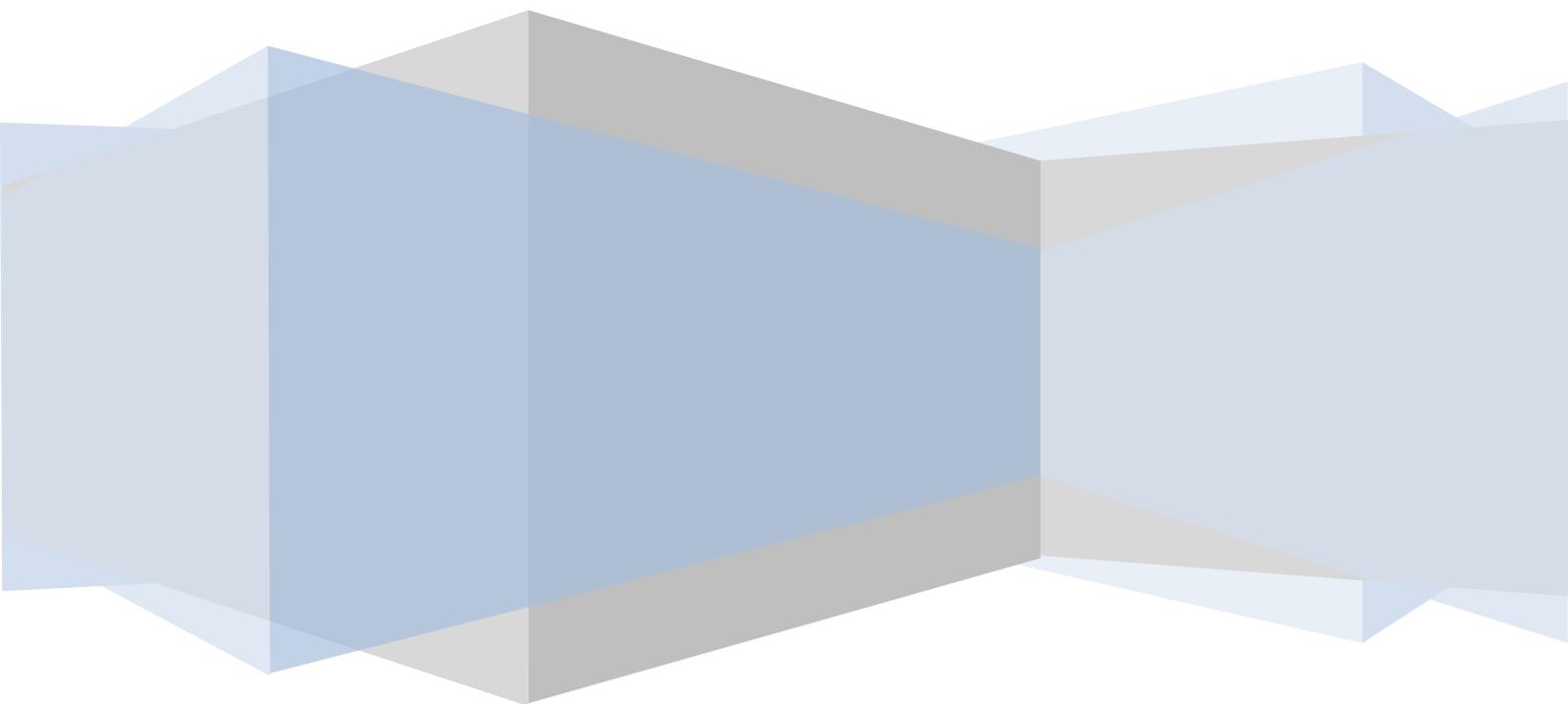


**University of Leicester**

# **UK NEWS MEDIA REVIEW 2010**

**Department of Media and Communication  
News and Journalism Research Group**



UNIVERSITY OF LEICESTER

## **UK NEWS MEDIA REVIEW 2010**

---

Department of Media and Communication

**News and Journalism Research Group**

# UK NEWS MEDIA REVIEW - 2010<sup>1</sup>

## Introduction

Welcome to the first edition of *UK News Media Review*. It is produced by the News and Journalism Research Group, Department of Media and Communication, University of Leicester. Its aim is to provide an overview of key developments, events, and issues relating to the news industry and its outputs and audiences. The review presents headline commentaries and summary research findings from diverse sources with links to original source publications.

## Contents

### Audiences

- Television News Audiences
- Radio News Audiences
- Newspaper Circulation and Readership
- Magazine Circulation and Readership
- Online News Services

### News Outputs

- Broadcast News Output in the UK
- Coverage of 2010 General Election

### News Ownership

### Employment in News Profession

---

<sup>1</sup> The UK News Media Review is compiled by the News and Journalism Research Group, Department of Media and Communication, University of Leicester. Its members include: Dimitrinka Atanasova, Jessica Bain, Vincent Campbell, Roger Dickinson, Barrie Gunter, Marc Jones, Julian Matthews, Kostas Saltzis.

## Audiences

News consumption in general in the UK was reported to have increased by 20 per cent over the previous three years (between 2006 and 2009). Research reported by McKinsey and Company found that people over 18 years in the UK reportedly devoted 72 minutes a day to consuming news in 2009 compared to 60 minutes per day in 2006. Of particular interest was the finding that news consumption jumped by the greatest margin among the 25-34s (+37%) and 18 to 24s (+33%), while the traditional big consumer of news – the grey market aged 55 to 64 years – displayed a fall in consumption of three minutes a day. At an average consumption of 70 minutes per day, the ‘greys’ were in fact overtaken by the 25 to 34s (77 minutes).

The same study also revealed that the generations differ in their choice of preferred news medium. All age groups nominated television as their most preferred news source. Those aged up to 34 years gave much more widespread endorsement than did older age groups, (and especially the 55+s) of the Internet as a favoured news source. All age groups exhibited a growth in interest in getting news from daily newspapers – good news for the medium. It was older news consumers, however, who most enjoyed Sunday newspapers. The younger generation also displayed much wider preference for getting their news from magazines compared with older generations.<sup>2</sup>

### Television News Audiences

The amount of viewing of national television news on the five public service broadcast channels (BBC1, BBC2, ITV1, Channel 4 and Five) in the UK declined from 100 hours per individual per year in 2005 to 88 hours in 2009. The amount of PSB spend has also been on the decline, but *News* and *Current Affairs* experienced the smallest decline in spending from 2008 to 2009<sup>3</sup>.

The biggest drop in amount of *News* viewing occurred for ITV1, which attracted 11 hours less per viewer per year in 2009 than in 2005. Over the same period, viewing was down by three hours a year for BBC2 and Five, and by one hour per year on Channel 4. In contrast, national news viewing on BBC1 climbed by four hours per year. The BBC’s digital channels broadcast to multichannel homes attracted a further 10 hours a year of viewing, of which almost all (98%) was devoted to the BBC News channel. The overall amount of *Current Affairs* viewing grew on the five PSB channels from 39 hours in 2005 to 48 hours in 2009. Much of this increased viewing (33 hours) accrued to BBC1. There was little change in the amount of *Current Affairs* viewing on the other PSB channels.<sup>4</sup> During major news stories audiences tended to turn to the BBC for trusted news and analysis<sup>5</sup> with a total of 21.2m watching BBC News television coverage of the Spending Review.

---

<sup>2</sup> Nattermann, P. M. (2010) A glimmer of hope for newspapers. *McKinsey Quarterly*, April. Available at: [www.newspaperdeathwatch.com/wp-content/uploads/2010/04/Glimmer\\_of\\_hope\\_for\\_newspapers](http://www.newspaperdeathwatch.com/wp-content/uploads/2010/04/Glimmer_of_hope_for_newspapers)

<sup>3</sup> Ofcom (2010) C –PSB Output and Spend. Available at: [http://stakeholders.ofcom.org.uk/binaries/broadcast/reviews-investigations/psb-review/psb2010/psb\\_ouput.pdf](http://stakeholders.ofcom.org.uk/binaries/broadcast/reviews-investigations/psb-review/psb2010/psb_ouput.pdf)

<sup>4</sup> Ofcom (2010) Perceptions of and attitudes towards television: 2010. Available at: [www.ofcom.org.uk](http://www.ofcom.org.uk)

<sup>5</sup> BBC Press Office (2010) BBC News Spending Review coverage reaches more than 21 million viewers. Available at: [http://www.bbc.co.uk/pressoffice/pressreleases/stories/2010/10\\_october/21/news.shtml](http://www.bbc.co.uk/pressoffice/pressreleases/stories/2010/10_october/21/news.shtml)

Research from Ofcom's 2010 Public Service Broadcasting report confirmed that television was still, for most people (75%), nominated as their main source of world news. It is also, for many (49%) their main source of local news. Television news was regarded by most people (72%) as providing fair and unbiased world news coverage. For an overwhelming majority of people (93%), the impartiality of televised news was considered as an important attribute.<sup>6</sup>

Ofcom reported the decline in audiences for flagship news programmes on BBC1, ITV1, Channel 4 and Five, observed since the early 1990s, had halted between 2004 and 2009. The most popular news programme was BBC1's 10 O'Clock News (average audience of 4.7 million in 2009) followed by BBC1's 6 O'Clock News (4.3 million), ITV1's Early Evening news (3.2 million), ITV News at Ten (2.5 million), with Channel 4 News (791,000) and Five News (at 1700; 768,000) taking up the bottom slots.<sup>7</sup>

The same research also revealed that 24-hour rolling news channels on TV, such as those services operated by the BBC and Sky News, had doubled their audiences since the launch of digital TV. Their combined average audience in 2009, however, at 110,000, remained modest. These services reached around 16% of viewers compared with an average reach of 51% for flagship news programmes on the main channels.

#### *International News on TV*

The BBC reported record viewing levels for its international news channel in 2010. A survey by Synovate PAX covering the first quarter 2010 indicated that BBC World News was the fastest growing international news channel. Compared with a year earlier, its monthly reach was up by 10% to 25% (2.5m viewers), its weekly reach increased by 15% to 14% (1.4m viewers) and its daily reach increased by 5% to 22% (582,000 viewers). The biggest increase in use of this service occurred among young adult viewers aged 25 to 29 years.<sup>8</sup> BBC World News was especially popular with affluent adults in Nigeria, South Africa, Kenya, Morocco and Cameroon<sup>9</sup>. Daily and weekly audiences for the channel representing Europe's top income earners were also up in 2010<sup>10</sup>.

#### **Trends to Watch**

Thirty-one per cent of households with Internet access used the Internet to watch online catch-up TV. The platforms on which people viewed this type of content increased in numbers from computers and mobile devices to Virgin Media, PS3 and Wii<sup>11</sup>. Time-shifted television viewing

---

<sup>6</sup> Ofcom, 2010, July 8th Perceptions of and attitudes towards television: 2010. PSB Report 2010. London, UK: Office of Communications. Available at: [www.ofcom.org.uk](http://www.ofcom.org.uk)

<sup>7</sup> Ofcom (2010, 30 June) Halt in decline of flagship TV news programmes. Available at:

[www.media.ofcom.org.uk/2010/06/30/halt-indecline-of-flagship-tv-news-programmes](http://www.media.ofcom.org.uk/2010/06/30/halt-indecline-of-flagship-tv-news-programmes)

<sup>8</sup> BBC World News (2010) Record viewing quarter for BBC World News according to PAX data. Available at: [www.bbc.co.uk/pressoffice/bbcworld/worldstories/press-releases](http://www.bbc.co.uk/pressoffice/bbcworld/worldstories/press-releases)

<sup>9</sup> BBC Press Office (2010) BBC World News reaches over half of affluent adults each month in new study covering five African countries. Available at:

[http://www.bbc.co.uk/pressoffice/bbcworld/worldstories/pressreleases/2010/06\\_june/emsafricaresult.shtml](http://www.bbc.co.uk/pressoffice/bbcworld/worldstories/pressreleases/2010/06_june/emsafricaresult.shtml)

<sup>10</sup> BBC Press Office (2010) BBC World News' reach continues to grow as more than 12 million top income earners tune in each month. Available at:

[http://www.bbc.co.uk/pressoffice/bbcworld/worldstories/pressreleases/2009/09\\_september/wn\\_grow.shtml](http://www.bbc.co.uk/pressoffice/bbcworld/worldstories/pressreleases/2009/09_september/wn_grow.shtml)

<sup>11</sup> Ofcom (2010) The Communications Market 2010: UK. Available at:

<http://www.ofcom.org.uk/static/cmr-10/UKCM-2.9.html>

tripled from 1.7% in 2006 to 5.9% in 2009 with BBC HD emerging as the most time-shifted channel<sup>12</sup>. In all, 81% of full time students who have Internet access also watched TV on the internet in one form or another<sup>13</sup>. The steady growth in total television viewing in the UK across all genres which started to climb around 2007 continued in 2009 and has been attributed to, among other factors including the recession, to High Definition (HD), Personal Video Recorders (PVRs) and on-demand catch-up viewing all making accessing TV content more convenient and enjoyable<sup>14</sup>. UK TV revenue as a whole contracted in 2009 for the first time since 2003 and the number of TV channels decreased in 2009<sup>15</sup> raising the question of whether the multichannel market in the UK has reached a saturation point.

