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Correlation between the digitalization and the media consumption habits based on international and domestic research result

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Abstract

In this paper we would like to analyze how consumer habits in print media had changed as a consequence of economic events of the past few years and also the influence of the continuous spread of digitalization with the help of primary and secondary examinations in the course of 2011. Our main object was to characterize the global tendencies of media market according to current effects and to recognize the capital direction of the changes onto the future relevantly. During the primary research we used qualitative and quantitative methods: expert deep interviews, focus groups interviews, and standardized questionnaires too. In this study we present the main results of our primary nation-wide survey and the main statement of international secondary research.

Keywords: media consumption habits, digitalization, qualitative and quantitative research

1. Introduction

The actuality of the topic derivers from the opinions of a great number of international researches and experts according to whom the media market is undergoing a substantial transformation. The measure and trends of changes have different characteristics from country to country, however, tendencies seem to emerge on a global scale and have a fundamental influence on the media market and media consumption habits of a country. According to international literature the global economic crisis has had a major impact on the media market: both advertisement and the consumption of media products decreased until 2010. After that this tendency has changed and experts foresee a period of rapid increase. This growth does not affect each and every category of the media pie uniformly. According to international research internet advertising, video games and internet subscription are to grow at the fastest rate on a global scale. The media market is continuously shifting towards digital markets, free and user generated content became dominant and the total revenues from digital markets have been increasing with a speed high above the average. (http://www.nationmaster.com/country/ks-korea-south/med-media).

The loser of the media market is the press market as this segment was most affected by the crisis and also the lowest growth is expected in this segment by 2014. News feed on the internet is one of the "products " that substitutes newspaper. The internet also has its technological and business advantages over print media with its continuous content refresh and spontaneous breaking news without having the publishing costs of printed media. In Western Europe and in the United States some decline is foreseen for this product group. Specialized journals and magazines are published on-line increasingly while the e-version of entertainment and traditional literature still plays a minor and subordinate role. Consumers feel free and comfortable to move in this rapidly changing dynamic media environment The boundaries between categories of the media market are becoming increasingly blurred, thus consumers can easily switch to new channels or media sources more easily. (http://www.emarketer.com/RecentArticles.aspx)

The situation is quite specific on the Hungarian digital media market since the life cycle of the traditional print media has entered its decline stage. As a consequence of the crisis the publishers are suffering a significant decrease of income.

The way out of this situation can be seen in online media and the only problem is that the willingness to pay for (or subscribe to) digital content in Hungary is very unlikely. There are two possible opportunities for the solution of payment for digital content. One of them is reaching a market agreement with internet service providers and the other is the legislative solution.

That is why we decided to analyse the Hungarian media market with the help of primary research methods.

2. Methodological background

The main objective of our research was to analyse how consumer habits in print media had changed as a consequence of economic events of the past few years and also the influence of the continuous spread of digitalization. Our research contains 3 steps:

- Secondary data analysis
- In-depths interviews with experts
- Consumer surveys, within the framework of which qualitative and quantitative research was made.

In this study we would like to show the main findings of the consumer surveys, carried out in the last stage of our research project so we described the methodological background of this stage in details. The first stage of the research study process targeting consumers was a qualitative research, in the framework of which focus group interviews had been conducted. The fundamental goal of the focus groups was to ground the follow-up consumer quantitative research phase for the future and also to outline the topics of the standardised survey.

In the following step we processed 729 assessable questionnaires during the quantitative survey, having realised conscious sample analysis according to quota. The quota frame was compiled on the basis of the data of the Central Office of Statistics' at a regional level according to gender and age.

3. Findings

During the course of focus group research the group members were asked to let us know what media they were using and were also asked about their media preferences in general. According to the results by age distribution there have been substantial differences between the various age groups observed.

The internet turned out overwhelmingly to be the winner as for the youngest respondent age group concerned and also among the 20-30-year-olds, accompanied by print media and television. The media consumption of the 40+ age group is more colourful: their focus and concentration on the internet is not as strong as that of the younger age group. The print media, radio and television were mentioned by more respondents in this age group when compared to the younger age group. At the same time the internet tops as for the majority of the older generation concerned.

