JOLANTA DZIERŻYŃSKA-MIELCZAREK

The Polish press market between 1990–2010

KEY WORDS
press, Polish press market

ABSTRACT
The belief in the growing crisis of printed press seems unjustified in the light of statistical data: the number of press titles in Poland, their one-time editions and circulation have increased by 100 per cent in the last 20 years. The author tries to determine the size and structure of the Polish press market, as well as changes occurring within it. However, she notes that the dynamics of this development is weakening and the progressive increase in the number of titles and the size of press circulation is linked with its decrease in periodicity. The situation of daily newspapers is especially difficult, as they experienced a fall in all of the mentioned aspects. The drop in advertizing revenue forced changes in business models and a search for income in fields outside the press. The Internet is the most dynamically developing media sector, but the profit margin of activity on the web does not compensate for the decline in revenue of printed media.

An analysis of the press market in Poland is inclined by the assumption of a growing crisis in printed press, which results in sales falls of many titles, the decrease in profitability of press publishing houses, homogenization of offered contents, degradation of the prestige of the journalist profession etc. Many of these issues have already become the subject of scientific and especially journalistic thought, but there still does not exist a clear-cut diagnosis of what caused this crisis. There is also no evaluation of the current condition of the press market and its development perspectives. The author does not claim the right to make clear-cut conclusions on the subject, but – based on the analysis of the last two decades – describes the size and structure of this market and changes, which have occurred in it.

Size and structure of the press market

The basic difficulty in assessing the press market in Poland is defining its size, which is connected with lack of precise data on the number of press publishers and edited titles.

There is no central register of daily and periodical publishers. The National Library (Biblioteka Narodowa – BN), which runs a register of publishers based on The Library Legal

Deposit Act[1], distinguishes professional publishers (the law terms them "publishing houses") and diverse institutions and organizations, for which editorial work is not a basic activity ("others"). The first group is nearly 50 publishing houses, which publish at least seven titles, and altogether: other press institutions, companies and publishing agencies, press enterprises and editorial offices. The second group consists of e.g. social and political organizations, higher education schools, science associations, public offices, local governments, cultural institutions, etc. They can be roughly termed unprofessional publishers[2].

There is no complete register of published press titles. Court registers of dailies and periodicals, based on publisher residence, are scattered. Comprehensive information on the number of periodic publishers in Poland is collected by the National Library based on the already mentioned, The Library Legal Deposit Act. The National Library does not state how accurate and up-to-date they are. It is estimated that they have 80 per cent of books published after 1945, but the state of serial publications is most likely less complete[3]. The National Library also does not include in the "Bibliography of Serials" many industry and local periodicals, e.g. published by companies, housing associations, banks, schools and other institutions for internal use, and edited by church, district or local communities and basic units of an organization or political party[4].

Despite the incomplete data, the information collected by the National Library is the basis of statistical information provided by the Central Statistical Office (Główny Urząd Statystyczny – GUS) and the ground for basic journalistic analysis.

In 2010 the National Library registers contained 7655 paper and periodical titles[5]. The number of periodic publishers has doubled since 1990, gradually increasing by nearly one thousand every five years.

An increase in the number of titles concerned by far the segment of periodicals. The number of newspapers (a title appearing 2–7 times a week) decreased by half during that time, and their share in the overall number of titles decreased by four times. A fall in shares was noted among all titles with a higher frequency. The number of weeklies, biweeklies and

---

[1] Ustawa z dnia 7 listopada 1996 r. o obowiązkowych egzemplarzach bibliotecznych [The Library Legal Deposit Act of November 7 1996], „Dziennik Ustaw" ["Journal of Laws of the Republic of Poland"] 1996, No. 152, item 722.
[2] "Ruch Wydawniczy w Liczbach" ["Polish Publishing in Figures"] 2010, www.bn.org.pl/download/document/1312382595.pdf [all internet addresses were accessed in January 2012.].
[3] Not all publishers abide to the legal obligation of providing selected libraries with the mandatory deposit. The cause is either ignorance or acknowledging this obligation as unjustified tax imposed on the publishing sector. From the control of the Supreme Audit Office (Najwyższa Izba Kontroli – NIK) in 1999, out of 10 publishers only 40 per cent have fulfilled the obligation to make a deposit, and delays reached from 15 days to 16 months.
[4] *Cf.* "Bibliography of Serials", www.bn.org.pl/katalogi-i-bibliografie/bibliografia-narodowa/bibliografia-wydawnictw-ciaglych.
[5] "Ruch Wydawniczy w Liczbach" 2010, www.bn.org.pl/download/document/1312382595.pdf.

monthly periodicals published in Poland grew, but their share in the overall number of titles has been decreasing since 1995, when it was 50.6 per cent, to 34.2 per cent in 2010.

