

MOHD SAFAR HASIM

Circulation of Malaysian Newspapers: A Decade of Mixed Fortune

Introduction

Malaysia enjoyed a very strong economic growth prior to the Asian financial crisis in 1998, averaging above 8% per annum. However, in 1998 the GNP went down to -4.8% and although the growth had somewhat picked up since then, it had managed to go up to 4.6% only in First quarter of 2003 (Department of Statistics 2003). The country was recovering from the financial crisis when the devastating blow of September 11, 2001 incident in the US came which affected the whole world economically.

It is against this backdrop that this paper analysed the growth and decline of newspaper circulation in Malaysia. The study showed that, with a few exception, the circulation of most Malaysian newspapers declined in 2002 compared to a decade ago in 1993. Most newspapers enjoyed strong circulation in 1993, but dropped considerably in line with economic downturn. Only a couple of newspapers are resilient enough to buck the trend such as *The Star*, *The Sunday Star* and *Mingguan Malaysia* at the national level.

On the other hand, Sabah and Sarawak newspapers showed commendable growth over the decade. However, a comparison of last year's circulation figures over 2001 showed that a majority of newspapers in Malaysia are showing signs of recovery in line with economic recovery, with the exception of *Nanyang Siang Pau*, *China Press* and *New Straits Times* and *New Sunday Times* which continued to show a decline.

Circulation of Malaysian Newspapers Over A Decade

Circulation of most newspapers in Malaysia declined last year compared to a decade ago. For the Malay newspapers, only *Mingguan Malaysia* showed a growth of 3.8%, compared to a decade ago. Other Malay newspapers contracted including a few by as much as 50%. For English newspapers, only *The Star* and *The Sunday Star*, showed a favourable growth. While others showed a decline by up to 50%. For Chinese newspapers, *Sin Chew Daily*, grew by more than 50% compared to a decade ago. *The China Press*, a newspaper in the Nanyang Press Holding, showed a strong growth compared to a decade ago. On the other hand, *Nanyang Siang Pau* contracted by about 25%.

In Sabah, where circulation of all newspapers are below 30,000, an English newspaper, *Daily Express*, and two other Chinese newspapers, the *Overseas Daily News* and *Morning Post*, showed a good growth. Sarawak, is a bright spot, as far as English language dailies are concerned. *Borneo Post*, and English daily grew by about 69% compared to a decade ago, but *The Sarawak Tribune* grew by a phenomenal 131%. *Sarawak Tribune* Editor, Toman Mamora, in an interview, attributed this to the change of management. On the other hand Chinese newspapers showed a steady growth of 10-20%.

Circulation of Malaysian Newspapers Over A One-Year Period

On a brighter note, most newspapers showed recovery in the circulation in 2002 compared to 2001, except for a few newspapers. The newspapers with the biggest growth are *Harian Metro* and *Metro Ahad*. On the other hand, the circulation of *Utusan Melayu* and *Utusan Zaman*, two Malay newspapers in the Jawi script, continued to contract.

The Star and *The Sunday Star* continued to show strong growth compared to *New Straits Times* and *The New Sunday Times*, which continued to decline. *Sin Chew Daily*, continued to grow although at smaller rate, but *Nanyang Siang Pau* and *China Press*, which saw a controversial ownership change in 2001, took a beating.

In Sabah, except for a newspaper, all other newspapers showed growth. In Sarawak all newspapers showed good growth with *Chinese Daily News* achieving a 30% growth.

Circulation of Malay Newspapers

Eight Malay newspapers were in circulation in Peninsular Malaysia in 1993, *Utusan Malaysia*, *Minggu Malaysia*, *Berita Harian*, *Berita Minggu*, *Utusan Melayu*, *Utusan Zaman*, *Harian Metro* dan *Metro Ahad*. Five of the newspapers showed a decline of between 5.18% to 52.25% (See Table 1).

