measure traffic. A page view differs from a "hit" by counting only the number of times a page has been accessed, whereas a hit counts the number of times that each of the elements in a page, including graphics, have been accessed.

- **Visits and Visitors.** This measurement refers to a person [or computer] who visits a Web site more than once within a specified period of time, usually 15 to 30 minutes, but sometimes 24 hours. Software that tracks and counts Web site traffic can distinguish between visitors who only visit the site once and unique visitors who return to the site. Some Web measurement firms extrapolate this number from the overall page view number, using a proprietary algorithm.
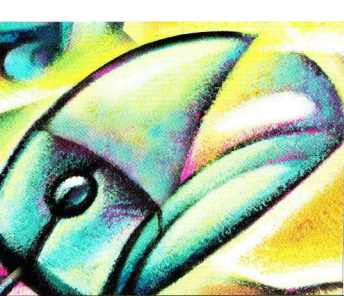
- **Cookies.** Some sites write a small file to the customer's computer called a "cookie," which helps track visits by that computer user. Without registration, the computer user cannot be determined to be either male or female, young or old.

- **Unique Visitors.** These visitors are measured according to their unique IP addresses, which are like online addresses, and are counted only once no matter how many times they visit the site. There are some service providers that use "dynamic host configuration protocol," such as AOL and cable modem providers, which use different IPs for every file requested, making one visitor look like many. In this case, a single IP address does not indicate a unique visitor.

- **Duration.** This term refers to the time a visitor spends on a page or within a site. Web sites increasingly look at this measurement as a test of customer loyalty.

Local Market Advantages, Opportunities

The good news is that many local newspaper online sites are the top *local sites* in their *local market*. Newspaper Web sites generally have more traffic / visitors than other local sites. What they do not have is total leadership in the marketplace, which is generally held by the major players: Yahoo, AOL and MSN. These portal sites, which attempt to provide breadth of content by creating it, licensing it or by pointing to it elsewhere on the Internet, have significantly more "reach." Reach is the percentage of projected individuals within a designated market that accessed the Web content of a specific site among the total number of projected individuals using the Web.

While the top sites in all local markets are the large Internet portals such as AOL and Yahoo, there are some markets where a national news site, such as MSNBC, has a better local reach

Atlanta Home/Work
% Reach
YAHOO.COM* 55.6
ACCESSATLANTA.COM 23.2
CNN.COM 16.4
CITYSEARCH* 7.3
MSNBC.COM 6.2
HOMESTORE SITES* 6.2

Boston Home/Work
% Reach
MSN.COM 47.8
BOSTON.COM 17.6
CNN.COM 14.0
MSNBC.COM 13.5
DIGITALCITY.COM 12.1
NYTIMES.COM 4.1

Chicago Home/Work
% Reach
YAHOO.COM* 56.3
*Chicago Tribune Sites** 13.7
DIGITALCITY.COM 13.7
MSNBC.COM 13.2
CNN.COM 12.1
CHICAGOTRIBUNE.COM 11.1
NYTIMES.COM 7.1

Cincinnati Home/Work
% Reach
YAHOO.COM* 67.9
CINCINNATI.COM 17.3
ENQUIRER.COM 13.4
MSNBC.COM 12.3
CINCINOW.COM 10.8
DIGITALCITY.COM 10.0
CNN.COM 9.7

Dallas-Ft. Worth Home/Work
% Reach
YAHOO.COM* 59.5
CNN.COM 12.0
DALLASNEWS.COM 10.5
MSNBC.COM 8.9
CITYSEARCH* 7.6
DIGITALCITY.COM 6.1

Denver Home/Work
% Reach
MSN.COM 52.4
DENVERPOST.COM 10.6
MSNBC.COM 9.5

Houston Home/Work
% Reach
MSN.COM 60.6
CHRON.COM 14.2
CNN.COM 11.2
CLICK2HOUSTON.COM 9.2
DIGITALCITY.COM 7.7
MSNBC.COM 7.7
CITYSEARCH* 7.1

Kansas City Home/Work
% Reach
Local Reach
MSN.COM 62.4
DIGITALCITY.COM 14.6
KANSASCITY.COM 13.4
KCSTAR.COM 13.4
MSNBC.COM 12.4

Los Angeles Home/Work
% Reach
YAHOO.COM* 61.5
*LA TIMES** 15.7
CNN.COM 13.0
MSNBC.COM 12.2
DIGITALCITY.COM 9.5
CITYSEARCH* 8.9

Milwaukee-Racine Home/Work
% Reach
YAHOO.COM* 58.7
MSNBC.COM 14.2
JSONLINE.COM 12.5
CNN.COM 10.0

Minneapolis-St. Paul Home/Work
% Reach
YAHOO.COM* 56.9
STARTRIBUNE.COM 10.8
PIONEERPLANET.COM 9.2
CHANNEL4000.COM 8.9
CNN.COM 7.7
MSNBC.COM 6.8
DIGITALCITY.COM 5.8

New York Home/Work
% Reach
YAHOO.COM* 60.4
MSNBC.COM 12.5
NYTIMES.COM 10.5
DIGITALCITY.COM 9.1
CNN.COM 8.1

Norfolk Home/Work
% Reach
YAHOO.COM* 53.5
HAMPTONROADS.COM 14.2
PILOTONLINE.COM 11.3
DIGITALCITY.COM 9.6

Phoenix Home/Work
% Reach
YAHOO.COM* 52.9
AZCENTRAL.COM 13.3
CNN.COM 10.5
MSNBC.COM 6.4
DIGITALCITY.COM 5.0

Sacramento Home/Work
Local Reach
YAHOO.COM* 68.9
SACBEE.COM 23.4
MSNBC.COM 14.8

San Francisco Home/Work
% Reach
YAHOO.COM* 68.8
MSNBC.COM 16.3
CNN.COM 15.9
CITYSEARCH* 15.4
SFGATE* 11.4
BAYAREA.COM 10.7
NYTIMES.COM 9.7
MERCURYCENTER.COM 8.6

Tampa Home/Work
% Reach
YAHOO.COM* 59.8
DIGITALCITY.COM 13.5
CNN.COM 11.2
MSNBC.COM 10.3
TBO.COM 8.5
MONSTER.COM 7.3

Washington D.C. Home/Work
% Reach
YAHOO.COM* 61.0
WASHINGTONPOST.COM 24.7
CNN.COM 14.1
MSNBC.COM 10.9
NYTIMES.COM 9.0
DIGITALCITY.COM 7.5

than the local newspaper or local television site, according to Jupiter Media Metrix, a Web-tracking company. These national news sites even have some local news sections to appeal to those consumers who want a complete news experience. More often than not, the local portions of these sites are more about the "illusion of local news" rather than the in-depth report a newspaper can bring online.

This is both a challenge and opportunity for print and online departments. Immediate goals should be to ensure that the newspaper's local Web presence is the top news site in the local market. According to a review of Jupiter Media Metrix, in only half of the largest U.S. markets are the local newspaper Web sites the leaders in the news site category. Other measurement services, The Media Audit and NFO/WorldGroup, show similar rankings for local newspaper Web sites. In a January press release, The Media Audit reported that daily newspaper Web sites are out performing all other local media in 51 of 81 markets.

Regardless of what measurements are used, the local newspaper Web site faces much more competition for time and attention within its medium than its print version. This is bad news not only for those newspaper Web sites but also for the newspapers themselves, as they try to market the value of the printed newspaper to a smaller group of Web customers than do their competitors.

Cannibalization and Erosion

When newspaper Web sites emerged, many newspaper executives asked some fundamental questions. "Will online impact my subscription numbers?" and "If we give away our content, will people stop subscribing?"

Available research provides little evidence of net circulation erosion as a direct result of putting newspaper content online, nor is there any hard data that supports the fear that customers are leaving newspapers *because* all of their information needs are being met online. We believe that you cannot point to online as the single cause of circulation erosion.

In a survey of 290 circulation executives conducted for this report, only 11 percent saw the Internet as a major cause in the decline of their circulation. Lack of time by the reader was identified by 65 percent as the greatest challenge to maintaining customers.

Newspapers do not exist in a marketplace vacuum. Many of the challenges facing newspapers (lack of time, lack of relevance) existed long before the first online services emerged. A more important question to explore is whether online news sites, not just newspaper sites, help to accelerate any trends.

A fundamental shift has occurred in the information habits of the American news consumer. News is consumed differently than via the complete packages offered by newspapers, magazines or the 30-minute nightly news broadcast. News consumers can
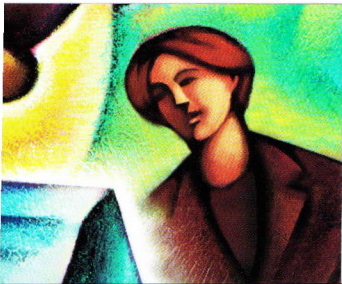
"slice and dice" their news and information from a buffet of sources using a variety of delivery methods.

While this opportunity might have existed prior to the development of the Internet, today's online market has significantly reshaped the way consumers access news. Expectations are different across all media, not just newspapers, making print-online collaboration even more essential.
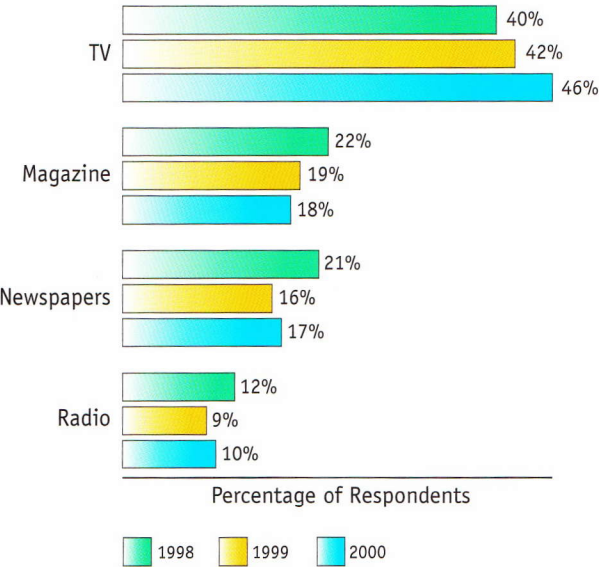
However, consumers are spending significant amounts of time online. According to Nielsen / NetRatings, another tracking service, the average Internet consumer spent more than 16 hours online in May 2001.

Average Internet Use in May 2001

Combined home and work access	Hrs./Min./Sec.
Time spent per month	16:31:02
Time spent during surfing session	0:30:27

Source: Nielsen//NetRatings

DECREASE IN MEDIA CONSUMPTION DUE TO THE INTERNET

TV
- 40%
- 42%
- 46%

Magazine
- 22%
- 19%
- 18%

Newspapers
- 21%
- 16%
- 17%

Radio
- 12%
- 9%
- 10%

Percentage of Respondents

■ 1998 ■ 1999 ■ 2000

From where did that almost full day of activity come? A snapshot of today's consumer behavior highlights subtle shifts in the way people get their news and information.

The most recent study, conducted by Scarborough Research in 64 U.S. markets, is based on 2,000 online interviews of adults 18 and older who accessed the Internet during the past 30 days. That study shows that the vast majority, or 75 percent, of consumers have not changed their media consumption habits. Of those that did change, television suffered the greatest erosion [23 percent using TV less often], followed by magazines [20 percent], newspapers [15 percent] and radio [9 percent].

This survey was a more optimistic view of cannibalization as reported in a series of studies by Jupiter Research starting in spring 1998. While television suffered the greatest consumption shift due to the Internet, newspapers in 2000 saw a startling jump in erosion, 21 percent up from 16 percent[6] the previous year.

Bob Cohen, president of Scarborough Research, put it best when he said "…while the majority of online users report no change in their traditional media habits, the fact that substantial percentages report altered behavior is evidence of the continuing evolution of consumer habits."

There are two key points to consider when thinking about what we know of erosion today:

- Most of the survey work concerns shifting from *existing* media consumption. We know little about the media consumption habits of those who do not use any traditional media. This is especially true for teenagers who are growing up with the Internet.

- Because this is an evolutionary process, it is reasonable to expect further shifts in behavior going forward. The longer consumers have been online [i.e.,number of years], the longer they use the medium. Those who have been online for less than a year, spend only about 7 hours a week using an online service. When a consumer has been online for more than two years that weekly usage pattern doubles.

Charging for Content

The above discussions come around to the $64 million question: "Will general newspaper Web sites ever be able to charge for content?" Or put another way: Once you can get it for free, why would you ever pay for it?

So far there is little evidence or research to suggest that getting newspaper Web site consumers to pay will be easy. There are, however, opportunities to adjust the economic models of newspaper Web sites to include "pay for content" if material is perceived as having high value.

Research indicates that consumers are not opposed to paying for content. A recent Web-based study by Lyra Research [Mass.] of 1,000 respondents indicated that almost 20 percent of Web customers have paid for content sometime during their Internet experience. The bad news is that 80 percent have not. Further bad news: Almost half of that paid content was adult in nature. Other content that sold included material from "industry-specific business sites," or premium news, music and video sites.

The second quarter 2001 Belden Interactive Report indicated that less than 10 percent are willing to pay for newspaper content.

VISITORS APPEAR SOMEWHAT WILLING TO REGISTER, BUT NOT PAY

Get Login/Password	63 %
Complete Short Registration	53 %
Reg. in Exchange for Complete Articles	37 %
Reg. for Special Site Access	42 %
Pay for Premium Content Access	5 %
Pay for Complete Articles	5 %
Pay for Access to Classifieds	2 %
Pay for e-mail Updates/Headlines	3 %
Pay for Searchable Newspaper Content	7 %

Source: Belden Interactive, 2001
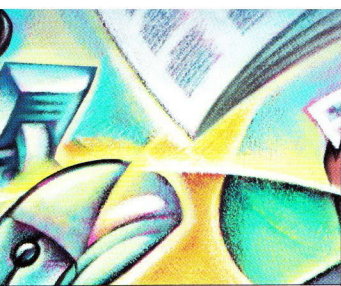
In our view, there were two very significant findings from this research that directly impact whether newspapers can charge for online content.

The greatest motivating factor in purchasing content points to the phrase, "the only place I can get what I need." More than 40 percent of those who purchase content cited this reason as the major decision driver. However, other drivers include "curiosity about the content" and a "desire to get content in an electronic format."
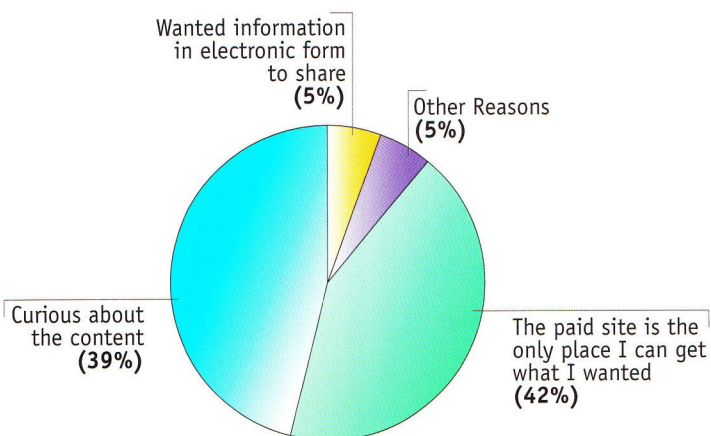
The longer a consumer has been on the Internet, the more likely he or she is willing to pay for content. According to Lyra Research, only 9 percent of new Internet users have paid for content. For consumers who have been online for six or more years, that purchase number jumps to 24 percent. As the Internet market matures and publishers provide more valuable content and services, it is more likely a "pay for content" model will succeed.

