

Academy of Marketing Annual Conference
8th-11st July 2013

University of Glamorgan (Cardiff)

Press Consumption in the Digital Age: Habits and Needs Regarding Online Press

Filipe Fernandes *

Bráulio Alturas **

ISCTE – University Institute of Lisbon- Portugal

* Master Student of ISCTE - University Institute of Lisbon, Av. das Forças Armadas 1600-083
LISBOA, Portugal, Phone: (+351)217903066, Fax: (+351)217903099, E-mail:
filipelfernandes@gmail.com

** Assistant Professor of ISCTE - University Institute of Lisbon, Researcher of ADETTI-IUL,
Av. das Forças Armadas 1600-083 LISBOA, Portugal, Phone: (+351)217903066, Fax:
(+351)217903099, E-mail: braulio.alturas@iscte.pt

Press Consumption in the Digital Age: Habits and Needs Regarding Online Press

Abstract

This paper addresses the topic of Online Press and the challenge that the press faces to maintain its predominance as a communication media, before a public with new aptitudes, access to new technologies and, above all, to a wider and more dynamic range of alternative communication sources.

This study is based on the principle that the solution for a sustainable and attractive marketing strategy for the press, starts with the comprehension of the way its public perceives the products made available by the publishers, of its needs as for the information consumption, as well as of the familiarity it has with the information technologies.

Resorting to an online questionnaire inquiry to 330 individuals, we gathered information about their newspaper and magazine reading habits, their consumption of press products and technological aptitudes.

Keywords

Press, Online Press, Media, Electronic Journalism, Social Communication, Consumption Habits.

Introduction

From the moment Internet came upon as a privileged mean for information transmission, the press tried to adapt and design a way to broadcast its editorial content on the online world. However, information technology's development, cause and effect of the Internet, led to a series of transformations from the society, and the way information it's consumed, which conducted to the Net Society paradigm (Castells, 2004). The press challenge has been how to maintain its predominance as a communication media, before a public with new aptitudes, access to new technologies and, above all, to a wider and more dynamic range of alternative communication sources. If by one hand, online press had progressively eased its way into the public's reading habits; its sustainability has been a major source of concern for press industry. With a public more and more unused to pay for online content, the press has been gradually forced to make its online editions content free, in order to keep the public on the sites, and the audiences interesting enough for the advertisers, in a competition not only against other information channels, but with a whole world of publicity sustained websites. This leads to a constant investment, in human resources and technologies to keep up with platforms, formats and user trends, while many times press companies are still sustained by the physical paper editions. And paper is still, for many readers, the more common way to read the news, be it for technological inaptitude, for conservative posture or even for portability advantages. But the increasing popularity, and market penetration of mobile devices such as smartphones and tablet PC's, got to let us wondering how will the majority of newspaper be read in a few years, and if there is a window of a possibility of market in press apps. If the future of press is online, the future of online press is to provide a specialized product, able to stand out from other information channels, capitalizing on the credibility recognised by its public, and to be able to predict near future impacts of technology development. In order to achieve that we need to understand the consumer habits for press products and the use they make from information access technology.

The Online Press

Five factors had contributed for the prompting of online journalism (Noci & Ayerdi, 1999): market decrease of press due to internet information competition; the increase of variety on information appealing to the public; the search for interactivity; the growing diversity of entrepreneurial activity by communication companies; and the ecological cause pression. According to some authors, online press development had passed by three stages (Pavlik, 2001; Bucy, 2004; Canavilhas, 2005), founding itself on the third at the moment. On the first stage, during the middle of the 90's, communication media were attracted by the online potential and possibilities. During this period press sites were essentially a way to promote paper edition material. On the second stage press editors design models specific for content distribution online, with specific press rooms for the sites and even with web only editions. Press stands now on the third stage of this evolution, in a process of comprehension of the full potential of digital media, and a more capable definition of its public. One problem that still stands in the way of this complete turn to digital is public heterogeneity. In what degree should companies make their products more technological, if a good part of their public can't keep up with it?

