

Trends in the newspaper industry 2024

BDZV / Highberg trend survey
Berlin, 13 February 2024



Bundesverband
Digitalpublisher und
Zeitungsverleger



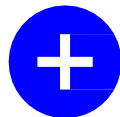
The BDZV / Highberg trend survey is the trend barometer of the digital publishing and newspaper industry for the tenth time.



Share of circulation & digital newspaper reach of the participants¹

73% paid circulation

(of all daily newspapers in Germany)



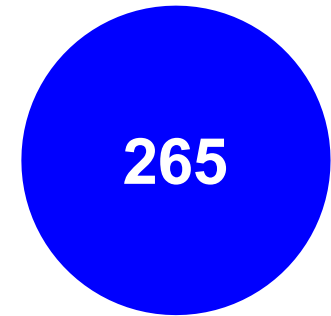
87% digital newspaper reach²

(Unique users of all newspapers in Germany)



Participants

- 68 Editor-in-chief
- 47 Advertising market
- 46 Management
- 42 Reader market
- 42 Logistics
- 17 CDO
- 13 Digital publishers



from newspaper publishers and independent digital publishers³




1) With at least one participating department / questionnaire per publisher.
2) Source: ZMG on the basis of AGOF daily digital facts Jan. 2023
3) Individual questionnaires for each department / function



Business development and long-term expectations

Publishers expect an increased decline in print subscriptions. Digital continues to grow significantly.

Assessment of core business 2024

	Print	E-Paper	Paid Content
 Subscription figures	-7%	+16%	+22%
 Sales revenue	-2%	+19%	+23%
 Advertising revenue	-2%	+14%	

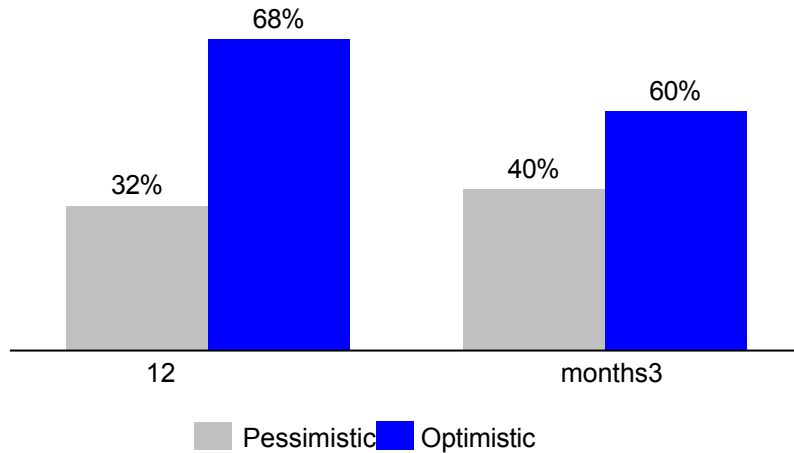
- Print circulation decline intensifies, print sales revenue declining
- Digital subscription growth remains strong
- Weakened decline in the print advertising market



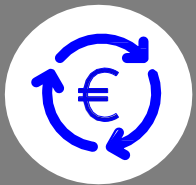
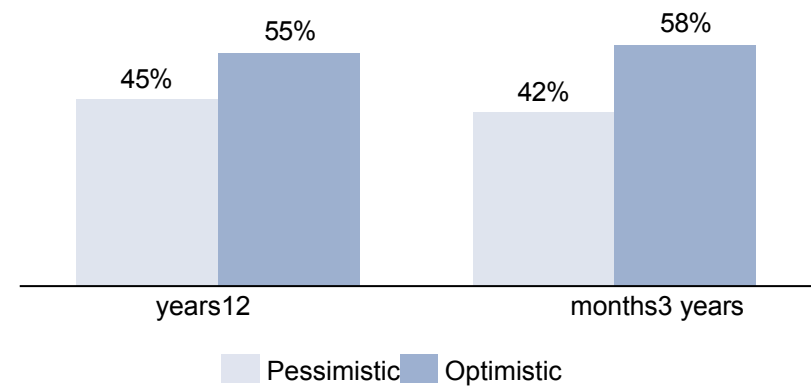
Two thirds of decision-makers are optimistic about short-term business development. In the medium term, the assessment is slightly more negative.

How do you see the economic situation of your company over the next twelve months or the next three years?

Trend survey 2024

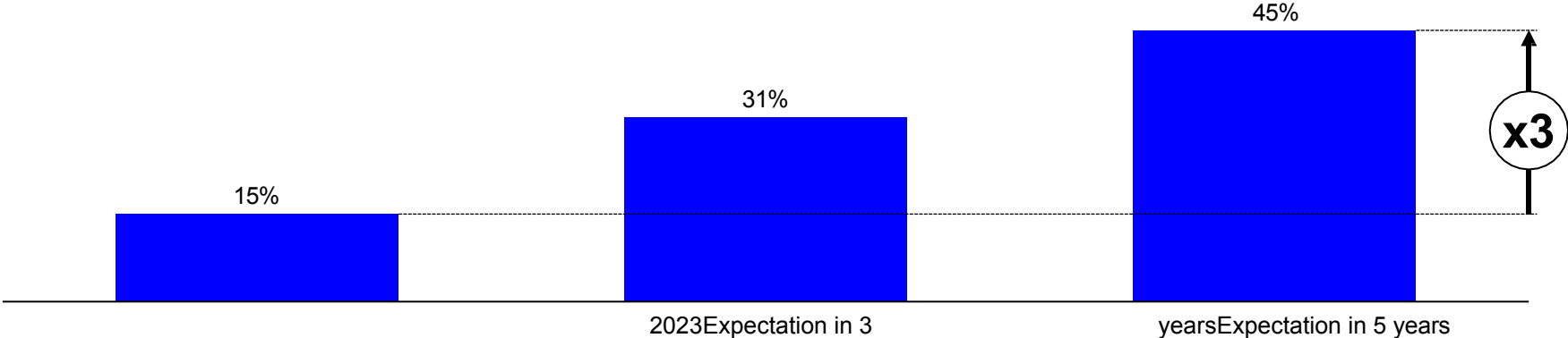


WAN-IFRA World Press Trends 2023-24



Digital business is an important driver. Publishers expect the share of digital sales to triple in five years.

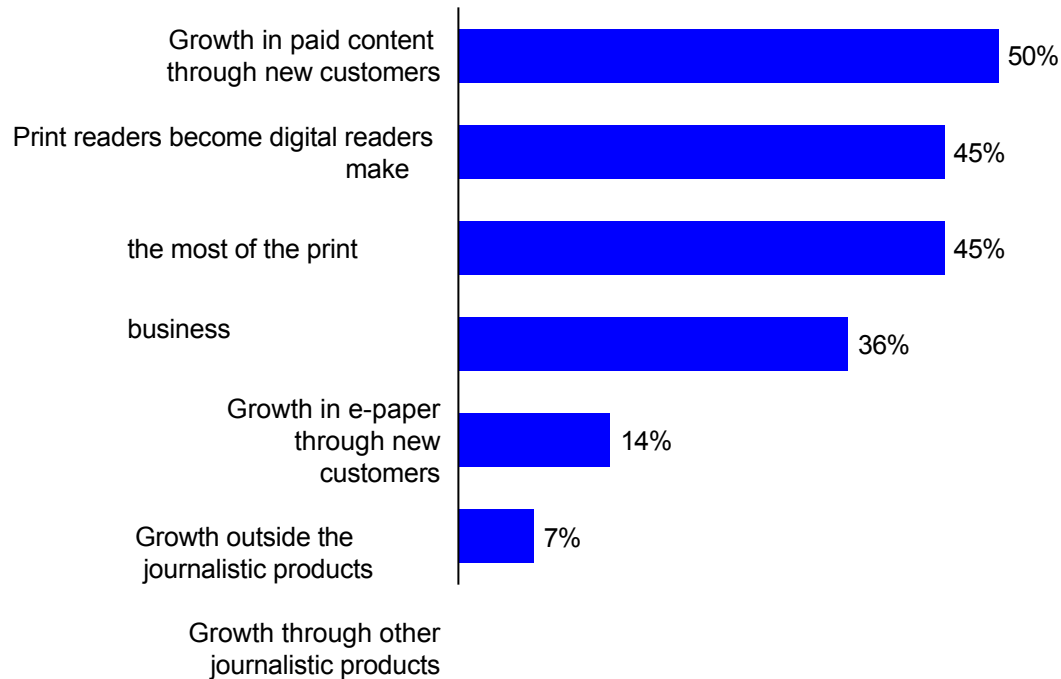
How high is the share of your digital core business in total sales?



