



## **NEWSPAPERS PERFORM WELL AGAINST INDUSTRY SPEND MEASURES**

In a year unlike any other for businesses across the world impacted by the Global Financial Crisis, it is heartening for the New Zealand newspaper industry to report a decline of only 9% in its core revenue streams of National and Retail advertising, which are the industry measure for all main media channels.

In the 12 months to December 2009, advertisers increasingly consolidated their media spend with trusted brands, which resulted in press outperforming its main peer group on year-on-year trends. In the same period where newspapers were down 9% in core display revenues, television and radio advertising dropped 12% and magazines 13% year-on-year.

“Newspapers have delivered a much stronger result in 2009 than many would have expected, which was a great vote of confidence by advertisers in the future of the medium”, Newspaper Publishers Association president Michael Muir said.

National and retail advertising, which formed the bulk of newspaper ad revenue had defied the negative predictions given the economic downturn.

Employment, car and real estate revenues reflected the prevailing economic conditions with employment revenue particularly following similar trends to online classifieds as the job market dried up. This will pick up when the economy returns.

“We already have early evidence of this in 2010 and the real estate market is also recovering.”

However, in commenting on the numbers Mr Muir signalled that the newspaper industry would review its approach to the provision of NZ advertising industry turnover figures to the Advertising Standards Authority when it held its quarterly meeting at the end of March.

“The ASA figures are not a relevant measure across the main media peer group and are open to being mis-construed,” Mr Muir said.

“They are just not apples with apples. Newspapers are performing very strongly in the National and Retail advertising categories. Our main media peer group are essentially providing a national and retail revenue comparison year-on-year and newspapers may decide to release the same figures.

“We are outperforming our peer group in these categories, but this is not readily apparent from the way the figures are presented.

Publishers had discussed the matter with the ASA, which understood the position, and dialogue will continue.

NZ Newspapers	2008 v 2009
National + Retail revenue	-9%

NPA Members:

Fairfax Media

APN New Zealand

Otago Daily Times

Gisborne Herald

Ashburton Guardian