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<th>Title</th>
<th>Newspaper as an advertising medium.</th>
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<tr>
<td>Author(s)</td>
<td>Lim, Margaret.</td>
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Newspaper As An Advertising Medium

By

Margaret Lim
1. INTRODUCTION

In Malaysia there are 35 daily, bi-weekly newspapers - 5 Malay, 18 Chinese, 9 English and 3 Tamil newspapers. Some are circulated on a national basis - eg New Straits Times, Utusan Malaysia which are distributed throughout Malaysia and some on a regional basis, eg Kwong Wah which is distributed mainly in Penang and the Miri region in Sarawak. In our market, expenditure in newspapers would account for the lion share of total advertising expenditure. It is the main vehicle which advertisers use to communicate to their target consumers.

But newspaper's share of the advertising cake is gradually being eroded. In 1981, expenditure in newspapers accounted for 61% of total advertising expenditure. In 1986, it accounted for 49% and for 1987, we are projecting that it would reduce further to 46% of total expenditure. Advertising activity in television on the other hand is fast growing and expenditures in the medium look poised to overtake newspapers by 1989. (See Chart 1).

This paper will review the role of newspapers as an advertising medium...going through what advertisers look for in the advertising medium, the relevance of newspapers in the media mix and the future of newspapers in the media mix.
2. WHAT ADVERTISERS LOOK FOR IN AN ADVERTISING MEDIUM

The marketing of the print medium - newspapers and magazines is directed at selling to two different groups of customers.

Circulation sales is directed at the readers who buy the newspapers to read it...for its news content, articles as well as for its advertisements.

Advertising sales on the other hand is directed at the advertisers and their advertising agencies who buy space in the newspapers to communicate their advertising message to the readers who buy the newspapers.

The ratio of circulation sales to advertising sales vary by publication. By and large, for the more profitable publications, advertising sales form the bulk of the total revenue (65:35) whilst for the less profitable publications, circulation sales would contribute the bulk of the total revenue. Generally, revenue from advertisements subsidise the cover price of the publication. In the case of the weaker publications, there could be situations where readers actually subsidise the advertisements.

In buying/subscribing to a newspaper and reading it, the reader is buying information - in the form of news, articles, comic etc..

In advertising in a newspaper, the advertiser is buying space in the newspaper to communicate to the reader.

The decision to advertise in newspapers and in a particular newspaper is all part of the advertisers' marketing, advertising and media strategy.
The selection of a medium in the media mix depends on a combination of the following variables:

* Can the medium communicate the advertising message effectively.

* Is the editorial environment or programme content, appropriate for the advertisement.

* Is the medium read, viewed or listened by the target group of the advertiser - (this can be existing users or potential users of the advertiser's brand).

* What is the size of the advertising budget? Can the advertiser afford an effective campaign in the medium that he considers most effective in communicating his advertising message and which is read or viewed by a high percentage of his target group? If not, objectives would have to be compromised and the campaign would use another medium where the most effective use is made of available funds.

* Competitive considerations. Would he want to meet his competitor head on in the same medium or would he want to compete for a share of his target consumer's mind in another vehicle?

Having decided to use newspapers as the media vehicle, the selection of newspapers in the mix will depend on:-

* The circulation of the newspaper authenticated by ABC.
* Total readers of the newspaper, demographic readership profile and coverage of the newspaper of the defined target segment. (Data is obtained from readership surveys).

* The degree of duplication in readership between the newspapers and the net reach of all the selected newspapers in the mix.

3. WHY ADVERTISERS USE NEWSPAPERS

a) It has immediacy and news excitement...making it very appropriate for new product launches.

b) It is a 'shopping' medium, and produces a quick sale. Ads here also have a catalogue value.

c) It is a daily habit. The advertiser is offered strong continuity for his advertising message.

d) It offers mass coverage. Coverage tends to improve against men, higher income and urban adults.

e) It offers visualization of products to be sold. Colour reproduction is good and copy can be detailed covering all that has to be said (features, price, dealers' address).

f) It makes possible multi-item advertising.

g) It offers territorial flexibility (regional editions) copy flexibility (deadlines) and creative flexibility.
h) It is not an intrusive medium and readers control exposure.

Some Limitations:

a) Short life. Newspapers are generally read for its news content. Readers seldom read yesterday's papers today. Correspondingly, the life span of a newspaper ad does not go beyond the day of its insertion (unlike magazines).

b) Hasty reading. Readers spend an average of 20 - 30 minutes per paper.... eg at breakfast table before going to work in the morning. The reader reads at his own pace, and depending on page traffic, size of the ad, clutter, interest, colour, etc., the ad may not be read (or even noted) by the reader.

c) Ad reproduction is generally not as good as reproduction in magazines. Important for certain products eg. cosmetics, food.

d) High cost in running an effective campaign using the main national newspapers, dominant page size and colour.

