

The Use of the Internet by America's Newspapers



Prepared by The Bivings Group

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Executive Summary

Facing plummeting print circulation and an extremely challenging economy, the newspaper industry is clearly in crisis. According to the Audit Bureau of Circulations, American newspapers have seen a steady decline in print circulation over the last fourteen years.¹ This trend directly correlates with the rise of the Internet as a news source. Indeed, in October of 2008 *The Christian Science Monitor* announced that it would be the first major newspaper to stop its daily print edition and exist only online.² Today's newspapers are in a situation where they must embrace new technologies in order to stay relevant and survive.

This study examines how newspapers are responding to this crisis by investing more in their web programs and evolving their websites from simple news delivery mechanisms into online communities.

The study evaluates the web programs of America's top 100 newspapers based on the features included, with a focus on tools that increase interactivity and immediacy. The Bivings Group conducted similar studies in 2006 and 2007, and data from those reports is used to show how newspaper web programs are evolving along with the challenges they face.

Crisis in Print

Print readership is down, partly because newspapers no longer have a monopoly position in their markets; readers have many more news options – and almost all are free. Equally important, advertising revenue, from which newspapers garner the majority of their revenue, has done nothing but drop year after year with the rise of free classified ad websites like Craigslist. And the current economic recession has caused a precipitous decline in advertising and consequently newspaper revenues. The Tribune Company – which owns the *Chicago Tribune* and *Los Angeles Times* – has recently filed for bankruptcy³; profits and stock price at the *New York Times* are down. There are also rumors that the *Rocky Mountain News* may shut down.⁴

¹Richard Perez-Pena, *The New York Times*, "Newspaper Circulation Continues to Decline Rapidly" <http://www.nytimes.com/2008/10/28/business/media/28circ.html?_r=1&oref=slogin>

²David Cook, *The Christian Science Monitor*, "Monitor Shifts From Print to Web-based Strategy" <<http://www.csmonitor.com/2008/1029/p25s01-usgn.html>>

³Michael Oneal and Phil Rosenthal, *Chicago Tribune*, "Tribune Co. files for bankruptcy protection" <<http://www.chicagotribune.com/business/chi-081208tribune-bankruptcy,0,3718621.story>>

⁴April M. Washington, *The Rocky Mountain News*, "Journalists at Rocky Launch Website in Effort to Save Paper," <<http://rockymountainnews.com/news/2008/dec/15/journalists-at-rocky-launch-web-site-in-effort/>>

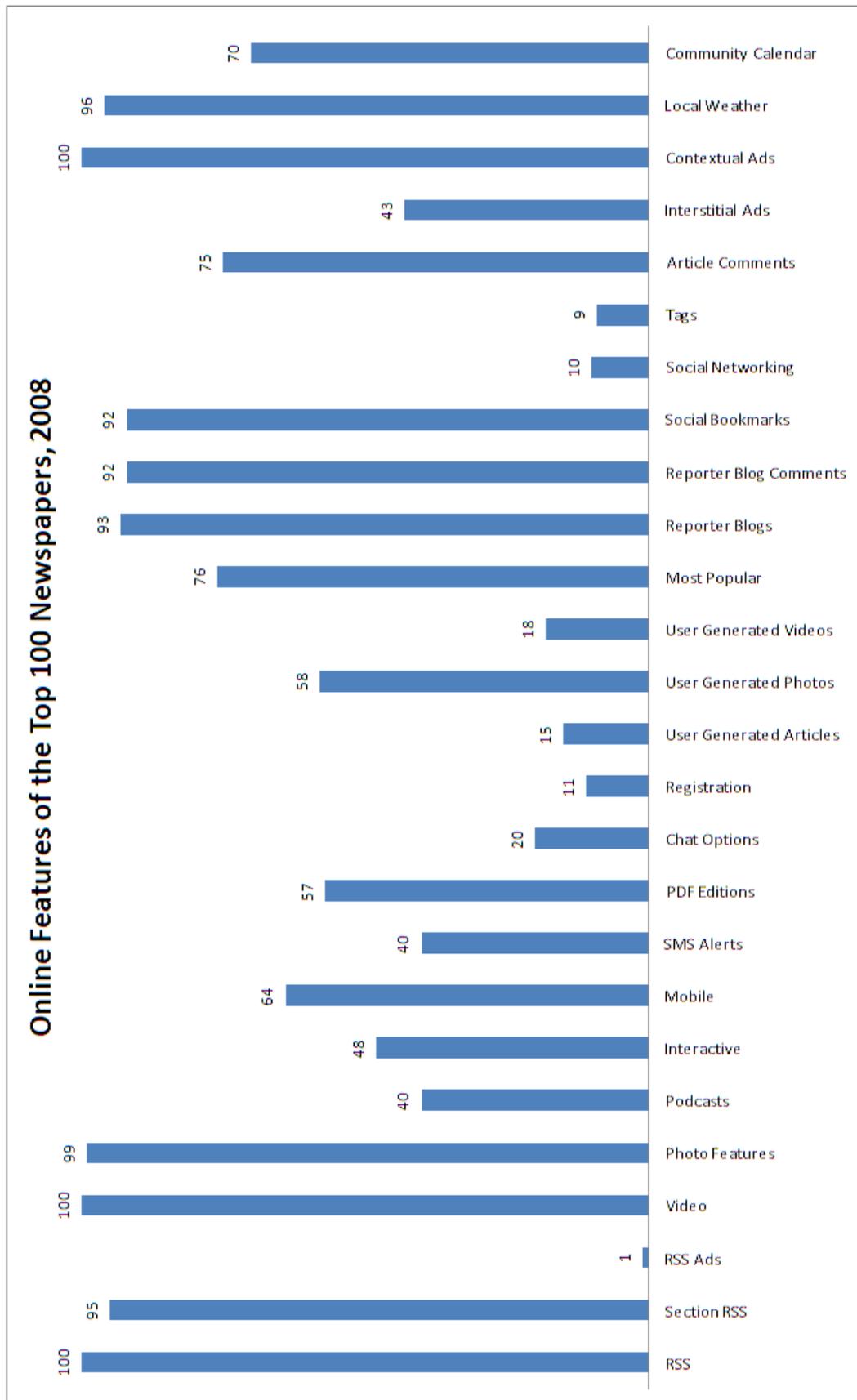
When looking at the 2008 data in comparison to previous years, it is clear that in response to the crisis newspapers are aggressively expanding the features present on their websites and experimenting with new technology in an effort to attract and retain online readers. The year 2008 saw a large increase in the use of social bookmarking tools, article commenting and integration of user generated content by newspapers as they attempt to evolve from simple news sites into community portals.