The top priorities in 2024 will be growth through paid content and the digitalisation of existing print subscribers.



What is your strategic priority for 2024?

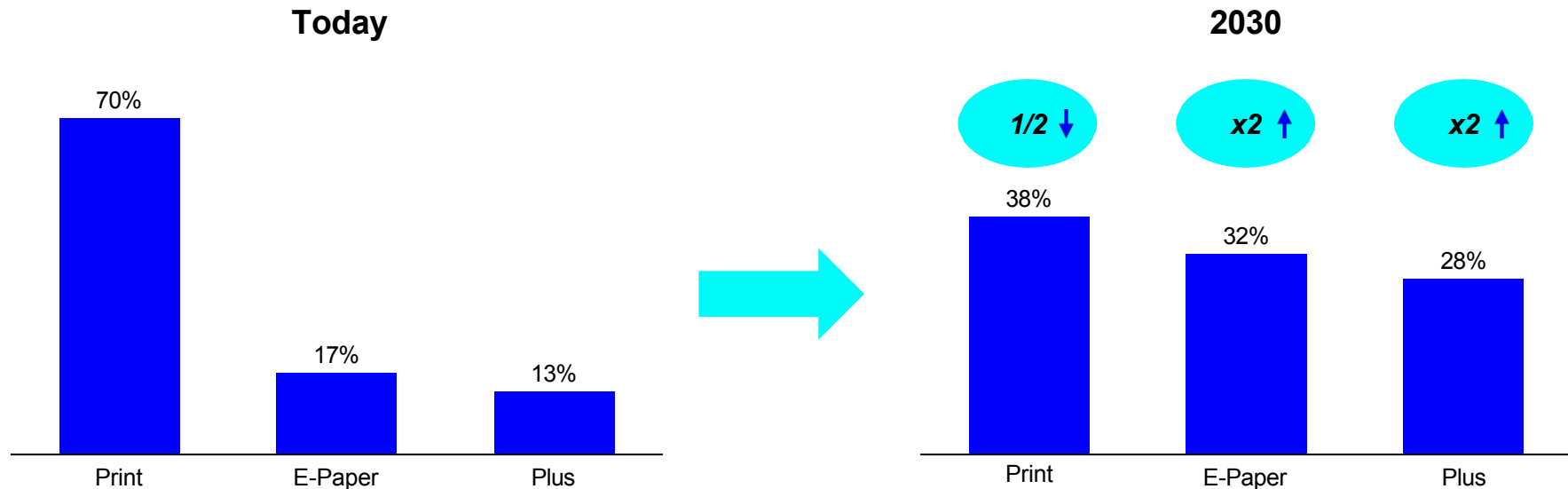


- The strategic focus is on the **Digital growth with paid content**
- Growth is to be achieved through **new customers and existing print customers**
- **Economic strength of the print business** necessary to finance digital growth



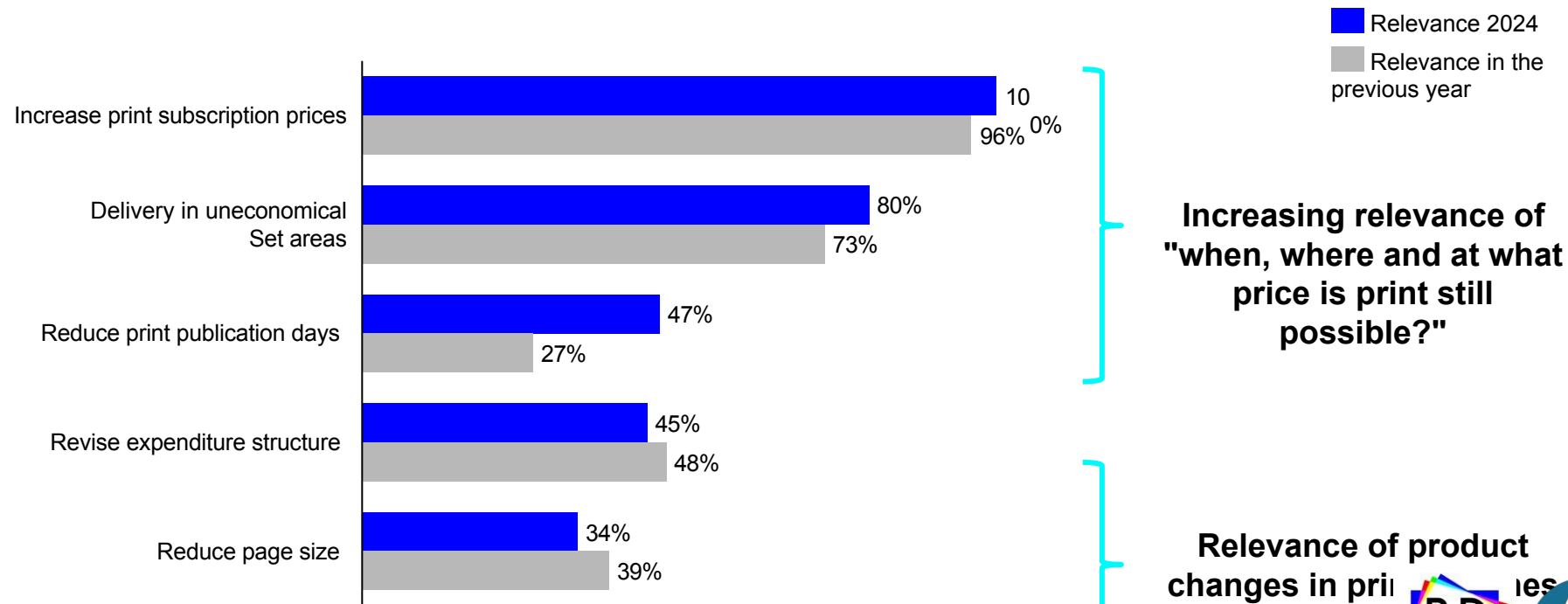
The composition of subscriptions across print, e-paper and Plus will change significantly by 2030. Print will continue to play a relevant role in 2030.

What proportion of all subscriptions will the various offers account for if your strategy is successfully implemented in 2030?



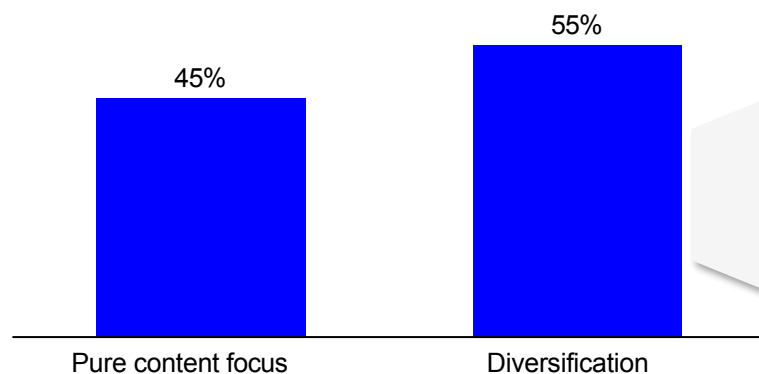
Questions about the availability of print are increasing.

How relevant are the following measures for your publishing house in response to rising print costs?



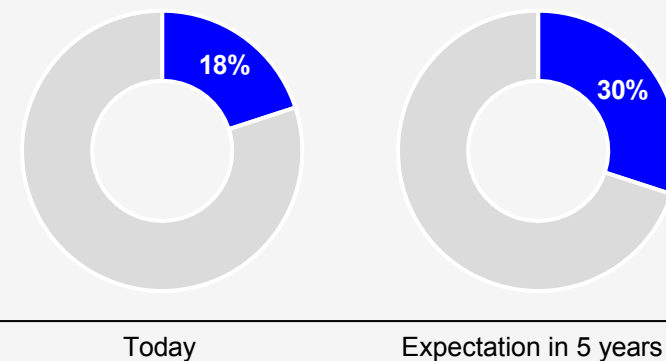
Half of the publishers are planning increased diversification outside their core journalistic business.

