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**INTERNET OPPORTUNITY KNOCKING ON THE NEWSPAPER DOOR:
Scarborough Research Reports Increase in Newspaper Website Audience;
Content and Strategic Promotion are Keys to Online News Success**

NEW YORK (February 20, 2008) – Scarborough Research, the newspaper audience ratings service, released the results of a special analysis of newspaper website audience. The study included a trend of newspaper website audiences among the top 50 local markets, as well as interviews with newspaper executives about their websites.

Scarborough found that newspaper website audience is growing and is compensating for some of the declines in print readership. The special analysis, which examined data collected August 2004-March 2007 for 88 newspapers in the top 50 local markets, found that newspaper website audience coverage has grown 14 percent– from 6.4 percent for the 12 months ending September 2005, to 7.3 percent for the 12 months ending March 2007. Overall, the increase in website audience is mitigating print audience losses by 28 percent.

“The Internet has injected new life into an industry that has been battling declining audiences for decades. There is a new era of *opportunity* knocking at its door -- one that did not exist previously,” said Gary Meo, senior vice president, print and digital services, Scarborough Research. “Newspaper websites, together with other products such as free daily papers and various niche publications, are part of a powerful advertising portfolio.”

Scarborough interviewed select newspaper executives about their websites, and found several common themes for website success: a commitment to localism, developing unique and interactive content, and relentless cross-promotion. In recapping these, Mr. Meo said: “Local content is the newspaper’s franchise, in print and online. This analysis shows that successful web sites are doing a great job of leveraging local content and attracting online readers with blogs, videos, podcasts, user generated content and other tools that enrich the online experience. Relentless promotion is another attribute of

successful newspaper web sites. These appear to be the ingredients that help propel online audience growth.”

Given the duplication between website and newspaper readers, advertisers can also leverage the beneficial impact increased website audience has on impressions and frequency in media plans. Seventy percent of newspaper website visitors also read the printed publication. This underscores the important cross-promotional opportunities newspapers now enjoy. “Newspapers need to get the story out about the value of their website readers to agencies and marketers, especially as the Internet’s role in the marketing mix continues to grow. Brands have new cross-promotional opportunities, as people are interacting with newspapers in multiple ways: reading the printed publication, visiting the website, and using other products like free dailies or niche publications.” Mr. Meo continued.

The Scarborough analysis also found that newspaper websites are delivering younger, more elusive audiences, particularly in the coveted 18-34 year old demographic. “Website exclusive” readership among adults ages 18-34 increased 21 percent (from 2.4 for the 12 months ending September 2005 to 2.9 percent for the 12 months ending March 2007). “Website exclusive” readers are those adults who visited the newspaper website but did not read the print edition during the past week.

Newspaper website readers are also increasingly wealthy and educated. The percentage of exclusive website readership among adults with annual household incomes of \$75k increased 33 percent (from 2.4 percent for the 12 months ending September 2005 to 3.2 percent for the 12 months ending March 2007). Exclusive website readership among adults with a with college degree or greater increased by 16 percent (from 3.1 percent for the 12 months ending September 2005 to 3.6 percent for the 12 months ending March 2007).

Some of the findings from the special Scarborough newspaper audience analysis will be highlighted by Bob Cohen, President & CEO of Scarborough Research, at the NAA Marketing Conference on February 25 in Orlando, FL, during the panel discussion, “Driving Revenue: The Big Picture of the Audience-FAX Initiative.” The panel takes place

during the general session which begins at 9:30am. Other Scarborough presenters at the NAA Marketing Conference include:

- Gregg Lindner, Executive Vice President, Research and Operations, is a panelist in the session, “Survey Research and Cell Phone-Only Households” (Feb. 24 at 12pm)
- Gary Meo, Senior Vice President of Print and Digital Media Services, is a panelist during the session “Print-The Growth Medium (Feb. 26 at 2:15pm) and also, “Why Our Online Audience is Worth Your Advertising Investment,” on that same day at 3:45pm.

About the special analysis

All data in the analysis is from Scarborough’s local market studies. Newspaper websites included have a local market penetration of 1% or greater (meaning that at least 1% of their market visited the newspaper website during the past week). A total of 88 papers in the top 50 local markets qualified. The timeframe for data collection was August 2004 – March 2007 (Scarborough Local Market Studies, Release 2 2005 through Release 1 2007).

About Scarborough Research

Scarborough Research (www.scarborough.com, info@scarborough.com) measures the lifestyle and shopping patterns, media behaviors, and demographics of American consumers. Products and services include the Media Rating Council (MRC) accredited consumer insight studies in 81 Top-Tier Markets, and a Multi-Market Study. Scarborough Research also has Scarborough USA+ (a national database), Hispanic studies, and custom research solutions among its service portfolio. With more than 30 years of experience, Scarborough measures 2,000 consumer categories and serves a broad client base that includes marketers, advertising agencies, print and electronic media (broadcast and cable television, radio stations) sports teams and leagues, and out-of-home media companies. Surveying more than 220,000 adults annually, Scarborough is a joint venture between Arbitron Inc. (www.arbitron.com) and The Nielsen Company (www.nielsen.com/).

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