The online media industry has not been without its pioneers when it comes to trying to get consumers to pay. The poster site of these efforts is WSJ.com, *The Wall Street Journal's* online effort, which launched in 1996, and is the largest newspaper Web site to require paid subscriptions. As of March 31, 2001, the site had 574,000 paid subscribers. The site's subscription's fee structure is simple: *The Wall Street Journal* print subscribers pay an additional $29 annually; non-subscribers pay $59.

All that being said, having more than a half-million subscribers is no guarantee of success. The WSJ.com site is not yet profitable and Dow Jones, the parent company of WSJ.com, is considering a price increase.

Other newspapers also are looking at ways to get consumers to pay for content. Both *The New York Times* and *The Dallas Morning News* have announced plans to put some of their content in a "pay" mode.

It is important to note that paying for content does not always mean a financial transaction. In some cases, getting accurate customer data is a form of payment. A customer is asked to provide information in exchange for additional products or services. The danger, as *The New York Times* knows with its current registration method, is that there needs to be some method to validate that customer data.

WHY CONSUMERS VISIT "PAY FOR CONTENT" WEB SITES

Wanted information in electronic form to share (5%)

Other Reasons (5%)

Curious about the content (39%)

The paid site is the only place I can get what I wanted (42%)

SOURCE: Content Intelligence

PERCENTAGE IN GROUP RESPONDING WHO HAVE PAID FOR THE WEB CONTENT

| Less than once a day (n=13) | Once a day (n=17) | 24 times a day (n=77) | 150 times a day (n=39) | 10+times a day (n=48) |

Frequency of Web Access (n=1,030)
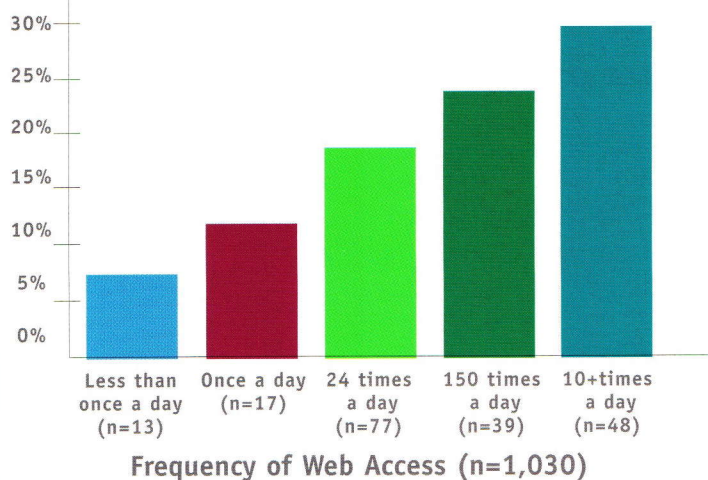
Source: Content Intelligence
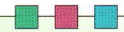
Acquisition Issues

All circulation executives know one thing very well: Acquire new customers or the game is over. The great circulation machinery needs to be fed with new customers and renewals, all at a greater rate than cancellations. That's the obvious.

What seems less obvious is why there has yet to be a greater use of newspaper Web sites to drive print subscriptions. In a survey of 290 NAA Circulation Federation members, almost all respondents [90 percent] said their company's Web site home page has a link to a subscription area. True enough, but we found that many of these links were hard-to-find text links buried near the bottom of the page. If a customer went to the site to subscribe, he or she would have a difficult time.

In addition, a review of 100 Web sites undertaken by Finberg-Gentry [see Appendix E] indicates that more than half of those circulation links were "buried" below the "fold" on the screen, which means the customer has to scroll down a number of times to find the link.[7]

When looking at the most fundamental statistic regarding acquisition — how many new customers are being generated weekly via the Web — the numbers tell a less than rosy picture. Almost 60 percent of circulation executives surveyed indicate they are getting fewer than 10 subscribers a week. This percentage held true regardless of circulation size, showing that large newspapers do not have any inherent advantage.

NUMBER OF "START" ORDERS GENERATED WEEKLY VIA THE WEB

	Responses	Response Ratio
0–10	155	60%
11–25	56	22%
26–50	25	10%
51–100	15	6%
101–200	3	1%
More than 200	6	2%
Total	**260**	**100%**

Source: Nielsen/NetRatings

When we probed the topic of acquisition with a different question, we found that 85 percent of these Web's subscription offers were not unique to the Web and perhaps had less of a call to action to potential online shoppers or subscribers.

It is important that circulation executives understand that the Internet consumer is driven by several factors that must work together in any print-online acquisition strategy. Early research[8] shows that several key factors are important for the online shopper:

- Security of transaction

- Competitive price

- Convenience

- Ease of buying.

All of these factors are within the control of newspaper Web site managers, although they might not have the financial resources to accomplish the necessary technology infrastructure. Again, this is an area where circulation, online managers and all newspaper executives must work together to establish meaningful return-on-investment models to convince corporate management that an integrated approach will pay for itself.

Another driver is the online consumer's tendency to research a potential purchase. Jupiter estimates that online research for offline purchasing will dwarf online shopping by 2005.

When it comes to online subscriber acquisition, the Internet is merely a tactic and cannot be a strategy in itself.

For newspapers to thrive, they need to look at developing a strategy that establishes the print product as a key information product [although not the only one] in the minds of potential customers. This is a strategy that retailers use. For example, Target.com lets online customers browse through its weekly in-store advertisements. But, for every $1 these consumers spend online, they spend $7 offline because of information they find at Target's Web site.

It is a lesson the newspaper industry should learn.

Using Online for Subscriber Acquisition

To further probe these issues, we conducted an informal review of 100 newspaper Web sites, testing Web users' ability to easily subscribe and address common customer service needs.

The review occurred across two weeks in April 2001. We distributed site testing among small, medium and large newspaper circulation, across private and publicly-owned companies and sites with a range of online sophistication. Despite examination of a wide range of sites, results of this review should not be construed to be statistically applicable.

Testing included whether sites contain subscription links or **SUBSCRIBE** calls to action. The survey also examined how prominently and frequently those links and calls to action were displayed.

In particular, we examined whether e-commerce was enabled at a level that met reasonable e-commerce expectations of Web consumers, i.e., the e-commerce "standard" set by the most-trafficked sites such as Amazon.com:

- Fully-executable transactions, enabled by secure server connections. Fully-executable means that a user can move completely through the purchasing cycle from inquiry selection, purchase, electronic payment, payment-pending notification to Web site and e-mail confirmation of order.

- Fallback to fax for consumers reluctant to provide credit card information through the Internet. All pages also will have telephone numbers for customer service.

- Various payment options: credit card, automatic debit, EZPay, etc.

- Full customer service functionality, including both automated processes (e.g. vacation holds) and access to a live person.

- A clear call to action to subscribe or renew a subscription.

In our review, 77 of the sites had a clear **SUBSCRIBE** call to action on the home page of their newspaper Web site. Of those, 48 were "above the fold," placed on the page so that they could be seen without making the user scroll down.

This indicates that those newspapers committed to gaining subscriptions through the Web understand that the **SUBSCRIBE** call to action will be more successful when placed in an easy-to-find location on the home page.

While this might seem obvious at first glance, this statistic quickly becomes more remarkable. Consider the path that must be followed to get a standing commitment for above-the-fold placement of a **SUBSCRIBE** link on the home page: No sites in our research were controlled by the circulation departments of their newspapers; most were managed by independent Web departments or were run by some combination of newspaper departments such as marketing and editorial with representatives from each. However, many Web departments had no standing circulation / marketing representative. Additionally, several departments were set up as companies separate from the newspaper, with their own profit-and-loss responsibilities.

Most importantly, many Web departments / companies have had few obvious incentives to push print circulation, which makes the existence of above-the-fold **SUBSCRIBE** calls both a success story and a baseline from which to improve.

While the importance of above-the-fold placement decreases as consumers become more comfortable with scrolling on a page, placement is still very important. Usability tests show that the longer the page, the more likely a customer will "fall off" or stop scrolling. Jakob Nielsen, a Web site usability consultant, puts it this way:

"Keep the visual limits of the browser window in mind when deciding what the user will see when they first enter your page. Like the fold in a newspaper, the bottom edge of the browser window will stop some people from reading further. If critical data is buried two or three screens deep, some readers may never see it at all. If the important information is relegated to the first browser window, readers will be sure to drink it in within the first visual gulp."

For newspapers to thrive, they need to look at developing a strategy that establishes the print product as a key information product [although not the only one] in the minds of potential customers.
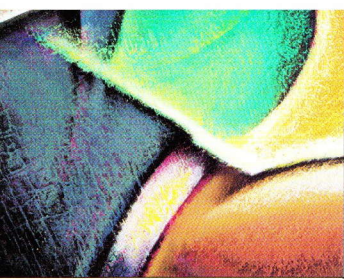
For 29 percent, the **SUBSCRIBE** link was below the fold. On many of those, it was at the very bottom of the Web page, lowering its chances of being seen. In 22 percent, the SUBSCRIBE link could not be found on the page.

E-Commerce Gap

There is a gap between newspapers and consumers in the online subscription process. In fact, this is true regarding not only circulation transactions, but also every form of business a consumer or the advertiser may have with the newspaper.

Our most valuable online customers are those who come to us wanting to purchase a print subscription through the paper's Web site. As people willing to transact through the Internet, they have a set of e-commerce expectations.

As an industry, newspaper Web sites frustrate them by failing to have breadth and depth of functionality and service.

The reasons for these shortcomings are generally justifiable and understandable. They stem from outmoded technologies, budgetary constraints and sales thinking that has not adapted to include the evolutionary changes brought on by e-commerce. Newspapers already are working on solutions in a number of areas:

- Web sites do not have the technological capability to conduct e-commerce.

- Web sites have the capability, but the Web databases can't interact with their circulation department's subscriber database.

- Databases can interact, but a decision has been made that the opportunity to up-sell is too good to miss, so the transaction is pushed offline to a human who attempts to upgrade the sale.

- Web sites possess the ability to conduct e-commerce, but not the ability to conduct customer service.

- Web sites may have some or all of these capabilities, but only to a limited degree.

- Papers have outsourced some or all of these capabilities, but their vendors do not completely meet their needs.

- Papers have correctly identified how to address these needs, but have not been able to get the money to do so.

- Internal politics between Web site and print circulation and/or other parts of the company is impeding progress on these goals.

- The corporate Web arm has mandated a policy, procedure or technology that fails to facilitate online driving of subscriptions for individual newspapers.

Tracking Success

Interestingly, few companies interviewed tracked the success of various Web subscription efforts.

Those that did, however, were able to tweak efforts to maximize success. Consider the efforts of *The Allentown (Pa.) Morning Call* [www.mccall.com]: Online efforts to drive print subscriptions began in August 1999 and were tracked from the beginning.

Valerie Hayes, circulation operations manager for *The Morning Call*, developed a straightforward Excel spreadsheet to chart successes and identify potential problem areas.

Yearly E-Mail Totals
By Tribune Calendar Months

Year 1999	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug (2 weeks)	Sep	Oct (3 weeks)	Nov	Dec	Yearly Total
Subscription Requests								16	38	30	33	25	142
Subscription Stops								3	1	1	4	3	12
Vacations								3	3	4	2	5	17
Service Complaints								2	5	6	2	5	20
DMD Requests								1	2	0	0	0	3
Miscellaneous								1	7	6	6	6	26
Monthly Total								*26*	*56*	*47*	*47*	*44*	*220*
E-Mail Addresses Collected								0	0	0	0	0	0
E-Mail Addresses To Date								0	0	0	0	0	0

Year-2000	Jan	Feb	Mar	Apr	May (love virus)	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly Total
Subscription Requests	23	21	24	27	18	22	40	33	38	28	37	41	352
Subscription Stops	1	3	2	2	2	1	2	3	1	2	2	3	24
Vacations	3	18	14	15	24	34	83	58	35	23	29	73	409
Service Complaints	7	3	4	7	1	1	1	2	3	5	0	3	37
DMD Requests	1	0	0	0	0	0	0	0	2	0	0	0	3
Miscellaneous	6	7	6	8	0	3	3	4	4	4	3	5	53
Monthly Total	*41*	*52*	*50*	*59*	*45*	*61*	*129*	*100*	*83*	*62*	*71*	*125*	*878*
E-Mail Addresses Collected	0	21	94	51	189	169	138	138	132	108	158	138	1336
E-Mail Addresses To Date	0	21	115	166	355	524	662	800	932	1040	1198	1336	1336

Year-2001	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly Total
Subscription Requests	67	43	32	39									181
Subscription Stops	3	2	3	2									10
Vacations	30	35	51	60									176
Service Complaints	11	8	6	4									29
DMD Requests	0	0	1	0									1
Miscellaneous	2	8	10	3									23
Monthly Total	*113*	*96*	*103*	*108*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*420*
E-Mail Addresses Collected	115	154	134	126									529
E-Mail Addresses To Date	1451	1605	1739	1865	1865	1865	1865	1865	1865	1865	1865	1865	1865

We mainly offer capability to start a subscription or request a vacation stop on our Web site. Numbers in the "Subscription Stops" reflect stops of orders that were initiated via out Web site. Since 2000 all Web orders are full rate; no discount offers. May 2001 reflects partial numbers.

She tracks, along with other information, subscription requests, subscription stops, vacation stops, service complaints and the number of e-mail addresses collected through a variety of offline and online programs. Hayes also watches the number of page views to the **SUBSCRIBE** page, especially as page views relate to design changes and promotions in other parts of the site.

She notes potential causes of significant aberrations. For example, her team believes the particularly malignant "lovebug virus" might have been partially responsible for a drop in the timeframe around May 2000, when the virus was most active.

By tracking and analyzing Allentown's numbers, and by looking for successes and trends, Hayes can maximize success and understand fledgling challenges before they grow into full-blown problems.

What's Working
and What's Not

Promote the Print Product

Allentown markets its print edition to avid Web users with good response. Its "This Just In" feature sends a daily e-mail update to alert Web users to stories coming in the next day's print edition. So far, 1,300 users have signed up. Each update contains a "Subscribe to The Morning Call" link; Allentown is tracking these results to gauge user follow-up.

```
This Just In...
NEWS BY E-MAIL!
```

Check me in for my personal E-mail from The Morning Call newsroom

☐ "THIS JUST IN . . ."(News on weekday afternoons, plus breaking stories from around the Lehigh Valley any time)

Name:

E-mail:

☐ Please do not use any personally identifiable information I provide on this form (name, email address, snail mail address, telephone number) to allow any advertis party to communicate directly with me other than when I am visiting mcall.com or an affiliated site. Information submitted here may be used by mcall.com as described Privacy Policy.

[Submit]

Remove my e-mail subscription
What other Morning Call services am I subscribed to?

Understand the Value of Different Types of Sales

The Poughkeepsie (N.Y.) Journal [www.poughkeepsiejournal.com] confirmed the value of its Web-driven subscriptions by examining retention rates of different types of starts.

