



ASSESSING THE EFFECT OF PRINT NEWS MEDIA MARKETING STRATEGIES ON NEWSPAPER DISTRIBUTION IN RWANDA

Stephen Nuwagira ¹, Hellen Mberia ², Margaret Jjuuko ³

¹mpororo73@gmail.com, Jomo Kenyatta University of Agriculture and Technology

²hemberia@jkuat.ac.ke, Jomo Kenyatta University of Agriculture and Technology

³margarert.jjuuko@gmail.com, Jomo Kenyatta University of Agriculture and Technology

Abstract

The study assessed the effect of print media marketing strategies on newspaper distribution in Rwanda. The study objectives were; to assess the effect of use of new technology on newspaper distribution in Rwanda and to examine the effect of newspaper pricing on newspaper distribution in Rwanda. The study employed a descriptive non- experimental case study design with a triangulation approach involving both qualitative and quantitative methods in data analysis. A likert scale questionnaire was used for data collection. Using SPSS, the data was coded and analyzed. The findings of the study indicate that the use of new technology by *The New Times* and *Imvaho Nshya* newspapers has a significant positive relationship with newspaper distribution in Rwanda. Also, newspaper pricing was found to have a strong positive and significant relationship with newspaper distribution in Rwanda. Thus, the study recommends among other things a further investigation into effect of use of GSM technology in newspaper distribution in Rwanda.

Keywords: Print news media; Marketing; Strategies; Newspaper; Distribution

1. Introduction

Newspapers, especially dailies, are some of the most highly perishable products since they become almost useless at the end of the day (Furnes and Ravlo, 2014). Given that newspapers lose their marketability if they reach customers late, publishers must devise strong strategies to ensure marketing and distribution networks are effective to deliver papers to readers in time and regularly (Farley, Hawkins, Wagner, 2011). Print news media houses can achieve this by deploying an efficient distribution structure to enhance the process and improve access to newspapers. Distribution involves marketing newspapers to the target audience, and convincing exhibitors (the sales agents, stores, vendors, etc) to encourage the readers to connect with the product (Turow, 2011). Globally, the advent of new technology has enabled the world's leading-edge newspapers to enhance digital page assembly and distribution, streamlining workflow processes while ensuring higher quality (Veglis, 2005). Hence, with use of technology, the world's leading-edge newspapers can enhance and reorganize their production and distribution processes (Veglis, 2005).

Gicheru (2014) encouraged newspapers in sub-Saharan Africa to learn from these experiences in the US and Europe to devise strategies of incorporating new technologies in their operations to improve their circulation and performance. Hence, publishers need to embrace new ways of distributing content to stay relevant in the ever-changing print news media landscape. In sub-Sahara Africa, a survey by the AMDI (2006) cited in Gicheru (2014) indicated that poor road infrastructure and distribution networks affect the ability of media houses to effectively deliver newspapers to rural areas, where the majority of the people live. In Tanzania, for instance, only an estimated that 31% of the adult population reads a newspaper at least once a week in a country with 42 national newspapers. Furthermore, the 2005 Tanzania country report by the Media Institute of Southern Africa (MISA) in its South African Development Community (SADC) regional overview revealed that the media are largely city-based because of economic constraints, communication and transportation problems, thus denying the rural population access to immediate flow of information (MISA, 2005). In Uganda similar hardships in running newspaper businesses are reported while the print news media owners in Kenya still struggle to increase their market share, except *Daily Nation* and *The Standard*. Among the main drawbacks of newspapers in Kenya is a high cost of distribution and low amounts of advertising spending. The Rwanda print news media lacks skilled personnel, as well as technological and financial capacity, which affect their ability to circulate newspapers to all parts of the country (MHC, 2014). This has limited the distribution of newspapers in an effective and efficient manner by the local print news media (MHC, 2015). However, newspaper distribution was identified as one of the virgin areas for investment (MHC, 2009).

