

# **“Is the print version of *The Sunday Times* in terminal decline and set to be replaced by the Internet?”**

**By Robyn Turnor**

**May 25, 2007**

## **Abstract**

Declining circulation figures have reignited the debate over the future of newspapers overseas and in Australia. The object of this research was to explore whether the Perth-based *Sunday Times*, the first newspaper ever bought by Rupert Murdoch, was an example of a newspaper which is losing its readers to the Internet, and more specifically, to its own website. Much has been written by doomsayers, with Meyer (2004) predicting that newspapers will all be gone by 2042. An article in *The Economist* last year, entitled “Who Killed the Newspaper”, created more world-wide debate on the topic. This work presents results of a survey of *Sunday Times*’ readers to see whether they prefer the PerthNow website, which is updated daily and powered by the *Sunday Times*, to the print version of the newspaper. The results revealed that, despite declining circulation, the majority of readers were loyal to their Sunday newspaper and most were not even aware of the website. Overall, it was predicted the *Sunday Times* will continue in its paper format for many years.

## **Introduction**

Perth’s *Sunday Times*, which was launched in 1897 as the *West Australian Sunday Times*, has had only four owners in its 110-year history. (Dunn 1997, p9). It has transformed from an 8-page editorial available only in Perth to a nationally recognised newspaper and the first Sunday paper in

Australia to have a website which is updated daily. The website -

<http://www.news.com.au/perthnow/> - was launched in June, 2006. The *Sunday Times* has been

“striving to serve the community of WA” (McCarthy, circa 2006, Dunn 1997) since it stirred debate over the gold rush and Federation in its early years, to successfully lobbying for a daylight saving trial in Western Australia (Spagnolo, 2006) last year. The paper became the centre of a scandal from 1902, when the man who engineered the Perth to Coolgardie pipeline, C Y O’Connor, shot and killed himself. It was widely believed that criticism in the *Sunday Times* drove him to his death (Negus, 2004). One of the newspaper’s most recent headlines “Esperance Lead Scandal: The Town Betrayed” (Flint, 2007) illustrates that the *Sunday Times* still does not shy away from issues which are critical of government agencies.

Owned by Rupert Murdoch since 1954, and the second paper acquired by News Limited’s Australian stable, it reaps the benefits of belonging to an organisation which controls 68 per cent of newspapers in Australia (State of News Media: Chapter 2 – Five Major Trends). The *Sunday Times* holds sentimental value to Murdoch, as it was the first newspaper he ever bought. He inherited his first newspaper, the *Adelaide Advertiser*, from his father, Keith. Since 1997, the *Sunday Times* has undergone many changes including the addition of state-of-the-art printing presses to produce colour, introduction of several glossy magazines and its website. The website, in particular, is a clear example of Murdoch’s vision that “success in the online world will...beget greater success in the printed medium” (Murdoch, 2005). A redevelopment of the current office site has also been planned (Quartermaine, 2007). Despite all this, circulation of the paper has dropped from 354,000

in 2004 (State of the newsprint media: Chapter 3 – Audience) to the current figure of 341,000.

Debate over the declining circulation of newspapers gained momentum more than ten years ago when the Internet was introduced. The *Sunday Times* was chosen to explore the hypotheses that the Internet will sound the death rattle for newspapers because despite declining circulation figures – down from 350,000 (Dunn, 1997) ten years ago - the newspaper has undergone many advancements over the last decade.

## **Literature Review**

National and international research highlights a decline in the circulation of newspapers over the past decade, with latest figures revealing that the Sunday market has dropped 1.04 per cent for the three months to December 2006 (Alarcon, 2007), but those within the industry, such as News Corporation chief Rupert Murdoch believe newspapers are far from dead. A Roy Morgan study shows that since 1996 Internet access has grown 60 per cent, but the number of people reading newspapers has remained stable (Levine, Morgan etc 2003). In June 2003, the average time spent per week reading newspapers was 4.2 hours and using the Internet was 5.6 hours. However, the Internet users spent 20 per cent of their time reading on-line newspapers and magazines (Levine, Morgan etc 2003). As Levine and Morgan point out: “Essentially it appears that the Internet has added to the repertoire of media that people use or consume, i.e. they don’t “stop” using television, newspaper, or magazines altogether. The issue is more likely one of degree.” Statistics also reveal that only 3 per cent of the population rely on the Internet as their main source of news and current affairs (Downie & Macintosh 2006). However, articles such as “Subscribers desert print for the

