WORLD PRESS TRENDS 2019

MEDIA METRICS THAT MATTER

#WorldPressTrends #WNMC19

WAN IFRA

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Data sources in WPT 2019:
World Bank (264 countries and territories); PWC (53); Zenith (81); Ipsos (63); WAN-IFRA member associations (34), Chartbeat (242); IO Technologies (60), Parse.ly (247)

Additional data:
World Bank, International Monetary Fund, International Telecommunications Union.

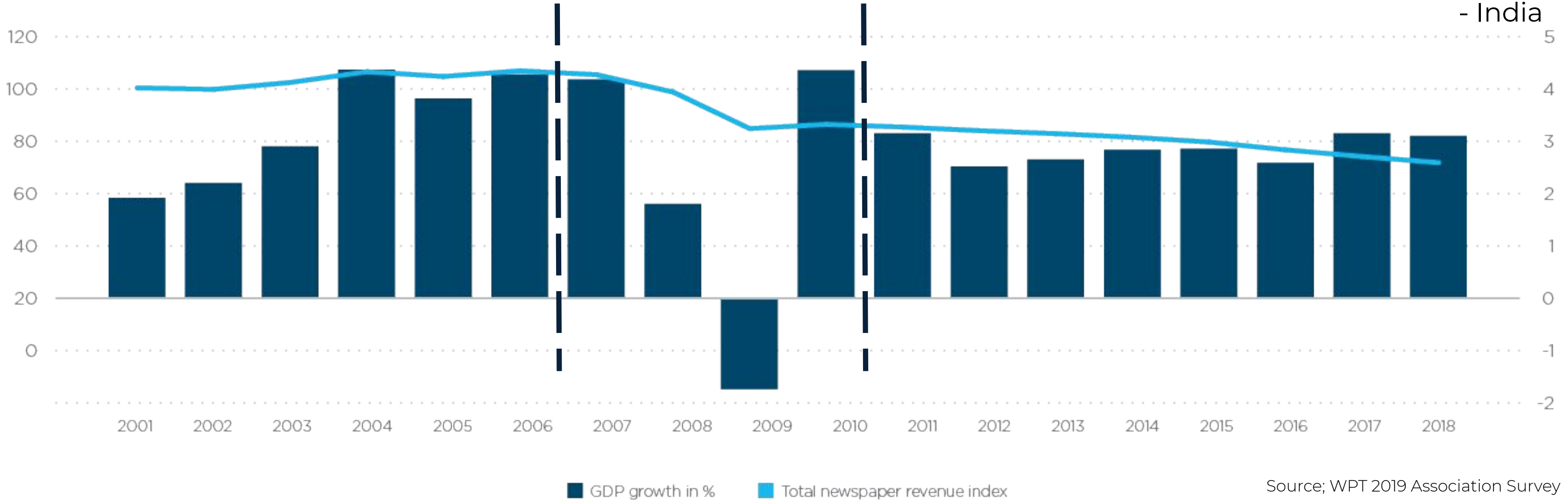
WAN-IFRA   pwc   Zenith The ROI Agency   Chartbeat   PARSE.LY   IO Technologies   Ipsos

Our global economic context is getting even tougher, but our data shows the news media industry is confronting the challenges - and there any m

News publishers are holding their position
- Norway

Hardly surviving
- Estonia

It has not been a blockbuster year. However many media houses have been seeing good growth in the digital segment
- India



Source; WPT 2019 Association Survey

Source: WPT analysis of average global GDP and average global newspaper revenues across three phases in this report. Data from IMF (World Economic Outlook) and PwC (Global Entertainment & Media Outlook 2018 - 2022). Illustration adapted from analysis by Prof Castulus Kolo, 2018

WPT 2019 analysis considers the contexts shaping the national news publishing businesses

A selection of relevant variables used in the statistical analysis of the data in WPT 2018

News Publishing
Print and digital circulation revenues
Print and digital advertising revenues

Media Usage
Newspaper circulation
Digital circulation
Sources of digital traffic
Digital devices

National Economy
GDP
Population
Human Development Index
Rule of Law

Media System
Press Freedom
Independence
Diversity in the news and in newsrooms

#WorldPressTrends #WNMC19

Which metrics *really* matter?

“Anyone can chase a page view, but building a sustainable future for journalism takes more than that … Journalism needs to look at voter turnout at local elections and ask: How do we improve that? Get that right, and it’ll be all the easier to justify the role of public interest news in local society. ”

DAVID HIGGERSON @davidhiggerson
Chief Audience Officer, Reach Plc

TODAY's OUTLINE

1	2	3	4
Audiences General access to news & consumption patterns	**Revenues** The trends in market segments	**Newsrooms** Working conditions of journalists and diversity of news & newsrooms	**Press freedom** How it impacts the well-being of our democracies, economies and societies.

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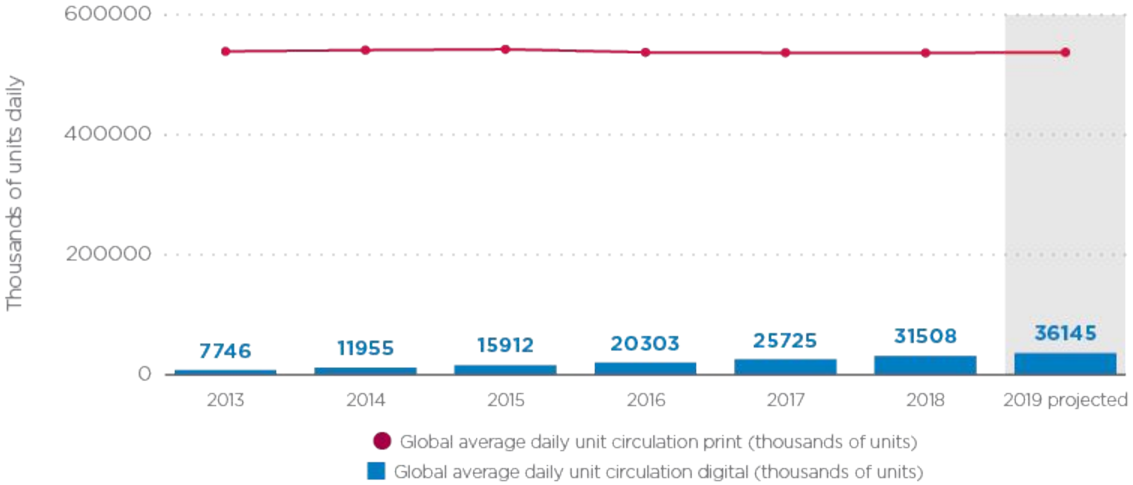
1. General Access to News & Consumption Patterns

Global growth in paying audiences to continue, thanks to digital

Global print audiences have remained stable over the past five years (-0.5%) while paying digital audiences have climbed 307 % to 2018. Further 15% growth is expected in 2019.



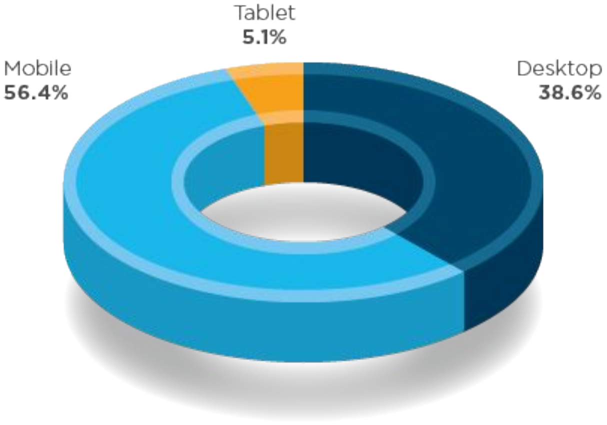
-0.5% change in print over 5 years to 2018, with 0% change expected in 2019

307% growth in digital over 5 years to 2018, with 14.7% projected in 2019.

Source: WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022); Zenith 2018

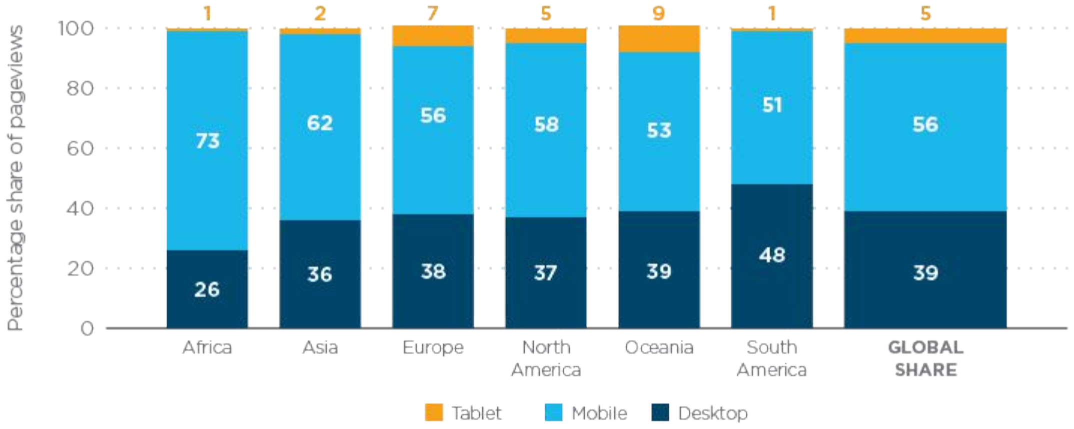
Reminder: Digital audiences are increasingly coming via mobile

Mobiles users account for the vast majority of digital traffic to news sites globally - more than 50 percent overall. Only 5% of visitors to news sites come from Tablets.



Source: WPT analysis of Chartbeat data 4/2018-2/2019

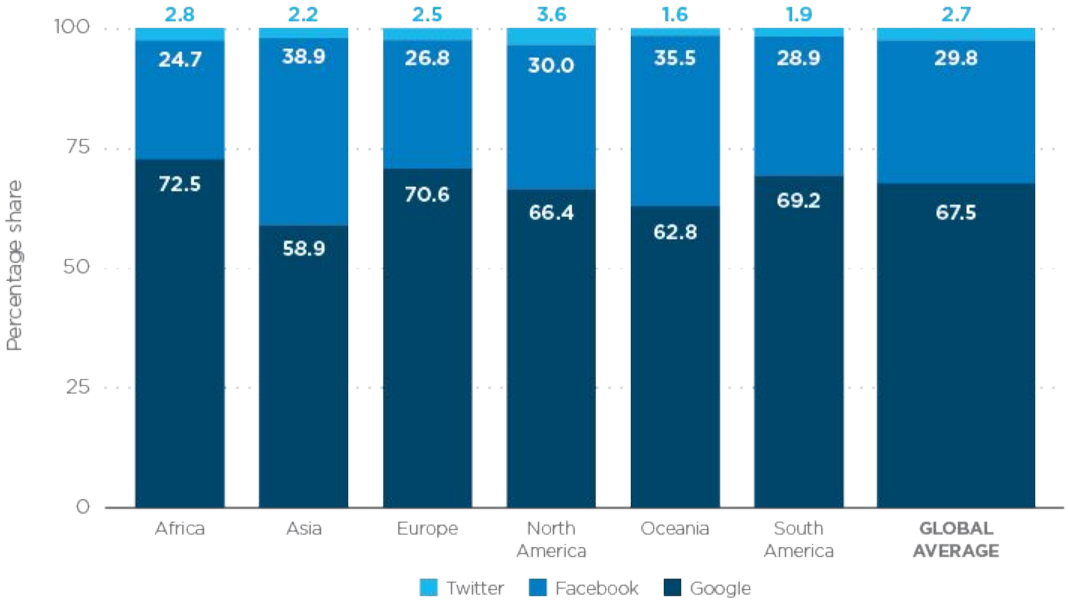
Mobile's dominance in digital news is greatest in the two regions which has over the past five years offered the most opportunity for print. In Asia 2 out of 3 digital news views come from mobile, while in Africa it is 3 out of every 4.