Poughkeepsie has two offers on its site: a straight subscription and a 30-day sample. Response to the Web offers is good: 6 to 10 samples and 8 to 12 regular subscriptions per week. While the subscription offer runs at only about 20 percent of what telemarketing sells, and only 10 percent of what Poughkeepsie's crew operation sells, the retention rates of the Web starts are much higher, says Patrick Daugherty, circulation director.

"We're getting more and more away from telemarketing because it's getting to be a hard sell."

Poughkeepsie Journal

POJONEWS.COM

- NEWS & ARCHIVES
- HUDSON VALLEY HOMES
- CLASSIFIEDS
- ENJOY THE HUDSON VALLEY
- FIND A BUSINESS
- OBITUARIES
- EMPLOYMENT
- SERVICES & CONTACTS
  - Archive
  - Code Of Ethics
  - Contact Us
  - FAQ
  - How's Our Site
  - Internet
  - Jobs At The Journal
  - Place An Ad
  - Public Editor
  - Subscribe
  - Tour

Services, contact information

Subscribe
Information about home delivery.

Archive
Where to get back issues of the Journal.

FAQ
Frequently asked customer questions.

Internet
Learn about Web design and access.

Code Of Ethics
Our principles of ethical conduct.

Public Editor
Share your concerns and questions.

Photo Request Form
Order a reprint of a photo that appeared in print.

Place An Ad
How to place a classified ad in the newspaper.

Contact Us
E-mail addresses and phone numbers.

How's Our Site
Give us feedback about our Internet site.

Jobs At The Journal
A look at current job openings at the Journal.

Tour
Take a tour of the Journal, New York's oldest paper.

Commercial printing
Commercial printing work at the Journal.

Reader Survey
Tell us what topics are important to you.

cars.com

Free Trial!
Poughkeepsie Journal

A Little Marketing Can Go a Long Way

Shanee Kirk, special projects coordinator for the *Austin American-Statesman's* [www.statesman.com] circulation department, had the task of redesigning the paper's subscription site:
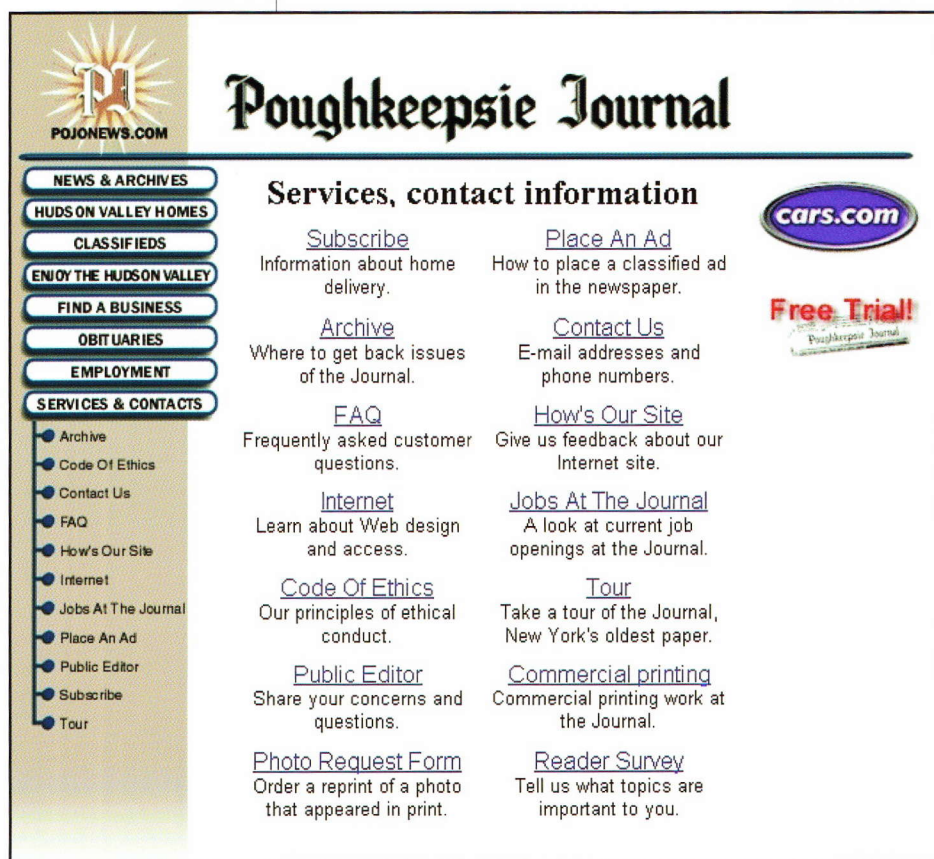
"*When they handed me the project there had already been discussions around the functionalities they wanted and the content/offers that they wanted. I had a clear direction of where we needed to go.*

"*We took that to the programmers. They worked up the pages which are similar to how they look now, although we continually evolve the pages based on customer feedback. We worked on the forms and making the credit cards secure. The programmers implemented our changes and got it designed and we immediately got a jump in our number of sells per day and per week.*"

The redesign launched in March 2001.

"*When we did the redesign, not only did we change it to be more clear and concise, but we also added a place for subscribers to renew online. Once we started offering it, we*

But the true turning point for the Statesman came in May, when a relatively simple piece of marketing, a bill stuffer, put a spotlight on the new "Renew Online" function. Says Kirk: *"In early May we got 13 renewals the first week, then 17, 22, 52, 62 (week over week). Now we get more than 50 weekly and consistently."*

Interestingly, when the redesign launched in March, it started with a 35 percent discount off the regular subscription rate. But in May, when the bill stuffers went out, the *Statesman* ended the discount and renewals soared anyway.

Does this mean that Web renewals and subscriptions are less price-sensitive? This question needs additional tracking across the industry before we can draw solid conclusions. However, we do know that Web starts and renewals are for the most part voluntary and carry no commission costs. If renewals / subscriptions prove to be consistently supportable full-price starts, then they truly should be categorized as ideal circulation.

Listen to Your Customers

Kirk says the paper's evolution of its Web subscription site did not stop with the launch of the redesign:

"We get constant customer feedback and we respond and try to take action to correct problems quickly — usually within a couple of weeks. We don't want any barriers to a voluntary subscription. It needs to be as easy as possible."

One *Statesman* customer questioned why a work phone number was required on the start form. "I don't work," she said. The *Statesman* team made that field non-mandatory.
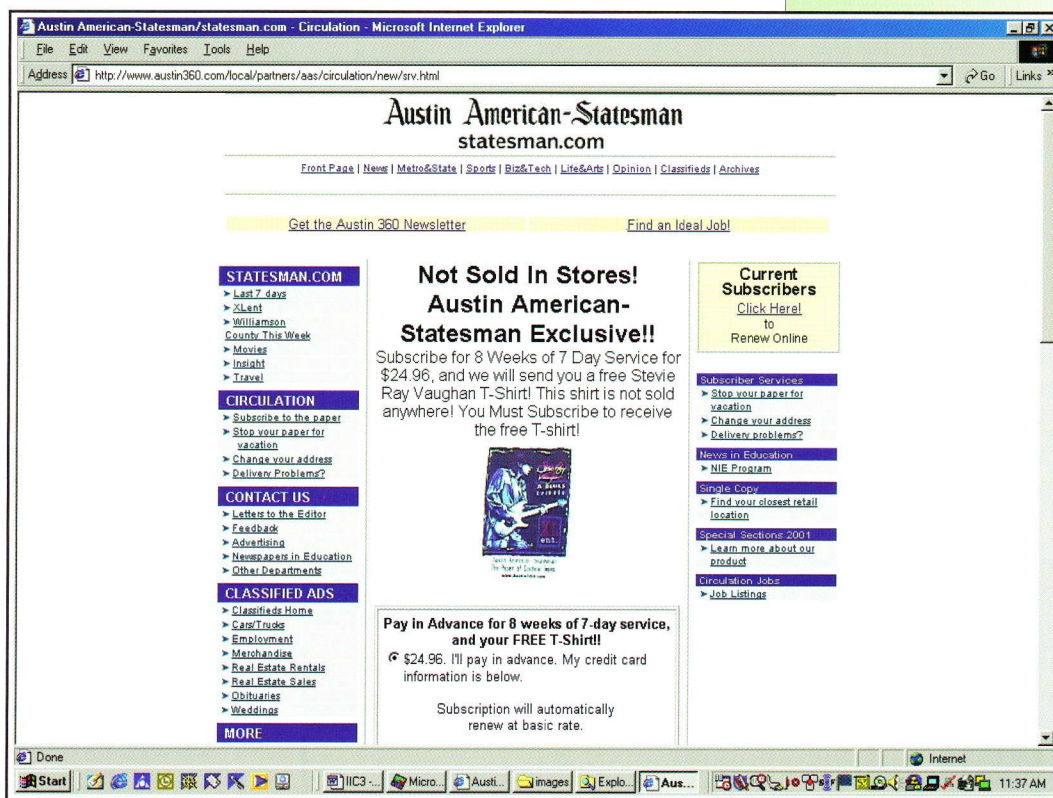
Another customer called because he wanted to renew for a year, not just 13 weeks; however, 13 weeks was all that was available on the Web site. The Statesman team immediately began working on longer-term subscription offer for the site.

Keep It Simple

When the team from the *Ventura County (Ca.) Star* [www.insidevc.com] needed to rework its online circulation area, they identified their areas of concern and then paired experts from each department to provide solutions.

Steven A. Smith, vice president of circulation and marketing, and Stephen Dana, director of new media, put the retention manager who was responsible for customer service together with key Web designers.

The result: a clean interface that is easy to use and requires no deciphering.

Says Smith: *"I'm a big believer in making everything simple. You have to think about the first time people are looking at the screen. Are they going to get it? The other issue is how long it takes them to get to it. It needs to be convenient and quick or it's no good."*

You Don't Have to Be a Rocket Scientist to Launch a Rocket

Darla Zimmerman, single copy manger of *The Spokane (Wash.) Spokesman-Review* [www.spokesmanreview.com/] faced a quandary. She had no circulation Web site and nothing with which to drive online orders. But she needed that subscription path. So she got herself an off-the-shelf WYSIWYG (what-you-see-is-what-you-get) Web page program and got to work.

"It's very simple." says Zimmerman. "We simply didn't have anything online and I created this myself. After the fact, we hired a programmer to put some functionality in the form: Based on your ZIP code you get different screens and it searches throughout the text for the ZIP language; it doesn't have to be in a special field. It doesn't take rocket science to do this. I'm not a programmer, but you don't have to have a complicated thing to get this basically going. The nice thing is that the majority are seven-day orders."
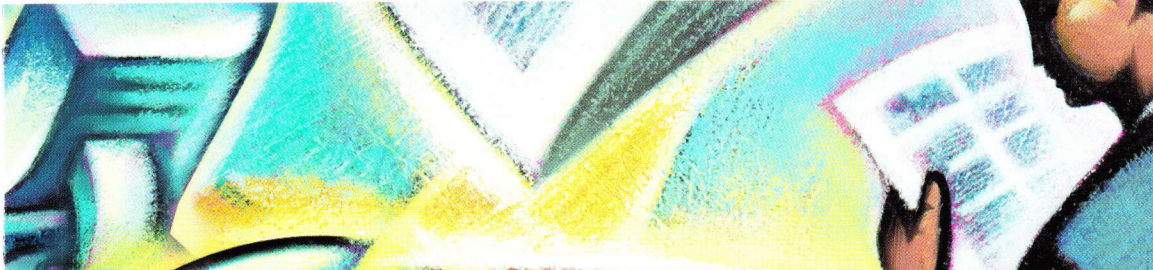
The Spokesman-Review.com - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address http://www.spokesmanreview.com/

Cars | Homes | Jobs | Advertise | Customer service | Home delivery

THE SPOKESMAN-REVIEW.COM

NEWS
Spokane
Idaho
Region
Nation
World
Business
Sports
Lifestyle
Entertainment
Commentary
Letters
More topics
Complete story list
Newstracks
Archives

EXTRA
Special reports
Special sections
Teens only
Weather
Today's ads
Classifieds
TV listings
Movie listings
For the record

SITE MAP
Select... Go

HELP
About S-R.com
News tip
Feedback
Contact us
Privacy policy

spokane.net

Current Weather: clear, 73.0 F (22.8 C)   Friday, June 22, 2001

TOP STORY

Teenager to serve at least 18 months more

John David Meredith Jr. will serve at least 18 months in prison for causing an accident on U.S. Highway 95 last year that killed three Spirit Lake women.

SPOKANE

Sex-ring figure heads Spokane CPS office

A central figure in the questionable Wenatchee sex ring prosecutions has taken over state Child Protective Services investigations in Spokane County.

IDAHO

Spokane boy drowns at City Beach

Miranda Boyd saw the boy's body floating facedown in Lake Coeur d'Alene Thursday afternoon. The Spokane woman jumped into the water and rolled him over. Her friend Rick Seidel helped her pull him up on the beach. He wasn't breathing.

MORE HEADLINES

Picture-perfect day for Mariners
Drawn to country living
Balanced measure is what's needed
Americans see economic divide
Foam on the range
Hezbollah blamed for bomb
Husband backs wife accused of killing kids
Incident 'hurts,' says Coeur d'Alene High principal
Carroll O'Connor dies of heart attack
Coping alone gave designer needed boost
Citations raining on Rainbows
UI fetes bio-tech building

The rest of today's headlines

Spokane, Wash., Coeur d'Alene, Idaho and the Inland Northwest
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PICKS

Hoopfest

Hoopfest 2001 is fast approaching. Relive the fun of Hoopfest 2000 and look up how your team did. This year's team, bracket and scouting information will be posted soon.

Bloomsday 2001

Look up your personal finisher page for the 25th running of Bloomsday. You can also check out the latest Bloomsday news and look up how you did last year.

Online, all the time

Read the latest Cyberfamily column on the ways information bombards us on a daily basis.

Time to garden

Visit our Gardener's Guide to plan your garden, read book reviews and gardening columns.

Wake up and Read it.
THE SPOKESMAN-REVIEW

Only mail delivery is available for your area. - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address http://www.venusianarts.com/cgi-bin/circ/circ.pl

Thank you for choosing The Spokesman-Review, jane!

**Only mail delivery is available for your area.
Prepayment is required. Please follow instructions below.**

If you submitted comments, they will not be received. Please submit your comments here.

Step 1: Verify the information you submitted

Your name:	jane doe
Your delivery address:	123 main st. anytown, ca. 91106
Your billing address:	123 main st. anytown, ca. 91106
Your email address:	ANYONE@ANYONE.COM
Your phone number:	666-666-6666
Your start code:	8IM
Subscription start:	now
Your additional comments:	

Step 2: Pick a service plan

If you live in Washington, Montana, Oregon, Idaho	If you live elsewhere in the U.S.	If you live outside of the U.S.
7-day ☐ 6 months - $93.00 ☐ 3 months - $46.50 ☐ 1 month - $15.50	**7-day** ☐ 6 months - $120.00 ☐ 3 months - $60.00 ☐ 1 month - $20.00	**7-day** ☐ 6 months - $262.50 ☐ 3 months - $131.25 ☐ 1 month - $43.75
Mon.-Fri. ☐ 6 months - $66.00 ☐ 3 months - $33.00 ☐ 1 month - $11.00	**Mon.-Fri.** ☐ 6 months - $79.50 ☐ 3 months - $39.75 ☐ 1 month - $13.25	**Mon.-Fri.** ☐ 6 months - $183.00 ☐ 3 months - $91.50 ☐ 1 month - $30.50
Sat. & Sun only ☐ 6 months - $57.00 ☐ 3 months - $28.50 ☐ 1 month - $9.50	**Sat. & Sun only** ☐ 6 months - $57.00 ☐ 3 months - $28.50 ☐ 1 month - $9.50	**Sat. & Sun only** ☐ 6 months - $102.00 ☐ 3 months - $51.00 ☐ 1 month - $17.00

Step 3: Contact us by phone or mail.