Internet” (*New Zealand Herald*, 2007), “Trapped in past, doomed in future? Newspapers must look ahead if they’re to survive the web” (King, 2007) and “Who killed the newspaper?” (*The Economist*, 2006) paint a far bleaker future for newspapers. “Newspapers have not yet started to shut down in large numbers, but it is only a matter of time,” said *The Economist* (2006), which describes newspapers as having “ignored reality for years”. King believes the problem is that “the newspaper is a product manufactured in a factory in the middle of the night and laboriously distributed, often with the aid of young children, to the consumer. Much of it is dead on arrival.” (King, 2007)

However, other analysts, such as the World Association of Newspapers’ president, Gavin O’Reilly, refute such negative outlooks for newspapers (Day, 2006): “There is a clear bias these days by media commentators and analysts to wantonly beat up on newspapers, to the exclusive benefit of digital-online. Nothing is ever that black or white in life, nor is media consumption mutually exclusive.” Such negativity is also refuted by an Australian report released last year, *State of the News Print Media*, which stated that 65.5 per cent of the 16.5 million Australians aged over 15 years read Sunday newspapers and that Sunday is the day with the highest readership (*State of the Newsprint media in Australia report: Ch 3, Audience*, 2006). “While there have been circulation declines, they are not, so far, as catastrophic as some doomsayers have claimed...any suggestion of terminal decline is at the very least premature,” the report said. Chairman of the Australian Press Council, Professor Ken McKinnon, who released the report said the research confirmed “newspaper companies were rapidly adapting to the challenges of the new technology...” (Australian

newspapers are adapting to challenges, 2006). “Claims of the imminent eclipse of newspapers are vastly exaggerated,” he said of the results of the study, which was put together by academics and members of the Press Council.

Dr Gerard Goggin, editor of *Virtual Nation: The Internet in Australia*, believes the life of newspapers is not coming to an end in Australia, as predicted by *Wired Magazine* and Nicholas Negroponte in the early 1990s, because people are knitting the two forms together. “I think what has happened is kind of richer and bit more complex...what’s happening is a kind of convergence... so that people still like to read their daily newspapers for instance...but they also might like to go and check out the website for particular sorts of content...” (O’Regan, 2004). Journalist and commentator Mark Day believes the reason newspapers are not in terminal decline is simple: “There is another, unquantifiable, element at work here, and that is the tactile enjoyment people get from reading a newspaper.” (Day, 2006)

Rupert Murdoch has acknowledged that the future of newspapers will be a battle to keep readers, but one worth significant amounts of investment: “We need to realise that the next generation of people accessing news and information, whether from newspaper or any other source, have a different set of expectations about the kind of news they will get,” he said in a speech to editors (Murdoch, 2005). “At News Corporation, where we’re both a video programmer as well as a newspaper publisher, the rewards of getting this right are enormous. We’ve spent billions of dollars developing unique sports, news and general entertainment programming. We have a library as rich as anyone in this world. Our job now is to bring this content profitably into the broadband world –

to marry our video to our publishing assets, and to garner our fair share...of the advertising dollars that will come from successful converging of these media.” (Murdoch, 2005). The *Sunday Times* and the PerthNow website are significant examples of this “marriage”. While research focuses on changes in circulation and debate over whether newspapers have a future, there is a gap that fails to identify whether people are actually switching to the Internet from newspapers and whether people want to read newspapers in the future.

## **Research**

The study involved 48 subjects who read the *Sunday Times* on a regular basis. The subjects were divided into two age groups, 19-45 and 46 plus, to see whether age had any influence on accessing the PerthNow website. Respondents were asked to complete a questionnaire, which was carried out anonymously. The 18 questions were constructed to find out whether readers of the print version of the *Sunday Times* accessed its website, read newspapers everyday, thought the *Sunday Times* would be around in 110 years time and whether they thought the paper was “striving to serve the community of WA” ((McCarthy, circa 2006, Dunn 1997). A problem with the questionnaire was that not all respondents answered every question, sometimes they chose more than one answer and the survey did not ask whether respondents had access to the Internet or whether they spent less time reading newspapers since gaining access to the Internet

## **Results and Discussion**

The view that the death knell has been sounded for newspapers in favour of the Internet, did not

hold up in this sample with the overwhelming majority having not even heard of the *Sunday Times*' own website. While some (Meyer, *New Zealand Herald*, King & *The Economist*) highlight the fact that readers of newspapers are switching to the Internet and dumping their printed paper, the survey proved this was far from reality. Not one respondent has stopped buying the newspaper in favour of its website and, if given a choice, an average of 69 per cent across both age groups would prefer to read the *Sunday Times* than access the Internet if they had two free hours on a Sunday. Only 10 per cent of 19-45 year-olds had accessed PerthNow and an astounding 87 per cent said they had not heard of the website, despite it being mentioned throughout the newspaper. Similar results were recorded in the older age group, although surprising, this group had a slightly higher awareness of the website than the younger readers.

