

Becoming More Local – The Challenge to Newspaper Publishers

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Abstract

Newspapers aren't the only industry to see a growing shift from the mass to the micro market. Today newspaper publishers face the challenge of becoming more local to reverse the decline in circulation and fall in advertising revenues. But how can Publishers print shorter runs on offset machines designed for maximum efficiency at high volumes? Digital production technology is becoming increasingly relevant to publishers in search of a solution to this dilemma.

In recent years, many industries have tackled the challenge of switching their marketing strategies from the traditional mass-market approach to one which is more tuned to serving a segmented market. Thereby presenting their products in a more context relevant and meaningful way to their consumers.

This trend of recent decades is driven by consumer desire for greater individualisation in an increasingly impersonal world. Underpinned by growing audience fragmentation, and market segmentation. Many industries have responded by developing strategies to get closer to their consumer segments within their markets. This in turn has been one of the main catalysts in the development of digital technologies such as digital production printing.

For National and Regional Newspaper Publishers there is a Serious Economic Dimension to this Trend Towards Market Segmentation.

They are losing readers and advertising revenue to other, more target-oriented media. Readers want content more relevant to their region or community. Advertisers are switching to other media forms that can target niche markets more effectively. Some publishers now see the need to focus on the mass and the micro market and some have already invited readers to subscribe to specific content themes via a newspaper's website. But this raises the technical challenge of producing short-run newspaper sections economically and efficiently.

The massive investment in traditional newspaper presses is probably the biggest barrier faced by newspaper publishers as they address the demand for a stronger local focus. Traditional newspaper technology is simply not designed to deal with short production runs. Since offset printing is at its most efficient on high-volume runs, printing shorter runs of a few thousand copies means frequent press stoppages and higher costs for downtime and wastage.

The solution to this dilemma is digital technology. It has made personalised marketing possible and is capable of making newspapers more local in their content with positive benefits for both readers and advertisers. Digital production printing is driven by software that makes customised content possible – theoretically down to the level of individual copies. So by using digital printing, publishers can economically and efficiently produce short runs of regional or community focussed sections as well as demographically targeted supplements.

Digital Production Presses are Catching Up

During the past decade enormous improvements have been made in the field of digital web press technologies. The machines have become faster by a scale of magnitude, the quality of print resolution in many cases now matches the standards of offset, finishing technologies have developed in leaps and bounds enabling in-line newspaper sections to be produced in high volumes. And most recently we are seeing the introduction of the first colour digital web press engines.

Clearly digital production technology is set to make its mark in the traditional field of newspaper production. One can expect an acceleration from leading suppliers of this technology.

Certainly digital production presses should not be seen as replacement for traditional offset, rather as a compli-

Increase in Market Segmentation

- Trend, last 20 years is from Mass Market supply to serving a "Market of Niches"
- Offering choice, selection and Individualisation
- Newspapers also need to address readers differently, and more relevantly



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Figure 1. Newspaper industry faces increased market segmentation and audience fragmentation

mentary technology working side by side with the offset press.

Combining Offset Production with Digitally Printed Sections

Traditional offset technology is unquestionably ideal for producing the jacket and main sections of a newspaper, i.e. the sections with content of interest to all readers. Offset brings economies of scale and optimum speed for high-volume runs.

Digital production technology comes into its own for the production of short-run differentiated sections of a newspaper. Introducing regional, community or local focus. Its strength is direct imaging "Computer-to-Print" and cost effectiveness on lower run lengths.

This is the major advantage of variable data printing over traditional offset printing.

A digital production technology that has been strongly focussed on the newspaper industry during the past four years is that from Océ's Digital Newline web press. Currently used to produce short-run volumes of more than 20 international titles in remote locations. This technology is now being offered into the regional newspaper market as a Hybrid press.

Main jacket and main sections being produced in the traditional offset manner, while the digital press is used to produce targeted sections, typical short –runs and where these are then merged together in the mailroom, enabling the publisher to greatly increase the differentiation within his product.

Such hybrid approach shows the benefits to be gained from combining the relative strengths of offset printing with digital production. By merging the different sections of a newspaper using existing mailroom equipment, publishers can produce papers that serve a mass market and appeal to niche needs. Faced by the twin challenge of

declining circulation figures and falling advertising revenue, newspaper publishers have a new option to deliver tailored and better targeted editions.

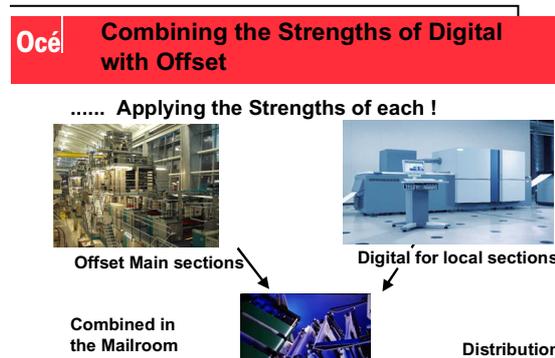


Figure 2. The Hybrid Model – Digital Web press as Complement to Offset

Biography

Tim Venediger has held technical, marketing and sales positions in digital production printing for the past 14 years. He heads up Océ Newspaper market segment, based in Munich. He is also the head of Océ Digital Newspaper Network which provides an innovative process chain that connects publishers, distributed print providers, distributors and readers to make early-morning availability of their newspaper titles a worldwide reality. For further information on Océ digital printing solutions for newspapers, please contact Tim.Venediger@ops.de or visit www.Oce.dnn.com