What is the cost of TRUST?
The relationship between trust and performance of media

PERFORMANCE SCORE: Top three trust-building mandates for media, and percent who say the media is performing well or very well against them.

- 36% Guard information quality
- 45% Inform good life decisions
- 50% Educate people on important issues

In 2018, Media is the Least Trusted Globally

Percent trust in media, and change from 2017 to 2018

Distrusted in 22 of 28 markets

But Trust Rebounds for Journalism in Traditional Media

Per cent trust in traditional media for general news and information

[Graph showing trust percentages from 2012 to 2018, with a rebound in 2018 from 51% to 59%]

Source: 2018 Edelman Trust Barometer. When looking for general news and information, how much would you trust each type of source for general news and information? General population, 25-market global total. Journalism is an average of traditional media and online-only media.
Trust in Journalism and Platforms Declines

Percent trust in each source for general news and information, 2012 to 2018, in India

Source: 2018 Edelman Trust Barometer. General population, India. Journalism is an average of traditional media and online-only media. Platforms is an average of search engines and social media.
Data sources in WPT 2018:
World Bank (217 countries); PwC (53); Chartbeat (242); Zenith (81); Ipsos (63); WAN-IFRA member associations (30), WAN-IFRA Outlook (63).

Additional data from 2018:
Edelman Trust Barometer, International Monetary Fund, International Telecommunications Union.
1. REVENUE
The Bottom Line
Newspaper primary revenue streams, billion USD

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>PRINT</th>
<th>DIGITAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$153</td>
<td>billion USD</td>
</tr>
<tr>
<td>DOWN 2%</td>
<td></td>
<td>COMPARED TO THE PREVIOUS PERIOD</td>
</tr>
<tr>
<td>2017</td>
<td>$150</td>
<td>billion USD</td>
</tr>
<tr>
<td>DOWN 4.4%</td>
<td></td>
<td>COMPARED TO THE PREVIOUS PERIOD</td>
</tr>
</tbody>
</table>
Global primary newspaper revenue sources
Reliance on print still a reality
The shift to **audience-based** revenue continues to outpace ad revenue, but is it enough?

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**Source:** WPT analysis; PwC (Global Entertainment & Media Outlook 2018-2022): 2013-2017, 2018* projected
2. READER REVENUE
Global print circulation stable, digital audiences continue to grow as more publishers connect directly with audiences.

Source: Global print and digital circulation: 000s of units (indexed at 2013 = 100)
Analysis of data provided by PwC (Global Entertainment & Media Outlook 2018-2022)
India print circulation falls 20%

Anomaly?  Year-on-Year development 2016-2017

Source: RNI
Digital circulation revenues shoot up as more users pay directly for digital content

2013: index 100

Indexed at 2013 = 100. Source: Global print and digital circulation: US dollar millions (indexed at 2013 = 100)
WPT analysis of data provided by PwC (Global Entertainment & Media Outlook 2018-2022)
Digital circulation revenues continue to climb
US dollar millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Digital circulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1748</td>
</tr>
<tr>
<td>2014</td>
<td>2502</td>
</tr>
<tr>
<td>2015</td>
<td>3084</td>
</tr>
<tr>
<td>2016</td>
<td>3765</td>
</tr>
<tr>
<td>2017</td>
<td>4458</td>
</tr>
</tbody>
</table>

+18%

WPT analysis of data provided by PwC (Global Entertainment & Media Outlook 2018-2022)
Report reveals best-practice in retaining subscribers

WAN-IFRA recently published this report, talking to numerous publishers around the world who are turning their focus to retention of digital subscribers.

wan-ifra.org/reader_rev_report
3. ADVERTISING REVENUE
Global advertising expenditure keeps rising

Newspapers’ share of ad spend has now dipped under 10%

- Internet: 37.6%
- Outdoor: 6.7%
- Cinema: 0.7%
- Television: 34.1%
- Radio: 6.2%
- Magazines: 5.2%
- Newspapers: 9.5%

Source: Zenith, 2017 (81 countries)
Mobile Advertising Spike

Zenith estimates that mobile will account for 65.6% of internet expenditure and 29.3% of all expenditure in 2020 – more than all the traditional media except television put together.

Source: Global, across 81 countries, Zenith, 2017
The Advertising Revenue Conundrum

REVENUES | ADVERTISING | PRINT / DIGITAL

Digital: +27% 5 year increase
Print: -28% 5 year decrease

Source: Global print and digital circulation revenues: US dollar millions (indexed at 2013 = 100) Analysis of revenue data provided by PwC (Global Entertainment & Media Outlook 2018-2022)
Joining forces

To tackle some of the huge challenges on the digital advertising side, publishers are increasingly joining and forming advertising alliances, as WAN-IFRA reported in one of its most recent research reports. Download it below:

wan-ifra.org/ad_alliances_report
4.TAKEAWAYS
Overall primary revenue streams **contracted by 4.4% (YoY)**

58% of newspapers’ overall revenue comes from **circulation sales**.

Print revenues still account for nearly **90% of overall revenues globally**.

- **$150 billion**
- **58%**
- **90%**

**Digital circulation revenues increased by 18.4%**

**Digital advertising revenues increased by 5.38%**

**Print circulation revenues declined by 3.9%**

**Print advertising revenues declined by 8.3%**
The pace of transformation from print to digital is accelerating

Percentage of overall revenues derived from digital activities

Source: WPT analysis proposed by Prof Castulus Kolo of data provided by PwC (Global Entertainment & Media Outlook 2018-2022)
What is the cost of TRUST?
The impact on trust on the performance of news and the revenues of news media firms worldwide is undeniable.

The greater the trust (Edelman Trust Barometer 2018), the greater the:

- digital circulation figures \( r = .57; p < .001 \)
- print circulation figures \( r = .59; p < .001 \)
- print advertising revenues \( r = .50; p < .001 \)
- print circulation revenues \( r = .44; p < .01 \)
- digital advertising revenues \( r = .24; p < .05 \)

Sources: PwC (Global Entertainment & Media Outlook 2018-2022) and Edelman Trust Barometer 2018; Analysis: Pearson’s r correlation (\( r > .5 \) = strong correlation). Significance (\( p < .001 \) means a 1 in a 1000 probability that these results could have been achieved by chance.)
Regulation of media and technology firms may be inevitable, but the wrong regulation will impact the performance of everyone.
DETAILS OF WORLD PRESS TRENDS are available on www.wptdatabase.org
THANK YOU!

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WAN-IFRA leads the global conversation that matters for the future of independent news publishing

MEDIA FREEDOM
Protect the rights of journalist to operate free media

MEDIA SUSTAINABILITY
Provide our members with professional services to help their business prosper

MEDIA INNOVATION
Bring the outside in, looking beyond what is already known