Is your business model based exclusively on journalistic products or are you aiming for diversification?

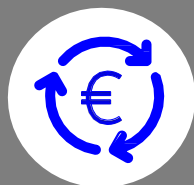


55% of publishers rely on a **Diversification approach**

What proportion of total revenue is contributed by business models outside journalism?

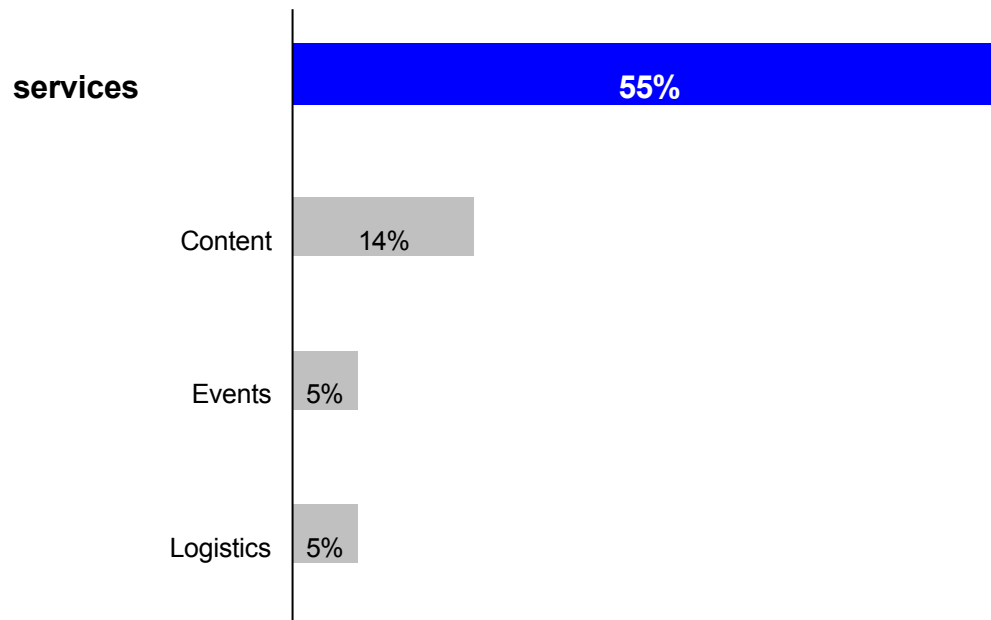


These 55% expect a **share of sales from** the other Business segments by **just under 1/3 in 5 years**



New business areas are mainly in the service sector.

In which directions are you planning to expand your range?



Examples of B2C services



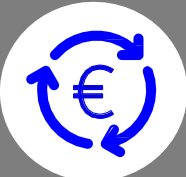
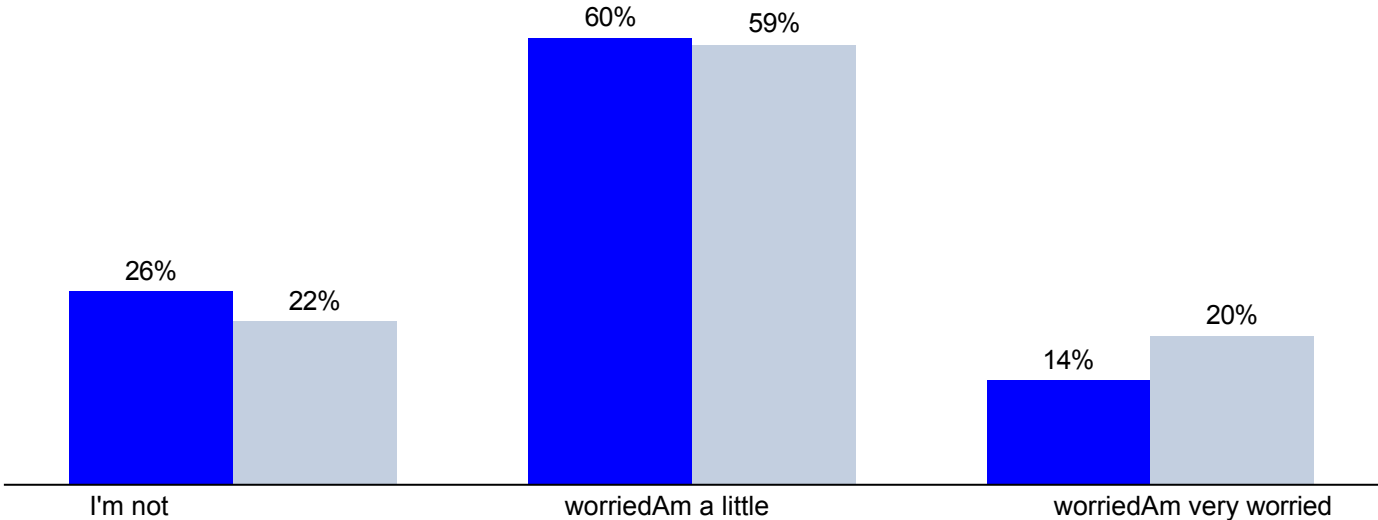
Examples of B2B services



Megatrend AI and impact on the business model: Still difficult to assess due to the rapid pace of development.

To what extent do you currently consider generative AI to be detrimental to your business model?

Trend survey 2024
WAN-IFRA World Press Trends 2023-24 Global Survey



The three top trends of 2024:



Increased efficiency through automation

Use of machine learning and AI tools



Improving the quality of journalistic content

Reorganisation in the editorial offices



Precise addressing of target groups

Focus on topics and audiences



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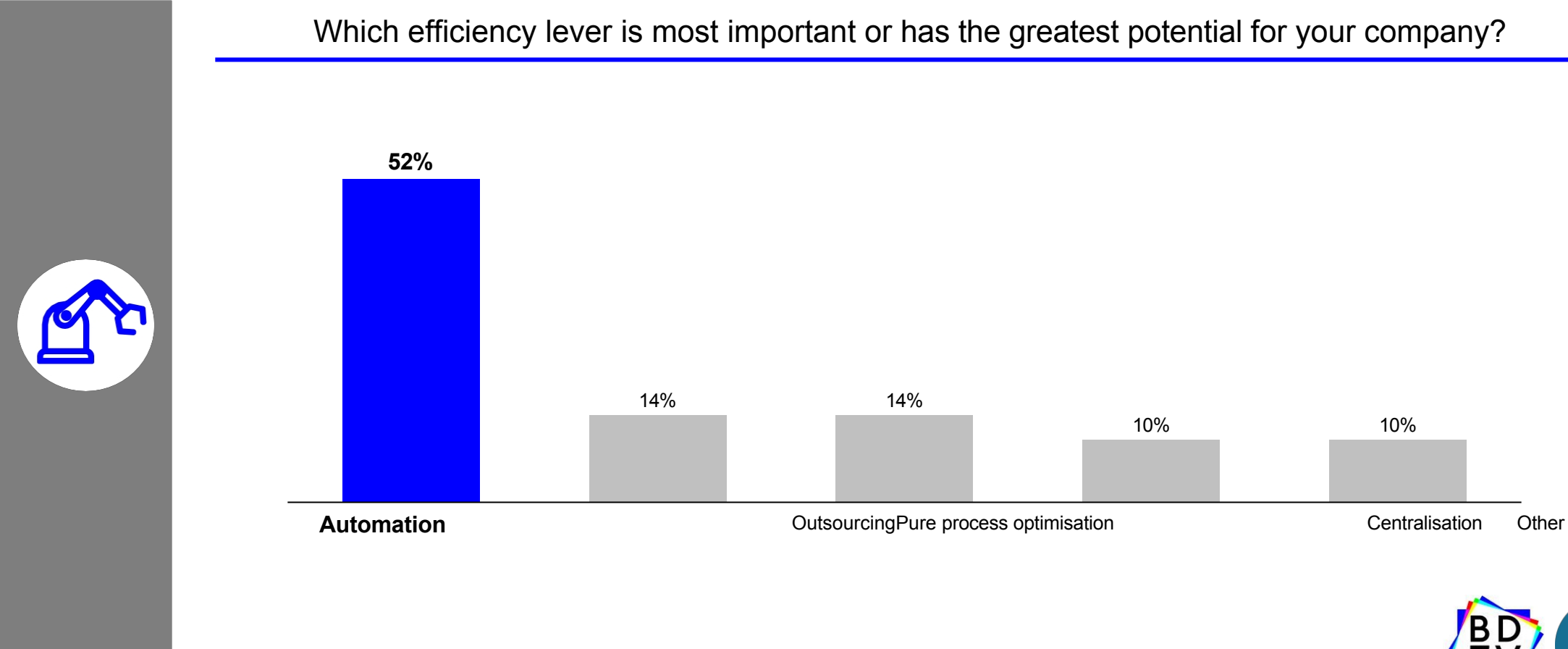


