

**NEWSPAPER PROMOTIONS :**  
**BOOSTING SINGLE COPY**  
**SALES**

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*This report is drawn from a visit to El Periódico organised by the WAN  
Newspaper Management & Marketing Bureau in October 1997.*

## **INTRODUCTION**

Over the past few years, El Periódico de Catalunya, part of the Grupo Zeta in Spain, has relied on free and paid-for promotions to increase its newsstand sales. Launched in 1978, it reached its first milestone--a circulation of 100,000--in just three years. Its next goal, 200,000, took considerably longer to obtain. El Periódico grew on average by one to two percent yearly during the 1980s. Early in the 1990s it decided to speed up its circulation development; promotions seemed the best possible way to do this. Consequently, the newspaper invested a full four billion pesetas in promotions over a three-year period (1994-1997) in order to achieve its goals.

Newspaper executives explain this choice of strategy by a number of reasons. First of all, "there is not a great subscription tradition in Spain," says Carmen Mata, Marketing Manager for the publication--perhaps because people have to pay in advance to receive the paper. Moreover, subscriptions entail a slow, costly and specialized structure which El Periódico has been reluctant to embark on. As a result, "we've devoted most of our efforts to newsstand sales because it offers us faster growth. Besides, our readers are active; they are out on the street, reading

over a coffee in a coffeeshop, not at home waiting for a subscription," she says.

Secondly, there are a finite number of newspaper readers in Catalunya--600,000 out of a total regional population of six million. Of these press readers, "you have 40 to 50,000 readers who are not loyal," says Jordi Mercader, Communications Director for el Periódico. "When you do a promotion, they read your paper instead of someone else's." Promotions are thus a means to create reader loyalty during the entire week.

Finally, promotions and promotional pull-out sections allow El Periódico to "adjust the editorial product, all the while respecting certain information requirements," says Rafael Nadal, the paper's associate director and editorial director of new products (including all pull-out supplements and cultural promotions). El Periódico, which positions itself as a leading quality national newspaper, has an obligation to publish relevant international, national and regional news, and to publish this news as objectively as possible. After all, he says, "if your journalists do biased work, you will have a problem."

However, if the marketing department launches a newspaper advertising campaign to entice younger readers, there has to be a corresponding editorial component that will be of specific interest to this group. "That's why journalists market segments which might not find the paper's regular content sufficiently appealing on its own.

### *JOURNALISTS AS A PART OF THE PROMOTIONS PROCESS*

Such a strong promotion policy requires that the newspaper's journalists be closely involved in the process. "It's not always an easy relation between journalists and marketing, but we respect our journalists' integrity," says Nadal. He also understands that "journalists all want to win recognition prizes." But slowly, over the years, "all editorial staff have come to learn that it's their responsibility. So, even famous journalists, well-known ones, will work for supplements."

Some promotions are purely editorial products –books, guides and games that are most often written by El Periódico editorial staff and given freely along with the paper. Others, though, are more advertiser-driven pull-out supplements. "An increasing number of companies are willing to collaborate with us without

must be in close ties with marketing," adds Nadal. Such a collaboration allows El Periódico to design products that supplement the newspaper's core offering and thus penetrate into

trying to intervene in our editorial process," says Nadal. "These clients are searching for editorial products that will allow them to explain their product and their production strategy. The only condition we impose on these clients is that our journalists must be free to create the content. They must not impose the inclusion of information that is designed purely to sell their product."

Of course, El Periódico looks for subjects where the interests of both readers and clients will coincide, for instance, "a new plant or the installation of new environment-friendly production equipment," he says. Moreover, many topics not only make good advertorial copy, they make good editorial copy. For example, says Nadal, "we would devote four to eight pages on an electronic fair because it scores high in the public interest." Nonetheless, he believes it would be logical to get a sponsor and make it into a pull-out section.

