

Newspaper web ads not to blame for print advertising decline, research says

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An open question as the newspaper industry struggles with declining revenues and profits is whether online ads cannibalize print advertising.

New research from S. Sriram, assistant professor of marketing at the University of Michigan Ross School of Business, finds that's not the case. Analyzing five years of data from a top newspaper showed less than 8 percent of the [print advertising](#) decline was due to a shift to online

ads on the paper's website.

Instead, most of the decline in print was due to other options, particularly [search advertising](#).

Sriram's paper, co-authored by Shrihari Sridhar of Penn State's Smeal College of Business, suggests some strategies for [newspaper advertising](#) managers to try to recapture some of that lost revenue.

"The print [advertising](#) decline for newspapers has been huge," Sriram said. "We're talking a decline of 51 percent from 2006 to 2010. There are all kinds of theories about what's driving it."

Sriram and Sridhar obtained information from a top newspaper that covers a large U.S. metropolitan area. It contained account-level ad spending from January 2007 through December 2011 and allowed them to see each advertiser's total spending on media outside of the newspaper.

They also analyzed surveys by Scarborough Research and numbers from Kantar Media's Adspender database.

Sriram suggests a few strategies to try to reverse the trend, including using new technology to make online advertising on a [newspaper](#) site more attractive by letting them track and target customers.

"The good news for newspapers is that advertising technology is getting smarter in multiple ways," Sriram said. "You can do more targeting based on a user's browsing history. There are also systems that can accurately measure online ad effectiveness."

Provided by University of Michigan

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