Local TV was endorsed by the Secretary of State for Culture, Media and Sport, Jeremy Hunt. It could be broadcast on a single digital terrestrial TV (DTT) channel and listed distinctly on electronic programme guides. There would be a core broadcaster with local providers opting in at different points of the day. There would be a news base, but also other genres of programming, including entertainment, drama, comedy, and sports. Local TV would also be delivered on IPTV (Internet Protocol Television) and would fulfil public service broadcasting obligations. The big question is whether there is a large enough potential audience to make local TV viable. On its news provision, one suggestion has been that local and regional newspapers might play a part in news gathering for local broadcast news operations<sup>16</sup>.

#### *Breakfast TV News*

On the 6<sup>th</sup> September 2010 ITV1 launched a new breakfast TV news and talk show called Daybreak. It was hoped that the new show, which replaced the ITV's ailing GMTV, would attract substantial viewing figures. Despite initial success in the first few weeks, where the show attracted 1.5 million viewers, these numbers then shrunk to well below those attracted by the shows BBC's Breakfast rival. Viewing figures for Daybreak continued to decline over the 2 months following its launch, and eventually fell below those of its predecessor, GMTV. Whether this pattern is set to continue is unclear, though an optimistic report published in December suggested that audiences for the show were beginning to pick up<sup>17</sup>. As it stands, BBC Breakfast still attracts about half a million more viewers than its ITV rival.<sup>18</sup>

---

<sup>12</sup> Ofcom (2010) The Communications Market 2010: UK. Available at: <http://www.ofcom.org.uk/static/cmr-10/UKCM-2.7.html>

<sup>13</sup> YouGov Sixth Sense (2010) *It is all about online for students*. Available at: <http://www.yougov.co.uk/corporate/pdf/YG-press-AllAboutOnlineForStudents.pdf>

<sup>14</sup> Attentional (2010) Television viewing in the UK set to hit a record high. Available at: [http://www.attentional.com/news\\_item.php?id=80](http://www.attentional.com/news_item.php?id=80)

<sup>15</sup> Ofcom (2010) The Communications Market 2010: UK. Available at: <http://www.ofcom.org.uk/static/cmr-10/UKCM-2.2.html>

<sup>16</sup> Greenslade, R. (2010) Local TV is doomed to fail but we might as well try it...., *Evening Standard*. Available at: <http://www.thisislondon.co.uk/markets/article-23907049-local-tv-is-doomed-to-fail-but-we-might-as-well-try-it.do>

<sup>17</sup> <http://www.independent.co.uk/news/media/tv-radio/daybreak-draws-a-million-viewers-2150375.html>

<sup>18</sup> <http://www.bbc.co.uk/news/entertainment-arts-11213758>

## Radio News Audiences

Audience reach and average number of hours per listener were stable in 2010 and not very different from data reported for 2008-9 by RAJAR. Audience reach figures varied slightly, from 46,479 (in thousands) in Q1 2010 to 46,727 in Q4 2010. An average radio listener aged 15+ dedicated approximately 21.8 hours to radio listening across all stations in the first quarter of 2010; in the second quarter, ending June 2010, the average hours amounted to 22.0 and went up a bit further over the periods ending September 2010 (22.6) and December 2010 (22.4)<sup>19,20</sup>.

In 2009-10 *News and Weather* accounted for 14.9% of all hours broadcast by BBC network radio after *Music* (51.0%)<sup>21</sup>. Asked about what is important to the British public to be able to listen to, results from an Ipsos MORI face-to-face omnibus survey showed that 23% of respondents thought children's service to be the most important, followed by sport (19%)<sup>22</sup>.

Public trust in things heard on the radio was relatively high, according to an ICM Trust in the Digital Age Survey, with 23% of participants saying they trusted things they hear on the radio 'very/fairly strongly' compared to 19% saying this for things they hear on TV and 8% for things written in the British press<sup>23</sup>. Asked about the most trusted sources of information about a company, trust in radio news coverage among older informed publics in the UK, however, dropped by 20 points over the period 2009-10<sup>24</sup>.

## Trends to Watch

Terrestrial AM/FM platforms received 67% of the share of all radio listening in the last quarter of 2010<sup>25</sup>. This share represented an increase from Q4 2009 when terrestrial platforms accounted for 66.6% of all radio listening<sup>26</sup>. There was evidence that the popularity of the digital platform had been growing at higher rates than terrestrial with the percentage of radio listening occurring on digital platforms up from 20.9% in Q4 2009 to 24% in Q1 2010, but digital platforms still attracted much smaller shares of the audience - one quarter of all radio listening.

The percentage of adults aged 15+ who claimed to own a DAB set at home was observed to have grown at a slow rate, from 34.5% in Q1 2010 to 35.3% in Q2, 35.4% in Q3 and 35.8% in the last quarter of 2010<sup>27</sup>. Listeners' loyalty to terrestrial platforms and slow rate of switchover to digital platforms led to calls from UKRD's chief executive William Rogers to scrap the 2015 digital

---

<sup>19</sup> RAJAR (2010) Listening figures – quarterly listening. Available at: [http://www.rajar.co.uk/listening/quarterly\\_listening.php](http://www.rajar.co.uk/listening/quarterly_listening.php)

<sup>20</sup> RAJAR (2010) Quarterly summary of radio listening. Available at: [http://www.rajar.co.uk/docs/2010\\_12/2010\\_Q4\\_Quarterly\\_Summary\\_Figures.pdf](http://www.rajar.co.uk/docs/2010_12/2010_Q4_Quarterly_Summary_Figures.pdf)

<sup>21</sup> Ofcom (2010) The Communications Market 2010: UK. Available at: <http://www.ofcom.org.uk/static/cmr-10/UKCM-3.20.html>

<sup>22</sup> Ipsos MORI (2010) *Public demand for a children's radio network*. Available at: <http://www.ipsos-mori.com/researchpublications/researcharchive/poll.aspx?oItemId=2659>

<sup>23</sup> ICM (2010) Trust in the digital age survey. Available at: [http://www.icmresearch.co.uk/pdfs/2010\\_feb\\_guardian\\_trust\\_poll.pdf](http://www.icmresearch.co.uk/pdfs/2010_feb_guardian_trust_poll.pdf)

<sup>24</sup> Edelman (2010) Edelman trust barometer executive summary. Available at: [http://www.edelman.com/trust/2010/docs/2010\\_Trust\\_Barometer\\_Executive\\_Summary.pdf](http://www.edelman.com/trust/2010/docs/2010_Trust_Barometer_Executive_Summary.pdf)

<sup>25</sup> RAJAR (2010) All Radio Listening and All Radio Listening via Platform. Available at: [http://www.rajar.co.uk/docs/2010\\_12/2010\\_Q4\\_Listening\\_via\\_platform.pdf](http://www.rajar.co.uk/docs/2010_12/2010_Q4_Listening_via_platform.pdf)

<sup>26</sup> RAJAR (2009) All Radio Listening and All Radio Listening via Platform. Available at: [http://www.rajar.co.uk/docs/2009\\_12/2009\\_Q4\\_Listening\\_via\\_platform.pdf](http://www.rajar.co.uk/docs/2009_12/2009_Q4_Listening_via_platform.pdf)

<sup>27</sup> RAJAR (2010) DAB set ownership. Available at: [http://www.rajar.co.uk/content.php?page=listen\\_market\\_trends](http://www.rajar.co.uk/content.php?page=listen_market_trends)

switchover target following ‘hugely disappointing’ DAB listening figures<sup>28</sup>. Referring to results from a report by YouGov SixthSense and studentbeans.com that 40% of students did not listen to live radio via a traditional analogue radio or a DAB radio and 62% said they did not listen to the radio online, YouGov SixthSense Research Director James McCoy attributed the low use of online radio among students to the growth of streaming services Spotify and we7<sup>29</sup>.

Listening to the radio via a mobile phone also appeared to grow only slowly. In Q1 2010 30.4% of adults aged 15 to 24 claimed to have ever listened to radio via a mobile phone and the figure changed to 30.7% in the last quarter of 2010. For people aged 25+ listening to the radio via a mobile phone was not as popular an activity. 10% of participants aged 25+ claimed to have ever listened to radio via a mobile phone in Q4 2010<sup>30</sup>.

---

<sup>28</sup> MediaTel (2011) UKRD chief calls for radio switchover date to be scrapped. Available at: <http://mediatel.co.uk/radio/news>

<sup>29</sup> YouGov SixthSense (2010) It is all about online for students. Available at: <http://www.yougov.co.uk/corporate/pdf/YG-press-AllAboutOnlineForStudents.pdf>

<sup>30</sup> RAJAR (2010) Listening to radio via a mobile phone. Available at: [http://www.rajar.co.uk/docs/2010\\_12/2010\\_Q4\\_Mobile.pdf](http://www.rajar.co.uk/docs/2010_12/2010_Q4_Mobile.pdf)

## Newspaper Circulation and Readership

The global newspaper market slowed from 2004 to zero growth in 2007 and saw market shrinkage in 2008. National, regional and local newspapers were affected, with further declines observed in 2009. The United Kingdom was among the worst affected countries in this context. In terms of newspaper readership, the UK finished fourth from bottom out of 35 OECD countries with 33% of all adults claiming to have read a newspaper recently or the day before.

Data for the United Kingdom for December 2010 revealed a general downturn in circulation levels for national daily newspapers. This fall was felt across serious, mid-market and red-top newspapers. The largest declines year-on-year were registered for The Times, The Guardian and Daily Telegraph. Overall the Financial Times and the Daily Mail exhibited the most stable readerships.<sup>31</sup>

Newspaper	December 2010	December 2009	% change
<i>The Sun</i>	2,717,013	2,862,935	-5.10
<i>Daily Mirror</i>	1,133,440	1,225,502	-7.51
<i>Daily Star</i>	713,602	784,958	-9.09
<i>Daily Record</i>	290,247	314,753	-7.9
<i>Daily Mail</i>	2,030,968	2,113,134	-3.89
<i>Daily Express</i>	623,280	677,750	-7.98
<i>Daily Telegraph</i>	631,280	703,249	-10.23
<i>The Times</i>	448,463	521,535	-14.01
<i>Financial Times</i>	390,121	400,827	-2.67
<i>The Guardian</i>	264,819	300,540	-11.89
<i>The Independent</i>	175,002	186,940	-6.39

Source: Audit Bureau of Circulation/The Guardian

## Newspaper Readership

Data for the United Kingdom for December 2010 revealed a general downturn in readership levels for national daily newspapers. These changes broadly mirror the downturn in circulation. Amongst the top ten best selling papers, those recording the largest decline in readership were The Independent, the Financial Times, the Daily Record and the Daily Telegraph. Those with the most stable readership appeared to be the Sun and the Daily Star.

Newspaper	December 2010	December 2009	% Change
<i>The Sun</i>	7,722,000	7,761,000	-0.5%
<i>Daily Mail</i>	4,741,000	4,934,000	-3.9%
<i>Daily Mirror</i>	3,087,000	3,425,000	-9.9%
<i>Daily Telegraph</i>	1,680,000	1,905,000	-11.8%
<i>Daily Star</i>	1,571,000	1,577,000	-0.4%
<i>The Times</i>	1,565,000	1,773,000	-11.7%
<i>Daily Express</i>	1,427,000	1,577,000	-9.5%
<i>The Guardian</i>	1,103,000	1,147,000	-3.8%
<i>Daily Record</i>	884,000	1,026,000	-13.8%
<i>The Independent</i>	532,000	671,000	-20.7%
<i>Financial Times</i>	364,000	434,000	-16.1%

Source: National Readership Survey, Latest top line readership, Newspapers January '09 – December '09, Available at: [www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

National Readership Survey, Latest top line readership, Newspapers January '10 – December '10, Available at: [www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

<sup>31</sup> [www.guardian.co.uk/media/table/2011/jan/14/abcs-national-newspapers](http://www.guardian.co.uk/media/table/2011/jan/14/abcs-national-newspapers)

Statistics indicate that the three most popular national daily newspapers for social grades ABC1 are the Daily Mail, the Sun and the Daily Telegraph. For social grades C2DE the three most popular daily national papers are the Sun, the Daily Mirror and the Daily Mail. With regards to age, people between the ages of 15 - 44 are most likely to read The Sun, while people over 45 are most likely to read The Daily Mail. The table below shows readership figures for ten most popular national daily newspapers with demographic breaks for the period from January to December 2010.

