CHAPTER NO. 6

RESEARCH FINDINGS AND IMPLICATIONS

The researcher has conducted in-depth analysis of Newspaper industry through secondary and primary sources of information. Secondary data was collected through various literatures and Primary data was collected through Structured Questionnaire and Interview Schedule. Primary data was analysed by using Tabulation, Cross tabulation, Pie-Chart, Histogram, t-test, ANOVA, Chi-Square, Regression, Friedman test, SEM and etc…

The in-depth Analysis of secondary and primary data has provided concrete result in the form of findings. The researcher has co-related these findings with Objectives of the study and has mentioned below.

6.1 Marketing Strategies

The Study identifies that *Editorial, Advertising and Printing & Circulation* are the pillars of every Newspaper organisation. The Sample Newspaper Organisations are also based on these three pillars. *(Philip Meyer, 2009)*

*Editorial* department deals with content generation and fulfil the core objective (sharing News and Information to the Readers) of Newspaper.

*Advertising* department is the core source of income for every Newspaper organisation. It is observed that more than 80% of revenue is produced only through the advertising department. *(Personal Interview)*

*Printing & Circulation* deals with product design and delivery. Newspaper is printed in press and delivered to the right customer at right time through the structured distribution system. *(Mrs. Geetali Mone, 2009)*

The study evokes that the Marketing Strategies are framed and implemented by these three pillars which not only attract the Readers towards the Newspaper brand but also build the strong brand image and retain the Readers with the Newspaper Brand.
6.1.1 Product and Physical Evidence Strategy

The Result indicated that the product is developed by the editorial department circulation team deliver it to the Readers. The study revealed that the major motives behind Readers’ subscription of any Newspaper were Quality and Content of News followed by Price, On-time Delivery and People associated with it. These reasons behind Newspaper subscription are stating that the Newspaper is still preferred for quality and content of news developed by quality people and delivered on time at optimum price. (Table 5.28). George & Michael, 2003 also stated that currently over 600 TV channels operated in India and concentrating only on four ‘C’s – Crime, Cricket, Cinema and Celebrities Newspaper itself is physical evidence in Newspaper industry. The Study found that all the sample Newspapers were providing all pages colour and increased the number of pages and supplements. It contains almost all the contents required by every reader. The page quality and colour quality was also observed matching with international standards.

6.1.2 Pricing strategy

(Anant Rangaswami, 2013) For the first time in history, annual circulation revenues of New York surpassed those from advertising. This study contradicts with this statement. In India it is difficult for Newspaper to surpass Advertising revenue Study examines that though the Cover Price is not the main source of revenue; it attracts the Readers and retains them with particular Newspaper. It was found that two Newspapers namely Sakal Times and DNA have concentrated more on discounted pricing. Times of India and Indian express have never compromised on pricing. In current year the Newspaper cover price is ranging from Rs. 2 to Rs. 5 depending upon particular brand and particular day (Table 1.1)
6.1.3 Place and Process strategy

It is identified that the organisations have implemented strong Physical Distribution and process strategy. The Newspapers deadline timing was noted from 11 pm to 1 pm. It is observed that more than 40000 Newspapers are printed per hour. These Newspapers are delivered through Distributors – Vendors – Hawkers – Stalls and Delivery Boys before 8 am. This strong distribution channels delivers right product to the right reader without any failure. (Personal Interview). It was also found that there is a positive relationship between Distribution and Overall satisfaction of Readers’ (Table 5.12)

6.1.4 Promotion strategy

The Newspaper organisations have offered various promotional schemes to the Readers which include, Discounted Price, Annual Subscription, Organising events and exhibition. This research evokes that though the organisations are providing various promotional Schemes, the Organisations promotional activities are less attractive for Readers. Very few Readers have subscribed Newspaper under promotional schemes. Out of those Readers, majority were found to be price conscious and have availed the price discount offers and are ready to switch the brand again in future if they get any attractive promotional offer (Table 5.41-5.44). It was also found that the Readers are not satisfied with promotional offers provided to them and there is no relationship between promotion and overall satisfaction. (Table 5.12)
6.1.5 People
The study has revealed that People involved in Editorial, Advertising and Printing & Circulation team are the key players for every organisation. Editorial team works towards product development, advertising team works towards revenue generation and Printing & Circulation works for delivering right product to the right Readers at right time. *(Figure 2.1)*. The study also observed that Editorial Articles is one of the strong motives behind Newspaper Subscription. *(Table 5.28)*

This finding will be significant for the new start-ups to understand the current market scenario and frame the Marketing Strategies based on these construct. Also, this will emerge as an effective tool to the current Newspaper organisations to understand the Readers’ preference for various Newspapers and develop such strategies to attract new Readers and retain them with respective Newspaper brand.