Ideas for promotional supplements come from all departments of the

newspaper –marketing, communications, advertising sales and journalists themselves, who initially stayed away from getting involved. "Then, as time wore on, they would come with an idea, but no budget," Nadal continues. "Now, they are more savvy about these things and have learned to better define their projects." They also realize that putting a 'marketing spin' on a subject may generate more advertising, which, in turn, means more space for their editorial. Sports journalists, for example, have gone beyond just covering ski races to embrace a service mentality vis-a-vis their readers; they now offer ski-related weather reports. "Last year, this attracted six or seven advertisers, which allowed us to have four to six extra editorial pages per week," explains Nadal.

*SHARING RESPONSIBILITY  
BETWEEN EDITORIAL AND  
MARKETING*

Of course, not all ideas become actual products and it is up to the chief editor to decide which promotions and pull-out sections will appear. The marketing department, for its part, decides on what form the supplement or promotion will take.

Relations between editorial and marketing are both formal and informal. On the formal side, there is a weekly editorial steering committee, where all departments are represented. Nadal sits on this committee in his capacity as associate director rather than as editorial director of new products (he is thus the CEO's representative on this committee). "I act as the bridge between the editorial staff and the company," he explains.

The committee is the formal venue where promotions policy is discussed. "We always try to relate editorial and marketing elements," he says. "The final decision is the CEO's." Nadal says there is very little conflict within this committee. Of course, meetings intensify during certain periods of the year. "Now, we are organizing our promotions for 1998, so we are meeting once or twice a week," he adds.

El Periódico also has a professional committee, where journalists can question the legitimacy of certain promotional projects. "We have occasionally backtracked on projects that may have put our editorial image at risk," says Nadal.

## ***PROMOTIONS WITH A CULTURAL ASPECT***

Central to El Periódico's promotion policies is that they all have a cultural aspect. "For many of our readers, the only link they have to culture is through the newspaper. They don't go to the theater, they don't buy books," says Antonio Franco, the paper's editor-in-chief. So the newspaper has a responsibility to consistently offer relevant products, he says. "We have even participated in their elaboration."

The range of promotions varies widely. It includes products as diverse as encyclopedias, art guides, tourism guides and games--all of them with a focus on Catalunya. Of course, the paper doesn't give them to readers outright. For a 'print' promotion, readers may have to collect the pictures to put inside the book over a period of a few weeks. This was the strategy used for the Art in Catalunya product as well as for one of El Periódico's most successful promotions: the Golden Book of Barcelona's famed football club, Barsa. For this promotion, El Periódico paid for the rights and worked with the team to create the copy, which was edited by staff journalists.

Another frequently used concept for 'print' promotions is offering chapters of a book,

after which readers pay to get their collected chapters bound (this was the scenario used for the Encyclopedia). Other examples of free, cultural promotions include a Dictionary of the Catalan language (the extra proceeds of which went to reconstructing the Sarajevo library), a language-learning CD-ROM (learn English, French or German) and highly precise district maps of the region (in 42 instalments). Of course, readers who miss out on any instalment –of any promotion– have the possibility of completing their collection by contacting the paper.

In addition to print promotions, El Periódico has been highly successful with game promotions. These include a regional version of Trivial Pursuit, which was completely redesigned and tested by journalists for Catalunya. On the first day of the promotion, readers received the box and a set of four question cards; the rest of the cards came over a two-month period. Monopoly, which was also adapted for the region, was another game success, only this one was a scratch and win loto-type game in which readers could win prizes such as cars, bikes and t-shirts.

***PAID FOR PROMOTIONS TO TOUCH  
NEW MARKET SEGMENTS***

All of the above-mentioned supplements are free--that is, there is no addition to the cover charge. But for a small additional charge, El Periódico also sells its readers videos, books and pins for children. "These paid-for promotions have opened up new audiences for us," says Mata. Videos, for example, are popular titles for which the standard sales period has expired (ie. Basic Instinct was a popular recent offering). Of course, El Periódico sells them at a price that is lower than in the local video store. Such promotions are supported by in-page advertising campaigns. According to Mata, paid-for promotions are better suited to Saturdays, whereas Sundays are more appropriate for either a free pull-out section or print promotion (though the Great Best-Sellers book collection was offered on Sunday).