Source: WPT analysis of Chartbeat data 4/2018-2/2019

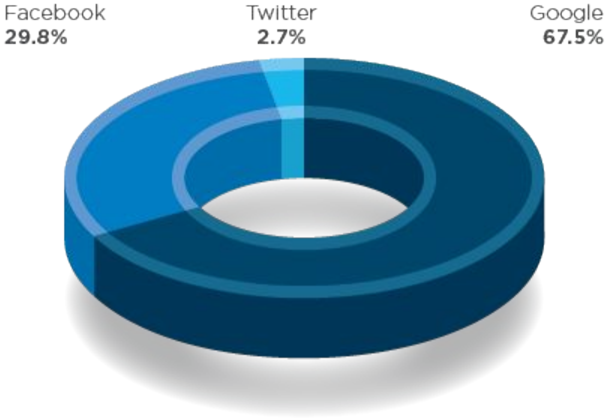
Google remains dominant in digital news ecosystem

Globally Google provides 25 times the traffic for publishers that Twitter does and more than twice (2.3x) what Facebook does.



Source: WPT analysis of Chartbeat 2018

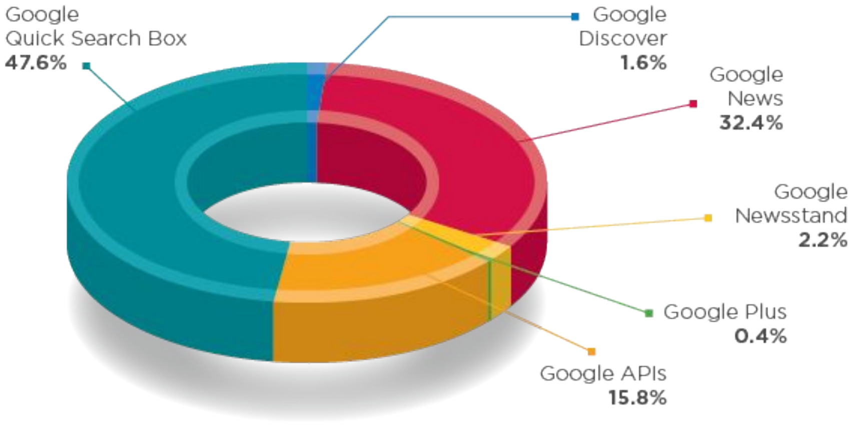
Google continues to be the most important traffic source for news media companies globally, accounting for two out of every three page views from the leading global technology companies.



Source: WPT analysis of Chartbeat 2018

Search is dominant, yes, but Google News accounts for a third of traffic...

Google's dominance in the digital news ecosystem is shared between search (48%) and news delivery vehicles of which the most prominent is Google News that delivers 1 in 3 of all Google page views globally.



SOURCE: WPT analysis of data from Parse.ly data 01/2017-12/2018

Q. What are the greatest opportunities for the news media industry in your country over the coming year?

A. *Monetisation of use of the publishers´ content by digital platforms.*

- Czech Republic*

*Implementation of the European directive on copyright.

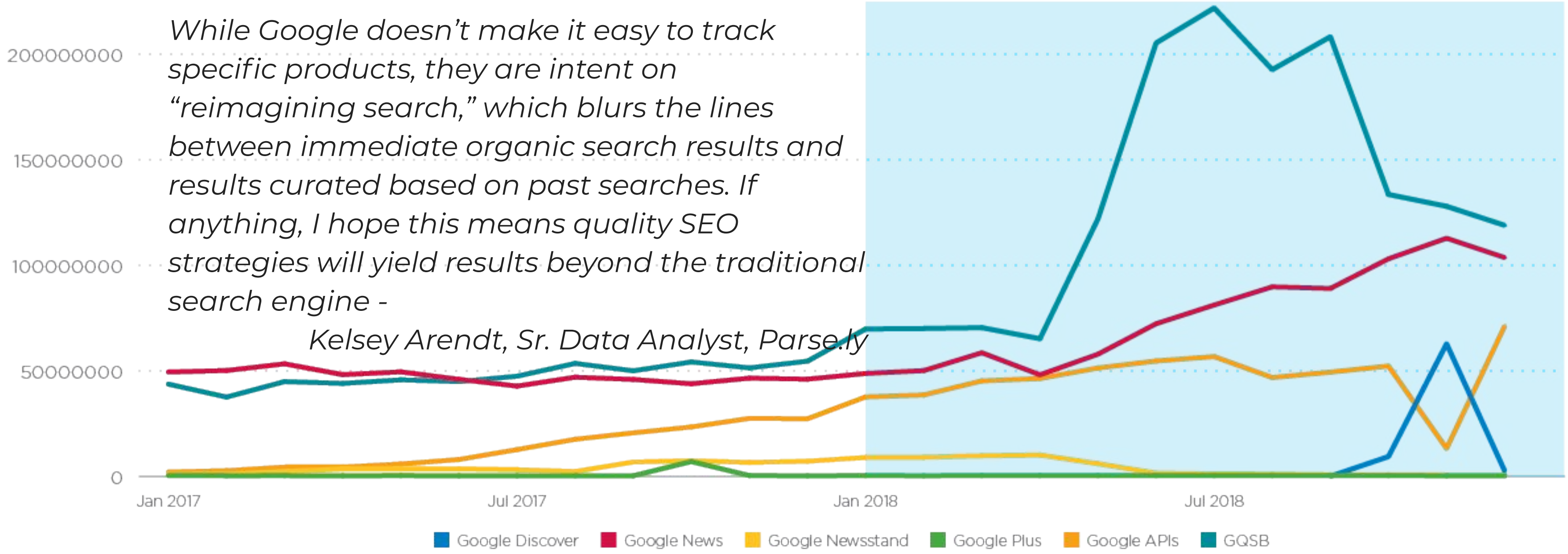
Source; WPT 2019 Association Survey

“What would Google do?”

Google's experimentation has had a dramatic impact upon traffic to news sites globally. In 2019, we saw Google Plus shut down, trials with Google Quick Search - and the introduction of Google Discover. The most dramatic changes have been related to the rise in traffic of Google APIs, such as Google Maps, which jumped 3257% over two years.

While Google doesn't make it easy to track specific products, they are intent on “reimagining search,” which blurs the lines between immediate organic search results and results curated based on past searches. If anything, I hope this means quality SEO strategies will yield results beyond the traditional search engine -

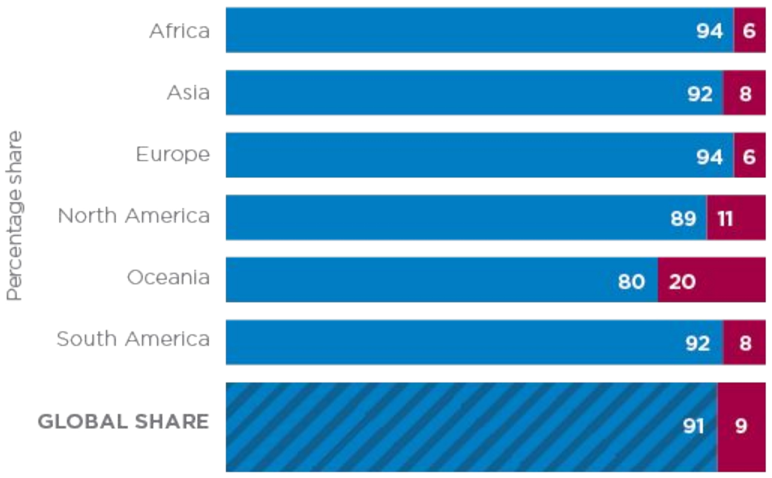
Kelsey Arendt, Sr. Data Analyst, Parse.ly



SOURCE: WPT analysis of data from Parse.ly data 01/2017-12/2018

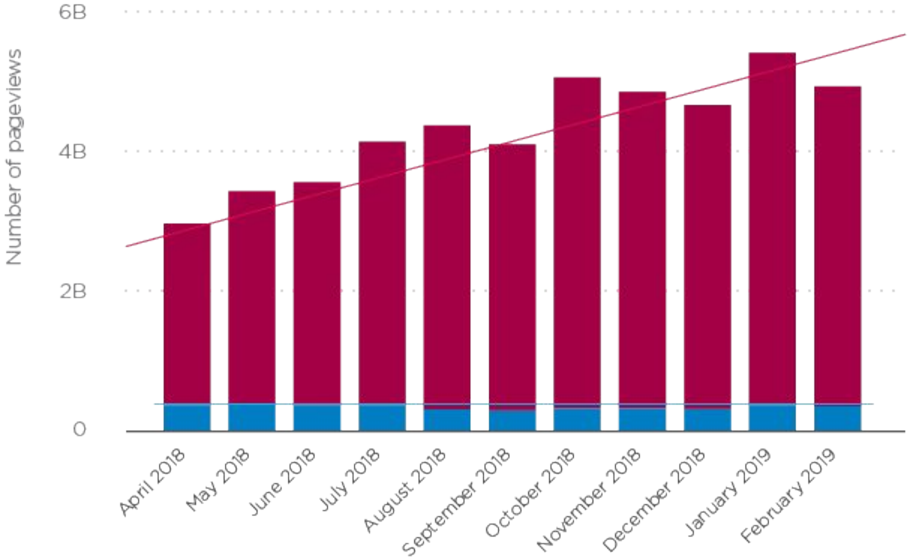
Globally news subscribers account for 1 in 10 page views

Subscribers account for almost 1 in 10 pageviews globally, though that ratio is lower in Europe and Africa and much higher in Oceania.



Source: WPT analysis of Chartbeat 2018

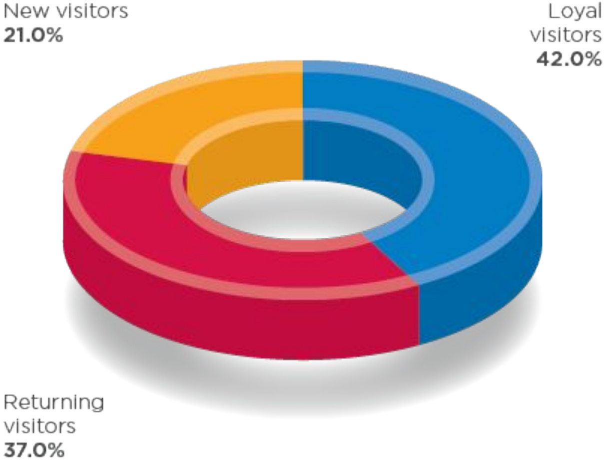
Internet users globally have an increasing appetite for news from reliable publishers. The number of guest page views has increased 76% over the 11 months to Feb 2019.



Source: WPT analysis of Chartbeat 2018

A sharp focus on reader relevance reaps the greatest rewards

Loyal users are the largest contributor to online traffic globally accounting for more 2 out of every 5 page views, followed by returning audiences (37 %). New users - who visit only once a month - generate one in five of the page views of news sites globally.



Source: WPT analysis of Chartbeat data 4/2018-2/2019

NOTE: Loyal Visitors return to the site at least 8 times in the last 16 days. Returning Visitors return more than once in the past 30 days, but less frequently than every other day. New Vistors are on the site for the first time in 30 days.