Key Findings:

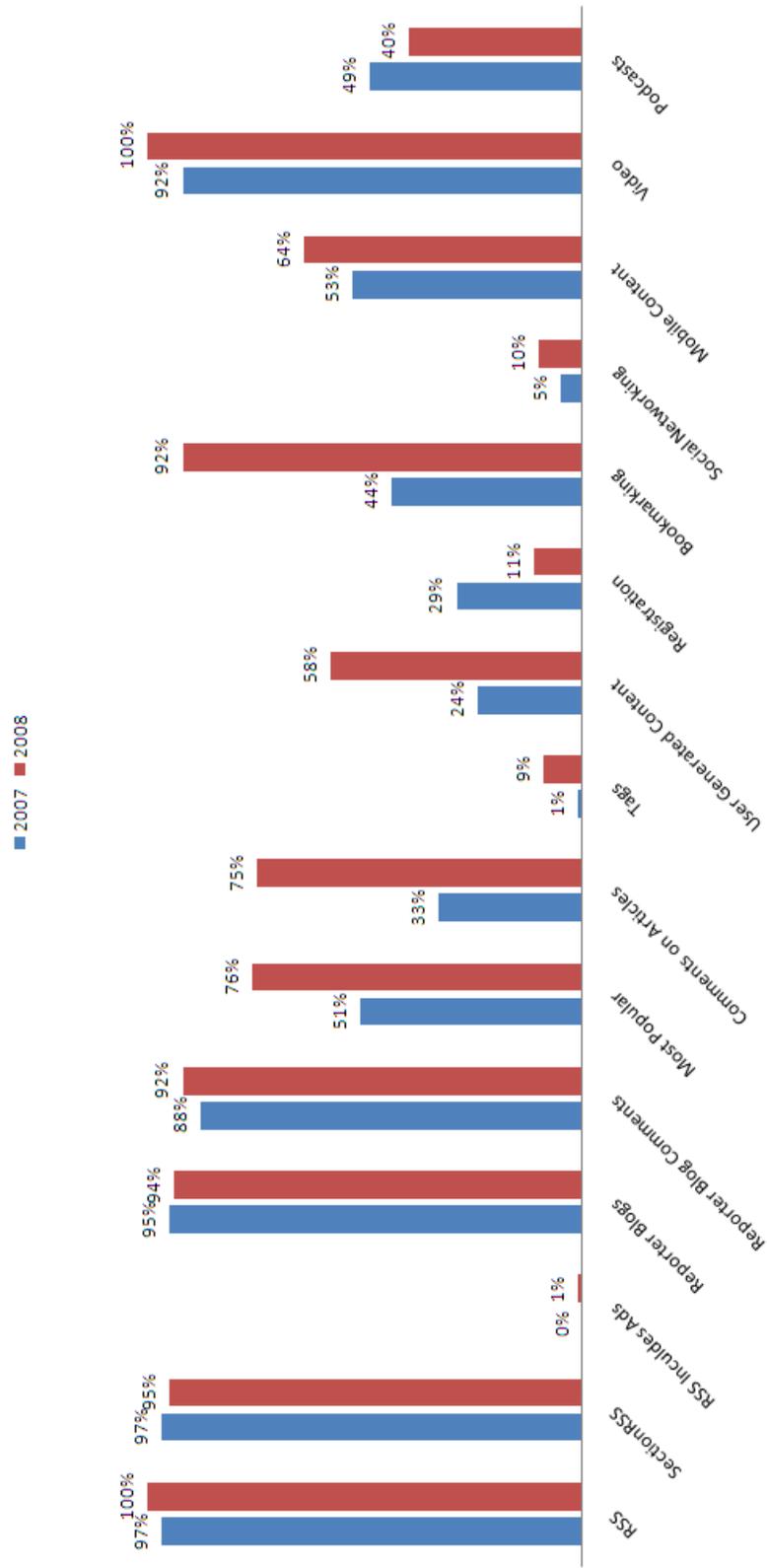
- Newspapers are experimenting with user generated content. The study found that 58 percent of newspapers allowed for user generated photos, while 18 percent accepted video and 15 percent articles. Overall, 58 percent of newspapers offered some form of user generated content in 2008 compared to 24 percent in 2007.
- Research shows that the number of newspaper websites allowing users to comment on articles has more than doubled in the last year. Seventy five percent of newspapers now accept article comments in some form, compared to 33 percent in 2007.
- Ten percent of newspapers had social networking tools, such as user profiles and the ability to “friend” other users, built into their sites in 2008. This compares to five percent of sites that included this feature in 2007. It is surprising that this number isn’t higher.
- Seventy six percent of newspapers offered a Most Popular view of content in some form (Most Emailed, Most Blogged, Most Commented, etc.). This compares to 51 percent in 2007 and 33 percent in 2006.
- Not surprisingly, all the newspapers sites examined in the study displayed some form of online advertising. Indeed, 100 percent of newspapers sites had some form of contextual advertising and 43 percent featured interstitial ads.
- Integration with external social bookmarking sites like Digg and del.icio.us has increased dramatically the last few years. Ninety-two percent of newspapers now include this option compared to only seven percent in 2006.
- Of the new features examined in this year’s study, we found that 57 percent of newspapers offer PDF editions, 20 percent offer chatting options, 96 percent provide local weather information, 40 percent utilize SMS alerts and 70 percent offer community event calendars.

- The number of websites requiring registration to view most content (free or paid) has decreased from 2007. Now only 11 percent of websites require registration to view full articles, compared to 29 percent in 2007 and 23 in 2006.
- All of the 100 newspapers in the study provide some type of RSS feed. In 2007 all but three newspapers offered RSS feeds.