Name of Newspaper	1993	2001	2002	% Growth or Decline	
				1993-2002	2001-2002
Berita Harian	314,240	222,142	235,775	-24.97	6.14
Berita Minggu	418,790	321,898	342,040	-18.33	6.26
Utusan Malaysia	252,452	235,483	239,385	-5.18	1.66
Mingguan Malaysia	514,677	527,888	543,232	3.80	2.91
Utusan Zaman	16,485	8,057	7,872	-52.25	-2.30
Utusan Melayu	15,560	7,853	7,597	-51.18	-3.26
Harian Metro	-	75,895	121,154	-	59.63
Metro Ahad	-	90,029	136,974	-	52.14
Utusan Sarawak	-	31,801	35,520	-	11.69

TABLE 1.
Circulation of
Bahasa
Malaysia
Newspapers
in Peninsular
Malaysia

Sources of circulation figures: *Media Guide 2002 and 2003*

Utusan Zaman and *Utusan Melayu* experienced a decline of between 51.18% and 52.25%. While *Berita Harian* and *Berita Minggu* fell by 24.97% and 18.33%. *Utusan Malaysia* fell by 5.19% only. However, *Minggu Malaysia* grew by 3.80%.

A year on year (YOY) comparison (2002 and 2001) showed a more positive outlook. *Harian Metro* and *Metro Ahad* showed a strong growth with *Harian Metro* reaching 59.63% and *Metro Ahad* 52.14%. *Harian Metro* and *Metro Ahad* are two newspapers in the New Straits Times group (NST). *Berita Harian* and *Berita Minggu*, also in the NST group, showed an increase of 6.14% and 6.26% respectively. Both newspapers in the Utusan group showed growth, *Utusan Malaysia* at 1.66% and *Mingguan Malaysia* at 2.91%.

Circulation figures of *Berita Harian* and *Utusan Malaysia* in 2002 showed that the two newspapers are keen competitors. *Mingguan Malaysia*, are still in front as it was a decade ago. The decline of *Utusan Melayu* and *Utusan Zaman*, reflected a decline in readership of Jawi newspapers. *Utusan Melayu* is now published once a week on Saturday and is known as *Utusan Melayu Mingguan*.

Circulation of English Languages Newspapers

The Malay Mail and *Sunday Mail* dropped by almost half of their circulation over the last decade. *The Malay Mail* suffered a 49.68% drop, while *Sunday Mail* dropped 47.21%. *New Straits Times* dropped by almost 25.0% and *New Sunday Times* dropped 27.51%. But *The Star* and *Sunday Star* bucked the trend with a 62.84% and 40.95% growth, respectively (See Table 2).

TABLE 2.
Circulation
English
Language
Newspapers
in Peninsular
Malaysia

Name of Newspaper				% of Growth or Decline	
	1993	2001	2002	1993-2002	2001-2002
New Straits Times	177,955	136,273	135,104	-24.08	-0.86
New Sunday Times	212,064	155,565	153,717	-27.51	-1.19
The Malay Mail	65,034	34,206	32,727	-49.68	-4.32
The Sunday Mail	93,941	50,215	49,593	-47.21	-1.24
The Star	180,043	279,647	293,176	62.84	4.84
Sunday Star	215,801	292,408	304,169	40.95	4.02
The Edge	-	18,143	18,675	-	2.93

Sources of circulation figures: *Media Guide 2002 and 2003*

New Straits Times continued to drop, albeit slightly, over 2001, i.e. -0.86% possibly reaching a plateau. The *New Sunday Times* too showed a similar characteristics, dropping merely 1.19%. But *The Malay Mail* continued to drop, with -4.32% over one year, and *The Sunday Mail* -1.24%. The *Star* and *The Sunday Star* continued with their growth of 4.84% and 4.02% respectively. *The Edge*, a weekly business newspaper, showed a modest growth of 2.93% over a one year period.

Circulation of Chinese Language Newspapers

In 2001, MCA through the party's investment arm Huaren, purchased Nanyang Press Holdings, publishers of *Nanyang Siang Pau* and *China Press*, for RM230 million. The purchase drew a loud protest from the Chinese community and Chinese opposition party DAP because they wanted the Chinese press to continue to be independent (See Table 3).