But even so, public capture from paper to digital was never an issue. However, the same cannot be said about sustainability. Online press popularity increases and at the same time press financial profits decreases (Mitchell & Rosentiel, 2012; Edmonds et al., 2012). A possibility of a cannibalization process of paper editions by digital ones is, however, put aside by many authors

(Chyi & Sylvie, 2001) that look to the relation between the two media as a complementary one. But the failure of profitable online press models has become a major problem for press companies, as Internet becomes more and more the main source and platform for information. The lack of willingness to pay for online press content (Chyi, 2005) made that former models of selling press content online rendered useless. From the paid subscription to access press sites, that led public to go for other channels, to selling digital renditions of the paper editions, that had low to none search for, former models of direct selling online content attracted very few subscribers. On the other side, the selling of advertisements on the press sites also becomes a less dependable source of income. On one hand this was due to the difficulty to estimate online audiences, with actual values being camouflaged by homepage declared press sites, and quick accesses, in a phenomenon quickly designated by “drive-by traffic”. In the USA, the *Newspaper Association of America* supported the project *Making Measurements Make Sense*, in order to create a valid audience reading. Adding to that is the growing amount of players competing with online press in the online advertisement space market (Barnett, 2009).

Taking in consideration the popularity of press sites, it has to be considerate the possibility of their future to pass by paid accesses. But this has to be supported by the creation of a whole product that consumers see the advantage to pay for. This can only be true if online press becomes a different and more competing product from the other information channels.

New technologies and the information society

It is hard to predict in what way the editorial world will affect by Internet and its derivate technologies. But one thing that seems definitive is the interaction between readers and editors, as well as other readers. The capacity to generate information made the net society reader no longer a passive consumer of information, but also a producer, able to create an informational influx and to generate knowledge through the information he consumes (Cardoso, 2011). Interactive features on press sites can be of two dimensions (Bucy, 2004). The first one is content, or user-system, and its related with the possibility of the reader to configure the media, in order to filter the information he needs, and the frequency he accesses it. The second dimension is the interpersonal one, or user-user, which relates to the communication between readers. Recently this kind of information spread interaction moved from the designated places on the press sites to other communicational systems, such as the social networks. The association of press editions with these networks has been an example of the appropriation of a communication channel, to generate more personally oriented discussion forums between readers and their contacts. This promotes a crowd effect that canalizes readers to news with more views. Newspapers have been investing in the connection with Facebook, and this network had become a popular way to access news amongst readers, although it doesn't necessarily reflects on site visits (Olmstead et al., 2012).

A more recent technological advance that has the possibility to create a significant transformation in digital press, are the mobile devices. The development and popularity of hand held computers and smartphones had been having a growing popularity only slowed down by their, still somewhat high, market price. The limits to navigation and touch screen text editing had been surpassed by the substitution of browser navigation for applications that allow a quick and practical access to information. To Mitchell and Rosentiel, mobile devices may lead to a more intense experience on news reading. Based on the The Pew Research Center's Project for Excellence in Journalism (Mitchell & Rosentiel, 2012 b), this authors indicate that 27% of

Americans now access to press through these devices, and that those readers have more probability to access directly to a press site through an app than through browser navigation, which leads to a more direct contact with the edition. Some data shows that this consumption is adding, and not substituting, the one that already existed. But if in the USA this is a reality, in Portugal the market penetration of mobile devices, although growing, is much thinner. According to Pew's data, 18% of Americans possess a tablet PC, as of Portugal that number decreases to 1.5% (Obercom, 2012).

Research question and hypotheses

The main question this study intends to answer is: to which extent do products and features currently provided by press fit to its readers?

Following this question and after reviewing the literature, six hypotheses were developed for this study:

- (H1) Younger consumers, more comfortable with new technologies, use digital editions more frequently;
- (H2) Mobile devices, like smartphones and tablet PC's, ownership, encourages the abandon of paper editions reading, and the preference for press digital products;
- (H3) Consumers that are more familiar with Internet are bigger consumers of press digital products;
- (H4) Mobile devices owners read online press more often in public places and transports;
- (H5) Consumers that are more familiar with Internet, use more frequently other online channels, in an alternative or complementary to press sites;
- (H6) Consumers that are more familiar with Internet, use more features on online press.

Methodological considerations

After reviewing the literature, we decided that we needed to gather data that would characterize press readers concerning their press reading habits, press product consume practices, Internet and technologies use and degree of familiarity, and general demographics. In order to do that, a survey by questionnaire was elaborated. The questionnaire was divided in three groups of open questions: the first group focused on consumers press reading habits, such as place and frequency of reading, the type of newspapers or magazines read, and the media, paper or digital, used. The second group was dedicated to characterize the responders about their technological proficiency and device usage. The third group was about demographic characterization.

The questionnaire was made using Survey Monkey, and issued online through a series of mailing lists and Facebook contacts. The receivers were asked to forward the questionnaire further to their contacts. In a one month period, between March and April 2012, 379 questionnaires were received, from which only 330 were completed, and therefore considered for this study. The data was exported to the PASW Statistics 18 application for statistical analysis. After some descriptive statistical analysis of the data, a principal component analysis was made to reveal some press consume and technological usage profiles. Then, we proceeded to search for correlations between the variables.

