MEDIA FUTURE AND CHANGE STUDY 2009

October 2009

A study of Nordic Media Houses

Dr Erik Wilberg

Wilberg Management as

Media Future and Change Study 2009

A STUDY OF NORDIC MEDIA HOUSES

Introduction

This study is about change and change perspectives for media in the Nordic countries – Denmark, Norway, Sweden and Finland. It is an update of reports done on the subject since 2005. New for this year is that the report has caught interest from WAN/IFRA and there is an international version using many of the same questions as this report.

My thanks go to the colleagues in the Nordic Publishers Associations – Holger Rosendal of DDF in Denmark, Helge Holbæk-Hanssen of MBL in Norway, Anna-kari Modin of TU in Sweden and Sirpa Kirjonen of SL in Finland, who have provided the address material necessary to complete this study, both this year and earlier years.

And thanks also to Francois Pierre Nel from University of Central Lancashire, UK and Martha Stone, WAN/IFRA for the discussions we had on planning this study.

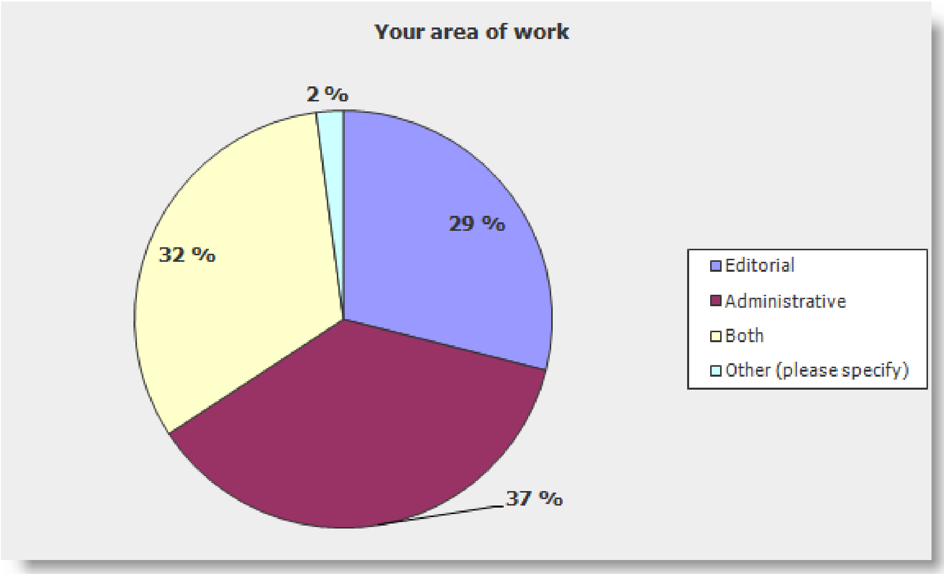
I do hope that this study give some interesting perspectives on the challenges and the developments of the media in the Nordic Countries.

Drammen, October 9th, 2009

Erik Wilberg

Contents

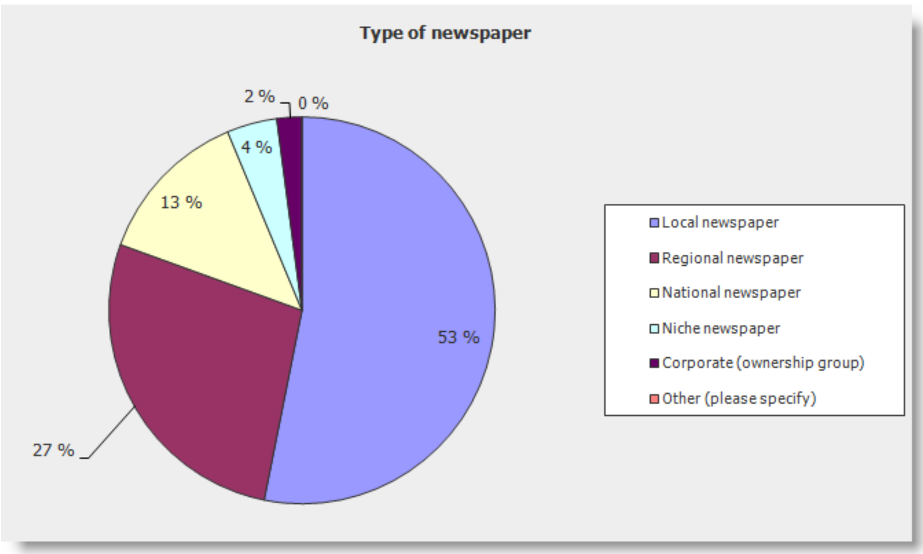
Who answered the survey?



We see that both editors and administrators are well represented in the survey and that 32% of the respondents hold both positions in the newspapers.

