

India: The global capital of print adex

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WARC

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India has the highest print advertising expenditure in the world and Madison World's Sam Balsara explains why the country's advertisers continue to flock to newspapers even as many other countries have deserted it.

- India's share of print is 21% versus global adex of 4%; China's is zero, and US and UK are 3%, with Germany the exception at 18%.
- Print adex has grown more than 50% in the last 10 years when digital was overshadowing all other media globally.
- Ad space has remained more or less the same, with FMCG, real estate, automobiles and education being the top 4 categories.

This article is part of a Spotlight series on the Print Media in India. [Read more](#)

Why it matters

Growth in print advertising will continue to be low and while Indian advertisers may still leverage it for the quick reach and impact it offers, publishers need to be innovative and take risks with more attractive offerings.

Takeaways

- Print is seen as a more credible source for news than TV and digital, with a relatively low cost of entry compared to audiovisual.
- Print seems to be indispensable when an advertiser launches a new brand/variant/promotion or offers greetings to consumers.
- A significant change over the years is that front page ad space has jumped from 10%-24% on advertisers' desire for bigger impact.

Did you know that whilst Indian advertising expenditure contributes only 1.2% to the global adex, Indian print adex contributes 6% to the global print adex?

Whilst the share of print in global adex is 4%, in India, it is an unbelievable 21% and the subcontinent enjoys the unique distinction of having the highest print adex share of all countries. Contrast this with China where print adex has zero share, while US and UK have about a 3% share. The only exception is Germany with an 18% share for print.

They say there are always two sides to a coin and each side tells a different story. First the bad news. Print adex in 2012 in India was 42% of adex but in the 2022 Pitch Madison Report, it is estimated to be only 21%, although it is not a small figure. It is Rs 20,133 crores and guess what it was in 2012? A little under Rs 12,000 crores. So the good news is that print adex has grown by over 50% in the last 10 years when digital was overshadowing all other media in almost all parts of the world. During the same time, total adex has grown 10 times, thus resulting in halving the share of print.

TABLE 1 – PRINT ADEX INDIA V/S GLOBAL						
Rs. in crore						
Mediums	Global			India		
	2012	2019	2022	2012	2019	2022
Print ADEX	NA	379154	305907	11,970	20,045	18,470
Print Share	NA	8%	4%	41.5%	29.7%	20.6%
India Print Share as % of Global Print ADEX				NA	5%	6%
TOTAL	NA	4563164	7223651	28,854	67,603	89,903
<i>source: Pitch Madison Report 2023 for India figures, WARC for Global figures.</i>						

Strength in numbers

Let's look at the volume of space consumed by print advertisers. It has more or less remained the same. FMCG, real estate, automobiles and education remained in the top four categories, which cannot seem to do without print.

TABLE 2 – PRINT ADEX BY VOLUME

	2012 in CCMs in millions	2019 in CCMs in millions	2022 in CCMs in millions
Total Ad Space	230	239	232
Index	100	104	101
Number of Publications	899	884	837
<i>source: TAM</i>			

The figures by language have not changed much over the decade – Hindi, English and Marathi continue to be the three top languages for advertisers. But one significant change is that space consumed on the front pages has dramatically increased from 10% to 24%, showing the advertiser's desire to make a big impact with print or not use it at all.

A not so surprising fact is that the percentage of space occupied by classifieds and appointments has dramatically come down from 39% to 23% but the contribution of public notices has gone up dramatically from 11% to 31%.

TABLE 3 – PRINT VOLUME BY PAGE

	2012	2019	2022
Front Page	10%	20%	24%
Inside Page	72%	65%	62%
Back Page	17%	15%	14%
<i>source: TAM</i>			

TABLE 4 – PRINT VOLUME BY ADTYPE EXCLUDING BRAND ADVERTISING

	2012	2019	2022
Classifieds	39%	29%	23%
Appointments	13%	10%	11%
Tender	37%	36%	35%
Notices	11%	24%	31%
<i>source: TAM</i>			

From the audited circulation figures provided, I see a rather sharp decline from 4.84 crores a decade ago to 3.35 crores today. Whilst the number of publications covered by this circulation has only slipped marginally, this steep drop may not be an accurate reflection of the true state of affairs since many of my large publisher friends go in and out of ABC (Audit Bureau of Circulations) as it suits them. I will not be able to comment on readership, because IRS (Indian Readership Survey) has still not appeared post-COVID. Hearsay evidence seems to suggest that readership, which had declined dramatically during the early months of COVID, is now almost back to its pre-pandemic level.

TABLE 5 – TOTAL AUDITED CIRCULATION

	2012 (July – December)	2019 (July – December)	2022 (July – December)
Total Audited circulation in crores	4.84	4.74	3.35
Number of certified newspapers plus editions	494	548	460
<i>source: Audit Bureau of Circulations</i>			

So why has India become the global capital for print and what is it that makes our advertisers flock to print, whilst many other countries have deserted it?