Newspaper	Readership (000s)	Number of readers belonging to the below categories (000s)					
		ABC1	C2DE	15 - 44	45	Men	Women
The Sun	7722	2768	4954	4312	3410	4400	3323
Daily Mail	4741	3112	1629	1112	3630	2262	2479
Daily Mirror	3087	1234	1853	1253	1834	1628	1459
Daily Telegraph	1680	1445	236	386	1294	859	822
Daily Star	1571	392	1179	1011	560	1109	461
The Times	1565	1364	200	634	931	890	674
Daily Express	1427	806	621	335	1091	688	738
The Guardian	1103	980	123	521	582	571	532
Daily Record	884	320	565	366	518	454	430
The Independent	532	449	83	288	245	312	220
Financial Times	364	336	27	208	156	269	95

Source: National Readership Survey, Latest top line readership, Newspapers January '10 – December '10, Available at: [www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

Statistics indicate that the national daily newspapers which exhibit the biggest discrepancy between readers' social grades are the Financial Times, The Guardian and The Times. Indeed, of those interviewed, only 8% of Financial Times readers were from grade C2DE. Also, only about one quarter of Financial Times readers interviewed were women. Statistics indicate that the smallest difference between readers' social grades was for the Daily Express. The next table shows readership figures for ten most popular national daily newspapers with demographic breaks from January to December 2010.

Newspaper	Readership	% of Readers in particular demographic					
		ABC1	C2DE	15 - 44	45	Male	Female
The Sun	7,722,000	36%	64%	56%	44%	57%	43%
Daily Mail	4,741,000	66%	34%	23%	77%	48%	52%
Daily Mirror	3,087,000	40%	60%	41%	59%	52%	48%
Daily Telegraph	1,680,000	86%	14%	23%	77%	51%	49%
Daily Star	1,571,000	25%	75%	64%	36%	71%	29%
The Times	1,565,000	87%	13%	41%	59%	57%	43%
Daily Express	1,427,000	56%	44%	23%	77%	48%	52%
The Guardian	1,103,000	89%	11%	47%	53%	52%	48%
Daily Record	884,000	36%	16%	41%	59%	51%	49%
The Independent	532,000	84%	16%	54%	46%	59%	41%
Financial Times	364,000	92%	8%	57%	43%	74%	26%

Source: National Readership Survey, Latest top line readership, Newspapers January '10 – December '10, Available at: [www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

The next table shows the top ten Sunday newspapers ranked by circulation and readership for 2010 and for 2009. These figures show a fall in performance of all major newspapers in 2010 compared with the previous year. The News of the World and Mail on Sunday held on to the two top spots. The Sunday Mirror and the Times swapped third and fourth spots in terms of circulation, but not in terms of readership..

	<b>Title</b>	<b>average circulation</b>		<b>title</b>	<b>total readership</b>
	<b>2010<sup>32,33</sup></b>			<b>2010<sup>34</sup></b>	
1	<i>News of the World</i>	2,984,469	1	<i>News of the World</i>	7,537,000
2	<i>The Mail on Sunday</i>	2,048,008	2	<i>The Mail on Sunday</i>	4,896,000
3	<i>The Sunday Times</i>	1,144,929	3	<i>Sunday Mirror</i>	3,690,000
4	<i>Sunday Mirror</i>	1,124,620	4	<i>The Sunday Times</i>	2,952,000
5	<i>Sunday Express</i>	585,023	5	<i>Sunday Express</i>	1,466,000
6	<i>The People</i>	532,975	6	<i>The Sunday Telegraph</i>	1,442,000
7	<i>The Sunday Telegraph</i>	527,742	7	<i>The People</i>	1,273,000
8	<i>Sunday Mail</i>	395,126	8	<i>Sunday Mail</i>	1,067,000
9	<i>Daily Star Sunday</i>	358,814	9	<i>The Observer</i>	1,030,000
10	<i>The Observer</i>	354,565	10	<i>Daily Star Sunday</i>	919,000
	<b>2009<sup>35,36</sup></b>			<b>2009<sup>37</sup></b>	
1	<i>News of the World</i>	3,031,025	1	<i>News of the World</i>	7,650,000
2	<i>The Mail on Sunday</i>	2,134,809	2	<i>The Mail on Sunday</i>	5,387,000
3	<i>Sunday Mirror</i>	1,244,007	3	<i>Sunday Mirror</i>	3,884,000
4	<i>The Sunday Times</i>	1,198,984	4	<i>The Sunday Times</i>	3,238,000
5	<i>Sunday Express</i>	646,971	5	<i>The Sunday Telegraph</i>	1,708,000
6	<i>The Sunday Telegraph</i>	602,306	6	<i>Sunday Express</i>	1,628,000
7	<i>The People</i>	594,552	7	<i>The People</i>	1,345,000
8	<i>Sunday Mail</i>	442,103	8	<i>The Observer</i>	1,291,000
9	<i>The Observer</i>	427,867	9	<i>Sunday Mail</i>	1,170,000
10	<i>Sunday Post</i>	366,275	10	<i>Daily Star Sunday</i>	943,000

Source: National Readership Survey/ABC

<sup>32</sup> PressGazette, ABCs: Sun back over 3m but Star is only climber, Available at:

[www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=45046&c=1#](http://www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=45046&c=1#)

<sup>33</sup> PressGazette, ABC: Telegraph drops below 700,000, Available at:

[www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=45045&c=1](http://www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=45045&c=1)

<sup>34</sup> National Readership Survey, Latest top line readership, Newspapers January '10 – December '10, Available at:

[www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

<sup>35</sup> PressGazette, January ABCs: Sindy slumps 25% with drops all round, Available at:

[www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=43024&c=1](http://www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=43024&c=1)

<sup>36</sup> PressGazette, ABC bulks probe: National sales figures revised, Available at:

[www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=44151&c=1](http://www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=44151&c=1)

<sup>37</sup> National Readership Survey, Latest top line readership, Newspapers January '09 – December '09, Available at:

[www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

The next table shows the top ten regional daily newspapers ranked by circulation again comparing 2010 and 2009 data, although these are not direct year-on-year comparisons. Nine out of the top ten performers in the first quarter of 2009 retained top-ten slots in the last quarter of 2010. The new entrant, jumping in at number two was the Manchester Evening News. Falling out of the top ten was the Leicester Mercury.

	Title	average circulation
<b>last quarter of 2010<sup>38</sup></b>		
1	<i>Express &amp; Star</i>	116,992
2	<i>Manchester Evening News</i>	93,348
3	<i>Liverpool Echo</i>	87,198
4	<i>Aberdeen - Press &amp; Journal</i>	72,767
5	<i>Dundee Courier &amp; Advertiser</i>	63,052
6	<i>Norwich – Eastern Daily Press</i>	59,389
7	<i>Belfast Telegraph</i>	58,491
8	<i>Shropshire Star</i>	58,121
9	<i>Newcastle-Upon-Tyne Evening Chronicle</i>	54,874
10	<i>Glasgow - Evening Times</i>	54,255
<b>first quarter of 2009<sup>39</sup></b>		
1	<i>Express &amp; Star</i>	128,836
2	<i>Liverpool Echo</i>	92,093
3	<i>Aberdeen - Press &amp; Journal</i>	77,006
4	<i>Belfast Telegraph</i>	68,024
5	<i>Dundee Courier &amp; Advertiser</i>	67,996
6	<i>Shropshire Star</i>	66,442
7	<i>Newcastle-Upon-Tyne Evening Chronicle</i>	63,872
8	<i>Glasgow - Evening Times</i>	63,803
9	<i>Leicester Mercury</i>	62,161
10	<i>Norwich - Eastern Daily Press</i>	60,579

Source: ABC

In general, as evidence of the way people spend their time has indicated, print media finish a long way behind other media such as watching video content (live or recorded) or listening to audio media. Research by Ofcom found that people aged 16 and over in the UK spent on average 528 minutes a day (out of 945 minutes of time awake) engaged in media and communication activity. Forty per cent of this media and communications times was devoted to watching video, 17 per cent to listening to audio, and just six per cent allocated to consumption of print media. This meant that the average person devoted 212 minutes a day to watching video, 91 minutes to audio listening and 31 minutes to print media. The over-55s (10% of media and communications time) were much more likely than the 16 to 24s (3%) to devote time to print media. Hence the over-55s devoted around 49 minutes a day to reading print compared with 19 minutes a day by 16 to 24 year-olds.<sup>40</sup>

#### *The Value of Quality Print Journalism*

Despite the widespread emergence of free morning and evening newspapers across the country, such as the *Metro* and the new *Evening Standard* in London, most people (60%) are still prepared to pay for a ‘good newspaper’, according to a survey by YouGov/SixthSense reported on 30<sup>th</sup> June 2010. Fewer than one in five respondents (18%) were willing to forego payment altogether, questioning why they should pay when they can get newspapers for free. For nearly one in two UK

<sup>38</sup> PressGazette, Regional ABCs: Three out of 86 dailies put on sales, Available at: [www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=46727&c=1#](http://www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=46727&c=1#)

<sup>39</sup> PressGazette, Regional daily ABCs may be worst ever, Available at: <http://www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=44215#>

<sup>40</sup> Ofcom/GfK, 2010 (December) *The Consumer's Digital Day*. London, UK: Office of Communication

adults, (49%) the amount you pay for a newspaper is a reflection of the standard of journalism you get. For a significant minority (43%), free newspapers lack the amount of news content found in newspaper for which you have to pay<sup>41</sup>.

Regional differences of opinion suggested that reactions to free versus pay newspapers may depend upon the quality of the free newspapers. Compared with the national average (23%), respondents in London (34%), for instance, were far more likely to *disagree* that they preferred paying for a newspaper because the free ones haven't got much real content. Could this be the *Standard* effect?

It is, however, interesting to note that despite a year-on-year decline in national newspaper circulation figures<sup>42</sup>, the Independent's 20p spin off *i* achieved paid-for sales of about 180,000. The newspaper, an inexpensive and stripped down weekday daily, is targeted at 'readers and lapsed readers of quality paper'.<sup>43</sup> While much of this initial success was attributed to a multimillion pound advertising campaign, a stable base circulation of 200,000 was expected, an impressive achievement considering the paper was only launched in October 2010. This success indicates that there is still a significant market for inexpensive, quality print journalism.

### **Trends to Watch**

A study by McKinsey showed that newspapers had a key inherent advantage as they faced the challenges of the digital age and this advantage was trust. Their readers trusted newspapers more than any other medium. In all, 66% described newspaper advertising as 'informative and confidence inspiring', compared with 44% who shared these thoughts for TV and 12% for Web ads<sup>44</sup>. These findings could provide new models for newspapers to keep audiences and boost revenues.