The overwhelming majority of respondents – average of 74 per cent – did not think the *Sunday Times* will be replaced by the Internet. Sixty seven per cent of subjects indicated they spent most time reading a newspaper on Sunday rather than any other day. Only a third of the younger group reported reading the *Sunday Times* every Sunday. Despite this, 57 per cent stated that newspapers were their preferred source of news and current affairs compared with television, radio and the Internet. Only 10 per cent chose the Internet as their preferred source, which is much higher than statistics, which put the figure at 3 per cent (Downie & Macintosh 2006). Comparatively, in the 46 plus age group, two-thirds said they read newspapers every day and the majority, 44 per cent, said that newspapers were also their preferred media outlet for news and current affairs. Refuting the claim that younger people want to get their news from the Internet (Murdoch, 2005), 47 per cent of

19-45 year olds indicated that without a News section, they would not buy the *Sunday Times*.

Another surprising result was that 83 per cent of the younger group rated the quality of the *Sunday Times* as being “Good” or “Excellent”, while 39 per cent of the older group rated it as being “Poor”, even though a larger proportion of that group read the paper every Sunday. An average of 47 per cent of readers believed the paper was “striving to serve the community”.

The results clearly show that readers were not abandoning newspapers and flocking to the Internet and that younger readers are happier with the newspaper than the older group which means they will continue to read it for many years. The overwhelming majority preferred to read the newspaper than surf the Internet if they had two hours on a Sunday.

The results back up the view of *Sunday Times* media marketing executive, Alex Choa, who does not believe that comparing the Internet to newspapers is a valid argument anyway. “Newspapers can never lose the battle against the Internet as they are apples and oranges. Both have their positives. Newspapers enjoy a longer shelf life and reach a broader demographic and enjoy a relationship with their readers because people make a financial decision to buy the newspaper.

Internet enjoys no circulation boundaries and speedy access to information, however, suffers from clutter due to the numerous websites that are a click away.” Mr Choa said that the *Sunday Times* was attempting to combat decreasing circulation figures with new products and rebrands such as the restructure in March which saw the introduction of two glossy magazines to replace its former newsprint lifestyle and entertainment section and a minimum 24-page AFL lift-out called the Main

Game (Olszewski, 2007). “Newspapers need not to battle with Internet and in fact, integrate the Internet as a brand development tool. Newspapers can be seen as individual brands, and like other brands, execute brand extensions, release new products and rebrand in order to remain competitive in the media industry. Instead of seeing the *Sunday Times* just as a newspaper, see it from the perspective that it is a brand,” Mr Choa said. This is in contrast to Professor Rob Pullan, author of a soon to be released book, “Making the news: a history of Australian capital city newspapers”, who is critical of the way newspapers have adapted to the change in technology. “I don’t think the *Sunday Times*, or newspapers, are dying, though the format and means of delivery are changing. My impression is that newspapers in the English-speaking world have been slow, even inert, in adapting to the new medium. News Limited in particular has not been flexible or imaginative.” (Pullan, 2007)

## **Conclusion**

This research aimed to examine whether readers were deserting the *Sunday Times* for the Internet, and specifically, its PerthNow website. The responses indicated that this was not the case and that readers will continue to buy and the *Sunday Times* for many more years. Results of the survey and recent investment in the *Sunday Times* by News Limited, clearly show that the newspaper is not in terminal decline. In fact, the results of this research clearly defied arguments that readers are dumping the printed version in favour of the Internet and that the future of newspapers was doomed. The addition of the website and restructuring of the newspaper are in line with being yet another step forward in the *Sunday Times*’ 110-year history.

## Bibliography

Alarcon, Camille 2007, Newspapers stand firm in audit, B & T Weekly, 16 February, 2007, viewed 14 May, 2007

<http://preview.factiva.com/archive/default.aspx?an=BTWKLY0020070228e32g0000e&hls=T%7cnewspaper+T%7ccirculation+O%7c%2b+T%7caustralia+O%7c%2b+T%7cen+N%7cla+O%7cc+O%7c%2b+T%7cniwe+N%7cns+O%7cc+O%7c-+T%7carticle+T%7cfile+O%7c%2c+T%7creport+O%7c%2c+N%7cfmt+O%7cc+O%7c%2b++N%7cpd+D%7c-0096+D%7c+O%7cd+O%7c%2b&fid=&fn=&md=18&ch=22&hs=21&csa=15361>

“Australian newspapers are adapting to challenges” 2006, Public Relations Institute of Australia, 16 October, 2006, viewed 25 April, 2007, <http://www.pria.com.au/news/id/232>

Choa, Alex 2007, interview, Media Marketing Executive, *The Sunday Times*, 4 May 2007, Perth.