Precise addressing of target groups

Focus on topics and audiences

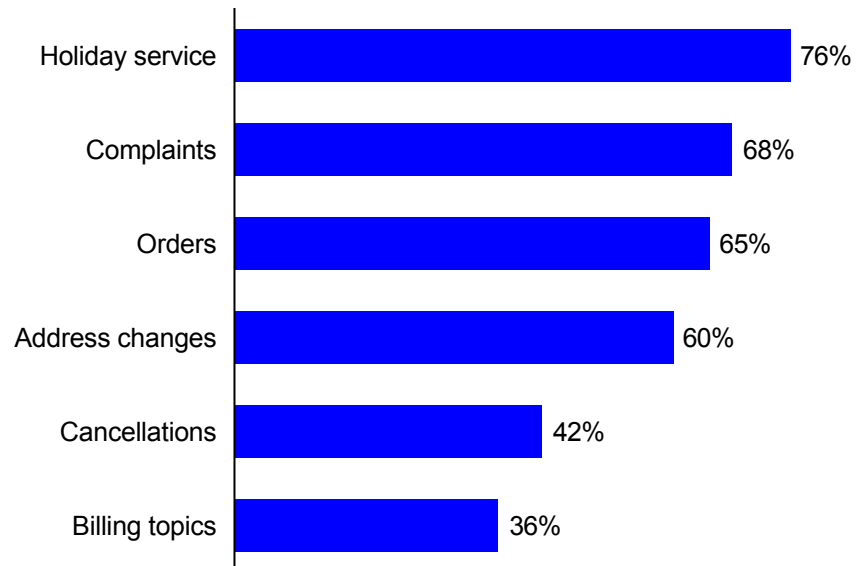
Publishers consider automation to be the most important efficiency lever.

Which efficiency lever is most important or has the greatest potential for your company?



Customer service automation example: High degree of automation expected.

What proportion of your customer service enquiries do you expect to be able to process automatically in three years' time?



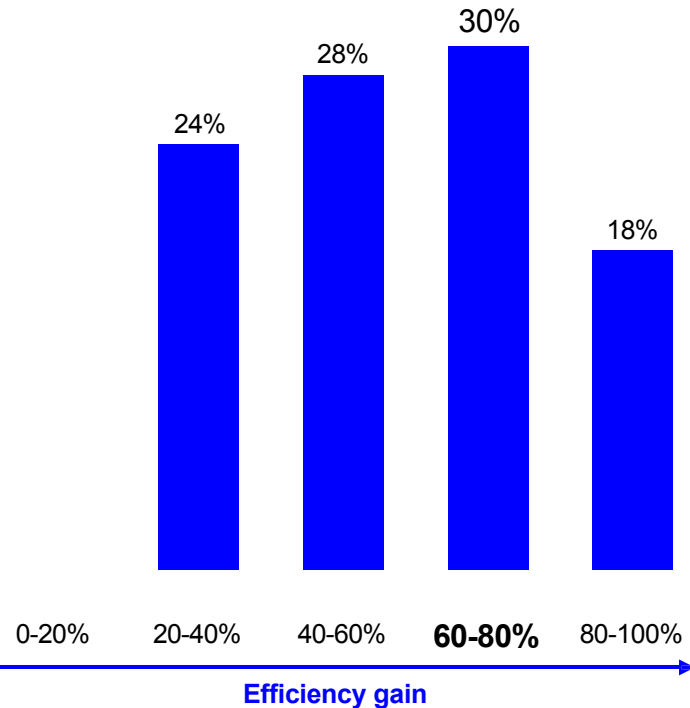
Practical example: Northwest-Zeitung and Weser Courier

- The customer service departments of the Northwest-Zeitung and the Weser-Kurier currently produce around 30,000 calls handled, of which around 85% were print complaints
- Together, the AI-based Voicebot technology was implemented at the Bremen Northwest media hub to automate customer service requests
- Even in the pilot project, a quarter of the complaints could be processed automatically at the end of the case



Example of automation in print page production: the majority of publishers expect efficiency gains of 60 to 80 per cent in print page production.

What potential for increasing efficiency does the automation of print page creation offer compared to a purely manual process?



81% of editors-in-chief believe that **print page automation** for a **relevant use case** in AI and automation

Practical examples

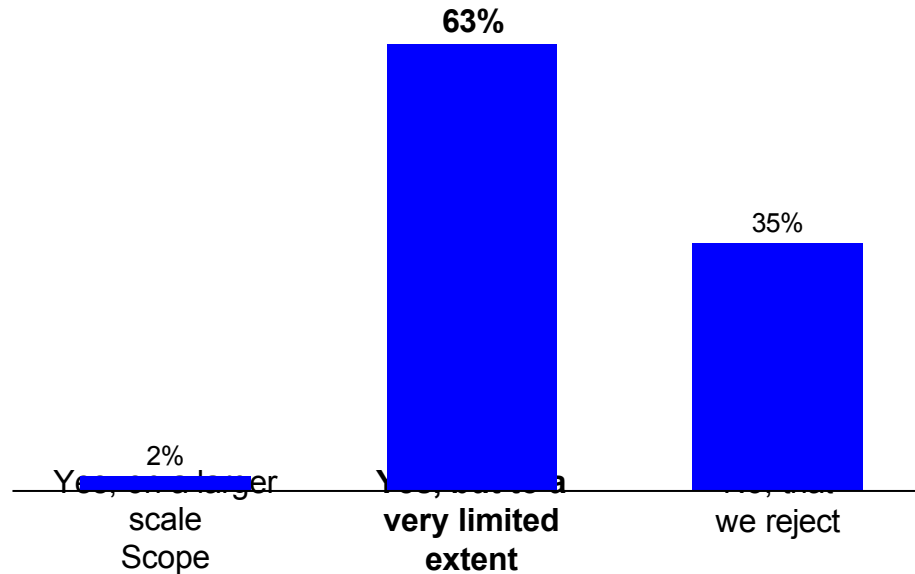
- Norway: Daily newspaper Aftenposten produces 80% of the Automated print pages
- At the beginning of 2024, Der Patriot from Lippstadt announced that it would fully automate its own print production
- Since last year, the Northwest-Zeitung from Oldenburg has also been experimenting with an automated page layout for more efficient print production with consistent quality



2/3 of publishers plan to use AI to create texts. But: no full automation on a large scale.



Are you planning to have texts created and published (human-checked) exclusively by AI in the future?