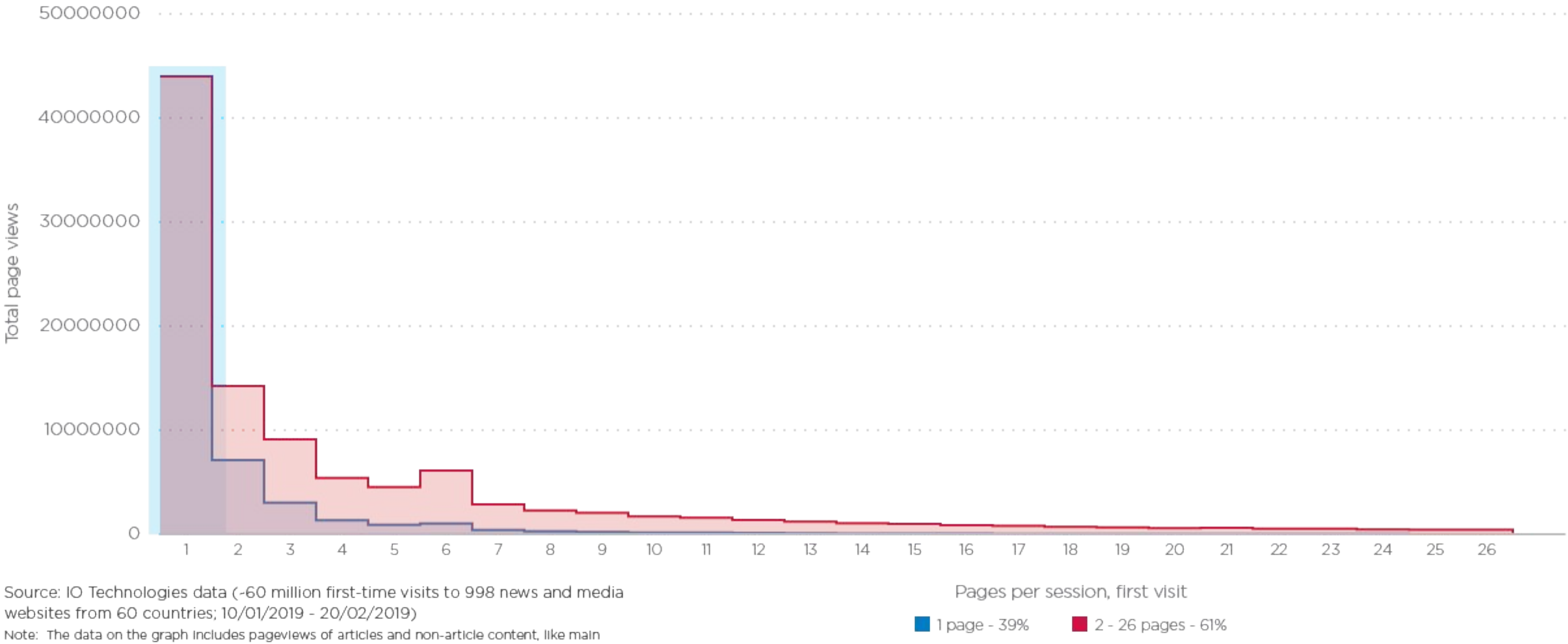
Q. What are the greatest opportunities for the news media industry in your country over the coming year?

A. *Audiences who need to know; specialized media content.*
-Egypt

Source; WPT 2019 Association Survey

How well do we know our audiences?

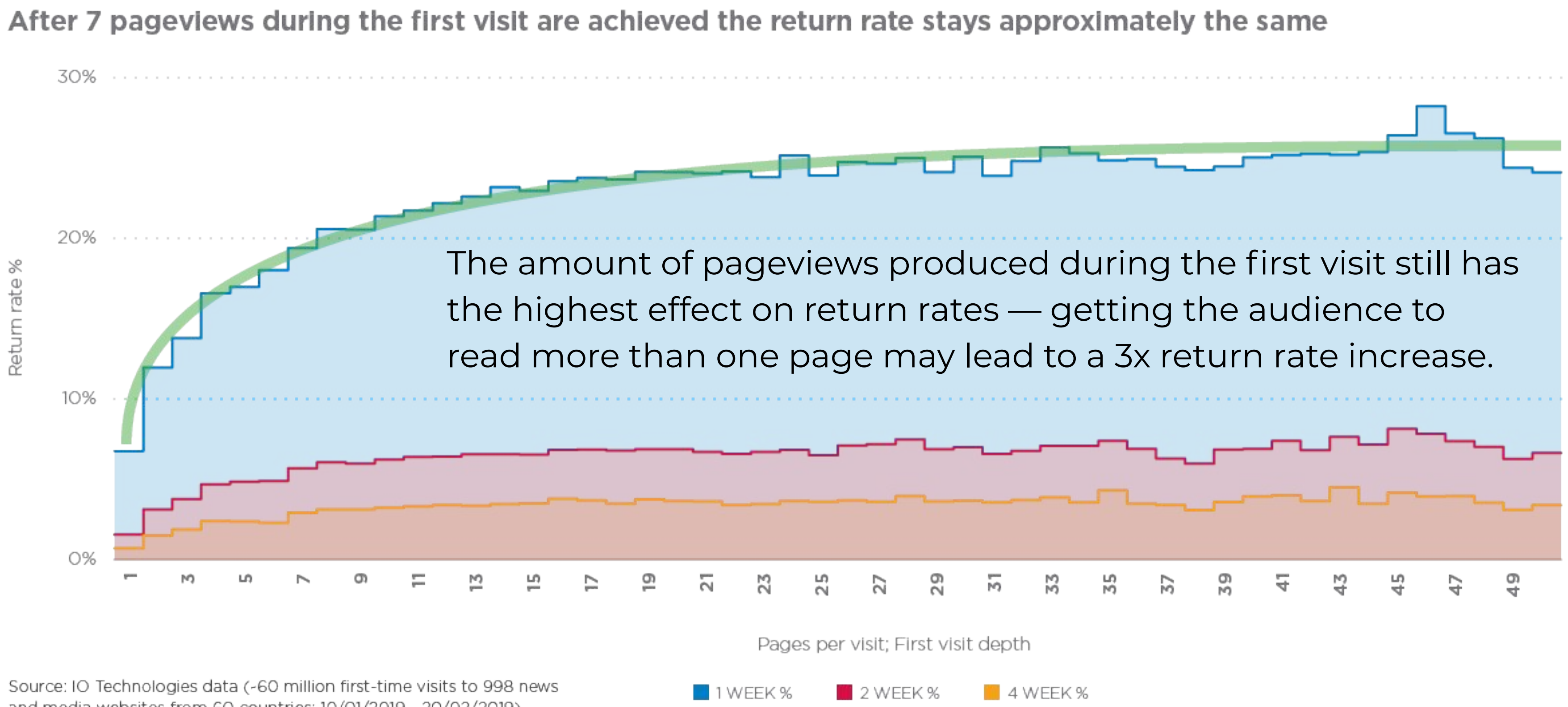
74% of all new visitors view only 1 page and account for 39% of total page views - while the other quarter generate 61% of page views.



Source: IO Technologies data (~60 million first-time visits to 998 news and media websites from 60 countries; 10/01/2019 - 20/02/2019)

Note: The data on the graph includes pageviews of articles and non-article content, like main page, terms and conditions etc. On average, articles account for 80% of pageviews.

Relevant content that engages readers reaps returns



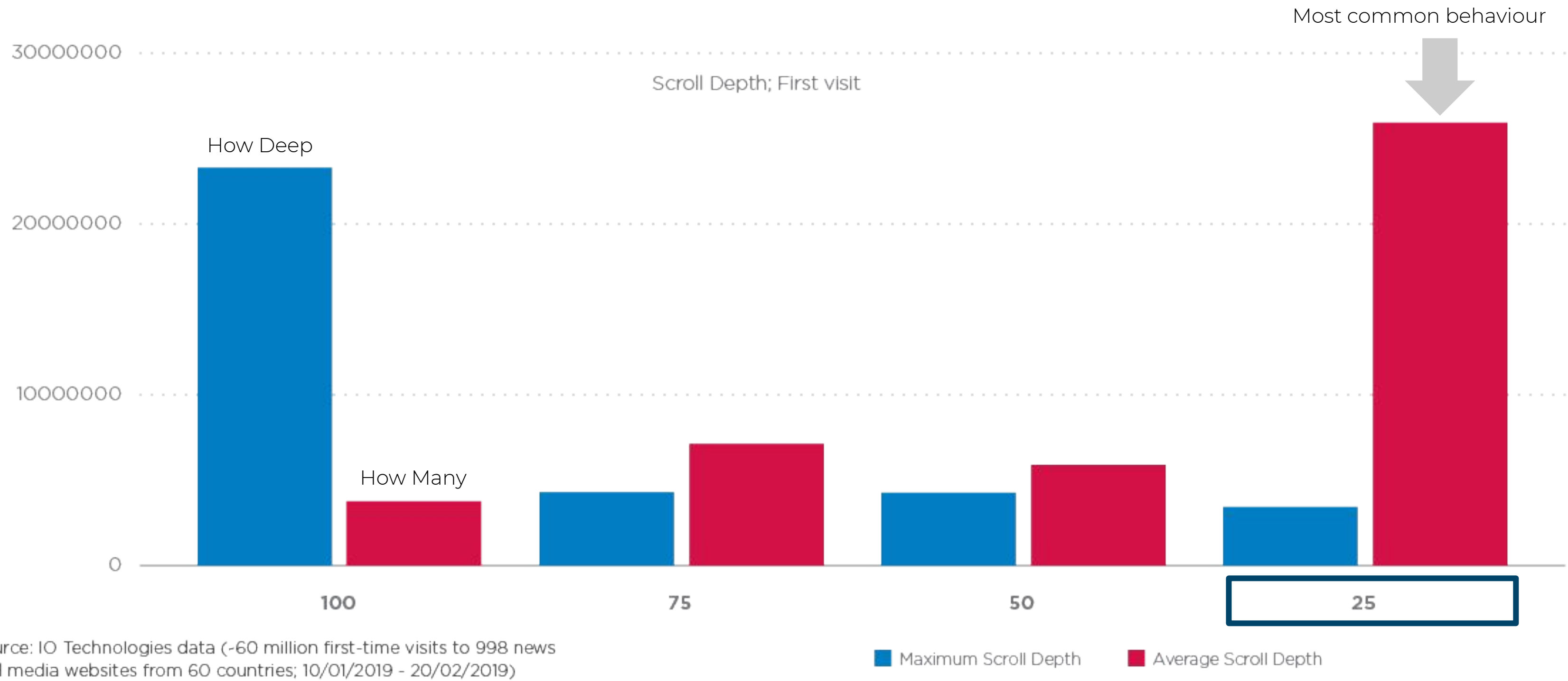
The amount of pageviews produced during the first visit still has the highest effect on return rates — getting the audience to read more than one page may lead to a 3x return rate increase.

Source: IO Technologies data (~60 million first-time visits to 998 news and media websites from 60 countries; 10/01/2019 - 20/02/2019)

Our challenge: ‘turn interest to engagement to reliance’

- Michael Golden

First-time users who read one article until the end and scroll a number of others for at least 25% of their lengths



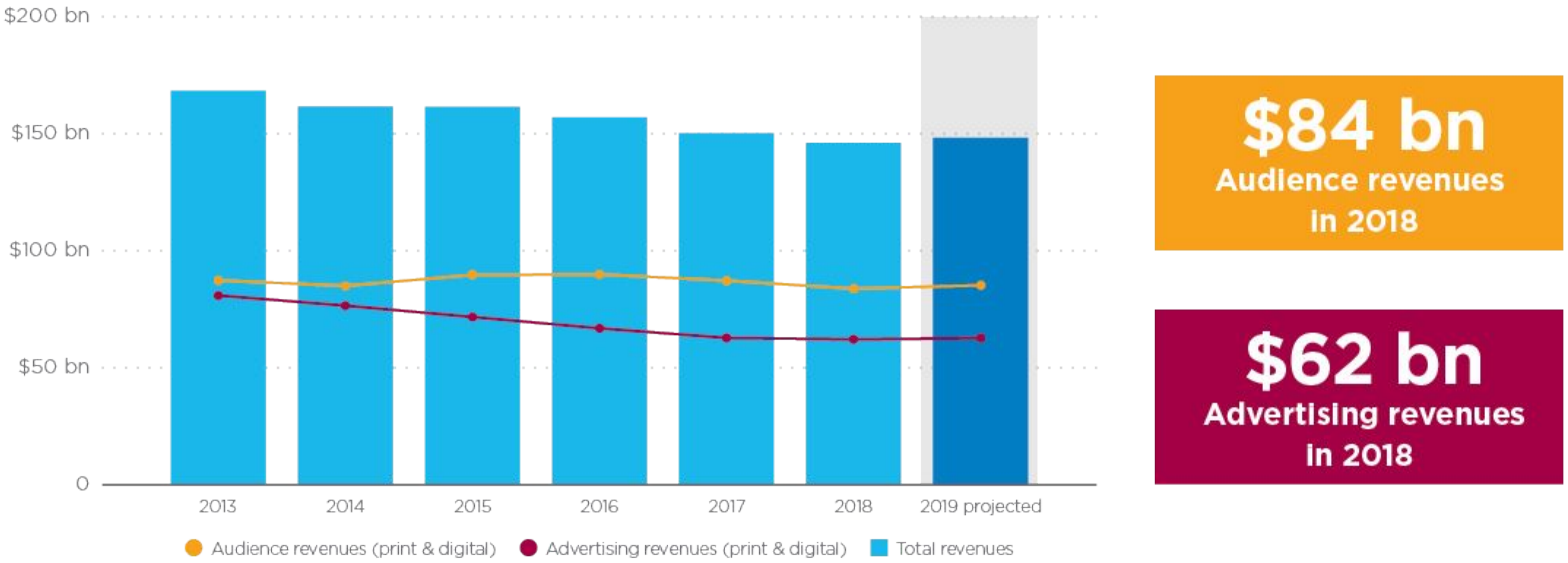
Source: IO Technologies data (~60 million first-time visits to 998 news and media websites from 60 countries; 10/01/2019 - 20/02/2019)

