

Topic: Effects of Online Advertisement towards Newsprint Advertisement: A Case Study of Star
Online and Star Newspaper

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Acknowledgments

Abstract

This thesis has been written to explore effects of online advertisement toward newsprint advertisement. Emphasis will be laid on a case study of *Star Online* and *Star Newspaper*, which are the leading English news media in Malaysia. Newspapers, whether print or online, are major and key advertisement preferences for products particularly owing to their wide readership. Circulation and accessibility of these advertisement media are focused on, with recommendations on ways and means of ensuring increased readership and access. Key measures toward choosing an effective newspaper medium through analysis of advantages and disadvantages of each medium has been explored.

The thesis has also presented a practical case of *Star Online* and *Star Newsprint* as a guide to future advertisement decisions for the marketing industry. The first part of this paper is a guideline for conducting the investigation. Part two is a review of literature on the topic and includes key recommendations. However, this research is not conclusive of this topic, and any future research should tackle issues not addressed in this paper.

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CHAPTER 1: INTRODUCTION

Advertisement is a business term used to refer to any form of paid announcement offering goods or services through various medium including newspapers, television, magazines, radios, and on the internet. Advertisements can either take the form of print advertising through newspapers, magazines, brochures, and fliers or in non-print form such as those found in television, radio, video, and internet. The key purpose of advertisements is to bring to the attention of potential customers the existence of a new product or service. A good advertisement should be able to persuade the potential customers to purchase and keep them motivated to do a certain action (Tolani, 2010).

While the function of advertising has not changed from the act of influencing the decision of a potential customer, the form of advertisement has gradually evolved with new advertisement media emerging. Radio advertisement emerged with the coming of radios in the 1920s. The number of people who owned radios increased to about 82% by 1940. However, television was introduced in the 1950s, and was soon a common appliance in almost all households. This resulted in the increase of television advertisement expenditure to nearly \$1.5 billion by 1960s. Outdoor advertisement can be traced back to the post World War era to the American Safety Razor Company in 1925 when it advertised a brushless shaving cream on a mega billboard (Tolani, 2010).

The advent of video cassette recorders saw a new trend in advertisement during the period between the early 1980s and late 1990s. The video cassette recorders became very popular with viewers, but video advertisement met a major hitch as viewers easily fast-forwarded

through advertisements while watching tapes. This compelled firms to resort to product placement in which their products were used in television shows and films.

The latest media development in this field is the use of internet for advertising. There has generally been an increase in computer ownership and the use of internet has rapidly grown. It might not be easy to predict the advertisement media that will be widely used in the future. However, it is an open fact that advertisements will continue to improve and strive to become more useful to businesses and to the consumer (Tolani, 2010).

Entrepreneurs and business managers are faced with the challenge of making a choice for an advertising media on a daily basis. This is because the success of their establishments greatly depends on the ability of the entrepreneurs and managers to create product and service awareness, build their firm's image and reputation, and generate sales leads and revenues. These efforts can only be realized by the use of newspaper and magazine advertisements, radio advertisements, television advertisements, outdoor advertising, web advertising, among many other advertising media. What will determine the final medium choice may vary from one business to another and the various factors that are in play toward meeting the specific business objectives (Patsula Media, 2007).

Irrespective of the medium of advertisement that a business chooses to use for its products and services, it is important to note that both the print advertising and online advertising are highly necessary, given that the approaches toward both, the purposes, and even the audiences are very different. It is not very advisable to consider one of these media as more effective than the other on mere basis of seasonal variance because either may overtake the other at some give time. A good number of people also have access to both sources and this makes it

important for entrepreneurs and business managers to give due consideration to both (Web Windows, 2010).

Thesis Statement

Given the increased growth of information that is available over the internet and the subsequent increase in the number of people who tend to spend more time on the internet, companies are turning to advertise their goods and service online so as to capture this newly generated market. Emphasis has thus shifted to the possible effects that this emerging trend of online advertisement may have on newsprint advertisement, both in popularity and advertisement revenue.

Statement of the Problem

Advertisement plays a very important function in the trading processes as it is the only means through which a business can bring to the attention of the consumers about their products, introduce a new product in the market or promote the sales of an existing product or service. All these are core activities—without which, a business setup cannot effectively compete for customers in the already-crowded market. Though there are numerous media through which a business may place its advertisements, the most commonly used medium is the newspaper because of its wide readership and circulation. With the advent and advancement of technology, newspaper publishers have embraced information technology to an extent of presenting their publications both as newsprint and online versions.

This advancement means that entrepreneurs have the option of choosing which version of a newspaper through which to place their advertisements. This will mainly be determined by an entrepreneur's own evaluation of the medium that will best suit the business needs. Lately, there

has been growing debate about the popularity of online newspaper and newsprint. This debate cannot escape the attention of entrepreneurs who significantly rely on these news media for their advertisements. There is general consensus that online versions of newspapers are gaining popularity among readers worldwide. Could this increasing popularity and, to some extent, translate into increased preference by entrepreneurs to place their advertisements online instead of the newsprint version of newspapers?