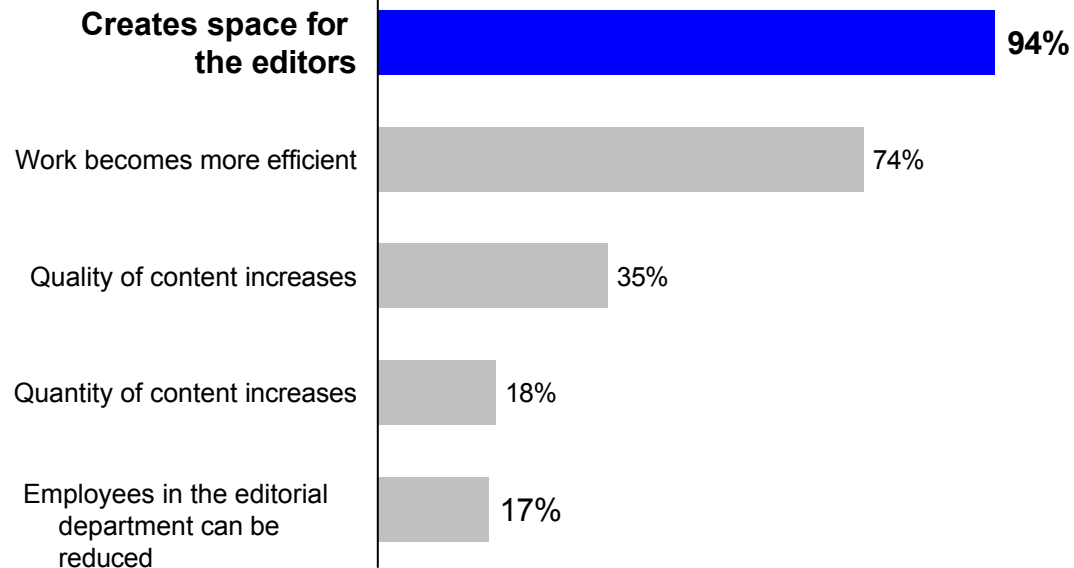
Practical examples

- Fosna-Folket automatically publishes content on the local property market in Brekstad (Norway)
- Dutch media group NDC automatically creates hyperlocal content for amateur football matches
- The Lausitzer Rundschau uses a chat-GPT-based generative AI tool that generates editorial texts from police reports, among other things



AI creates freedom in the editorial department, e.g. to research topics in greater depth.

What effects do you expect the use of generative AI to have in your newsroom?



*"Generative AI will **not take over** journalism, **but** it will support it. Underfunded local newsrooms in particular will benefit from AI."*

Ulrike Langer, reporter and US trend scout for Media innovations, at the #beBETA 2023



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Reorganisation in the editorial offices

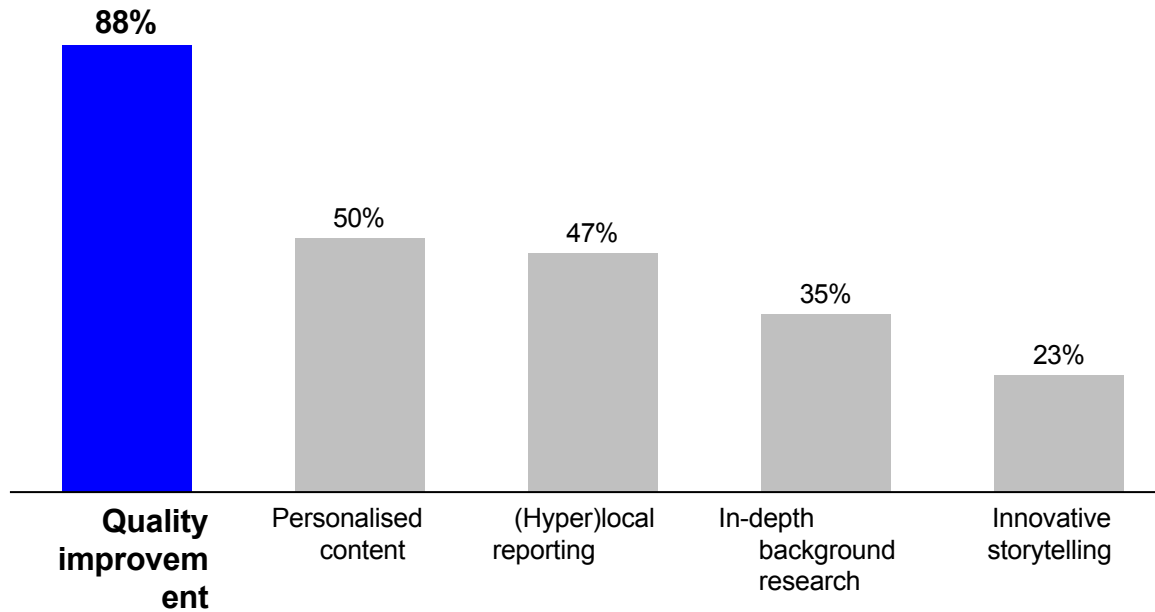


Precise addressing of target groups

Focus on topics and audiences

Publishers see the greatest lever for reader loyalty in even better content.

What strategic measures are particularly important for you to maintain reader loyalty to your products in a changing media environment?

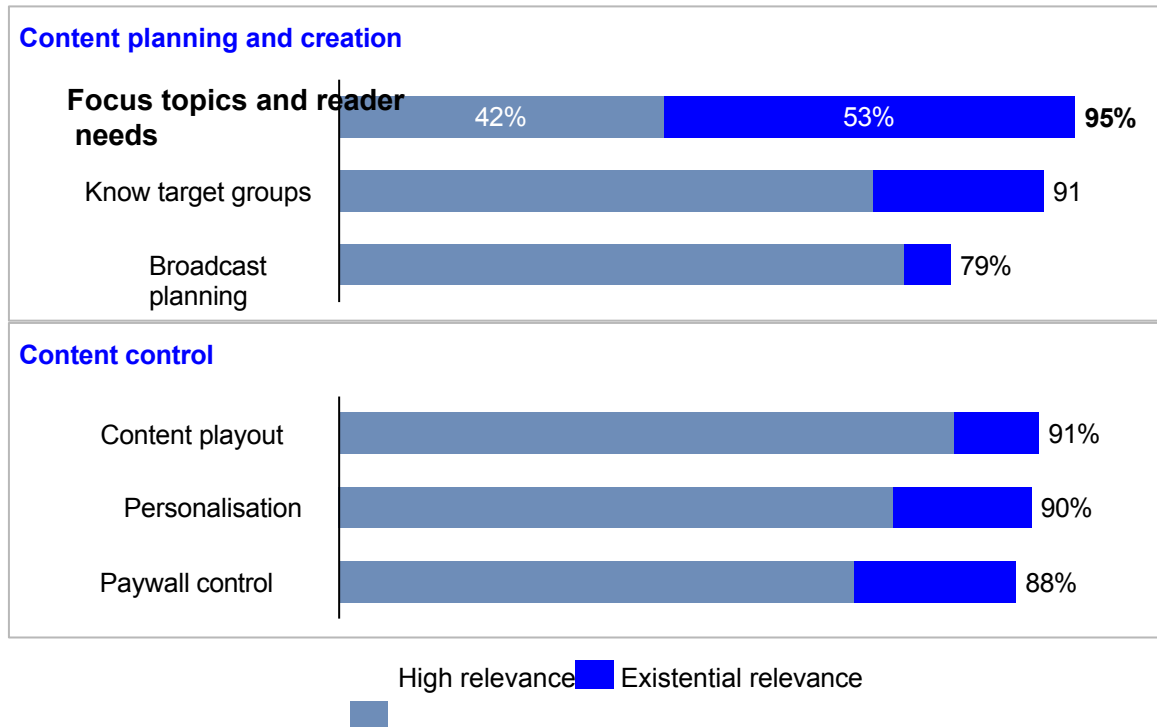


- Above all, **high-quality journalism** leads readers to **take out a digital subscription**: relevant, credible content, background information, categorisation, reports, added value
- **Readers' expectations of products, content and services** are increasing



Focus topics and reader needs are the biggest success factor at editorial level. Data-based content playout and personalisation are essential.

Evaluate the relevance of the following data-based use cases:



- The **data-based realisation of focus topics and reader needs** is of outstanding relevance from the point of view of the editors-in-chief - for **53%** this topic is even **existentially important**
- **Quality** and **relevance** of content **structurally increase**



User needs are finding their way into editorial offices - with clearly measurable success.



MAIN POST

- **Nova Innovation Award 2023** for the organisational implementation of "User Needs" in the editorial department.
- **Cheat sheets with principles and format examples for reader needs are** used to incorporate the idea right from the content creation stage.
- The **user needs** were linked to the **KPI control, making success** visible.