*maximum scroll-depth graph includes visitors who reached at least 25% of the article, while average scroll-depth graph includes also visitors that reached less than 25% of the article

2. Revenues and trends in their relevant market segments

Reader revenue keeps growing; overall income varies

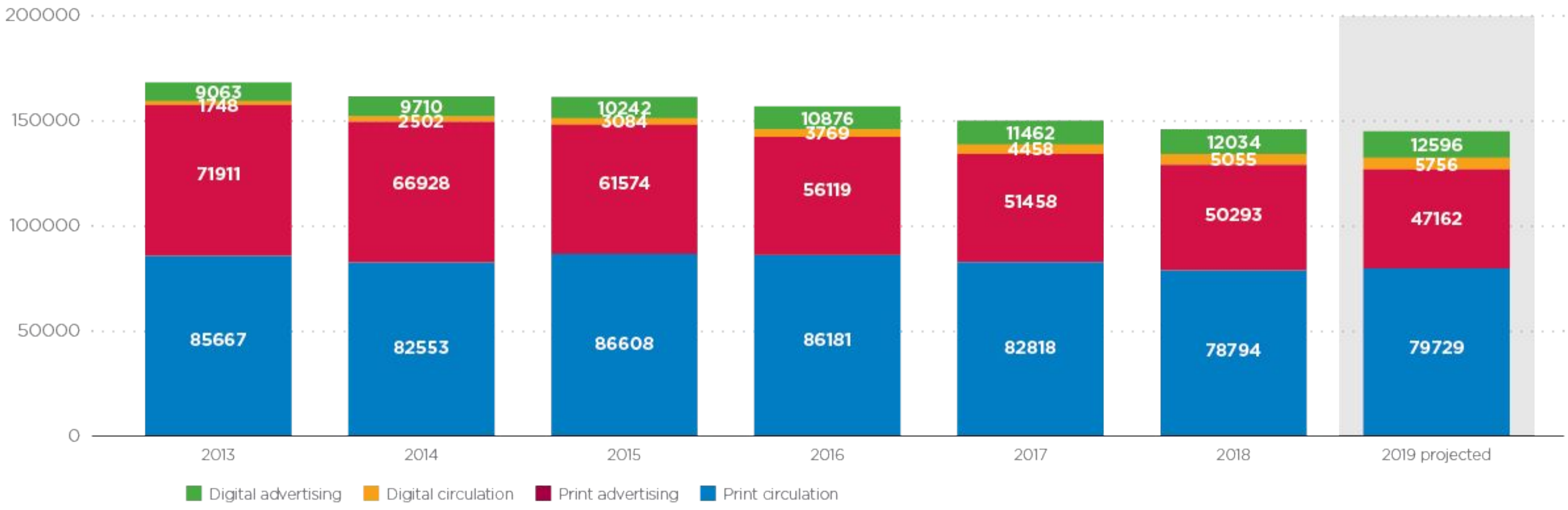
Audience revenues are forecast to continue growing as a share of global newspaper revenues, which are also expected to rise overall in 2019 as advertising revenues stabilise



Source: WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022); Zenith 2018

Print revenues need nursing, digital needs nurturing

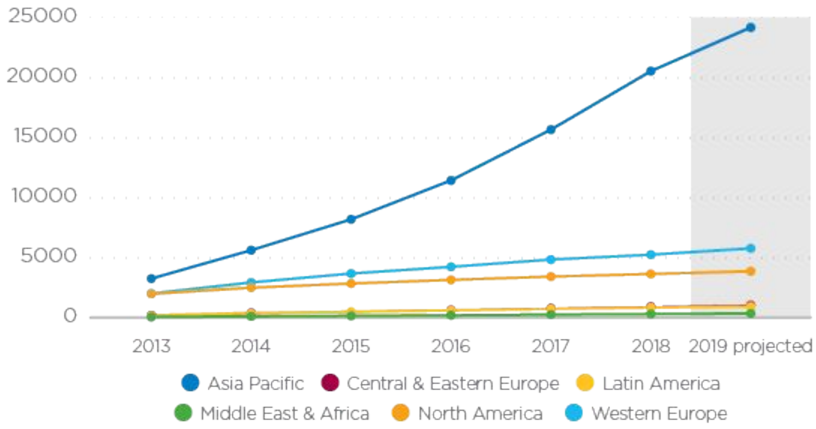
Print still delivers the largest share of revenues. However, digital income is growing and is projected to account for 14% of total revenues in 2019, up 1% from this year.



Source: WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022); Zenith 2018

Reader revenues keep growing, pace varies

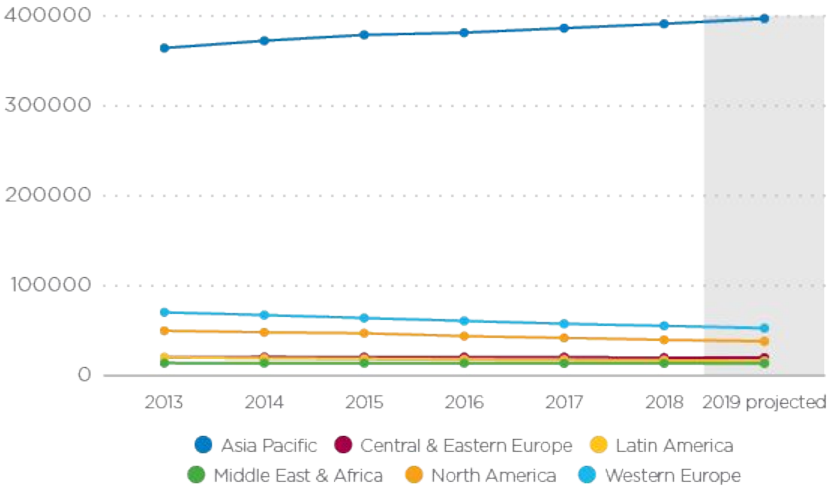
Paying digital news subscriptions which have boomed over the past 5 years are expected to grow at slower rates in 2019, except for Western Europe where forecast growth is 10% (up from 8.4% in 2018).



Source: WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022); Zenith 2018

Digital newspapers are defined as: The average number of purchased digital newspapers, including via a paywalled section of a newspaper website or purchased digital edition of a newspaper.

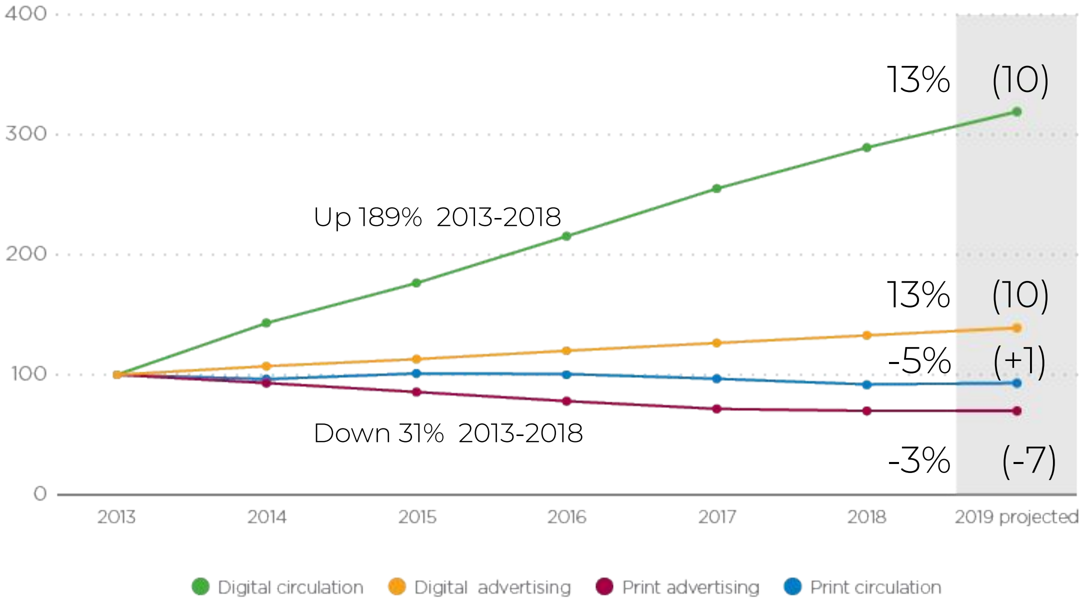
Paying print audience increases in Asia Pacific over the past five years have buoyed overall newspaper audience numbers, despite declines in other markets. These trends are forecast to level off in 2019 with slow downs in both growth in Asia Pacific and declines in Western Europe and the Americas.



Source: WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022); Zenith 2018

Digital revenues - including ad income - to grow

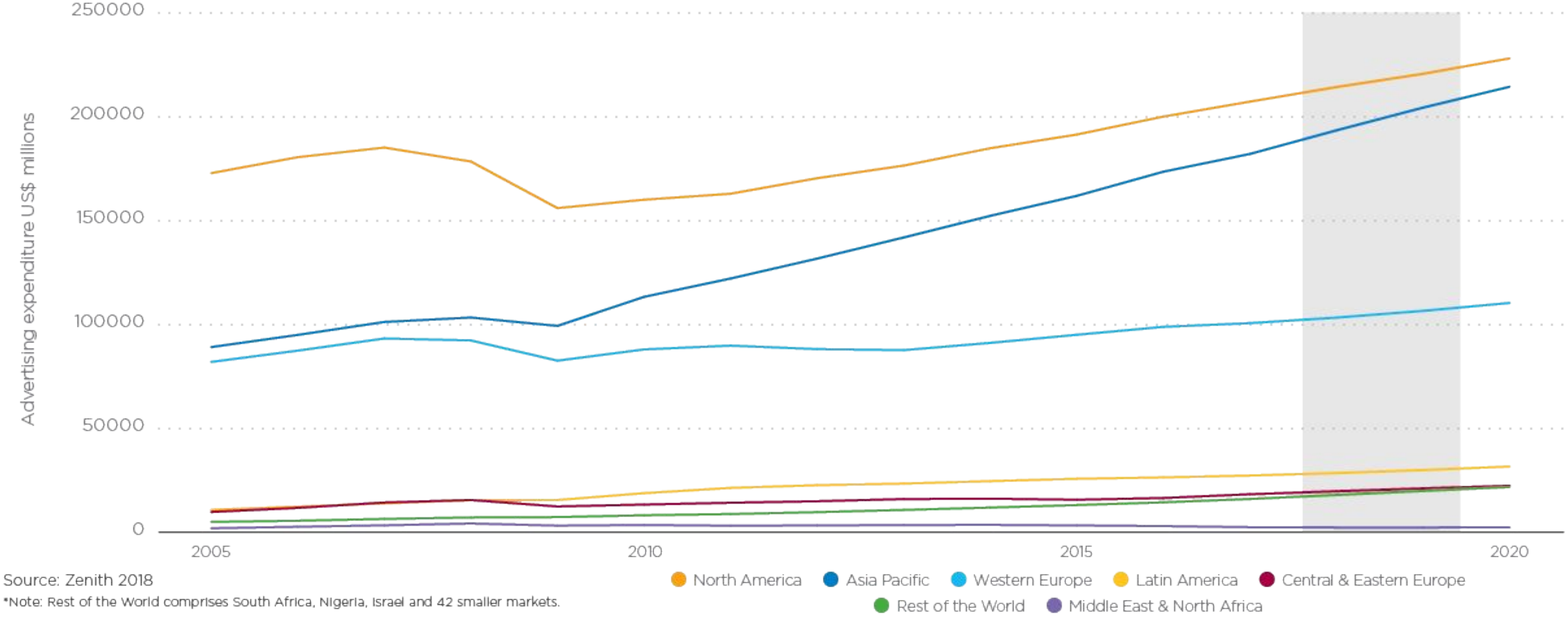
Digital and print revenues continue to diverge - with digital reader revenue rising 189% over the past 5 years with further 10 percent forecast for 2019



Source: WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022); Zenith 2018

Regional advertising expenditure trends show minor variations

Regional adspend trends have broadly followed the wider market with growth in every region since the global economic downturn, except for the Middle East & North Africa which shrunk by 36% over the past 5 years. Strongest overall growth (up 67% since 2013) has been in Nigeria, South Africa, Israel and 42 smaller countries that comprise Rest of the World category, which is forecast to expand a further 10% this year.