Name of Newspaper				% of Growth or Decline	
	1993	2001	2002	1993-2002	2001-2002
Nanyang Siang Pau	182,926	173,295	138,352	-24.23	-20.16
Nanyang Siang Pau - Night Sales	-	-	7,992	-	15.58
Sin Chew Jit Poh	195,118	306,812	311,067	59.43	1.39
Sin Chew Jit Poh - Night Sales	-	-	23,700	-	9.11
China Press	97,857	202,631	116,734	19.29	-42.39
China Press - Night Sales	-	-	81,086	-	2.37
Guang Ming Daily	-	94,349	91,843	-	-2.66
Guang Ming Daily - Night Sales	-	-	24,440	-	23.25
Kwong Wah Yit Poh / Penang Sin Poe	69,089	69,677	69,985	1.30	0.44

TABLE 3.
Circulation of Chinese Language Newspapers in Peninsular Malaysia

Sources of circulation figures: Media Guide 2002 and 2003

The incident resulted in a deep split between two opposing groups in MCA, led by Datuk Ling Liong Sik, the party president and Datuk Lim Ah Lek, the deputy president. Worse, the controversy affected the bottom-line of the two newspapers as circulation figures of the two newspapers plummeted.

The beneficiary was *Sin Chew Daily*, a newspaper which had been showing strong growth over the last decade. Following the incident, *Oriental Daily News*, a new Chinese newspaper was set up in January 2003.

Nanyang Siang Pau was declining in circulation over the last decade. It dropped 24.23% compared to its rival *Sin Chew Daily* which gained 59.43% over the last decade. It was this decline which probably caused the owners to sell their shares to Huaren.

YOY Circulation showed a big drop of 20.16% probably a protest by readers, and the newspaper suffered editorially when a large number of its columnists abandoned the paper. In comparison, *Sin Chew Daily* which was expected to benefit from the fall in Nanyang readership, showed a slight improvement of 1.39% only.

China Press, in the Nanyang Holding stable, and connected with the MCA purchase controversy, suffered a huge one year drop of 42.39%. The newspaper was doing considerably well over the last decade with a 19.29% growth. Another newspaper, not affected with the controversy and away in the north in Penang continued with a lackluster growth of 1.30% over a decade, and 0.44% over a one year period. The newspaper saw little prospect for growth and as such the newspaper has merged with *Penang Sin Poe*, another old newspaper in Penang.

Circulation of Sabah Newspapers

There are four English newspapers in Sabah, all are small circulation newspapers. The field is probably too small for four newspapers. But their survival thus far showed that they probably have their own niche and affiliation. Of the four, only *Daily Express*, an established newspaper formed after Merdeka, showed a steady progress. Over the last decade it grew by 15.93%, while over a year it was 4.52%. Another paper, *New Sabah Times*, showed great potential with an 8.11%

over one year. On the other hand, *Borneo Post*, originally from Kuching attained a meager 0.29% growth. *Borneo Mail* did not have circulation figures for 2002 to make comparison (See Table 4).

Name of Newspaper	1993	2001	2002	% of Growth or Decline	
				1993-2002	2001-2002
English Newspaper					
Daily Express	22,922	25,426	26,573	15.93	4.52
Borneo Post	-	21,189	21,127	-	0.29
New Sabah Times	-	16,850	18,216	-	8.11
Borneo Mail	12,853	15,202	-	-	-
Chinese Newspaper					
Overseas Chinese					
Daily News	15,869	18,941	19,064	20.13	0.65
Morning Post	7,725	9,926	9,742	26.11	-1.85
Asia Times	13,586	-	na	-	-
See Hua Daily News	-	21,007	21,046	-	0.19
Merdeka Daily News	6,364	7,240	-	-	-

TABLE 4.
Circulation of Sabah Newspapers

Sources of circulation figures: Media Guide 2002 and 2003

Chinese newspapers showed a steady growth compared to a decade ago, with *Overseas Chinese Daily News* obtaining 20.13% growth and *Morning Post* 26.11% growth. Three other newspapers did not have complete figures for comparison. Year-on-year basis showed *Overseas Chinese Daily News* attaining a positive growth of 0.65% and *See Hua Daily News* 0.19%, while *Morning Post* suffered a drop of 1.85%. There was no comparative figure for *Merdeka Daily News*, a newspaper published in Tawau.

