

Print is far from dead

Business Connexion recently hosted a joint MyWorld of Tomorrow roundtable with global research house, Ovum, where some interesting statistics about the print and digital industries were revealed...

Contrary to popular belief, the digital revolution has not killed the print industry. According to a report by Ovum, the printed product is proving resilient in many countries, including mature markets such as Japan and Norway and growth markets such as South Africa and India. The print currently accounts for 86% of annual revenues and this figure is only expected drop to 76% by 2020.

According to Nick Thomas, practice leader in digital media at Ovum, print revenues will continue to dominate the publishing market globally. "In South Africa newspapers will drive publishing growth. This is because the transition from reading a physical book to reading an e-book is less disruptive than going from a newspaper or magazine to a website or app."



Image via [123RF](#)

He adds that consumers and advertisers still like the physical format, in spite of the inevitable shift to digital. Digital media includes anything delivered digitally, which includes over-the-top (OTT) video, music, gaming, digital advertising and digital consumer publishing.

According to Thomas, digital media will represent 3.3% of consumer publishing revenue in 2015 and this figure will rise to 8.4% by 2020.

"We predict that publishers will explore multiple business models going forward, which will include partnerships with non-traditional service providers such as social platforms to grow their audiences. Publishers will also use mobile to drive great growth in both mature and emerging markets, paving the way for deals with telecommunications service providers to strengthen their relationship with consumers and provide support with billing and payments for content."

This is in line with what is already happening in the South African telecommunications market around content provision.

Thomas does believe that digital rivals will provide strong competition.

"Facebook Instant Articles is a case in point. It allows content publishers to leverage the same technology used to display photos and videos within the Facebook app to instantly load and display articles. This is as much as ten times faster than the standard mobile web, making for a much better user experience." Snapchat Discover is another example where social media is creating a true immersive experience. "Then of course there is Twitter Project Lightning which allows for live streaming of events and taking content creation and sharing to the next level."

While the era of print is far from over, Thomas says that digital revenues are set to grow at a compound annual growth rate

(CAGR) of 12.6% over the forecast period (2015 - 2020). "Publishers will therefore have to embrace social media and focus more on mobile if they are to compete with this new level of digital competition," he concludes.

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