Source: Zenith 2018

*Note: Rest of the World comprises South Africa, Nigeria, Israel and 42 smaller markets.

Over the past 10 years the top media markets have remained similar - with the exception of Italy & Brazil

Top 10 countries by advertisers' major media expenditure (US$ million at current prices)

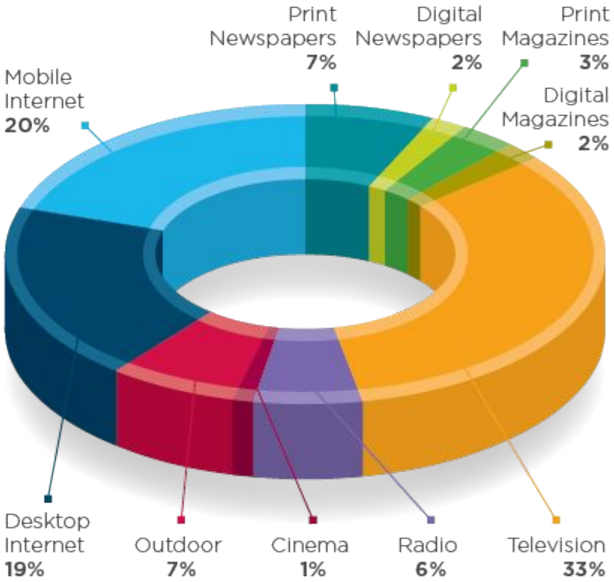
2008			2018		
USA	170,604	1	USA	217,971	■
Japan	41,173	2	China	85,237	▲
China	26,979	3	Japan	42,512	▼
Germany	21,248	4	UK	25,735	▲
UK	16,532	5	Germany	23,018	▼
France	11,575	6	Brazil	15,711	▲
Italy	10,696	7	France	12,638	▼
Australia	9,301	8	South Korea	12,550	▲
Canada	7,875	9	Australia	12,455	▼
South Korea	7,800	10	Canada	10,760	▼

Source: Zenith 2018

Italy has dropped off the Top 10 chart, whilst Brazil has jumped 6 places from 12th place.

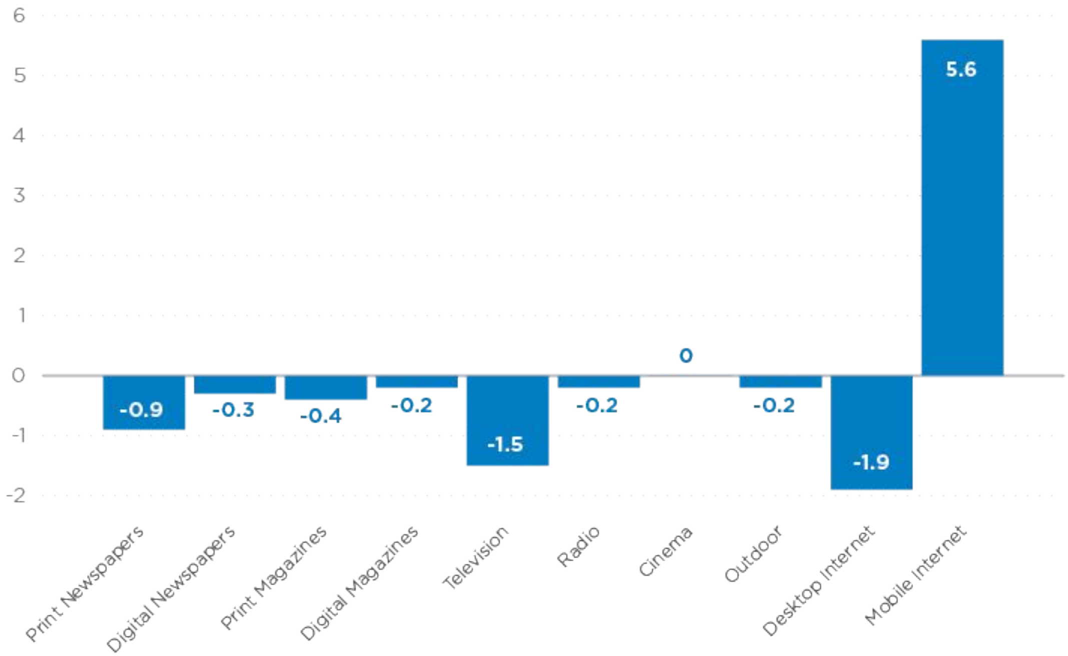
News publishers compete fiercely for ad share, decline slows

Mobile's share of global advertising shot up to 20% in 2018 (16.2% in 2017), at the expense of newspapers and print magazines. Desktop internet's share declined marginally.



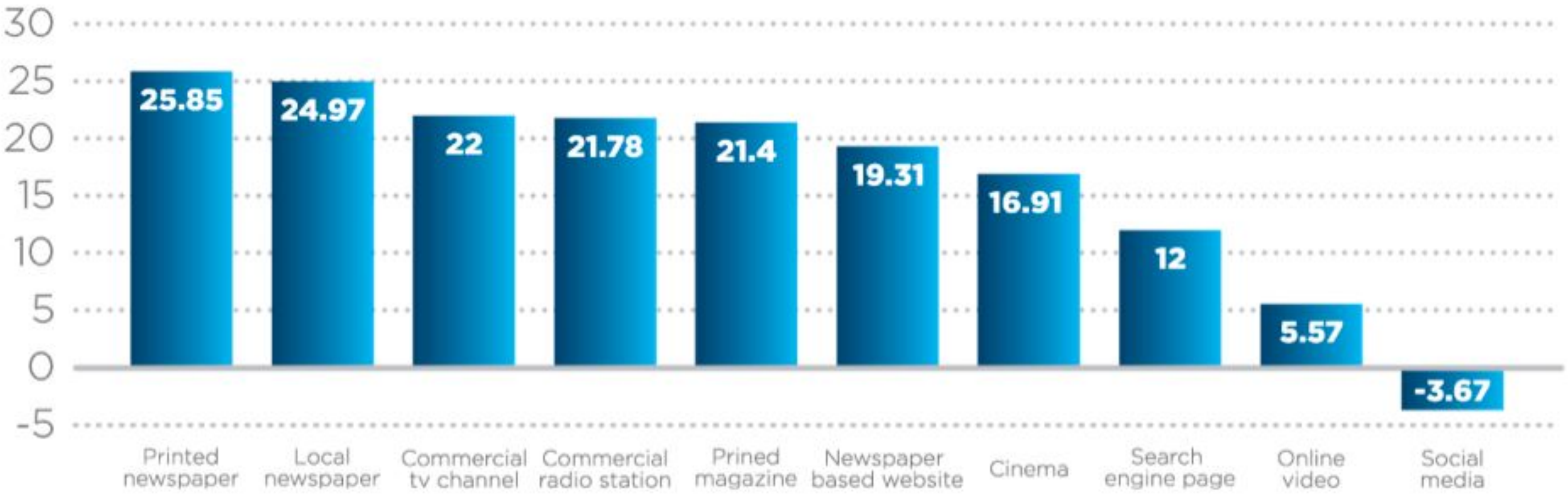
Source: WPT analysis; Zenith 2018

Year on Year Change in Adspend Share



Source: WPT analysis; Zenith 2018

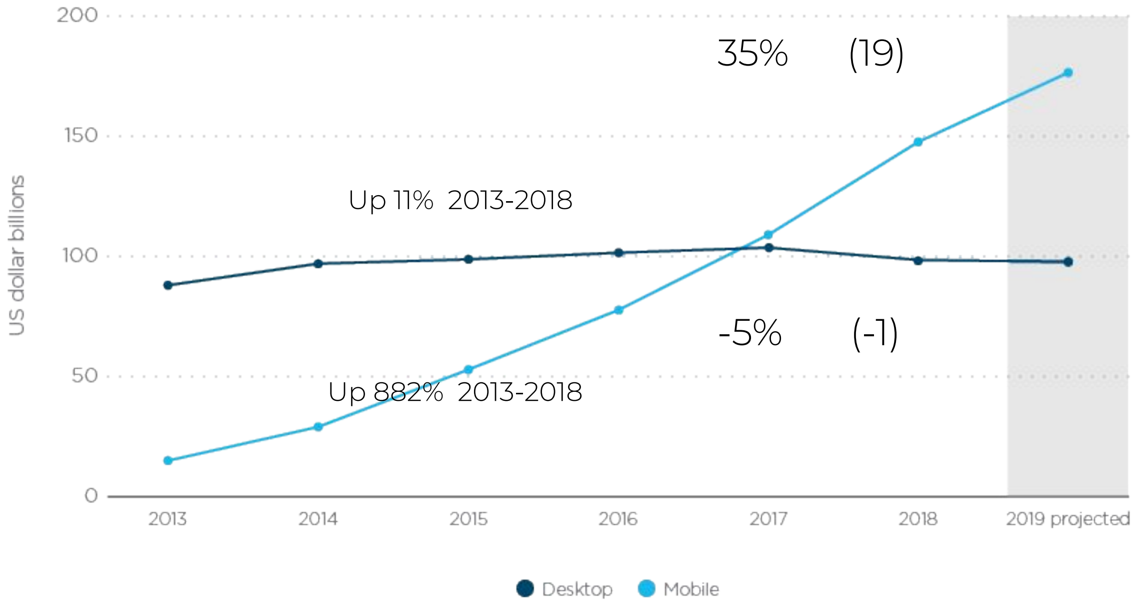
Global trust in advertising by media



Source: WAN-IFRA / Syno Global AdTrust Survey 2019

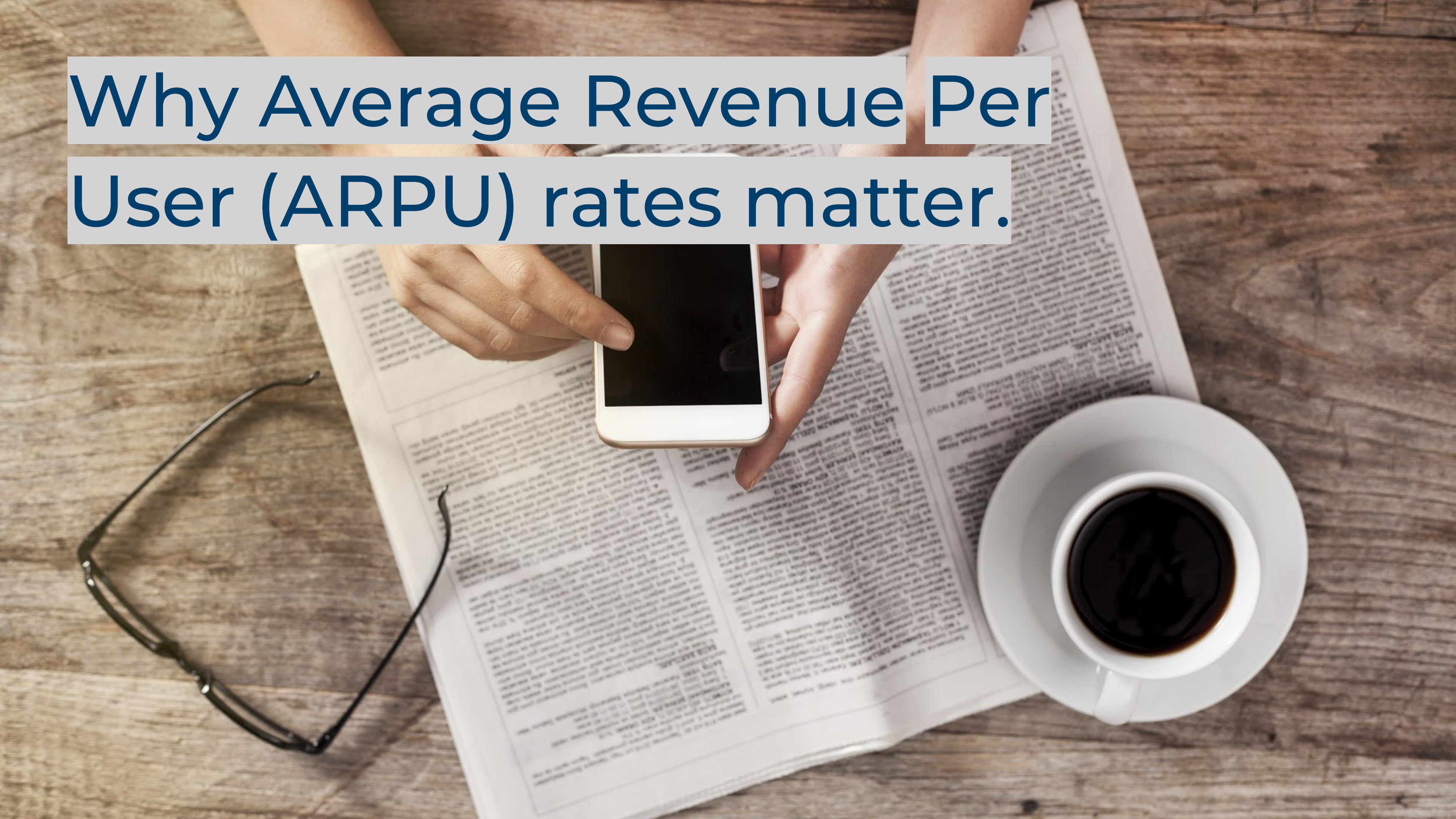
The adspend march to mobile gathers pace