---

<sup>41</sup> YouGov/SixthSense (2010) People will pay for quality journalism, but not online. Available at: [www.yougovsixthsense.com](http://www.yougovsixthsense.com)

<sup>42</sup> Pressgazette (2010) National ABCs: Year-on-year circulation drops for all. Available at: <http://www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=45856&c=1>

<sup>43</sup> BBC (2010) Independent launches new 20p newspaper called *i*. Available at: <http://www.bbc.co.uk/news/business-11623514>

<sup>44</sup> McKinsey & Company (2010) A glimmer of hope for newspapers. Available at: [http://www.newspaperdeathwatch.com/wp-content/uploads/2010/04/Glimmer\\_of\\_hope\\_for\\_newspapers.pdf](http://www.newspaperdeathwatch.com/wp-content/uploads/2010/04/Glimmer_of_hope_for_newspapers.pdf)

## Magazine Circulation and Readership

According to research by Wiggin/Entertainment Media Research, more than three out of four Internet users in the UK (77%) said they preferred to read magazines (and books) on paper. There were more mixed opinions about whether they would prefer to pay less for magazines (and books) that contained advertisements (49% would do this; 51% were unsure or would not do it). The latter opinion was most likely to be held by teenage males aged 15 to 19 years (62%). However, this did not mean that magazines readers necessarily enjoyed looking at the ads. Only one in four respondents over all (27%) agreed that they liked the ads, although this opinion was more widely held among young women aged 15 to 19 (47%) and 20 to 24 years (35%). Only around one in five UK internet users (19%) said they were very interested in reading magazines (or books) electronically on a mobile device. Willingness to do this was most widespread among young males aged 15 to 19 and 20 to 24 years (28% in each case).<sup>45</sup>

When asked about their current methods of consuming magazines, nearly one in two UK internet users surveyed by Wiggin/Entertainment Media Research in 2010 (49%) said they read only paper magazines. The groups least likely to restrict their magazine reading to paper copies were males aged 20 to 24 (31%), males 25 to 34 (38%), females aged 15 to 19 (40%) and males aged 15 to 19 (41%). Around three in ten UK internet users (30%) said they mainly read paper copies of magazines though sometimes read articles online, while only one in eight (13%) said they used paper and online magazines equally. Only one in 20 (5%) said they read mainly online magazines and one in 25 (4%) said they read *only* online magazines. Young males aged 20 to 24 (9%) and 15 to 19 (8%) were most likely to report only reading online magazines.<sup>46</sup>

The main reasons for Internet users not reading online magazines were that they liked to read these publications to relax which was a feeling they did not associate with reading things on a screen (47%), that they simply liked having a paper copy with them wherever they went (35%) and they liked to read offline to take a break from looking at a computer screen (33%). Female teenagers aged 15 to 19 (47%) were nearly three times as likely as males the same age (16%) to say they liked to carry a paper magazine around with them. Female teenagers (47%) were also far more likely than male teenagers (32%) to say they liked to take a break from looking at the computer. However, another big gender difference most marked among the 15 to 19s was that they were not aware of whether their favourite magazines were available online (males 12% versus females 30%).<sup>47</sup>

When UK Internet users were surveyed about paying for electronic versions of magazines, around one in seven (15%) said they would be willing to pay a fee of between 10p and 20p to have content streamed to them via a mobile device without advertisements.<sup>48</sup>

Research from a UK-based survey by KPMG also suggested that in the world of new media print had a place, as most people still prefer to read offline. It emerged from the survey of 2,241 people carried out in September 2010 that 86% of participants preferred to consume media offline, with the most popular reason a preference for reading physical copies. Comparing magazine reading online and offline, 70% of those surveyed said they had read a print magazine versus only 16% who said they had read a magazine online. Monetising online magazine reading was further complicated by

---

<sup>45</sup> Wiggin/EntertainmentMediaResearch, 2010, *2010 Digital Entertainment Survey*. Available at: [www.entertainmentmediaresearch.com](http://www.entertainmentmediaresearch.com)

<sup>46</sup> Wiggin/Entertainment Media Research, 2010, *ibid.*

<sup>47</sup> Wiggin/Entertainment Media Research, 2010, *ibid.*

<sup>48</sup> Wiggin/Entertainment Media Research, 2010, *ibid.*

the fact that 24% of respondents that had reportedly read a print magazine said they had not paid for it, while 80% of online magazine readers did not pay<sup>49</sup>.

To what extent do media consumers exhibit an appetite for reading electronically delivered magazines? UK internet users in 2010 exhibited mixed opinions about this issue, but most (89%) still wanted to hang on at least part of the time to paper magazines. In all, over four in ten (43%) said they only wanted to read paper magazines, while these were slightly outnumbered by others (46%) who wanted paper magazines but also the ability occasionally to access content online or via a mobile device. Just over one in 20 (6%) wanted *only* online magazines.<sup>50</sup> Males aged 20 to 24 (27%) were the least likely of all age groups to say they would be satisfied with only paper magazines. Females in this age group (41%) were much more likely to display satisfaction with paper only. In general, older media consumers preferred paper only magazines, but age did not make much difference to the extent to which either male or female internet users said they wanted only online magazines.

### Magazine Readership

Although data reveals that magazines have generally fared much better than newspapers in terms of maintaining readership figures, the Big Issue and the two 'lads mags' Zoo and Nuts have shown the largest percentage change in reader numbers. The TV Times and The Economist have shown the most stable readership while TV Choice has experienced the largest increase. .

Magazine	December 2010	December 2009	% Change
What's on TV	3,373,000	3,489,000	-3.32
Radio Times	2,364,000	2,535,000	-6.75
TV Choice	1,807,000	1,713,000	5.49
TV Times	1,580,000	1,571,000	0.57
Auto Trader	1,147,000	1,372,000	-16.4
Nuts	722,000	838,000	-13.8%
The Big Issue	538,000	668,000	-19.5%
The Economist	503,000	494,000	1.79%
Zoo	501,000	615,000	-18.2%
New Scientist	469,000	447,000	4.92%

National Readership Survey, Latest top line readership, Magazines January '10 – December '10, Available at: [www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

National Readership Survey, Latest top line readership, Magazines January '09 – December '09, Available at: [www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

<sup>49</sup> KPMG (2010) Anytime, Anywhere - The Rising Demand of Media on the Move. Available at: <https://www.kpmg.com/UK/en/IssuesAndInsights/ArticlesPublications/Pages/Anytime,Anywhere-TheRisingDemandofMediaontheMove.aspx>

<sup>50</sup> Wiggin/Entertainment Media Research, 2010, *op.cit.*

The next table shows readership figures expressed in terms of numbers of readers for the ten most popular weekly periodicals from January to December 2010. The three most widely read magazines amongst social grades ABC1 are the Radio Times, What's on TV and TV Choice, while the most popular amongst social grades C2DE are What's on TV, TV Choice and TV Times. For those aged between 15 and 44 the most widely read magazines are What's on TV, Auto Trader and TV Choice, while for those over 45 they are the Radio Times, What's on TV and TV Choice.

Magazine	Readership (000s)	Number of readers in the below categories (000s)					
		ABC1	C2DE	15 - 44	45	Men	Women
What's on TV	3373	1308	2064	1858	1515	1169	2204
Radio Times	2364	1753	612	601	1764	1095	1269
TV Choice	1807	705	1102	797	1010	599	1208
TV Times	1580	681	898	738	842	629	950
Auto Trader	1147	532	615	912	235	913	234
Nuts	722	307	415	668	54	638	84
The Big Issue	538	370	168	247	291	220	318
The Economist	503	469	34	317	187	332	171
Zoo	501	224	276	459	41	456	45
New Scientist	469	405	63	293	176	279	189

National Readership Survey, Latest top line readership, Magazines January '10 – December '10, Available at: [www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

The next table shows readership figures for the ten most popular weekly periodicals expressed in terms of percentages of readers from different demographic groups for January to December 2010. Statistics indicate that the periodicals which exhibit the biggest difference between readers' social grades are The Economist, New Scientist and the Radio Times. The publication that exhibits the smallest difference between readers' social grades is Auto Trader, although only 20% of these readers were reported to be women. Unsurprisingly, the 'lads mags' Zoo and Nuts are predominately read by men between the ages of 15 - 44. The figures also indicate that substantially more readers of The Economist are men (64% compared to 34% of women).

Magazine	Readership	% of Readers within particular demographic					
		ABC1	C2DE	15 - 44	45	Men	Women
What's on TV	3,373,000	39%	61%	55%	45%	35%	65%
Radio Times	2,364,000	74%	26%	25%	75%	46%	54%
TV Choice	1,807,000	39%	61%	44%	54%	33%	67%
TV Times	1,580,000	43%	57%	47%	53%	40%	60%
Auto Trader	1,147,000	46%	54%	80%	20%	80%	20%
Nuts	722,000	43%	57%	93%	7%	88%	12%
The Big Issue	538,000	69%	31%	46%	54%	41%	59%
The Economist	503,000	93%	7%	63%	37%	66%	34%
Zoo	501,000	45%	55%	92%	8%	91%	9%
New Scientist	469,000	86%	14%	62%	38%	59%	41%

National Readership Survey, Latest top line readership, Magazines January '10 – December '10, Available at: [www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

The next table shows the top ten general magazines ranked by circulation comparing 2010 data with those for 2009. The top performers remained largely unchanged, but the one significant change was the displacement of the Radio Times from the top ten by Morrisons' Magazine. The table indicates the dominance of TV listings and supermarket magazines in this sector.

	<b>title</b>	<b>Average circulation</b>
<b>2010<sup>51</sup></b>		
1	<i>Sky Magazine</i>	7,291,605
2	<i>Sky Sports Magazine</i>	4,307,394
3	<i>Sky Movies Magazine</i>	3,556,884
4	<i>Asda Magazine</i>	2,381,137
5	<i>Tesco Magazine</i>	1,983,837
6	<i>The National Trust Magazine</i>	1,883,052
7	<i>TV Choice</i>	1,362,384
8	<i>What's on TV</i>	1,257,028
9	<i>Tesco Real Food</i>	1,212,500
10	<i>Morrisons Magazine</i>	1,117,712
<b>2009<sup>52</sup></b>		
1	<i>Sky Magazine</i>	7,423,570
2	<i>Sky Sports Magazine</i>	4,127,025
3	<i>Sky Movies Magazine</i>	3,387,788
4	<i>Tesco Magazine</i>	2,055,391
5	<i>Asda Magazine</i>	1,859,697
6	<i>The National Trust Magazine</i>	1,801,654
7	<i>Sainsbury's Fresh Ideas</i>	1,499,244
8	<i>TV Choice</i>	1,302,382
9	<i>What's on TV</i>	1,245,933
10	<i>Radio Times</i>	1,000,648

Source: ABC

<sup>51</sup> PressGazette, Mag ABCs: Top 100 - Sky's trio of free titles remains top, Available at: [www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=46699&c=1#](http://www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=46699&c=1#)

<sup>52</sup> MediaWeek, MAGAZINE ABCs: Full audited circulation results at a glance, Available at: [www.mediaweek.co.uk/news/983445/MAGAZINE-ABCs-Full-audited-circulation-results-glance](http://www.mediaweek.co.uk/news/983445/MAGAZINE-ABCs-Full-audited-circulation-results-glance)

### Top Ten Monthly Periodicals

With regards to monthly periodicals, Xbox360 Off Xbox Magazine has shown the largest increase in readership figures, while FHM, Reader's Digest and BBC Gardener's World have shown the greatest decline. National Graphic has maintained the most stable readership numbers. Sky Magazine continue to grow their readership and hold onto their position as the most widely read periodical in the UK.

Magazine	December 2010	December 2009	% Change
Sky Magazine	8,092,000	7,314,000	10.6
National Geographic	1,991,000	2,122,000	0.62
BBC Top Gear	1,834,000	1,991,000	-7.89
Saga Magazine	1,495,000	1,613,000	-7.32
BBC Gardener's World	1,222,000	1,431,000	-14.6
Reader's Digest	1,214,000	1,540,000	-21.2
Men's Health	1,144,000	1,094,000	4.6%
FHM	1,142,000	1,506,000	-23.2
Xbox360 Off Xbox Mag	1,029,000	835,000	23.2
Empire	784,000	879,000	-10.8

National Readership Survey, Latest top line readership, Magazines January '09 – December '09, Available at: [www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

As the next table shows, the three most widely read monthly periodicals amongst social grades ABC1 are Sky Magazine, National Geographic and BBC Top Gear Magazine, while for social grades C2DE they are Sky Magazine, BBC Top Gear and FHM. The most popular magazines for those aged between 15 and 44 are also Sky Magazine, BBC Top Gear and FHM, while for those aged 45 and above they are Sky Magazine, Saga Magazine and National Geographic. In terms of gender, the most widely read magazines amongst women are Sky Magazine, Saga Magazine and National Geographic, whereas for men they are Sky Magazine, BBC Top Gear and National Geographic.

Magazine	Readership	Number of readers in the below categories (000s)					
		ABC1	C2DE	15 - 44	45	Men	Women
Sky Magazine	8,092,000	4831	3261	4544	3548	4126	3966
National Geographic	1,991,000	1460	532	965	1027	1169	823
BBC Top Gear	1,834,000	1057	778	1407	427	1549	285
Saga Magazine	1,495,000	1065	431	44	1451	573	922
BBC Gardener's World	1,222,000	812	410	294	928	472	751
Reader's Digest	1,214,000	778	436	301	914	581	633
Men's Health	1,144,000	756	388	975	170	994	150
FHM	1,142,000	606	536	1033	109	998	144
Xbox360 Off Xbox Mag	1,029,000	446	583	960	69	881	148
Empire	784,000	525	259	674	110	573	210

National Readership Survey, Latest top line readership, Magazines January '10 – December '10, Available at: [www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

Looking at the data in terms of percentages of readers from different demographic groups, statistics indicate that the monthly periodicals which exhibit the biggest difference between readers' social grades are National Geographic, Saga Magazine and Empire. The publication that seems to show the least difference in its readers' social grades is FHM. People who are 45 years or older are far less likely than their younger counterparts to read Xbox360 Off Xbox Mag, FHM, Empire or Men's Health. On the other hand, very few of those aged between 15 – 44 read Saga Magazine. With regards to gender, men are far more likely than women to read publications such as FHM, Men's Health Xbox360, Empire, and BBC Top Gear, whereas women than men likely to read Saga Magazine and BBC Gardener's World.

