

# Lose circ fast; build it 'damn slow' - *Daily Sun* GM Minette Ferreira



By Gill Moodie: @grubstreetSA

18 Jan 2012

As the search for a new editor for the *Daily Sun* nears its conclusion (the final round of interviews is being held this week), Bizcommunity.com speaks to [Minette Ferreira](#), GM of the *Daily Sun*, about the paper's circulation drop, how it's clawing back and where to from now sans the legendary publisher and founder, Deon du Plessis, and editor Themba Khumalo.



Minette Ferreira, GM of the *Daily Sun*

■ ***So the Daily Sun seems to be at a crossroads, what with the death [in September 2011] of Deon du Plessis and Themba Khumalo resigning.***

**Minette Ferreira:** I don't necessarily think it's a crossroads. You know, this July *Daily Sun* is actually 10 years old. For me, with all the things that have happened in the last few months, the start of this year is the start of a new chapter for us but it's not necessarily a change in direction or a crossroads. It's more of a continuation of the journey. We've grown up and now it's the next step.

Unfortunately, it's a step we're going to have to take without Deon but I think he taught us well and it's up to us to take it further without him. It [was] definitely... a year of upsets and turmoil. But at the end of the day, many of the senior staff members have been with the paper for five years plus. They've spent a lot of time with Deon and with Themba and really understand the brand and where we're going.

■ ***Let's talk about the mystery of the paper's falling circulation. About five years after launching, the paper reached a record 500 000 sales. When I spoke to Deon at the time, he didn't seem to be keen to go higher than that as, at a certain point, the cost of printing and distributing a lot of papers outweighs the benefit of a big circulation. But the Daily Sun has been consistently losing circulation for quite some now [in the third quarter of 2011, the paper was at 374 400 circulation, compared with 411 124 in the same period in 2010] and I can't really work out why.***

**Ferreira:** Look, our circulation started falling in 2009 in March. We were still at 480 000 in the first quarter [of 2009] and then it started to drop. It started slowly and then there were a few dramatic drops from the beginning of 2010.

But let me just answer your first question. Our goal was always to reach 500 000 and to keep it there as an average. And, simply put, even at 500 000 it wasn't too economical because, as you say, it's expensive to print that many papers and to distribute them. But the goal was just to be the biggest - no one had ever got there as a daily in South Africa and we wanted to prove a point so that if anyone thinks of the *Daily Sun*, the first thing you think of is that they're big. And that goal was achieved but we were quite happy to maintain 460 000 plus.

In any case, it was unachievable for us to maintain more than 500 000 due to printing restrictions. So we started to lose circulation and the main cause of it was when we switched over to the new distribution system.



[click to enlarge](#)

■ ***Oh, the Cycad [CRM] system (which was implemented in 2009 and which [Media24](#), the owners of the Daily Sun, has had to spend a large amount of money fixing).***

**Ferreira:** It affected all the newspapers in Media24 really negatively. I don't want to keep banging that drum but it was a complete collapse of distribution networks and that we actually survived it is, for me, still a miracle - that we actually managed to get some papers out there. Once we'd done an audit of what went wrong, it literally pointed to every single link in the chain falling down.

■ ***So were too many papers going to some places and too little or none to others?***

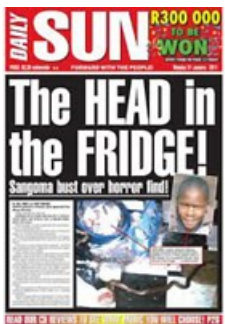
**Ferreira:** Yes. And, you know, distribution and circulation management is quite a complicated thing - from where the forecasting starts to the print order and the routes to which it has to be distributed

and the editions.

■ **OK, and the Daily Sun's distribution network is a monster anyway because it is so big.**

**Ferreira:** Yes. For a regional paper like *Beeld*, for instance, the volume they carry is much, much lower. But the *Daily Sun* is national and especially in the north [of the country] where the bulk of our volume lies, it's huge quantities that go out every day. And if the printing press spews 450 000 papers that are waiting for the trucks to take them out - and the trucks don't know where to take them, it's a problem. And then once the papers eventually do go out, no one knows where to pick them up to capture the returns.

Cycad really was not kind to us and it will take time to rebuild. Media24 has spent a huge amount of time and effort to stabilise the system and that's really what I've been spending a lot of my time and attention on since the beginning of last year: ensuring that our structures internally - our own circulation department - working in concert with On the Dot [Media24's logistics division] in terms of Cycad - are communicating with each other and working well together to ensure that these gaps, where we are still struggling, are closed. But it has taken longer than we anticipated. And it has taken its toll.



[click to enlarge](#)

■ **Ja, that makes sense. The bigger the paper, the bigger the problem to fix.**

**Ferreira:** Ja, absolutely. But slowly but surely, we have had small wins along the way. And one of the key things is that we took back the publishing of our newspaper in terms of our doing own forecasting. We've been doing that really full-on since the middle of [last] year and, slowly but surely, it's starting to pay off.

The way things are looking now, we're going to see an increase in ABCs for the first time [in the 2011 fourth quarter ABCs, which haven't been released yet]. I'm very excited about that and that's also on the back of a cover-price increase in October [from R2.30 to R2.50]. So I'm actually quite upbeat at this stage.

Obviously Cycad had a huge influence but I did extensive research last year among readers to test other factors... You start doubting, [wondering] 'if there is something wrong with my product, have they abandoned us?' Deon and I sat through many conversations like this, trying to find the answers. Is it a price issue? Is the economy biting into readers' pockets? But what came back [from the research] was really positive.