Please call (509) 747-4422 or Toll Free 1-800-338-8801 XT 7000 and set up your subscription with credit card and the information above. Please mention start code 8IM when calling. Or, if you prefer, you may print out this page and mail it to us at

The Spokesman-Review
Attn: Circulation Dept. Maildesk
P.O. Box 2160
Spokane, WA
99210-1615.

Your order will be confirmed via the email address
ANYONE@ANYONE.COM

Requests are processed Monday through Friday 7:00am to 3:00pm. Please allow us 2-3 **business** days from receipt of your fax or letter to start your service.

THE SPOKANE (WA.) SPOKESMAN REVIEW

Year 1999	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yearly Total
Subscription Requests								13	22	30	14	20	99
Subscription Stops											3		3
Vacations									1		1		2
Monthly Total								**13**	**23**	**30**	**18**	**20**	**104**
Year-2000													
Subscription Requests	8	12	9	8	7	12	10	11	26	13	17	15	148
Subscription Stops			1								1		2
Vacations									1		3	4	7
Monthly Total	**8**	**12**	**9**	**9**	**7**	**12**	**10**	**11**	**26**	**13**	**21**	**19**	**157**
Year-2001													
Subscription Requests	26	18	29	34	29*								136
Subscription Stops			1	1	1*								3
Vacations	1	3	10	5	2*								21
Monthly Total	**27**	**21**	**40**	**40**	**32***								**160**

NOTES: Mainly offer capability to start a subscription or request a vacation stop on Web site. Numbers in the "Subscription Stops" reflect stops of orders that were initiated via Web site. Since 2000 all web orders are full rate; no discount offers.
*May 2001 reflects partial numbers

"If you notice on that chart, there was a time when they dropped off to single digits. We had just a text link from the home page and it was getting moved further and further down the page. The further down it moved, the lower the numbers got. We also added the bottom button in the gray box in late fall, September of 2000. See how the number pops? The numbers have held up pretty well."

Zimmerman's lesson of the numbers: Have your link on the home page prominent and on top. Always have something in front of the user's eyes no matter where they are on the page. *The Spokesman-Review* accomplished this by putting the button on the bottom of the page so users would see something when they scrolled down.

"You can't get a better order than the ones you get on the 'net," says Zimmerman. "Retention is close to 90 percent...very high because it's a voluntary order. Our costs on this order are zero, no commission, you're not paying anybody. This is as close as you can get to zero cost per order. Even if you only get a handful, you can't do any better."

Relationships Also Are Built On Solid Business Goals

At the *Norfolk (Va.) Pilot*, circulation director Pamela Smith-Rodden has been working closely with Michael Alston, the online manager, to drive new subscriptions. One of the unique aspects of the relationship is its formal nature. The online department [www.pilotonline.com] has specific goals regarding new starts via its Web site.

"We pay our online department for a service. We tell them what we are willing to offer (new subscribers) and they take it from there," say Smith-Rodden. "The whole issue is invisible to us; we don't need to worry about how they do it, since they have sales goals."
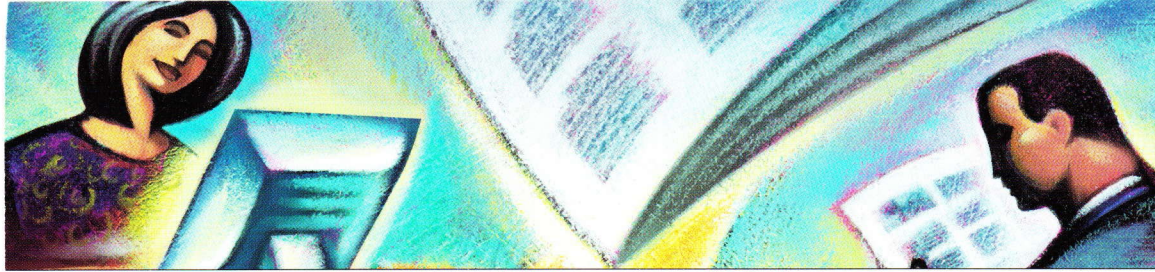
The online department sales goal is 50 new subscribers a week from the Web site.

In June 2001, Pilot Online generated 116 seven-day starts with total starts much higher. This was up slightly from May's 90 new seven-day subscribers.

At this point, however, the company does not have a good way of tracking the retention or value of those customers. Ultimately, Smith-Rodden says, the Pilot Online wants to have a fully functional Web-enabled business.

While each department at the newspaper is charged to meet their specific metrics, *"we all know that we need to be steering the whole boat. We understand why the other guys are the way they are and we respect them for it,"* says Smith-Rodden.

That kind of respect is the first step towards full collaboration.

Lessons We Are Learning

Throughout the industry's interactive sites, we see lessons learned, lessons still to be learned and a huge gulf between. Vaughn Jacobsen, circulation director at the *Standard-Examiner* in Ogden, Utah, recently served on the NAA Circulation Federation's Print-Online Collaboration Committee, interviewing dozens of circulation managers nationwide.

"When I distill everything down, my general feeling is we've talked too much and put forth too little effort promoting ourselves on the Web," says Jacobsen. *"Most newspapers have Web representation, but few promote themselves, specifically the circulation department, through the Web. Newspapers have not attacked this opportunity correctly."*

Common Mistakes Found in the 100-site Review

- **Demanding out-of-context personal information** (e.g. age, marital status) before allowing someone to subscribe or register has a high potential to thwart the sale. Instead, try in-context information gathering, (e.g. asking for a birth date to send a customized horoscope via e-mail).

- **Letting your print brand get sublimated, Part I:** If your company Web site has been mandated to fall under a geography-based URL, ensure a **SUBSCRIBE** link on the top page of whatever brand is most promoted by your company.

- **Letting your print brand get sublimated, Part II:** If you have been mandated to fall under a geography-based brand, make sure readers can still find you by typing in the URL, www.newspaper-brandname-here.com. That page can automatically direct the consumer to the geography or portal-based brand.

- **Not keeping your circulation pages up to date.** Nothing looks worse to a reader than clicking to the "Subscribe FAQ" (frequently asked questions) page and getting back to "Page Not Found." This reflects on your brand the same as a horrible trim or a two-hour late edition, or a message about happy holidays in July.

- **Over-engineering your efforts.** Chip Danneker, consumer acquisition and retention manager for the *Orlando Sentinel* [www.orlandosentinel.com], tells how Orlando once sent out a cutting-edge e-mail to its subscribers containing a Flash animation of a delivery truck tossing a newspaper. The project backfired because the animation was incompatible with AOL, the most widely used method of connecting to the Internet. Says Danneker ruefully, *"You kind of outsmart yourself sometimes."*

- **Not making sure e-circulation is included in the basic navigation**, even if there is another promo on the home page. If the purpose of navigation is to tell users how to find basic

areas of the site, that promo should include the word **SUBSCRIBE**, not just the words CUSTOMER SERVICE.

- **Forgetting to have "pop-up windows" link back to the circulation section** of your site, in case subscribers want to investigate other offers. Many pop-ups and special offers take users directly to a unique form, without links to general information areas. Never underestimate a reader's desire for more information.

The Model Acquisition Site

Online subscription managers have tough choices to make based on available resources and corporate mandates. Based on our site review and extensive interviews with circulation managers, we recommend the following functionalities on subscription sites.

Must-Haves	Should-Haves	Nice-to-Haves
General		
☐ **SUBSCRIBE** link on home page	☐ **SUBSCRIBE** link above "the fold"	☐ **SUBSCRIBE** link is a graphic element, distinct from text
☐ **SUBSCRIBE** link in navigation bar or box	☐ **SUBSCRIBE** link above "the fold" in navigation bar or box	☐ **SUBSCRIBE** link is a graphic element, distinct from text and is above the fold
☐ **SUBSCRIBE** link throughout site; e.g. main news page, main sports page	☐ **SUBSCRIBE** link throughout site and above fold on all relevant pages	☐ **SUBSCRIBE** link is graphic element throughout site and above fold on all relevant pages
SUBSCRIBE Functions		
		☐ Paypoint, EZPay, electronic wallet
☐ Start	☐ Donate	
☐ Stop		
☐ Hold	☐ E-commerce: secure credit card transactions	
☐ Renew	☐ Electronic funds transfer	
☐ Arrange for payment	☐ Fax form	
☐ Bill-me option	☐ Online-only offer	
	☐ View my account	
☐ Tracking of success, usage		
Customer Service		
		☐ Connect-to-person via Web-calling system
☐ E-mail comments, complaints	☐ Automation of comments; pull-down menus	☐ 7 x 24 support for all customer service functions
	☐ Customer service representative call back customer	
	☐ Customer service to answer technical and subscriptions questions	

Regardless of whether a customer is saved or not, an integrated, fully functional Web subscription system would allow for instant customer feedback by requesting or demanding that a customer complete a short "Reasons Why I Want to Cancel" form before going to the next step. Such an interactive method would also allow circulation departments to spot trends or editorial departments to see coverage areas that could be improved.

STOP-SAVE PERCENTAGE

Median Circulation	
Industrywide	22%
Under 25,000	25%
25,001–50,000	25%
50,001–100,000	21%
100,001–200,000	15%
200,001–400,000	22%
400,001+	15%

Source: Newspaper Association of America, 2001

There are other opportunities that newspaper circulation departments are missing by not providing full online customer support. Slightly more than half or 54 percent of those Federation members surveyed for this report allow for the temporary "hold" or "vacation stop" via the Web.

Even more disappointing are the results in the area called "leaving money on the table," such as gift or student subscriptions: Less than one-third surveyed, or 29 percent, provide such services. Other opportunities in this area might include the purchase of a single copy of the paper. Only 6 percent allow for that option online, although it might have the potential to be a subscription sales lead that could provide further revenue opportunities. Such an online request for a single issue could also trigger a "sample" program.

Customer relationships online are different than those currently enjoyed between subscriber and newspaper. In much the same way, editorial departments are working hard to provide news and information any time and via any device,
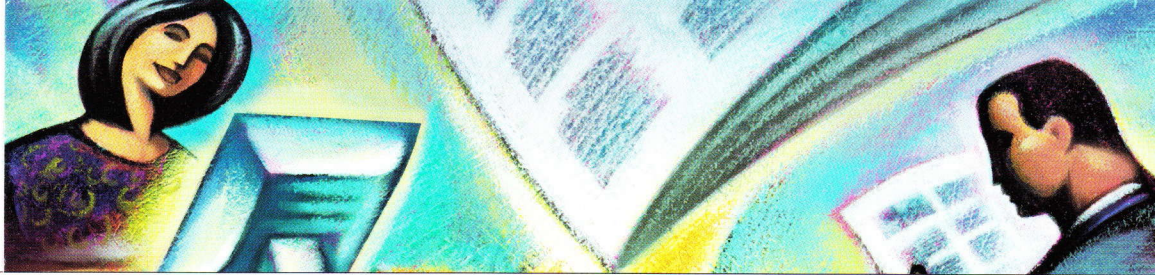
the circulation department must extend its relationships via the Web. Today's customers want it. Tomorrow's customers will demand it.

*"If you'd like to subscribe to The Chronicle, make a change to your subscription or just ask a question about your account, you've come to the right plac*e," says the copy on In.Touch's first page, and The Chronicle delivers on that promise. In.Touch walks customers step-by-step through each of the most common customer service needs, making the system idiot-proof without making the customer feel like an idiot.

As customers are guided through the most frequently-asked questions, In.Touch provides multiple-choice answers in a pull-down menu format. Customers who don't remember or don't know their account number can look it up online.

Turning Away Voluntary Renewals

Surprisingly, in the 100-site review, only seven of the 39 Web sites with online payment enabled had a special **RENEW** function on their sites.

While the overall small number of sites with online payment (39) could largely be attributed to a lack of advanced technology, the same cannot be said for the smallness of the subset with a **RENEW** function. Customers who can voluntarily subscribe online have a reasonable expectation to be able to electronically renew. Yet, in our review, the majority of sites with e-payment enabled weren't able to do this.

Of the sites that had no electronic payment function, only one had a provision to allow users to download a mail-in form to renew their subscriptions.

Rewarding Customers

While the newspaper industry struggles with customer service online, there are bright spots in strengthening overall customer relationships. The Web is ripe with opportunities to build and more closely manage relationships with both existing and new customers.

One of the most successful examples of customer relationship building is that of Lands' End

[www.landsend.com], a direct clothing merchant. Lands' End meets the customer at every level, ready to guide, help, advise, demonstrate or just listen.

The customer service page contains these features and functions: Users may:

- Talk to a live person online, 7x24

- Talk to a live person on the telephone, 7x24

- Access all customer services functions, including an 800-telephone number outside the U.S.

- Fax a question or complaint

- Receive customer service via e-mail or send a suggestion

- Track accounts and orders

- Order catalogs

- Receive a thank-you message from the company for the customer's contribution to the product.

The thank-you is probably one of the more critical pieces of customer service. The text on the Lands' End site says:

Here at Lands' End, we've always sold our products directly, so talking with customers is old hat. (And it's a rare Lands' End product that doesn't owe some improvement — or improvements — to customer feedback!) If you have a comment or suggestion, please feel free to contact us in the manner that is most convenient for you.

The customer message that Lands' End sends is clear: We value you, we value your intelligence, we value your time and we value your business.

It's a message that the newspaper industry still struggles with as it extends its brands through the Web.

Customer Mix

In order to tackle this issue, let's examine our overall customer mix against our revenue channels.

Offline customers add to our revenue through the purchase of subscriptions and classified ads; through circulation-based print advertising; direct mail and assorted offline revenue sources.

Online, customers add to our revenue through page-view (traffic)-based banner advertising revenues; online marketing, e-commerce and additional classified revenues; and miscellaneous other sources.

Channel revenues are cumulative. Customers who use your paper both online and offline become multi-channel customers. They give you multiple channels through which to derive revenue. Customers who use your paper in only one channel, either online or offline, give you only a single channel through which to derive revenue.

We believe multi-channel customers are your most valuable customer base. Therefore, subscribing customers who visit the Web site are worth the most per person. This customer groups deserves rewards because they drive revenue through both online and offline channels.

Print-only customers drive revenues only through the offline channel. They are, at the present time, worth more than the Web-only customers because Web revenues must still make enormous gains to catch up to print. Unless a Web site is charging for access or getting extraordinary traffic and subsequent revenues, this group of customers is worth less per unit.

The trick for newspapers is to identify ways in both interactive and print to reward these multi-channel customers and to recognize them for what they are: valuable and special.

The following cases illustrate various reward techniques. In each case, the successful approach was tailored specifically to the market situation by undergoing considerable evaluation and evolution.

Subscriber-Only Content

Essex County (Mass.) Newspapers faced a critical decision: To follow the Web trend of free content and potentially undercut its own subscriber base or to charge for content on its interactive sites.