Magazine	Readership	% of Readers in particular demographic					
		ABC1	C2DE	15 - 44	45+	Male	Female
Sky Magazine	8,092,000	60%	40%	56%	44%	51%	49%
National Geographic	1,991,000	73%	27%	48%	53%	59%	41%
BBC Top Gear	1,834,000	58%	42%	77%	23%	84%	16%
Saga Magazine	1,495,000	71%	29%	3%	97%	38%	62%
BBC Gardener's World	1,222,000	66%	34%	24%	76%	39%	61%
Reader's Digest	1,214,000	64%	36%	25%	75%	48%	52%
Men's Health	1,144,000	66%	34%	85%	15%	87%	13%
FHM	1,142,000	53%	47%	90%	10%	87%	13%
Xbox360 Off Xbox Mag	1,029,000	43%	57%	93%	7%	86%	14%
Empire	784,000	67%	33%	86%	14%	73%	27%

National Readership Survey, Latest top line readership, Magazines January '10 – December '10, Available at: [www.nrs.co.uk/toplinereadership.html](http://www.nrs.co.uk/toplinereadership.html)

## Online News Services

### Emergence of Online News

The Internet has emerged as an increasingly popular location for reading news. In a number of developed countries, more than half the population read newspapers online. Although the offline newspaper market has exhibited shrinkage, growing numbers of people are reading their newspaper electronically. Online news, as such, has proved particularly attractive to young adult news consumers, who have been notoriously difficult to capture in offline news markets. Indeed, across many OECD countries, the Internet is already the most popular news platform for 16 to 24 year-olds – although the 25 to 34s actually read more news online<sup>53</sup>.

### Popular Online News

The UK emerged with the largest percentage of internet users that visited entertainment news sites online in September 2010 with half of online news consumers (49.5%) doing so. It finished ahead of the United States (48.8%), Vietnam (48.4%), Finland (46.6%), Ireland (45%) and Canada (44.5%)<sup>54</sup>.

### Ageing Audiences for Online Content

The idea that only the young use the Internet has been blown away by findings from UKOM (the UK Online Measurement Company) showing that the over 50s represented the fastest growing users on web content. Over half of new internet users going online for the first time between May 2009 and May 2010 (53%) were at least 50 years old. Nearly four in ten (38%) of new users were men aged 50 or over. While exhibiting increased web use, women (15%) represented a much smaller proportion of internet newcomers. The over 50s were most likely to visit web sites concerned with health, video, community, travel, fashion, genealogy, cooking and greeting cards<sup>55</sup>.

### An Online Success Story

The most successful climber in the online news ratings in 2010 was the Daily Mail's online edition. Comscore data for October 2010 indicated that MailOnline attracted 17.8m unique monthly users in the UK. Further data showed that 1.8 million people used MailOnline ten times or more per month. Visitors to the site did not just scratch the surface but read as much as two-thirds of its content. What is significant here is that MailOnline is available for free and relies on revenue generated from advertising.

As other news operators have been reconsidering their online business models and pay-per-use services, the Daily Mail has steered clear of placing all or most of its online news content behind a walled garden. It is unclear from the figures released by the publisher as to whether MailOnline is paying its way. The service was estimated to cost anything from £10m to £50m a year to run. Although the policy of offering the content for free has paid off in terms of total traffic volumes – and by 2010 it was capturing 35% of the UK's newspaper market's online traffic – it is less clear how profitable this is in financial terms. On the plus side is the finding that only 40% of visitors to MailOnline also purchase the print edition of the newspaper. Hence this online edition is delivering an extensive new readership for the newspaper.<sup>56</sup>

---

<sup>53</sup> EU Directorate for Science, Technology and Industry, 2010, *op.cit.*

<sup>54</sup> Comscore, 2010, November 8<sup>th</sup>. UK leads world in entertainment news reach. Available at: [www.comscore.com/2010/11/u-k-leads-world-in-entertainment-news-reach](http://www.comscore.com/2010/11/u-k-leads-world-in-entertainment-news-reach)

<sup>55</sup> UKOM/Nielsen, 2010, June 30<sup>th</sup> Users 50 and older drive half of latest UK web surge. Available at: [www.blog.nielsen.com/nielsenwire/global/users-50-and-older-drive-half-of-latest-uk-web-surge](http://www.blog.nielsen.com/nielsenwire/global/users-50-and-older-drive-half-of-latest-uk-web-surge)

<sup>56</sup> Robinson, J. (2010) 15<sup>th</sup> November. What's the recipe for success? *Media Guardian, The Guardian*, p.1.

## **Business Users**

A study by the Financial Times found that business professionals are ahead of regular consumers in their use of the internet for news information. This trend has been particularly manifest in the use of mobile applications to download online news. Business professionals use high-end smartphones that offer advanced online search facilities almost as a norm. FT readers in particular were twice as likely to use iPhone access routes to the newspaper as were visitors to web sites of other leading UK newspapers. The mobile web has emerged as a 'must-have' among business professionals.<sup>57</sup>

The FT reported that 61% of business users in the UK surfed the web via mobile devices compared with 29% of mobile users in general. Business users enjoy privileges such as access to a mobile phone paid for by their employer. However, many also reported owning their own device. Either way they made a point of keeping abreast of cutting edge developments in mobile web-enabled technology.

The FT also reported that 29.5 million UK-based unique users visited national newspapers' web sites during November 2009, with an average of 2.3 visits to a national site during that period.

## **Paying for News Online**

Despite the established ethos that the Internet should facilitate the free flow of information on a completely open access basis, major news operators have increasingly recognised that this does not work as a business model. A number of the best known providers on online news have introduced pay walls for some of their news web sites which require users to pay for access to selected news content. This development has so far met with a mixed reception from news consumers in the UK.

The early evidence indicates that making online news consumers pay for news could be easier said than done. Measures of internet traffic to *The Times* and *Sunday Times* for the first three months after their own News International erected its paywall around them showed total monthly unique visitors to have dropped by at least 40%. Visitors who went beyond the front page, which is still free, to access paid-for content reached 362,000 per month. This figure included readers given special free or discounted access or access as part of a print subscription. Even so, new revenues are being generated by these online products and the new readers have value for advertisers – a further income source. New trade for online news has also been generated by iPhone and iPad applications. Both the *Financial Times* and *The Guardian* enjoyed significant initial uptake of these mobile services after their launch. The trick will be to maintain and grow these new customer bases.<sup>58</sup>

In general, UK consumers have been found to be less willing than people in other countries to pay for digital content, but they are more tolerant of targeted advertising coming through on their personal computers and mobile devices. Research by KPMG found that more than eight in ten UK consumers (81%) said they would go elsewhere if a web site from which they had grown accustomed to getting free content started to charge for it. While fewer than one in five British consumers (19%) would continue to use a web site than charged for its content under these circumstances, the figure was far higher globally (43%). It was highest of all among people in Asia-Pacific countries (59%).<sup>59</sup>

---

<sup>57</sup> Financial Times (2010, October) Financial Times Mobile report: Mobile in the boardroom 2010. Available at: [www.ft.com](http://www.ft.com)

<sup>58</sup> Hewlett, S. (2010) 1<sup>st</sup> November. Newspapers retain value but must meet consumers' needs. *Media Guardian*, *The Guardian*, p.7.

<sup>59</sup> KPMG (2010) UK consumers still demanding free digital content. Available at: [www.rd.kpmg.co.uk/mediareleases/22369.htm](http://www.rd.kpmg.co.uk/mediareleases/22369.htm)

The evidence concerning whether people are willing to embrace paying for online news or not is conflicting. The nature of the questioning and the type of online news service or identified news supplier can make big differences to how news consumers respond. Some of the evidence indicates overwhelming rejection of paying for online news. YouGov/SixthSense found that only a tiny proportion of adults surveyed online across the UK (2%) said they would definitely be willing to pay for online news. The great majority (83%) gave a resounding 'no' to this question. One in ten (10%) were willing to consider it, but only as a possibility and under specific circumstances.<sup>60</sup>

Wiggin Entertainment Media Research reported that more than 90% of people they surveyed across the UK were unwilling to pay for online news services placed behind pay walls at the prices quoted to them. Only one in 20 said they would definitely be prepared to pay £1 for one day's access with another one in 20 being willing to pay £2 for a week's access. Only 3% to 4% would be willing to pay £1 for a day's access and 4% to 5% were willing to pay £2 for a week's access in the case of The Times Online, The Guardian, The Sunday Times, The Daily Telegraph, The Daily Mail, The Financial Times, The Economist, The Independent and The Sun.<sup>61</sup> "Wiggin asked their respondents to indicate what would be a reasonable price to pay per week to access news content online. The most popularly endorsed 'reasonable' price per week was £1 (52%), with willingness to pay tailing off at higher prices – £2 (41%), £3 (33%), £4 (25%), £5 (16%), £10 (6%).

There were marked demographic differences in willingness to pay for online news web sites. Between 18% and 26% of male respondents aged 15 to 19 years said they would pay for access to the BBC and newspaper web sites referred to above. The most popular pay per read web site was The Economist (26% willing to pay) and the least popular was The Independent (18%). Young male adults aged between 20 and 24 years also displayed comfortably above average willingness to pay for these news web sites, ranging from 13% (The Sun) to 20% (BBC and Times Online). Older male age groups and all female respondents displayed markedly lower propensities to pay for news online.

Further attitudes towards pay walls indicated that many people agreed that there was enough free news content on the internet that they did not need to pay (71%). Some (28%) felt that paying for online news was fine so long as someone else, such as an employer, paid the charge on their behalf. Only small minorities said they would pay out of their own pockets and then only provided the news gave them personally useful advice (11%), offered exclusive coverage (9%) or provided expert opinion (9%).<sup>62</sup>

A different payment option to a weekly subscription for news consumers might be to pay small amounts such as 10p to 20p to have news content streamed to them on a mobile device free of advertising messages. Willingness to pay in this way still attracted only a minority fan club (13%), but was still a little higher than for payments at higher amounts. It is also interesting to note that willingness to pay a small sum for streamed video news bulletins was less prevalent (9%) than willingness to pay for electronic versions of newspapers that could be read on a mobile device<sup>63</sup>.

The Financial Times Mobile Report found that business professionals were more open to the prospect of paying for online news than were general consumers. While as many as 70% of general internet users objected to paying for web-based newspapers, this was true of only around half that proportion (36%) of business professionals. Almost as many (32%) expressed a willingness to pay

---

<sup>60</sup> YouGov/SixthSense, 2010, June30th, *op.cit.*

<sup>61</sup> Wiggin/Entertainment Media Research, 2010, *2010 Digital Entertainment Survey*. Available at: [www.entertainmentmediaresearch.com](http://www.entertainmentmediaresearch.com)

<sup>62</sup> Wiggin/Entertainment Media Research, 2010, *ibid.*

<sup>63</sup> Wiggin/Entertainment Media Research, 2010, *ibid.*

for such content via their desk-top and 36% said they would do so for access via their mobile phone.<sup>64</sup>

### **Technophiles and News**

Online news may be spreading rapidly, but even adopters of new technologies have not abandoned print. Research data collected by the National Readership Survey (NRS) indicated that people who enjoy new technology also enjoy reading newspapers and magazines in print form. Even the so-called 'Google generation', aged 15 to 24 years, remain avid consumers of magazines and newspapers despite being the most active users of new technologies<sup>65</sup>.

While this certainly holds true now, the new generation of mobile technologies such as the iPad and the Kindle (tablets) are thought by some to be a 'game changer' for news media, one that may be a watershed moment in encouraging consumers to pay for online content. The key to this encouragement, argues Rupert Murdoch, is ensuring that news must be presented in a way that makes the most of technological developments<sup>66</sup>. Murdoch's words come months before the release of News Corp's iPad newspaper *the Daily*. While initial reports praise both *The Daily's* affordability and its use of the iPad's functionality, it remains to be seen whether increasing tablet sales and innovative news content will increase user's willingness to pay for both digital news and media<sup>67</sup>.

