

REVOLUTION FOR A 103 YEARS-OLD TABLOID LAS ULTIMAS NOTICIAS, 3 YEARS AFTER THE CHANGE. GOING IN DEEP

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Summary

A traditional, old –fashioned and un-surprised tabloid decides to change, and circulation explodes. Advertisers are in-line to buy Changes in readers profile

Three periods are analysed:

- Until 1999, the conditions for the relaunch: a review of the socio-economic conditions and political and values environment together with the print industry evolution and threats.
- 2000-2003, the relaunch and its success: the decision to listen to "the people" and a new metrics were set up
- 2004-2005, is the relaunch sustainable in the long-term? How to keep the pace of change by choosing the right variables.

Background

Chile is a small Latin-American country, with 16 m inhabitants and some US\$ 6,500 per capita, where illiteracy calls for 4%.

Over the last decades, Chile, a developing country with deep market liberalization, has developed values where entrepreneurial and personal competitiveness play a strong role. Different sources place Chile among the countries where the labor day is more extended taking time off from personal life. It is also shown as a country where income distribution is among the worst ones around the world, allowing for a society where some may feel excluded from the general well-being the country has been working up.

Las Ultimas Noticias (LUN) is a tabloid newspaper born, 103 years ago, as the second project for EL Mercurio SAP enterprise, the country's largest and most influential newsprint company. In fact, it was originally known as Las Ultimas Noticias de El Mercurio, distributed at noon, and having the morning ongoing news. Consequently, its vocation has been to deliver interesting updated news.

For a good many decades Las Ultimas Noticias (LUN) had a well-known and traditional place among available national newspapers. An experimented body of journalists, several of them with outstanding names in their field of work and a moderate editorial position, positioned LUN as a known and predictable newspaper. Its news presentation has usually used a discreet tone without any ups and downs.

Its history shows a step-by-step technological incorporation of printing, diagram evolution and different technical characteristics as imposed by local market evolution, always following tendencies imposed by other newspapers. All this within a context of keeping its editorial line and its readers support.

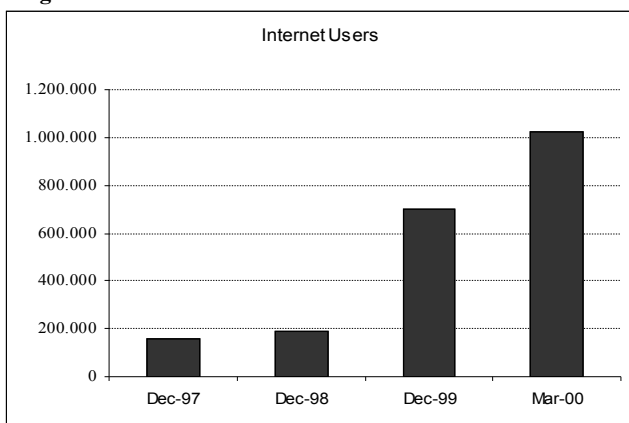
LUN BEFORE THE YEAR 2000

During the 90's the country was changing and adopting new technology. There were deep social and political changes, such as the return to democracy, in a sustained economic growth environment, even though there were strong income distribution differences. In fact, the Chilean Gross Domestic Product grew during the 90's doubling its volume and during the decade 1995-2004 has continued growing at a annual rate of 4.5% p.a..

The country massively adopts some technological advancement such as mobile telephoning and Internet connection. That opens new opportunities for those who keep an eye on applications going further than the evident ones. Simultaneously, some characteristics of modernity stand out such as time pressure, affecting directly available time for reading and the growing need of individuals for having a larger focus upon choosing interests when facing the large offer they are exposed to.

The explosive growth of the number of Internet users takes place in 1999, a year when 700 thousand Chileans had access, which represents 10% of the population between 15 and 50 years old, thus allowing the use of this tool on a massive scale.

Figure 1. Internet Users Evolution 1997-2000



Source: Ministry of Transport and Telecommunications.

Traditional written media show some wear out and a loss of readers. The 80's and 90's bring about new editorial projects, from newspapers stemming in a context of political opening up at the time of returning to democracy in Chile, bringing a new industry fragmentation; nevertheless, these newspapers disappear after a few years.

In 1998, Chile participates in an international survey sponsored by the OECD directed to measure grown up population basic competences, the SIALS (Second International Adult Literacy Survey).

Comparative results place the country in the lowest levels in all dimensions measured. According to this research, over half the Chilean population does not have the necessary knowledge to correctly understand and work with the information presented in texts such as editorials, news articles, and literary texts.

Figure 2. Percentage of Total Population who reach just the minimum level of Reading Understanding

Country	Prose	Documents	Quantitative
Sweeden	7,5	6,2	6,6
Norway	8,5	8,6	7,7
Denmark	9,6	7,8	6,2
Finland	10,4	12,6	11
Netherlands	10,5	10,1	10,3
Germany	14,4	9	6,7
Tcheckz Republic	15,7	14,3	8,9
Canada	16,6	18,2	16
Australia	17	17	16,8
Swiss (French)	17,6	16,2	12,9
Belgium	18,4	15,3	16,7
New Zealand	18,4	21,4	20,4
Suiza (Deutch)	19,3	18,1	14,2
USA	20,7	23,7	21
UK	21,8	23,3	23,2
Ireland	22,6	25,3	24,8
Hungary	33,8	32,9	20,5
Eslovenia	42,2	40,9	35
Poland	42,6	45,4	39,1
Portugal	48	49,1	41,6
Chile	50,1	51,5	56,4

Source: SIALS, 1998.