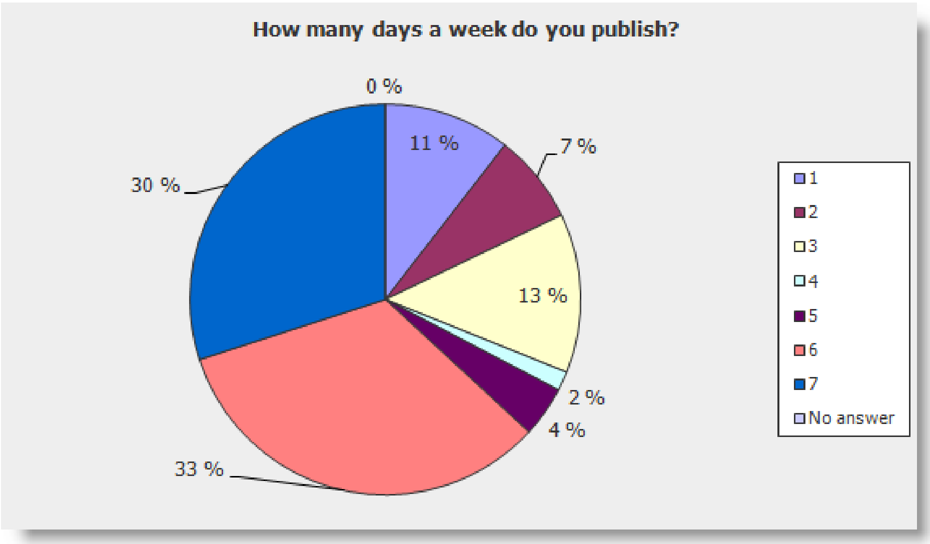
Type of newspaper

The first question is on the type of newspaper.



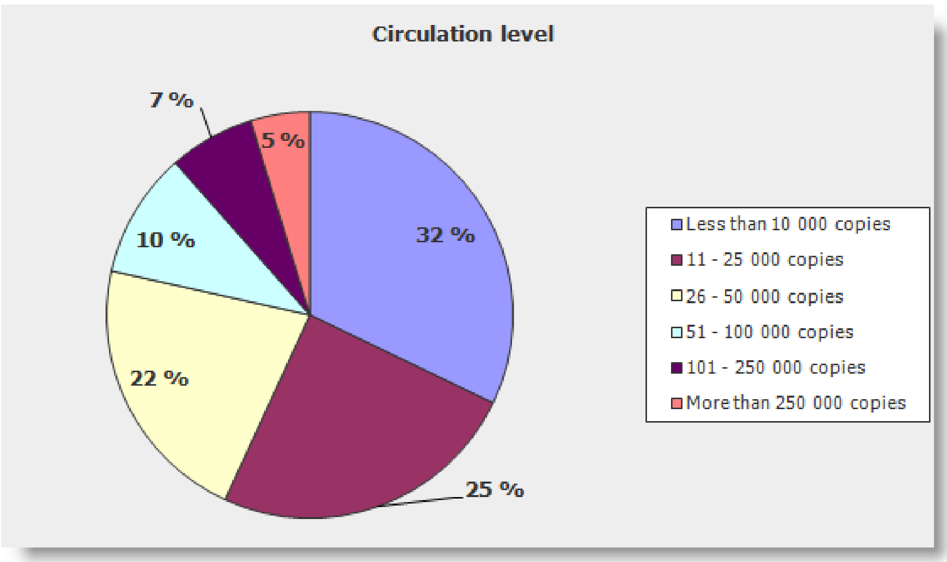
We see that 80% of the answers come from local and regional papers.

Publication days



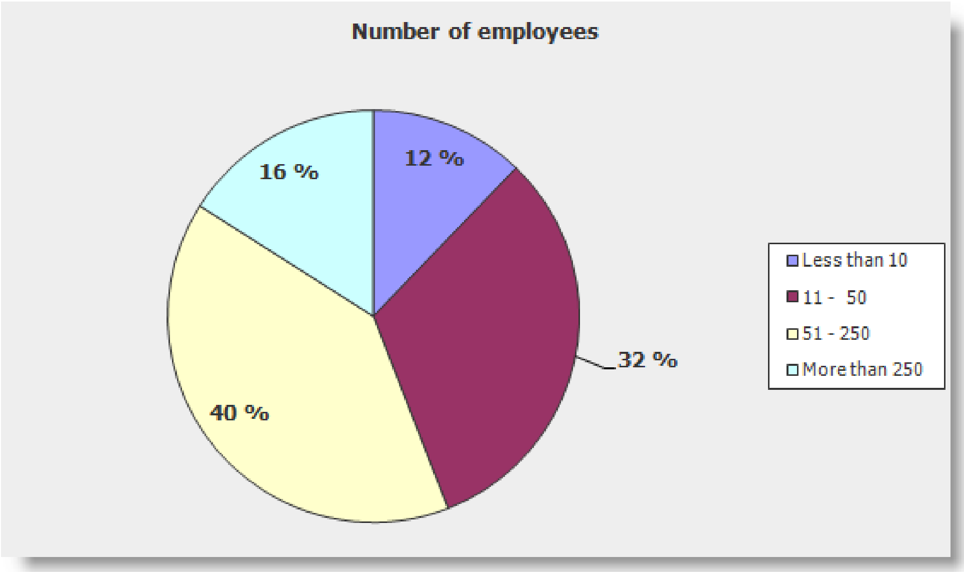
And from this chart we can see that 63% of the papers publish 6 or 7 days a week and that 11% are weekly papers.