Tumwine, Omagor, and Agaba (2014) argue that to ensure that newspapers are produced, dispatched and delivered to readers timely and regularly, publishers must overcome technological, human resource-based, and logistics hurdles on a daily basis if they are to boost sales and their profits. Warner (2009) suggests that publishers should embrace zonal distribution to become more effective and more efficient noting that this helps them gain lead-time in distribution, avoiding late delivery and loss of revenue. However, this situation is not reflected in the local Rwandan print news industry where at times, newspaper deliveries are done late. Besides, there is limited evidence of studies related to the influence of marketing strategies on the distribution of newspapers in Rwanda. This study aims to fill that gap.

1.2. Statement of the Problem

Newspaper distribution is a potential revenue generating area (MHC, 2014). A survey by WAN-IFRA (2015) challenges newspapers to devise new measure of their reach and influence, noting that publishers mainly rely on print circulation and a variety of separate non-standardized units of measure. WAN-IFRA suggests that gauging reach of newspaper content on all platforms with new metrics is a big challenge the industry faces, calling for a new approach to enhance delivery of newspaper content across channels, besides embracing new media technology to strengthen operations and ease access to news by readers. Turow (2011) equally observes that to be successful, a newspaper should have the right release patterns and channels as poor newspaper distribution affects earnings of news media houses and readers will not be able to receive key messages to help them improve their wellbeing (Chattharn, 2015). Moreover, there is little evidence of research in the area of newspaper distribution or circulation. Most studies on international level have addressed media performance in relation to advertising and copy sales, such as, the economics of media markets by Dewenter (2003) and the transition of the newspaper industry in the United States by Kirchhoff (2010), but few have covered the effect of media marketing strategies on newspaper distribution. According to

Rwanda's Media High Council in Rwanda, earlier studies, including the Rwanda Audience survey (2009), Rwanda State of the Media report (2009); Media Business Growth with Capacity Needs Assessment (2014); Rwanda Media Barometer (2013) by MHC, and the Rwanda Print Media Survey (RGB, 2015), all looked at the challenges faced by the print news media in Rwanda in circulation of their products within large studies without providing deeper analysis of the situation (MHC, 2015). Therefore, this is an area that requires more research especially examining the effect of strategies used by print news media houses in Rwanda on the distribution of print news media products such as newspapers. It is from such background that this study sought to assess the effect of print news media marketing strategies on the distribution of newspapers in Rwanda.

1.3. Research Objectives

The overall objective of this study is to assess the effect of print news media marketing strategies on newspaper distribution in Rwanda.

The specific objectives for this study are:

1. To assess the effect of new technology on distribution/circulation of newspapers in Rwanda.
2. To examine the effect of newspaper price on newspaper distribution in Rwanda.

1.4 Research Questions

The study was guided by the following questions:

1. What effect of use of new technologies in newspaper circulation on newspaper distribution in Rwanda?
2. What is the effect of newspaper pricing on newspaper distribution in Rwanda?

2.1 Theoretical Review

The theory of distribution channels

This study borrows theoretical insights from logistics and supply chain management theoretical framework, including the distribution channels theory, to examine phenomenon. The distribution channels theory used in the media context looks at the different conduits through which newspaper publishers circulate their products. The theory examines the whole newspaper supply chain, partnerships and collaborations by media institutions in the marketing and distribution process; the texts they produce, as well as how they are produced, distributed and consumed (Lamming 2000). A supply chain is the sequence of processes involved in the production and distribution of a commodity. It encompasses every effort involved in producing and delivering a final product from the supplier's supplier to the customer's customer.

Mediamorphosis

Mediamorphosis is a recent theory propounded by Roger Fiddler in 1997. According to the scholar, mediamorphosis is the transformation of communication media, usually brought about by complex interplay of perceived needs, competitive and political pressures and social and technological innovations. Fiddler asserts that the essence of mediamorphosis is the notion that the media are complex adaptive systems. Anaeto, Osifeso and Onabajo (2008) noted that the media, as other systems, respond to external pressure, with a spontaneous process of self – reorganization. Fiddler (1997) cited in Anaeto et al (2008) contends that news media do not arise spontaneously and

independently; rather, they emerge gradually from the mediamorphosis of older media. He suggests that emerging forms of communication media propagate dominant traits from earlier forms. The relevance of this theory to the study is in the fact that adoption of various ICTs in newspaper operations indirectly or directly causes change as new pattern of operations are learnt. In the modern era, only newspapers that adopt new technologies stand a better chance to compete in the highly unpredictable and competitive newspaper environment. The adoptions of these technologies require frequent training, evaluation and practical use to make the desired change possible. Further, non-adaption limits the capacity of a newspaper to achieve its ultimate goal, which is universal paper distribution and access to all its target markets.