4. RELATIVE STRENGTHS AND WEAKNESSES OF NEWSPAPERS VS OTHER MEDIA

(See Chart 2)

5. THE ROLE OF NEWSPAPERS AS AN ADVERTISING MEDIUM

In Malaysia the main press advertisers are:-

* Tobacco companies
* Entertainment
* Apparel/Jewellery/Photography
* Transport
* Household Equipment & Appliances
* Beverages/Liquor
* Automobile
* Real Estates/Insurance
* Corporation/Govt Agencies, Utilities, Political
* Financial Institution/Banks

If we look at other countries, similar groups emerge as main press advertisers:

UK
- Retail and mail order
- Financial
- Motors
- Institutional and Industrial
- Holiday Travel and Transport
- Leisure Equipment
- Household Equipment
- Tobacco
- Food
- Government

Australia
- Motor vehicles and accessories
- Finance
- Travel
- Magazines, newspapers
- Building Materials
- Office Equipment
- Household Equipment
- Smoking Accessories
- Radio & TV Stations
GOVERNMENT

6. THE FUTURE OF NEWSPAPERS AS AN ADVERTISING MEDIUM

(See Chart 3 on Ad Expenditure in Malaysia)
(See Chart 4 on Ad Expenditure in other Countries)

In Malaysia, while newspaper's share of advertising dollars has eroded, in absolute dollars, total expenditures in newspapers have increased annually.

The media environment is a changing one. Today people have the option of reading the newspapers for news, or listening to the TV or Radio news or a combination of 2 or all 3 options. Habits change with the advent of new electronic media options eg. the Beritex which also provides news to TV viewers in the teletext format.

As media habits change, readers and viewers profiles of each medium also change. Advertisers have to follow accordingly. Within this context, with increasing penetration of TV sets and viewership, more and more advertising dollars have been re-channeled, some from newspapers to the TV. And correspondingly as some TV viewers now watch more VCR, advertisers are beginning to advertise in this medium as well. But audience levels aside, there are certain characteristics of newspapers which TV cannot displace and vice versa. So long as people read newspapers, advertisers will continue to use the medium.
MEDIA EXPENDITURE - MALAYSIA

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<td>MS M</td>
<td>$270</td>
<td>$290</td>
<td>$355</td>
<td>$396</td>
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<td>58</td>
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<tr>
<td>Magazines</td>
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<td>12</td>
<td>10</td>
<td>11</td>
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<td>10</td>
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<tr>
<td>Television</td>
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<td>17</td>
<td>18</td>
<td>26</td>
<td>32</td>
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<td>39</td>
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<td>Radio</td>
<td>4</td>
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<td>3</td>
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<td>1</td>
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<tr>
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<td>6</td>
<td>5</td>
<td>2</td>
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<td>-</td>
<td>-</td>
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<td>-</td>
<td>2</td>
<td>1</td>
<td>-</td>
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<td>4</td>
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### Visual Impact
- **Outdoor**: Builds high coverage and frequency of the local population.
- **Magazine**: Tremendous impact from the large size and excellent colour reproduction.
- **Radio**: Highly efficient medium to generate frequency of impact.
- **Television**: Builds awareness rapidly.
- **Newspapers**: Allows long copy for product descriptions. Lends immediacy to advertising message. Message can be read at reader's convenience.

### Audio Element
- **Outdoor**: NA
- **Magazine**: 26%
- **Radio**: 64%
- **Television**: 88%
- **Newspapers**: 55%

### Action / Movement
- **Outdoor**: NA
- **Magazine**: NA
- **Radio**: 64%
- **Television**: NA
- **Newspapers**: NA

### Colour
- **Outdoor**: NA
- **Magazine**: NA
- **Radio**: 64%
- **Television**: NA
- **Newspapers**: NA

### Captive Audience (By Degree)
- **Outdoor**: NA
- **Magazine**: NA
- **Radio**: 64%
- **Television**: NA
- **Newspapers**: NA

### Audience Selectivity
- **Outdoor**: NA
- **Magazine**: NA
- **Radio**: NA
- **Television**: NA
- **Newspapers**: NA

### Geographical Flexibility
- **Outdoor**: NA
- **Magazine**: NA
- **Radio**: NA
- **Television**: NA
- **Newspapers**: NA

### Timing Flexibility
- **Outdoor**: NA
- **Magazine**: NA
- **Radio**: 64%
- **Television**: NA
- **Newspapers**: NA

### Reach Potential (Malaysia)
- **Outdoor**: NA
- **Magazine**: NA
- **Radio**: 64%
- **Television**: NA
- **Newspapers**: NA

### Other Characteristics
- **Outdoor**: NA
- **Magazine**: NA
- **Radio**: NA
- **Television**: NA
- **Newspapers**: NA
Chart 3

MONITORED MEDIA ADVERTISING EXPENDITURE
1983 - 1987
MALAYSIA

$ MILLIONS

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<thead>
<tr>
<th>Year</th>
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<th>RTM</th>
<th>VCR</th>
<th>RAD/RED.</th>
<th>NEWS.</th>
<th>MAG.</th>
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<td>1983</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>1984</td>
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<td></td>
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<td></td>
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<td>1985</td>
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<td></td>
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<td>1986</td>
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<td>10%</td>
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<td>1987 (P)</td>
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<td>10%</td>
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$ MILLIONS
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<thead>
<tr>
<th>Media</th>
<th>USA</th>
<th>Australia</th>
<th>Japan</th>
<th>Hong Kong</th>
<th>Malaysia</th>
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<tbody>
<tr>
<td>Newspapers</td>
<td>£5.117M</td>
<td>AS$3.543M</td>
<td>¥3,051.5 Billion</td>
<td>HK$3,375M</td>
<td>RM$522M</td>
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<tr>
<td>%</td>
<td>32</td>
<td>38</td>
<td>29</td>
<td>26</td>
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<td>Magazine</td>
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<td>Others</td>
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<tr>
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<td>39</td>
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<td>9</td>
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* 1985 data