---

<sup>64</sup> Financial Times (2010, October) Financial Times Mobile report: Mobile in the boardroom 2010. Available at: [www.ft.com](http://www.ft.com)

<sup>65</sup> Page, K, 2010, April 10<sup>th</sup>. Tech generation still engages with print. Available at: [www.nrs.co.uk/blog/?p=9](http://www.nrs.co.uk/blog/?p=9)

<sup>66</sup> Guardian Online (2010) Rupert Murdoch says Apple's iPad is a 'game-changer' for news media. Available at: <http://www.guardian.co.uk/media/2010/aug/05/ipad-rupert-murdoch-apple-newscorp>

<sup>67</sup> BBC News (2011) News Corp launches daily newspaper for iPad. Available at: <http://www.bbc.co.uk/news/technology-12345686>

# News Outputs

## Broadcast News Output in the UK

The Public Service Broadcasting Annual Report 2010 from Ofcom indicated that the volume of broadcast news on the five public service broadcast (PSB) channels – BBC1, BBC2, ITV1, Channel 4 and Five – plus BBC Three and BBC Four fell from 5,817 hours in 2005 to 5,604 hours in 2009. This fall has not been gradual, however, and occurred mostly between 2005 and 2006. Since then news outputs on these channels have remained fairly stable. The volume of current affairs programming on these channels increased from 1,494 hours in 2005 to 1,568 hours in 2009. Once again, though, this change occurred mainly up to 2006 after which the amount of current affairs outputs on these channels has remained largely unchanged<sup>68</sup>.

## Decline of International News Coverage

Research conducted with four UK newspapers covering four decades showed that international news coverage had declined in prominence over the previous 30 years. The analysis took a week (Monday to Friday) in the life of *the Guardian*, *Daily Telegraph*, *Daily Mail* and *Daily Mirror* for the first week in March in 1979, 1989, 1999 and 2009. These weeks were chosen to avoid unusual news agendas. The analysis counted the number of international news reports and features (but not comment pieces) that appeared on the front page, in the first ten pages, and in the whole paper.

There were 39% fewer international stories in these four newspapers in 2009 than in 1979. In 1979, 502 international stories were identified, compared with 428 in 1989, 341 in 1999, and 308 in 2009. As a percentage of all news and features articles in these newspapers, international stories fell from 20% to 11% over this 30-year period. International news still featured on the front pages, but reduced by a considerable margin within the first 10 pages of each newspaper. It was further noted that all four newspapers grew in size between 1979 and 2009. *The Guardian* tripled in size, the *Mirror* more than doubled, the *Daily Mail* grew by 89% and the *Daily Telegraph* by 81%. By 2009, these four newspapers together published many more stories per day (577) than they did in 1979 (505)<sup>69</sup>.

## Coverage of General Election 2010

Audience shares of the different media types were boosted around coverage of General Election 2010. Unique browsers to the five national newspaper websites and groups which file monthly ABC figures hit a record 131.8m in May 2010<sup>70</sup>. The *Mail Online* registered 2,390,095 daily average browsers, Guardian.co.uk 2,010,341, Telegraph.co.uk 1,663,877, Independent.co.uk 481,954 and Mirror Group Digital 502,382<sup>71</sup>. BBC's TV election coverage on 6<sup>th</sup> May around the UK had a total reach of 17.7m across BBC's channels<sup>72</sup>.

---

<sup>68</sup> Ofcom, 2010, 14<sup>th</sup> July. *Public Service Broadcasting Annual Report 2010*. London, UK: Office of Communication. Available at: [www.ofcom.org.uk](http://www.ofcom.org.uk)

<sup>69</sup> Moore, M. 2010, November, *Shrinking World: The decline of international reporting in the British press*. Media Standards Trust. Available at: <http://www.mediastandardstrust.org>

<sup>70</sup> Andrews, R. (2010) UK News Sites Hit Record Traffic In Election Month, paidContent:UK. Available at: <http://paidcontent.co.uk/article/419-uk-news-sites-hit-record-traffic-in-election-month/>

<sup>71</sup> Halliday, J. (2010) ABCe: Newspaper websites' traffic rises amid election drama, Guardian.co.uk. Available at: <http://www.guardian.co.uk/media/2010/jun/24/abce-may-2010>

<sup>72</sup> BBC Press Office (2010) BBC election night and campaign audience figures. Available at: [http://www.bbc.co.uk/pressoffice/pressreleases/stories/2010/05\\_may/07/election\\_figures.shtml](http://www.bbc.co.uk/pressoffice/pressreleases/stories/2010/05_may/07/election_figures.shtml)

The Sky News Debate between Gordon Brown, David Cameron and Nick Clegg moderated by Sky News political editor Adam Boulton was watched by a total live audience of 4.073m across all of the channels on which it was broadcast. BARB data shows that the biggest live audience, around 2.125m, was on Sky News itself<sup>73</sup>. Live coverage of the debate broadcast on the BBC News Channel was watched by an average of 1.362m and an average of 586,000 watched it on Sky 3.

Based on a poll among 1,024 adults nationwide, research from Echo carried out in news and social media between 6<sup>th</sup> and 26<sup>th</sup> April 2010 found that TV (85%) was the top source of information on the General Election followed by newspapers (60%), radio (54%), the Internet (48%) and social media (32%)<sup>74</sup>. TV (47%) also topped the list of most trusted sources for information around the election leaving newspapers (10%), radio (9%), the Internet (8%) and social media (1%) far behind.

Another analysis by O'Leary Analytics identified the top 20 UK online titles based on their coverage of the parties and the election. *Yahoo! UK and Ireland News* led the way followed by news aggregation website *Silobreaker*. The online editions of three traditional media sources, *The Telegraph*, *The Guardian* and *UTV*, make up the rest of the Top Five<sup>75</sup>.

### **The Digital Election**

Along the lines of the question whether 'it was the Sun wot won it' which was debated following the 1992 General Election, General Election 2010 raised a similar discussion around which media type had won eighteen years later. Billed as the social media election, discussions focused on: whether social and digital media increased political engagement and contributed to higher turnout among the 18 to 24 age group; in how far social software helped political parties organise their activists more efficiently; what was the place of Twitter as a tool of communication among political and media elites; and how mainstream media helped amplify the impact of social media tools like Twitter and Facebook<sup>76</sup>.

Determining the winners and losers was not unequivocal or clear-cut. An analysis article by Ipsos MORI tracking the print media impact in the run up to General Election 2010, noted that *The Sun* had officially endorsed the Conservatives in 2009 and among regular *Sun* readers the swing from Labour to Conservative was a massive 13.5%, appearing that *The Sun* had 'won it'<sup>77</sup>. At the same time, a post-election poll conducted by Ipsos MORI for the News of the World was cited in which 41% of the respondents had said that they found the 2010 election 'very interesting' and among those seven in ten said they believed the TV debates helped suggesting victory for TV.

Facebook also vied to be the winner. Its 'Democracy UK' page engaged users throughout the election process and the social networking site launched a voter registration page in partnership with the Electoral Commission. Facebook tapped into the excitement about the three party leaders'

---

<sup>73</sup> Sky News Press Office (2010) 4.1m people watch live coverage of the Sky News Debate. Available at: <http://www.skypressoffice.co.uk/SkyNews/Resources/showarticle.asp?id=2963>

<sup>74</sup> Echo Research (2010) Elections overview. Available at: [http://www.echoresearch.com/data/File/UK%20Elections%20all%20Presentations\\_fv.pdf](http://www.echoresearch.com/data/File/UK%20Elections%20all%20Presentations_fv.pdf)

<sup>75</sup> O'Leary Analytics (2010) UK General Election 2010 Online media coverage. Available at: <http://olearyanalytics.com/586/uk-general-election-2010-online-media-coverage-of-the-parties-and-their-leaders/>

<sup>76</sup> Newman, N. (2010) *#UKelection2010, mainstream media and the role of the internet: how social and digital media affected the business of politics and journalism*. Available at: [http://reutersinstitute.politics.ox.ac.uk/fileadmin/documents/Publications/Working\\_Papers/Social\\_Media\\_and\\_the\\_Election.pdf](http://reutersinstitute.politics.ox.ac.uk/fileadmin/documents/Publications/Working_Papers/Social_Media_and_the_Election.pdf)

<sup>77</sup> Ipsos MORI (2010) *Was it the Sun (and the Times) wot (nearly) won it?* Available at: <http://www.ipsos-mori.com/newsevents/ca/ca.aspx?oItemId=506>

TV debates, developing a ‘rate the debate’ application to measure users’ reactions in real-time<sup>78</sup>.

### **Most Popular News Stories in 2010**

The news agenda was packed with significant events in 2010.<sup>79</sup> The availability of online traffic trackers means that news services can identify which stories attracted the greatest interest. The BBC tracked the most read news stories in its online magazine in 2010 and the most searched stories on its web site reveal just how diverse even the top-line news agenda can be. January was dominated by bad weather news and stories about its consequences, usually on the public transport system for which the wrong type of snow can prove devastating. In February, news consumers seemed to be looking for some lighter and more distracting as stories of celebrity marriage troubles, most notably those of Cheryl Cole and Katie Price, hit the headlines and attracted the most attention.

Despite the joys of spring, in March the news agenda turned more serious with the Budget being in pole position. By April, it was the ravages of nature that reared their head again as news consumption targeted stories about the Icelandic volcanic explosion and the impact of the ash cloud on air travel. In May, people’s interests returned to politics again with the General Election emerging as the most targeted story.

While in June politics – primarily the focus on government spending cuts – remained high profile, the top story was the shooting rampage of Derrick Bird in Cumbria. July saw another murder story dominate with another gunman, this time it was Raul Moat in Northumberland, losing control and killing or injuring a number of victims before finally killing himself.

August produced no major stories and those that attracted most interest comprised a mixture of celebrity stories and the Perseid meteor shower.

Emerging out of the holiday season, politics again rose to centre stage in September with the election of the new Labour Party leader and the surprise result in which Ed Miliband narrowly defeated his brother David. In October the news was dominated by the end of saga of the trapped Chilean miners finally being rescued. By November and again in December, the weather returned to wreak chaos as early snowfalls and a long freeze closed the country down.

Yahoo! News produced its own top 10 most searched-for news stories of 2010 covering the UK and Ireland.<sup>80</sup> These were: [1] the Iceland volcanic ash disruption; [2] the 2010 UK General Election; [3] the Haiti earthquake; [4] the Royal Wedding; [5] the takeover of Cadbury by Kraft; [6] the floods in Pakistan; [7] David Cameron becomes the new Prime Minister; [8] the sudden death of fashion designer, Alexander McQueen; [9] the Raoul Moat murders; and [10] the rescue of the Chilean miners.

The Guardian reported on the top 25 most-searched topics on its web site in 2010<sup>81</sup>:

[1] Wikileaks; [2] Immigration; [3] Facebook; [4] Mad Men; [5] Berlusconi; [6] BNP; [7] Inception; [8] Avatar; [9] British Airways; [10] iPad; [11] Climate change; [12] BP; [13] Gordon Brown; [14] Barak Obama; [15] the Pope; [16] The Wire; [17] X-Factor; [18] Doctor Who; [19] Religion; [20] NHS; [21] Liverpool; [22] Google; [23] Health; [24] Crime; [25] Drugs.

---

<sup>78</sup> Attensity (2010) *Did social media change the 2010 General Election?* Available at:

<http://www.computerweekly.com/Articles/2010/05/14/241237/Did-social-media-change-the-2010-General-Election.htm>

<sup>79</sup> [www.bbc.co.uk/news/magazine-1182211](http://www.bbc.co.uk/news/magazine-1182211)

<sup>80</sup> [www.uk.yearinreview.yahoo.com/2010/blog/5510/most-searched-for-news-stories](http://www.uk.yearinreview.yahoo.com/2010/blog/5510/most-searched-for-news-stories)

<sup>81</sup> [www.guardian.co.uk/help/insideguardian/2010/dec/13/wikileaks-most-searched](http://www.guardian.co.uk/help/insideguardian/2010/dec/13/wikileaks-most-searched)

### **Trends to Watch**

There was much excitement surrounding the many opportunities that Web 2.0 opens up for politicians in terms of building relationships with activists, supporters and possibly floating voters. Now attention is also starting to be paid to the cost of interactivity which comes in the form of loss of control of political discourse. Researchers note that some of the parties would choose to abstain from 'interactive feature use'<sup>82</sup>.

---

<sup>82</sup> Lilleker, D.G. and Jackson, N.A. (2010) Towards a more participatory style of election campaigning: the impact of Web 2.0 on the UK 2010 General Election, *Policy & Internet*, 2, 3, 4.

## News Ownership

After a low-point of media deals in 2009 in terms of both volume and value with only 29 transactions totalling €2.7bn completed in the UK, down 36% compared to 2008<sup>83</sup> one of the biggest news market stories of 2010 was the announcement by News Corporation, owner of *The Sun*, *News of the World*, *The Times* and *Sunday Times* in the UK, of its intention to buy out BSkyB, the UK satellite TV broadcaster. Rupert Murdoch's company already owned 39% of BSkyB, but sought to buy the entire broadcaster. Other broadcasters raised reservations about this move that were shared by parts of the government on the grounds of market competition and dominance issues it would raise.