2.2 Empirical review

Use of New Technology

Tumwine, Omagor and Agaba (2014) observe that in the post-industrial countries after 2004, faster newspaper copy sales drop was recorded due to expansion of broadband that improved Internet access. The drop in circulation however is not only due to consumer shift from analogue to digital, but increased access to information by a simple click at home through satellite TVs, mobile phone and radio, among others. The search engines now work as a supermarket of information. The WAN strategy report (2009), global wireless online access users through mobile phones increased from 70 million to 920 million, this has left the newspaper companies pondering future profitability. The adjustment in the distribution of goods and services based on rapidly changing digital technology has manifested a big factor, which has impacted greatly on copy sales and the newspaper industry. Case (2009) reports that the circulation declines in the US market showed in the Audit Bureau of Circulations (ABC) figures released in October 2009 was as the result of continuing migration from print to internet, saying the recession could have driven people to drop newspaper subscriptions to cut costs. This is akin to Lidtke (2009) report, as cited in Tumwine *et al* (2014) which links the declining circulation with a coincidence in the explosion of free online news sources that has acted as substitutes for a hard copy. Flavian and Gurrea (2007) also cited in Tumwine *et al* (2014) discuss the concept of substitutability, stating that the more the readers consider traditional press and digital as substitutes, the more they will opt to buy either. Thus, if electronic and physical newspapers were considered not to be substitutable products, readers would take the two products as complementary.

Pricing

Bishop, Sharma and Braze, (1980) observed that the most important factor affecting newspaper circulation is price. Aura (2006) equally argued that reducing prices attracts sales as was the case with *The Sunday Times* newspaper (UK) in the 1990s when the company almost doubled its newspaper circulation because of lower cover price. In the same article, Aura quotes World Press Trends (2005), indicating that the same case happened in emerging markets in Eastern Europe where international publishers like the Swiss publisher - Ringier in Czech Republic, Romania and Hungary, quickly gained market share through launching cheap publications. Free Library.com report (2006) conversely shows that price is not a significant factor in the decision to purchase a newspaper but free access to newspapers in places like cafes and salons, seem to have more of an influence on buying habits than price does. This observation is akin to Gendall *et al.* (1997) and Duke (1994) cited in Tumwine *et al* (2014) who noted that the demand theory is not all the determinant of pricing in the practical firm environment, but customer characteristics and

company objectives in pricing considerations is as important. Equally, the key consideration in price determination is consumer purchase behavior and competitive pressure (Uusitalo and Rokman, 2007).

3.0 Methodology

This study employed a descriptive case study design methodology. According to Kothari (2004) descriptive case study entails fact finding enquiries of different sorts. Pallant (2005), in addition, observed that a descriptive case study is conducted to describe the present situation. The study employed a triangulation approach involving both qualitative and quantitative approaches. Kothari (2004) observed that all researches have aspects of both research paradigms hence, qualitatively, descriptive techniques such as frequency tables were used in portraying and interpreting demographic data of respondents to the questionnaire while inferential or quantitative techniques were used for correlations in order to determine how variables influence each other.

3.1 Target Population

The target population of this study was 714 subjects, including production managers, the in-charge of the marketing and circulation department, agents, vendors, and selected readers of *Imvaho Nshya* and *The New Times* newspapers in the districts of Muhanga and Gasabo. The figure was arrived at by review of documents on newspaper circulation/distribution in Rwanda and through informal discussions with sector players involved in production and distribution of the two newspapers

3.2 Sample Size determination

The study sample was derived from different segments of the study population by use of purposive sampling as well as stratified random sampling techniques. Hence, from the population of 714 people the sample size was determined as 255 using Sloven's formula applied to different groups of the study population such as newspaper vendors, distribution managers, agents, readers and distributors:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n = the minimum sample size

N = the population from which the sample will be obtained

e = the margin of error estimated at 10%.