6.2 Consumer Behaviour
6.2.1 The study was intended to find the shift in consumer behaviour regarding news extraction. It is found that though the 24 hrs. news channels have started, web 2.0 has developed, technology has accessed by every Readers, news are available on one click, still the Readers are preferring the Newspaper as the prime source for news extraction followed by television and Cell Phones device *(Table 5.57).*
6.2.2 It was observed that majority of Readers have subscribed Newspaper through reference source of awareness. This research has observed that Readers’ Brand switch ratio is high and the major reason for such switch was observed to be attractive offers from the competitors Brand.

Study revealed that Quality and Content of news, Price, On Time Delivery and People associated with it are the major motives behind Readers’ subscription. Such Readers prefer reading Headlines, Local & National News and Supplements at Morning time but have been observed spending less than one hour on reading Newspaper. Readers are not attracted by the promotional offers provided by particular Newspaper organisation (Table 5.20 – 5.39).

This outcome will contribute to the decisions taken by policy maker and will assist them to segment the Readers and target the potential Readers by developing various Marketing Strategies. Also, this will provide a competitive edge to these organisations.

6.3 Online Media and Print Media

6.3.1 It is found that majority of Readers possess Personal Computer followed by Cell Phones device connected to internet and it is observed that these Cell Phones users are using this device for Extraction of news followed by Minicomputer, Personal computer (Table 5.46).

6.3.1 The study has revealed that Newspapers are still the most preferred source of information & News compared to online sources of News extraction. (Table 5.57). This clearly indicated that online source of information & news has not impacted on Newspaper Readership. As these mediums do not provide a detailed analysis of news, the reader automatically turns to Newspaper for such analysis.
As succeeding generations is growing with the Web and losing the habit of reading print”, “Newspaper cost 50% higher than Internet. It has become very difficult to survive with against the Internet being a strong competitor. “(Kuttner, Robert 2007). The study findings contradict with this statement. This clearly proves that the Newspaper still has potential to grow in this digital market and provide an opportunity to the marketers to understand the Readers behaviour towards the online media and frame the competitive Marketing Strategies

6.4 Descriptive Research Findings

6.4.1 The variables selected for the study indicated a strong relationship between individual items in the scale and relationship between predictors and dependent variable is considerably high (Table 5.3)

6.4.2 The Study revealed that 76% of variations in the dependent variable (Overall Satisfaction) is explained jointly by all the (37) Variables. (Table 5.6)

6.4.3 The Study has found that 19 variables have shown positive relations out of which Fulfil All Reading Demands, Overall Quality, Overall Branding and Overall Distribution have shown strong relationship with overall satisfaction (Table 5.8).

6.4.4 Predictors - Quality, Branding, Distribution and People - have direct relationship with Overall Satisfaction which means the Newspaper Readers’ satisfaction is based on Quality, Branding, Distribution and People working for the organisations. But there was no evidence of Promotional predictor impacting on Overall Satisfaction. (Table 5.11)
6.4.5 Recent *Indian Readership Survey (2014-Q4)* has revealed the fact that the *Times of India* is the No.1 *English daily* circulated in India and the same trends were observed by the researcher in Pune market followed by *Sakal Times, DNA* and *Indian Express* *(Table 5.16).*

6.4.6 Study observed that the Readers’ long term association is based on Newspaper Brand. *Time of India and Sakal Times* Readers have shown long term association with the particular brand. *(Table 5.18)*

6.4.7 Study revealed that majority (67%) of Readers prefers reading Newspaper in Morning time before they leave from home. This expectation brings pressure to the Distributors *(Table 5.31).* These expectations of Readers influence the distribution management system and force the Distributors to deliver the Newspaper early in the morning. The study further revealed that majority (70%) of Newspaper brands are able to achieve the accuracy in the delivery timing by delivering the particular Newspaper brand on specific time every day. *(Table 5.30).*

6.4.8 This analysis revealed that the Newspaper is still the preferred medium for the society very closely followed by *Television* for Extraction of news followed by Cell Phones, Personal computer and Radio *(Table 5.57)*

This result will provide an insight to the organisations about Readers’ satisfaction and the factors influencing on Readers satisfaction. The organisations will be able to find the significance correlations of the construct under the study with Readers’ satisfaction.
This study may also assist the organisations to develop strong Marketing Strategies to attract and retain the Readers towards specific Newspaper brand and the organisation may realise the area of concern and take necessary actions against it.

6.5 Distributors Satisfaction

6.5.1 In this research, facts have revealed that majority of Distributors have been associated with a particular brand (*Times of India and Indian Express*) from more than 10 years which can be noted as a positive sign of Strong relationship for those brands (*Table 5.75*).

6.5.2 The analysis revealed that almost all the Distributors receive Newspaper Bundles before 5 am which makes it easy for the Distributors. This provides enough time to deliver the same to the Readers without any failure (*Table 5.78*).