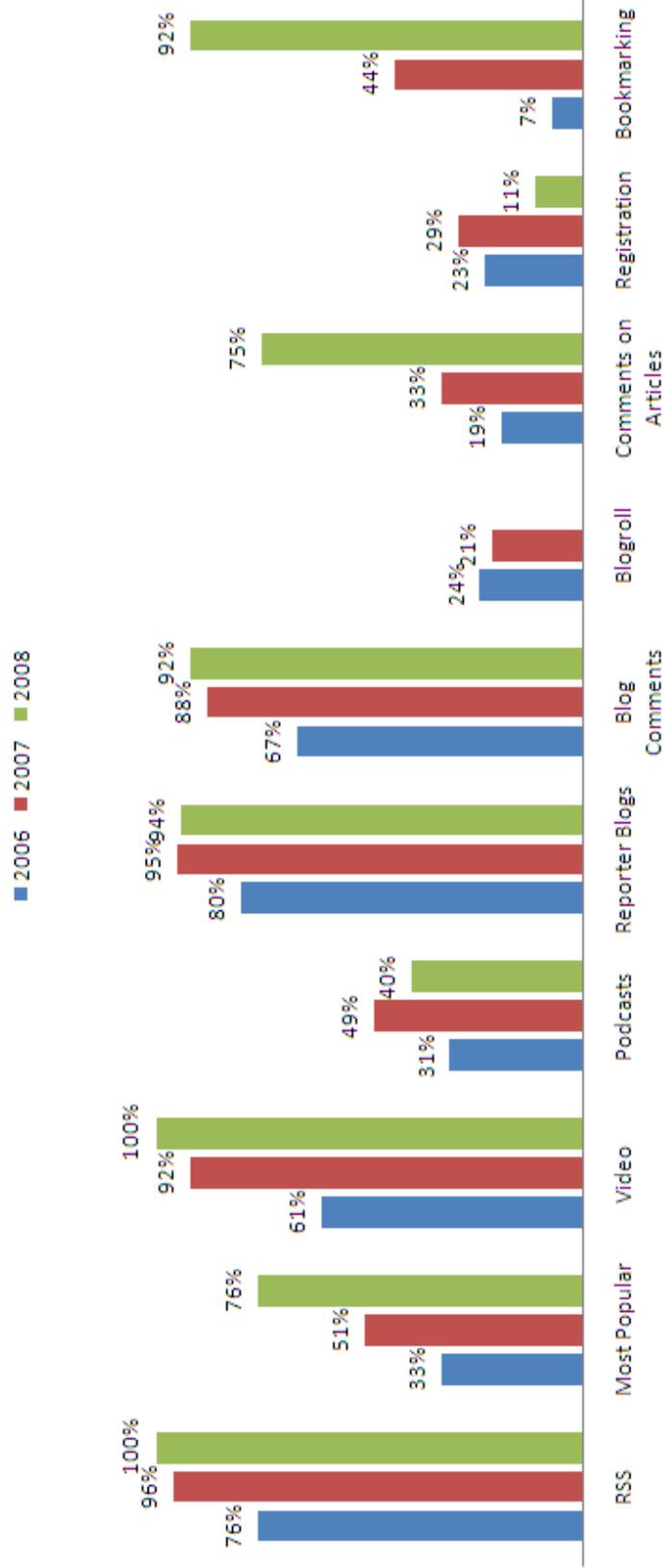
The following charts provide a summary overview of our findings.



Features of America's Top 100 Newspapers Websites, 2007 vs. 2008



Top Features for Newspaper Websites in 2006, 2007, & 2008



Criteria

Data for newspaper websites was collected between September and November of 2008 and represents a specific point in time rather than evolving trends. When analyzing the websites of these newspapers, researchers spent a reasonable amount of time exploring each website and attempted to view at least one article from every section offered. There were a number of websites that were difficult to navigate and thus, probably had hidden content. If our researchers could not find the content they were looking for, we counted the website as failing to offer that particular tool.

Following is an explanation of the criteria we looked at in completing the study.

- **Registration Required:** Whether one needs to register to access content past the home page.
- **Social Bookmarking:** Can a user save this site to a social bookmarking services (i.e. Digg, Delicious, Mixx, etc.)?
- **Tags:** Does the website have tags?
- **Mobile Content:** Does the website have a mobile version?
- **SMS Alerts:** Can you get SMS Alerts from the site?
- **Video:** Does the website have videos?
- **Photo Features:** Does the website have photo features?
- **Podcasts:** Does the site have podcasts?
- **Chat Options:** Does the site host a chat service for viewers?
- **RSS:** Does the site have a RSS feed?
- **RSS for different sections:** Do various sections have RSS feeds?
- **Partial/Full:** Is the RSS a full or partial feed?
- **RSS Includes Ads:** Does the RSS include ads?
- **Reporter Blogs:** Do the reporters have blogs?
- **Reporter Blog Comments:** Can viewers comment on the blogs?
- **Most Popular Sections:** (i.e. Most Viewed or Most Emailed, etc.) Does the site have a most viewed, most emailed, or most popular section?
- **Comments on Articles:** Can readers comment on the articles?
- **User Generated Articles:** Can the users submit their own articles to the site?
- **User Generated Photos:** Can the users add photos to the site?
- **User Generated Videos:** Can the users add videos to the site?
- **Social Networking/User Profiles:** Does the site have a social network?
- **Homepage Customization:** Can a user customize their homepage of the site?
- **Flash News Boxes:** Does the site have a flash box on the homepage that shows various news stories?
- **Interactive Features:** Does the site have interactive features, meaning mashups, Flash pieces, etc.?
- **Weather:** Does the homepage have a weather icon?

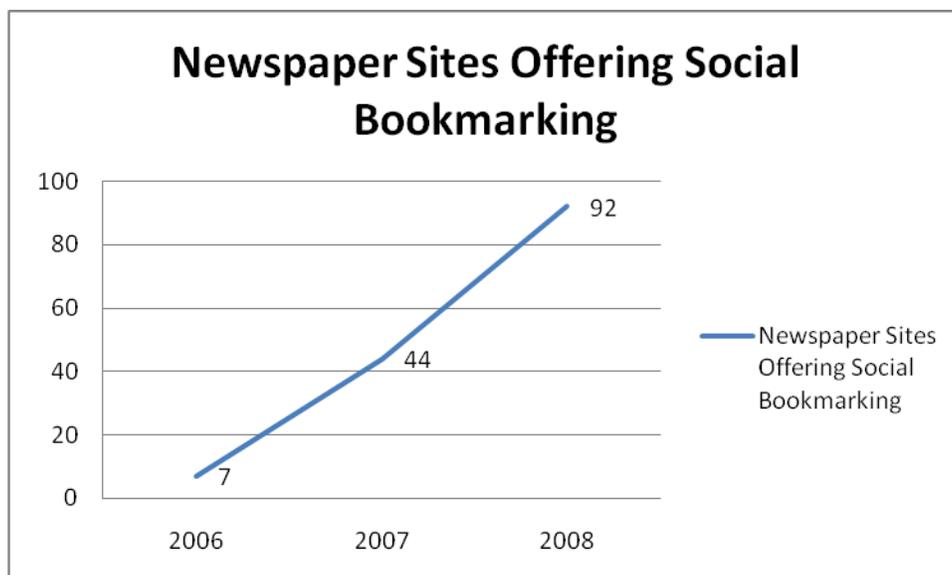
- **Traffic:** Does the homepage have a traffic icon?
- **Community Calendar:** Does the site have a community calendar?
- **PDF Edition:** Does the home page have a link picture/link of today's front page?
- **Ads:** Does the page use traditional display ads, contextual ads (do they use services like Google AdSense), and/or interstitial ads?