3.3 Sampling Techniques

The researcher used a purposive sampling and stratified random sampling techniques by visiting various sectors in the two districts to collect data from the respondents. Stratified random sampling was used with all male and female respondents in the category of readers, vendors, agents and distributors for equal chances of being selected in the study. Purposive sampling was used with the marketing and distribution managers of *The New Times* and *Imvaho Nshya* newspapers

3.4 Data collection Instruments

This study used a 5 point likert scale questionnaire for primary data collection. The questionnaire ranged from 1 – strongly disagree to 5 – strongly agree. The study also used in-depth interviews to get raw information from the individuals. Books and other documents were reviewed for secondary data.

3.5 Data analysis

Hyndman (2008) maintained that data processing involves translating the answers on a questionnaire into a form that can be manipulated to produce statistics. The data analysis for the study involved data coding, editing and tabulation especially descriptive data. This involved use of SPSS version 20 to derive frequency tables for descriptive statistics and correlation analyses. Correlation analysis was used to analyze relationships and interpret the study findings. Pallant (2005) argued that Pearson correlation is used if one wants to explore the strength of the relationship between two variables so as to determine the influence or effect of one variable over another. It shows both the direction (positive or negative) and the strength of the relationship between study variables.

4.0 Presentation of findings

4.1 Demographic characteristics of Respondents

Respondents' sex, job/designation/occupation and educational level were considered under demographic data as explained below:

Table 4.1. Respondent's sex

	F	P
Male	71	66
Female	36	34
Total	107	100

Source: Primary data

Findings from table 4.1 show that the total number of respondents was 107. Of these 71 were males representing 66 % while 34% are female.

Table 4.1.2 Respondents' level of education

	F	P
Certificate	23	22
Diploma	25	23
Degree	51	47
Post graduate	6	6
Other	2	2
Total	107	100

Source: primary data

Findings in table 4.2 indicate that the majority of respondents (47 %) had degrees, those with certificates were 25%. Certificate holders included those with ordinary and/or advanced level of secondary education and its equivalents from technical institutes or training colleges.

Table 4.3 Descriptive statistics for use of new technology

	N	Mini	Max	Mean	S D
1. Use of GSM technology improves newspaper distribution	6	1	5	2.83	1.722
2. Social media sites enhance newspaper distribution	6	3	5	4.50	.837
3. E - paper is an effective newspaper distribution strategy	6	1	5	2.50	1.643
4. Mobile phones help report distribution problems	6	3	5	4.17	.753
5. Internet has enhanced real time newspaper distribution	6	3	5	3.67	1.033

Source: Primary data

The findings as shown in the descriptive statistics of table 4.3 reveal varying mean figures on items under technology. With a mean response of averaging 4 on 2 items, respondents agree that social media sites enhance newspaper distribution and that mobile phones help report newspaper distribution problems. However, respondents disagree that the use of GSM technology improves newspaper distribution with a mean response to the item averaging 2.8. Respondents also disagree that e – paper is an effective newspaper distribution mode with a mean response at 2.5. Finally, most of the respondents somehow agree that internet has enhanced real time newspaper distribution in Rwanda with a mean response at 3.6.

Table 4.4 Descriptive statistics for newspaper pricing

	N	Mini	Max	Mean	S D
<i>Price (readers)</i>					
1. Price charged per copy is affordable to readers	83	1	5	2.64	.835
2. Newspaper price reflects customer demands	83	1	4	2.73	.607
3. Current price charged per copy promotes reader access	83	1	4	2.18	.751
4. Reader access to newspapers on credit terms enhances newspaper circulation	83	2	5	3.69	.697
5. Commission payment to vendors or agents for extra sales improve newspaper distribution	83	1	5	3.11	.937

Source: Primary data

The findings as shown in the descriptive statistics of table 4.7 reveal varying mean figures on newspaper pricing. With a mean response of 3.11 respondents somehow agree that commission payment to vendors or agents for extra sales enhances newspaper distribution and that reader access on credit terms to newspaper improves newspaper circulation (mean close to 4). However, respondents disagree that price charged per copy is affordable with a mean response to the item at 2.6. They also disagree that currently charged price promotes regular reader access with mean

response at 2.2. Finally, respondents somehow agree that newspaper price reflects customer demands with mean close to 3.