Many of the respondents aged 20 – 30 mentioned that apart from on-line reading they also favour browsing print media as well. While the latest news for them means watching them on-line, when it comes to longer news coverage with more serious content they prefer certain print products. Similar replies could be observed from the younger generation, this age group chose the print media not for obtaining information but for leisure and the excitement of reading as such. The consumption of print media in order to obtain information from was not particularly characteristic for the 40+ age group either. In their case the general opinion is that on longer journeys and in leisure time „ with a good print magazine man can relax and unwind."

After analysing the advantages and disadvantages of print media by age groups it can be concluded that the answers demonstrate some differences, overall the following advantages and disadvantages have been mentioned:

Advantages:

- one can touch, paper
- traditional,
- more prestigious
- more credible and verified information
- eye-friendly, offers more aesthetic sensation
- more transparent than the on-lone surface on monitor
- no need for personal computer or access to the internet, easy access. „ Print media can be read anywhere."

Disadvantages:

- costly

- environmentally unfriendly: more deforestation
- slower flow of information
- paper may tear to pieces, can get crumpled, content may become unreadable
- more difficult to archive content.

3.1. Media consumption habits

During the quantitative research we asked the interviewees to describe their present media consumption; how much time they allocate to which medium. (See table 1) The Internet has taken the first place over television, which shows that the role of the worldwide net has significantly strengthened within the media mix. Printed press, however, has been put as last, preceded even by listening to the radio.

Table 1. The consumption ratio of each medium (average value in %).

TV	30,3 %
Internet	37,5 %
Radio	18,5 %
Printed media	13,7 %
Total sum	**100%**

Source: Own survey, 2011.N=729 people

Comparing each pair of media we noticed that, according to interviewees, printed daily papers and magazines were more of a competitive solution against paid online content, as you can see in the 2. Table. The group of print media was only preceded by that of online contents. In the competition of daily newspapers and magazines were preferred.

Table 2. Results of choices between each media pair (in % of references)

printed daily papers	42	<	online free contents	58
printed daily papers	**87**	>	online paid contents	13
printed daily papers	40	<	printed magazines	60
printed magazines	45	<	online free contents	55
printed magazines	**89**	>	online paid contents	11

Source: Own survey, 2011.N=729 people

We analysed media consumption habits in the framework of a list of statements as well. Light was shed onto the fact that subjects only read free internet contents.

In the case of printed media; daily papers and magazines as well; „pass-along" seems great, which does not help the increase of subscriptions.

The list of statements in table 3 also supported the finding that paid online contents did not represent a competitive solution to readers against print media. In the comparison of daily papers and magazines the latter won, so in the case of printed content the findings supported certain expert opinion saying that a pro-magazine process started, which is expected to increase.

Table 3. Assessment of statements related to media consumption habits (in % of references)

Statements	not typical at all	rather not typical	rather typical	Abs. typical	Sam. ave.	Dev.
I rather read the news in printed newspapers than on the internet.	32,6	29,0	14,4	23,9	1,7	1,2
Printed newspapers are expensive.	9,6	26,5	39,4	24,6	2,7	0,9
I only read free content on the internet.	15,5	4,1	18,2	62,1	3,3	1,1
If I had to pay for online content I would chose it against printed press.	51,2	30,7	12,5	5,6	1,7	0,8
I rather subscribe for a newspaper than buy it at a news stand.	41,1	27,2	18,5	13,2	2,0	1,1
I do not subscribe for newspapers because I prefer buying them myself.	26,1	23,7	23,6	26,6	2,5	1,1
I prefer magazines to daily papers.	18,8	22,6	34,7	23,9	2,6	1,0
Several members of the family read the same newspaper.	8,5	9,3	30,0	52,1	**3,3**	0,9
Several members of the family read the same magazine.	8,0	13,6	30,5	48,0	**3,2**	0,9

Source: Own research, 2011. N=729 people

3.2 Findings of media consumption habits according to age group

The expected change of media consumption habits according to age groups we observed that 15-20 year-olds had mentioned in bigger extent compared to the sample and other age groups that they would be reading several daily newspapers in five years' time. 21-25 year-olds stated just the opposite about their daily newspaper reading habits; the ratio of responses was the biggest of who said that they would read less daily papers.

The biggest consumer groups of online free contents seem to be the current groups of 31-40 and 41-50 year-olds; the members of these two groups said in biggest numbers that their costumer needs would increase for these contents. Above 50 year-olds are also becoming more open towards free online contents, which cannot be said about those of over 60s.