Note: None other Latin American country participated at this survey.

Another specific result on the same survey, in relation to the press, points out that what Chileans read the most in newspapers are headlines and the horoscope.

Then, in short, we have a country with a low level reading understanding, strongly competitive and with little free time. These macro level social developing indicators and individual conditioning indicators set conditions for a new vision of the editorial doing.

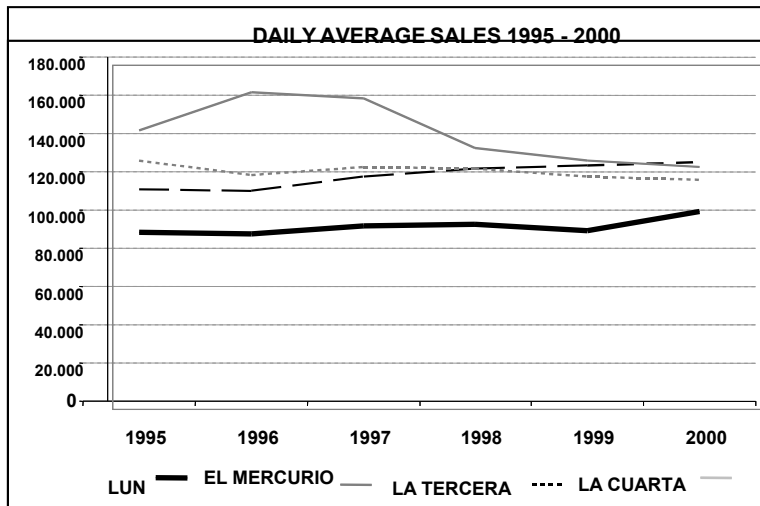
Up until the year 2000, LUN had a “strategical” newspaper role which subordinated it to protect El Mercurio, which ultimately meant to copy competitors. This, supposedly, helped the other company newspapers.

The problems of this strategy are associated to a vision which:

- Places the competitor in the very center of its intervention, forgetting the readers and advertisers’ central role; this vision shows the role that the newspaper plays as being in charge of curbing the “competitor of the moment”. Thus, LUN had no role of its own to give it its own sense.
- Justifies financial loss based on accepting the mission of being a “protecting” newspaper for El Mercurio.

As a consequence of this vision, the newspaper is affected by a lack of initiative and leadership. This generates an environment which obstructs possibilities for proposing changes and inhibits personal initiative, thus affecting journalists team’s motivation. The lack of a clear strategy leads advertisers as well as readers to perceiving content incoherence during the period. At that standing point, the newspaper is left behind to fourth place of circulation and advertisers punish it severely.

Figure 3.



The Editorial Market and its threats

The editorial business in Chile is a US\$320 MM market, of which 60% comes from advertising income and the rest comes from sales to the public.

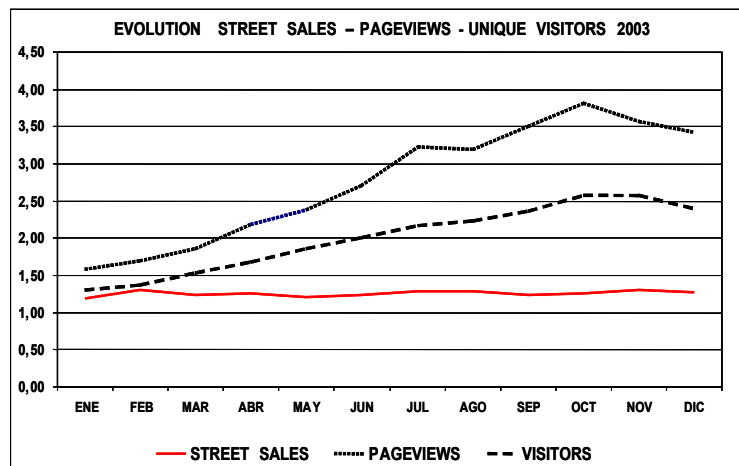
Towards the end of the 90’s, this market looked relatively stagnant, with no possibility whatsoever of raising prices in spite of the good standing of the economy. So, LUN’s sales remained almost the same and circulation was steady. Advertisers didn’t perceive an interesting option in this newspaper and were looking for more innovative alternatives. Things being such, the thought that it had to change, solidly started settling in the newspaper.

Perception at LUN’s was the same as the other newspapers: the written press and they themselves were facing threats that can be summed up as follows:

- a) Splitting of communication media and audiences.
- b) Concentration at an advertisers level
- c) Internet and content digitalization

- a) Splitting of communication media and audiences:
 It's becoming harder and harder for newspapers to group audiences, because of the strong segmentation of traditional media and the growing specification of demand from different publics together with the introduction of new ever more surprising and personalized channels.
 - Free newspapers
 - Magazines
 - Cable and satellite television
 - Internet
 - Cellulars (wireless service)
- b) Concentration at an advertisers level: Retail (department stores and supermarkets) and the banking industry mergers cause the vanishing of brands and this means less advertising investment and advertisers negotiating power increase, clearly down-sizing the investment in displayed advertisements.
- c) Internet and content digitalization: The newspapers threat in Internet and the proliferation of via web and cell phones service was exploding. E-mail campaigns attempt against the intermediation of the media. They bring about an outline and an opinion independently from the Media and officers. While LUN street sales were hold up, visits to the newspaper were growing. Would they be cannibalizing the sales of physical issues?