But Essex, publisher of the *Salem Evening News*, the *Gloucester Daily Times* and *Daily News* of Newburyport, chose neither of those options. Instead, says Brad Koltz, director of production and systems / webmaster,

Essex County Newspapers moved gradually over two years to a third option, Salem's "Plus Edition."

While Salem's Web site [www.salemnews.com] offers the full contents of the newspaper, the "Plus Edition" expands on aspects valued highly by local news readers. The "Plus Edition" is available only to print subscribers.

In the "Plus Edition," not only do subscribers get a keyword search of the entire day's paper, they also can opt to use a feature called "My Town," which plays to the regional characteristics of the market.

What makes "My Town" unique is the way it searches across the company's news of the region, highlighting all items with references to a town, even if that town is not the main subject of a story. This feature is important in an area where towns frequently make decisions and take actions affecting one another. Other "Plus Edition" features include:

- Full obituaries (as opposed to extracts on the regular site)

- Expanded content (full text of speeches, expanded sports coverage, extended calendar information, etc.)

- Early posting — the "Plus Edition" is posted by 8 a.m.; the regular edition is posted at 2 p.m.

Koltz further describes the "Plus Edition" evolution:

"We did a very, very slow rollout about two years ago. At the time it was an opt-in program. But we changed that a few months ago.

"Up until the change, our subscribers had to come to the site, click through a series of information screens, fill out a form, then wait for us to assign them password and access name." (That password and access name was entered in a box on the home page.)

"We took a look at what appeared to be a very strong retention rate with that (user) group. We asked ourselves, 'is this because it's opt-in or does this really support print?'

"We did a lot of thinking about that and now we automatically enroll new subscribers. The 'Plus Edition' password goes out with the new subscriber welcome kit; it's now part of the new subscriptions."

"Plus Edition" subscribers who want the expanded Web site but don't want a print copy are offered the option of either donating their paper to the Newspaper In Education program or to local senior citizens' groups.

Salem has now sent out nearly 6,000 passwords for the site, roughly equal to 15 percent of its 35,712 print subscriber base, although some 10 percent of the "Plus Edition" passwords belong to users outside Salem's geographic circulation area.

By using the "Plus Edition's" bonus content to drive new print subscriptions, Essex County Newspapers has developed a template for monetizing its site that offers its subscribers highly local additional content. The strategy simultaneously addresses the deeper local news desires of
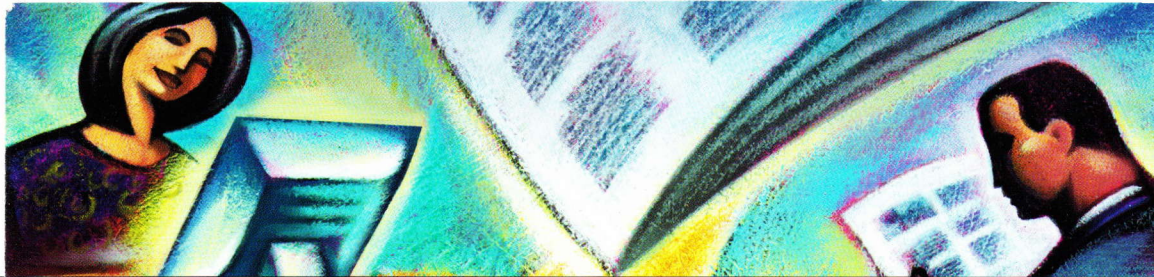
its market while driving print subscriptions. Offerings continue to evolve based on user feedback.

Online Loyalty Programs

The Houston Chronicle [houstonchronicle.com] rewards its print subscribers through a program dubbed SubscribersADVANTAGE. Half of the rewards are accessed through the Chronicle's Web site, the other half offline, making SubscribersADVANTAGE a unique tool for turning single-channel users into multi-channel users.

Online rewards require subscribers to enter their *Chronicle* account number as a user ID. That number is easily looked up online (a functionality elegantly featured throughout the *Chronicle* site). The beauty is that by using the *Chronicle* account number for all features, it becomes easier to understand subscriber behavior.

On the Web site, print subscribers have free access to searchable *Chronicle* archives back to 1985, as well as articles published in the *Houston Post* between 1985 and 1995.

They also have access to "My Portfolio" an investment-tracking tool that lets users watch as many as 12 stocks and mutual funds, while receiving market indexes, news and information. It also enables online trades.

For offline use, print subscribers receive The Chronicle Gusto Card, which gets them 20–25 percent savings at participating area restaurants. They also receive a printed subscriber newsletter, "Behind the Bylines," six times a year. The newsletter features profiles of The *Chronicle's* writers and editors. Selected archives of "Behind the Bylines" are available on the Web site.

By using its program to drive users back and forth between print and interactive, *The Chronicle* not only rewards its subscribers, it also helps build that critical pool: the multi-channel customer.

Getting and Using E-mail Addresses

The Orlando Sentinel [www.orlandosentinel.com] sends out a semimonthly e-mail to more than 22,000 subscribers.

The e-mails, which go out every other Thursday, serve two main purposes, says Chip Danneker,

Houston Chronicle
Subscribers ADVANTAGE — *Redefining the newspaper subscription*

ADVANTAGE Features | Find Your ID Number | Subscribe Now!

My Portfolio

As far as financial news is concerned, this piece of info is purely blue chip. My Portfolio is the latest SubscribersADVANTAGE from The Chronicle. And it allows you to track up to 12 of your personal investments (stocks and mutual funds), plus market indexes each and every trading day. Best of all, this financial news is updated continuously, and is available at the touch of a button via The Chronicle's InfoSource audiotext line!

Online Archives

Through The Chronicle's Web site you'll receive FREE access to our online searchable archives. This SubscribersADVANTAGE feature gives you extensive power to access news articles and informative features published in the Houston Chronicle from the present back to 1985, as well as articles published in the Houston Post between 1985 and 1995.

The Chronicle Gusto Card

Definitely the most appetizing feature of The Chronicle's SubscribersADVANTAGE program is The Chronicle Gusto Card. A unique dining and entertainment card offered exclusively to Chronicle subscribers, The Chronicle Gusto card provides the cardholder 20-25% savings at hundreds of Houston-area restaurants.

Behind the Bylines

Another SubscribersADVANTAGE feature is home delivery of The Chronicle's official subscriber newsletter with subscriber-only special offers and writer profiles every other month. Appropriately named, Behind the Bylines brings you face-to-face (Behind the Bylines) with some of The Chronicle's most popular and interesting writers and editors. In the past

The Orlando Sentinel Reader Rewards E-mail Update

Another benefit of subscribing to the Orlando Sentinel.

Hello Sentinel Subscriber!
As part of your subscription to the Orlando Sentinel, you are   receiving our Reader Rewards E-mail Update. We received your e-mail   address when you signed up for service, participated in one of our contests or interacted with us online.

IN THIS ISSUE:
   *Reader Rewards Offers
   *Upcoming Highlights
     New "Working" section
     U.S. Open Coverage
     NBA Finals Coverage
   *PARADE Preview
   *E-Mail Update Services

If you do not wish to receive future updates, you   can unsubscribe by going to the following address:
http://orlandosentinel.netpass.com/readerrewards/unsubscribe.cfm   From there simply enter your e-mail address and press submit.

READER REWARDS offer

Get your skin ready for summer! Save 10% on a facial from the Herb   Shoppe of Clermont! Each facial includes a skin analysis, deep pore   cleansing, gentle exfoliation, customized mask and moisture treatment. Also, receive a complimentary skincare consultation from   a skilled esthetician who will assess the tone, texture and overall   condition of your skin and make recommendations on ways to improve your skincare regimen.

Located in Historic Downtown Clermont, the Herb Shoppe is easily   accessible from the Turnpike, Hwy 50, East-West Expressway or Hwy   27. Appointments are necessary. Please bring a copy of this email to your appointment to receive 10% off your facial. Offer expires   8/31/2001.

Store Hours: M-F 10am-5pm, Sat 10am-3pm and on the first Friday of   the month 10am-9pm   For more information and directions visit http://www.herbpantry.com   or call 1-888-568-HERB.

READER REWARDS offer

10 LUCKY WINNERS WILL RECEIVE A FAMILY FOUR-PACK OF TICKETS TO BUSCH GARDENS!!!

Enter to win a family four-pack of tickets to Busch Gardens Tampa   Bay and experience the world's boldest off-road safari and wild river   adventure, Rhino Rally.

the Sentinel's acquisition and retention manager. They promote upcoming weekend print edition features and serve as a thank-you to subscribers by offering contests, giveaways or freebies.

Initially, the Sentinel collected e-mail addresses through the interaction with Web users on subscription starts or other service functions. But about 18 months ago, Danneker started pushing in earnest to get more. At that point, the *Sentinel* had collected under 3,000 addresses. They began collecting addresses in the print edition's quarterly reader awards program contests, and at drawings and signups at community events.

Next, the *Sentinel* began asking for e-mail addresses as part of all new starts, creating contests to encourage customer service representatives to make sure they received the e-mail information. By the end of March 2001, their list built to about 12,000. At that point, Danneker decided to try to buy e-mail addresses from an outside vendor, matching them against the physical addresses of actual subscribers. That netted another 10,000.

The *Sentinel* tested opt-in e-mail, where users elect to receive certain types of e-mail, against opt-out e-mail where users are given the choice to request to be taken off an e-mail list only after they begin receiving certain types of e-mail.

Orlando selected opt-out. Says Danneker, "Only 2 percent opted out during the test, and 40 percent opted in, so we felt the negative response wasn't significant enough to scare us off." But, he noted, Orlando does not use the e-mail as an upsell vehicle, rather only as a communication and loyalty-building tool.

Enhancing the Entire Communication Process

The *St. Petersburg Times* takes yet another tack: It uses the average citizen's combined fascination with and fear of the Internet to connect with potential customers and strengthen relationships with existing customers.

The *Times* conducts free classes on how to use the Internet, about 12 a month, using its Web site [www.stpetersburgtimes.com/] as instructional material. Participants become comfortable with the newspaper's Web site during the classes, which are offered on both beginning and intermediate levels. The classes also serve as an effective tool for turning single-channel customers into multi-channel ones, and for introducing new customers to the *Times*' brand.

Ronald Dupont Jr., the *Times*' general manager of Web publishing, pioneered the idea of the classes at his previous paper, the Charlotte (Fla.) *Sun-Herald* [www.sun-herald.com]. He explains how he introduced the idea to the St. Petersburg Times:

"We brought the classes here. We did test runs last year last for three months and we averaged 300 to 500 per class; we taught two or three a month. But that was just during the test. We had 570 attendees the other night.

"You're not just wooing them to the Internet; you're showing them how to use your Web site. We say, 'Let's teach you how to do e-mail' and then we teach them how to send a letter to the editor.

"The intermediate classes teach how to download and install, and we show how to download things off our site. But we also show other sites. It's great: For 90 minutes you're saying 'St. Pete Times.'

"We have a subscription person in the back of the room who offers a special Internet rate. You can sign up on the spot or you can take the card and get the special Internet rate."

The classes net a substantial haul of e-mail addresses, says Dupont. "Most of our e-mail addresses come through the classes. Ninety-nine percent of the people who go will give us their e-mail address."

Those people get e-mail updates written by Dupont on changes to the Web site. And Web site users can also sign up for weekly news in review e-mail, popular with sunbirds and locals alike.

Soon, the *Times* will implement coupons and special e-mail alerts, as well as a new feature which will mail a Web page to users each morning. While Dupont says he runs a short-term risk of losing page views, he believes that click-throughs on links will compensate. He also hopes the e-mail program will strengthen the overall customer relationship.

St. Pete's wooing works: Those who were already print subscribers are on their way to becoming multi-channel customers. Those who are not print subscribers start on the road to becoming single-channel customers via the company's Web site.
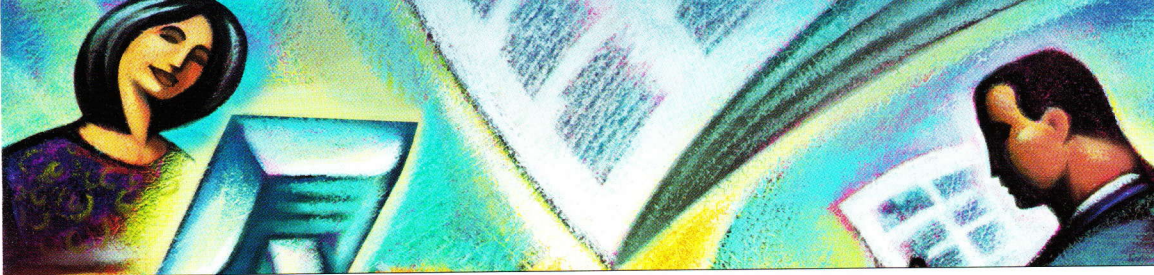
CONNECTING IT TOGETHER

What is the biggest challenge ahead for newspapers and print-online collaboration? Beyond the strategic thinking, beyond the marketing, beyond collaboration efforts between departments, circulation system technology is a heavy anchor holding back many newspapers.

Most of the customer service features discussed in this report are easily accomplished. Web commerce tools can be purchased in pieces or with a turnkey e-commerce integrator. But that easy solution misses a fundamental disconnect: Most newspaper circulation systems do not talk to Web e-commerce systems.

Our survey of the 290 circulation managers illuminated this gapping hole: Only 7% of those responding (21 executives) said their online and print subscriptions systems are linked together.

Instead, most newspapers rely on a "kludge" of systems that include e-mails to either the circulation department, the online department or require a customer to call a phone number listed on the Web site.

This lack of connected technology wastes time, money and potential sales. The Web purchase shopping experience is about acting upon a decision while you have time and while you are online. If a customer likes the content he or she is reading, then the

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Connections Between Circulation system and Web E-commerce System
Question: Are Web-based services "linked directly to your circulation mangement system"?

By circulation size; number of newspapers	Under 25,000	25,000 50,000	50,000 100,000	100,001 200,000	200,001 400,000	400,001 Plus
Yes [linked]	3	3	6	3	2	3
No [not linked]	47	53	63	40	36	19
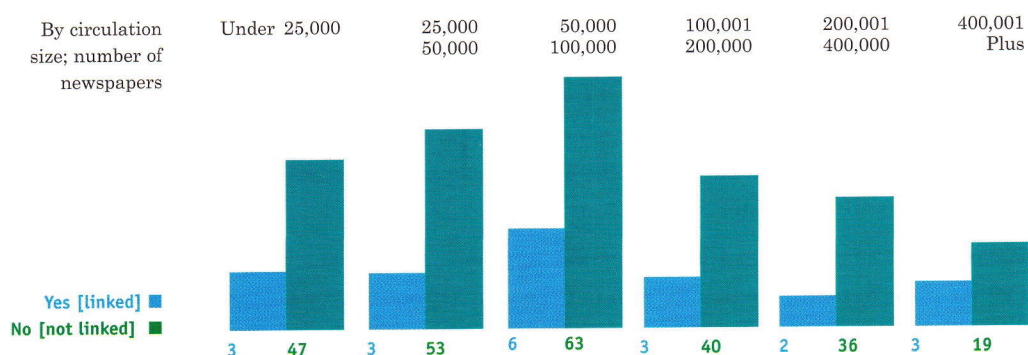
Source: Finberg-Gentry, the Digital Futurist Consultancy survey of 290 circulation executives; 2001

newspaper must allow for a "sign up now" process in much the same way as a book lover can read a review and click over to Amazon and purchase the book.

