

US newspaper ad revenue falls again, but pace slows

September 7 2010



A man reads a newspaper in front of a newsstand. US newspaper advertising revenue fell 5.55 percent in the second quarter of the year, but the rate of decline slowed in a dose of relatively good news for the embattled industry.

US newspaper advertising revenue fell 5.55 percent in the second quarter of the year, but the rate of decline slowed in a dose of relatively good news for the embattled industry.

Online and print <u>advertising revenue</u> fell to 6.44 billion dollars in the second quarter from 6.82 billion dollars a year ago, according to Newspaper Association of America (NAA) figures published Tuesday.

Ad revenue declined for the 16th quarter in a row but the 5.55-percent drop was an improvement on previous quarters. Ad revenue fell 9.7 percent in the first quarter of the year and by 23.7 percent in the fourth



quarter of 2009.

The NAA said <u>print advertising</u> revenue fell 7.62 percent to 5.6 billion dollars in the second quarter while online ad revenue rose 13.9 percent to 743.9 million dollars.

Print ad revenue had dropped by 11.42 percent, 25.63 percent, 28.95 percent and 30.15 percent respectively in the previous four quarters.

Classified ad revenue, which has been particularly hard hit, declined 6.27 percent to 1.39 billion dollars in the second quarter, following 14.37-percent and 31.72-percent slides in previous quarters.

NAA president and chief executive John Sturm welcomed the latest figures and said "newspaper companies are uniquely positioned to benefit from the advertising recovery."

"Despite a highly competitive environment, online advertising growth rebounded back into double digits, while declines in traditional revenue categories continue to moderate as the general advertising recovery progresses," Sturm said in a statement.

"The fact that online now represents nearly 12 percent of overall newspaper advertising revenues bodes well for our medium's future in an increasingly digital environment," he said.

"Even as the economy is slow to rebound, there is heightened optimism within the industry -- a confidence reflected in second quarter earnings reports from public newspaper companies," Sturm said.

Newspapers across the United States have been grappling with a slide in ad revenue, steadily declining circulation and the migration of readers to free news online.



The industry has been hit by a wave of bankruptcies, job cuts and closures, including a bankruptcy filing by the Tribune Co., owner of the Chicago Tribune, The Los Angeles Times and other major newspapers.

The 100-year-old Christian Science Monitor and the Seattle Post-Intelligencer went online-only last year.

The Rocky Mountain News of Denver, Colorado, shut down entirely, along with a number of smaller newspapers.

With advertising revenue evaporating, top US <u>newspaper</u> executives led by News Corp. chairman Rupert Murdoch have been looking at ways to begin charging readers for news on the Web.

(c) 2010 AFP

Citation: US newspaper ad revenue falls again, but pace slows (2010, September 7) retrieved 17 April 2024 from https://phys.org/news/2010-09-newspaper-ad-revenue-falls-pace.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.