Circulation of Sarawak Newspapers

The Sarawak Tribune and *The Sunday Tribune* made a robust growth gaining 131.28% compared to a decade ago, while *Borneo Post* gained 75.86%. Two Chinese newspapers, *See Hua Daily News* gained 21.36% and *Miri Daily News* gained 12.47%. On an annual basis, all newspapers in Sarawak showed growth ranging from 0.79% to 11.69% (See Table 5).

TABLE 5.
Circulation of
Sarawak
Newspapers

Name of Newspaper	1993	2001	2002	% of Growth or Decline	
				1993-2002	2001-2002
Bahasa Malaysia Newspaper					
Utusan Sarawak	-	31,801	35,520	-	11.69
English newspaper					
Borneo Post	26,736	44,773	47,018	75.86	5.01
The Sarawak Tribune /Sunday Tribune	19,236	43,301	44,489	131.28	2.74
Chinese newspaper					
See Hua Daily News	43,465	49,715	52,751	21.36	6.11
Miri Daily News	19,753	22,042	22,216	12.47	0.79
Chinese Daily News	-	12,060	15,879	-	31.67
International Times	-	-	24,143	-	-

Sources of circulation figures: Press Guide 2002 and 2003

Circulation Trendlines of Malaysian Newspapers

One way of looking at the circulation performance of newspapers is to study the newspapers trendlines over a period of time, in this case over a period of ten years. This section will analyse the linear trendlines of national newspapers grouped under Malay, English and Chinese newspapers.

General Observation of Circulation Trendlines

A general observation of linear trendlines of the circulation of Malay, English and Chinese newspapers showed a declining trend for Malay newspapers, a static trend for English newspapers. However, the Chinese newspapers showed an uptrend (See Chart 2).

A more detailed analysis of individual newspapers may reveal the reasons for this pattern.

Trendlines of Malay Newspapers

Reading of the 10-year linear trendlines of Berita Harian and Berita Minggu showed a decline, with Berita Minggu showing a sharper decline. While *Utusan Malaysia* and *Mingguan*

Malaysia showed slight decline, in fact almost at a plateau (See Chart 4).

The only bright spot is Harian Metro which showed a slight uptrend. Its Sunday edition, the Metro Ahad was also trending upward.

Trendlines of English Newspapers

The 10-year trendline for The Star and The Sunday Star newspapers showed a steady uptrend, with The Star rising sharper than the Sunday Star (See Chart 6).

However, both New Straits Times and The New Sunday Times showed declining trendlines, almost parallel to each other. One possible reason why *The Star* is rising and *New Straits Times* is declining is that some readers of NST may have changed to *The Star*.

Trendlines of Chinese Newspapers

Trendlines for two leading Chinese newspapers were studied, the Sin Chew Daily and Nanyang Siang Pau.

It is obvious from the trendline reading over the last 10 years that Sin Chew Daily had overtaken Nanyang Siang Pau, once its close competitor (See Chart 8).

The trendline showed a steady uptrend for Sin Chew Daily, and a slow decline for Nanyang Siang Pau.

Growth Potential for Malaysian Newspapers

The population of Malaysia in 2002, is 24.53 million (Department of Statistics). Of that, it is estimated that there are 12.6 million Malaysian over the age of 15 (Media Guide, 2003), who can be considered as potential readers of newspapers. However, total circulation of newspapers for 2002, was around 4.6 million only. Therefore, the newspaper market is still wide open. The potential for growth is not only in Peninsular Malaysia but in Sabah and Sarawak. However, this growth may be capped because of the possibility of increase in the retail price of the newspapers. Malaysian Newspaper Publishers Association (MNPA) has stated that, there was a possibility of an increase in the newspaper price, which would probably be retailed at RM1.50 and RM1.80, as a result of increase in cost of newsprint. At present retail prices of most newspapers are between RM1.00 and RM1.20.

The Ministry of International Trade and Industry has imposed anti-dumping duties of between 6 and 43 per cent for five years on selected newsprints, with effect from September 25, 2003. MNPA said the anti-dumping duties plus global newsprint price which increased 10 to 15 per cent, or by US\$40 to US\$50 (US\$1 = RM3.80) per tonne since February 2003 would force an increase of at least 20 sen per copy (NST, 29 Sept. 2003: B1).