Background of the Problem

Given the central role which newspapers play in the advertisement of goods and services by businesses, it is only important that entrepreneurs give special attention and critical evaluation on the volume of readership and scope of circulation of both the online version and newsprint version of newspapers. This would mean that new considerations are factored in when making a choice for advertisement media by business contrary to previous emphasis that focused only on readership and circulation. Ability to access an advertisement by potential customers is a major concern that attracts heated boardroom debates in companies, particularly due to intense competition for the crowded market.

The significance of an advertisement media with regard to scope of outreach means that both entrepreneurs and advertisement agencies have a responsibility to adopt the use of advertisement media capable of optimizing market outreach for a product or service. Key aspects for consideration with regard to choice of advertisement media are mainly in areas of target audience and access. These entail considerations of readership and circulation which would ensure that an advertisement reaches the highest number of target audience within the shortest duration possible and draws attention in the most appropriate way.

While many entrepreneurs are coming up with several measures of ensuring they significantly save on advertisement costs for their products and services, advertising agencies are of the opinion that optimizing market outreach can best be achieved by choosing a media with huge readership and wide circulation. Key areas suggested by advertisement experts include impact and ability to attract attention among other advertisements. When due consideration is given to these two aspects, an advertisement media will be able to achieve market outreach by approximately 70%, which is equivalent to nearly 5% of the total product market in a crowded environment.

It is generally agreed that upgrading of newspapers to online versions can help to significantly improve their readership and accessibility, translating to wider market outreach for online advertisements. Such advancement in technology has for long been credited as significant part of increasing readership, expanding circulation, and making lasting impact in advertisement. The most remarkable gain for online advertisement can be attributed to the increase in number of people owning computers and therefore spending a lot of time on the internet unlike the numbers of people buying newsprint and the time they spend reading it.

Justification for the Study

Effects of online advertisement toward newsprint advertisement are a welcome topic at this time when there is growing concern that newsprint advertisement is becoming less and less effective in an environment where consumers are increasingly getting their information online and from other non-traditional sources. This belief has also drawn a lot of objection from newspaper advertisement sales agent who insist that newsprint advertising is more effective than online advertising. To them, newsprint advertising is tangible, making it possible for a potential

customer to clip it out, hold in the hand and carry to the store unlike online advertisements, which is only visual. Though online advertisement can cost a business slightly more, it is becoming more popular with consumers and can thus not be simply brushed off. This calls for a strategy that will ensure that this advertisement medium is embraced without jeopardizing the profits of a business.

Deficiencies in the evidence

The choice of an advertisement media that an entrepreneur or a business opts to use for its products or services are mainly determined by size of business and the target audience—whether they are other businesses, youth, elderly, men or women. The access to an advertisement by these groups of persons is quite varied as all of them have their own preferences of media choices. The youth may be found of internet while the elderly may be accustomed to newsprint. While online advertising may make a big impact among the youth, it may not necessarily do the same with the elderly or housewives.

The size of a business will also play a big role in the choice of advertising media. For example, small businesses may not have all the money to invest in certain media which are considered expensive and are therefore a preserve for big businesses. Advertising is an expensive venture and may not be appealing or affordable to all entrepreneurs. This means that the choice of a media may not necessarily be determined by its effectiveness but rather by the investment capacity of any given entrepreneur. Evidence obtained for this study will thus be influenced to a greater extent by individual entrepreneur considerations and not necessarily by the popularity of any given media.

Definition of Terms

Advertising Media: refers to means by which an advertising message is carried to potential customers and includes television, radio, internet, magazines, newspaper, and signage

Online Advertising: refers to advertising that is done over the internet

Newsprint Advertising: refers to placing advertisements on a newspaper

Purpose of the Study

The purpose of studying effects of online advertisement toward newsprint advertisement is to:

1. Ensure that entrepreneurs are provided with ample information regarding the various advertisement media to enable them make informed choices
2. Ensure that myths revolving effectiveness of either newsprint advertisement or online advertisement are eliminated and substituted with live statistics
3. Ensure that advertisement agencies are able to adjust their media in a manner that will enable businesses reach their target audience in the most effective way and at the least cost possible
4. Ensure that recommendations are made that would help entrepreneurs make a choice on the most effective media for their advertisements.

This study is significant because it would help in ensuring that useful information is made available to help entrepreneurs with their advertisement decisions, particularly those focusing on newsprint and online advertisements. It will also ensure that advancements in technology are

embraced and advertising services evolve to best meet the opportunities and challenges of the future with regard to market outreach.

Hypotheses

The following hypotheses were tested in this study:

1. H01: Advertising plays a central role in business success.
HA1: Advertising does not play a central role in the success of a business.
2. H02: Most businesses advertise on newsprint media.
HA2: Most businesses do not advertise on newsprint media.
3. H03: Most entrepreneurs prefer to use online advertisements for their products.
HA3: Most entrepreneurs do not prefer to use online advertisement for their products.
4. H04: Newsprint advertising is more effective than online advertising.
HA4: Newsprint advertising is less effective than online advertising.
5. H05: Online advertising is the future of product advertisement.
HA5: Online advertising is not the future of product advertisement.