6.5.3 It is found in a research that majority (73%) of Distributors are distributing less than 5000 Newspapers per day, The Times of India being an established brand has more than 63% Distributors distributing more than 10000 Newspaper per day (*Table 5.80*).

6.5.4 The Strong relationship was observed between Newspaper brand and sales volume. Time of India and DNA being well established brand in Pune market have major sales volume per day by Individual Distributors. (*Table 5.82*)

6.5.5 It has been observed that the promotional benefits provided by organisation are inadequate. Only 30% (15/51) of Distributors receive promotional benefits from various originations that too not on regular basis (*Table 5.85*).
6.5.6 The study has found that organisations are not providing credit facilities to the Distributors. The cash is paid on the same day after completing the distribution process. Though, the Distributors are not getting any kind of credit facility, still they are providing credit facility to the vendors at their own risk and this period may be extended till 30 days. (*Table 5.93 and 5.94*)

6.5.7 The Study has found that 51% of Distributors are actively participating in decision making process of particular organisation. The major participation is related to the distribution management system. (*Table 5.95 and 5.96*).

6.5.8 Distributors overall Satisfaction is not based on particular Newspaper Brand. Variables selected under the study are found as impacting factor on Distributors’ satisfaction (*Table 5.98*).

6.5.9 The inter-item correlation between the 12 items is considerable except few. The high correlation was found between Price Margin and Overall Satisfaction, Reliability of News and Readers Union Support and Overall Satisfaction. (*Table 5.70*)

6.5.10 In this research R square is noted (.712) which means that 71% of variations in the dependent variable (Overall Satisfaction) is explained jointly by all the (11) Variables. (*Table 5.71*). The ANOVA (*Table 5.72*) between the 12 items indicate that there is a significant relationship between the variables under study.

These findings provide an insight about the functioning of Distributors in the market. The organisations can understand the Distributors’ behaviour, attitude and expectations from the organisation. The organisation will also understand the impact of various policies on Distributors’ satisfaction and will assist them to carry out SWOT analysis and frame effective Marketing Strategies.
6.6 Newspaper Sustainability

The Study examines that though the readers are shifting towards the technology, their choice for Extraction of news remains with Newspaper. The Marketing Strategies adopted by English Newspaper (Brand Quality, Brand Image, Distribution and People) have strong relationship with Overall customer satisfaction (Table 5.12). This Customer satisfaction is a driving force for Newspaper sustainability in Pune market.

However Newspaper Industry crisis is far from universal. In China and India, Newspaper markets are growing strongly (Olivier Fleurot, 2005). This study also support this statement. Study has evaluated that the Newspaper industry in detailed and found various market forces impacting on Newspaper sustainability in Pune market. Increase rate of literacy, Readers’ choice for English Language, Readers Engagement in Product development, In-Depth news analysis, Mistake proof editing, Editorial articles and low internet penetration are some of the driving forces of Newspaper sustainability. (Image 2.4)

This outcome will increases the level of confidence among these Newspaper organisation as the Marketing Strategies adopted by these organisation have resulted in Readers’ satisfaction and ultimately leads towards Newspaper sustainability.
RECOMMENDATIONS TO NEWSPAPER ORGANISATIONS

1. Readers Engagement activities

The study examines that Readers’ are either not participating in any of the promotional and social activities planned by the Newspaper organisations or not being given a proper platform for participation. Newspaper organisations are well established brands in Pune Market. Study has observed that these organisations are not concentrating in Readers’ involvement. The researcher would like to recommend that if the Readers are allowed to be a part of Newspaper through content development, discussion forum, open discussion then these Readers’ will feel belongingness and will be retained with the particular Newspaper brand. As the researcher has observed that referencing is one of the strong sources of Newspaper information and subscription, the satisfied Readers will spread Word Of Mouth (WOM) about their satisfaction. This word of mouth will lead towards increase in subscribed number of Readers.

2. Promotional benefits

This research has revealed that Readers are either not receiving proper promotional benefits or not happy with what they received. This has resulted in low rating from the Readers. Study has observed that the Newspaper organisations do not provide promotional benefits throughout the year. The promotional benefits are provided for very short period just to increase the circulation figures. Readers’ response rate was also observed to be very low. Researcher would like to recommend that the Newspaper organisation can develop long term promotional benefits for all Readers and evaluate the result of such promotional strategy on regular interval.
3. Brand Switch Attitude

This study has revealed that the brand switch ratio among the Readers was high. 43% of Readers have recorded the brand switch due to attractive offers from the competitive brands. This was mainly observed due to the low retention strategies adopted by particular Newspaper organisations. Researcher would like to recommend that the organisation should not only concentrate on acquiring new Readers but also concentrate on retention of current Readers. Researcher was also able to find one of those reasons was attractive offers provided by competitors. These organisations can find out the reasons behind such brand switch and try to reduce the Brand switch ratio.