Figure 4.



Source: Certifica.com; LUN internal figures.

As an answer to threats, the newspaper industry develops more and more newspapers inserts and free-prints trying to get new advertisers and audiences. The largest consumption of paper for free of charge products makes the circulation margin decrease.

The answer produces an even larger splitting up and on the other side, the industry does not seem to believe in contents as a mechanism to recruit readers.

Newspapers Circulation

Newspaper circulation, as revealed in Figure 3. was not growing despite numerous promoting efforts (picture-sheets, inserts and prints , bingos, and gifts to renew subscriptions) and a favorable macro-economic environment reflected in a significant GDP increase.

2000 to 2003: CHANGES INTO THE CONCEPT AND EDITORIAL DEVELOPMENT

During 1999, LUN starts a change fitting strongly some central characteristics Chilean society was showing at that very moment. Newspaper directors' perception seems to understand the situation very well: they are in front of a society which is leaving a long period of division, with little free time, and highly competitive in personal things. This audience demands non-deep knowledge of what is happening, with a clear graphic preference for affective-emotional communication rather than rational communication. This allows for an emphatic communication with others rather than for an understanding with others which allows for the building up of people's own point of views: triumphs, failures, pain, indignation will be the issues daily introduced by LUN's headlines.

Besides, they work from the consensus and not from the conflict perspective. From a sociological point of view, this is perceived as a society with their different social actors always finding a way of getting away from conflict as their expression of fear of being excluded.

Thus, LUN's solid belief of having to leave behind the defensive role settles in. The new role is set up.

From the old logic: To stand out facts which are important for the sources and of a supposedly informative relevance for readers.

Towards the new logic: To stand out issues which are talked about, with which Chileans can become closer.

This revolution occurred, in the words of the newspaper's publisher, Agustín Edwards, thanks to his decision to listen to "the people". In 2000, under Edwards' guidance, LUN installed a system whereby all clicks on its Web site (www.lun.com) were recorded for all in the newsroom to see. Those clicks, and the changing tastes and desires they represent, drive the entire print content of LUN.

The new insight

At present, individuals live in a society which demands from them to know and learn in very little time about issues which others are talking about, individuals facing the need of socializing should learn about the facts which allow them to set bonds with others. These facts are addressed from a more value-like extrinsic perspective rather than an evaluative intrinsic perspective, favoring emotional –affective approaches rather than rational ones.

Brand genetic code: “Wired to your always changing feelings and interests”.

New Objective: “Offer–always- the most read about content in the country”

New goal: To raise newspaper daily issues sales from 100,000 a 150,000 (+50%)

New Strategy: we are betting on the journalistic content as the strategy axis.

How to do it: a method was established.

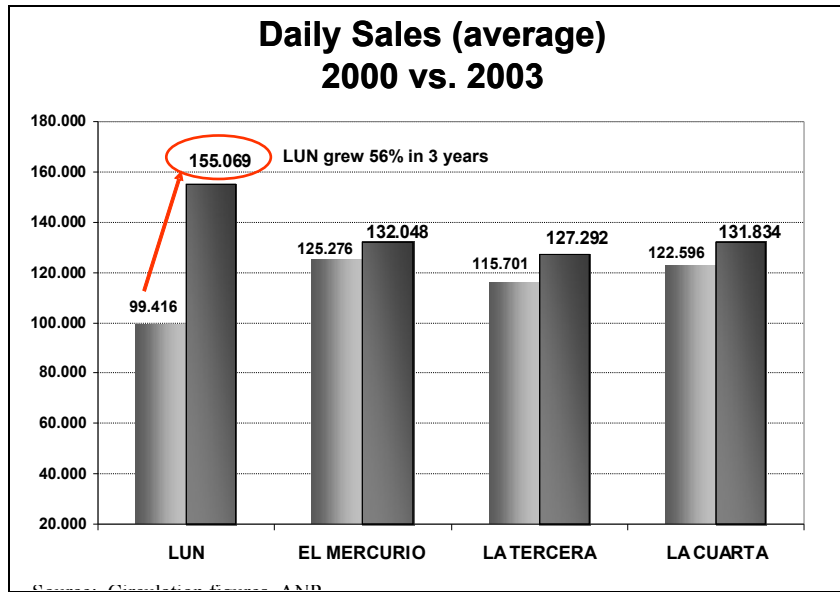
- Step 1 Set a journalistic objective.
- Step 2 Design an Internet site that closely resembles the print edition.
- Step 3 Attach a pageview counter to each story.
- Step 4 Study the Internet readership results.
- Step 5 Share steps 1 to 4 with everyone in the newsroom.
- Step 6 Encourage content change and experimentation.

This approach produced a big change and was very well evaluated by different actors.