Desktop and mobile adspend continue to diverge as global growth in digital advertising moves exclusively to mobile with further rise of 19% expected in 2019.



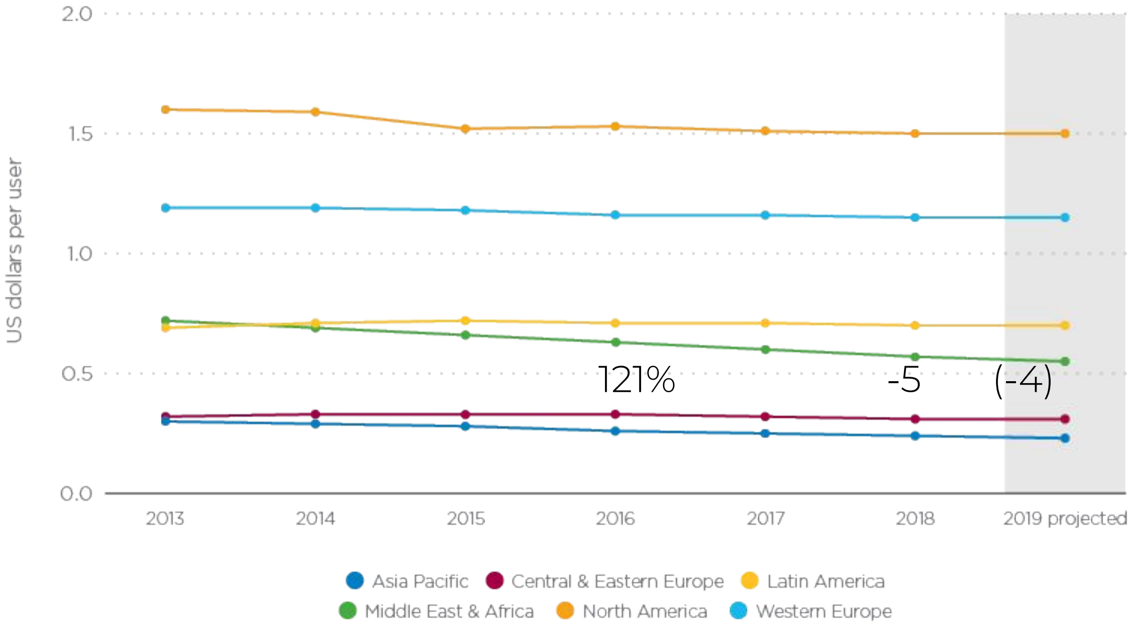
Source: Zenith 2018

Why Average Revenue Per User (ARPU) rates matter.



Print prices to remain stable, except for Asia & MENA

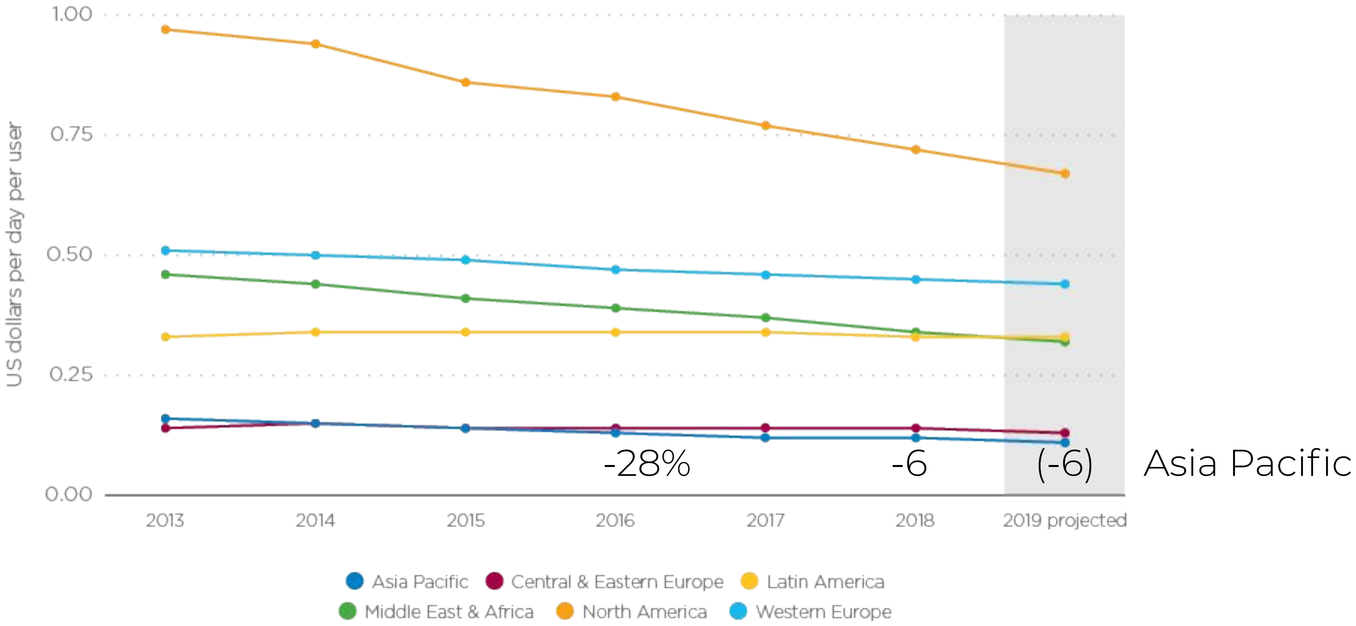
Print circulation daily Average Revenues Per User (ARPU) by region is broadly stable, after a some steep declines in Asia Pacific and the Middle East & North Africa



Source: WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022); Zenith 2018

Print ad ARPU rate slump expected

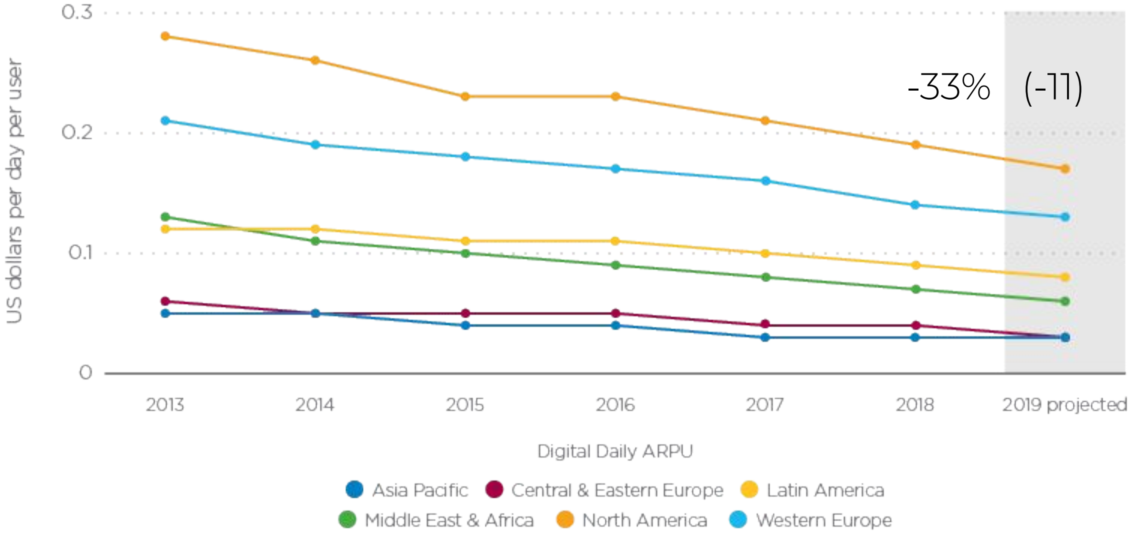
Print advertising daily ARPU for all newspapers (free and paid) are forecast to decline further in 2019 with North America, MENA and Asia specific feeling it most acutely.



Source: WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022); Zenith 2018

As digital audiences rise, prices decline

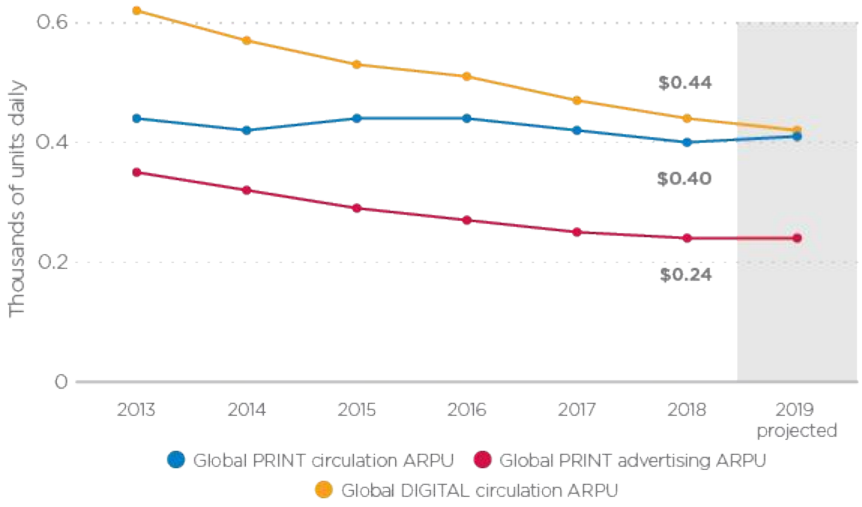
Digital circulation daily ARPU continues to decline in most regions as subscription prices fall to attract more users.



Source: WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022); Zenith 2018

Prices drop for readers, rise for advertisers

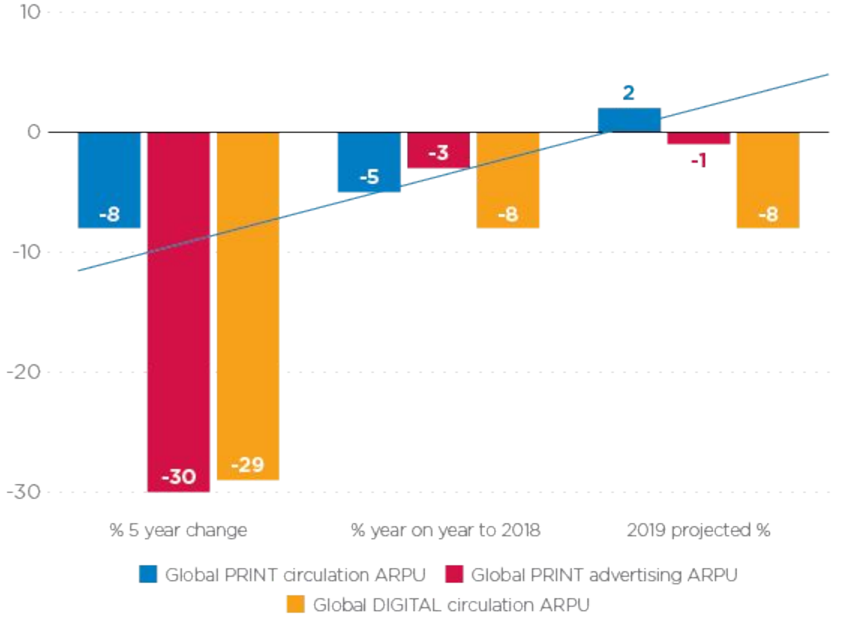
Average Revenue Per User (ARPU), which have been notably higher for digital subscribers, is expected to even out in 2019 to match the global average daily print sales income of around US 40 cents. Advertising ARPU for paid-for news sites is forecast to remain unchanged at US 24cents per day.