Circulation level



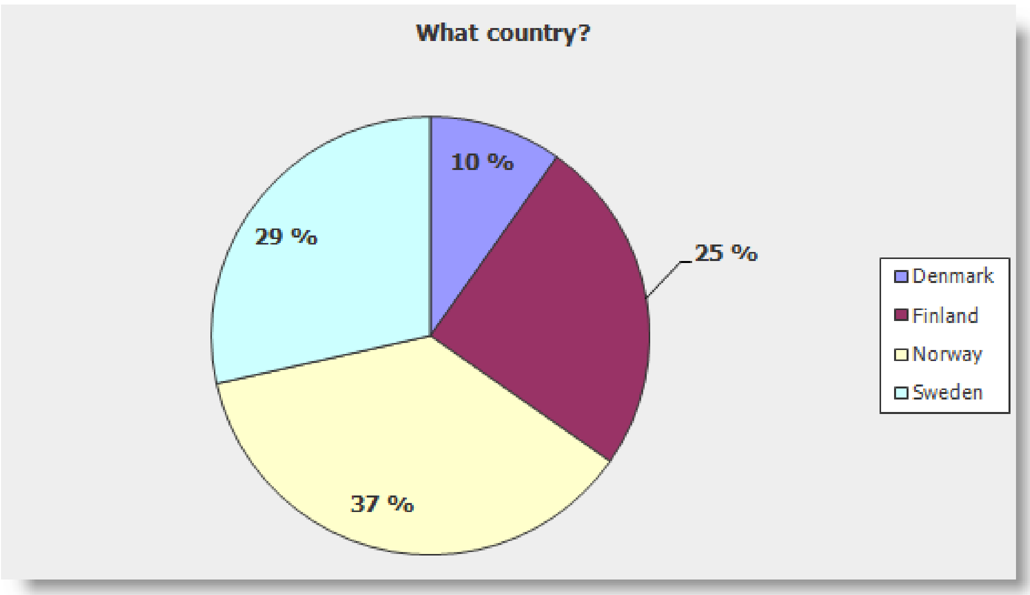
And this chart shows us that most papers are less than 10 000 copies and that 25% is in the 11 – 25 000 copy region. 12% of the papers are above 100 000 copies.

Size of the organization



And this chart show us that 40% of the papers have 51-250 employees and that 32% have 11-50 employees.

Country



The largest number of replies come from Norway and Sweden with 37% and 29% respectively. 25% come from Finland and 10% from Denmark. The total number of recorded answers are 194 for all four countries.

What country?		
Answer	**Response Percent**	**Response Count**
Denmark	10%	19
Finland	25%	48
Norway	37%	71
Sweden	29%	55
	answered question	**193**
	skipped question	**1**

This table shows the breakdown by country in more detail.

Not all have answered all questions. For most questions we do have around 135 people answering the questions, which means we have a dropout of around 30%. It seems that most of the dropouts occur when they have to answer the list of challenges – even though this list has been shortened to 22 items instead of 27 as in earlier studies.

Country	Net answers	Total answers	Fulfilment	Dropout
Denmark	17	19	89 %	11 %
Finland	33	48	69 %	31 %
Norway	45	71	63 %	37 %
Sweden	40	54	74 %	26 %
Total	135	192	70 %	30 %

The table above shows the “useful” answers compared with the total registered answers. We can see that the fulfillment rate is 70% and the largest dropout rate is from Norway, and the smallest one from Denmark.

As you will see from the following tables the net number of replies to this survey will vary slightly.

The areas for improvement

The following table shows the ratings of the challenges in a five-year perspective.

The following is a list of potential areas for improvement. How important do you think each of these is for the future viability of YOUR newspaper over the next five years. Please rate on a 5-point scale where 1 means not at all important, 3 means moderately important, and 5 means extremely important.		
Answer Options	**Rating Average**	**Response Count**
Product development - editorial	4,27	136
Stable and reliable distribution	4,21	136
Product development - market and advertising	4,13	135
Develop employee competences	4,12	135
More interaction with users	4,10	135
Focus on profitability in all parts of the organization	4,08	135
Increase overall competence in the organization	4,04	135
Top customer service	4,01	136
Development of the newspaper brand	3,99	135
Management and leader development	3,92	136
Rapid implementation of changes	3,88	136
Encourage understanding and cooperation between different departments	3,87	136
Experiment with new business models	3,74	136
Develop a good working environment	3,71	135
Application of new technology/software	3,58	134
Board level competence	3,55	136
Market research/documentation	3,51	136
Focus on collaboration with other newspapers (outside your company)	3,24	136
Spend more money on Web site(s)	3,16	136
Relationships/alliances with competitors	3,04	135
Reduction in number of employees	2,95	136
Increase marketing budgets	2,86	136
	answered question	**136**
	skipped question	**58**

Over the last years the top three priorities have always been product development – both editorial and marketwise and stable and reliable distribution. New in this years study is *more interaction with users* and it has gone up to a fifth place. And there should be no surprise for anyone that profitability in all parts of the organization is an identified priority. We can also see that competence development is high on the list – both as direct targeted competence development, and development of overall competence within the organization. At the bottom of the list – and below a moderately important rating is reduction in the number of employees and increased marketing budgets.

It is interesting to see how these elements break down by country.