Summary

The shift in focus by entrepreneurs and businesses to put more attention on online advertisement instead on the traditional advertisement media is broadly seen as one of the main steps toward technological revolution of the advertising industry. This would go a long way in realizing wider market outreach and increased sales for businesses and publishers who embrace the internet for their publications. This, in essence, would mean increased readership for online version of newspapers, translating into bigger profit margins.

This study has been designed to explore various modes of newspapers as major advertisement media which can be used by entrepreneurs and businesses to advertise their products and services. Special focus has been given to *Star Newsprint* and *Star Online*, which are Malaysia's leading English publications. Chapter two of this work is an extensive literature review on matters relating to online and newsprint publications as well as online and newsprint advertisement. Chapter three is an outline of data collection and treatment while chapters four and five respectively present findings and discussions. Chapter six outlines major conclusions and recommendations.

CHAPTER 2: LITERATURE REVIEW

Introduction

Newspapers have conventionally played a very significant role in the advertisement of goods and services. This has been mainly attributed to their wide readership and circulation since they can be easily obtained, from the nearest street vendor to the biggest shopping mall in the biggest city. The readership of newspapers also cut across all ages, sexes, and social classes as they normally publish articles that would be useful to all these category of persons in one way or the other,. Newspapers have for long dominated the advertisement scene due to the low costs involved as compared to other advertisement media. Newspaper comes either as newsprint or online. Newspaper publishers have lately resorted to the two kinds of publication to meet the various demands of different readers (Mutter, 2010).

The introduction of online version of newspaper has seen a significant drop in the readership of the print newspaper, and this trend is projected to continue into the future. This scenario which is almost inevitable and probably irreversible is generating big concern on the future of printed newspaper as well as newsprint advertisement. The printing of newspaper remains very important for publishers since it is responsible for the biggest volume of revenue for publishers, contributing nearly 90% of the total revenue for a newspaper company. Analyst are quick to point that any attempt to rid of print newspaper would simply through publication companies out of business since the advertising revenue will almost drop to 5%, if not zero (Mutter, 2010).

However, the continued survival of print newspaper will to a great extent be determined by consumer demands, good state of an economy, and the interest of marketers to use newsprint

advertising. It is predicted that with the diminishing economic prospects declining advertising revenue, there is a high possibility of a major drop in consumer demand for print newspapers. This is based on the fact that close to half of print newspaper readers are aged population who are statistically likely to pass out with time. The younger population is not found of print newspapers, and this habit will probably accompany them to old age. Unless this readership habit of the younger population changes, it is quite evident that the print newspaper readership will continue to shrink as the aged population slowly makes their exit, leaving the younger population that has already formed a habit of not reading the print newspaper (Mutter, 2010).

Evaluation of Print Newspaper

Print newspaper has conventionally been associated with a number of advantages, which have probably made it very popular. It is generally agreed that print newspapers have loyal readership, which makes it a powerful advertising tool as compared to internet. Print newspaper is considered very effective when a particular geographic area is being targeted; for example, when you want to notify people of about a forthcoming sporting event. For those who have information to convey, print newspaper is more flexible in terms of space as one is able to determine the size that would best suit his/her needs. Certain print newspapers enjoy many loyal fans, thus increasing their readership (Lad, 2009).

On the other hand, print newspapers have certain disadvantages. Print newspaper generally has limited lifespan, meaning they are only available to the public for a single day after which they are withdrawn from sale. Print newspaper may not give a wide reach as compared with internet that has a global audience. Print newspapers have the limitation in terms of the

audience who may actually read it, and certain copies may actually not be available on demand at all times (Lad, 2009).

Evaluation of Online Newspaper

Online newspapers tend to offer information to the reader much more quickly as compared to the print version. The online version is always available on the internet before the print version is on the streets. Online publications can normally be updated several times in a day with the latest news and happenings. Moreover, while print version is purchased, online newspapers are accessed free of charge. This makes it possible for a reader to use a wide spectrum of newspapers possible. Online versions enable users to make use of links to divide large units of information into more easily digestible portions, and to search information in the newspaper is also automated. Readers of online versions are able to archive articles on the computer, contact editors via e-mail, and use interactive games (Lad, 2009).

The disadvantages attributed to online versions included the fact that they do not give detailed reports on all the subjects and tend to omit several sections found in the print version. This limits information available to the online reader. Reading from a computer does not convey the traditional experience of reading a newspaper, which is a key characteristic of print newspaper. During peak times when several users are scrambling to access news, the download times are very long. Online newspapers are characterized by so many links which are quite confusing instead of being useful, particularly the amount of research necessary and the need to constantly check the link address. One gets tired looking at the computer screen and it may take time to get used to them (Lad, 2009).