Source: WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022); Zenith 2018

Note: Without reliable audience figures for free-to-view websites, it's not possible to calculate digital advertising ARPU rates.

Average Revenues Per User (ARPU) rates have dropped sharply over the past five years, but declines have slowed in 2018 and growth is forecast for print circulation in 2019.

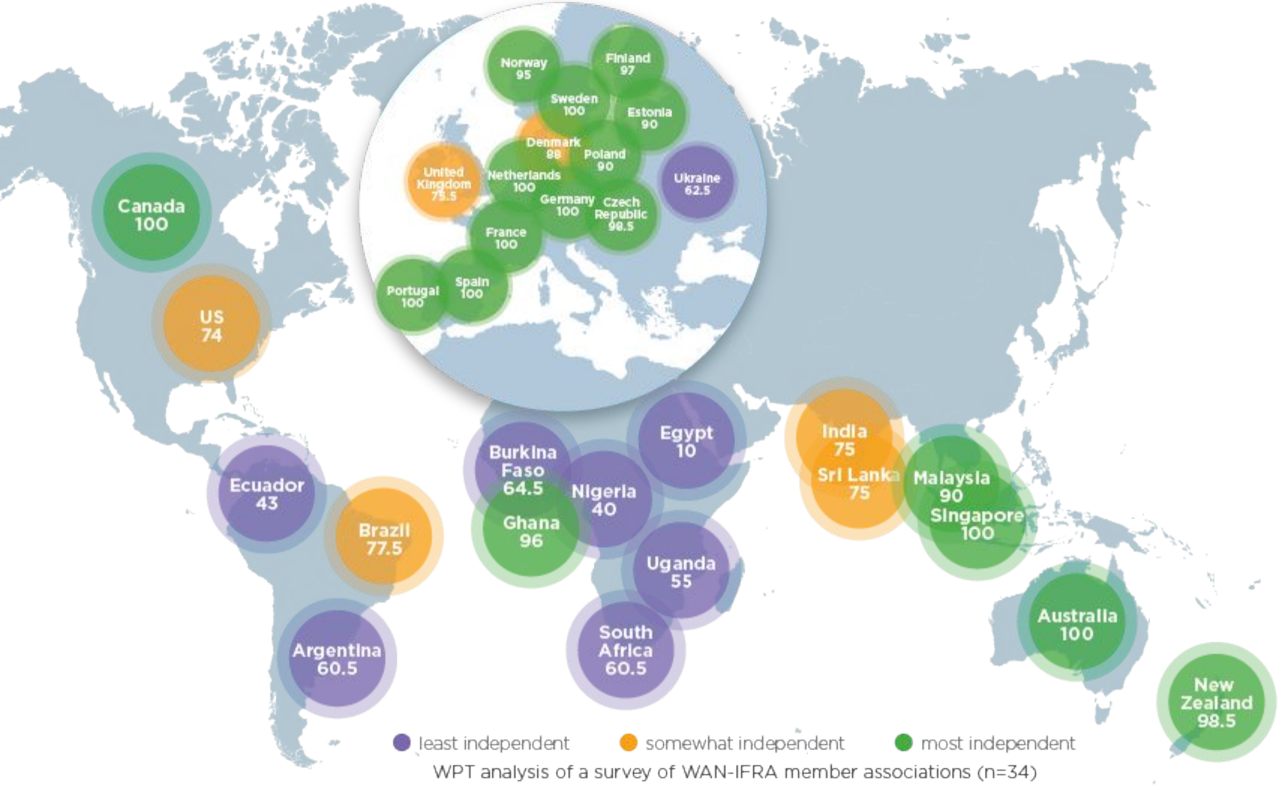


Source: WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022); Zenith 2018

Note: Without reliable audience figures for free-to-view websites, it's not possible to calculate digital advertising ARPU rates.

3. Working conditions of journalists, and diversity in the news & in the newsroom

Independence



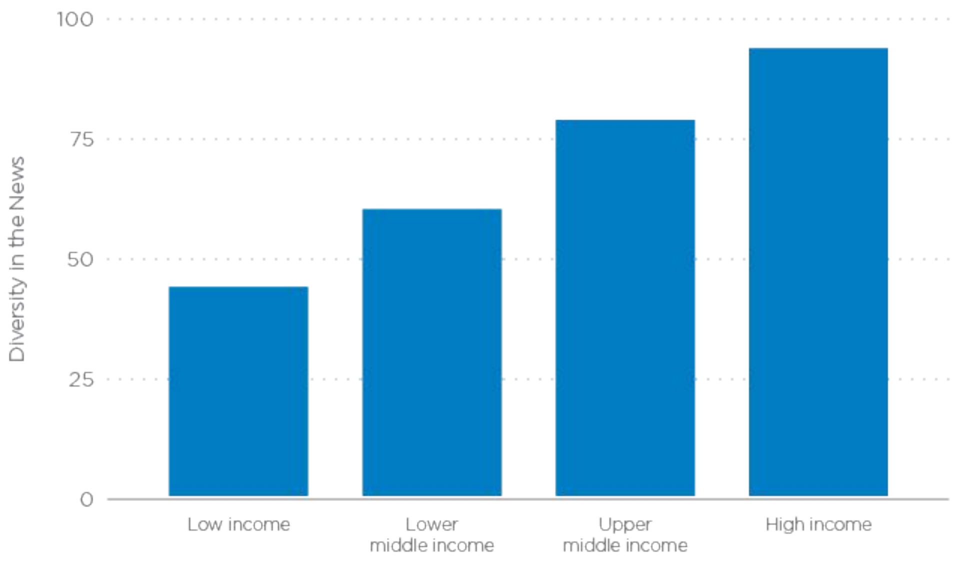
Independence* of the media is strongly related to income group.

The higher the income group the more likely that media statistics are reliably and independently produced ($r = .74$, $p < .001$), the more likely that news media can produce their own news unrestricted ($r = .45$, $p < .001$), the less likely that state and non-state subsidies limit editorial independence ($r = .87$, $p < .001$), and the more transparent the subsidies $r = .64$, $p < .001$)

E.g., the independence and reliability of media statistics; lack of restrictions in the production of news, the extent to which state and non-state subsidies limit editorial independence; the transparency of subsidies

Access to information

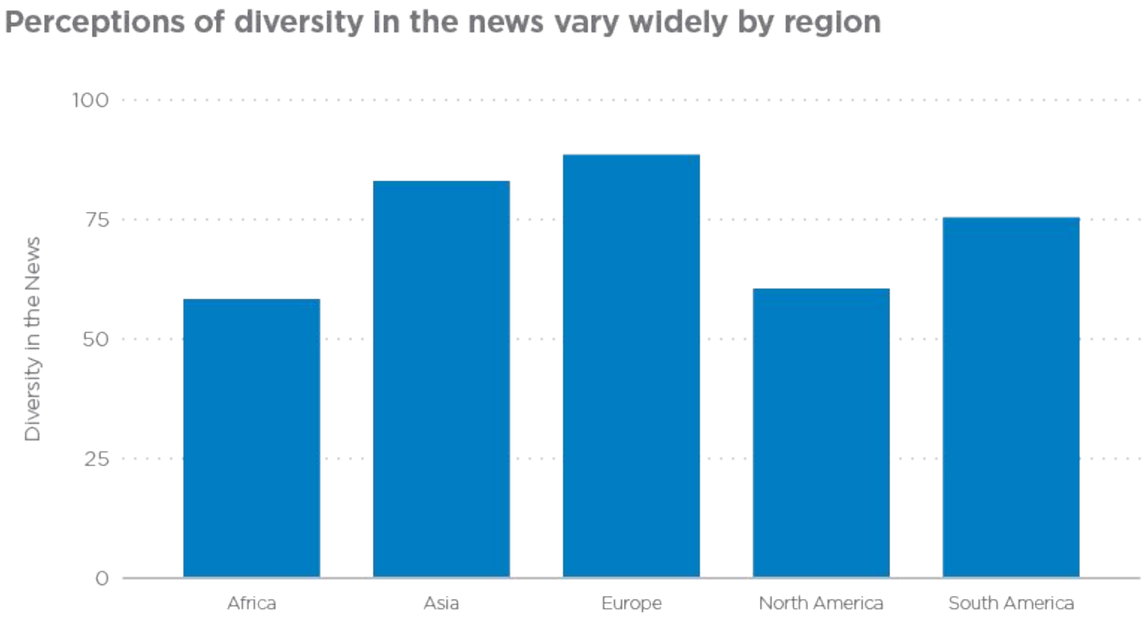
The higher the income group, the greater the independence of the media



Source: WPT analysis of survey of WAN-IFRA members 2019 (n=34)

Access to information is related to income group. The higher the income group, the greater the access to reliable independent news about national issues ($r = .55$, $p < .001$). The higher the income group, the greater the access to reliable independent news about local and regional issues ($r = .63$, $p < .001$).

Diversity in the news



Source: WPT analysis of a survey of WAN-IFRA member associations (n=34)

The higher the income group, the more likely it is that media outputs reflect the diversity of the population of the country, in terms of both culture and language ($r = .52$, $p < .001$).

REGIONAL DIFFERENCES

Europe and Asia are the places where it is more likely that media outputs reflect the diversity of the population (Mean responses = 8 and 8.5 out of 10 respectively), while Africa and North America respondents were the least likely to believe it (M = 5.8 and 6 out of 10 respectively).

Diversity in the newsroom

The higher the income group, the more likely it is that media find and hire staff, including women and individuals from marginalised groups, with adequate knowledge and skills in the different areas (journalism, management, marketing, technology, sales etc.) ($r = .58$, $p < .001$).

REGIONAL DIFFERENCES IN HIRING: Asia and Europe are the most likely to respond positively ($M = 8.3$ and 8.1 out of 10 respectively, while Africa and North America were again least likely ($r = .58$, $p < .001$) ($M = 4.8$ and 6.4 out of 10 respectively).

CAREER PROGRESSION*: South America was the place where women and members of minority groups faced the FEWEST barriers to career progression ($M = 1.9$) whilst in Africa such groups faced the most ($M = 6$).

PRIORITIES: Diversity was most likely to be a stated value or priority in Europe and Asia ($M = 9.2$ nd 8.5 respectively) and least likely in South America ($M = 5.2$).

31%

Of the countries that responded to our survey, only 31% reported having a specific funded programme to help ensure women and individuals from marginalised groups participate proportionately in vocational, academic and industry training.

