

Future of the Newspaper in and Digital Age of Communication

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Abstract

Presently, the industry is facing for the survival problem and many criticizers guess its complete death in future. Though many experts from the newspaper industry, hope to reinforce that there is no reason to fear about the death of the Indian newspaper industry and that newspapers must remain optimistic.

1. Introduction

The Indian newspaper industry is now experiencing a much-need transformation, and worried by a severe recession, decreasing advertising revenues, major changes in consumer behavior and emerging new technologies. As a result, we have seen some newspaper organizations declare economic failure, while the others are still trying with new survival formulas.

2. History of the Newspaper Industry

The newspaper industry has been around for over four centuries. Although the first official newspaper was published in 1605 in Strasburg, it was only during the Industrial Revolution, in the early 19th century, when the steam printing press and telegraph developed. This allowed low-cost papers to be sold by street vendors to a larger public. In 1890 and 1920, the industry grew and newspapers of being society's primary source of information. This was identified as the 'Golden Age' for print media. But, the great depression upset and in the 1930s newspapers were badly hurt, because of the emerging broadcast radio. Television was the other technology that disturbed the newspaper business. It was a other powerful medium to distribute information which overtook the newspaper industry in 1960s. It was the cheapest alternative for the people to collect news.

Though, the early 1990s was the most recent time that newspapers enjoyed profit margins of 20% to 25%. But in 1995, the Internet was introduced to the people. The people were able to access information and get instant updates endangered the purpose of a newspaper, and the Internet has become a growing source of competition for the newspaper publishers.

3. Current Environment

a. Impact of the Internet

The Internet was first introduced to commercial interests in 1988, but it took a hardly few years for the network to gain public appreciation and only in the late 1990's the it began to take shape as the 'World Wide Web'. And its impact had on newspapers was two fold.

Suddenly, the Internet has increased competition for the newspaper . Indirectly, it has influenced advertising trends and consumer behavior. Consequently, newspapers have been forced to add with the Web and now around 80% of newspaper publishers have integrated web.¹

i) Increasing Competition

The Internet has crossed all geographical boundaries, it has extensive global range. With zero marginal cost it is associated with digital news content. As a result, it has become mandatory for local newspapers to compete with national newspapers. Newspapers have therefore realize that they are no longer the only reliable source of news available, in fact, their major competition from national television particularly news network sites.¹

ii) Revising News Distribution

The Internet allows readers to get news in real- time and stay constantly updated. News websites frequently update their headlines with important news, consumers can receive news alerts from their e-mail as well as there are websites like twitter that are dedicated to status updates from all their users.

iii) Social News Distribution

In addition to the Internet via e-mail and social media activity has led to news and distributed socially. A recent study⁸ found that 71% of Internet users receive news through email forwards on social networking sites .

iv) News Aggregators

The Internet has also caused in the growth of news aggregators, websites they collect contents from multiple sources.² They automatically scan the web for similar articles and group them together, providing headlines in brief.

b. Impact on Consumer Behavior

Internet is now the third most popular news source and in 2008 there was a 19% increase in the total number of people accessing online news regularly according to a recent study by Pew Research.³

c. Impact of Advertising Trends

While the Internet has harshly threatened the traditional ways of news consumption, it has also improved the business for an advertiser. With the help of Internet, advertisers are able to reach their target audience more efficiently. Marketers can correctly measure results and display their ad spends very closely.

d. The Impact of Disruptive Technologies

With the growth of the Internet, digital stands have been developed to keep up with transforming customers demands. These technologies disrupt the newspaper business because they make online news more reachable for readers. These devices are computer, mobile, tablet, and e-reader. ⁴

4. Other Devices Available

When computer is invented, newspaper publishers started to create digital libraries. When the Internet was launched, such digital libraries were published online and step by step newspapers used computers to generate an online version for their daily print versions. Now computers more advanced because of advancements in technology, affordable as well as portable with the invention of the laptop. Now more people own computers and most of them have access to the Internet.

In order to understand the print model is how much threatened by the computer, it is very essential to evaluate the device with respect to reading the digital news.

Benefits of a computer:

- (i) It has numerous functions and is essential for many uses in today's world;
- (ii) It enables the process of saving as well as sharing information;
- (iii) Large screen of the computer which allows three-fourths of a news page to be visible;
- (iv) It helps rich media content, creating an inspiring experience for newsreaders.