Case Study: *Star Online and Star Newspaper*

The Star is one of the leading English language newspapers in Malaysia. The statistics issued from the Audit Bureau of Circulation indicate that the print version of this newspaper has a daily circulation of nearly 950,000 copies while the *Sunday Star* records a readership of nearly 850,000. The publication is mainly owned by the Malaysian Chinese Association. The main competitors of this publication are *The Sun* and the *New Straits Times*, which are also published in English. *The Star* newspaper traces its history back in 1971, when it was first published as a regional newspaper in Georgetown. By 1976, the newspaper had gained national circulation in Malaysia, and established its headquarters at the country's capital, Kuala Lumpur. The growth in business saw the company relocate to Petaling Jaya, where it is currently based (Star Publication, 2009).

The company's print newspapers, *The Star Daily* and *The Sunday Star* are published in five different editions. Two of the editions cover the northern peninsular states of Penang, Kedah, Perlis, Kelantan, and Perak. Two other editions cover the larger country. The *Star Daily* is divided into sections consisting of the Main Paper, StarBiz, StarTwo, Star Metro, and classified section. The features of the Main Paper are predominantly local and international news. The StarBiz is mainly concerned with trade and reports on market trends, financial reports, and stock market updates. On the other hand, Star Two mainly feature articles on entertainment, environment, science, lifestyle, and fashion among several others. Lastly, the content of Star Metro is varied and tends to focus more on the area of circulation (Star Publication, 2009).

The continued demand by the publication's readers saw the emergence of *The Star Online*, which is an internet version of *The Star* newspaper. This was in response to the persistent

demand for an online version of the newspaper, and it finally made entry into the market in 2005. The company prides its strengths as a newspaper on the cornerstones of internet and media ventures. The *Star Online* and its many components are produced, managed, developed, and contributed to by the Star Division, The Star Online and Multimedia Newsdesk teams of *The Star's* Editorial Department (Star Publication, 2009).

Newsprint Advertisement

Advertisement can be traced to the emergence of trading activities from very early days as evidenced by archeological artifacts drawn from different parts of the world. With the invention of the printing press in 1440 by Johannes Gutenberg who was a German Goldsmith, merchants were able to duplicate advertisements for their wares. By the late 19th and early 20th centuries, newsprint advertising had become the primary means for companies to communicate their sales and promotions to the consumers. This was mainly through media such as newspapers, magazines, fliers, posters, and billboards (Walker, 2010).

Following the invention of printing press, advertisements became a common place in weekly newspapers and periodical journals. The items, which were mainly featured in such advertisements, included new machines, other print publications or reported the discoveries and inventions of the enlightenment era. The first newsprint to offer advertising space for sale was the French publication *La Presse* in 1836. This saw this newsprint being sold more cheaply, hence recorded increased readership and profitability. This move inspired other newspapers and magazines across the world to follow suit in this commercial strategy. In the contemporary newsprint, advertising designers are able to visualize highly creative commercials through digital image manipulation in order to make the biggest market impact (Walker, 2010).

Newsprints still remain key advertisement medium for every business to such a point that it is hard to imagine doing business without advertising in a newspaper or a magazine. This is particularly important for small businesses that can hardly afford other media of advertisement. Paid-circulation newspapers have for long dominated the mass media market for advertisement as reflected in advertisement sales volumes. Newspapers are very popular with both multinational businesses and small-scale dealers. This is probably due to the fact that businesses come in three distinct forms namely local, regional, and national newspapers each targeting different audience according to its scope of circulation (Patsula Media, 2007).

Advantages

There are a number of advantages that print newspaper advertisements have over online advertisements. Print newspapers have very wide circulation as almost every home in the city subscribed to daily access of a printed newspaper. Where the advertisement is intended to reach audience only in a particular geographical region, print newspaper readily permits this. The printed advertisement benefits from both permanence and desired obsolescence. This means that a reader is able to refer back or even cut out a particular advert. Print newspapers have a predictable frequency of publication, either on daily or weekly basis, making it possible for advertisers to target days of wider readership for their adverts (Brassil, 2010).

The immediacy that print newspapers have makes it possible for urgent advertisements to be responded fast, thereby producing urgent results. When deadlines are short, it permits quick responses to changing market conditions. Readers are already accustomed themselves to getting advertisements on print newspapers to an extent that a good number buys print newspapers just to read advertisements. At the same time, print newspaper reading has nearly become a habit for

most people. Specific sector adverts can be very easily placed on the various sections of print newspaper such as sports, news, and classifieds to ensure the target is directly hit (Brassil, 2010).

Print newspapers give advertisers a lot of flexibility both in size and placement. This means that production changes can be easily responded to whenever the need arises.

Advertisements that are placed on print newspapers can be examined at leisure since the exposure is not limited, thus readers are able to take their time going through the message. Since placement on print newspaper can be tailored to a size that suits the budget of the advertiser, it is possible even for small businesses to place their small adverts at low costs. Print newspapers offer wide options to advertisers whether place their advertisements as copy only, copy with graphics, colored, or black and white. Finally, print newspapers features supplements which readers can easily pull out and save (Brassil, 2010).

