

Digital moves ahead

The key finding of research Howzit MSN commissioned from market researcher Echo with the goal of achieving a clear and more accurate view of print and digital audience numbers is that readership figures shows that the internet now has a further reach and a wider audience than print.

The findings indicate that print audiences are not as large as media planners and advertisers have been led to believe, because of flaws in the ways that the All Media & Products Survey (AMPS) measures readers per copy.

Marcus Stephens, GM of Howzit MSN, the local MSN portal owned and operated by Kagiso Media, says: "The study provides evidence that print readerships have been overestimated because of overinflated pass-on readership stats, while internet users have been underestimated because of the discrepancies in the ways they are counted."

According to AMPS, around 50% of the South African adult population are newspaper readers and 48% are magazine readers, while only 22% are internet users. However, these figures assume readers per copy (RPC) that ranges between 6-30, depending on the publication.

Pass-on rate inflated

Considering that according to AMPS, 89% of newspapers read by adults are "bought by self or a family member," these figures seem improbable given that the average household only has 2.5 adults. To put the numbers in perspective, the other 11% of newspaper copies shared at coffee shops, hotels or in taxis would each need more than 36 readers to pull the average up to six readers per copy.

After taking a careful look at these statistics, Echo generated a statistical model that is more in line with the number of adults in an average household and found that pass-on readership across newspapers would probably average out at closer to 4.2. That would effectively mean that one in three South Africans read newspapers rather than half.

There are also reportedly problems in the way AMPS tracks internet access - which is why the survey records only around 7.8 internet users, or 22% of adults.

The reason for this appears to be that AMPS respondents think of the "internet" as access from a PC. However, the questionnaire also asks about mobile activities. If one combines mobile access with PC access, AMPS' numbers indicate that the internet reaches 10.2 million (29%) or 12.3 million (35%) of adults, depending on which mobile activities one includes.

Internet reaches 14.1 million

Echo believes even these numbers are conservative. By cross-referencing the numbers with Effective Measure, which tracks unique browsers, Echo believes the internet currently reaches around 14.1 million adults or 39% of the adult population.

Says Stephens: "The research indicates that as valuable as AMPS is, it cannot be taken at face value. AMPS data should be cross-referenced with audited print sales copies, unique IP addresses and other data sources to ensure its veracity. Media owners, agency people and media planners owe it to their clients to strive for more accurate audience measures.

R20 billion at stake

"There is an annual advertising spending of more than R20 billion, weighted at 56% of rate card at stake here and the industry should help advertisers to get the best possible value for money. Agencies and marketers should look closely at where they are spending their money and make adjustments, if necessary, to cater for the changing landscape. Online display media spend currently attracts 3% of ad spend while it delivers 29% penetration of all adults, an alarming disparity. For progressive brands who engage digitally, the opportunity to dominate in a highly underinvested channel exists."

Stephens predicts print ad spend could lose as much as R2 billion in ad spend over the next three years, while digital spend will more than triple and ad spend will ultimately follow eyeballs. "We have reached a watershed moment for the publishing industry in South Africa, but it almost passed unnoticed because we were not using the right measurements. I believe that print has an important role to play in marketers' mix and that the migration from print to digital is happening much faster than anyone predicted," he concludes.

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