As of now, *Utusan Malaysia* and *Mingguan Malaysia* are leading with nearest competitors *Berita Harian* and *Berita Minggu* closing in, especially *Berita Harian*. According to the ABC figures, for the second quarter of 2002, the circulation of *Utusan Malaysia* is 239,385 compared to *Berita Harian* 235,775. The circulation of *Mingguan Malaysia* is 543,232 copies compared to *Berita Minggu* of 342,040 copies. The third growing newspaper, *Harian Metro*, with a younger readership, has a circulation of 121,154 copies a day, while *Metro Ahad* has a circulation of 134,974 copies.

Utusan Malaysia and *Mingguan Malaysia* compete with *Berita Harian* and *Berita Minggu* not only in Peninsular Malaysia but also in Sabah and Sarawak. In Sarawak, both newspapers are being printed locally, in Kuching, by a Chinese newspaper group.

Both *Utusan Malaysia* and *Berita Harian* continue to improve their contents, especially on education putting special inserts in English in line with Government policy of teaching science and mathematics in English in schools. This serves to attract younger readers.

However, the upside for both *Berita Harian* and *Utusan Malaysia* is quite limited, judging from reading of the linear trendlines of both newspapers. The obvious choice for *Utusan Malaysia* is to segment the market, as was done by *Berita Harian*, with *Harian Metro*, catering for younger readers. Likewise, *Utusan Malaysia* may want to look into the possibility of starting an afternoon newspaper catering to the younger readers, who will eventually graduate into reading *Utusan Malaysia*. Careful study has to be done, because of cannibalizing effect; the growth of *Harian Metro* and *Metro Ahad* is at the expense of *Berita Harian* and *Berita Minggu*.

Sarawak itself has two Malay newspapers, ie *Utusan Sarawak* and *Utusan Borneo*. According to ABC figures, the circulation of *Utusan Sarawak* is 33,520 copies, representing a

good growth. Even though official figures are not available for *Utusan Borneo*, the newspaper has a good run.

Sabah has a different scenario. Here, Malay newspapers are published and distributed with English dailies. *Borneo Post (Sabah)*, *Daily Express*, *Borneo Mail* and *New Sabah Times*, all carry Malay newspaper inserts.

It would appear that these newspapers are still not certain how the public would accept Malay newspapers as a separate entity. However, one or two newspapers have revamped their Malay inserts. This is done by improving its page, contents and design. For instance, *Borneo Post (Sabah)* has increased the Malay insert from 12 to 16 pages and from tabloid to broadsheet. This means more coverage of news and features.

There are now three English dailies in Peninsular Malaysia, *The Star*, *New Straits Times* and *The Sun*. *The Star* is the leading English daily with a circulation of 293,176 copies a day, compared with *New Straits Times* which has a circulation of 135,104 copies (ABC second quarter 2002). *The Sun*, the first newspaper to start using the free circulation model recently, has increased its circulation from around 70,000 copies to 150,000 copies, as indicated by its editor.

There is Potential for growth for English newspapers following greater emphasis in usage of English, especially in the teaching of science and mathematics in schools. However, the field is fairly crowded with the present three English newspapers. For the short term, the current three national English newspapers will suffice. However, *New Straits Times* will have to find ways and means to increase its circulation to maintain a strong foothold as the oldest newspaper established since 1845.

Slower growth are expected among Chinese and Indian newspapers. A new Chinese newspaper, *Oriental Daily News*, has made a strong debut following the controversial purchase of Nanyang Holding Press by Huaren Management Sdn Berhad. Indian newspaper scene is expected to see a new Indian newspaper, joining *Tamil Nesan* and *Malaysian Nanban*.

Conclusion

Most newspapers enjoyed strong circulation a decade ago, but dropped considerably in line with economic downturn. Only

a couple of newspapers are resilient enough to buck the trend such as *The Star*, *The Sunday Star* and *Mingguan Malaysia* at the national level.

On the other hand, Sabah and Sarawak newspapers showed commendable growth over a decade ago. However, a comparison of last year's circulation figures over 2001 showed that a majority of newspapers are showing signs of recovery in line with economic recovery, with the exception of *Nanyang Siang Pau*, *China Press* and *New Straits Times* and *New Sunday Times*.