Disadvantages

Advertising on print newspaper has not escaped its own set of shortcomings. Because of the large number of advertisements which are featured on the newspaper, any particular advertisement must compete for reader's attention. This means that readers who only spend a few minutes reading the print newspaper may fail to capture the advertisement. At the same time, there is hardly a guarantee that everybody who reads the print newspaper will read the advertisements placed in it. This is because a print newspaper has several sections and not all readers read every section of the newspaper. The short lifespan, normally daily, that newspapers have forces advertisers to insert multiple advertisements even for a whole week so as to reach a good number of readers. This may be expensive particularly for small businesses (Brassil, 2010).

Online Advertisement

The revolution in information and communication technology has come with both opportunities and risks for the business community, particularly from the point of view of the traditionally-established media. Internet as a form of computer aided communication is equally unsure for the print media. The technical potential in advertisement that online newspaper offers surpasses that of the printed newspaper in several ways. Online newspaper is interactive multimedia for providing internal and external networks, while offering a selection of functions, possibility for regular updates, access to archives, rapid access to large number of newspapers, and being paperless, thus ensuring there is no problem of waste disposal (Neuberger, Tonnemacher, Bibl & Duck, 1998).

Advantages

The economic constraints that businesses face on everyday basis often leave enterprises with very little money to spare on advertising. This is more common among the small businesses who often find themselves light in the pocket. It is therefore important to opt for an advertisement medium that give optimum output and minimal costs. Online advertisement is generally seen to be complacent in this line than the traditional newsprint advertisement. When online advertisements are on a pay-per-click basis, an entrepreneur only pays when a potential customer clicks on the advert and ends up on the entrepreneur's website. This ensures that businesses only pay for leads that end up in their website as opposed to mass messages in the print newspaper that may or may not reach the target audience. There is therefore maximum return on investment for a business using online advertisement (Rogers, 2010).

Online advertisement also works very quickly given the fact that the day that one gets started is the same day that results manifest. There is basically neither waiting period nor long startup process. Once an entrepreneur is ready to get started, he/she can very easily launch a successful advertisement promotion on a number of channels. This tends to produce quick results and the campaign can also be maintained for a longer period of time unlike print newspapers which have daily lifespan. Online advertisement enables businesses to target their markets more efficiently than print newspapers. This can be achieved through the use of social networks that an entrepreneur considers relevant to the campaign. Once these social networks are identified, a business can dig very deeply into their niche, enabling them to produce the maximum results with very little investment (Rogers, 2010).

Advertising online has the advantage of giving elaborate and thorough statistics that enables a business to tweak and optimize their campaigns to the maximum. This is a total deviation from newsprint advertising when one can do very little to track the success of one campaign as compared to another. Online advertising avails quite a number of information just at a mouse click. With online advertising, an entrepreneur is able to monitor the number of people who visits the business website, where they come from, what they did once they were there, and many other details. Online advertisement also allows full control and analysis since one is able to manage how many times to show up in the search engines, thus make it possible to gain huge returns for the business (Rogers, 2010).

Disadvantages

One key disadvantage that is associated with online advertisement relates to advertising overload as there is incredible amount of clutter on most web pages. This arises from the fact that

every advertiser tries to draw the attention of web viewers, making readers have access to too much information which they can hardly digest. Under these circumstances, the web viewers normally choose to ignore the advertisements and this will lead to low rates of return. Also, online advertisement is still a new concept for many advertisement agencies, which simply cannot tell just yet which advertising method works best (Rogers, 2010).

CHAPTER 3: METHODOLOGY

Introduction

In research undertaking, the methodology section is one of the crucial areas to be tackled in a proposal document because it forms the basis of the results of research findings. A research can be faced with big challenges due to wrong choice of method used. To avoid this, good planning of the method is essential and in order to get reliable results. The issue of reliability establishes that a research should have the ability to show consistency in the results even after a study is repeatedly done by different researchers. Reliability in research study can also be enhanced through good structure of the methodology. When the correct data collection methods are used, proportional samples are collected, and the correct method of analysis is used, a research can achieve validity.

Since this thesis is inductive in nature, it prompted the application of a qualitative methodology. This means that the views of newspaper publishers and advertisement experts have been given a lot of weight. This was done by administering both physical and online questionnaires as well as conducting in-depth interviews—each lasting nearly 45 minutes. Those interviewed had to be newspaper publishers, advertisement agencies, and general newspaper readers in Malaysia who have been in the sector for the last five years. Moreover, at the time of the interview, they were actively engaged in related media and general businesses. This ensured very rich data was gathered from persons with a wealth of experience.

Data Collection Methods

The key purpose of data collection was to ensure that a rich set of description was obtained. To achieve this, the interviews were transcribed in real time by the interviewer. The

responses were then reduced and analyzed by adopting principles of data codification and clustering (Miles & Huberman, 1994). This was supplemented by administration of questionnaires as well as comprehensive review of relevant literature.