1. Consumer Response

Newspaper circulation rose 56% in 3 years and at the same time readership doubled. That is, there was a meaningful growth of the ‘readers per copy’, thus improving the coming back to investments in this medium and raising advertising effectiveness for clients. Therefore, agency planners received the best argue for preferring and choosing this paper.

Figure 5.



It is clear the real impact of the relaunch in terms of circulation when comparing the other newspapers, which rose at 5-10 % during the whole period.

2. Advertisers and Planners Perception

The previous advertisers and planners dominant perception was that LUN was a very traditional newspaper and just a little more towards the end of the 90’s. From time to time, it changed some guidelines following some other competitor changes.

The relaunch was remarkable and easy to pin up. LUN showed empathy toward the population. However, from the market there was some hardship in initially understanding LUN’s bet, since it was understood just as a miscellaneous way of understanding the news and their handling of the news was seen as trivial. That was shown in a fall of advertising investment.

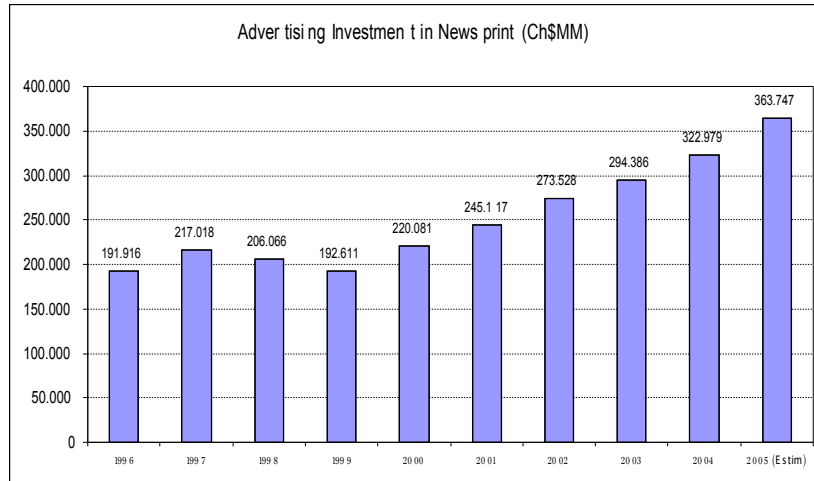
It took a couple of years to deserve this was a consistent plan and the LUN team had the hard decision to resist, encouraged by the street-sales increase.

Just the readership results demonstrated the consistency of the path and then the trust recovering began.

3. Advertising investment changes

Advertising investment in newspapers had been kept at stable levels between 1996 until the year 2000. Investment then begins a sustained growth at that point in time, except for LUN. This newspaper, which had lost relative positioning, should wait a couple of years until to start recovering them and it explodes in sales in the last two years.

Figure 6. Advertising Investment in Newsprint. (Ch\$ million)



Source: Megatime Advertising Sales at List Prices.

While the market evolved positively, the LUN's figures still showed certain scepticism from advertisers. In fact during the change period (1999-2001) they took some distance from the newspaper, till LUN demonstrated its value and the continuity of its own new style.

However the last two years have kept a clear trend toward growth and they show the trust of advertisers into the sustainability of the change and the model.

Figure 7.
ADVERTISING SALES' LUN
1998-2004

	1998	1999	2000	2001	2002	2003	2004
Income from advertising sales	100	92,8	87,0	87,3	96,7	130,5	150,2
Change vs Previous Year		-7%	-6%	0%	11%	35%	15%
Clients	6.714	4.571	5.346	6.464	6.520	8.771	10.043
Clients to reach 80% of sales	70	56	56	55	54	67	75

Source: LUN's Internal Sales Department

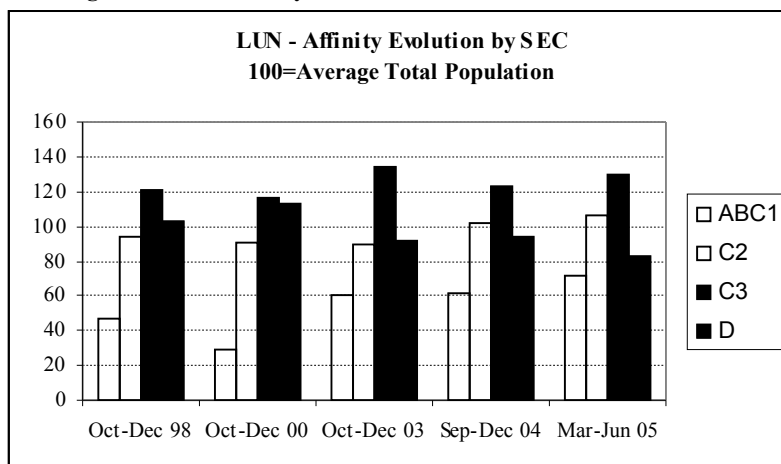
In effect, growth rate per LUN advertising income goes up to 35% in 2003 and to 15% in 2004, increasing its income in almost 60 points compared to what it got in 1999, immediately after its relaunch.

4. Current readership analysis.

Readers have reacted towards changes pushed by LUN. Affinity profile (quotient between the net reach got by the newspaper in a subgroup divided by the net reach got considering total population) shows a change. In 1998, the newspaper has a scarce appeal in higher class groups (ABC1) and was strongly concentrated in lower groups (C3 and D). Last available figures show a better balance making for a more transversal newspaper. Affinity has gone up in the higher class groups and gone down in the poorer class group, thus being able to offer their advertisers a more homogeneous appeal to all groups.