This technical challenge—the lack of connection between systems—is shared across all circulation categories, from the smallest newspapers to the largest.

There is little reason to expect that without focused efforts that this problem will be solved soon. The dilemma is two-fold:

- There seems little demand to have a fully integrated customer service solution. If there is no demand, system suppliers won't spend the resources to add such functionality to existing products.

- The majority of newspaper circulation management systems are "home grown." It will take resources to either upgrade to allow for more dynamic connection between systems and the newspaper's Web systems. Or it will take resources—time and money—to replace or build a new system.

While some of the technology suppliers have developed an integrated approach, this does not mean newspapers will deploy their solution. For example, Baseview, a technology vendor at many newspapers, offers much of the core subscription management functionality via the Web. However, they have yet to have a customer deploy the technology on a newspaper Web site. In conversations with NAA Print-Online Collaboration Committee member Anthony Veit (Booth Newspapers), Baseview reported that deployment is difficult because "circulation usually has no connection with Web administrators." Veit noted that Baseview has communicated with the Web team to keep the deployment moving forward.

Even the most recent software development effort in this area, the Circ2000 system created by *The Arizona Republic* and the now defunct Central Newspapers, Inc., has yet to complete its Web interface. The technology is willing [and built] but the focus is elsewhere, not only for current Circ2000 users, but also for those looking to purchase new systems.

One exception is Publishing Business Systems' MediaPlus Online, which provides for integration into the company's circulation management system and even its advertising management. The New York Times Regional Newspaper Group has announced it would install PBS' circulation solution, including its Web application. *The Boulder (Co.) Daily Camera* is also using the MediaPlus Online system.

Many of the circulation system vendors have a good understanding of the security issues around such a deployment and are looking at standard solutions, such as secure servers that take replicated [copied] information from a newspapers circulation system. In this manner, a Web customer would not be able to directly access his or her account, but rather a copy that would be updated automatically in the master system.

Some managers seem content with a less automatic approach, with circulation staff members having to verify each Web-based entry to "pull out the pranks" entered by customers and "errors caused by the Web server."
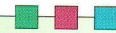
No system is perfect, but to manually check data seems to defeat the purpose of an integrated, collaborative system. With the proper e-commerce approach and technology, those pranks and errors would never get through. Use of Web-based real-time systems that verify credit cards or other forms of payment would take away the fun for pranksters who request subscriptions. Or at least would make it very expensive, as credit card numbers would be validated and charged as part of the order entry process.

As for errors caused by a Web entry, circulation systems purchasers should demand technology that has robust business rules built into the package. Customer entries in certain fields can be checked against what is expected and prevent an incomplete or inaccurate Web order. These rules should look for certain ZIP codes, proper telephone exchanges, perform address verification or even check existing subscriber lists to see if the customer is eligible for a special offer.

Beyond the collaboration needed between circulation and online departments, there needs to be better communication between the newspaper and its technology supplier. The suppliers should look at this an opportunity to help the newspaper understand why a fully integrated effort is in the customer's best interest and to develop tools and solutions that are Web-based. In many respects, these vendors need to re-engineer their systems to get away from the legacy technology of the past and begin using the Internet as their platform. We should look toward such companies as Cisco, AT&T and others who have put more control in the hands of their customers via the Web.

Circular Push

Classic cross-promotion strengthens each product, driving reader/users between platforms and building overall customer loyalty.

While newspapers understand single-direction push relatively well (i.e. print pushing to Web or Web pushing to print), "circular push" has eluded the industry.

We define "circular push" as a successful customer trip through a suite of products. It can begin at any point and does not have to use all of the products on an equal basis. However, each product should build in dependencies on its siblings so that users naturally and readily flow among them. Some circular push paths might look like:

- print to interactive back to print;

- interactive to print back to interactive;

- print news to print sports to web to e-mail to print news.

Television has been the most successful medium at tackling circular push, with the success of sibling shows and sites like CNN's "Talkback Live" [www.cnn.com/CNN/Programs/TalkBack/] "Burden of Proof"

Circular Push

PDA
- portable
- Immediate

Print
- in-depth
- portable

Online
- in-depth
- Immediate
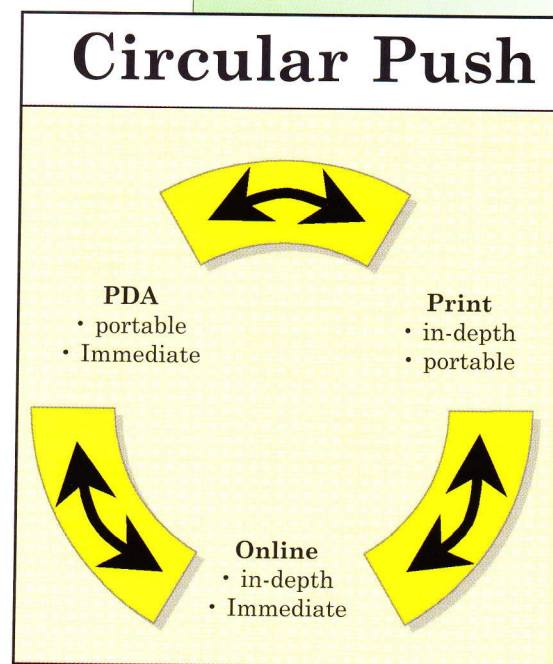
[www.cnn.com/CNN/Programs/burden.of.proof/] and "News Site" [www.cnn.com/CNN/Programs/news.site/] and MTV's "TRL." [www.mtv.com/mtv/tubescan/trl/], MTV site users determine and comment on the selection and order of the video hit parade broadcast of the day.

In magazines, *Fast Company* magazine [www.fastcompany.com] does one of most tightly knit circular pushes on the Web. No magazine article appears on the Web site without interactivity. No interactivity appears without input from writers and editors, which drives users back to the next magazine issue. Possibly the most important element of *Fast Company's* strategy is to suck its users into "membership"—linking them to potential business networks and other reader benefits.

Fast Company's programs attempt to exemplify its name, make readers and users part of "the company" of smart, fast people they read about.

In each medium, every piece contributing to cross-promotion stands well on its own, but you must visit all the pieces to:

· Get the full story/information update

· Maintain your status place in the community of interest

· Feel good about yourself in terms of the vertical subject matter.

Vertical Approach

The St. Petersburg Times has successfully tackled this issue around a specific vertical with a strong community of interest.

Its wrestling site www.ringfury.com consistently pushes users to read the Times' wrestling columnist in the print edition and to interact with him online.

By encouraging customers across channels, St. Petersburg strengthens their ties to the overall brand and improves revenue opportunities in all channels.

Resetting Expectations and Definitions

Ubiquitous cross-promotion between Web and online is the surest method of driving growth of our most valuable customer base—the multi-channel customer group. But our industry must make significant strides to achieve this.

An examination of 2000 and 2001 ACME (NAA Federation Advertising Marketing Circulation Excellence awards) winners and finalists reveals little, if any, serious cross-promotion efforts between Web and online outside of the Web promotion category. However, cross-promotion efforts did increase between 2000 and 2001, albeit only by a small amount.

Finberg-Gentry examined the following ACME categories related to circulation growth: Subscription Sales/Promotion; Single-Copy Sales/Consumer; Retention. In 2000, 1 of 31 finalists, or 3.2 percent, cross-promoted. In 2001, 3 of 28 or 10.7 percent did.

To move from occasional to ubiquitous cross-promotion, we need to run each new content piece and each new promotion against a checklist:

- Can a customer use this content/promotion through the medium of his choice?

- Does this content/promotion strengthen customers' ties to our brand across revenue channels?

- Does this content/promotion push customers through additional revenue channels?
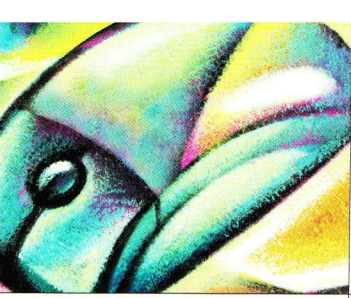
Watching the Horizon

There will be no "next big thing" for online. Or for newspapers.

We do not believe in the "big bang" theory of technology. Rather, how we get information, and how publishers gather, produce and distribute information will evolve in a series of small- and medium-sized advances. Even when pundits and soothsayers proclaim a "next big thing," careful analysis shows a foundation built upon existing technologies or extensions of current business models. We evolve from our history.

Having dampened enthusiasm for "something great on the horizon," it is important to note that there will be changes in the technology landscape that will affect how newspapers are displayed and delivered.

The Promise of Broadband

One of the most hyped "next big things" is the adoption of high-speed Internet access or broadband services. The promise of an "always on, always fast" online experience is very appealing both to service companies that sell access and to publishers who seek new ways to sell content and services.

The promise of broadband in the mass market, however, is just that, a promise. We believe this promise will remain unfulfilled because of the difficulty and expense in getting this equipment installed. Because of this, only a relatively small number of consumers have started to embrace the benefits of high-speed access.

What we do believe is that broadband adoption will continue nationwide and will take on many forms. The four major types of broadband services are:

- **Digital Subscriber Line (DSL) services**, which are delivered over existing phone lines. The technology challenge with DSL is the equipment upgrades the phone company must make to their equipment, the nature of the wires going into a house or neighborhood and the distance the connection is from the phone company's switching station.

- **Cable modem services**, which are delivered via the cable television system into a home or business. Technology challenges involve the upgrades the cable company needs to make to the equipment and wires in its service area or an entire city. Also, service may degrade as more subscribers are added.

- **Satellite services**, especially with two-way connection, still are relatively new. These early systems allow a faster download connection, but the consumer will still need to have a phone line to request information. Newer services now allow for two-way connections, but with the cost of a special satellite dish and installation, in addition to monthly fees.

- **Wireless Local Area Network (LAN) or Fixed Wireless services**. The fixed wireless services use a point-to-point antenna to send a radio signal and require a "clear line of sight" to the receiving / sending tower. Wireless LANs are being deployed in public places such as airports, hotels and coffee houses. The wireless LAN solution requires a special card for the consumer's laptop computer.

THE HIGH SPEED REALITY AND FUTURE PROMISE

In millions of users	1999	2000	2001	2002	2003	2004	2005
Cable Modem	1.4	3.3	5.5	7.9	10.1	12.1	13.8
DSL	0.3	1.2	2.5	4.4	6.8	9.3	11.8
Satellite	0.1	0.1	0.3	0.5	0.8	1.1	1.4
Fixed Wireless	0.0	0.1	0.2	0.4	0.8	1.3	1.8

Source: Jupiter Research

Beyond the technology deployment challenges, there are other issues ahead for newspaper-based online services. Broadband consumers, who, for example, focus more on entertainment or gaming applications, use the Internet for different reasons than dial-up consumers. While this trend might be a result of the "newness" of broadband services, it is unclear whether these consumers will become more mainstream over time.

As of early 2001, fewer than 10 percent of the top 50 online sites as measured by Media Metrix offer a broadband version of their content. This may be a chicken-and-egg dilemma for both high-speed service providers who want robust content that shows well and publishers who do not want to invest in such content until there is more of a mass market.

Whatever happens, the implications for publishers in a broadband mass market are significant. Newspaper publishers will need to invest in several areas to capture these consumers:

- More video and audio content that is married with textual material.

- More animation for storytelling and advertising.

- More infrastructure costs to serve broadband content or to outsource the delivery of video and audio content.

Broadband rollout also could be a double-edged sword for newspaper companies, if more consumers want access to the full electronic version of a newspaper. Several different experiments are under way that circulation executives and publishers are watching carefully.

What's on the Newsstand?

The most notable is from NewsStand, an online technology company based in Austin. NewsStand has entered into several agreements with newspaper publishers, including *The New York Times*, to provide Internet distribution of the print version of the paper.

This version allows online customers to see The Times on their computers in its actual printed version, which includes: all advertisements, headlines, photographs, charts, maps and stories. This electronic version will be sold either as a single-copy or via a subscription. Because it will be a subscription product and will contain exactly what appears in print, The Times will be able to count such circulation along with all of its other subscriptions.

The potential for newspapers like *The New York Times*, which wants to reach a larger audience than it can easily provide with home delivery, is significant. Stuart Garner, NewsStand chairman and CEO, claims that *The Times* turns away 50,000 subscribers annually because it cannot provide reliable delivery in their area.
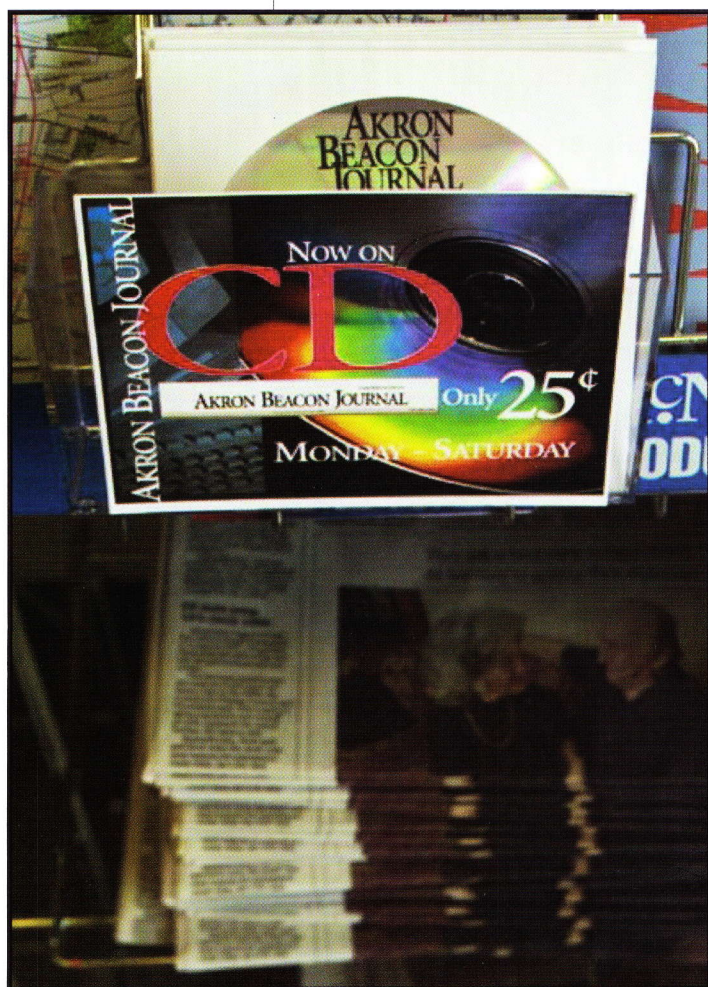
Regional publishers who find "out-of-state" circulation expensive, might see NewsStand as an attractive solution. Other markets NewsStand believes to be ripe for its product include travelers, students, researchers and those living in a different country [such as 10 million Britons who live overseas].

Since NewsStand takes a publisher's complete output— either in PDFs or Quark Xpress files—and converts them to its own reader, it is hard to predict how long it would take to download a typical newspaper. The expansion of broadband adoption would be a great benefit to Newsstand and its partners. Also unknown, so far, about the NewsStand product is how the consumer will respond to a product that is designed for one medium but is being displayed on another.

A similar project is the *Akron (Ohio.) Beacon Journal's* CD newspaper. Using off-the-shelf technology, Adobe's Acrobat, and their paginated newspaper pages, the *Beacon Journal* adds additional content and active hyperlinks to the existing print product and puts this expanded version of the paper onto a CD.