Table 1. Number of newspapers and periodicals published in Poland in the years 1990–2010 and their periodicity

Year	**1990**		**1995**		**2000**		**2005**		**2010**	
	Number	**Share in per cent**	**Number**	**Share in per cent**	**Number**	**Share in per cent**	**Number**	**Share in per cent**	**Number**	**Share in per cent**
Total	3180	100	4448	100	5534	100	6721	100	7655	100
Newspapers	83	2.6	84	1.9	55	1.0	65	1.0	46	0.6
Weeklies	277	8.7	360	8.1	382	6.9	359	5.3	394	5.1
Biweeklies	171	5.4	271	6.1	266	4.8	228	3.4	241	3.1
Monthlies	652	20.5	1536	34.5	1805	32.7	1838	27.3	1944	25.4
Bi-monthlies	189	5.9	361	8.1	433	7.8	653	9.7	815	10.7
Quarterlies	468	14.7	773	17.4	1120	20.2	1503	22.4	1891	24.7
Appearing rarer	1340	42.2	1063	23.9	1473	26.6	2075	30.9	2324	30.4

Source: “Ruch Wydawniczy w Liczbach” 2010.

Increasing the number of titles and decreasing their periodicity is the first tendency visible in statistical data. A smaller frequency in published press can be derived from changes in its readership, and what follows – business models of publishers.

Reasons for which readers limit the intensity of their contact with a title are diverse: an increase in the number of media channels (competition from other media, especially electronic), growth in economic and social costs of using a greater media offer, faulty subscription systems, secondarization of reception and decline of concentration, as well as changes in the style of reading press[6].

Following the changes in reader attitudes, publishers decrease the number of issues in titles, which allows them to rationalize costs. A change from a weekly to a biweekly or from a biweekly to a monthly is usually connected with an increase in its volume and an upgrade in the editorial and content quality. Growing publishing costs can be balanced by an increase in the copy price without fear of dropping sales. Regularly buying a more expensive title with a lesser periodicity, the reader still pays less than regularly buying a cheaper title with a higher

[6] Jerzy Mikułowski-Pomorski notes that in-depth, one-time newspaper reading in a daily cycle is substituted by shallow, multiple readings during the day (commuting to work, at work and after returning home), and even limiting oneself to reading press once a week. J. Mikułowski-Pomorski, *Czytelnik poszukuje partnera. Jak utrzymać wiernego czytelnika*, [in:] *Współczesny dziennikarz i nadawca*, ed. by M. Gierula, Sosnowiec 2006, pp. 7–20.

frequency. The publisher can moreover expect a smaller number of returns because the product has better quality and the periodical stays longer in sale. A greater volume provides more space for advertizing.

An increase in the number of titles and decline in their periodicity shows the ongoing fragmentation (fragmentarization) of the press market in Poland[7]. Tadeusz Kowalski and Bohdan Jung underline that periodicals with a higher frequency (from weeklies to monthlies) are marked by more universal topics, hence higher circulation and wider audience. The remaining periodicals (bimonthlies, quarterlies, biannuals) are usually more specialized and addressed to a narrow group of readers[8]. Fragmentation, they believe, encourages pluralism of the communication system and is the result of growing social well-being. More leisure time and an income increase enables perusing numerous hobbies, needs and types of activities.

New periodicals are a response to this specialized demand in narrow audiences[9]. Viewing this from a marketing perspective, Ryszard Żabiński claims that the dismantling of the press offer (which means the appearance of a greater number of titles with a smaller range of impact) also has negative consequences because it could lead to a decrease in the quality of the press offer[10].

The number of titles published, although it describes the diversity of the press market, does not define its size. This can be measured only based on the total circulation of published titles. It should be noted that circulation is the declared size and many publishers do not give the actual value, treating it as a trade secret. Nonetheless, the declared production size of periodic publishing houses in Poland shows how big an influence on the potential of the press market have papers with an global circulation of over half the produced press copies. The results of press publishers, especially nationwide dailies, to the greatest extent also influence the functioning of the press market.