The most susceptible group to paid online content is that of today's 15-20 year-olds; and there were above-the average numbers of 21-30 year-olds who said they would consume these contents to a bigger extent. However, even in these age groups the percentage of respondents did not exceed 20%, which does not mean good market prognosis for paid online content providers. Printed magazines will be read by the biggest numbers of 21-25 year-olds, who mentioned this in higher than average numbers compared to the sample average and any other age group.

We asked the interviewees to assess how their media consumption habits would change in the near future. The subjects found that they would read the same amount of printed magazines and daily newspapers, and predicted the same with respect to paid online content. (see table 4) It was only assumed in the case of free online content by the majority that they would read more of it in the future than presently. We studied the willingness to pay for online content tailor-made for the individual's needs in a separate question. In this case the following topics would be the most sought:

Table 4. Interest in certain online content tailor-made for the individual's needs (in % of references)

Contents	Chosen by
Politics	34,3
Economy	47,3
Lifestyle, health, wellness, medicine	50,7
Sport	35,3
Auto- motive	26,8
Gastronomy	32,5
Travel and tourism	45,0
TV, radio, cinema, theatre programmes	36,3
Horoscope, ezoterics	14,1
Gardening	20,6
Home design, DIY, hobby	33,1
Weather forecast	46,1
Fishing, hunting, weapons	9,6
Technology, IT	22,2
Psychology, child care	25,1
Sciences, environmental protection	27,7
Culture, theatre, literature, books, films	43,5
Home, household practices	30,1
Tax and new legal regulations	25,0
Tabloid	15,5
Fashion	28,7
Tales, children's content	17,2
Erotic content	16,2

*Source: own research, 2011. N=729 people (*relative occurrence, several answers possible)*

If they had to pay for these contents; similarly to the Slovak Piano model; being involved in each content significantly decreased. Most people would pay for contents relating to lifestyle, which was followed by economics and culture, but in a smaller degree of being mentioned than in the previous questions. Low willingness to pay was supported by the following finding from which it is evident that the majority (65%) of people would not pay for tailor-made, individual online content. Those who would still pay for this kind of service would give as an average a sum under 1831 HUF. 51.9% of the sample would pay under 1000 HUF; 81.3% would find it possible that they would pay under 2500 HUF. Only 4.9% of the respondents would be willing to pay over 5000 HUF for such a package of content. We also examined the location of purchases of print press. We discovered that most buy their printed products at shopping centres and street newsstands. The least buy their papers in the traditional way, at post offices.

3.3 Interest according to information content in age groups

We found differences among the openness towards certain tailor-made online contents in the case if they have to be paid for and also among age groups. The age group of above 50s is mainly interested in the topic of politics. Economic questions interest most 21-25 year-olds. Young people are the most open towards sport, automotive content and gastronomy. News about travel is read by 31-40 year-olds, while TV programmes interest the group of over 60s the most. Home design is interesting for 31-40 year-olds most, probably because this age group is the most likely to settle down. Weather forecast is a priority among 41-50 year-olds.

Horoscopes, esoterics, and gardening are also the favourite topics of 50+s. Fishing, hunting, and weapons are more interesting for 26-30 year-olds, just like the topics of IT and sciences. Culture, theatre, and literature are the most popular among 21-25 year-olds, probably because they go out the most often. Questions of fashion involve 15-20 year-olds the most, while tales and children's content those who are members of the older generations, presumably because of their grandchildren. It is surprising, that the responses did not obtain the importance of world saving ecology. (Majláth, 2012)

4. Conclusion

Considering the current subscriptions we can observe that with daily newspapers the older (above 60s) generations are active, with that of magazines, on the other hand, the age group 31-40 are leading the market. Printed magazines are preferred to be subscribed in the future by 20-25 year-olds, printed daily papers rather by 15-20 year-olds.

We can see that a significant part of readers consume both media simultaneously. People are most interested in cultural and lifestyle contents, weather and economy, and travel, according to preferences of topics. If they had to pay for these contents; similarly to the Slovak Piano model; being involved in all contents would decrease significantly. Most would pay for information related to lifestyle, which is followed by economy and culture, but each is mentioned far much less than with previous questions. We could also find out from the study that it was mainly citizens of towns and the capital city having secondary and tertiary educational degrees that were more open to paid online contents.

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