Findings

Our sample was compounded by 330 respondents, greatly (70.3%) between 20 and 39 years old, and the majority of them (94.9%) possessing or attending a superior degree of education. This homogeneity is due to the use of the ISCTE-IUL students mailing list has one of the means to distribute the questionnaire. Data analysis showed a positive relation between age and not consumption of digital editions (Table 1), with the linear multivariate analysis showing a significance in that relation (Sig=0.011), and the linear regression (Table 2) a positive association (B=0.14).

Concerning mobile devices, the study did not show any statistical evidence that smartphone or tablet PC utilization would by itself increase online press products consumption. Nor it did shown evidence that owners of those devices would read more online press in public places or transportation, where portability is an issue. In fact, there was a weak relation between usage of mobile devices and reading online press at home or at the office (Table 3), where their advantages are expected to be obsolete. To support these findings, it is showed that reading in public places and transports is related with the habit of carrying press editions in paper.

The study had shown a positive, although weak, relation between the utilization of Internet and the visit to sites from specific subject magazines (Table 4). Consumers more used to the Internet are also shown to use consult more frequently other information channels, although the responders do not make a distinction between alternative or complementary usage of these channels to press sites. Lastly, responders demonstrated not too much interest in the interactive features provided in digital press nowadays, such as news archive, queries, commentaries, forums or digital format editions download.

Conclusion

As of all consumer behaviour based on new technologies, the adoption of digital reading was more immediately embraced by the younger consumers; more open to adaptation and less contaminated by former consume habits. The relation between age and digital formats consume reflects, not only bigger technological proficiency, but also the perception of Internet as the more logical resource for information access. This supports the idea that press is sure to have a digital based existence in the future. However, this study also revealed that, instead of a substitution of paper for digital, there is still a complementary consume of the two media by the consumers. In fact, processes of technological introduction had always passed by adaptation periods, where a synergy between media occurs.

Another important finding in this study is the lack of interest from the consumers towards the interactive features in digital press. This can be due both to these features not to be adequate to readers' interests, and to the synergy between digital and paper press. The first factor is one that press industry should pay attention to, being the interactivity one of the elements that bring added value to digital press. As of the media synergy, consumers' lack of interest in the features can be a result of them looking to digital press as just a continuity of paper press.

A last conclusion of this study should be looked on from the perspective of product differentiation. Consumers don't tell a "complementary to press" channel information usage from a "alternative to press" one. Adding this to the fact that online search engines are the most used channel to search for press information, we can understand that information consumers look for it

through those engines, and are directed to an indiscriminate source, instead of going directly to the press site.

The yet subtle, but growing, penetration of mobile devices in the market, makes it hard to realize just yet, of its impact on digital press reading. But considering that online press consumption has a undeniable and increasing popularity amongst consumers, we can predict that if the way to access digital media in the future is through a smartphone or tablet PC, that's where press should go. App navigation, instead of browser search, can be favourable to press, creating a more direct access to its content.

References

- Barnett, S. (2009). Journalism, democracy and the public Interest: Rethinking media pluralism for the digital age. Reuters Institute for the Study of Journalism. Working paper. doi: 10.1002/cbdv.
- Bucy, E. P., 2004. Interactivity and information accessibility in the Online Environment. *The International Journal on Media Management*, 6, 102-103. doi: 10.1207/s14241250ijmm0601&2_12
- Canavilhas, J. (2005). Os jornalistas online em Portugal. Accessed on <http://bocc.ubi.pt/pag/canavilhas-joao-jornalistas-online.pdf>
- Cardoso, G. (2011). From mass to network communication. In S. Papathanassopoulos (Ed.), *Media perspectives for the 21st century* (pp. 117-136). Londres: Routledge
- Castells, M. (2004). Informationalism, networks, and the network society: A theoretical blueprint. In Castells, M. (Ed), *The network society: A cross-cultural perspective*. Northampton, MA: Edward Elgar
- Chyi, H. I., & Sylvie, G. (2001). The medium is global, the content is not: The role of geography in online newspaper markets. *Journal of Media Economics*, 14, (4), 231-248. doi: 10.1207/S15327736ME1404_3
- Chyi, H. I. (2005). Willingness to Pay for Online News: An Empirical Study on the Viability of the Subscription Model. *Journal of Media Economics*, 18 (2), 131-142. doi: 10.1207/s15327736me1802
- Edmonds, R., & Guskin, E., & Rosentiel, T. (2012). Newspapers : Building digital revenues proves painfully slow. *The State of the news media 2012: An annual report on American journalism*. Accessed on the The Pew Research Center's Project for Excellence in Journalism website: <http://stateofthemedial.org/2012/newspapers-building-digital-revenues-proves-painfully-slow/>, on the 2012/07/06
- Mitchell, A., & Rosentiel, T. (2012). Overview. *The State of the news media 2012: An annual report on American journalism*. Accessed on the The Pew Research Center's Project for Excellence in Journalism website: <http://stateofthemedial.org/2012/overview-4/>, on the 2012/07/06
- Mitchell, A., & Rosentiel, T., & Christian, L. (2012 b). Mobile devices and news consumption: Some good signs for journalism. *The State of the news media 2012: An annual report on American journalism*. Accessed on the The Pew Research Center's Project for Excellence in