The affinity profile shows a clear evolution. During the year launch (2000) the audience appeal was oriented initially towards medium low and low SEC, losing high class (ABC1) people. Nowadays LUN has a strong affinity with medium class (C2 and C3) who are above the average but with a well balanced average.

Figure 8. LUN' Affinity Evolution 1998 - 2005



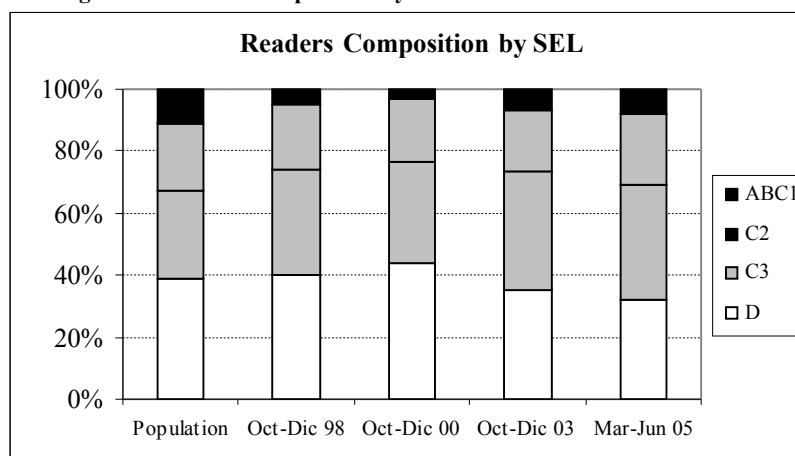
Source: Readership studies. Ipsos (1998- 2000); KMR 2003-2005.

This is reflected in the convergence of evolution towards values closer than 100. Thus, the High class (ABC1) affinity evolved from 29 points in 2000 to the current 72.

Together with improving circulation, reach and readership level grew as well. The same conclusion can be reached judging from LUN readers socio-economical level making up.

LUN has shown a readership evolution where high and middle income class groups have grown, increasing the buying power of its audience, which can be offered to their advertisers and particularly among the emerging middle class groups (C2 and C3) who want goods and services and who are receiving the benefits of economic growth.

Figure 9. Readers Composition by Socio Economic Level



Source: Readership studies. Ipsos (1998- 2000) ; KMR 2003-2005.

2004-2005: 3 YEARS AFTER THE CHANGE. GOING FORWARD INTO THE MODEL

After a successful relaunch of the New concept and its implementation, the central doubt was: would the model be sustainable in the long term? And starting from there, new questions arose:

Would the initial positive answer continue to be so in time?

Could the model continue to be deepened?

How much should it be invested in marketing in order to support this model?

Let's check

The newspaper top management thought that if the beginning of the change had given a positive outcome in the period of 2000-2003, then they could and had to dare doing some more. That forced their deep understanding of the model. We could sum it up as follows:

Objective: determine each day people's interests.

Tool: Internet per piece of news clicking measuring

Strategy: Bet on contents

Well then, revision of these points and the consumers' answers led them to the conviction they could work deeply with two elements:

If readers truly seemed to believe in the journalists' team's everyday choice, then, it was reasonable to reduce the amount of fascicules. They could experiment with up to how much news they could reduce from the printed version front page.

Checking the marketing support, focusing the support on brand building up more than in the spreading of secondary products and contents which did not help the newspaper's positioning build up.

Focusing efforts in just one headline.

One of the classical models for the newsprint industry to attract audiences has been to use the front page as the place where to place calls or entrance doors for different audiences. For tabloids, it is easy to find an average of between 9 to 12 pieces of news on the front page.

LUN in its previous stage had already notoriously simplified this aspect, reducing it to just one headline being clearly the main one, supported by a picture and just one simple column with 3 or 4 pieces of news.

The point is then: is it possible to focus this even further more and define just one sole piece of news for the cover?

Following, we are introducing LUN's evolution toward this variable:

Figure 10. Three cover pages Evolution.



Evolution shows the way at a cover-page level: 9 pieces of news → 4 pieces of news → 1 piece of news

However, the web version is a colorful site, full of small entrance notes to several areas of interests, all of them go with a mini-picture.

Figure 11. LUN web page



Source: www.lun.cl

It is the newspaper in the web which is directing the public's guidance and preferences. This accounts for having in it all classical newspapers sections, although the handling of each piece of news is in the style defined by LUN. All of them are synthesized in a lead and a picture.

The style illustrates the method chosen. As we have pointed out above: "Chile: little time and a lot of competitiveness. Non-deep knowledge, graphic priority for affective-emotional communicating, rather than rational one: triumphs, failures, pain and indignation. Most people's interest in news contents which many people might call trivial and an optics for handling news where consensus not conflict is aimed at. We perceive conflict avoidance as audiences' fear of being excluded. Of those audiences they have been able to be part of.

Therefore, they bet on "the" day's main communicating piece as one of this bet basis for contents. Then the road is ready for looking for other working environments.

