

# *The Plight and Strategies of Newspaper Industry in Taiwan*

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## **ABSTRACT**

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The newspaper industry is unquestionably ailing globally, circulation and readership are declining, advertising revenues is shrinking. Profound and disruptive market shifts are challenging the newspaper industry in the 21<sup>st</sup> Century, newspaper companies are seeking powerful strategies to keep overall revenue growing. Since the beginning of this Century, huge deficits has occurred in Taiwan's newspaper companies, moribund newspapers closed are common, which succumb to cutthroat competition. This study aims to find out what make the newspaper industry go ailing and the strategies they take.

There are pressures on revenues and profits that seemed more downbeat than before since 2000, most of the newspaper profits remain strong in Europe or America. Nevertheless, they are treading water on operating profit margin in Taiwan. This study categorizes newspaper industry into three dimensions : The newspaper industry's plight and strategies in global , in Taiwan, and the comparative between them. Trying to find out the effective way breaking through the severe situation, and to develop new business model further.

Based on literature review and in-depth interviews, the study concluded in May 2007. There are 18 executive managers of the top 4 newspaper groups and the largest marketing company were interviewed in Taiwan.

Changing circulation patterns and emerging competitors—inside and outside the traditional newspaper industry—are forcing publishers to rethink their approach to how newspapers are brought to market. The study discovered that internet clearly is both opportunity and threat to newspapers. Particularly, newspaper industry in Taiwan succumbed to cutthroat competition on circulation and advertising field, conflict on political position. It makes the newspaper go commercially and unhealthy.

The fate of print newspaper can not be reversible. Newspaper industry is now experiencing a crisis in confidence, no longer fully believing in itself and the viability of what it has to offer - on paper or elsewhere. It may survived after proper positioning and effective strategies making. Newspaper industry in Taiwan confronted

with : 1 、 Seeking the economic model with some strong initiatives that would reduce business-side costs. 2、 Targeting audiences with niche publications and quality content as a way to that the main paper is starting to miss. 3 、 Marketing strategies stress on audiences. 4 、 Making progress toward a whole-hearted commitment to transformative online growth. 5 、 Targeting young adults with free concept, such as online editions and free dailies in the big cities. 6 、 The media landscape has changed forever. For media consumers, digitalization has expanded the daily media usage options. Digitized is the jobs to be done on converge. Newspapers are increasing their reach through the exploitation of a wide range of new distribution channels, ranging from daily free newspapers to online editions. They are proving to be incredibly resilient against the onslaught of a wide range of media competition. 7 、 Newspapers are embracing transformation as a concept. Shaping the future Newspaper industry ought to redefinition. If one thing seems inevitable, it is that the newspaper industry is moving toward a new business model. Innovation strategy is to encourage newspapers to experiment outside of their core news product to compete with cheaper alternatives. "Disruptive" products are proliferating online and as niche publications.

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