Text	RankDK	RankFI	RankNO	RankSE	Ranktotal
Editorial prod develop	12	1	2	2	1
Stable distribution	2	3	1	7	2
Empl competence	3	6	5	3	3
Advertising prod devlp	9	4	7	1	4
Profitability	4	8	4	6	5
Interaction with users	15	2	6	4	6
Overall competence	5	7	8	9	7
Branding	11	5	10	5	8
Top customer service	7	13	3	8	9
Management development	8	9	9	12	10
Coop between depts	1	14	13	11	11
Rapid implementation	13	10	11	13	12
New business models	6	11	18	10	13
Working environment	16	12	12	14	14
New technology	10	16	16	15	15
Market research	17	17	14	16	16
Board development	18	15	15	17	17
Collaboration woth others	21	18	17	18	18
Web development	14	20	19	20	19
Alliances with competitors	20	19	21	19	20
Employee reductions	22	21	20	21	21
Marketing budgets	19	22	22	22	22

The country rankings as shown in the table above give some interesting indications on the development. The Danish newspapers have been hard hit by several events over the last years – that might illuminate some of the differences in ranking. The Danish free paper market and the resulting pressure on prices might explain some of the differences. We see that cooperation between departments score highest among the Danes, but it has a 11th ranking in the total analysis. We see that the rankings are more similar for the other top items with the exception of interaction with users – that is ranked 15th in Denmark. One would expect a more product development oriented ranking here, but we can see that the web development scores highest among the Danes.

Another way to look at these data is by looking at differences between small papers (under 50 employees) and large papers (more than 50 employees). We have 52 answers from smaller papers and 83 from larger papers that are included in the analysis.

	Employee level	
	Small papers (under 50)	Large papers
	Mean	Mean
Profitability	3.9	4.2
Collaboration with other papers	3.0	3.3
Rapid implementation	3.4	4.0
Employee reducs	2.5	3.1
Product devlp editorial	4.2	4.3
Product devlp mkt	4.0	4.2
Stable distribution	4.3	4.1
Mkt research	3.3	3.6
web development	3.0	3.2
Marketing budgets	2.9	2.8
Top customer service	4.0	4.0
Branding	3.8	4.1
Employee competences	3.9	4.2
Good working environment	3.7	3.7
Coop between depts	3.6	4.0
Overall comp devlp	3.9	4.1
Competitor alliances	2.8	3.1
Mgmt development	3.9	3.9
Board development	3.4	3.5
Interaction with users	3.9	4.2
New technology	3.4	3.7
Experiment bus models	3.3	4.0

The first glance at this table seem to indicate that the larger papers have scored higher i.e. the questions are more important than the smaller papers. Indeed, when we look at the table in more detail we find that there are significant differences of mean scores on 8 of the 22 items in the table. They are indicated by *** in the following table:

Item	Sign. diff
Profitability	***
Collaboration with other papers	
Rapid implementation	***
Employee reducs	***
Product devlp editorial	
Product devlp mkt	
Stable distribution	
Mkt research	***
web development	
Marketing budgets	
Top customer service	
Branding	
Employee competences	***
Good working environment	
Coop between depts	***
Overall comp devlp	
Competitor alliances	
Mgmt development	
Board development	
Interaction with users	
New technology	***
Experiment bus models	***

We see that profitability, implementation, employee reductions, market research, employee competences, interdepartmental communication, application of new technology and experiments with new business models all are significantly higher scored among the larger papers.

In other words – the needs for stronger measures are more apparent in the larger papers, and it seems that the areas are those most significant are those that characterize the differences both in competence, speed of change and culture between the newspapers.

The challenge of the young readers

One of the industry's greatest threats is a decline in readership among young people. How will you address this problem in the coming year

Answer Options	1 - More development of the printed paper	2	3	4 - Equal development paper/digital	5	6	7 - More digital development	Rating Average	Response Count
Rating	6 %	6 %	10 %	39 %	15 %	14 %	10 %	3,30	135
								answered question	135
								skipped question	59

One of the great challenges of the industry is the decline in readership among young people. We see that the industry response to this challenge is leaning towards more digital development, but we can also see from this table that around 40% of the answers go for a equal development between printed and digital media.

Emphasis on digital vs paper development.

	Country				
	Denmark	Finland	Norway	Sweden	Total
Paper digital development	4.18	2.94	3.30	3.22	3.30

The higher the number – the more digital development, and we see that this clearly is highest in Denmark. Although the differences are visible here – a statistical analysis[1] (t-test) shows that the differences are not statistically significant. But there is some evidence here that the more battered your analog part of the business is – the more you think digital. And the future is clearly digital.