DRIVE

- The **majority of publishers** have **introduced User Needs as** part of **DRIVE** or are working on it.
- **Data-based** implementation of user needs in editorial work: **Automatic classification** of articles into user needs makes **effects measurable**.
- **Significant performance and subscription gains** through user needs proven.
- Development of **data-based schedules** according to user needs.

MEDIAHUIS

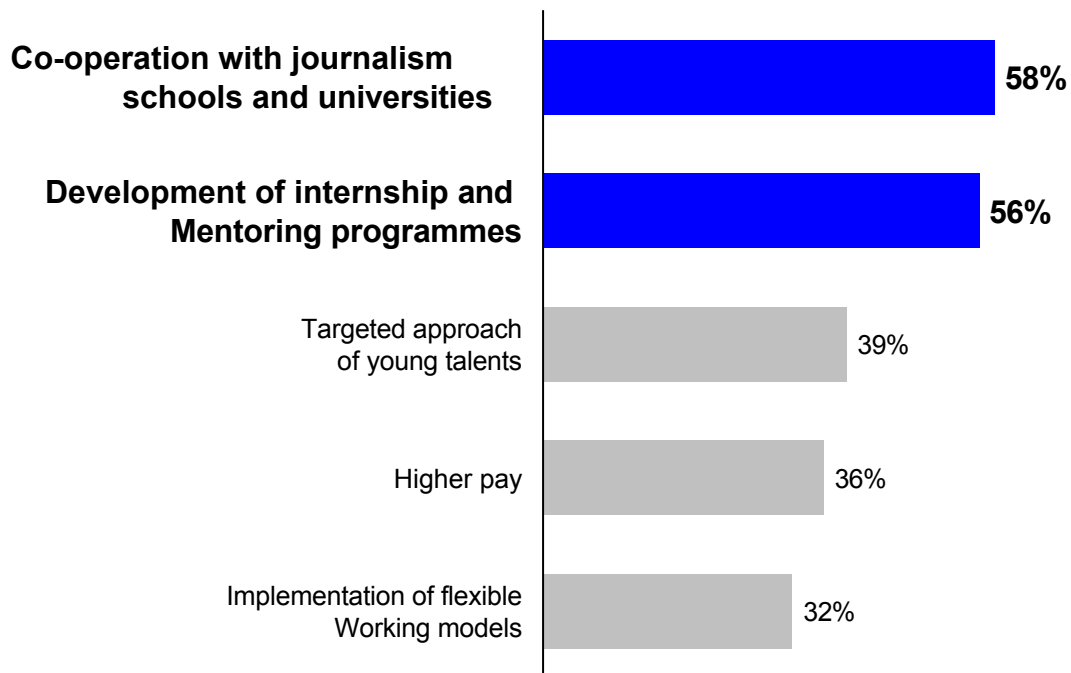
Belgium

- **Article DNA** as a concept for an optimised **content mix**.
- Editors take care of the **metadata: story origin, genre and user need**.
- **"Content Mix Dashboard"** visualises the composition of user needs and genres in the titles and thus establishes the link to broadcast planning.



Improving the quality of content requires talent: potential in recruiting lies in collaborations and programmes. Young talents are involved at an early stage.

What targeted recruiting strategies do you think are promising for attracting young talent to editorial positions?



Practical examples

- The **Madsack** Media Campus trains junior staff for editorial, sales, logistics and IT
- The **Axel Springer** Academy trains its own journalists in editorial and technical skills
- **VRM** cooperates with the University of Mainz in the journalism degree programme, resulting in a four-part campus series by students at the beginning of 2024
- The Fellowship Programme of the **German School of Journalism** (DJS) brings young journalists together with quality-conscious regional newspapers



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Reorganisation in the editorial offices

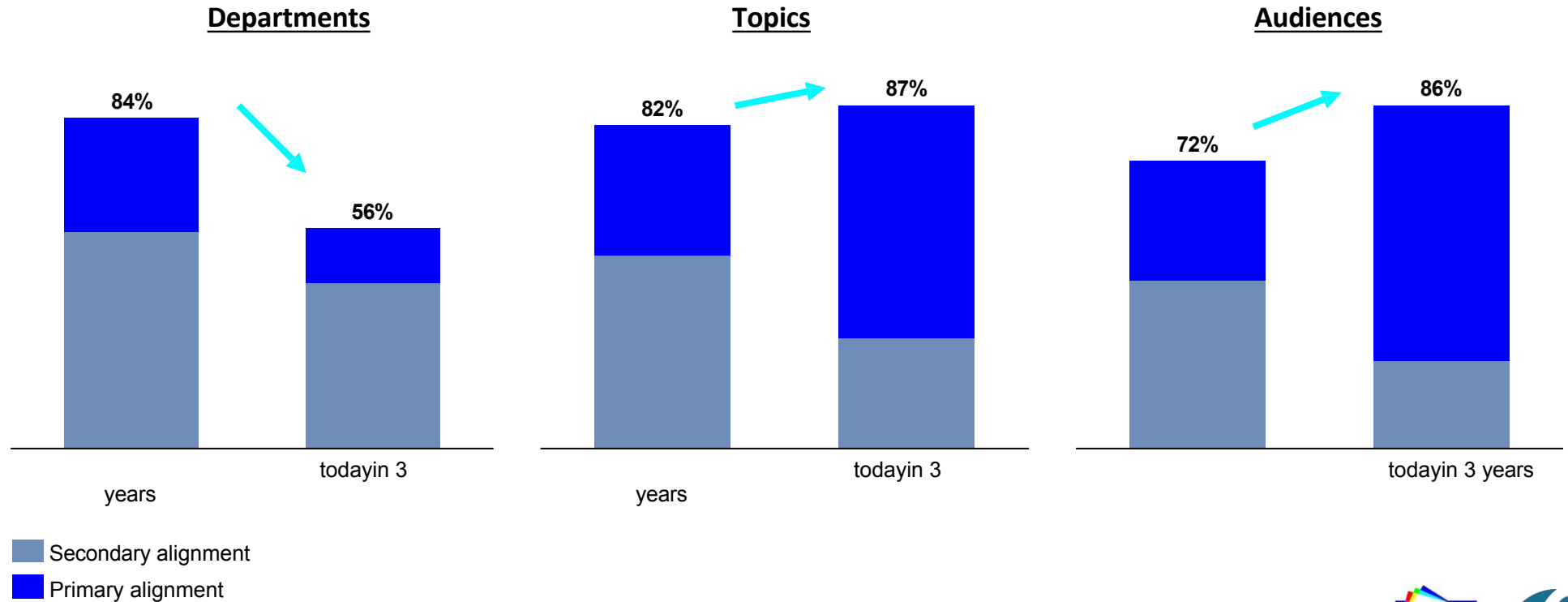


Precise addressing of target groups

Focus on topics and audiences

The relevance of traditional departments is decreasing. Editorial teams are organising themselves more along the lines of topics and target groups.

How do you organise your editorial team? (today & in three years)



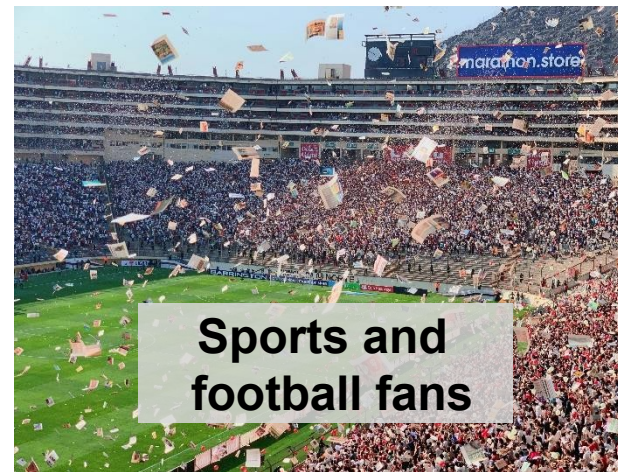
Secondary alignment
Primary alignment

Note: Multiple answers were possible.