Long-term data also shows the distinct sensitivity of the press market towards the economic crises and – as their result – the crises on the advertising market, which cause periodically substantial production declines in the industry of periodical publishing houses[11].

Table 2. Global circulation of press in Poland in the years 1990–2010 (in thousand copies)

[7] On fragmentarization in media, which is visible in the growing number of media channels, declining number of receivers of a certain type of media and media channels, and the loss of former reach by mass media, wrote J. Mikułowski-Pomorski, *Fragmentaryzacja w mediach: proces i narzędzie*, "Global Media Journal – Polish Edition" 2006, No. 1.

[8] T. Kowalski, B. Jung, *Media na rynku. Wprowadzenie do ekonomiki mediów*, Warszawa 2006, p. 146.

[9] Ibidem, p. 147.

[10] R. Żabiński, *Marketing na rynku prasowym*, Warszawa 2010, p. 51. On the consequences of media fragmentarization also see: J. Mikułowski-Pomorski, *Fragmentaryzacja w mediach*...

[11] Crises, which especially moved the press publisher market, took place in the years 2000–2003 and 2008–2010.

Year	Total	Paper	Weekly	Biweekly	Monthly	Remaining
1990	2 071 392	1 374 972	479 362	52 766	112 090	52 202
1995	3 210 512	1 486 645	1 214 865	114 285	355 322	39 395
2000	2 705 702	1 299 917	799 241	173 728	390 012	42 804
2005	3 148 645	1 557 296	1 039 193	140 604	343 316	68 236
2010	2 447 626	1 042 559	691 994	212 049	385 409	115 615

Source: "Ruch Wydawniczy w Liczbach" 2010.

Another measurement used for defining the size of the press market is the average single circulation[12]. The average circulation of a press title, set against the number of persons or households, describes the possibility, thus – indirectly – the need to purchase the title[13]. This index allows comparing press markets of certain countries. It does not situate Poland favorably next to other European markets. Proportionally to the population the single circulation of press, especially dailies, is much lower in Poland than in other countries in Europe[14]. This can account means either that the Polish market still has untapped potential, or that Poles don't have a habit of reading press.

Table 3. Single circulation of press for 1000 inhabitants of Poland
in the years 1990–2010

Year	Single circulation of press in thousand issues	Single circulation of press for 1000 inhabitants	Single circulation of papers in thousand issues	Single circulation of papers for 1000 inhabitants	Single circulation of periodicals in thousand issues	Single circulation of periodical for 1000 inhabitants
1990	48 402	1270	5645	148	42 757	1122
1995	83 834	2189	5729	149	78 105	2039
2000	72 332	1889	4652	121	67 680	1767
2005	86 858	2274	7248	190	79 610	2084
2010	90 796	2377	3877	101	86 919	2275

Source: Own estimates based on data from GUS and BN.

[12] The average single circulation is the average number of copies for one edition in a year, counted according to the formula: global circulation of a paper in the given year divided by the number of editions.
[13] The so-called saturation index should not be identified with the actual demand for press, which is displayed by data concerning sales.
[14] *Cf.* "Rocznik Statystyki Międzynarodowej" 2010; *Gdzie my, gdzie oni. Raport: Europejski Wskaźnik Rozwoju*, "Polityka" 2010, No. 44.

The ongoing decline of the number of dailies and their single circulation, considering their share in the overall circulation of press titles in Poland, will in the future be difficult to compensate for through an increase in the number of titles and single circulation of papers with a smaller periodicity. From 1990 to 2010 the circulation of papers fell by almost one-third and thus on a count of 1000 persons, has declined from 148 to 101 issues. The single circulation of periodicals during these 20 years has doubled, but in the last 5 years had smaller growth dynamics. This seems to confirm the thesis on the maturing of the periodical market and limiting its development potential. A growing diversity of the title offer ceases to expand the market and in a simple way increase the number of readers, which leads to the "cannibalization" of existing titles[15].

Concentration of the press market

The majority of press titles are edited by a substantial group of unprofessional publishers. Professional publishing houses release just 30 per cent of the titles, but make up 90 per cent of the global paper and periodical circulation. This means that 70 per cent of titles published in Poland are in small-circulation, directed to a very narrow audience. The richness of diversity is therefore superficial, and the concentration level of press activity is substantial.