Pricing

Newspaper prices in Chile have remained stable for the last 10 years:

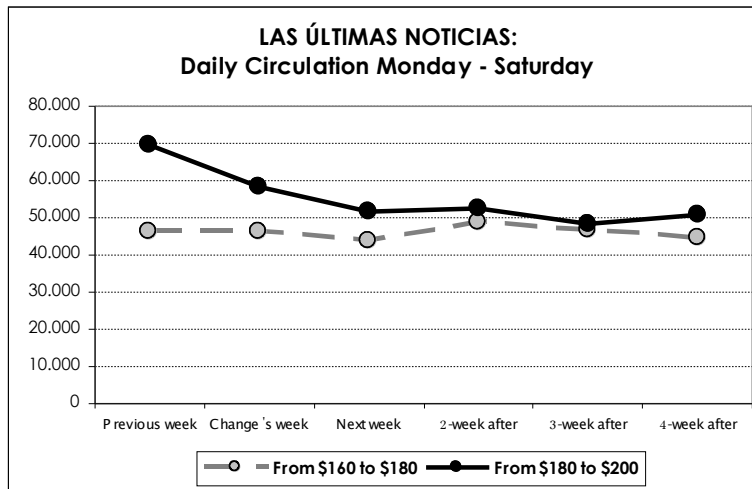
Figure 12. Price Changes

	Monday-Friday		Saturday		Sunday	
	Date of change	Final Price Ch\$	Date of change	Final Price Ch\$	Date of change	Final Price Ch\$
LAS ÚLTIMAS NOTICIAS	Previous	140	Previous	140	Previous	180
	16-06-1991	160	16-06-1991	160	15-08-1991	200
	16-03-1993	180	16-03-1993	180	16-03-1993	230
	05-05-1994	200	05-05-1994	200	05-05-1994	250
					05-02-1995	280
					23-04-1995	300

Source: LUN Marketing Department

Figures show there has been no room for raising prices judging from response to small raisings experimented 10 years ago. The grey line shows a similar level before – after price change. Nevertheless, when price changed from Ch\$180 to Ch\$200 (black continuous line) a dramatic fall down reduced its circulation almost 30%. The psychological barrier of two coins (half a dollar approx.) was too much for readers who stopped to buy the newspaper.

Figure 13. CIRCULATION: Before – After Price Increasing



Source: LUN Marketing Department

Consequently, other variables apart from price were looked for.

Newspapers and Collectible Items

For a long time in Chile, the use of printed complementary materials such as books, collectible items (fascicules), and others have been used as a way to add value to the general issue, adding some eventual readers who attracted by this additional offer could get interested by this newspaper and leave behind his/her original newspaper. It has also been seen as a way of increasing and/or thanking present readers' loyalty.

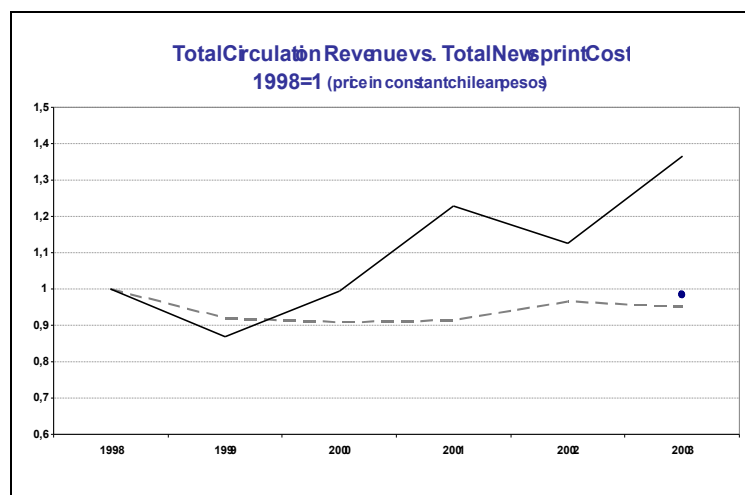
The positive effect of this tool has historically allowed for around a 20% circulation increase.

The cost of this model is huge in financial terms: Net cost of inserts to the industry is circa US\$ 4.4 million / year.

A fixed copy price with additional newsprint due to weekly magazines and supplements included for no additional charge, lowers the circulation margin.

The following figure shows how during a 6-year period cost continues growing meanwhile income remains the same. The cost rose 38% for the whole period

Figure 14. Circulation Revenue vs. Newsprint Cost



Source: LUN Marketing Department

Nevertheless, this practice presents several disadvantages since during the period of each collectible series, the total circulation is tied, having to be supported even if success starts wearing off as time goes by when facing distribution difficulties which would suppose to reduce it only in the end-selling points which presumably are not interested. Just the same happens with the possibility of increasing the numbers of issues to be printed when there is an event which increases the public interest for a certain issue. In effect, not counting with complementary materials for the newspaper, the newspaper directors see its growing chances as limited even when counting on a guaranteed demand, since there is usually not enough time to print complementary material.

On the other hand, this additional circulating model based on other prints calls for a high marketing investment, since it must be researched which the best alternatives are, how the present reading public as well as the potential new reading public evaluate these alternatives. Once decisions have been made up, the introduction into the market of each of these series must be massively communicated. This leads into investment which does not place a central accent in the building up of the brand, but on secondary brands and which places, at best, the parent brand as the back up of the issue.

An average of 4 different collectible items a week usually circulated for a good many years. Clearly this generates a confusion of line and an erratic perception among readers and advertisers.