A study of 10-year trendlines showed *Utusan Malaysia* and *Mingguan Malaysia* have not improved and in fact are at a plateau of growth; while *Berita Harian* and *Berita Minggu* show a decline. On the other hand, the English newspapers *The Star* and *Sunday Star* show a steady growth but the *New Straits Times* and *New Sunday Times* show a decline. Chinese newspaper *Sin Chew Daily* shows strong growth compared to its competitor *Nanyang Siang Pau* shows a steady decline.

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Appendix

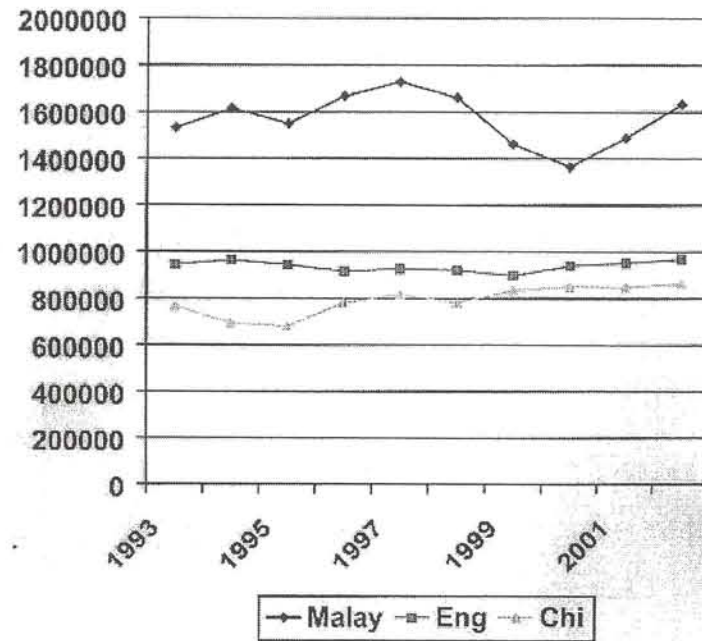


CHART 1. Line Chart of A Ten-Year Circulation of Malay, English and Chinese Newspapers

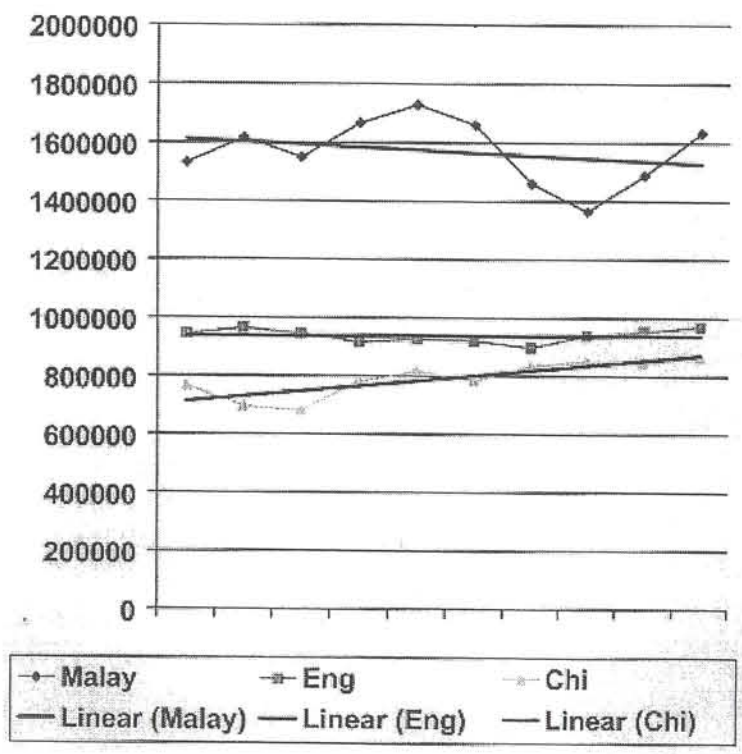


CHART 2. Linear Trendlines of A Ten-Year Circulation of Malay, English and Chinese Newspapers