[1] Independent sample T-test, $p<0{,}05$

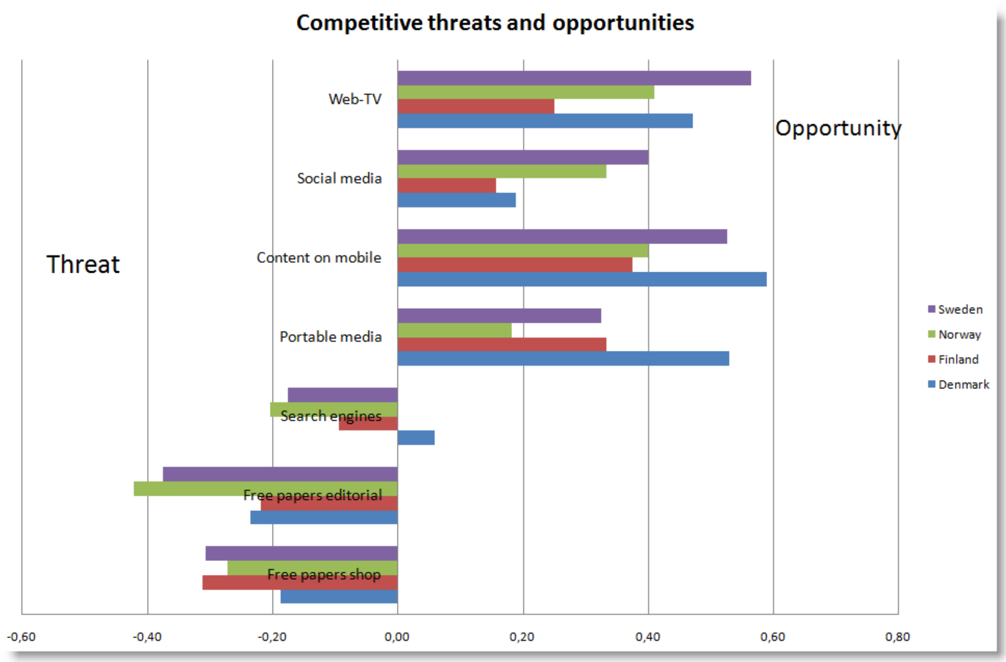
Threaths and opportunities of different platforms

The question on threaths and opportunities are rephrased this year. From the answers and distribution of the answers we can see that quite a lot of the answers are given as both threaths and opportunities of the different areas.

Please click the following media/platforms based on whether it represents a threat or an opportunity - or both for your company.

Answer Options	Threath	Both	Opportunity	Rating Average	Response Count
Content on the mobile phone/iPhone	7 %	40 %	53 %	2,46	134
Web-TV	8 %	41 %	51 %	2,42	132
Content on Portable media (small PC's/e-readers)	11 %	48 %	41 %	2,31	131
Social media (Facebook/Twitter etc)	14 %	44 %	43 %	2,29	133
Major search engines (Google/yahoo etc)	33 %	47 %	20 %	1,86	133
Free papers from shopping centres	44 %	41 %	15 %	1,72	131
Free papers with editorial content	48 %	38 %	14 %	1,66	134
				answered question	134
				skipped question	60

The table is sorted on the average rating representing the platform with the greatest opportunities on top – and we see that the two most promising media platforms are content on the mobile telephone and the web-TV. We also see content on portable media – like mini-PCs mentioned as a quite large opportunity. We also can see social media like Facebook and Twitter as an opportunity. And the challenges can be summed up in two words: Free papers.



This diagram shows the above table broken down by country and balanced as a difference from the mid position, representing both a threat and an opportunity. The more it is regarded as an opportunity the more the result will be scored to the right – and the more it is regarded as a threat it will be scored towards the left of the diagram. The threaths are free papers and search engines – broadly speaking. On the opportunity side we see the different digital media where the mobile and web-TV seem to have the most interesting opportunities. But as can be seen from the diagramme – the Finns are more conservative and see the new media as less as a direct opportunity.

	Employee level	
	Small papers (under 50)	Large papers
	Mean	Mean
Free papers shop	1.6	1.8
Free papers editorial	1.5	1.7
Search engines	2.1	1.7
Portable media	2.3	2.3
Content on mobile	2.3	2.5
Social media	2.2	2.3
Web-TV	2.2	2.6

Looking at this competitive environment from a organization size perspective indicates that search engines are more an opportunity for smaller papers (as indicated by the red dot) and content on mobile and web-TV are more of an opportunity for the larger (more than 50 employees) papers.

Is there room for further cost reductions?

Based on today's newspaper industry, what is the potential for further cost reduction, without reducing the quality of the newspaper?

Answer Options	Percent	Responses
Less than 5%	**29 %**	38
6-10%	**41 %**	54
11-20%	**26 %**	34
More than 20%	**5 %**	7
Response Count	**100 %**	133
Skipped		61

There seem to be room for further cost reductions without jeopardizing the quality of the newspaper. 41% of the responses point to a cost reduction potential of between 6 and 10% and 31% to more than 10%. This shows us that there is still a potential to be taken out here. And with answers in an earlier table that personnel reductions are low in priority there must still be other areas for reductions within production and distribution, as well as administrative cost.

Cost reduction potential by country

		Country				
		Denmark	Finland	Norway	Sweden	Total
		Column N %	Column N %	Column N %	Column N %	Column N %
Cost reduction potential	Less than 5%	23.5%	18.8%	40.9%	25.0%	28.6%
	6 to 10%	29.4%	40.6%	38.6%	47.5%	40.6%
	11-20%	35.3%	37.5%	15.9%	22.5%	25.6%
	More than 20%	11.8%	3.1%	4.5%	5.0%	5.3%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%

The least potential seems to be in Norway where 41% of the respondents say that the potential for cost reductions is less than 5%. We see that the potential seems to be largest in Denmark with 12% of the respondents indicating a potential of more than 20%. A statistical analysis[2] shows that there is a significant difference between the potential in Norway vs Denmark and Finland, but not against Sweden.

[2] One way ANOVA, Post Hoc LSD test. (p<0,05)

The potential of other revenue streams

Over the next five years, what percentage of the total newspaper revenue/income will have to come from alternative sources other than traditional printed media to make up for shortfalls in other areas?		
Answer Options	**Response Percent**	**Response Count**
0-5%	6 %	8
6-10%	22 %	30
11-20%	38 %	51
21-30%	21 %	29
31-40%	5 %	7
41-50%	4 %	5
51-60%	2 %	3
61-70%	2 %	3
More than 70%	0 %	0
	answered question	136
	skipped question	58

How much money will have to come from other sources than the newspaper? We see that almost 60% of the answers fall within the category between 10 and 30% - and 38% is within the 11-20% bracket. The answers suggest that the newspapers still over the next five years regard the newspaper as their prime source of income.