Sources

The data gathered for this research is from a wide range of documentary sources relating to newspapers as advertisement medium in general as well as those specifically relating to print newspaper and online newspaper giving special emphasis to *The Star Publications*. These mainly included policy documents and academic and the non-academic documents. First, journals on newspaper advertisements were searched. Second, electronic databases were searched using key words like ‘newsprint advertisement’, ‘online advertisement’ ‘real The Star newspaper’ and ‘effects of online advertisement on newsprint advertisement.’ Literature review included both conceptual and empirical works, with about 15 articles reviewed for this study.

Interviews

The interviews dwelt on the following areas:

- The considerations when choosing advertisement media
- The relationship between newspaper readership and circulation and advertisement impact
- The means of promoting advertisement on both print newspaper and online newspaper so as to enable business reap maximum benefits from these advertisement media
- What the future holds for print newspapers and online newspapers, with emphasis on *The Star Daily* and *The Star Online*.

Questionnaires

A questionnaire survey of the newspaper publication sector was conducted to understand the aspects of print newspaper and online newspaper advertisements in Malaysia. The survey was explanatory in nature as the objective was to gain insight on the effects of online advertisement on newsprint advertisement. The questionnaire was administered to nearly 100 Malaysia entrepreneurs, 100 *Star Publication* readers, and over 100 advertisement experts. The set sent to the entrepreneurs and advertisement experts included a cover letter, which explains the purpose and need for the study, the questionnaire document, and a prepaid reply envelope. Letters reminding the respondents of the questionnaires were later sent to those who had not responded within the three weeks duration.

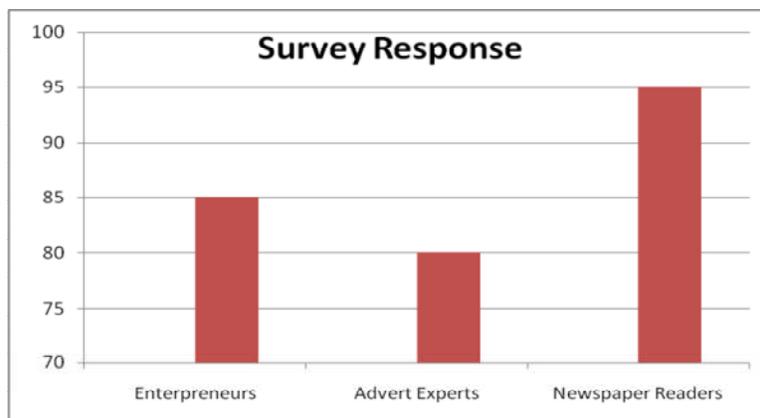
Case Study

This thesis involves classical use of case studies to gain a deeper insight through the application of a set of ideas. A multiple case study approach helps in developing a theory which is better grounded, more accurate, and more generalized (Eisenhardt & Graebner, 2007). Case studies are introduced to test the possible effects that advertising in online newspapers could have on advertising on print newspapers, and the users' adoption of one over the other. The use of case study is important in practical testing of theories with practitioners in real life situation. The case study organizations are selected based on the idea of theoretical sampling. This is because when it comes to building a theory, theoretical sampling tends to be preferred as compared to generalized concept found in statistical studies. This means that the cases are chosen for theoretical and not for statistical reasons (Schroeder, Linderman, Liedtke & Choo, 2008). An analysis has been developed on how the use of online advertisement is steadily gaining popularity among entrepreneurs in Malaysia, and particularly the use of *The Star Online*.

Survey Analysis

From the nearly 100 questionnaires that were mailed to entrepreneurs, 85 were returned. This represented an 85% response to the questionnaires. However, those that contained usable data were only 70, thus a satisfactory response rate can be said to have been reasonably attained. From the 100 questionnaires administered to advertisement experts, 80 were duly completed and handed over. From these about 74 contained usable data representing nearly 80% response rate which can be considered satisfactory. Ninety-five out of the 100 readers of both versions of *The Star* duly responded to the questionnaires and all had useful data.

Chart 1



Treatment of Data

In research, the data collected need to be synthesized in order to make sense with regard to what is being studied. The data from the questionnaires in this research were analyzed extensively to retrieve the information contained in them (Zikmund, 2003). The triangulation method for data analysis and interpretation was used to interpret the data collected, basing arguments on grounded theory (Dick, 2000; Knafl & Breitmayer, 1991). In addition, the information obtained from the case study were analyzed individually and thereafter, a comparison was made between the different data sources.

Research Limitations

The main limitation that may be pointed out in this research is the use of a single case study. However, it is also true that online advertisement is still a recent concept that has not gained much popularity among entrepreneurs. At the same time, the single case approach has weight in the sense that it allows the achievement of a comprehensive analysis. Some of the information have also not been validated through multiple case analyses so as to provide a solid and practical basis for understanding the effects of online advertisement on newsprint advertisement.