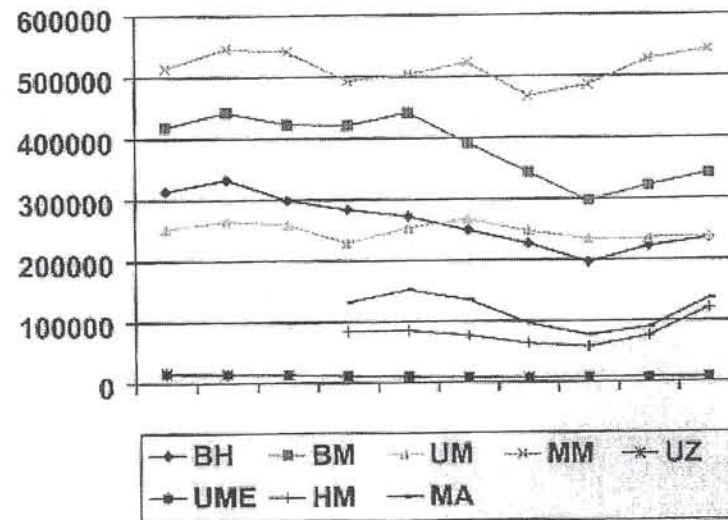


CHART 3. Lines Chart of A Ten-Year Circulation of Malay Newspapers

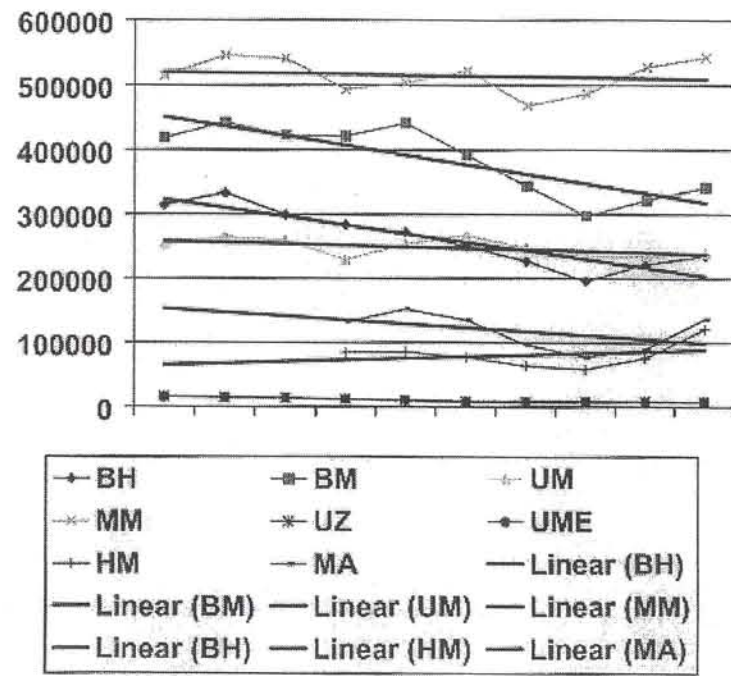


CHART 4. Linear Trendlines of A Ten-Year Circulation of Malay Newspapers

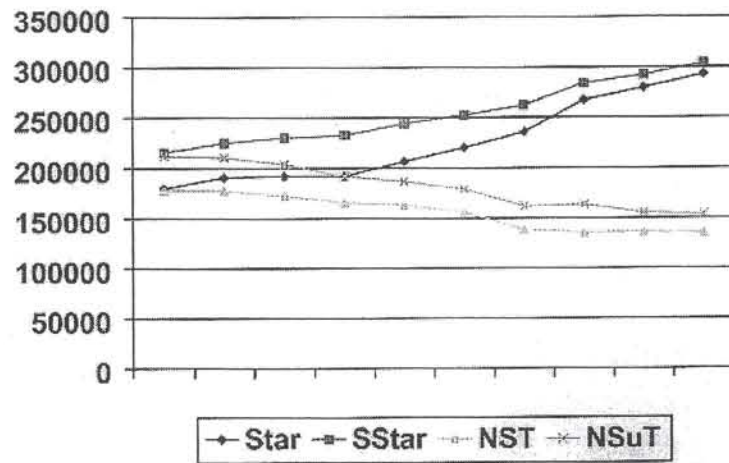


CHART 5. Line Chart of A Ten-Year Circulation of English Newspapers