Table 4. The share of unprofessional publishers in press production in Poland in the years 2003–2010

Year	Number of titles overall	Number of titles edited by professional editors	Share in edited titles (in per cent)	Share in edited circulation (in per cent)
2003	6309	1860	29.5	88.2
2004	6502	1870	28.8	89.8
2005	6721	1935	28.8	89.2
2006	6759	2043	30.2	89.2
2007	6948	2139	30.8	90.3
2008	7229	2293	31.7	90.4
2009	7423	2360	31.8	90.6
2010	7655	2421	31.6	90.2

Source: "Ruch Wydawniczy w Liczbach" 2010.

[15] T. Kowalski, B. Jung, *Media na rynku…*, p. 148.

Concentration on the media market, here the press market, is explained through the specific nature of media products[16]. The degree of concentration is measured by concentration ratio (CR). If the market shares of the four biggest press publishers (CR4) exceed 50 per cent or the shares of eight (CR8) – 75 per cent, the concentration can be perceived as high[17]. Another measurement of concentration is the Hirschmann-Herfindahl Index (HHI), which shows the level of market competition18. The index of concentrated market shares can range from zero (on a diverse market) to 10 000 (in the case of a pure monopoly). An HHI above 1800 describes a high level of concentration, thus greatly decreasing competitiveness. Below 1000, the HHI shows a lack of concentration.

Analyzing shares in the global circulation of press in Poland of the biggest publishers, it can be assumed, that the level of concentration (CR) of our market is median, but gradually increasing. In 2003 eight of the biggest publishers produced 45.5 per cent of the overall circulation, in 2005 – 52 per cent, in 2007 – 56.6 per cent, and in 2010 – almost 60 per cent First place in this group went invariably to the publishing house Bauer, which has 14.6–18.3 per cent global market shares. Next places went to: Agora, which produced every 10 issue of press in Poland, Alex Springer Polska (ASP) which had 5.4 to almost 12 per cent of shares in the circulation market, and Polskapresse taking in between 4 to almost 7 per cent shares in global circulation. In the group of big publishers there were also: Gruner + Jahr (G+J), Edipresse, DD Media, Infor Ekspert, Murator, Media Regionalne, Phoenix, Hearst Marquard and Burda.

The growing concentration ratio (CR) of shares in the global circulation market does not however mean a curbing of competition on the market. The Hirschmann-Herfindahla Index – significantly below 1000 – indicates great market diversity and a high level of competition between companies producing press in Poland.

Table 5a. Concentration indicators of the press market according to global circulation in the years 2003 and 2005

---

[16] Creating media products is connected with high risks because they have the nature of pilot goods (producers find it difficult to rate consumer preferences, as they have little knowledge of the product before its purchase), their feature is lack of standardization (novelty, originality, innovativeness) and at the same time, a short life cycle; production costs of media goods do not depend on the number of receivers. *Cf.* T. Kowalski, B. Jung, *Media na rynku...*, pp. 27–31; T. Flew, *Media globalne*, Kraków 2010, pp. 14–15.

[17] Concentration ratio is the total market share of the largest companies. CR4 greater than 50 per cent and CR8 greater than 75 per cent means high concentration, CR4 between 30–50 per cent and CR8 between 50–75 per cent show an average level of concentration, while CR4 below 33 per cent and CR8 below 50 per cent is lack of concentration . *Cf.* T. Kowalski, B. Jung, *Media na rynku...*, p. 115.

[18] Herfindahl–Hirschman Index (HHI) is the sum square of market shares in all companies in percentage. It is not necessary to include estimations of all companies on the market since small enterprises do not influence the outcome. HHI gives a professionally larger importance to market shares of larger companies. *Cf.* Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings "Official Journal of the European Union" 2004, C 31/03, art. 16.