		Country				
		Denmark	Finland	Norway	Sweden	Total
		Column N %	Column N %	Column N %	Column N %	Column N %
Pct income from other sources	0-5%	5.9%	8.8%	4.4%	5.0%	5.9%
	6-10%	11.8%	17.6%	28.9%	22.5%	22.1%
	11-20%	23.5%	41.2%	37.8%	40.0%	37.5%
	21-30%	23.5%	23.5%	17.8%	22.5%	21.3%
	31-40%	11.8%	2.9%	6.7%	2.5%	5.1%
	41-50%	11.8%	5.9%	.0%	2.5%	3.7%
	51-60%	.0%	.0%	4.4%	2.5%	2.2%
	61-70%	11.8%	.0%	.0%	2.5%	2.2%
	More than 70%	.0%	.0%	.0%	.0%	.0%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%

When we break this question down by country we find that Denmark scores significantly higher than the other countries.

Satisfied with the business?

We also have a question about how satisfied the managers are with the performance of the newspaper business – in the light of the finance crisis.

How satisfied are you with the performance of your newspaper business today?						
Answer Options	**Not at all satisfied**	**Not very satisfied**	**Moderately satisfied**	**Very satisfied**	**Extremely satisfied**	**Response Count**
--->	5 %	18 %	54 %	21 %	1 %	135
					answered question	135
					skipped question	59

We see that more than 20% are very or extremely satisfied with the way things are going. And we see that more than half are moderately satisfied with the business.

		Country				
		Denmark	Finland	Norway	Sweden	Total
		Column N %	Column N %	Column N %	Column N %	Column N %
Satisfied today	Not at all	5.9%	5.9%	.0%	10.0%	5.2%
	Not very	17.6%	11.8%	20.5%	20.0%	17.8%
	Moderately	47.1%	73.5%	52.3%	42.5%	54.1%
	Very	23.5%	8.8%	25.0%	27.5%	21.5%
	Extremely	5.9%	.0%	2.3%	.0%	1.5%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%

When we break this figure down by country we find that the overall profile is quite similar between the countries, with the exception of Finland. There is a significant difference[3] between the scores of moderate between Sweden and Finland.

How the finance crisis has affected the business

How has the finance crisis affected your newspaper business in terms of revenue development?								
Answer Options	**Down more than 20%**	**Down 11 - 20%**	**Down 0-10%**	**No change**	**Growth**	**No opinion**	**Rating Average**	**Response Count**
Overall revenue	16 %	37 %	33 %	7 %	4 %	2 %	2,44	135
Subscription revenue	1 %	5 %	39 %	34 %	16 %	4 %	3,61	134
Print advertising revenue	33 %	40 %	16 %	7 %	2 %	2 %	2,04	135
Online advertising revenue	3 %	10 %	17 %	33 %	24 %	13 %	3,74	134
							answered question	**136**
							skipped question	**58**

The second table here shows how the revenue streams are affected by the finance crisis. We see that the most severe downturn is – as we could expect – in the print advertising area. We see that this has impact on the overall revenue, where almost 40% of the newspapers have between 11 and 20% downturn and 16% has more than 20%. We can also see that subscription revenues are less affected – with 34% reporting no change and 16% reporting growth. And finally we can see that 24% of the papers report an increase in online advertising revenue.

	Country				
	Denmark	Finland	Norway	Sweden	Total
	Mean	Mean	Mean	Mean	Mean
Overall revenue	2.2	2.5	2.6	2.3	2.4
Subscription revenue	3.3	3.7	3.9	3.4	3.6
Ad revenue	1.8	2.1	2.2	1.9	2.0
Online revenue	4.0	3.8	3.7	3.7	3.7

When we break this down by country we see that Denmark and Sweden are slightly harder hit on ad revenue (lower rating). The ratings for online ad revenue is almost identical. Subscription revenue is slightly more optimistic in Norway and Finland. None of the differences in the table is statistically significant.

[3] T-test, p<,05

Competitive profile

Where does competition come from?

The Internet impact our business more and more. To what extent does the Internet pose a competition to your PRINTED newspaper market today?							
Answer Options	**No competition at all**	**Little competition**	**Fair competition**	**Strong competition**	**Very strong competition**	**Do not know**	**Response Count**
Readership market	8 %	25 %	31 %	30 %	5 %	1 %	135
Private buy/sell ads	5 %	24 %	20 %	24 %	23 %	3 %	133
Local business advertising	18 %	54 %	14 %	9 %	2 %	3 %	134
National level advertising	5 %	18 %	45 %	22 %	6 %	4 %	134
Our own Internet-based business (cannibalizing)	22 %	39 %	23 %	10 %	0 %	6 %	134
						answered question	**135**
						skipped question	**59**

We see from this table that the strongest competition is in the private buy/sell market – and this is classified ads that have moved to the internet. We see strong competition also on the readership market and on the national level ad market, but less competition on the local business advertising market, that normally is the backbone of the newspaper market. And we also see that the cannibalizing effect of own internet activities do not pose any threat to the newspaper.