The listing of some of the prints' names which circulated during 2002 and 2003 shows partly this effort and the difficulties implied in keeping a consistent line in terms of choosing titles as well as choosing audiences.

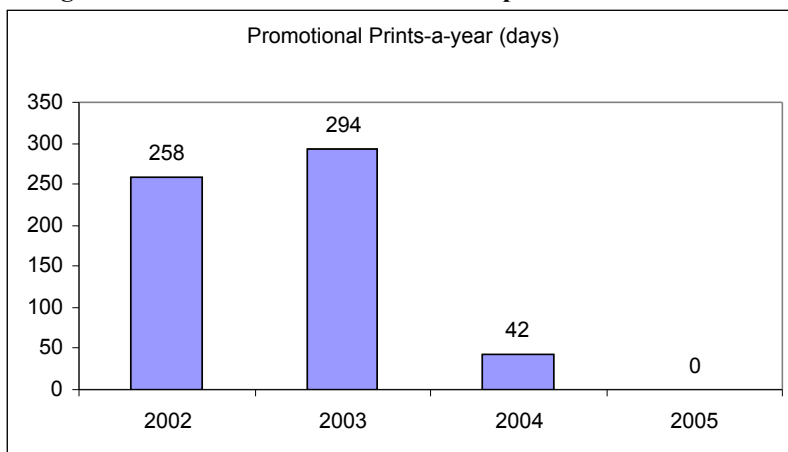
Promotional Edition List 2002-2003

- Gran Historia Universal Larousse (Larousse Great Universal History)
- Atlas de Chile (Chile's Atlas)
- Lámina Computación (Computing illustration sheet)
- Ciencias Ocultas (Hidden Sciences)
- Gran Mundo de los Animales (Great World of Animals)
- Enciclopedia de Medicina Natural (Natural Medicine Encyclopaedia)
- Matemática Fácil (Mathematics made easy)
- Historia de Chile de Siglo XX (History of Chile, XX Century)
- Enciclopedia de Síntomas y Enfermedades Infantiles (Children Illnesses and Symptoms Encyclopaedia)
- Curso Integral Computación Amigable (Friendly Computing Integral Course)

Consequently, the management decided drastically to cut this bleeding circle.

Down below we are presenting LUN's days-year evolution in which it circulated some additional print –free or not- with the newspaper:

Figure 15. Additional Promotional Newsprint: Evolution 2002-2005



Source: LUN Marketing Department

Surprisingly enough, circulation did not fall drastically confirming suppositions that the newspaper had a readership based in its capacity to emphasize with people's communicating needs.

One of the most outstanding effects of the deepening of the found line and the suppressing of these complementary prints might be the focusing of investment in marketing. Marketing investment was refocused into brand building and mainstream communication avoiding promotional activities and support.

Figure. 16. Marketing Investment Index.. 1995=100

	1995	1999	2001	2002	2003	2004
MARKETING INVESTMENT INDEX	100	258	54	39	26	32

Source: LUN Marketing Department

1999-2000 was the relaunch year. After that, the budgets have been falling. This should be a worry issue if LUN reduced its marketing investment, with a risk for its own developing, however their current sales continues growing at the pace of the industry without extra-costs and people talk every day about LUN and the news which appears in it.

Advertisers Perception in its Own Words

A recent round of interviews among main Chilean advertisers was made by KMR Chile. After the relaunch and the changes made the last two years,

Nowadays, 5 years after the relaunch, perception is that LUN has a clear positioning, clearly differentiated. Its transversality is very valued, and it is recognized as having a great ability to get to a wide spectrum of audiences, across the classic variables SEL and age. It stands up the LUN's perception which has evolved from a xxxxx to a deeper understanding among advertisers about how the current proposition works:

“ Before 2000 LUN was a small version of El Mercurio”, “it was a clone, if it wanted to be massive, with El Mercurio's language it cannot possibly be massive”. LUN had no positioning, it was nothing, people were just not interested in it”

M. Fernanda Correa, Unilever Media Manager

“Before LUN was for people rather old, oriented towards lower class groups. I feel that it was more masculine and less transversal than now”

Today it is perceived in a different way.

“It is a newspaper which is absolutely tuned with people. The average Chilean got bored with politics, the dictatorship, the post-dictatorship, and everything “heavy” this society had to put up with in the last 30 years”

M. Fernanda Correa, Unilever Media Manager

“People has been living an environment hard to carry on with, tiring. Therefore, it turned over to the very opposite side, (the common person) said “Ok, Bye. I don't want anymore of this” and that LUN has been able to catalyze” We, as advertisers, feel that LUN represents a transversal medium with wide reach among all social strata.

Pablo Aljaro, Loteria Marketing Director

After the relaunch, LUN has become a source for a lot of TV programs which deal with the world of entertainment or which deal in a more trivial way with what is going on in the news. Thus, a circle is created where LUN speaks about “TV famous people” and where TV feeds its programs with those journalistic notes, giving them credit for the fact that people do follow those kinds of news and programs. Advertisers recognize this and perceive:

“ Even though it is light entertainment they are able to give a certain news profile to their contents, connecting 3 or more aspects with more serious issues”

Mauricio Soto, DIN - Department Store chain

This way, it is perceived as

“ Judging from the way it is written,LUN is a newspaper which interests more people and to which more reading time is given”

Mauricio Soto, DIN - Department Store chain

As a consequence of what was said before, advertisers have recovered the newspaper reliability, therefore improving their participation in advertising investments.