4. Optimisation of news

This research has resulted that though the Newspaper circulation is increasing, the time spent on particular Newspaper by Readers have decreased. The study revealed that more than 90% of Readers are spending less than one hour on reading Newspaper. Researcher would like to suggest to these Newspaper organisations to optimize the news and provide quality oriented news that not only saves the Readers time but will cover almost everything.

5. Credit Facility

Distributor is an important link in distribution management system. The study has observed that Newspaper organisations were not providing credit facility Distributors, but Distributors were providing credit facility to vendors at their own risk. Researcher would like to recommend that if Newspaper organisations start providing credit facilities (at least for a period of week) to the Distributors; this will lead towards increasing the sales volume for particular Newspaper organisation.
6. Distributors Participation

Researcher has found that only 51% Distributors do participate in management decision making and rest either do not participate or are not allowed to be a part of such decisions. Researcher would like to recommend to this organisation, if they do encourage these Distributors to be a part of decision making process related to distribution, then this will motivate the Distributors and encourage them to suggest new ideas and techniques smooth distribution of Newspaper.
CONTRIBUTION TO THE BODY OF KNOWLEDGE

This research has significant contribution to the body of knowledge in the area of Newspaper Marketing and it has contributed a tested and validated metric for the measurement of the factors which measures Readers & Distributors’ satisfaction with respect to Newspaper Marketing Strategies and sustainability.

For New Start-up, the research will give incredible insights for understanding the market and Readers behaviour towards English Newspaper. It will allow them to carry out the SWOT and ETOP analysis.

For Current English Newspaper Organisations it will help those to conduct the competitive analysis, outcomes of this research would be useful to the policy makers to formulate new initiatives for Newspapers and Readers’ & Distributors’ satisfaction.

For Editorial team it will provide insight about Readers’ choice and will lead them to development of Readers’ oriented content. For advertising team, this research will assist to segment the market and develop the potential target market for advertisers.

For Printing and Circulation team this depicts a clear image of market and Readers response to their circulation efforts. This will assist them to figure out the problem area for Readers & Distributors’ and will lead towards providing accurate solutions to these problems.

For students, the research shall permit them to Study the Marketing Strategies of service sector and understand the market scenario. These findings, if supported by further research, can have considerable impact on the Newspaper Sustainability and growth. Even though the study is based on Commercial English Newspaper from Pune, the model can be used in other Language and other types of Newspaper in same region and across the nation with little or no modification.
CONCLUSIONS

The research started with an idea of studying the English Newspaper market, has provided thorough insight of Marketing Strategies adopted by English Newspapers and Readers’ & Distributors’ Response to such strategies. This research is timely and relevant in the present context of competitiveness and sustainability, where Newspaper organisations are attempting to compete with digital media and trying to sustain in the market. The research deals with understanding the impact of Marketing Strategies on Readers’ and Distributors’ satisfaction and Newspaper Sustainability. The research is timely as the outcomes of this research would be useful to the policy makers of these organizations.

From the literature review it is concluded that it was relevant to undertake a study for empirically validating the influence of Marketing Strategies on Readers’ and Distributors’ satisfaction due to the lack of empirical evidence to relate these two constructs. The extensive literature review has successfully identified the dimensions of each of these constructs and enabled the development of a metric in the form of Likert 5-point and 7-point scale. The sample size of 500 Readers and 51 Distributors based on Stratified (Area) Random Sampling has been passable for the generalization of results. The hypothesis testing has indicated that all the four dimensions of Marketing Mix Service Quality, Brand Image, Distribution and People have significance influence on Readers’ satisfaction however; Promotion does not have significant influence on Readers’ satisfaction. The Organisational policies developed for Distributors have significant relation with Distributors’ satisfaction and lead toward generating more sales volume.
The Cronbach Alpha value has validated the data and proved that the data is reliable for the study. This research has contributed a tested and validated questionnaires for the survey of the data on the constructs of research interest. The Regression Analysis has provided a mathematical model to relate the Competitive advantage to the dimensions of the Marketing Mix.

In this era of digital market, sustainability has become a major concern to the Newspaper industry. This research has contributed a model that relates the Readers’ and Distributors’ satisfaction to the Marketing Strategies on which the Newspapers will sustain. The empirical study has also led to the drawing of the implications to the Strategic Planning Managers in these organizations. Strategic planning managers can take a set of possible future scenario for the development of competition in their startups. The research will assist the policy maker (Editorial, Advertising and Printing and Circulation) to comprehend the market scenario and frame the striking strategies to attract and satisfy the Readers and Distributors.

Finally, this study provides a future scope for research and can act as a guideline for such study by providing systematic principles of research methodology to empirically validate a theoretical model, and thus fill the gap between the theory and practice.
Reference


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