Source: WPT analysis of a survey of WAN-IFRA member associations (n=34)

**North America does not feature in this question, because the question was not answered by Canada or the US.*

4. Direct impact of press freedom on the well-being of our democracies, economies and societies

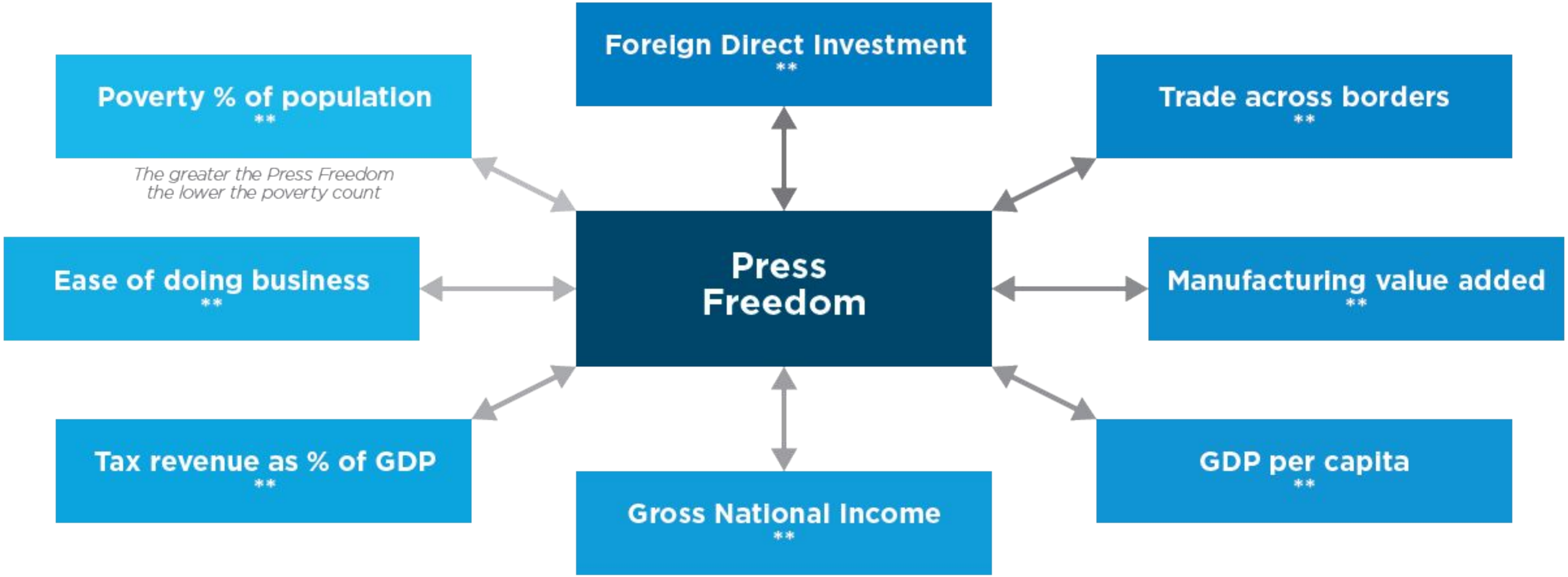
The Freedom of the Press methodology is based on Article 19 of the Universal Declaration of Human Rights, which states: "Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive, and impart information and ideas through any media regardless of frontiers."

The DEMOCRATIC Impact of Press Freedom

SOURCES: *Freedom House 2017. Press Freedom includes freedom of speech; effective press laws; freedom of information; editorial autonomy; Civil liberties (r = .96: p < .001)
**World Bank 2018 ..Political stability (r = .69; p < .001); Control of corruption (r = .65; p < .001); Voice & Accountability (r = .69; p < .001); Strength of governance (r = .25, p < .05); Rule of law (r = .75; p < .001)
***Harvard University: Political Integrity Index 2018 (r = .79; p < .001)
****Idea.int: Voter turnout (r = -.37, p < .01)

The ECONOMIC impact of Press Freedom

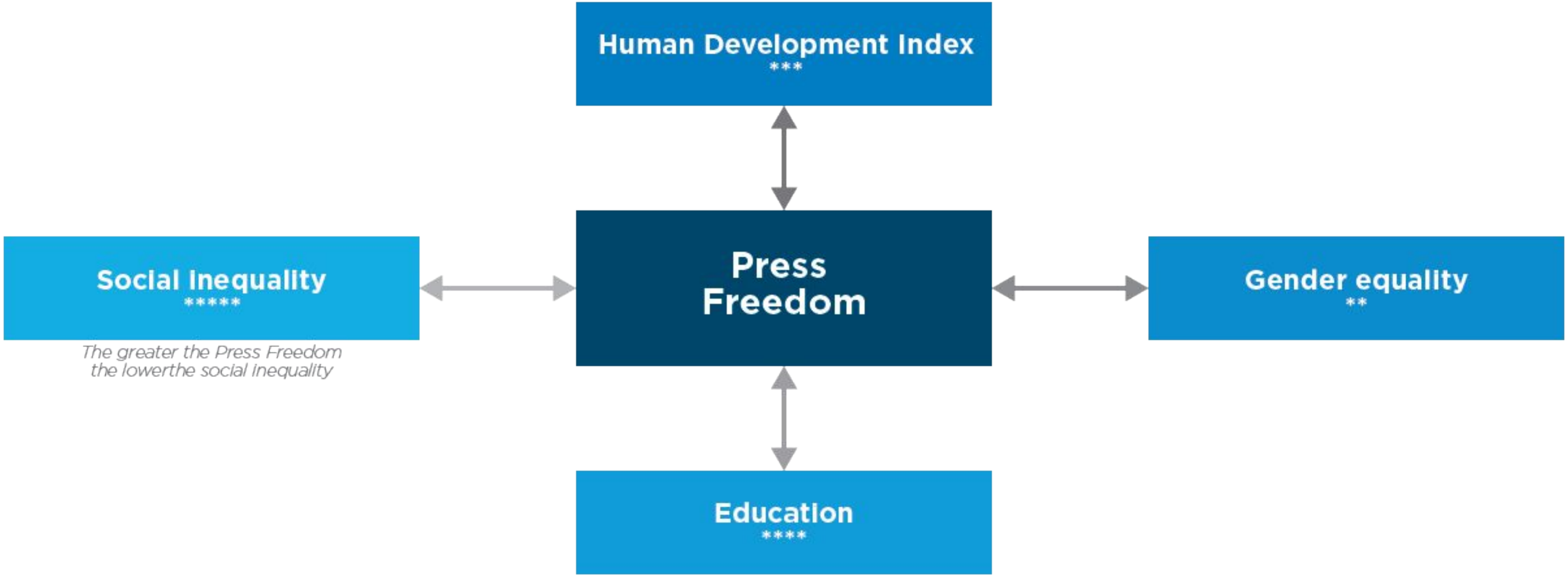
The freer the press, the higher the...



SOURCES: *Freedom House 2017. Press Freedom includes freedom of speech; effective press laws; freedom of information; editorial autonomy
**World Bank 2018 .. GDP ($r = .48, p < .001$) ; Foreign Direct Investment: ($r = .58, p < .001$); Gross National Income: ($r = .47, p < .001$); Ease of doing business: ($r = .40, p < .001$); Tax revenue as % of GDP: ($r = .44, p < .001$); Manufacturing value added: ($r = .50, p < .001$); Trade across borders: ($r = .54, p < .001$); Poverty % of population: ($r = -.21, p < .001$)

The SOCIAL Impact of Press Freedom

The freer the press, the higher the…



SOURCES: *Freedom House 2017. Press Freedom includes freedom of speech; effective press laws; freedom of information; editorial autonomy
** UNDP 2018 (r = .44; p < .01)
***HDI (World Justice Project) (r = .46; p < .01)
**** OECD 2018 & UNDP 2018 (r = .43; p < .01)
***** World bank GINI Index 2018 (r = -.21; p < .05).

KEY TRENDS 1: AUDIENCES

SUMMARY The appetite for quality news has never been greater. Overall numbers of paying print users are slightly down, whilst digital news subscribers are significantly rising (up 22.5% in one year). These digital audiences are reaching us via mobile, which now accounts for more than half of news traffic - particularly in Africa and Asia. Google continues to dominate the digital news ecosystem in most markets, accounting for two out of every three page views from leading tech companies.

IMPLICATIONS FOR PUBLISHERS ‘Mobile First’ has to be more than a mantra, it needs to be a be the mission. Content that is relevant to readers isn’t just clicked, but consumed - and rewarded with loyalty. Need to move from a product mindset to a service mindset.

RISKS New competencies - editorial, commercial, technical - are required to meet the mobile challenge. Over-reliance on platforms.

KEY TRENDS 2: REVENUES

SUMMARY As advertising spend follows news users to mobile (and tech giants), global revenues for publishers dipped by 3% to US$146 billion in 2018. This trend is expected to stabilise through 2019 as climbing digital reader revenues offset some of losses in other areas.

IMPLICATIONS FOR PUBLISHERS: Continue developing reader revenues through trusted, indispensable (mobile) news services and content, alongside efforts to diversify revenue streams beyond circulation and advertising.

RISKS: Over reliance on traditional income streams (advertising and print sales) and channels (including desktop websites) can undermine long-term sustainability, while continued cost cutting can deplete resources needed to deliver acceptable customer value.

KEY TRENDS 3: DIVERSITY IN THE NEWS & NEWSROOMS

SUMMARY Perceptions of diversity in the **news** varies by **region**, with Europeans most considering that media outputs reflect the diversity of the population of their countries, in terms of both culture and language. Diversity in the **newsroom** itself was directly related to **income groups**, with newsrooms in higher income group countries more likely to provide a level playing field for the hiring of individuals from marginalised groups. Only 31% of news media associations in our survey (n=34) said that had a specific, funded programme to increase newsroom diversity.

IMPLICATIONS FOR PUBLISHERS Independence needs to be jealously guarded and there greater need for specific, funded programmes to foster greater diversity and inclusion in the newsroom - and amongst news audiences.

RISKS Lack of diversity impacts creativity, productivity, reputation, impact - and the financial bottom line.

KEY TRENDS 4:
The role of a free press in DEMOCRACIES, ECONOMIES & SOCIETIES

SUMMARY There are direct and strong relationships between a free and independent press and democratic factors (e.g., electoral integrity and rule of law), economic factors (e.g., direct foreign investment, trade across borders and GDP) and social factors (e.g., inclusiveness, gender equality, educational achievement, social equality).

IMPLICATIONS FOR PUBLISHERS There is a clear and important role for a free and press and opportunity - but need to demonstrate responsible leadership to shore up the democracies.

RISKS Polarised and unprofessional news media can contribute to further fracturing of society undermining democracies - and increasing distrust from readers and other role players.

SNAPSHOT: WPT 2019 KEY FIGURES

The global appetite for quality news is undiminished. Paying news audiences - print and digital - rose 1% ito 567 million per day in 2018 and are forecast to rise to 573 million per day in 2019. **Overall revenues from print & digital sales and advertising** decreased 3% year on year, but are forecast to rise slightly in 2019. 57% of newspapers' overall revenue comes from circulation sales, up 1% year on year and forecast down 2% for 2019 as prices come under pressure. **Print revenues** still account for 88% of newspapers' overall revenue globally - but its share declined from 89% in 2018 and is forecast to be 87% in 2019.

- **Digital circulation revenues** increased 13% year on year (yoy) - forecast to increase further in 2019
- **Digital advertising revenues** increased 18% yoy - forecast to increase further in 2019
- **Digital news subscribers** increased 22.5% yoy - forecast to increase further in 2019
- **Print circulation revenues** decreased 5% yoy - but forecast to increase in 2019
- **Print advertising revenues** decreased 2% yoy - but forecast to increase slightly in 2019
- **Print paid audiences** decreased slightly (less than 1%) yoy - but forecast to rise slightly in 2019

PRINT

CIRCULATION REVENUE

$78.8 bn

down 4.8%
from 2016/7 to 2017/8

ADVERTISING REVENUE

$50.3 bn

down 2.1%
compared to
the previous period

PAYING READERS

536 M

DAILY USERS

down 0.04%
compared to
the previous period

OVERALL PAYING AUDIENCES

567 MILION

users pay for print and digital news each day

up 1% from 2016/7 to 2017/8

OVERALL REVENUES

$146.1 BILLION

down 3% compared to the prevous period

DIGITAL

CIRCULATION REVENUE

$5.1 bn

up 15.9%
compared to
the previous period

ADVERTISING REVENUE

$12.0 bn

up 5.3%
compared to
the previous period

PAYING USERS

32 M

DAILY USERS

up 22.5%
compared to
the previous period

#WorldPressTrends #WNMC19

Source: WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022); Zenith 2018

*53 major media markets

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Press Freedom
Electoral Integrity
Judicial Framework and Independence
Voice & accountability
Civil Society
National & Local Democratic Governance
Electoral Process
Civil Liberties
Trade Across Borders
Manufacturing value added
Rule of Law
Ease of doing business
Tax revenues
Education
Invalid votes
GDP
Gender equality
Strength of governance structure
Political Stability and Absence of Violence/Terrorism
Human development
Gross national income
Control of Corruption