This test market project, which started in June 2001, is neither a substitute for the company's online efforts [www.ohio.com] nor for its printed newspaper. Rather, as described by Mike Needs, director of *Beacon Journal* Interactive, this is a product that sits between the static
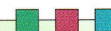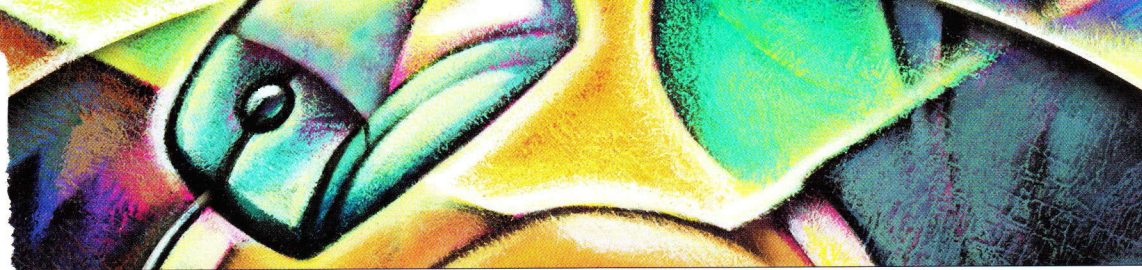
paper and the always-changing Web site. "This gives us a way to use the content of the traditional newspaper with the power of online," Needs said.

Akron's CD interactive newspaper carries a day's entire newspaper in PDF format as well as additional material and live links in news and feature stories.

The Interactive *Beacon Journal* is produced nightly for distribution in 32 convenience stores. About 250 CDs are "pressed," and the company has seen a steady increase in sales weekly. The CD costs the same as the printed newspaper, 35 cents in outlying areas and 25 cents in its core circulation area. Again, because this is a complete product, it meets the Audit Bureau of Circulation rules for counting circulation. In October 2001, the *Beacon Journal* suspended publication of their CD interactive newspaper.

Next on the *Beacon Journal's* testing horizon is an interactive version available online via a subscription. According to Needs, their project team headed by Terry Whitney, vice president of production and circulation, aims to significantly discount this version of the Interactive Beacon Journal. Currently, subscription pricing for the printed newspaper is $3.50 for seven-day-home delivery service.

The *Beacon Journal* sees other opportunities for its Interactive project. One idea is to provide a week's worth of newspapers to those subscribers who have gone on vacation. There also might be opportunities around bulk sales to companies or other organizations. The ability to send out a CD version of the newspaper might be very attractive to those currently getting a mailed copy of the newspaper. The cost of mailing out an Interactive Beacon Journal on CD using first class postage is cheaper than mailing out the printed product via third class bulk rates, according to Needs.

It is too early to say how all of this testing will turn out. The use of the current version of Acrobat for online delivery of a newspaper is problematic. The file sizes of a typical weekday publication range from 15 to 20 megabytes of data. Without high-speed Internet access only the very patient, and those with lots of time on their hands, will find this kind of reading enjoyable.

Ultimately, technology will evolve, in small steps, to solve these problems. The most significant aspect of the Akron experiment may be the view from the newsroom. Says Needs, "Circulation is truly driving this."

Other Devices

Any look into the near future would be incomplete without a gaze at the murky issue of new devices that newspapers might use to display their content. The most interesting type of device is a cross between a personal digital assistant [PDA] and a personal computer [PC]. Sometimes called a Web tablet or Web pad, this device is a hybrid of the electronic book readers already are using.

Consumer electronic manufacturers and software companies like Microsoft are betting that a lightweight device, about the size of a magazine and with a wireless connection to

the Internet, would be a success in the marketplace. While newspapers should generally be device-agnostic and provide content and services across multiple types of machines, we believe the traditional publishing industry should be encouraged if the Web pad-tablet is successful. Because of their larger, color screens and more robust computing power, these new devices would be an opportunity for newspapers to deliver their printed product electronically or develop a new product that takes advantage of such devices.

Microsoft reportedly has spent millions of dollars developing its Tablet PC, which it hopes other companies will license to manufacture. Microsoft sees the Tablet PC as a companion to the desktop PC and another opportunity to sell its operating system software and applications.

Whether we see these devices in the home within the next three years is questionable. What we do predict is the use of Web pads at all businesses, from offices to hotels to cruise ships. One restaurant is planning to display its wine menu via a Web pad that is wirelessly connected to its database of drinking choices. The health care industry is already a big customer of these portable devices, especially at hospitals.

If Web pads do become another popular delivery format for newspapers, additional technological and user-interface challenges will surface. Most of these devices do not have a keyboard, or the keyboard is an add-on attachment. Hence, the user needs to touch the screen with a finger, stylus or other pointing device.

Newspaper designers will need to think about the implications of reading a product where the consumer would be pointing to stories and other materials. It means finding ways to organize and hyperlink content so it is easily accessible and doesn't force the consumer to turn every single page looking for a specific feature or story. Looking even further into the future, speech might become the input for searching on such devices.

Whatever the future brings, the world will be a more complicated place for circulation executives and their colleagues in the newsroom. Collaboration will be a must in this new world.

Mockup of a tablet PC showing the front page of an e-newspaper prototype developed at Kent State University's Institute for CyberInformation.

NEXT STEPS

We have learned a great deal on this project. The big lesson: There is a great need for the collaboration between online and offline departments, and we still have far to go.

A truly collaborative effort among all newspaper departments cannot be mandated nor forced from the outside. It needs to be lived, day in and day out. That job belongs to the readers of this report.

The 1st Next Step Belongs to the Circulation Executive:

- ☐ Know where you are today.

- ☐ Get an extra copy of this report and send it to your online counterpart. Ask him or her to read it and give you ideas and impressions of the situation.

- ☐ Work with your Web and technical teams to benchmark where your newspaper Web site is in e-commerce, customer service and subscription-driving.

- ☐ If you don't already have a tracking system, develop one so that progress and pitfalls are more readily understood.

The 2nd Next Step is for Us as an Industry:

- ☐ Stay aware of the technological forces shaping our world. This job is difficult for anyone on the print side of the newspaper business, because we are challenged daily by too many operational and strategic issues. We should be aware of evolving technologies and new ways to deliver news and information. It also means staying aware of what others are doing online.

The 3rd Next Step for Readers of This Report is:

- ☐ Find online examples of success and failure. Try subscribing to a magazine that offers full customer service. If you haven't done so already, order a book online to experience e-commerce firsthand. And as you go through the process, think about your customer's experience.

- ☐ What worked and what did not? How could that reflect back to your newspaper?

Finally, Most Important, the 4th Next Step is:

☐ Commit to learning more about what your customers want online and how both print and the Web can work to benefit one another.

Our research is only a starting point of these discussions. Because of the timeframe in which this project operated, we can only highlight some of major points of print-online collaboration. Our focus mostly concentrates on how online sites can drive print subscriptions.

We urge additional research into the following:

- What kinds of subscription offers are most successful on the Web?

- How much does pricing matter? For new subscribers? For renewals?

- Does it matter where the offer is placed? Is the home page better? Do banners or pop-up windows work?

- Is there a way to test whether the Web can drive single-copy sales?

- What types of customers purchase subscriptions via the Web? What is the retention rate for the online customer?

- Will charging for content work at the local newspaper level?

- What are the implications when newspapers offer full-service online, including allowing the customer to place a "stop order?" What programs can we develop and test that use the Web to "save" those customers?

- What works best in driving print subscribers to the newspaper's Web site? What kinds of promotion or what links in stories?

- Which is more vulnerable to the Web, the mail or single-copy category? Are there ways to combat that? Is cannibalization a significant threat or an urban myth?

- Are there other kinds of collaborative promotional efforts that could benefit both media?

These questions illustrate the large amount of work remaining to be done between circulation, marketing and editorial sides of online and print. During the past five years, the newspaper industry has focused its efforts and energy on developing online content. Little effort was spent understanding the synergies of print and online.

Although we have presented several case studies of newspapers that are doing it "right," this report only touches upon a few of the many in existence. There needs to be a systematic way of capturing more success stories and research so that this kind of report becomes the foundation of learning. That means that there also needs to be a new level of collaboration among all newspapers to learn from others who have had success online.

What the future of newspapers must hold are new measurements of success and new ways of working together. Our continued success, perhaps our survival, demands nothing less.
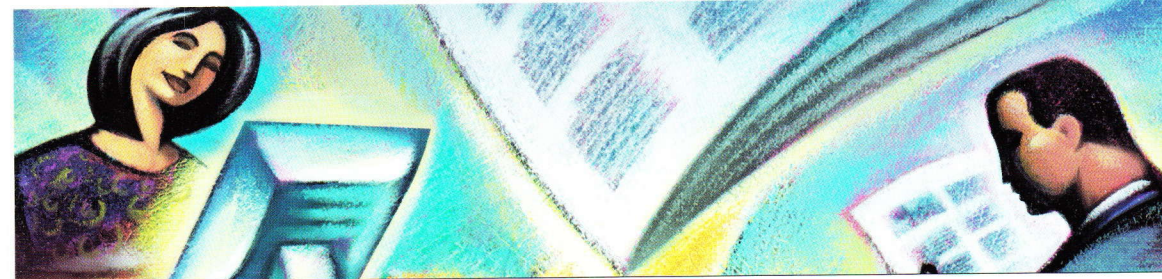
Appendix A
NAA Print-Online
Collaboration Survey

In a May 2001 survey, 278 Circulation Federation members responded to a question asking whether their online subscription services are directly linked to their circulation management systems. Cross tabulation of the answers with the average daily circulation of each newspaper, shows that overall only 7% of the newspaper surveyed directly link the two systems.

Question: Are online subscription services at your newspaper directly linked to your circulation management system?

	Under 25,000	25,001- 50,000	50,001- 100,000	100,001- 200,000	200,001- 400,000	400,001+	TOTALS
YES	3	6	3	3	2	3	20
NO	47	53	63	40	36	19	258
Total	50	59	66	43	38	22	278

Appendix B
Finberg-Gentry Web Survey Matrix

Here are the survey questions:

Circulation of newspaper?

Is the "subscribe" link on the front? Y or N

If there is a subscribe link on the front, is it above the fold? Y or N

Is this link an icon, button or other graphic element that is distinct from text? Y or N

Is there a "subscribe" link on first news or local news page? Y or N

Is this link an icon, button or other graphic element that is distinct from text? Y or N

Once at the subscription page, can you Start? Y or N

Stop? Y or N

Hold? Y or N

Renew? Y or N

Pay? Y or N

E-mail comments or complaints? Y or N

Is there a special online-only discount that is clear to the user? Y or N

Is there credit card payment? Y or N

Is there a bill me option? Y or N

EFT? Y or N

Student plan? Y or N

Appendix C
Pop-Up Window Heaven

Many circulation departments struggle to gain significant presence on the home pages of their newspapers' Web sites. Attempts come in many flavors. For some papers, they enter through effective use of pop-ups.

During April 2001, we examined 100 newspaper Web sites, distributing site testing among small, medium and large newspaper circulation, across private and publicly-owned companies and sites with a range of online sophistication. Included below are some of the many pop-ups we found during that review. Success rates were not available on these ads, but they provide interesting ideas as we consider the most effective ways to drive print circulation with our Web sites.

1. Waterbury (Ct.) Republican-American
(http://www.republican-american.com)
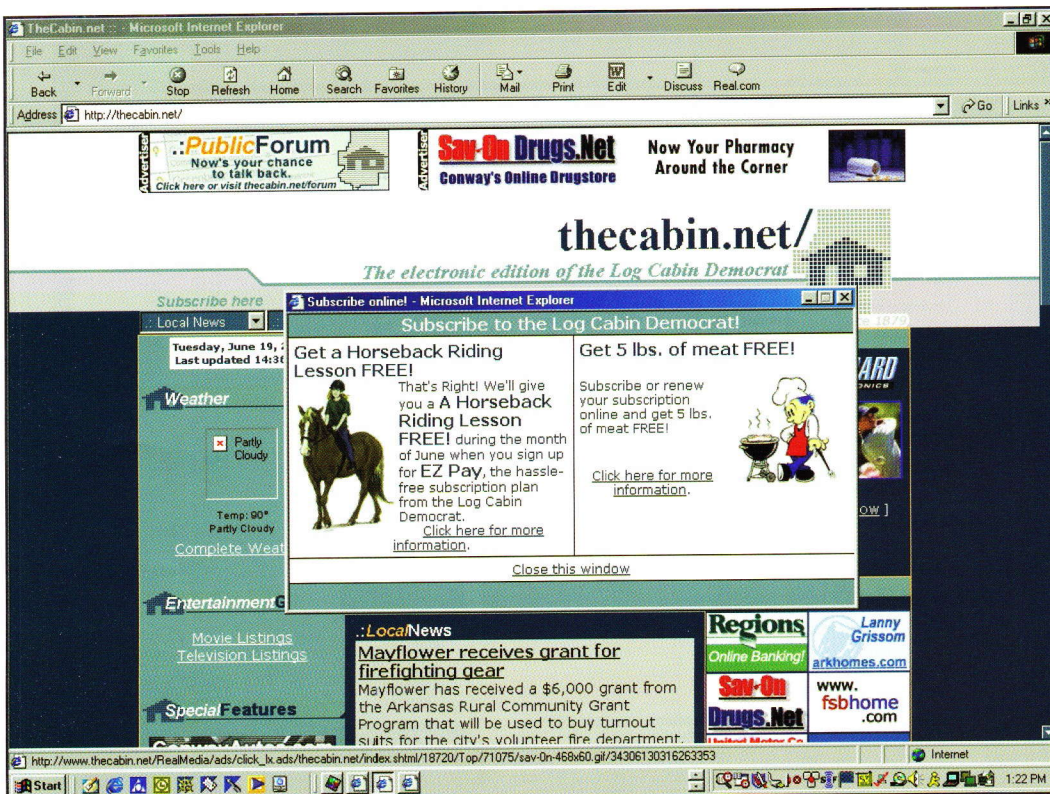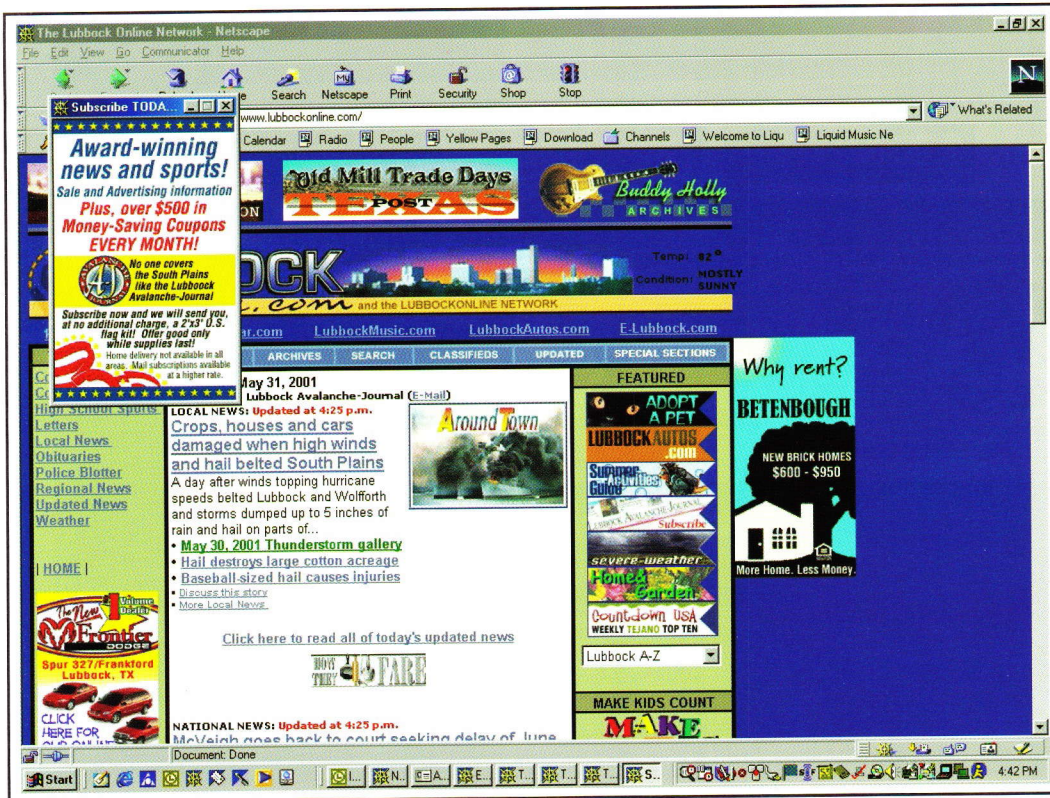
3A. Conway (Ar.)
Log Cabin Democrat
(http://www.thecabin.net)

4. Danbury (Ct.) News Times
(http://www.journalstar.com)

COME TOGETHER: DEFINING THE COMPLEMENTARY MARKETING ROLES OF PRINT AND ONLINE

The Baxter Bulletin
online

Home — Click here to return home. | News — Local, Opinion, Sports | Communities — Your area guide. | .com — Used. | Jobs — New! Local and national jobs.