After being asked to look into the issue, communications regulator Ofcom decided that the merger may 'operate against the public interest' and subsequently recommended that it be taken to the Competition Commission – the body responsible for investigating mergers. Ofcom's ruling is not binding, and the decision to take the case to the Competition Commission lies in the hands of culture minister Jeremy Hunt, who has already suggested that he may accept undertaking from News Corps directly. The appointment of Hunt came after business secretary Vince Cable was stripped of his power to rule over media mergers. This followed an alleged 'honeytrap' in which Cable was recorded saying that 'he had declared war on Murdoch'. The fact that the European Commission had ruled that the merger would not 'significantly impede effective competition in the European Economic Area' is further compounding the misery of those worried that the buyout may threaten media plurality.<sup>84,85</sup>

The UK witnessed a pick-up in deals over the second half of the year (€1,156m in the second half of 2010 compared to €838m in the first half). This rate of increase was slower than in Continental Europe and the overall deals value for 2010 in the UK (€1,994m), was 25% down on 2009 (€2,653m)<sup>86</sup>. In the film industry, 2010 was marked by Doughty Hanson & Co., British private equity firm, buying the Vue Entertainment movie chain for \$726m from Cavendish Square Partners, a joint venture between private equity group Collier Capital and Lloyds Banking Group, US hedge fund Och-Ziff and the existing management team. Vue Entertainment, the third-largest movie chain in the UK in terms of box office, has more than 20% of the market<sup>87</sup>.

Information on who owns the news media, covering owners of TV channels, radio stations, newspapers and magazines is provided by MediaUK<sup>88</sup>. Financial Information of the UK's largest Media Companies in summarised in the next table.

---

<sup>83</sup> PricewaterhouseCoopers (2010) *Media M&A Insights 2010*. Available at: [http://www.pwc.co.uk/pdf/media\\_MandA\\_insights\\_2010.pdf](http://www.pwc.co.uk/pdf/media_MandA_insights_2010.pdf)

<sup>84</sup> Media Week (2011) Ofcom ruled News Corp-Sky merger should go to Competition Commission. Available at: <http://www.mediaweek.co.uk/news/1051146/Ofcom-ruled-News-Corp-Sky-merger-go-Competition-Commission/>

<sup>85</sup> Guardian Online (2011) News Corp's Sky bid may be better off in Jeremy Hunt's hands. Available at: <http://www.guardian.co.uk/media/2011/feb/07/news-corp-bskyb-deal-jeremy-hunt>

<sup>86</sup> PricewaterhouseCoopers (2011) *Turning Tide – The prospects for Media M&A in 2011*. Available at: <http://www.ukmediacentre.pwc.com/content/Detail.aspx?ReleaseID=4041&NewsAreaID=2>

<sup>87</sup> Padurano, B. (2010) *Tim Richards and Alan McNair Dream - Doughty Hanson & Co. buys movie chain Vue Entertainment*, CEO World Magazine. Available at: <http://ceoworld.biz/ceo/2010/11/08/tim-richards-and-alan-mcnair-dream-doughty-hanson-co-buys-movie-chain-vue-entertainment>

<sup>88</sup> MediaUK (n.d.) Newspaper directory. Available at: <http://www.mediauk.com/newspapers>

<i>Company</i>	<i>Media brands owned</i>	<i>Pre-tax profit or loss 2010</i>	<i>Pre-tax profit or loss 2009</i>	<i>Turnover 2010</i>
<b>Daily Mail &amp; General Trust Plc (DMGT)</b> <sup>89</sup>	144	£247m	£201m	£1,984m
<b>Pearson (Financial Times)</b> <sup>90 91</sup>	2	£203m*	£761m	£2,342m*
<b>Trinity Mirror</b> <sup>92</sup>	200	£101.5m	£72.7m	£761.5m
<b>Northcliffe Media</b> <sup>93, 94,95, 96,97, 98, 99</sup>	177	£30.0m **	£24.0m **	£294.0m
<b>Johnston Press</b> <sup>100, 101, 102, 103</sup>	307	£16.5m	-£113.0m	£398.1m
<b>Archant</b> <sup>104, 105</sup>	196	£8.2m **	£15.0m **	£139.3m
<b>Northern &amp; Shell</b> <sup>106</sup>	29	n/a	-£4.17m	n/a
<b>News International</b> <sup>107</sup>	13	-£78.5m	£34.7m	n/a
<b>Guardian Media Group</b> <sup>108</sup>	62	-£171m	-£96.7m	£280.0m
<b>Newsquest</b> <sup>109, 110</sup>	237	n/a	£9.58m	n/a

<sup>89</sup> <http://www.dmgtreports.com/2010/Overview/Financial-Highlights.php>

<sup>90</sup> <http://www.pearson.com/investors/announcements/?i=1306>

<sup>91</sup> <http://www.pearson.com/investor/ar2009/home.html>

<sup>92</sup> <http://www.trinitymirror.com/documents/Trinity%20Mirror%20Prelim%20March%20FINAL.pdf>

<sup>93</sup> Northcliffe Media, Our regions, Cornwall and Devon, Available at:

<http://www.northcliffemedia.co.uk/our-regions/south-west-and-wales/cornwall-and-devon>

<sup>94</sup> Northcliffe Media, Our regions, Midlands, Available at: <http://www.northcliffemedia.co.uk/our-regions/midlands-and-north/midlands>

<sup>95</sup> Northcliffe Media, Our regions, North, Available at: <http://www.northcliffemedia.co.uk/our-regions/midlands-and-north/north>

<sup>96</sup> Northcliffe Media, Our regions, South Wales, Available at: <http://www.northcliffemedia.co.uk/our-regions/south-west-and-wales/south-wales>

<sup>97</sup> Northcliffe Media, Our regions, Bristol, Somerset & Gloucestershire, Available at:

<http://www.northcliffemedia.co.uk/our-regions/south-west-and-wales/bristol-somerset-gloucestershire>

<sup>98</sup> Northcliffe Media, Our regions, South East, Available at: <http://www.northcliffemedia.co.uk/our-regions/south-east>

<sup>99</sup> DMGT, Group unaudited preliminary results for the year ended 3 October, 2010, Available at: [www.dmgmt.co.uk/uploads/files/DMGT-Preliminary-Results-2010.pdf](http://www.dmgmt.co.uk/uploads/files/DMGT-Preliminary-Results-2010.pdf)

<sup>100</sup> MediaUK, Media titles owned by Johnston Press, Available at:

<http://www.mediauk.com/owners/41/johnston-press>

<sup>101</sup> MediaGuardian, John Fry quits Johnston Press, Available at:

[www.guardian.co.uk/media/greenslade/2011/mar/09/johnston-press-downturn](http://www.guardian.co.uk/media/greenslade/2011/mar/09/johnston-press-downturn)

<sup>102</sup> Johnston Press, 2010 Full Year Results Presentation, Available at:

[www.johnstonpress.co.uk/jplc/uploads/presentations/files/2010FullYearPresentation2.pdf](http://www.johnstonpress.co.uk/jplc/uploads/presentations/files/2010FullYearPresentation2.pdf)

<sup>103</sup> Johnston Press plc, Preliminary Results for the year ended 31 December 2010, Available at:

<http://www.johnstonpress.co.uk/jplc/investorcentre>

<sup>104</sup> MediaUK, Media titles owned by Archant, Available at: <http://www.mediauk.com/owners/43/archant>

<sup>105</sup> MediaGuardian, Archant profits rise after cost cuts and digital boost, Available at:

[www.guardian.co.uk/media/2011/mar/07/archant-2010-profits](http://www.guardian.co.uk/media/2011/mar/07/archant-2010-profits)

<sup>106</sup> [http://www.northernandshell.co.uk/downloads/NorthernAndShell\\_2009.pdf](http://www.northernandshell.co.uk/downloads/NorthernAndShell_2009.pdf)

<sup>107</sup> <http://www.guardian.co.uk/media/greenslade/2011/jan/15/newsinternational-rupert-murdoch>

<sup>108</sup> <http://www.mediauk.com/owners/21/Guardian%20Media%20Group>

<sup>109</sup> MediaUK, Media titles owned by Newsquest Media Group, Available at:

[www.mediauk.com/owners/34/newsquest-media-group](http://www.mediauk.com/owners/34/newsquest-media-group)

<sup>110</sup> Herald Scotland, Profits fall at Herald & Evening Times owner, Available at:

<b>MEN Media</b> <sup>111, 112</sup>	23	n/a	n/a	£94.5m***
<b>Chronicle Publications</b> <sup>113</sup>	3	n/a	n/a	n/a
<b>Midland News Association</b> <sup>114</sup>	26	n/a	n/a	n/a
<b>Iliffe News and Media</b> <sup>115</sup>	28	n/a	n/a	n/a
<b>Baylis and Co</b> <sup>116</sup>	5	n/a	n/a	n/a

\* interim figures from July 2010; \*\* operating profit; \*\*\* together with Surrey & Berkshire Media, 2009

**Pearson**, owner of the Financial Times and Penguin group, posted an interim report for 2010 showing a pre tax profit of 761 million. Its pre-tax profits in 2009 were 858 million with most of them coming from its Education division.

**Daily Mail & General Trust Plc (DMGT)** posted a 2010 profit of 247 million. This represents a 46 million increase from last year. DMGT owns a vast number of both regional and national papers, including the Daily Mail, the Mail on Sunday and the Metro titles.

**Trinity Mirror**, owner of the Daily Mirror and the Sunday Mirror, is also Britain's largest regional newspaper publisher. In 2010 it posted a pretax profit of 101.5 million in 2010 an increase of 28.8 million from the previous year.

**Northern and Shell's** financial report for 2010 is currently unavailable, though in 2009 they posted a loss of 40.17 million pound. The group, who own Express Newspapers (Daily and Sunday Express), attribute this loss to the economic downturn.

**News International**, the main UK subsidiary of New-York listed News Corporation, includes Times Newspapers and News Group Newspapers. Latest figures indicate that News International posted a pre-tax loss of 78.5 million in 2010 This figure tends to obscure the continued success of the Sun and the News of the World, which posted a pre-tax profit of 88.6 million.

**Guardian Media Group**, which includes theguardian, TheObserver and guardian.co.uk (amongst many others) posted a pre-tax loss of 171 million in 2010. This marks an increase from the previous year, where losses were 96.7 million.

In its recent interim report from August 2010, **Johnston Press** also announced total revenues of £207.3m, down 5.2% on last year<sup>117</sup> of which newspaper sales revenues accounted for £49.1m, down 2.8% on 2009.

---

[www.heraldscotland.com/business/corporate-sme/profits-fall-at-herald-evening-times-owner-1.1045001](http://www.heraldscotland.com/business/corporate-sme/profits-fall-at-herald-evening-times-owner-1.1045001)

<sup>111</sup> MEN Media, Welcome to MEN Media, Available at: <http://corporate.menmedia.co.uk>

<sup>112</sup> Guardian Media Group plc, Annual Report and Accounts 2009, Available at:

[http://www.gmgplc.co.uk/wp-content/uploads/2010/11/GMG\\_Annual%20Report\\_2009.pdf](http://www.gmgplc.co.uk/wp-content/uploads/2010/11/GMG_Annual%20Report_2009.pdf)

<sup>113</sup> MediaUK, Media titles owned by Chronicle Publications, Available at:

<http://www.mediauk.com/owners/261/chronicle-publications>

<sup>114</sup> MediaUK, Media titles owned by Midland News Association, Available at:

<http://www.mediauk.com/owners/70/midland-news-association>

<sup>115</sup> Yattendon Group plc, Iliffe News & Media newspaper titles, Available at: [www.yit.co.uk/yattendon-yit-inml/displayarticle.asp?id=239335](http://www.yit.co.uk/yattendon-yit-inml/displayarticle.asp?id=239335)

<sup>116</sup> MediaUK, Media titles owned by Baylis & Co, Available at:

<http://www.mediauk.com/owners/277/baylis-%26-co>

<sup>117</sup> Johnston Press plc, Financial Reports, Available at:

<http://www.johnstonpress.co.uk/jpplc/investorcentre/financialreports>

In 2010 **Newsquest** saw classified ad revenues fall 6.8%, national ad revenues drop 11% and retail advertising revenues fall 4.4%, but its owner Gannett reported a 35% net profit rise in July 2010 and rated this result as best performance since 2007<sup>118</sup>. While data for 2010 on Newsquest turnover and profit did not appear to be widely available, in an October 2010 article Gracia Martore, the president and chief operating officer of Newsquest's parent company Gannett, said she wanted to 'dispel the myth that its UK wing was not making any money'<sup>119</sup>.

**Northcliffe Media**, a division of Daily Mail and General Trust (DMGT), announced that for the quarter to September 2010, advertising revenues were down 5%, mostly due to weakness in East Midland titles<sup>120</sup>.