We at The Bivings Group obtained the list of top 100 newspaper based on circulation from the Audit Bureau of Circulations. The Audit was completed on March 2008 and was based on daily circulations. It is found at <http://www.accessabc.com/products/catalog.html>

Full Findings

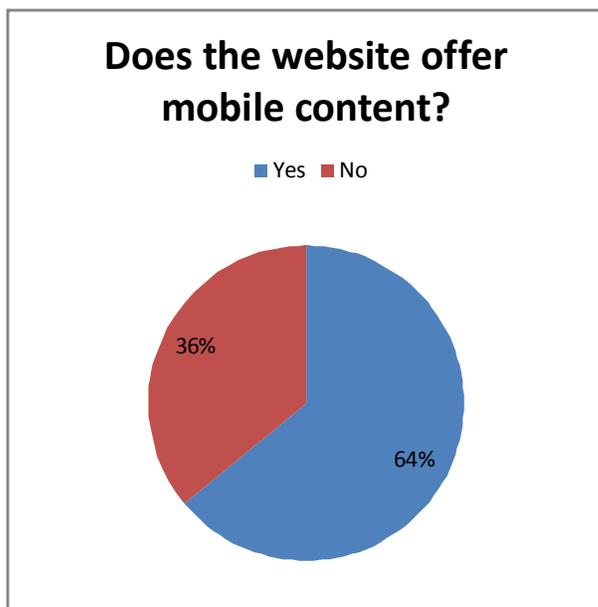
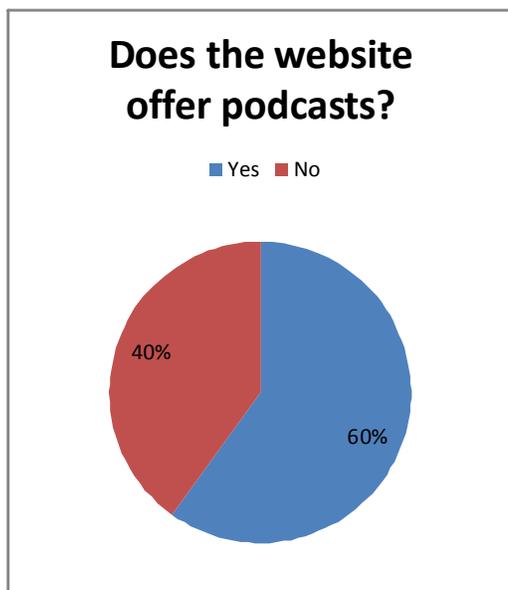
Social Bookmarking

Social bookmarking has gone from barely being used in 2006 (seven percent) to an industry standard in 2008 (92 percent adoption). Clearly, newspapers are integrating services like Delicious and Digg on their sites in an effort to promote their content and increase page views and ultimately revenue.



Web Content and Platforms

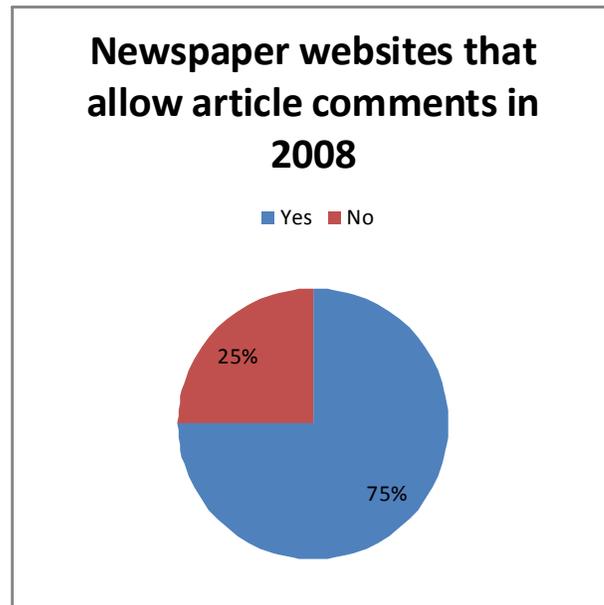
The number of newspaper websites that offer podcasts has dropped slightly from last year's high of 49 percent. Now only 40 percent of newspaper websites offer podcasts. Mobile content has increased this year from 53 percent to 64 percent, as more users not only want to control the content they receive but the platform in which they see it on.



Article Comments

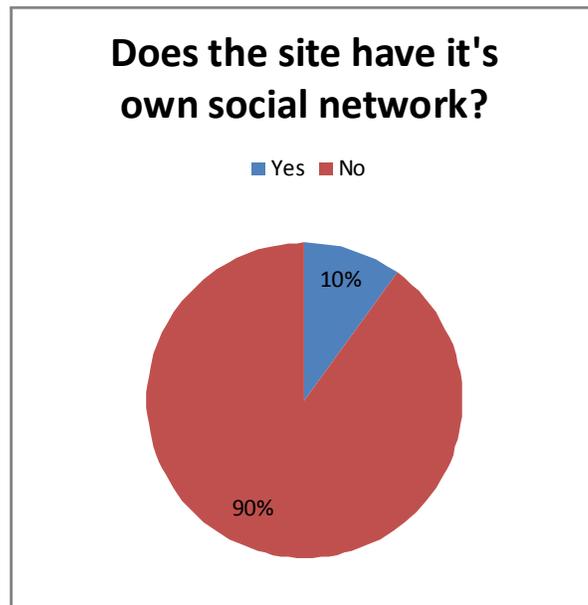
The number of websites accepting article comments has more than doubled in the last year. In 2007 only 33 percent of newspapers offered article comments, while now 75 percent allow readers to comment on at least some news articles.

Like social bookmarking, allowing users to make comments on articles is an easy way to for newspapers to gauge what types of stories users are interested in and to create a community around their content.



