

## Marieke van der Donk (PricewaterhouseCoopers)



“Print no longer takes the lead, but has a comparable value to the other channels”

“High time for a more market-oriented vision”

**Dutch newspapers are going through troubled times. There is still a substantial market for paid news services however. Well thought-out strategic choices, extending the brand into several channels and effectively executed Customer Relationship Management can offer them a way out, according to PricewaterhouseCoopers media expert Marieke van der Donk.**

“An enormous amount has changed over the last ten years in the newspaper world. Consumers are deserting newspapers in ever increasing numbers to satisfy their appetite for news on the Internet, and the free papers are providing much stiffer competition to the traditional titles than had been expected, with falling circulation numbers as the result. At the same time we’re seeing advertisers rapidly moving their budgets from print to online. These developments are certain to continue, and they will only be intensified by the effect of the economic crisis.”

“The good news is that research from PwC has shown that there is still a substantial market for paid news services; also in the online environment. We even expect that the willingness to pay for online content will increase in the coming years, as a component of the overall increase in consumer spending on the Internet. The almost unedited short news items from the press agencies will still be available to read for free in Sp!ts and on NU.nl, but people will always be prepared to pay for more background, analysis and specific information of greater quality and depth. That is how the Financial Times has been able to get around 100,000 Internet subscribers to pay about a hundred pounds a year for online financial news. Premium content for niche audiences is key.”

“The various newspaper brands can differentiate themselves from each other more sharply through segmentation. Nrc.next is a good example of a paper that is successfully focusing on a specific target group. In order to keep advertisers on board, newspaper publishers need to know exactly who is included in their segmented target group. That’s why effectively executed Customer Relationship is vital in addition to premium content. The next step is to have an attractive proposition for each channel: ensuring that the brand is interpreted equally effectively on the Internet, via mobile channels, and perhaps even on television. In this

approach, print no longer takes the lead, but has a comparable value to the other channels. This last point requires the recognition and willingness of the traditional newspaper world, in which paper has always been the medium, to make a major change in their way of thinking.”

“It’s about time the newspaper publishers adopted a more market-oriented vision. To do so, they need to identify the people that form their target group, what that target group wants to read and how it wants to consume the information. In addition to consolidating processes in the areas of distribution, sales and production, newspapers need to pay closer attention to the editorial interpretation of their brand. If maintaining a large editorial staff becomes a problem, then buy in content from an external editorial team specialised in a specific field may be an alternative, rather than having your own journalists cover the subject. For instance: why don’t papers procure news about Russia from a single specialised freelance correspondent, rather than having each piece produced by their own reporter? Then it’s down to dedicated editors for each paper to interpret, enrich and market the news in such a way that it makes a match with the segment on which the brand has decided to focus. The newspaper publishers who have the greatest chance of survival will be those who are already willing and ready to make the necessary cutbacks and execute the efficiency measures associated with the well thought-out strategic choices they have made.”