Rigor, Validity, Reliability, and Ethics

The four categories of quality management in research were highly considered. These include validity, reliability, ethics, and rigor (Zikmund, 2003). Reliability of a research is its ability to demonstrate consistency in results; this was achieved through the control of sample by stratifying the population to get a more representative sample. On the other hand, validity is the ability of a scale to measure what it is intended to measure but not going beyond the topic of the study. The triangulation method was used to control this aspect in the thesis. Ethics involves adherence to the norms accepted in gathering of information and this has been ensured by providing secrecy on the information collected from the entrepreneurs. Lastly, the rigor of the research was directed toward efficient sample size in a critical facet in any investigation. The main purpose that a researcher utilizes a sample is to reduce the charges and to collect important data faster (Zikmund, 2003).

Human Rights Protection

The people who were interviewed were assured of their confidentiality. In addition, the information gathered ensures the people's privacy. The entrepreneurs and their businesses will have their rights protected.

Research Schedule/Timeline

This research took a period of eight weeks. This is considered an ideal timeframe given the busy schedule of some of the subjects who were to be interviewed and have granted appointments at later dates. A detailed summary of the work plan for the research has been tabulated below:

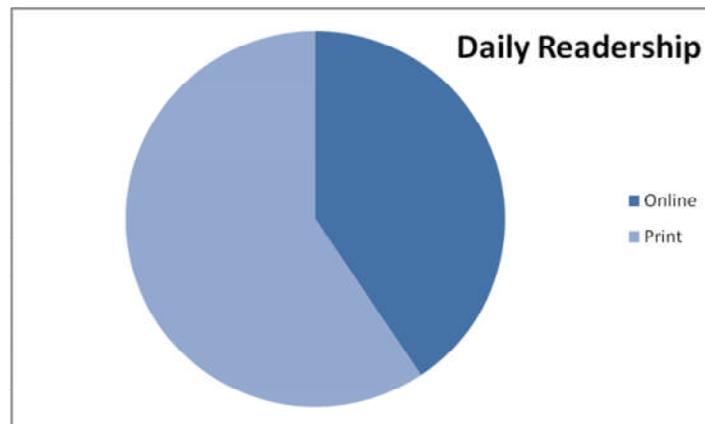
Table 1: Work Plan

Week 1	Research proposal
Week 2	Preliminary literature review search
Week 3	Literature review and writing
Week 4	Interviews
Week 5	Case study collection
Week 6	Interview editing, coding and interpretation
Week 7	Report interpretation
Week 8	Report writing and presentation

CHAPTER 4: RESULTS

Research findings indicate that *The Star Online* is not yet well explored as regularly as *The Star Daily* print version. According to the survey, only 41% of the users of *The Star Online* read it daily, as opposed to the 60% who read *The Daily Star* daily.

Chart 2



Seventy percent read *The Star Online* edition several times a week, while 80% read *The Star Daily* several times a week. Only 5% of online users say they never read a print version. Online newspapers are read less frequently and also for shorter periods than printed newspapers. Four out of five users (81%) spend less than an hour reading *The Star Online* on days when they read it. Only 35% of print readers spend such a short time on it.

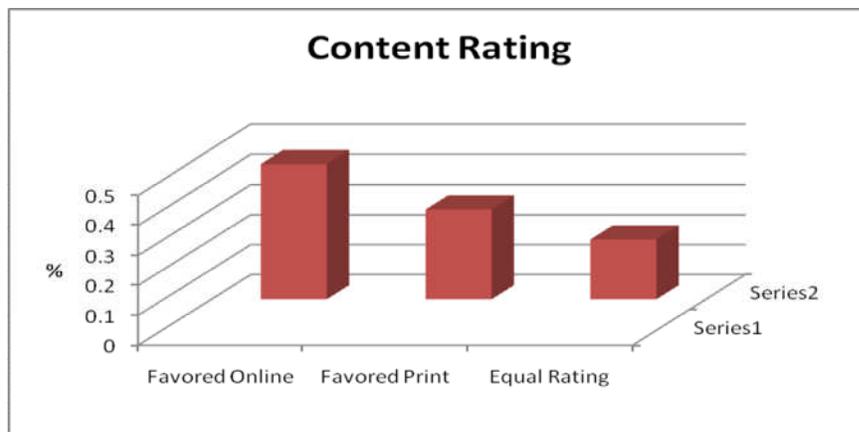
About one-third of the readers of both *The Star Online* and *The Star Daily* were unwilling to pin themselves down to a particular time of day for reading the paper. One in four (25%) said they read *The Star Daily* between 5 and 9 a.m. The main time for reading *The Star Online* is around 6 p.m. (38%)—this is the time preferred by users of the online edition, which can be read

on the evening before the printed version appears or which are updated several times in the course of the day.

In *The Star Online* version, the classic sections of the newspaper are the most frequently used. The section Local News is also highly popular. One in three readers of the online version uses the archive frequently (32%) and only about one-third of users did not read the small ads (37%). Items with entertainment value or with feedback possibilities were not very popular. Clear differences emerged between the different kinds of versions, and this only shows that preferences are transferred from the print media to their online equivalents. Proof of this is the strong interest in Local/Regional Affairs of Internet users of local and regional newspapers or the importance attached to up-to-date information on politics and business matters.