	Country				
	Denmark	Finland	Norway	Sweden	Total
	Mean	Mean	Mean	Mean	Mean
Readership mkt	3.1	2.9	3.0	3.0	3.0
Private ads	2.9	3.0	3.2	3.7	3.3
Local bus advertising	2.1	2.0	2.3	2.1	2.1
National advertising	2.9	2.7	3.2	2.9	2.9
Cannibalizing	2.2	1.7	2.4	2.0	2.1

Again we can see that there are only smaller differences between the countries when it comes to the competitive profile. Instead of the percentages in the top table we have here shown the results as scale averages in order to make the table more compact. The only difference worth noting here is that there is a significant difference[4] between Finland and Norway on the effect of cannibalizing.

[4] T-test, $p<0,05$

The digital development

Many newspapers are now developing their internet operations on the business and editorial sides. How satisfied are you with the development of the DIGITAL side of your business over the last year?							
Answer Options	**Not at all satisfied**	**Not very satisfied**	**Moderately satisfied**	**Very satisfied**	**Extremely satisfied**	**Do not know**	**Response Count**
Reader and user development	5 %	9 %	43 %	27 %	8 %	8 %	131
Advertising	16 %	32 %	33 %	8 %	2 %	9 %	132
						answered question	**133**
						skipped question	**61**

This table shows that there is overall satisfaction with the reader and user side of the digital development, but that it lacks development on the advertising side. There can be many reasons for this. One of the most mentioned is that the classic organization of the newspaper emphasizes the sales of print advertising, and since this is the most important part of the current revenue stream – there will be less energy placed on the development of digital sales.

	Country				
	Denmark	Finland	Norway	Sweden	Total
	Mean	Mean	Mean	Mean	Mean
Readership development digital	4.0	2.6	3.0	2.9	3.0
Advertising development digital	3.1	2.1	2.4	1.7	2.2

The breakdown by country on this question is more interesting and shows more differences between the countries. Again Denmark is scoring high on satisfaction, perhaps because they have been forced into a more aggressive digital development. A score of 3 in this table corresponds to Moderately Satisfied in the top table on this page.

On digital readership development Denmark is significantly different[5] from all other countries. On advertising Denmark is significantly different in scoring from Finland and Sweden. And there is a difference between Norway and Sweden also on this element. A conclusion on this table seems to be that there are different success levels between the countries on the digital development – with Denmark at the lead.

[5] T-test, $p<0,05$

Readiness for change

One topic that has been lifted many times is the readiness for change within the newspapers.

Looking at your organisation on the editorial and business side - how ready will you say that the organisation is for the changes that you see over the next five years?							
Answer Options	**Not at all ready**	**Somewhat ready**	**Middle**	**Quite ready**	**Fully prepared**	**No opinion**	**Response Count**
Editorial side	2 %	30 %	32 %	31 %	5 %	0 %	133
Business side	6 %	28 %	33 %	26 %	6 %	1 %	132
						answered question	**135**
						skipped question	**59**

We see in this table that it is almost divided into three parts both on the editorial side and on the business side. There is almost the same number answering somewhat ready as quite ready. One interpretation of this is that there is quite a demand to lift the readiness for change. If you take the middle and somewhat ready columns and add them together – you will find that there will be 60+% of the newspaper organizations that are NOT ready for change. This seems quite dramatic – the circumstances taken into account.

	Country				
	Denmark	Finland	Norway	Sweden	Total
	Mean	Mean	Mean	Mean	Mean
Readiness change editorial	3.8	2.9	2.9	3.0	3.1
Readiness change business	3.4	3.1	3.0	2.5	3.0

Again, when we break down the readiness for change by country some interesting differences emerge. Denmark regard themselves as being more ready for change than the other countries – especially on the editorial side. On the business side the only significant difference is between Denmark and Sweden.

The single most important issue

This is a word analysis of the open question on the most important issues for the coming year. And we can see that the most frequent word used is *editorial* and *new*. We also see the word internet and web mentioned. Overall this means that the biggest challenges are to be found within the editorial development and digital development. (This picture was created by the use of wordle.net)

The importance of training

To what extent is middle management training important in your newspaper today?

Answer Options	Not important at all	Not very important	Fairly important	Very important	Extremely important	Response Count
Editorial side	3 %	10 %	34 %	42 %	11 %	135
Business side	2 %	7 %	35 %	44 %	12 %	133
					answered question	135
					skipped question	59