**MEN Media**, owned by Trinity Mirror plc, in turn owned by Guardian Media Group (GMG), added to its portfolio of leading daily metropolitan newspapers<sup>121</sup>, including the *Manchester Evening News* and the free daily *Metro*, another free title - a weekly business magazine *Business Week*<sup>122</sup>.

The **Midland News Association**, publisher of the largest-selling regional daily the *Express & Star*, launched, in direct competition to the paid-for title the *Powys County Times*, the *Oswestry and Border Chronicle* by distributing it free to 15,000 homes in the towns of Oswestry and Welshpool and copies were also on sale for just 40p<sup>123</sup>.

In 2010 **Archant** reported an operating profit of £8.2m, while turnover fell 1.9% to £139.3m<sup>124</sup>. The Norfolk-based publisher reported a 5.9% year-on-year fall in newspaper revenues to £92.6m and its magazine publishing business saw revenues rise 3% to £44.9m boosted by a 9.9% rise in subscription sales. In comparison, operating profit in 2009 was £15m<sup>125</sup>.

### Trends to Watch

Ofcom has recommended the liberalisation of local cross-media ownership regulations, which could enable a single company to control newspapers, a TV licence and radio stations in one local area<sup>126</sup>.

---

<sup>118</sup> Media Guardian, Newsquest owner Gannett reports 35% net profit rise and Yahoo ad deal, Available at: [www.guardian.co.uk/media/2010/jul/16/newsquest-gannett-profit-yahoo-deal?INTCMP=ILCNETTXT3487](http://www.guardian.co.uk/media/2010/jul/16/newsquest-gannett-profit-yahoo-deal?INTCMP=ILCNETTXT3487)

<sup>119</sup> New Statesman, Gannett chief: 'Newsquest makes lots of money', Available at: [www.newstatesman.com/newspapers/2010/10/newsquest-gannett-martore](http://www.newstatesman.com/newspapers/2010/10/newsquest-gannett-martore)

<sup>120</sup> DMGT, Trading update introduction, Available at: [www.dmgt.co.uk/news-releases/news-releases/year//id/428](http://www.dmgt.co.uk/news-releases/news-releases/year//id/428)

<sup>121</sup> Trinity Mirror plc, MEN Media, Available at: <http://www.trinitymirror.com/our-portfolio/regionals/men-media>

<sup>122</sup> Trinity Mirror plc, MEN Media boosts business coverage with launch of 'Business Week' magazine, Available at: <http://www.trinitymirror.com/2010/11/men-media-boosts-business-coverage-with-launch-of-business-week-magazine.html>

<sup>123</sup> MediaGuardian, Free title launch starts newspaper war Available at: [www.guardian.co.uk/media/greenslade/2011/mar/11/local-newspapers-pressandpublishing?INTCMP=SRCH](http://www.guardian.co.uk/media/greenslade/2011/mar/11/local-newspapers-pressandpublishing?INTCMP=SRCH)

<sup>124</sup> MediaGuardian, Archant profits rise after cost cuts and digital boost, Available at: [www.guardian.co.uk/media/2011/mar/07/archant-2010-profits](http://www.guardian.co.uk/media/2011/mar/07/archant-2010-profits)

<sup>125</sup> MediaWeek, Archant revenue and operating profit down in 2009, Available at: [www.mediaweek.co.uk/news/988712/Archant-revenue-operating-profit-down-2009](http://www.mediaweek.co.uk/news/988712/Archant-revenue-operating-profit-down-2009)

<sup>126</sup> Sweney, M. (2010) *Ofcom recommends cross-media ownership rules should be relaxed*, Guardian.co.uk. Available at: <http://www.guardian.co.uk/media/2010/aug/09/ofcom-cross-media-ownership-rules>

Licensing for a new generation of local TV stations would begin by the summer of 2012<sup>127</sup>.

In addition to concerns about increasingly concentrated media ownership, many people are expressing the potentially deleterious impact of changes to the net neutrality rule. Broadly speaking, net neutrality is the principle that all data passing across the Internet should be treated equally, irrespective of whose data they are. Defenders of net neutrality were fearful of Culture Minister Ed Vaizey's new proposals, which will allow internet providers to favour broadcasters who pay them extra for a faster service<sup>128</sup>. This may lead to a state whereby wealthier providers can have their content downloaded much quicker than that of less wealthy independent providers. UK's Open Rights Group, a staunch support of net neutrality, has suggested that these proposals would create a 'two-tiered' Internet that stymies competition, innovation and free speech.<sup>129</sup> These changes preceded a government decision to move responsibility for telecoms, broadband provision and internet policy from the Department of Business Innovation to the Department for Media, Culture and Sport – a move that has angered both politicians and industry officials alike. Ofcom's former head of telecoms technology and MP for Newcastle Central, Chi Onwurah, worries that the Department's lack of skills in this area may lead to this area being 'captured by content providers', a move that may well threaten media plurality.<sup>130</sup>

## Employment in the News Profession

---

<sup>127</sup> Sweney, M. (2010) *Local media ownership rules to go by November*, Guardian.co.uk. Available at: <http://www.guardian.co.uk/media/2010/jul/15/local-media-ownership-rules>

<sup>128</sup> Guardian Online (2010) Minister plans to end 'net neutrality' for broadcasters who pay more. Available at: <http://www.guardian.co.uk/technology/2010/nov/17/vaizey-net-neutrality>

<sup>129</sup> Guardian Online (2011) Net neutrality: content and its discontents. Available at: <http://www.guardian.co.uk/commentisfree/2011/jan/05/net-neutrality-prioritising-data-profit>

<sup>130</sup> PC Pro (2011) Fears over media ministry control of broadband. Available at: <http://www.pcpro.co.uk/news/broadband/364540/fears-over-media-ministry-control-of-broadband>

The number of people employed in the newspaper industry in OECD countries in the second half of the 20<sup>th</sup> century grew until the end of the 1990s. By 1997, there were 51,756 persons employed by this industry in the UK. By 2006, this fell to 46,279 behind the USA (412,627), Germany (105,427) and Japan (59,117). By 2006, newspaper employment climbed again in the UK (to 52,047), but fell in the USA (372,048), Germany (79,047) and Japan (52,262)<sup>131</sup>.

A pertinent example of budgets cuts impacting on employment was the BBC World Service's decision to axe about 640 of its 2400 employees. These changes, which resulted from the withdrawal of Foreign Office funds, would involve the elimination of the World Service's 5 language services in Albanian, Macedonian, Serbian, Portuguese for Africa and English for the Caribbean. Also set to go were radio broadcasts in China, Russia, Ukraine and Turkey, while short wave broadcasts would no longer be made in Hindi. These cuts will inevitably impact upon the BBC's reach in global radio news consumption<sup>132</sup>.

The World Service cuts were part of a wider trend precipitated by the recession of 2008. These cuts have been felt particularly strongly by regional newspapers that faced spiralling job losses thanks to declining advertising revenue and decreased circulation figures. Organisations such as the NUJ blamed these job losses on the increasingly small number of corporate owners, who acquire regional and local newspapers and impose upon them a dispassionate profit-driven model that's main purpose is to placate investors<sup>133</sup>.

Further job losses were expected to continue throughout 2011. The first quarter of 2010 alone saw the Spanish media conglomerate Prisa announce the axing of 2500 jobs<sup>134</sup>, while the DMGT had already laid off 332<sup>135</sup>. Job security at the BBC was set to remain uncertain after Chancellor George Osborne confirmed that the license fee would be frozen at £145.50 until 2017. The freeze, which amounts to a 16% cut in real-term funding, caused consternation amongst industry professionals, many of whom felt that that such a cut would inevitably lead to job losses<sup>136</sup>.

Regular updates about job losses affecting the media industry can be found on the Guardian's website, where there is a section devoted to the media downturn prompted by the recession<sup>137</sup>. The site provides information and blogs regarding recent job losses in the industry, and includes a useful interactive time line illustrating the date and location of such occurrences.

---

<sup>131</sup> EU Directorate for Science, Technology and Industry, 2010, June 11<sup>th</sup>. The Evolution of News and the Internet. Working Party on the Information Economy. Committee for Information, Computer and Communications Policy, DSTI, Brussels.

<sup>132</sup> The Independent (2011) Fears that UK will lose influence after huge cuts at World Service. Available at: <http://www.independent.co.uk/news/media/tv-radio/fears-that-uk-will-lose-influence-after-huge-cuts-at-world-service-2195533.html>

<sup>133</sup> Guardian Online (2011) CN Group's cuts confirm the terminal decline of regional newspapers. Available at: <http://www.guardian.co.uk/media/greenslade/2011/jan/20/local-newspapers-downturn>

<sup>134</sup> Guardian Online (2011) Spain's Prisa to cut 2,500 jobs. Available at: <http://www.guardian.co.uk/media/greenslade/2011/jan/26/downturn-spain>

<sup>135</sup> Guardian Online (2011) DMGT's national ad revenues rise as regionals cut jobs, Available at: <http://www.guardian.co.uk/media/2011/feb/09/dmgt-daily-mail-results?INTCMP=SRCH>

<sup>136</sup> BBC (2010) Television licence fee to be frozen for next six years. Available at: <http://www.bbc.co.uk/news/entertainment-arts-11572171>

<sup>137</sup> Guardian Online (2011) Media downturn. Available at: <http://www.guardian.co.uk/media/downturn>

## **Changes in the Journalism Profession**

With regards to the journalism industry itself, rapid technological developments and the increasing importance of economic motives are creating a shift in the quality, independence and volume of news output<sup>138</sup>. The more pessimistic critics are suggesting that these changes are 'deprofessionalising' the industry and turning newspapers into 'copy factories'.

A study<sup>139</sup> by Cardiff University which documented the change in quality and independence of British journalism reported that while the number of journalists in the national press had not changed a great deal, they were now producing about three times as much copy as they were 20 years ago. This increase in 'productivity', which is causing journalists 'to do more with less time', is also causing a corollary increase in the reliance on PR material or news wires. This is particularly true of domestic news, where 60% of press articles and 34% of broadcast stories came either wholly or predominantly from 'pre-packaged news'.

Indeed 19% of newspaper stories and 16% of broadcast stories were either derived partially or wholly from public relations material. Only less than half the stories analysed in the Cardiff study were actually free from traceable PR. Furthermore, these figures are thought to be an underestimate, since the study only looked at PR material that could be traced and verified. Most of this PR comes from either the corporate or business world, which is at least three times more successful than NGOs, charities and civic groups in getting information into the news. The frequently divergent interests of these groups would suggest a political imbalance then in final news output.

This reliance on 'ready made' news, which stems from increasing demands on the journalists' time, is leading to a decline in the amount of quality independently researched investigative output. Many argue that this is creating an 'administrative news culture, whereby journalists sit behind their desks and regurgitate PR and wire material (often called "churnalism"). Although many journalists see wire news as an authoritative source, the Cardiff study noted that wire sources often act as a 'conduit' through which PR material enters the news. Thus attempts to reinforce the news value of PR material by corroborating it with news wire material may actually be an exercise in futility.

## **Impact of Technological Developments**

The advent of technologies such as the internet are challenging the journalist's privileged position of access to exclusive sources and the public sphere. The proliferation of blogs and alternative news sources has resulted in a glut of people attempting to 'narrate the social'. While many view this as a positive change, it is also increasing the workload of many journalists, who now have to produce multi-media versions of their stories. Many journalists argue that this 'convergence' does not lessen workload, and will only reinforce the evolving reliance on 'ready-made' news whilst decreasing opportunities for contact-

---

<sup>138</sup> [http://eprints.gold.ac.uk/2128/1/Witschge\\_Nygren\\_Journalism\\_as\\_profession.pdf](http://eprints.gold.ac.uk/2128/1/Witschge_Nygren_Journalism_as_profession.pdf)

<sup>139</sup> <http://www.cardiff.ac.uk/jomec/resources/QualityIndependenceofBritishJournalism.pdf>

building and investigative work.

### **Trends to Watch**

While both Goldsmiths University and Cardiff University agree that there has been a 'deskilling' of the journalism industry, it was also noted that there has been a simultaneous 'resurgence of professional values'. This is partly due to the fact the profession is under threat, and also due to the need for such values amidst an information explosion brought about by technological developments. Whether this resurgence of professional values can counter the trend of de-professionalisation remains unclear. Signs seem to point to the negative, and with increasing competition shifting the orientation of the industry towards more economic motives, emphasis on 'efficiency' and 'productivity' will only increase. While these factors may not directly impact on 'professional values', they may continue to have a negative impact upon the volume of quality, independently researched investigative news output.