Journalism website: <http://stateofthedia.org/2012/mobile-devices-and-news-consumption-some-good-signs-for-journalism/>, on the 2012/07/06

Noci, J. D., & Ayerdi, K. M. (1999). *Periodismo en Internet*. Bilbao: Universidad del País Vasco

Obercom (2012). *A apropriação dos telemóveis na Sociedade em rede*. Accessed on the Obercom website: <http://www.obercom.pt/client/?newsId=790&fileName=telemoveis2012.pdf>, on the 2012/07/06

Olmstead, K., & Sasseen, J., & Mitchell, A., & Rosentiel, T. (2012). *Digital: News gains audience but loses ground in chase for revenue*. *The State of the news media 2012: An annual report on American journalism*. Accessed on the The Pew Research Center's Project for Excellence in Journalism website: <http://stateofthedia.org/2012/digital-news-gains-audience-but-loses-more-ground-in-chase-for-revenue/>, on the 2012/07/06

Pavlik, J. (2001). *Journalism and new media*. New York: Columbia University Press

Appendix

Table 1 – Significance of age on press products consumption

Independent variable	Dependent variable	Type III Sum of Squares	df	Mean Square	F	Sig.
Age	Non users of general information and economy press sites	58.922	42	1.403	1.636	0.011

Table 2 – Coefficients of the relation between age with user component 2 – Non users of general information and economy press sites

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.243	.164		13.654	.000
Age	.014	.005	.145	2.614	.009

a. Dependent Variable: Non users of general information and economy press sites

Table 3 – Correlation between Reading place and press products access

Spearman's rho			Paper editions access	Mobile device access	Mobile device utilization for press access
Reading place	Home	Correlation Coefficient	.201**	.167**	.387**
		Sig. (2-tailed)	.000	.002	.000
		N	330	330	330
	Office	Correlation Coefficient	.153**	.113*	.213**
		Sig. (2-tailed)	.005	.041	.000
N		330	330	330	
Transports	Correlation Coefficient	.366**	-.016	-.039	
	Sig. (2-tailed)	.000	.768	.480	
	N	330	330	330	
Open public space	Correlation Coefficient	.379**	.042	.095	
	Sig. (2-tailed)	.000	.445	.085	
	N	330	330	330	
Closed public space	Correlation Coefficient	.295**	.055	.167**	
	Sig. (2-tailed)	.000	.323	.002	
	N	330	330	330	

Table 4 – Correlation between press products consume and Internet utilization

Items		Social network and youtube users	Blog users	Non users of streaming or podcast
Specific subject magazine sites	Correlation Coefficient	.206**	.210**	.176**
	Sig. (2-tailed)	.000	.000	.001
	N	330	330	330
Non users of general information and economy press sites	Correlation Coefficient	.215**	.321**	.196**
	Sig. (2-tailed)	.000	.000	.000
	N	330	330	330
Generalist and economy paper edition purchase	Correlation Coefficient	-.011	.103	-.017
	Sig. (2-tailed)	.846	.062	.763
	N	330	330	330
Non readers of sport and vehicle press	Correlation Coefficient	.139*	.130*	.217**
	Sig. (2-tailed)	.011	.018	.000
	N	330	330	330
Generalist and economy paper edition for free	Correlation Coefficient	.032	.059	.104
	Sig. (2-tailed)	.558	.289	.060
	N	330	330	330
Scientific editions	Correlation Coefficient	.002	.133*	.048
	Sig. (2-tailed)	.975	.016	.383
	N	330	330	330
Feminine, masculine and society paper editions	Correlation Coefficient	.166**	.070	.104
	Sig. (2-tailed)	.002	.207	.060
	N	330	330	330
Activities and others	Correlation Coefficient	.100	.141*	.117*
	Sig. (2-tailed)	.068	.010	.034
	N	330	330	330