Publisher	2003			Publisher	2005		
	Share in global circulation (in per cent)	CR (in per cent)	HHI		Share in global circulation (in per cent)	CR (in per cent)	HHI
Bauer	18.3	38.6	486.09	Bauer	14.6	40.5	505.02
Agora	8.1			Agora	11.6		
Polskapresse	6.8			ASP	10.0		
ASP	5.4			DD Media	4.3		
G+J	2.5	6.9		Polskapresse	4.1	11.5	
DD Media	1.6			G+J	3.9		
Infor	1.5			Edipresse	2.3		
Phoenix	1.3			Infor	1.2		

Table 5b. Concentration indicators of the press market according to shares in global circulation in the years 2007 and 2010

Publisher	2007			Publisher	2010		
	Share in global circulation (in per cent)	CR (in per cent)	HHI		Share in global circulation (in per cent)	CR (in per cent)	HHI
Bauer	17.0	48.5	672.28	Bauer	17.6	45.2	623.41
ASP	13.8			Agora	10.5		
Agora	11.9			ASP	10.5		
Polskapresse	5.8			Polskapresse	6.6		
Edipresse	2.6	8.1		Murator	4.3	13.5	
G+J	2.5			Media Reg.	4.3		
Hearst Marquard	1.7			Edipresse	3.0		
Phoenix	1.3			Burda	1.9		

Source: Own estimates based on “Ruch Wydawniczy w Liczbach” 2010.

The case of concentration of the press market looks different if it is separately analyzed for the segment of dailies. The few publishers, who take up producing daily newspapers, operate in conditions of restrained competition, and the biggest have reached a dominant position. Shares in the global circulation of publishers such as Agora, Axel Springer Polska, Polskapresse and DD Media were over 50 per cent in 2005, which means a high level of concentration. It increased further in 2010 when the largest daily press publishers (Agora, Axel Springer Polska, Polskapresse and Murator) produced almost 70 per cent of the total circulation of dailies. Increasing concentration of shares on the daily market is also visible in the HHI level, which in 2010 reached the value 1273.48.

Table 6. Concentration indicators according to share in global circulation in the years 2005 and 2010

Publisher	**2005**			**Publisher**	**2010**		
	Share in global circulation (in per cent)	**CR (in per cent)**	**HHI**		**Share in global circulation (in per cent)**	**CR (in per cent)**	**HHI**
Agora	21.8	51.9	797.43	Agora	22.9	68.2	1273.48
ASP	13.7			ASP	20.7		
DD Media	8.3			Polskapresse	15.3		
Polskapresse	8.1			Murator	9.3		

Source: Own estimates based on "Ruch Wydawniczy w Liczbach" 2010.

The same analysis of market shares in global circulation of periodical publishers shows that almost every third periodical in Poland is published by Bauer. Despite their clear dominating position periodical production, the market for this type of press does not show model features of concentration. The concentration ratio does not exceed 50 per cent, and HHI is below 1000.

Table 7. Concentration indicator of the periodical market according to shares in global circulation in the years 2005 and 2010

Publisher	**2005**			**Publisher**	**2010**		
	Share in global market (in per cent)	**CR (in per cent)**	**HHI**		**Share in global market (in per cent)**	**CR (in per cent)**	**HHI**
Bauer	28,9	47,8	959,46	Bauer	30,6	41,9	982,13
G+J	7,8			Edipresse	5,2		
ASP	6,5			Burda	3,3		

Edipresse	4,6			G+J	2,8		

Source: Own estimates based on “Ruch Wydawniczy w Liczbach” 2010.

Press demand

Describing the market of periodic publishers in Poland requires, apart from an analysis of supply, an analysis of demand for press. Demand determines the size of single-copy sales, which is the total sale of published papers.

The distribution of periodic publications in Poland is analyzed by the Audit Bureau of Circulation Poland (Związek Kontroli Dystrybucji Prasy – ZKDP), founded in 1994. The obligation to disclose objective and detailed information on sales volume and the necessity to undergo audits results in the fact that few publishers submit their titles to ZKDP. In 2010 ZKDP controlled 463 press titles, which was just 6 per cent of all papers and periodicals published at that time[19]. In the years 1994–2011 ZKDP controlled altogether 1134 press titles[20]. Disproportions between the number of existing titles and those controlled ceases to matter, if one takes into account the circulation of papers and periodicals produced by publishers in ZKDP. It turns out that the broad majority of copies for the market are controlled by the Bureau.