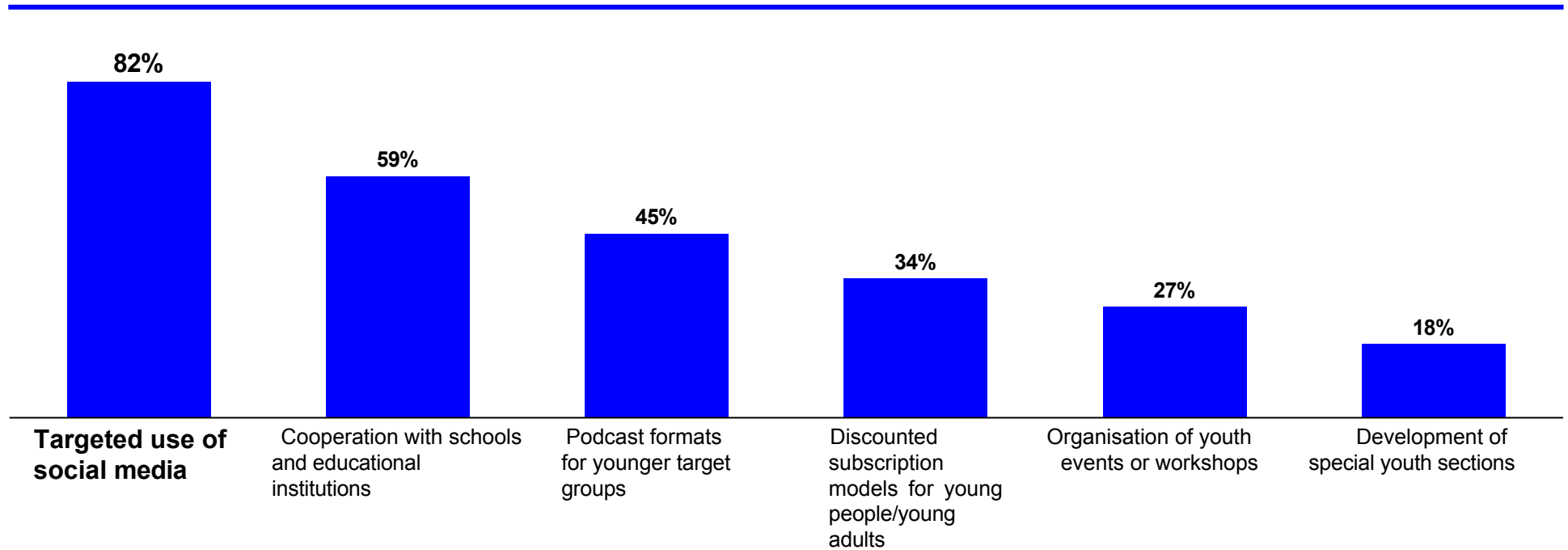
The five most frequently mentioned target groups are...

Which specific target groups ("audiences") do you believe offer potential for development?



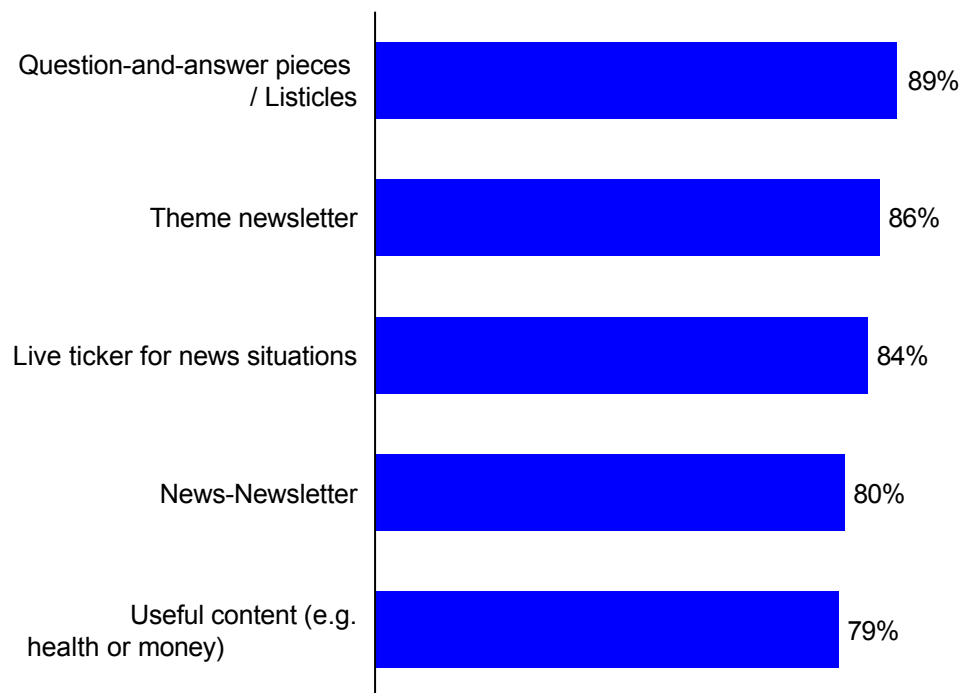
Social media is by far the most relevant way to reach young target groups.

What measures do you consider to be very relevant for attracting young readers to your newspaper products?



Publishers are focusing on an expanded range of formats to tap into new target groups.

How relevant do you consider the following content formats for tapping into new target groups?



- Question-and-answer pieces and listicles are easily accessible content formats that can generate a lot of reach
- Audiences can be regularly targeted and engaged with themed newsletters
- In acute news situations, editorial offices can position themselves as the first port of call for information with live ticker formats
- Useful content expands the editorial offering beyond news and strengthens the connection to the reality of readers' lives

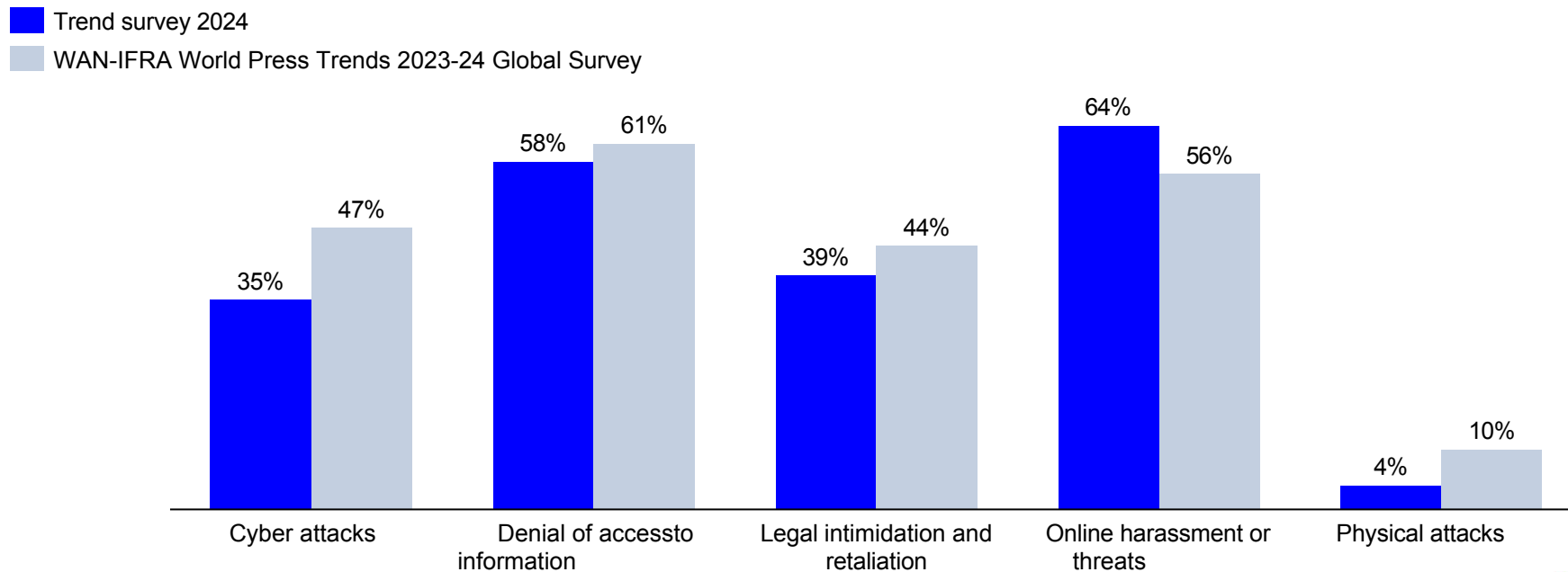




Current challenges and cooperation in the industry

Publishers are experiencing significant restrictions in their free press work.