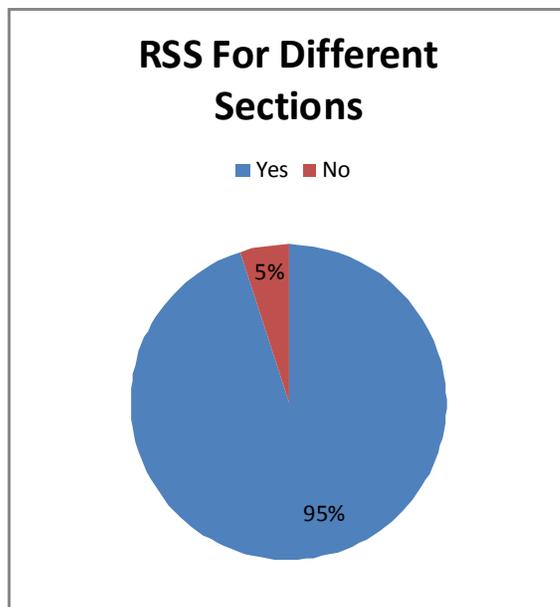
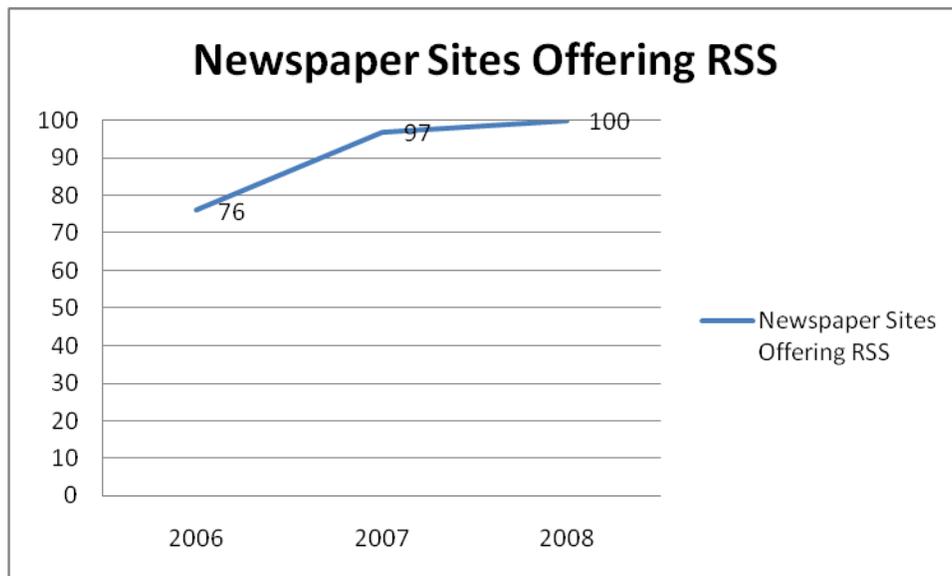
Social Networking

While most newspaper websites have implemented features like social bookmarking and article comments, only 10% of the websites studied had some sort of social networking or user profile system built into their sites. This number has doubled from 2007 when only 5% of American newspaper websites offered this feature. USA Today pioneered the concept by launching a full on social network as part of their web program last year.



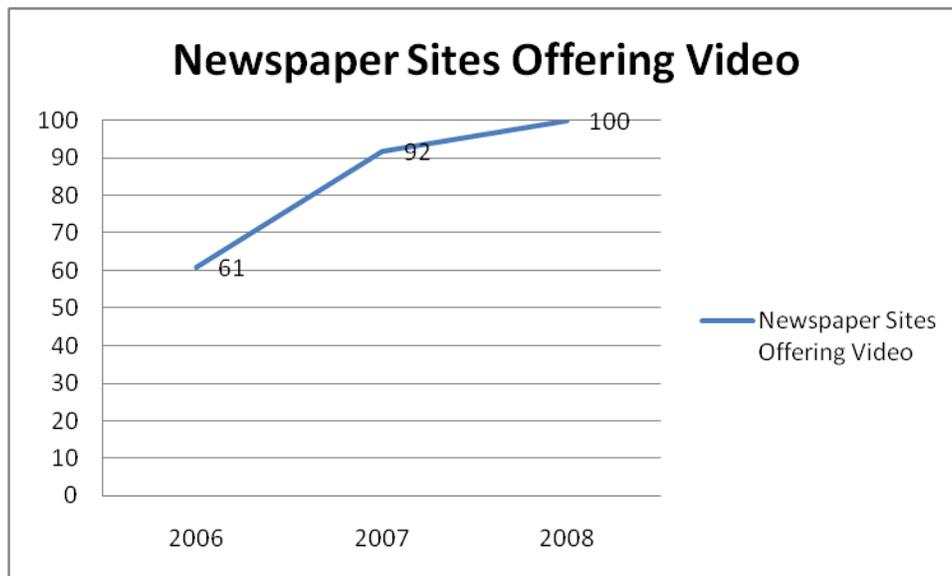
RSS

This year all newspaper websites the study examined offer RSS feeds. Last year all but three newspaper websites used the feature, while in 2006 76 percent of newspapers offered this feature. In addition, 95 percent of newspapers now offer RSS for different site sections.



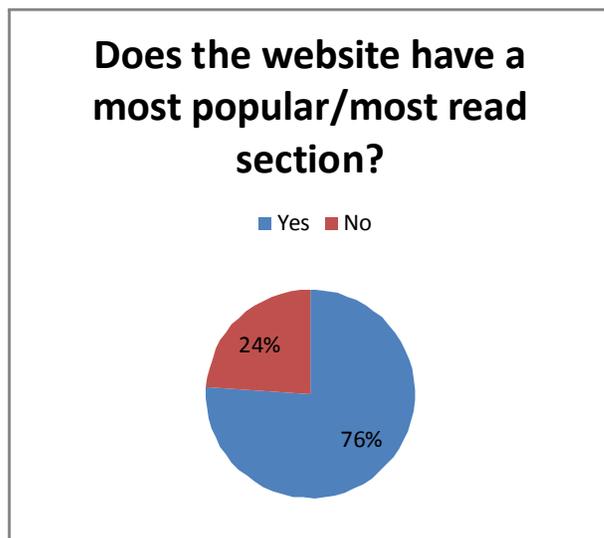
Video

All newspaper websites had some sort of video player on their website. This feature was only used by 61 percent of newspaper websites when we first started doing reports in 2006. The largest growth of this feature was between 2006 and 2007 when it went from 61% to 92%.