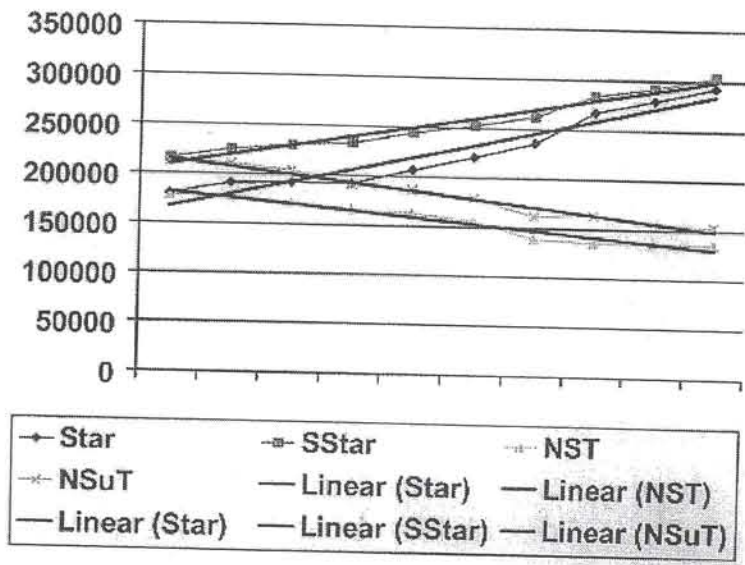


CHART 6. Linear Trendlines of A Ten-Year Circulation of English Language Newspapers

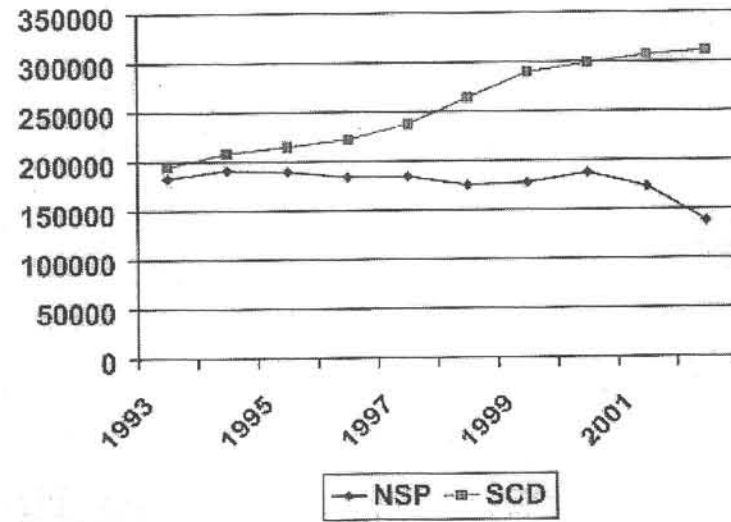


CHART 7. Line Chart of A Ten-Year Circulation of Two Leading Chinese Dailies

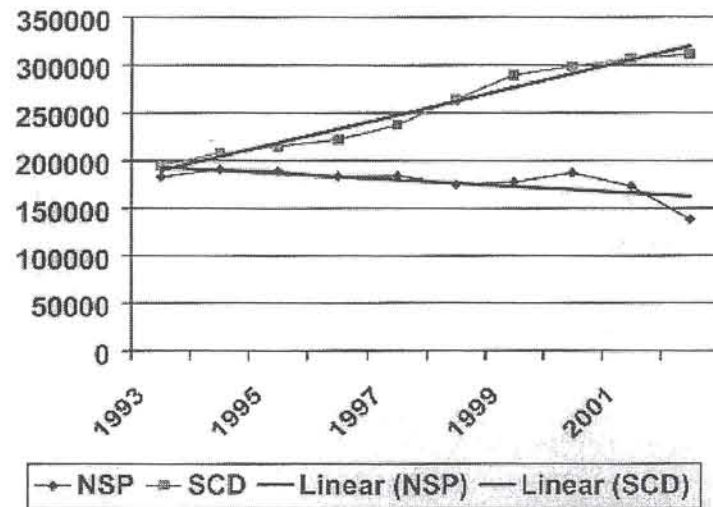


CHART 8. Linear Trendlines of A Ten-Year Circulation of Two Leading Chinese Dailies