

Newspapers circulation down, consumer mags still down - ABC

🗑 By<u>lssa Sikiti da Silva</u>

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Almost 70% of South African daily newspapers have experienced circulation declines, with the exception of the *Daily Sun*, which delivered the largest growth at over 7613 copies, according to the third quarter year on year analysis released this morning, Thursday, 13 November 2008, by the Audit Bureau of Circulations (ABC). The presentation took place at the Hyatt Regency in Rosebank, Johannesburg.

"Daily and weekly newspapers continue to track lower than 2007 and the hybrid category - which consists of one title (*The Times*) - remains static," ABC VP Gordon Patterson told the audience.

"However, within this general performance, we still see specific titles delivering significant growth, which provides proof of consumer or reader vitality and support," Patterson noted.

Best year-on-year performer

The best year-on-year performer is *The Weekender* (over 15%), Patterson said, adding that The *Sunday Sun* has delivered the largest numeric gain in circulation with over 10 000 copies, while *Ilanga Langesonto* (10%) has also done well and completes the list of publications that stood their ground in these tougher economic times.

While B2B magazines have slightly recovered in the second quarter of 2008, ABC said that their third quarter performance is now lower than the Q2 2006 level.

There is still no recovery from consumer magazines, which continue to <u>bite the dust</u> [the <u>latest casualty</u> announced yesterday, Wednesday 12 November is Alchemy Publishing's *Your Child*] due to rising inputs costs and a tightening on consumer spending. "The positive performance seen during Q2 2008 has not continued into Q3 2008," Patterson said.

"While their Q3 year-on-year's real decline is only 4%, we again note significant fluctuation within the categories. Given the sustained two quarter declines, the traditional Q4 lift in circulation is now more important than ever before.

"An interesting point is the complete lack of digital circulation."

Responsiveness to innovation

Despite these mixed fortunes, Patterson said that he was satisfied that the industry continues to show responsiveness to

innovation, warning that there will be more focus on the composition of circulation as advertisers seek value rather than the illusion of impact.

"To deliver a profitable future, we all will have to change the way we operate. Understanding consumers and advertisers will be paramount," he advised.

As the 'Financial Armageddon' squeezes stock markets, announcing that a global recession is imminent, fears and panic is gripping media owners, some of whom have started cutting marketing spending and input costs to boost profit and save their brands from 'melting down'.

Recession marketing

But Hendrik van Vuuren, research director and statistician at Millward Brown, advised upping marketing in the recession helps profit recovery and share gain and recently without hurting profits even during bad time.

"A brand is a sign of recognition and is linked to hopefully positive consumer experiences. A brand is a sum of all people's mental associations and those associations are not automatically voided during tough economic times.

"The key to success during downturn is maintaining focus. We need to make the most of every rand spent in support of our brands if we hope to maintain strong consumer relationships.

"Remember, recessions come and go, brands are for life," he concluded.

For more information, go to <u>www.abc.org.za</u>.

ABOUT ISSA SIKITI DA SILVA

Issa Sikiti da Silva is a winner of the 2010 SADC Media Awards (print category). He freelances for various media outlets, local and foreign, and has travelled extensively across Africa. His work has been published both in French and English. He used to contribute to Bizcommunity.com as a senior news writer.

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