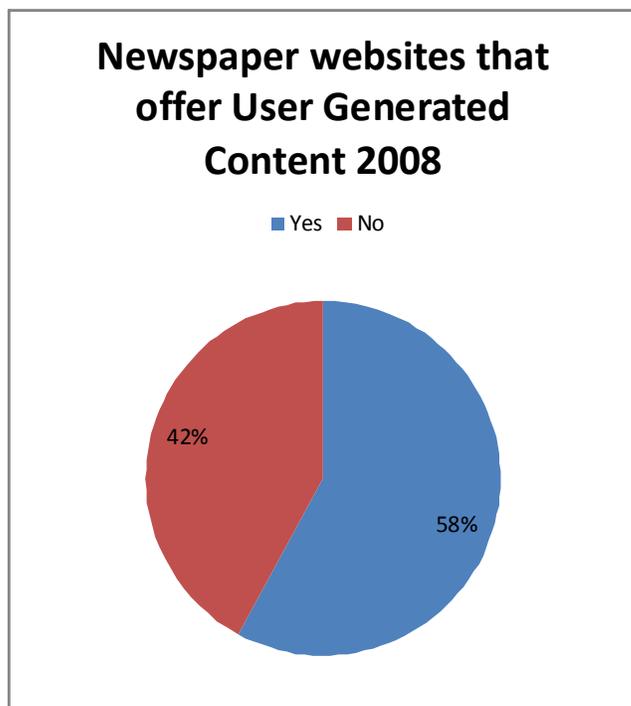
Most Popular Section

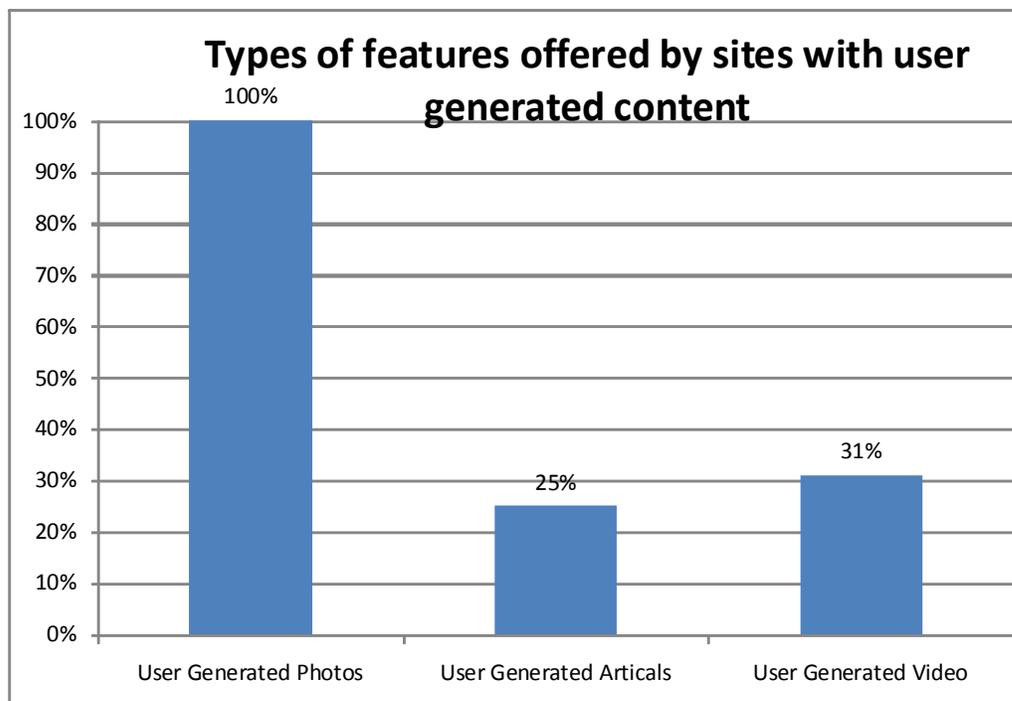
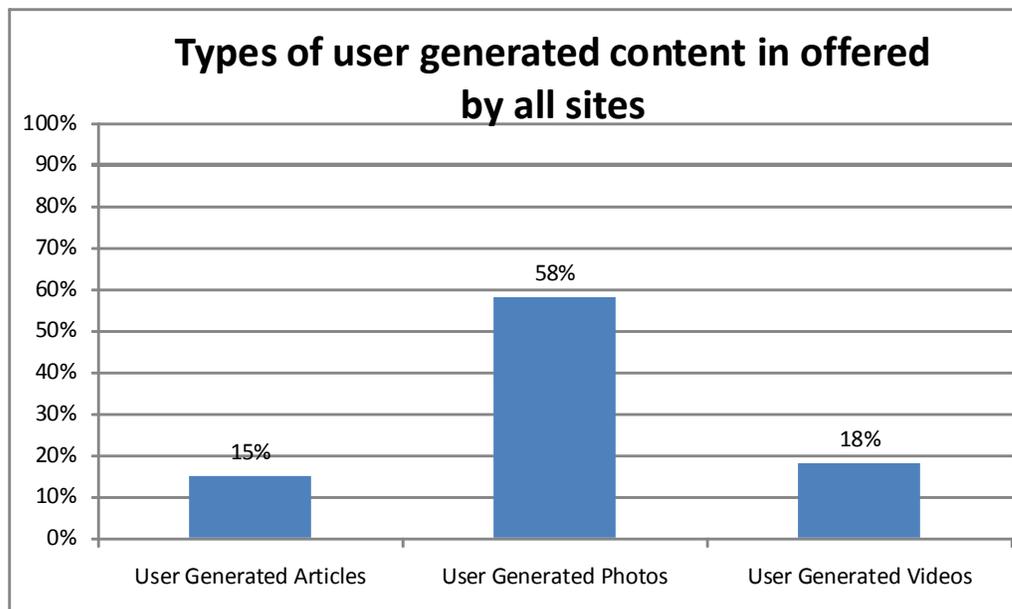
In 2008, 76 percent of newspaper offered some sort of Most Popular view of their content (Most emailed, read, blogged, etc.). In 2006, 51 percent of newspaper sites offered this feature.