Table 4.5 Correlations analysis between use of Technology, Newspaper price, Newspaper Promotion strategies and Newspaper distribution

	Use of new technology	Newspaper Price	Newspaper distribution
Use of new technology	1		
Newspaper Pricing		1	
Newspaper distribution	.664	.672**	1

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Primary data

Findings in Table 4.5 show a correlation analysis between the use of new technology, newspaper pricing and newspaper distribution in Rwanda. It is indicated that the use of new technology in newspaper distribution by The New Times and *ImvahoNshya* newspapers in Rwanda has a strong significant and positive relationship with newspaper distribution in Rwanda at a magnitude of ($r = .664, p \leq 0.01$). Equally, newspaper pricing has a strong significant and positive correlation with newspaper distribution with a magnitude of ($r = .672^{**}, p \leq 0.01$).

Discussion

To assess the effect of use of new technology in newspaper circulation on the distribution of newspapers in Rwanda

To assess the effect use of new technology in circulation of newspapers on newspaper distribution in Rwanda, the researcher did a correlation analysis. The findings indicate that the use of new technology by The New Times and *Imvaho Nshya* newspapers in newspaper circulation Rwanda has a strong significant and positive relationship newspaper distribution in Rwanda at ($r = .664, p \leq 0.01$). This further indicates that the use of internet, mobile phones and social media sites enhances the distribution of newspapers. This finding contrasts some of the previous findings in the literature review. For instance, Tumwine, Omagor and Agaba (2014) attributed faster newspaper copy sales drop to expansion of broadband that improved Internet access in the post-industrial countries after 2004. However, the findings from descriptive analysis reveal that use of GSM technology and e-paper do not necessarily enhance newspaper distribution in Rwanda and this is congruent with previous studies such as the Lidtke (2009) report, as cited in Tumwine *et al* (2014) which linked the decline in newspaper distribution/circulation to a coincidence in the explosion of free online news sources that acted as substitutes for a hard copy.

To examine the effect of newspaper price on newspaper distribution in Rwanda

To answer the second objective of the study which was to assess the effect of newspapers price on newspaper distribution in Rwanda, the researcher conducted a correlation analysis. The results as indicated in Table 4.5 show that newspaper pricing has a strong positive significant relationship with newspaper distribution in Rwanda at ($r = .672^{**}$, $p \leq 0.01$). This therefore means that the price charged per newspaper copy needs to be affordable to most readers to enhance newspaper circulation/distribution. The finding is consistent with previous some studies such as Bishop, Sharma and Braze, (1980) who observed that the most important factor affecting newspaper circulation is price. Aura (2006) equally argued that reducing prices attracts sales as was a case with *The Sunday Times* newspaper (UK) in the 1990s when the company almost doubled its newspaper circulation because of lower cover price. The other study finding is that newspaper price in Rwanda ought to reflect customer demands so as to enhance newspaper distribution. This observation is akin to Gendall *et al.* (1997) and Duke (1994) cited in Tumwine *et al* (2014) who noted that the demand theory is not the only determinant of pricing in the practical firm environment, but customer characteristics in pricing considerations is as important.

5.0 Conclusion

The study sought to assess the effect of print news media marketing strategies on newspaper distribution in Rwanda. The specific objectives for this study were; to assess the effect of new technology on distribution/circulation of newspapers in Rwanda and to assess the effect of newspaper price on newspaper distribution in Rwanda. Among the findings, the use of new technology by *The New Times* and *Imvaho Nshya* newspapers in newspaper circulation Rwanda has a strong significant and positive relationship newspaper distribution in Rwanda. Similarly, newspaper pricing was found to have a strong positive and significant relationship with newspaper distribution in Rwanda.