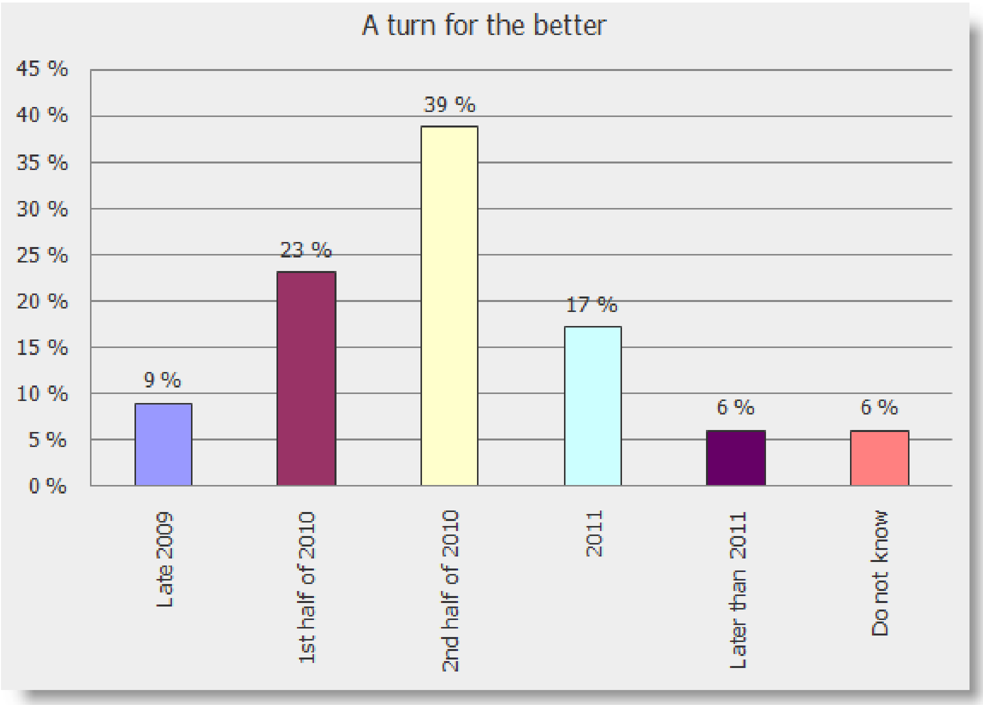
We see that more than 50% hold training of middle management as very or extremely important both on the editorial and business side. In a downturn, as we have right now, the future development of the business can be ignited and emphasized by training of managers. Often this is an issue that is regarded as less important in a downturn since it is an easy way to save money. But when things improve the implementation skills of managers can be absolutely vital to the development of the business.

	Country				
	Denmark	Finland	Norway	Sweden	Total
	Mean	Mean	Mean	Mean	Mean
Mid man editorial training	3.8	3.5	3.2	3.6	3.5
Mid man business training	3.9	3.6	3.2	3.8	3.6

The mid value here (=3) represents fairly important. Overall the average for these questions lie between fairly important and very important, so certainly it is an issue in all four countries. Surprisingly Norway has the lowest overall score of all countries, and on middle manager business training it is significantly lower than Denmark and Sweden. I can find no logical explanation to why this is the case.

When will the business improve?

The following chart shows how the managers view the turn of the present situation.



We see that most people think that we will have to wait until the second half of 2010 for the business to improve. 62% think that the improvement will come in the second half of 2010 or later. Only 31% think it will come earlier than that – and less than 10% think that it will happen late in 2009.

		Country				
		Denmark	Finland	Norway	Sweden	Total
		Column N %	Column N %	Column N %	Column N %	Column N %
Turn to the better	Late 2009	5.9%	6.1%	6.8%	15.0%	9.0%
	1st half 2010	5.9%	12.1%	36.4%	25.0%	23.1%
	2nd half 2010	29.4%	51.5%	27.3%	45.0%	38.8%
	2011	35.3%	18.2%	18.2%	7.5%	17.2%
	Later than 2011	17.6%	6.1%	4.5%	2.5%	6.0%
	Don't know	5.9%	6.1%	6.8%	5.0%	6.0%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%

When analyzing these figures more closely we can see that we have Sweden and Denmark at both ends of the table. There seems to be business optimism in Sweden where 25% of the respondents indicate a turn for the better in the 1st half of 2010. The same figure for Denmark is 6%. When analyzing the table further we find that the difference in answers between these two countries are statistically significant[6].

[6] T-test on averages, $p<0,05$

Conclusion

This report has tried to highlight the differences in views on the future and the necessities of change among the four Nordic countries. The pressure on product development both editorially and marketwise is apparent, as well as the need to be more profitable and embrace the opportunities of new media platforms.

There are also strong indications that the need for change is more needed in large than in small papers. This study is written in the fall of 2009, after about a year of a current crisis, caused among other things by the finance crisis. But the industry also has its challenges on the structural level, and we see cooperations, mergers and downsizing of papers almost on a daily basis.

Smaller newspapers seem to have an easier life than larger papers. There are many reasons for this – the most important being that they are less subject to competition. Therefore they are also more happy about the current business climate.

The author

Dr Erik Wilberg is a consultant for the media industry through his consultancy Wilberg Management, and has been working actively as a management consultant and researcher for almost 25 years. Before starting as a consultant he held management positions within sales, IT and organization with Drammens Tidende in his home town of Drammen, Norway.

With more than 30 years of experience of the newspaper and media markets in the Nordic countries, Erik is often used as a speaker at conferences on newspaper developments.

Erik holds an MBA and a doctorate (DBA) from Henley Business School, UK. His doctoral thesis was on the study of leadership and performance in newspapers in Norway and Sweden.

In half his time Erik Wilberg is an Associate Professor of Strategy at the Norwegian School of Management (www.bi.edu) where he teaches strategy and leadership at Bachelors and Masters levels.

Erik is also writing frequently in the trade press on media management and newspaper issues.

Erik has also been co-running the Nordic Media Management Programme (NMP) since 1998.

Erik can be contacted at erik@erikwilberg.no and on telephone +47 91 32 11 79.

Wilberg Management as

Sanatorieveien 18

NO-3021 Drammen

Norway