User Generated Content

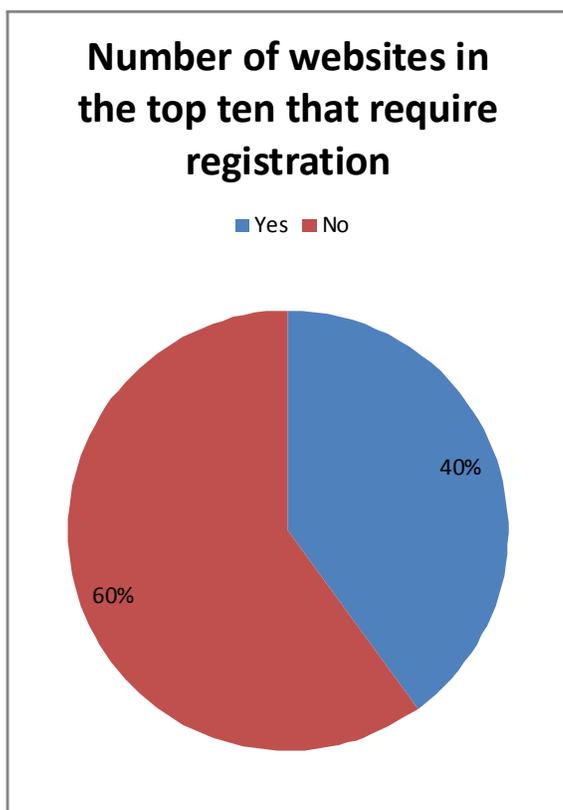
A new aspect of this year's study was a review of whether newspaper websites accepted user generated content or not. For the purposes of the study, we looked at three major types of content: user generated video, articles, and photos. Of these three content types photos were the most widely used in 2008 with 58 percent of websites offering this feature. Only 18 percent of websites offered user generated video and only 15 percent offered user generated articles.





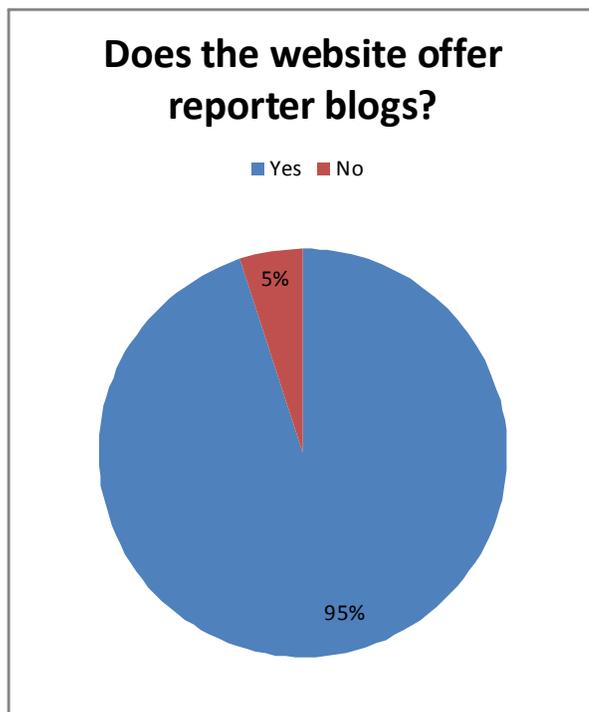
Registration

The number of newspaper websites requiring registration to view content has dropped considerably since 2007 from 29 percent to only 11 percent in 2008. While most every site strongly suggests registration, only 11 percent of newspaper websites restrict articles and features to non-registered users. The sites that require registration include many of the newspapers in the upper quartile such as *The Wall Street Journal*, the nation's second highest selling newspaper, *The New York Times*, *The Washington Post* and *The Arizona Republic* the tenth. While these sites still require registration they are all free of charge.



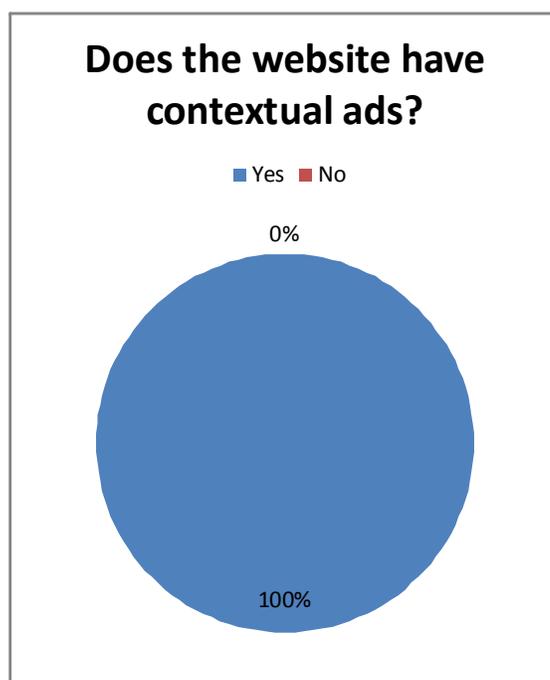
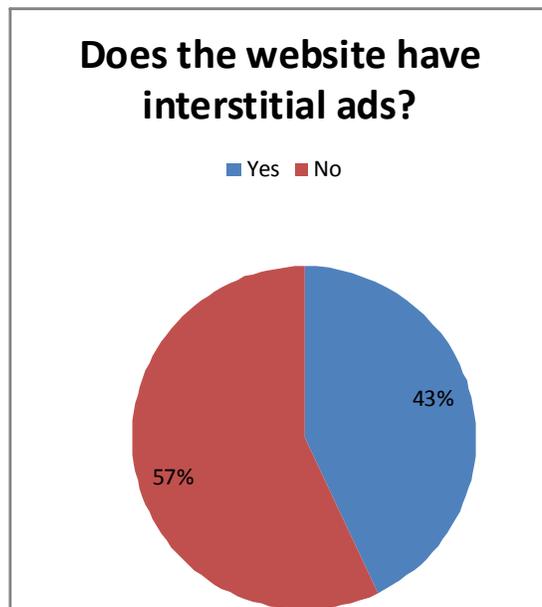
Blogs

Since 2007 the number of newspaper websites with reporter blogs has stayed the same. An overwhelming majority of newspaper websites (95 percent) have continued to feature reporter blogs.