Day, Mark 2006, “No truth in rumours of newspapers’ terminal decline”, *The Australian*, 16 November, 2007, viewed 7 April, 2007,

<http://www.theaustralian.news.com.au/story/0,20867,20764484-12280,00.html>

Demographics 2007, viewed 3 May, 2007,

<http://metro.newsmedianet.com.au/home/titles/title/Demographics.jsp?titleid=16>

Downie C & Macintosh A 2006, *New media or more of the same?*, The Australia Institute, viewed 5 May, 2007, <http://www.tai.org.au/documents/downloads/wp86.pdf>

Dunn, Frank 1997, *A Century of Sundays*, Nationwide News Pty Ltd, Perth.

Flint, John 2007, "Esperence Lead Scandal: The Town Betrayed", *Sunday Times*, 29 April, 2007.

\

Jaques, Robert 2006, Europeans bin newspapers and turn to the web, *ITnews.com.au* 11/10/06, viewed 7 April, 2007, <http://www.itnews.com.au/print.aspx?CIID=61190&SIID=35>

King, Llewellyn 2007, "Trapped in past, doomed in future? Newspapers must look ahead if they're to survive the Web", *Monterey County Herald* 11 March, 2007, viewed 14 May, 2007

<http://preview.factiva.com/archive/default.aspx?an=MCHD000020070311e33b0001u&hls=T%7cnewspapers+T%7cdoomed+O%7c%2b+T%7cen+N%7cla+O%7cc+O%7c%2b+T%7cniwe+N%7cns+O%7cc+O%7c-+T%7carticle+T%7cfile+O%7c%2c+T%7creport+O%7c%2c+N%7cfmt+O%7cc+O%7c%2b++N%7cpd+D%7c-0096+D%7c+O%7cd+O%7c%2b&fid=&fn=&md=18&ch=15&hs=1&csa=15361>

Levine M, Morgan G 2003), *Reading: looking into ... logging onto*, Roy Morgan Research, viewed 7 April, 2007, <http://www.roymorgan.com/resources/pdf/papers/20031002.pdf>

McCarthy, Brett circa 2006, Titles, viewed 25 April, 2007,

<http://newsmedianet.com.au/home/titles/title/index.jsp?titleid=16>

Meyer, Philip 2004, *The Vanishing Newspaper: Saving Journalism in the Information Age*,  
University of Missouri Press.

Murdoch, Rupert 2005, American Society of newspaper editors, April 4, 2005, viewed 1 May,  
2007, [http://www.newscorp.com/news/news\\_247.html](http://www.newscorp.com/news/news_247.html)

Negus, George 1994, C Y O'Connor, *ABC Tonight*, October 18, 2004 6.30pm, viewed 12 April,  
2007, <http://www.abc.net.au/gnt/history/Transcripts/s1224183.htm>

Olszewski, Peter (2007) Inside Newspapers, *Media Week*, 23 April, 2007, p 8.

O'Regan Mick (2004), "Off the page and on the screen", *The Media Report*, ABC, 26 August,  
2004, viewed 7 April, 2007, <http://www.abc.net.au/rn/talks/8.30/mediarpt/stories/s1183946.htm>

Pullan, Rob 2007, author, *Making the news: a history of Australian capital city newspapers*,  
personal email, 9 May, 2007.

Quartermaine, Braden 2007, "New page in history", *Sunday Times*, April 29, Business p 81.

Spagnolo, Joe 2006, December 3 for daylight saving, *Sunday Times*, November 11, 2006, viewed 27 April, 2007 <http://www.news.com.au/perthnow/story/0,21598,20795690-2761,00.html>

State of the news print media: Chapter 1 – Do newspapers have a future, *Australian Press Council*, 11/10/06, accessed 7 April, 2007 <http://www.presscouncil.org.au/snpma/ch01.html>

State of the news print media: Chapter 3 – Audience, *Australian Press Council*, 11/10/06, accessed 7 April, 2007 <http://www.presscouncil.org.au/snpma/ch03.html>

“Subscribers desert print for the Internet” 2007, *New Zealand Herald*, 2 May, 2007, viewed 4 May, 2007, [http://www.nzherald.co.nz/topic/story.cfm?c\\_id=289&objectid=10437204](http://www.nzherald.co.nz/topic/story.cfm?c_id=289&objectid=10437204)

“Who killed the newspaper?” 2006, *The Economist*, 24/8/2006 print edition, viewed 26 April, 2007, <http://academic.csuohio.edu/kneuendorf/content/>