Many of these paid-for promotions are done in collaboration with third parties. Pins for children, for example, are often done with Disney (e.g. Pocahontas and Toy Story pins, etc.) Mata says these are among the least successful of El Periódico's promotions, because too many consumer companies have similar arrangements (yogourts, cereals, etc.) and parents just get tired of them.

Occasionally, El Periódico will launch a paid-for promotion to coincide with a special event. For the recent election, for example, it sold 'Monclis' (caricatural puppets of leading politicians that appear on television) of the candidates.

El Periódico does regular surveys to get an impression of the impact the various promotions have on readers. It also has contact with its readers through audiotext, which has the added benefit of being charged for.

Fully 70% of the paper's four billion peseta investment in promotions since 1994 has gone on the promotions themselves: acquiring rights, production, etc. The other 30% has gone on promoting the promotions (in the paper itself, in the group's magazines, and on radio). Some of this investment is shared among Grupo Zeta's other titles (the group has eight regional papers, two weekly magazines, and some 30 monthly magazines).

***DISTRIBUTING AND PROMOTING  
THE SUPPLEMENTS***

Getting these promotions into readers' hands is not always easy and requires close collaboration from the people who are responsible for the actual

distribution. As a result, El Periódico has regular monthly meetings with the association of newsstand owners to discuss key issues and actions to implement. (There are 4000 points of sale in the Catalan region and except for the three or four owners who have 40 or 50 sites, the rest are independent.) Storage space, for instance, is often an issue. The Trivial Pursuit promotion was a case in point. On the first day of the promotion, newsstand owners had to give out the plastic-covered box as well as a plastic bag. Of course, these items had to be distributed earlier and then stored in a safe place. According to Mata, some distributors had to count on kindly neighbours for help.

"There were some complaints," she says, but the promotion's success ("we ran out of material and they were flooded with requests,") led to considerably higher margins and therefore dispelled initial qualms.

Promoting the promotions is another aspect of the strategy's success. El Periódico has its own communications department which "helps us maximize our advertising," says Nadal. To promote the paper in general, this department will try to get El Periódico's editor interviewed on radio, or get its journalists on TV programs for dialogues, debates and so on. For

promotions, the communications department will manage the advertising campaigns, which vary in scope according to the promotion. Major promotions –Trivial Pursuit, Monopoly– will benefit from television ads. The more run-of-the-mill supplements and promotions benefit from a two to three day campaign within El Periódico itself, as well as within some of Grupo Zeta's magazine titles. These campaigns are more likely to occur on weekends, when El Periódico's circulation increases significantly. There may be a few radio ads as well. Moreover, any new product gets editorial treatment. "We publish it first as information," says Mata.

The communications department is also responsible for designing all the television ads which support the larger-scale promotions. Indeed, this in-house capability has been a crucial advantage for el Periódico. For instance, it initially planned to offer its Talk to Me language learning CD-ROM in January of 1997. "But we read in La Vanguardia about their plans, so we had one week to obtain a product and get ready, complete with a TV campaign. We can't be this reactive with third parties," says Mercader.

### *JOINT PROMOTIONS AND EVENTS*

El Periódico also does some event sponsoring. These opportunities are always discussed beforehand between editorial and marketing. "If we say yes and then our journalists criticize, we have a bad situation. It's best to talk with the editorial staff before," says Mercader. Such efforts have led to El Periódico's sponsorship of plays, concerts, forums, awards for Catalan entrepreneurs and so on. "Last year, we started having our own event with the National Orchestra of Catalunya, for which we do musical fireworks," explains Mercader. This joint event attracted 20,000 people in 1997 –"they never had so many people listening to them," he continues. Mercader says that the successful association of the El Periódico brand with the prestigious image of an orchestra has produced an event that will most likely be repeated on a yearly basis.