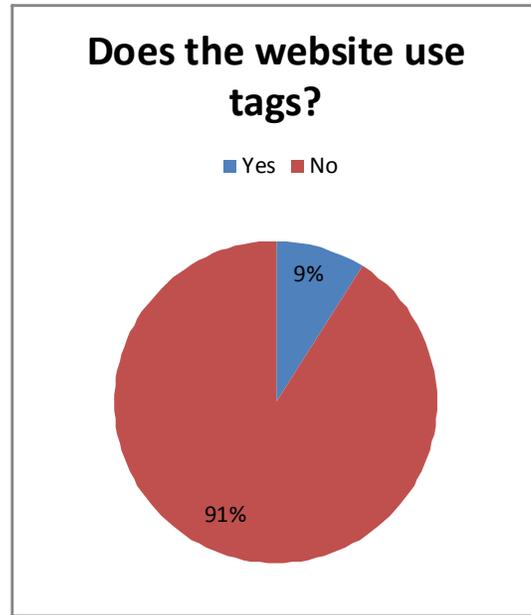
Online Advertising

Every newspaper the study examined featured some sort of online advertising. Indeed, 100% of newspapers provided some form of contextual advertising, similar to Google Adwords. Forty-three percent of newspaper websites used interstitial advertising.



Tags

Newspapers continue to not use tags to organize content on their websites. In 2008, only nine percent of newspapers had article tagging on their websites.



Conclusion

When looking at the data over our studies from 2006 to 2008 it becomes evident that newspapers are opening up their websites to more and more users. With a decrease in registration requirements and increase of interactive features such as social bookmarking and article comments, newspapers are trying to appeal to a wider audience. This indicates a clear change in how American newspapers see the Internet. Now, rather than a threat to readership, the newspaper industry is starting to try to use the Internet to build online communities around their publications.

This shift is not an easy one. Newspapers still have to find a way to be profitable while still expanding free readership. But rather than fight the changes in online media newspapers have slowly embraced them. Last year, The Bivings Group predicted a boom in newspapers sites offering social networking features. While the feature did double from five percent to ten we expected much more than a five percent jump. Instead, newspaper websites have fine-tuned the tools and features that improved users ability to access information and share it with a wider audience. Rather than focusing on every Internet trend, newspapers have been focusing on only those that would improve their relationship with their readers and expanding the page views for their articles. What remains to be seen is how these new tools will improve profitability in an increasingly digital age.

As we look at the current state of the American newspaper industry, it appears that improving websites is a crucial component for newspapers to weather the current economic downturn and continued consumer shift towards online news and classified ads. This is particularly apparent as newspaper staffs are cut and stock prices fall. However, it is very important to note that boosting a newspaper's web presence is not enough. Even if growth in traffic to newspaper website increase dramatically, it is not yet, and may never be, enough to make up for the hit the industry is taking from declining print advertising revenue.

Lastly, our study shows that newspapers are trying to improve their web programs and experimenting with a variety of new features. However, having actually reviewed all these newspaper websites it is hard not to be left with the impression that the sites are being improved incrementally on the margins. Newspapers are focused on improving what they already have, when reinvention may be what is necessary in order for the industry to come out of the current crisis on the other side.

Appendix

The following newspapers were examined during our research. Circulation data was obtained from the Audit Bureau of Circulations.

Newspaper	Circulation
USA Today	2,284,219
Wall Street Journal	2,069,463
New York Times	1,077,256
Los Angeles Times	773,884
New York Post	702,488
The Washington Post	673,180
Chicago Tribune	541,663
Houston Chronicle	494,131
Phoenix Republic	413,332
Long Island Newsday	379,613
Boston Globe	350,605
The Newark Star-Ledger	345,130
Philadelphia Inquirer	334,150
Cleveland Plain-Dealer	330,280
Atlanta Journal-Constitution	326,907
Minneapolis Star-Tribune	322,362
St. Petersburg Times	316,007
Chicago Sun-Times	312,274
Detroit Free-Press	308,944
Portland Oregonian	304,399
San Diego Union-Tribune	288,669
Sacramento Bee	268,755
Indianapolis Star	255,303
St. Louis Post-Dispatch	255,057
Kansas City Star	252,785
Orange County Register	250,724
Miami Herald	240,223
San Jose Mercury News	234,772
Baltimore Sun	232,360
Orlando Sentinel	227,593
San Antonio Express-News	225,447
Denver Post	225,192
Rocky Mountain News	225,066
Seattle Times	220,863
Tampa Tribune	220,522
South Florida Sun-Sentinel	218,286

Milwaukee Journal-Sentinel	217,755
Louisville Courier-Journal	215,328
Pittsburg Post-Gazette	214,374
Cincinnati Enquirer	212,369
Charlotte Observer	210,616
Fort Worth Star-Telegram	207,045
Oklahoma City Oklahoman	201,771
Columbus Dispatch	199,524
St. Paul Pioneer Press	191,768
Detroit News	188,171
Contra Costa Times	183,086
Boston Herald	182,350
Little Rock Democrat Gazette	182,212
New Orleans Times-Picayune	179,834
Omaha World-Herald	178,545
Buffalo News	178,365
Raleigh News & Observer	176,083
Richmond Times-Dispatch	175,265
Virginia Pilot	175,005
Las Vegas Review-Journal	174,341
Austin American-Statesman	170,309
Hartford Courant	168,158
West Palm Beach Post	164,474
The Press-Enterprise	164,189
Bergen County Record	163,329
Investors Business Daily	161,421
Nashville Tennessean	161,131
Greensburg Tribune-Review	150,911
Fresno Bee	150,334
Memphis Commercial Appeal	146,961
Rochester Democrat & Chronicle	145,913
Jacksonville Times-Union	144,391
Chicago Daily Herald	143,152
Ashbury Park Press	140,919
Birmingham News	140,438
Honolulu Advertiser	140,331
Providence Journal	139,055
Des Moines Register	138,519
Los Angeles Daily News	137,344
Seattle Post-Intelligencer	129,563
Grand Rapids Press	128,930
Salt Lake City Tribune	121,699
Akron Beacon Journal	119,929

Toledo Blade	119,901
Knoxville News Sentinel	117,262
Dayton Daily News	116,690
Sarasota Herald-Tribune	114,904
La Opinion	114,892
Arizona Daily Star	113,373
Tulsa World	112,968
Tacoma News Tribune	111,778
Wilmington News Journal	110,171
Syracuse Post-Standard	110,061
Lexington Herald-Leader	109,624
The Morning Call	108,797
The Journal News, Westchester County	108,092
Philadelphia Daily News	107,269
Albuquerque Journal	102,902
The State, Columbia SC	101,010
Charleston Post-Courier	100,400
Daytona Beach News-Journal	99,627
Mobile Press-Register	99,433
Baton Rouge Advocate	97,912
Harrisburg Patriot News	95,588

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