Drawbacks of a computer:

- (i) Most of the laptops still cannot be rolled to fit into a handbag;
- (ii) It lacks the aesthetic feel of reading and also flipping the pages of a newspaper;
- (iii) It is limited to the work-desk, that is wherever Internet access is available;
- (iv) It gives a strain on the eyes, because screens do not enable prolonged readings.

ii) The Cellular Phone

The cellular phone has now converted to a smart phone which is a hand-held device that allows users to play games, receive emails, download applications and also access the Internet. Now maximum people have their own cellular phones and most of them have access to the Internet. More important thing is that they get some news from their cellular phone. In addition to this projections show that WiFi enabled cellular phones is going to increase day by day. In this way it has changed the way newsreaders to receive their news and consume it.

iv) Tablet

It is a combination of an e-reader and a laptop. It permits users to browse the Internet, subscribe to e-books and e-newspapers, and download applications.

Benefits of tablet:

- (i) It is a handy/portable device;
- (ii) The interface looks like rich media content;
- (iii) The screen of this tablet is large and supports touch-screen features;
- (iv) This tablet uses the e-ink display technology;

(v) It has many features including music player, an e-book reader, internet browser, and newspaper applications

Drawbacks of tablet:

- (i) It is expensive and requires an additional subscription to AT&T for Internet access;
- (ii) It does not replace the laptop or cellular phone, becoming an additional luxury;
- (iii) It is relatively large in size and heavy in weight when compared to an eReader or a cellular phone.

5. Print media versus Electronic media

From the above discussion it can be said that the existing newspaper business model needs change. Whether this means (i) merely altering their present model to include print and digital or (ii) a complete alteration of going purely digital.

I. Standing of the print model

Benefits

1. For consumers reading news from a broadsheet is good experience.
2. For the readers, it has become a habitual behavior.
3. Like other technologies, it does not require access of Internet and does not need to be charged. It is also portable and lightweight.
4. For advertisers, the newspaper continues to be one of the few mass mediums that are not fragmented. So advertisers are likely to continue spending on the print model especially the national newspapers.
5. Advertising revenue is the major benefit for publishers because of high circulation numbers.

Drawbacks

1. When publishers want to cut down costs by reducing their work force, and other expenditure still accounts for approximately 50% of total costs.
2. Newspapers are unable to provide updates in real time.
3. Circulation of newspapers has faced a drastic decline, relatively consistent across all age groups.
4. As a portal for news sharing, newspapers are uniform. Consumers are neither able to identify the news they read, nor select what is on the front page.
5. Newspapers are not interactive. This is one-way communication.

II. Standing of a digital model

Benefits

1. Most of the readers use digital news. The Internet has become the most popular source of news.
2. Online news is continually being updated, alerting users with any breaking news. Hand-held devices permit users to receive these updates instantly.
3. For consumers, accessing news digitally gives them access to an plenty of news to select from.
4. For consumers, digital news is customizable. Users can select the news they want.
5. For consumers, digital news also offers an interactive experience.
6. For the publisher, digital news eliminates geographical boundaries and thus opens up all news websites.
7. For publishers, gathering news is only 35% of their costs and providing digital news is at a zero marginal cost.
8. For advertisers, online advertising rates are very low in comparison to print.
9. Digital news is eco-friendly, as it does not require printing.

Drawbacks

1. Since online newsreaders are comfortable with free news, publishers need to find a way to charge them. This is evidencing to be a struggle.
2. Many consumers are not comfortable in making online payments because of safety reasons.
3. Publishers aim to improve the traffic to their respective websites, in order to increase ad revenues. This has compromised the excellence of content.
4. For consumers, digital news lacks the tangible feel of an old-style broadsheet.
5. Real-time updates are constant, but they can also result in important news feeds to go unnoticed as they are forced out of the limelight with the latest update.
6. With the sufficient available information, particularly through user-generated blogs, difference between real news and a rumor is often camouflaged. This has also impacted the credibility of online media amongst newsreaders.
7. Technologies have a learning curve, and this is makes a significant different for the reliable print consumers who are of an older age group. Additionally, devices like an e-reader and iPad are relatively expensive and they also depend on Internet access to receive the news updates.

6. Conclusion

After examining both the print and digital models of news, we can conclude that technology is the key driving force for the changing patterns of news consumption. Whereas the print model have certain advantages, no doubt its disadvantages cannot be rectified. On the other hand, digital news is highly valued by newsreaders because it link up with their ever-changing demand for news. In addition to this, digital news is still in its initial stages and therefore many of its drawbacks are only reflective of the technologies. In fact, the industry is now witnessing the formation of more updated devices, besides it is just a matter of time for a new device to be announced which not only meets consumer demands but also includes the advantages of the print model.

However, publishers cannot ignore the challenge of revenue making through digital news content. It is essential for them to develop a subscription model that can be adopted by all group in the industry before they can make a fully informed decision of transforming their business into a purely digital model or not.

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