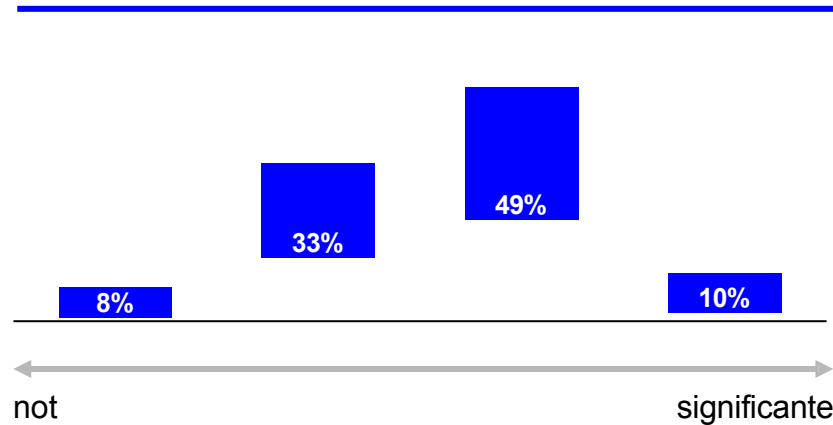
Has your newsroom experienced the following forms of restrictions on press freedom in the past twelve months?



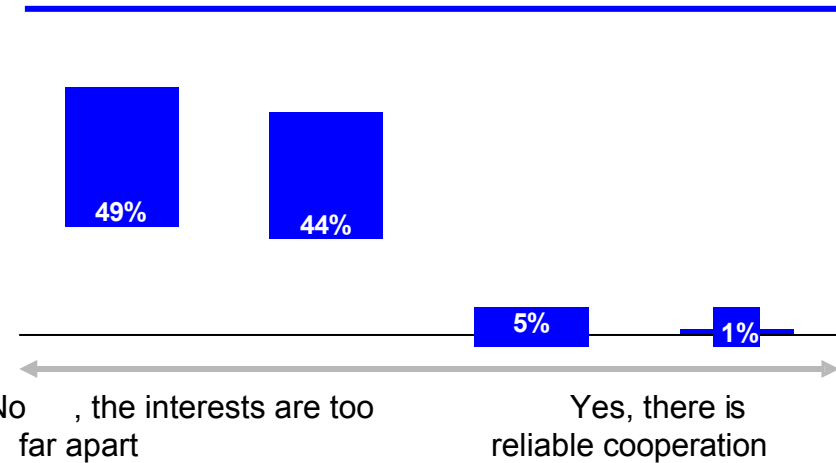
Big Tech: There is a strong dependency and low trust.



How dependent is your business model on "big tech"?



Are the "big tech companies" a reliable partner in your view?



*"The better **big tech tools and software** are integrated into the **daily work** of journalists, the more the **less autonomy** remains with the publishers."*

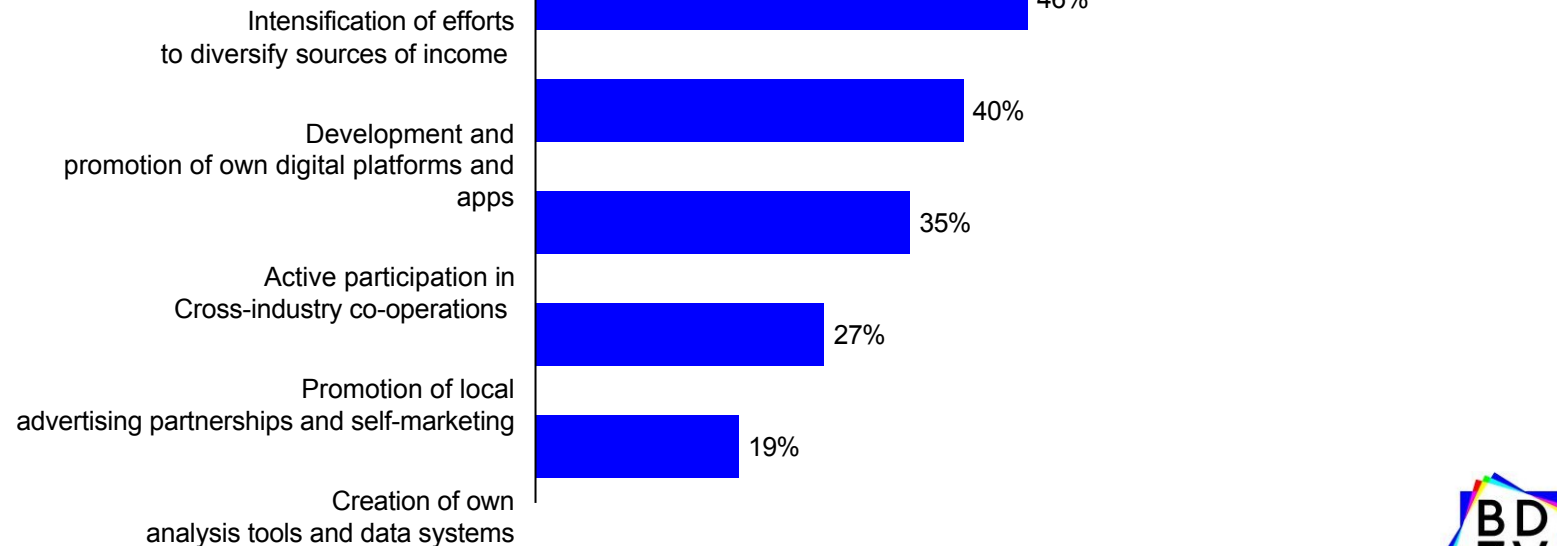
- Prof Dr Thomas Höppner, lawyer specialising in European and German antitrust law at #beBETA 2023.



The key to greater independence from the big tech companies lies in the direct connection to readers and users.

What strategies do you think are promising for reducing dependence on the "big tech" companies?

Strengthening the direct relationship with readers and your own community



Strong together: Publishers rely on cooperation to overcome industry challenges.

Does more cooperation in the industry help?



88%

"Yes, we're too small on our own, we've missed out on that for too long."

Practical examples

- In the **BDZV** Digital and Data Driven Publishing **working groups** and in the Data Protection project group, experts from BDZV members exchange views on virulent topics in the digital sector
- The **DRIVE data initiative** comprising 27 regional publishers is working together on the future of paid content based on data
- As a joint venture between the Nordwest Mediengruppe and the Weser-Kurier, **Medien Hub Nordwest** pools expertise in the areas of online product management as well as process and customer management
- **OWL-Digital** is the digital in-house agency and subsidiary of the Neue Westfälische, the Lippische Landeszeitung, the Mindener Tageblatt and the Haller Kreisblatt



The most important results:



**Increased efficiency
through automation**

Support & relief through the use of modern machine learning and AI tools



**Improving the quality
of journalistic content**

Stronger reader loyalty through even better content



**Precise response
from target groups**

Alignment according to topics and audiences

If you have any further questions about the trend survey, please do not hesitate to contact us.



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*More information
at:*



Federal Association of Digital Publishers and Newspaper Publishers



- The Bundesverband Digitalpublisher und Zeitungsverleger e.V. (BDZV) is the central voice of German newspaper companies and digital publishers. The umbrella organisation pools the strengths of its members, who stand for professional and independent journalism with around 300 media brands and more than 2,800 printed and digital offerings. The BDZV has responded to the transformation of the industry and broadened its organisation by changing its name in 2020. In total, around 300 media brands with around 2,800 digital journalistic offerings are organised in the BDZV.
- German newspapers reach more than 46 million people every day with their print and digital editions. This makes Germany the largest newspaper market in Europe and the fifth largest in the world.
- The BDZV actively drives digital change and supports its members in the transformation of their business models. As a platform for the exchange of knowledge, experience and best practices, the umbrella organisation promotes collaboration and innovation within the industry.