Getting partners for joint promotions is not always easy, though. For instance, El Periódico had done a promotion with a local theme park. Anyone who could decipher the theme park's name on a coupon in the paper would win free entry to the park. The problem was, people had to queue at El Periódico's offices to

change their coupons, which meant that by mid-morning, 5000 people were outside trying to get in! Worse, the theme park felt too many people were getting in, so in the end such a promotion was a victim of its own success. "That's why we prefer to give discounts or free CD's –the risk is less high," says Mercader.

### *FOR WHAT RESULTS?*

First of all, promotions have allowed the paper to gain new readers. From an average circulation of 195,000 at end of 1994, circulation had gone up to an average of 215,000 by end of 1995. This figures takes into account the cumulative effects of all promotions –the very good ones along with the so-so. Moreover, 15,000 of these extra 20,000 readers stayed on in 1996. Of course, there were months where circulation was much higher, particularly during very popular promotions. Circulation during the Trivial Pursuit promotion, for example, hit a high of 278,000 during the week. Similar highs were reached with the Barsa football club promotion. On weekends, the language CD-ROMs enabled El Periódico to go up to 326,000 on a Saturday.

"It has positioned us as a paper above the 210,000 circulation threshold,"

says Javier Bru, who analyzes circulation statistics for el Periódico. Such results are not only good for the paper's prestige but for advertising. The increase in circulation has enabled the paper to increase its ad rates 8% and advertising levels have gone up 12% (in a market growing 7%). Moreover, it has also attracted new advertisers, more prestigious national ones. "We're considered a national paper, and so are one of advertisers' top choices," says Mercader. "What we have achieved is getting new advertisers who weren't there before. Other advertisers have increased the frequency of their insertions." Thanks to this, much of the investment has been recouped (the investment in promotions has also been rationalized amongst Grupo Zeta's other publications).

The problem today is that promotions are very efficient as long as competition is not doing them and today, its main rival, La Vanguardia, has also adopted a promotional strategy. So, promotions are good for going after casual readers and other papers' readers, but not particularly good at growing the market.

Indeed, there are days for which El Periódico executives believe the paper has reached a saturation point. Sunday supplements and promotions helped double Sunday circulation, but

circulation on that day is now stagnating. Saturday, however, is catching up on Sundays. "Now our chief editor is working on a totally new product for Sundays, something entirely different," says Nadal. This would be six pages of articles on a single topic, e.g. all restaurants where they can eat outside, the best books, etc.

El Periódico has also launched a Catalan version of El Periódico, which should appeal to new readers. It should be noted that half of the region's six million population speaks Catalan at home, and that it is taught in schools. Indeed, editors are looking to add 10,000 new readers to the circulation--with promotions. "We are the ones to take this step, and it is crucial to our image," says Mercader. "La Vanguardia is very well established, so we have to be aggressive." The new edition is widely considered to be the culmination of everything the paper has done so far. Readers can distinguish it by a different colour in the logo (white in blue rather than the normal white in red) as well as a different logo. All else is the same.

Advertisers are advised to supply two originals of their ads, one in each language, but they do have some freedom, says Mercader. "We will be providing correction services."

The paper is also involved in another venture published in the Catalan language, only this is a student publication given free to all primary and secondary school students and used by teachers. It is a very costly publication and El Periódico works in collaboration with several other institutions –banks, government– to produce it.

Today, El Periódico is evaluating its product and looking to reduce costs of developing promotions, says Antonio Vedma, manager for distribution marketing. It will perhaps move towards promotions it can print itself (instead of going into agreements with groups like Bertelsmann), especially since the paper has invested in new printing presses. A final challenge: its success over the last few years has made it harder and harder to come up with original promotion ideas. After all, says Mata, there are only so many tourism guides to Catalunya one can produce.