5.1 Recommendations

Given the findings from the study, the following recommendations are suggested:

- i. There should be further investigation on the effect of use of GSM technology in newspaper distribution in Rwanda since findings from descriptive analysis indicate that its use does not necessarily enhance newspaper distribution in Rwanda.
- ii. There should also be more research on the use of e-paper as a newspaper distribution strategy since results from descriptive analysis equally reveal that it does not necessarily lead to effective newspaper distribution in Rwanda.
- iii. There should be a further investigation on the effect of free online news sources on the distribution or circulation of hard copy newspapers in Rwanda.

References

- [1] Anaeto, S., Onabajo, O. and Osifeso. (2008). *Models and Theories of Mass Communication* Bowie: Maryland. African Renaissance Books.
- [2] Aura L (2006).The role of Price in newspaper positioning, *J. Bus. Strategy*, 5: 6
- [3] Bishop, R. L., Sharma, K., & Richard, J. B (1980) Determinants of newspaper circulation: Apooled cross sectional time series study in the United States (1850 – 1970) University of Michigan
- [4] Chattharn, L. (2015). *Factors Influencing Sustainable Distribution: a Framework of Competition, Freight Consolidation, and Collaborative Freight Distribution in the Thailand's Newspaper Industry*. Retrieved from <http://vuir.vu.edu.au/id/eprint/28805> on July 28, 2016
- [5] Dewenter, (2003) *The Economics of Media Markets*; Master's thesis.
- [6] Ehmke, F. & Lusk, (n.d) *Marketing's four P's: first steps to new entrepreneurs*; Agriculture communication and innovation centre. Purdue University
- [7] Farley, SE, Hawkins, R, Wagner C.S. (2011). *Science, Technology and Innovation in Uganda: Recommendations for Policy and Action*. World Bank Publications. Washington
- [8] Furnes, K. & Ravlo, E. (2014).Supply chain optimization in the newspaper industry: Integrated production allocation, scheduling and distribution. Norwegian University of Science and Technology
- [9] Gicheru (2014) *Influence of Physical Distribution Strategies on the Performance of Service Firms in Kenya: A Survey Study of Print Media Distribution in South Nyanza Region, Kenya*” *European Journal of Business and Management* (Online) Vol.7, No.14, 2015
- [10] Hyndman, R.J. (2008). Encouraging Replication and Reproducible Research. *International Journal of Forecasting* 26(1): 2-3
- [11] Kirchoff, S. M. (2010). *The US newspaper in transition: An analyst in industrial organization and business*, a congressional research service, Vol. 7
- [12] Lamming, R (2000) *Japanese supply chain relationships Long range planning* (33) 6
- [13] MHC (2009) “A window of opportunity: opportunities for media investment in Rwanda 2009” report. Media High Council. Kigali
- [14] MHC (2016) “Media Business Growth with Capacity Needs Assessment 2014 report. Media High Council Retrieved from <file:///H:/PE%20MANOVAnewest.pdf>. on July 28, 2016
- [15] Pallant, J. (2005). *SPSS survival manual: A step by step guide to data analysis using SPSS for Windows* (Version 12) Sydney: Allen &Unwin
- [16] Rwanda State of the Media Report (2009) retrieved from: http://mhc.gov.rw/fileadmin/templates/PdfDocuments/Reportsand_Publications/ResearchWorks/State_of_the_Media_2009.pdf
- [17] RGB (2015) *Rwanda Print Media Survey 2015*.Rwanda Governance Board. Kigali.

- [18] Tumwine, S., Omagor, C.&Agaba, G. (2014) Newspaper copy sales and performance of the print media in Uganda. *International Journal of Business and Management* 4(20) 138 – 150
- [19] Turow, J. (2011). The Importance of Distribution. Carsey-Wolf Centre. Pennsylvania. http://www.carseywolf.ucsb.edu/files/Turow_NetWorth.pdf
- [20] Veglis, A (2005) Implementation of a computer supported collaborative work system in a newspaper in WSEAS Transactions on information science and Applications 2(7)
- WAN-IFRA Strategy Report (2010). Winning Mobile Strategies; Vol. 8, No. 4.