The membership in ZKDP of the majority of the largest professional publishers makes it possible to analyze the press market from the side of demand. Bearing in mind however that full extrapolation is not possible, since data on the titles and their single circulation collected by the National Library and ZKDP is not comparable in all aspects. The share of publishers belonging to ZDKP among the number of titles of dailies registered by the National Library was from 49 per cent in 1995 to 100 per cent in 2010. Full “representativeness” in 2010 is however superficial and results from the fact that ZDKP includes in its lists titles distributed for free. Free dailies overestimate the single circulation of newspapers, which is visible in data for 2005, when the circulation for 83 per cent of paper titles controlled by ZKDP was the same as the circulation of all titles of daily papers included by the National Library[21].

[19] Until 2008, the number of titles monitored by ZKDP had been gradually increasing, but in the last years, it has fallen: in 2008 ZKDP controlled 523 titles, in 2009 – 487, in 2010 – 463, in 2011 – 467, www.zkdp.pl/index.php?module=pnEmployee.

[20] List of titles controlled by ZKDP, www.zkdp.pl/index.php?module=pnEmployee.

[21] Stanisław Nowicki in a paper for the XI Media and Marketing Congress in Poznań in 2006 assumed the circulation presented by BN was underestimated. *Cf. Trendy na polskim rynku prasowym. Polski rynek prasowy w statystyce – na podstawie danych wydawniczo-kolportażowych*, www.izbaprasy.pl/pliki/Trendy_na_polskim_rynku_prasowym_oprSN.pdf.

Table 8. The share of dailies controlled by ZKDP among the number of titles and single circulation of dailies based on data from National Library in the years 1995–2010

Year	**National Library Data**		**ZKDP Data**							
			Number of controlled titles				**Single circulation of titles controlled in thousand copies**			
	Number of titles	**Single circulation in thousand copies**	**Total**	**Free**	**Paid**	**Share in number of titles (in per cent)**	**Total**	**Free**	**Paid**	**Share in number of titles (in per cent)**
1995	84	5729	25	-	25	30	2801	-	2801	49
2000	55	4652	46	-	46	84	4011	-	4011	86
2005	65	7248	54	5	49	83	7226	2486	4740	100
2010	46	3877	46	3	43	100	3695	717	2978	95

Source: Own estimations based on "Ruch Wydawniczy w Liczbach" 2010 and annual reports of ZKDP.

The share of publishers belonging to ZKDP in the number of periodical titles registered by the National Library is symbolic because at best, it reaches 5.8 per cent, however, the proportion of periodical copies controlled by ZKDP in relation to the single circulation estimated by the National Library reaches at around 50 per cent.

Table 9. Share of periodicals controlled by ZKDP among titles and single circulation periodicals based on the National Library data in the years 1995–2010

Year	**National Library Data**		**ZKDP Data**							
			Number of controlled titles				**Single circulation of controlled titles in thousand copies**			
	Number of titles	**Single circulation in thousand copies**	**Total**	**Free**	**Paid**	**Share in number of titles (in per cent)**	**Total**	**Free**	**Paid**	**Share in number of titles (in per cent)**
1995	4364	78105	47	3	44	1.1	11527	214	11313	15
2000	5479	67680	286	20	266	5.2	36620	3453	33167	54
2005	6656	79610	348	51	297	5.2	39518	4950	34568	50
2010	7609	86919	438	75	363	5.8	42208	7040	35169	49

Source: Own estimates based on "Ruch Wydawniczy w Liczbach" 2010 and ZKDP annual reports.

The actual demand for press, which can be judged based on data on the distribution of papers and periodicals controlled by ZKDP, is 1/3 smaller than the supply. In the case of dailies, unsold copies are on average 1/4 of the single circulation, and in the case of periodicals, over 1/3 of market copies.

Table 10. Single circulation and dissemination of press in the years 1995–2010
in million copies

Year	**Press in total**			**Dailies**			**Periodicals**		
	Circulation	**Dissemination**	**Per cent of returns**	**Circulation**	**Dissemination**	**Per cent of returns**	**Circulation**	**Sissemination**	**Per cent of returns**
1995	14.3	9.7	32	2.8	2.1	25	11.5	7.6	34
2000	40.6	22.8	44	4.0	2.8	30	36.6	20.0	45
2005	46.7	31.1	33	7.2	5.6	22	39.5	25.5	35
2010	45.9	31.5	31	3.7	2.8	24	42.2	28.7	32

Source: Own estimates based on annual reports of ZKDP.