- Print gives you instant high reach in a day.
- Print seems to be indispensable when an advertiser launches a new major brand, a new variant or wants to announce a special promotion or offer a greeting to its consumers on an auspicious day. Of course, our government loves print to tout its achievements and flag off new roads, airports and public sector projects.
- Print is recognised by the reader as a more credible source for news than TV and digital.
- Print is generally the entry point for new small advertisers and there are lakhs of them in India, with more appearing every day.
- The cost of entry into print is relatively low, unlike in the audiovisual medium.
- For a TV plan with a high-reach objective, print can add significant reach points by reaching light TV viewers at lower cost.

Making the most of available opportunities

A follow-up question is what print should do to continue the unique position it enjoys in India, compared to the rest of the world.

A long time ago, the ratio between circulation revenue and advertising revenue was 50:50. With a view to dominate the market and increase readership to attract all the advertising, some publications began to alter the ratio until it reached 90:10 in favour of advertising revenue. Publishers must pull back on this ratio gradually to 60:40. Readers must be trained or persuaded to pay for credible news. Profit is for real. Circulation or readership is for vanity. Some regional publications like *Mumbai Samachar* are doing this quite well.

Publishers are not able to give the benefit of their substantial total readership to advertisers since most advertisers take only one or two insertions and thus benefit from only average issue readership. To take advantage of the total reach provided by the publisher, an advertiser needs to take at least three to four insertions.

According to 2019 IRS, whilst the average issue readership for 229 publications is 180 million, the total readership of all these publications is 627 million. This is because all readers don't read the same newspaper every day. To persuade advertisers to take three to four insertions for every campaign, publishers must incentivise them by giving progressively increasing discounts for the second, third and fourth insertion of the same ad. This would persuade advertisers to take more insertions, increase reach of their message substantially and therefore hopefully increase sales, which in turn would lead to higher advertising budgets in subsequent years. This is what I call an upward spiral, which is necessary to keep the publisher and the advertiser growing.

TABLE 6 – AVERAGE ISSUE READERSHIP VERSUS TOTAL READERSHIP

	2019
	Index of Average Issue Readership on Total Readership of select publications
Malayala Manorama	0.50
Bombay Samachar	0.43
Eenadu	0.42
Nav Bharat	0.36
Times of India	0.33
Dina Mani	0.18
TOTAL	0.29
Total Average Issue Readership in millions	180.2
Total Readership in millions	627.0
<i>source: IRS 2019 All India Urban plus Rural – MF 15plus ABC</i>	

Most large advertisers believe that newspapers are too expensive as a medium on a cost per thousand basis to take multiple insertions and newspapers' basic parameters are not suited to brand building. They argue that the audiovisual medium is a far more powerful brand builder that can tug at the consumer's heart, which improves brand message retention.

Yet, there are cases of many local and regional brands that have been built mainly with multiple insertions in print, if not daily, at least weekly or fortnightly. These brands have gone on to be bought up by larger companies, making a small fortune for the promoter. Publishers need to publicise and circulate such case studies among advertisers.

Print in the digital age

The fact of the matter is that every sphere of our lives – personal, professional, business – entertainment is getting digitised at a fast pace. Whilst India was a late starter, it is now leading the world in digitisation in many functions. Hence, the further rapid growth of digital adex is inevitable, though probably at a slower rate of growth

than what we have seen in the last five years.

Our publishers have already done a good job of launching digital versions of their newspapers and many web versions. The time has now come to promote them aggressively, offer a joint package for print and digital, offer digital not on a CPM basis but on the same basis as the print edition, and secure and further build on the brand equity of the newspaper title built over decades. This would also help them retain 100% of what the advertiser pays.

When many print buyers (both advertisers and agency buyers) buy print, they do so on the assumption that anybody who sees the newspaper will see their ad or have an opportunity to see it. Buying it for a selective target audience based on number of impressions does not appeal to them, they will be happier to buy the web version on the same basis. IPL 2023 on connected TV was sold on the same basis as linear TV and it was a commercial success, despite the low reach. Publishers should make available this option to their print sellers to sell to traditional print buyers at agencies. This basis of selling would be more acceptable to the print buyer and the not so savvy advertiser.

Newspapers today are unable to monetise the huge number of impressions generated by their web versions. Whist there is wide variation between Comscore and TAM numbers, even if you take the lower Comscore numbers, they are mind-boggling. Real or not, it is difficult to say. Compared to the reported astronomical number of impressions, the revenue they generate for the publishers is abysmally low. One estimate puts the total revenue gained by newspapers from their digital version at Rs 423 crores, which is a mere 2.3% of print adex.

	Impressions	Impressions	ADEX
	Comscore	TAM	Rs.
2019	2042 crore	10,714 crore	188 crore
2022	4658 crore	61,267 crore	423 crore
<i>source: Comscore and TAM</i>			

I expect print adex in India to continue its low growth trajectory over the next five years as more new advertisers enter the fray and more new brands are launched, especially in consumer durables, auto and services. I would advise advertisers to take an independent decision on when to use print to take advantage of the quick reach and impact it offers and have an independent view of print in the Indian context. Publishers need to get more innovative and bolder, and take risks in making commercial offers to advertisers that they find attractive.

About the author

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Sam has over 50 years of experience in marketing and advertising, with the last 35 being entrepreneurial as chairman of independent communications group Madison World, which offers services in advertising, media, business analytics, out-of-home, PR, retail, rural, activation, entertainment and sports.

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