Mountain Home Weather
Temp: 77 °F
Hi: 77 °F
Lo: 62 °F

Member FDIC

Baxter Bulletin Customer Service
Let us serve you
Contact us

Baxter Regional Medical Center

Top Stories in News, Friday, June 22, 2001

City receives $50,000 for park
The City of Mountain Home received a gift from the Keller family during Thursday night's council at Keller Park.
- More Local News

Front brings rain to Twin Lakes Area
Area lawns and gardens were gladly playing the role of the sponge Thursday, soaking up the rain.
- More Local News

BRMC tourney winners announced
The Hospital Development Foundation's tournament was held June 9-10 at Big Creek Mountain Home, raising a record amount Baxter Regional Medical Center.
- More Sports

First National Bank of Mountain
Member FDIC

Subscribe Online Today!
The Baxter Bulletin
get 2 F...

Free autographed poster - Microsoft Internet Explorer

THE CATCH

RE-LIVE THE CATCH
FROST TO DAVISON

For a limited time, you can receive a **free 24"x36" print** of the miracle catch that allowed Nebraska to go undefeated and claim its national championship. Each print will be **autographed by former Huskers Scott Frost and Matt Davison**. To receive this exciting piece of Nebraska football history by U.S. mail, just **start**, **renew** or **upgrade** your Journal Star newspaper subscription at our regular great rates for 13 weeks using the form below.

○ Start a 13 week 7-day subscription of the Lincoln Journal Star.

○ Renew my current 7-day for another 13 weeks.

○ Upgrade my weekend subscription to a 7-day subscription for the next 13 weeks.

Name:
Billing address:
Mailing address (if different from above):
City:
State: Zip:
Email:
Phone:
Type of Credit Card: ⦿ Visa ○ Mastercard ○ Discover ○ Amex
Credit Card Number:
Expiration Date (month/year):

Submit   Reset

Appendix D
Looking at the Future

A Scenario for 2020

In late 1998, the American Press Institute (API) invited 25 newspaper executives and journalists to attend the annual J. Montgomery Curtis Memorial Seminar. The topic was the future of newspapers. Each participant designed a news product [some on print, some online only and some a combination of both] for the year 2020. Howard Finberg, a former vice president at Central Newspapers, Inc. and co-author of this report, shares the vision he presented at API. We present it below to give you a sense of one possible future scenario.

The *Southwest Republic* of 2020 is built on two principles. The first is the concept of custom publishing a newspaper through one-on-one marketing. This provides our customers with a newspaper tailored to their personal needs and delivered either in the traditional form of ink on paper or through a seemingly futuristic electronic ink version. The second is the highly collaborative staffing process that production of customized newspapers demands. The development of this prototype demonstrates the evolution of staffing that must accompany the news organizations.

One-on-One Marketing

The vision of the one-on-one design of the *Southwest Republic* is based on the potential for the newspaper [or any other information company which publishes the product] to retain and strengthen its role as the "trusted agent" in its diverse communities of customers/consumers/readers. These communities could be geographic [a neighborhood] or virtual [fellow National League baseball fans].

By 2020, our readers will look for solutions—not more data—in their hectic lives. Consumers will find a trusted information agent to help them make choices and, in general, make their lives less stressful. One-on-one marketing will allow the *Southwest Republic* to meet these expanded customer demands. Providing such services will expand its definition of journalism. It will strike a balance between organizing personal information crafted to the needs of a reader while still providing the unpredictable mix of breaking news and articles which enrich a customer's reading experience.

Digital Ink versus. Real Ink

The *Southwest Republic* meets such expanded product needs—in both its print and electronic format. In 20 years, physical formats will converge: Electronic or digital ink is already being used for simple communications, such as digital signs. It is not a great leap of faith to envision a truly portable, always up-to-date newspaper printed on a material that feels like paper but is actually an electronic display material.

Digital ink technology will give newspapers incredible flexibility to display information without regards to page limitations. This format will also allow the integration of new forms of visuals—animation and full-motion video. The prototype *Southwest Republic* has buttons for the reader to push for more information, as well as the familiar "visit our Web site for more information" references. The ability to quickly navigate this new reading medium will be essential.

There is, however, an underlying technology assumption: a widespread, high-bandwidth wireless network will be deployed. The economic model is another challenge. Where does display advertising fit in a world where the consumer has a large degree of product control? How much will customers pay?

Smaller Pages, Fewer Pages

Those challenges are why the printed form of newspapers will not disappear by 2020. Emerging technologies like digital ink will no more eliminate paper than radio finished off newspapers and television made radio obsolete. The printed newspaper, like every other communications medium, will adjust and adapt to the changing marketplace.

The way newspapers are printed will differ: In the next 5 to 10 years, the last of the "large iron" presses will be installed at newspapers. Given the cost of newsprint and the environmental disposal issues, it is likely that the physical size of a newspaper will be smaller than the present 54" or 50" printing web width.
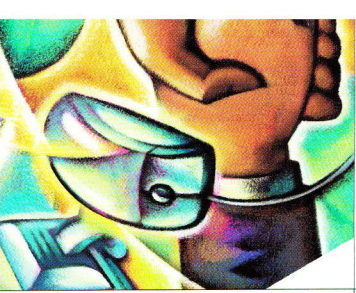
Hi, Bob! Here's Your News

Every morning our customer, Bob Jones, finds his very personal content on the right-hand rail. The *Southwest Republic* supplies him with information about an upcoming trip, family plans and reminders about birthdays and other events. In addition to the printed version of such information, Jones also will get alerts and reminders via several other devices: wireless phone, a beeper or a home-computing device [which may be the entertainment display screen once called a television set]. The *Southwest Republic's* motto is "Your News, When You Want It, How You Want It."

By 2020 computer-to-press technology will be widely adopted throughout the industry. Such technology is at the heart of what allows us to physically give Bob his individually targeted newspaper. For this example, we show only one customer at this house; it is possible to design one newspaper to supply individualized information for multiple customers within one household.

Oh, No. More Staffing Changes

Of course, letting the customer select the delivery time and place will bring profound changes for the way we hire, train and organize newsrooms. Always "on" for the consumer means that the newsroom needs to be always staffed and "always publishing." One part of that newsroom challenge revolves around job duties and how work is organized. Our changing business might finally push newsrooms into truly collaborative work environments. Not only would there be an increased need for journalists to collaborate within their own department but also with other departments.

SW Republic + Bob = Trust

In order to remain a vital information source for our readers in all our communities, the *Southwest Republic* has to offer more than the journalistic trust it has today [assuming it does have that trust]. A consumer like Bob Jones needs to have a trust-based relationship with his newspaper before he will share personal information. This is more likely a higher hurdle than any technical challenges.

It may mean changing the way we write news. The *Southwest Republic's* Page One does not have any jumps. It will mean guarding privacy as closely as your bank [may be even closer]. It also mean paying more attention to the forces around the world that affect all of us and putting that information is usable and understandable context.

To achieve our 2020 vision will require new communication methods built upon our most solid foundation—journalistic integrity.

Appendix E

Howard Finberg Biography

Howard I. Finberg specializes in helping newspapers and emerging companies with online strategies, content and revenue development, and publishing technologies. He co-founded *Finberg-Gentry, The Digital Futurist Consultancy* [www.digitalfuturist.com] to provide senior-level executives with strategic guidance and a better understanding of the technological changes that effect businesses online and offline. Previously, he was a corporate vice president at Central Newspapers Inc., managing the company's Internet and technology investments and providing strategic direction for CNI's print and electronic businesses.

Finberg serves on the boards of directors of WaveShift, a company that creates community publishing and Web-based calendar tools, Legacy.com, an online memorial company and Jumptech, a technology company linking print and online. He provides strategic guidance to Involve Technology, an application service provider to Web sites, and leads the company's advisory board. He is also on the advisory boards of AdaptiveInfo, a wireless personalization company and MetaCarta, a software company that enables location-specific services.

Finberg also is co-director of a yearlong study on Digital Journalism Credibility by the Online News Association, a multi-industry consortium of leading news professionals.

A frequent speaker at international conferences and events, Finberg was honored as the Newspaper Association of America "New Media Pioneer" in 2000. This award recognizes his work in developing online and other new media products and for mentoring others in the media industry. He was a founding board member of the NAA's New Media Federation and served as that group's president. He also served a chairman of the newspaper consortium, PAFET [Partners Affiliated for Exploring Technology].

Before joining CNI, Finberg was a director at Phoenix Newspapers, Inc., publisher of *The Arizona Republic*. At *The Republic*, Finberg led the creation and launch of the award-winning online service, Arizona Central [www.azcentral.com] on the Web and America Online in early 1995. He also held senior newsroom management positions at *The Republic*.

Finberg has held senior management positions at the *San Francisco Chronicle* and the *Chicago Tribune* and has worked at the *San Jose Mercury News*, *San Francisco Examiner* and *The New York Times*. A former professor at Northwestern University and San Francisco State University, he is the co-author of "*Visual Editing—A Graphic Guide for Journalists*" (Wadsworth Publishing, Belmont, Calif.), a college-level textbook about newspaper design, informational graphics, illustrations and photography.

Leah Gentry Biography

Leah Gentry is a managing director of Finberg-Gentry, the Digital Futurist Consultancy, working with media organizations and emerging companies to develop successful strategies in an evolving digital business landscape.

Gentry developed the bedrock thinking for nonlinear content on the Web. She has led development of digital product at the *Los Angeles Times*, the *Chicago Tribune* and the search engine company Excite.

After two decades as a writer and editor with the New York Times Regional Group, Freedom Newspapers and Howard Publications, Gentry moved to the digital realm in the early 1990s, launching Web sites for *The Orange County Register* in 1995 and the *Chicago Tribune* in 1996. She served as managing editor of Excite before accepting a position as editorial director, new media at the *Los Angeles Times* in 1997.

Gentry is a past board member of the New Media Federation of the Newspaper Association of America. She has spoken before diverse groups, including: the New York New Media Association; the International Women's Media Federation; Internet Content West and East, 2001; Netmedia 2000 in London; the Seybold Seminars; Editor and Publisher's Interactive Newspapers U.S.; Interactive Newspapers Europe; the Society for Newspaper Design; the Society for Professional Journalists; California Conference on Women; Northwestern University Medill School of Journalism; University of Southern California; and the Society of Environmental Journalists. She is a graduate of Northwestern University's Medill School of Journalism.

Endnotes

Page 10   [1] For an example, visit Audible at www.audible.com.

Page 10   [2] Look at the efforts of Microsoft and Adobe in this area, especially with the development of their "reader" products, Microsoft Reader and Adobe Acrobat.

Page 13   [3] This is not to suggest that only the newspaper branded site can be credible. Nor do we suggest that media companies only support a newspaper-based Web site. To the contrary, there is a great need for media companies to establish multiple sites as part of their online strategies. These sites might include a regional portal, a travel-tourism site, a site for entertainment, in addition to a site based on the newspaper's content.

Page 19   [4] With third-party software, some larger Web sites can actually look at consumer activity in real-time. However, these systems can be costly and difficult to install and maintain.

Page 19   [5] More specific definitions can be found at www.pcwebopedia.com/.

Page 22   [6] The Jupiter / NFO Consumer Survey had 2,200 participants.

Page 25   [7] Early Internet consumers did not scroll below "the screen fold," which is the first screen of information. While scrolling is a more accepted behavior, there is no doubt that customers are lost the longer you make them hunt for links or information.

Page 26   [8] Jupiter/NFO Consumer Survey. 1998.

Page 40   [9] Jupiter/NFO Consumer Survey. 1998.

Page 40   [10] Finberg-Gentry survey of 290 Circulation Federation members, May, 2001.

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Item #41019
$14.95 Federation Members
$24.95 NAA Members
$59.95 Nonmembers

Publication date: November 2001

Related Products from NAA:

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This publication examines the needs of both readers and advertisers from the perspective of distribution, with the ultimate goal of building and protecting newspapers' local franchises. It combines the work of distribution consultants with actual solutions developed by newspaper executives to address the increasing demand from advertisers for more granular zoning and the desire of readers for an earlier delivery. Distribution Strategies provides a guide to process-mapping techniques and to establishing "flow-balanced" and "rationalized" systems to improve delivery performance.

Item #41018
$14.95 Federation Members
$24.95 NAA Members
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Newspaper Retailing: Lessons Learned in Single-Copy Sales

This informative 15-chapter book highlights successful practices in single-copy marketing techniques from newspapers across the United States. It demonstrates the use of the latest, most innovative merchandising methods to create additional sales in any market without breaking the budget. This publication will be useful to circulation directors/managers, single-copy managers, single-copy district managers, retail merchandisers and even front-line delivery personnel.

Item #41003
$19.95 Federation Members
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This report with CD-ROM is an indispensable tool to help newspapers plan for the future. The report identifies major market trends, summarizes a scenario-planning process, defines possible "future states," and describes six strategic imperatives for the industry. The CD contains more than 1,400 pages of research on advertiser, consumer, competitor, technological, economic and regulatory trends.

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The latest tool from NAA's Horizon Watching Initiative is a step-by-step guide to developing a long-term planning process at your newspaper. This guide offers two approaches so that a newspaper of any size or means can begin to develop strategies for a rapidly changing media market. Strategic Essentials provides details on how to build a planning team, what questions to ask and answer in developing a plan, and worksheets to fill in the critical data you'll need to understand how your customers are changing and the resources you'll need to serve them in the future.

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To order by phone, call (800) 651-4NAA or (703) 902-1803 and mention code RPCB. To order online or download an order form, please visit www.naa.org/products/form.html.

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