A number of questions dealt with the comparison of the information content of *The Star Online* compared with *The Star Daily*. Compared with the print version, the online newspaper was rated 45% of the respondents as providing more expanse of information, while only 30% voted in favor of the print version on this criterion; 20% rated both versions on this count. The smaller size of *The Star Online* compared with *The Star Daily* may be the reason that the print newspaper was rated by considerably more respondents as providing greater scope of information.

Chart 3



Regarding finding information in the paper, the position is more positive for *The Star Online*: 50% of users stated that they could find their way around just as well as in *The Star Daily*, while 20% were able to find their way around the online version better. With regard to entertainment value, 40% of users found *The Star Online* just as good as print version, 35% of users rated print version better and 27% favored online version.

What about reader loyalty? About 65% would have chosen *The Star Daily* and just fewer than 30% would have preferred *The Star Online*, if only one of the versions had been available. The decision in favor of the print version was based on its portability, while the advantages of the online version were seen as being its accessibility from outside the normal circulation area and the avoidance of unwanted paper. The main advantage, however, in the eyes of the respondents was that online newspapers are normally provided free of charge. It is therefore not surprising that only 35% of users would be prepared to accept a charge. Out of these, 80% stated that they would only be willing to pay for online newspapers if they were cheaper than print newspapers. Only 1% of those users willing to accept a charge could imagine paying more for online newspapers. Apparently, then, users are not willing to pay for the advantages of online newspapers.

CHAPTER 5: DISCUSSION

The case study of *Star Publications* shows that online newspaper users base their activities and/or expectations on the print newspaper and use or design their product accordingly. The online user knows what to expect of a site as the online version retains the name of the printed version, use a similar layout, and similar contents. Moreover, the positive image of a paper can be transferred to the internet. On the other hand, too strong orientation toward the printed original could mean that the possibilities offered by internet technology are not fully exploited—that copy is simply lifted from the printed version.

Given such trends toward the future consumption of newspapers, it is clear that online newspapers are steadily taking over the readership of print newspapers. This has the potential of influencing the choices of advertisement media, which entrepreneurs will be making regarding print newspapers or online newspapers. The concern for newspaper publishers would be about the timeframe for which their print newspaper audience would be big enough to justify such huge investment toward publication and distribution of print newspapers. Similar concern would be to entrepreneurs and businesses which still rely heavily on print newspaper for their advertisements. Are they likely to continue using print newspapers for their advertisements or the trend would most likely shift toward online newspapers? The introduction of charges for use seems scarcely possible—at least not as long as the same or similar information is available on the Internet free of charge. The doubts of the advertising industry may evaporate as the Internet becomes increasingly widespread and commonly used (Mutter, 2010).

CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

Major Conclusions

It would be quite wrong and misleading to rule out the future of print newspapers as advertising media just because of the increased use of online advertising. The reality is that paid circulation newspapers like *The Star* and *Sunday Star* still remain very popular advertising media for both local and international businesses. Print newspapers are the most aged forms of mass media, and will thus continue to be dominant in this field, recording big volumes of advertising revenue. Multinationals and local convenience store will continue to depend on print newspapers for their advertisements. Print newspapers are found in each and every community worldwide and readers are very fond of them (Brassil, 2010).

Both online and newsprint advertisement have their characteristics which show strong and weak points. This explains why despite the perceived decline in readership of print newspapers, a scan through a print newspaper will reveal a number of businesses that continue to place their advertisements on daily basis. The continued presence of advertisements on newsprint clearly indicates that it still works as a very effective advertisement medium. Although printed newspaper no longer enjoys exclusive monopoly as the predominant source of news, it is clear that they still remain a strong factor in their specific sphere of influence, and online advertisement is not about to edge it out (Brassil, 2010)

Recommendations

1. Entrepreneurs should highly consider using both print and online newspapers for their advertisements since both have reasonable number of loyal readers.

2. When placing advertisements on online newspapers, designers should avoid putting a lot of emphasis on feedbacks since readers rarely give them attention.
3. Advertisements on both versions of newspapers should be critically placed on segments that are frequented by readers so as to attract their attention with ease.
4. Links placed on online newspapers should be more easy to use so that readers can easily navigate through the paper.
5. Most advertisements that target younger persons should be preferably placed on online newspapers while those targeting older people should be placed on print versions.

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APPENDIX**Sample Questionnaire**

1. How often do you read your newspaper version?
2. How many times in a day do you read the paper?
3. At what times in a day do you prefer to read the paper?
4. How long do you spend on the paper at any given time?
5. Which sections of the papers do you frequently read?
6. Do you normally pay attention to the small advertisements?
7. Do you normally respond to advertisements with feedback possibilities?
8. How do you rate the information content between the two versions of The Star?
9. If you had the option, would you prefer the other version to what you normally read?
10. Are you willing to pay for online newspaper?