There was affirmation that the type of content we are carrying is still what they're after and the only criticism really was to give us more - more on how to improve our lives, how to make a difference in terms of my income. People were desperate for information on upliftment and making a change in their lives - and also a great call for more news about things that happens in their community. Not the stuff you get on Sapa [news agency] but the kind of stuff you get in the *Daily Sun*. News on the grassroots level in the townships that affects their lives...

What we also noticed in terms of buyer frequency is there has been a drop-off - and it is because money is just very tight. Where a reader would buy every day of the week, it's now become: 'I can do Mondays, Wednesdays and Fridays. I'm going to have to skip Tuesdays and Thursdays. On Tuesdays and Thursdays, I'll read my brother's copy or my friends's copy'.

So there's definitely large amounts of copy sharing and that shows in our [AMPS] readership figures as well. At the same time that our circulation dramatically dropped, our readership went back over 5 million for the first time in a couple of years. At our current circ, we're at a 14-pass-on rate - 14 people per paper - which is huge.

■ **Sjoe, and the economy isn't growing and we're shedding jobs. It's not going to get better anytime soon.**

**Ferreira:** Exactly... In light of that I am actually quite upbeat that we have absorbed the cover-price increase because we were very nervous about it, taking into account what we got from the reader research. But we just had to. We'd been lagging on cover-price increases.

I think in terms of an editorial strategy we need to keep offering a value proposition - that what you buy for that R2.50 is absolutely worthwhile, that the package we offer is really, really good and it's bang for your buck. Compared to other newspapers, we are at the lowest price range but in terms of value, I think we offer the best.

■ ***You're general manager so I presume you're not looking for another publisher [since Du Plessis's death]?***

**Ferreira:** No, we're not going to appoint another publisher. A lot of responsibilities that Deon held, I've taken over. Deon was in a unique position in our business in any case - and I worked very closely with him on the publishing side - so the gaps that he leaves become part of my new portfolio.

■ ***And how is the search for a new editor going?***

**Ferreira:** I can tell you that we had an extensive round of interviews. We had some really good applications from within the industry...

■ ***So what were you doing before you started working closely with Deon?***

**Ferreira:** I started working at the *Daily Sun* on the day that the paper launched. I started as a sub-editor and was the chief sub for about three or four years. And then, with Deon, we launched *Nova* [a Joburg newspaper aimed at a younger market that was [closed in 2006](#)]. And after *Nova* I left and went to *Sake24* as news editor for a while and then came back to *Daily Sun*.

When *Sunday Sun* [which was launched at the same time as the *Daily Sun* but within the same stable as *Rapport* and *City Press*) came over to *Daily Sun* [in 2008], I came back and then helped Deon in relaunching the *Sunday*. So I was away for about 20 months but, pretty much, I was with Deon more or less since launch... When I came back I was the managing editor and from January last year [2010] I was appointed as the general manager.

■ ***It must have been fantastic to work closely with someone like Deon.***

**Ferreira:** Ja, it was a honour to work with him. And we had a very close working relationship and a very deep friendship. He had such experience on many different levels of the business.

■ ***What stands out for you in terms of what you learned from working with him?***

**Ferreira:** I think the thing I learned from him that I will never, ever forget is that whatever newspaper or product you are producing, if you are not 100% clear in your mind what the target market is and who you're doing it for, you might as well leave it... A lot of newspapers are produced for other journalists...

The first thing we have to ask ourselves before we make a decision - and this is something that Deon said over and over again at news conferences - is: "Will they be talking about this around the factory floor tomorrow morning?" If the answer is 'no', it's out the paper. If the answer is 'yes', it's in. It's such a simple but deep understanding of what makes or breaks a product in my mind...

■ ***So did you get a lot of applicants for the editor's job?***

**Ferreira:** Ja, we did. Twenty plus.

■ ***What are you looking for in an editor?***

**Ferreira:** I'm looking for someone who has a real understanding of the market that we are writing for - who has a passion for the market and, linked to that, is someone with a passion for the *Daily Sun* brand. And for someone to take what history we've made and take it further - and make some more history.

Deon used to say that the *Daily Sun* is your friend, your playmate, your companion. And I want an editor who sees the *Daily Sun* in the same way and will continue that journey with our readers...

I just want to add something on the Cycad saga, though. You know, I don't want to make too much of it. So much has been written about it. For me, it's clear and simple. Cycad had a negative impact on *Daily Sun* circulation and it's taken longer than we expected to realign and get our structures running again. And now it's about climbing back. The thing is that you

lose circulation really quickly and you build it damn slow - and that's the phase that we're in now.

## For more

- Bizcommunity: [Deon du Plessis, larger than life and loved by all](#), September 2011
- Bizcommunity: [The market research behind the 'SunPower'](#), November 2010
- Bizcommunity: ["Famous in the townships; invisible in the suburbs"](#), September 2010
- Bizcommunity: [Why we should celebrate our wacky tabloids](#), September 2010

## ABOUT GILL MOODIE: @GRUBSTREETSA

Gill Moodie (@grubstreetSA) is a freelance journalist, media commentator and the publisher of Grubstreet ([www.grubstreet.co.za](http://www.grubstreet.co.za)). She worked in the print industry in South Africa for titles such as the *Sunday Times* and *Business Day*, and in the UK for Guinness Publishing, before striking out on her own. Email Gill at [gill@grubstreet.co.za](mailto:gill@grubstreet.co.za) and follow her on Twitter at @grubstreetSA.

- Media Awards 2012: Never a dull moment - 10 Dec 2012
- Inevitable that Caxton and I would fall out - Alec Hogg - 6 Dec 2012
- EXCLUSIVE: Media24 to close *Sports Illustrated* - 3 Dec 2012
- If used wisely, Twitter can be very wise - 27 Nov 2012
- ABC Q3 figures forecast tough times - 21 Nov 2012

[View my profile and articles...](#)

For more, visit: <https://www.bizcommunity.com>