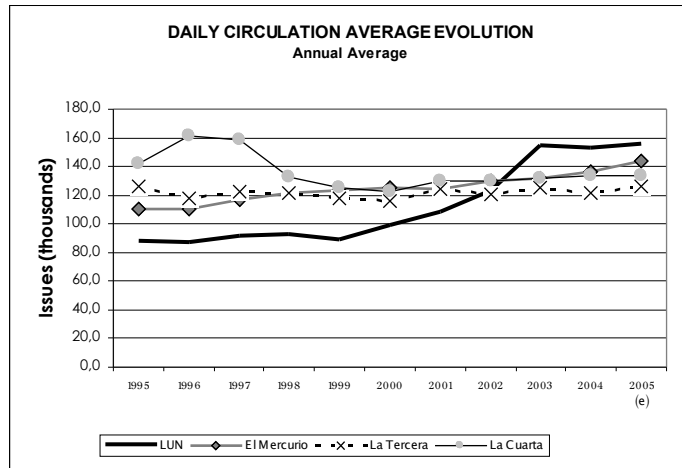
“last changes lets us reach the kind of people who are very important to our strategy goals...and they are strongly linked to this newspaper”

Pablo Aljaro, Loteria Marketing Director

Outcome in Figures

Sales: In spite of suppressing fascicules, inserts and additional free prints, circulation has not fallen down as showed in the next chart.

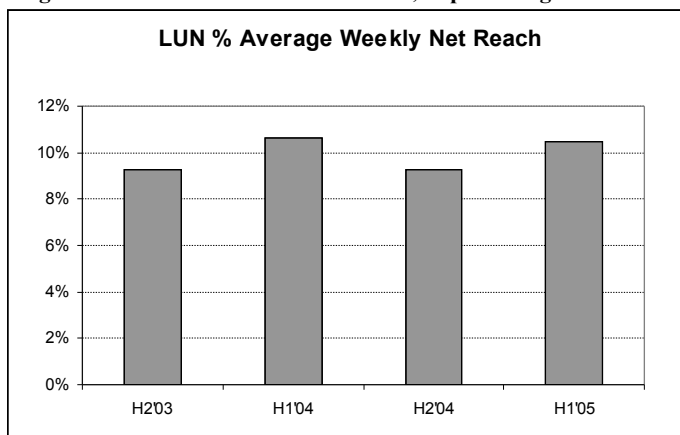
Figure 17. Daily Circulation Average 1995-2005



Source: LUN Marketing Department

The last two years, from the beginning of KMR readership survey, shows slight differences, mainly coming from seasonality instead other kind of variation sources.

Figure 18. LUN' Net Reach 2003-2005, in percentage

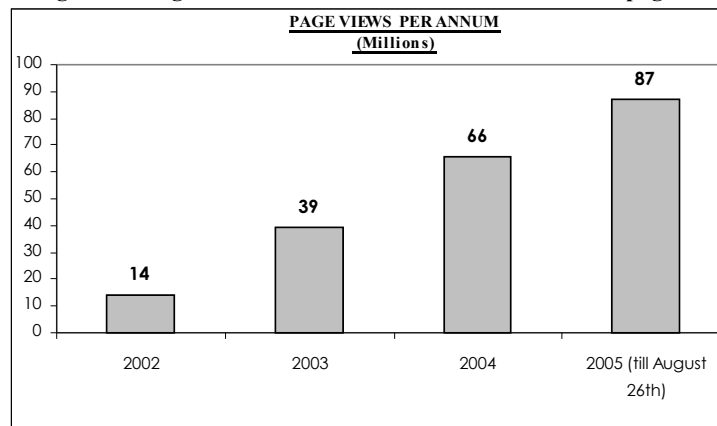


Source: KMR readership figures

The number of readers and the numbers of readers per issue have remained stable.

On the other hand, the internet readers continues growing in a healthy way. It suggest the independence of readers coming from internet.

The LUN Page Views per annum continues increasing, faster than the internet penetration rate. In fact, a total of 135 million pageviews are expected for the whole 2005 year, doubling the 2004's figure. The growing rate for the 2002-2005 period is 115% per annum..

Figure 19. Pageviews Evolution. 2002-2005. In millions of pages.

Source: Certifica.com

CONCLUSIONS

We can now point out that LUN up to the last 2004-2005 period has covered its recipe precepts:

“Constantly experimenting with content, but with some limited risks which are measured the next day. Metrics is very important. If you want to make a disruptive change, you might as well have a sensible way of measuring it”

The new lessons are:

- Clearness of purpose: Do not accept any criticism of ‘trivial’ from outside the model as long as the model is working as expected.
- The model is not static: If the public evolves, then, content evolves as well.
- Measuring understanding: Metrics, web readership, seems very important, but it must go with a constant analysis of its outcome trying to understand the evolution of preferences and audience demands.
- Deepen the model each and everyday.

Homework:

Price increasing: If contents are valuable for the LUN audiences and the last actions are not eroding its readership, a potential change should be seriously studied.