Using average return volumes (for press in general 35 per cent, for dailies 25 per cent, for periodicals 36 per cent) to single circulation estimated by the National Libary, one can assume that the dissemination of press in Poland has increased (table 11).

Table 11. Estimated dissemination of press in thousand copies and dissemination of press for 1000 inhabitants of Poland between 1990–2010

Year	**Press dissemination in thousand copies**	**Press dissemination for 1000 inhabitants**	**Paper dissemination in thousand copies**	**Paper dissemination for 1000 inhabitants**	**Periodical dissemination in thousand copies**	**Periodical dissemination for 1000 inhabitants**
1990	31461	826	4234	111	27365	718
1995	54492	1423	4297	112	49987	1305
2000	47016	1228	3489	91	43315	1131

2005	56458	1478	5436	142	50950	1334
2010	59017	1545	2908	76	55628	1456

Source: Own estimates based on GUS and National Library.

As the above data shows, the demand for press almost doubled over the last 20 years. The dissemination of periodicals grew by over 100 per cent, while the interest in daily press significantly decreased. In 2010, only 2.9 million papers reached an audience (a fall by 30 per cent in comparison with 1990), which meant that only one in thirteen people bought or received a daily newspaper (in 1990, one out of nine). The falling demand for daily press was temporarily slowed-down in the first decade of XXI cent. due to the development of free papers. The global circulation of free newspapers from the level of 1.4 million copies in 2000 increased to 233 million copies in 2005. Their share in the global circulation of dailies increased at that time from 0,1 to 16,4 per cent[22]. Single circulation of free papers controlled by the ZKDP in 2005 was nearly 2.5 million copies. This means that every third title on the market (34 per cent) was a free one. Their participation in dissemination was even greater. More than every second copy of a daily (57 per cent) reaching a reader was a free title[23].

In 2007 the expansion of free papers came to a halt. First “Dzień Dobry” disappeared from the market, then the edition of “Metropol” was discontinued. Along with the decline in circulation of the remaining titles (“Metro” and “Echo Miasta”) the single circulation of free papers in 2010 fell to 717 000 copies, which was 19 per cent of all single circulation of papers controlled by ZKDP. Their share in dissemination fell to 26 per cent, which meant that every fourth paper reaching the reader was free[24].

Expanding the daily market by free titles was temporary, and what is important, did not develop in readers a habit of reading daily papers, because it did not translate into an increase in consumption of paid dailies. Hopes on increasing readership, especially among young readers, to whom publishers of free papers mostly directed their offer, did not come true. Occasional readers of free papers did not become regular readers of paid daily press.

Despite a questionable role of free titles in promoting press readership, more and more periodical publishers decide to disseminate free copies. The share of free titles in single circulation of periodicals controlled by ZKDP gradually increases: in 2000 it was 9 per cent, in 2005 – 12.5 per cent, in 2010 – 16.7 per cent Their share was even greater in disseminating periodicals – in the years 2004–2006 it was close to 20 per cent What is worth underlining,

[22] According to data from ZKDP and OBP UJ estimates. Cf. *Trendy na polskim rynku*…
[23] Data from ZKDP for 2005.
[24] Data from ZKDP for 2010.

the number of copies of free periodicals, which have reached readers, could have been greater because – as market analysts claimed – apart from disseminating periodicals that are "in essence free", periodical publishers practiced giving away even paid titles[25].

The main purpose of publishing free press or giving away paid titles, apart from a promotional function, was broadening their scope of influence. Growing competition (among them other media) hampered sales growth and required from editors making costly advertizing decisions or going around small demand by means of free distribution. Even in the ZKDP code there appeared a broad term for dissemination, which apart from free distribution, copy sales and subscriptions of paid periodicals, included "other paid forms of distribution" allowing editors to include in their sales results copies of periodicals, for which they received 30 per cent of the copy price, and which were meant for further, free distribution e.g. as adds to another press title, or a bonus to other goods or services[26].

This dissemination of press, although it did not require a conscious decision about the purchase, increased readership.

Press readership

The readership range was estimated at around 90 per cent of adult Poles[27]. Research in press reach, describing what per cent of the population reads press at all (at least one title in a seasonal cycle: for dailies during the last/previous week, for weeklies, during the last most etc.), and research on the range of specific titles are believed to be very incredible due to the declarative indication and the so-called questionnaire effect[28]. Nonetheless readership research conducted from 1998 by SMG/KRC for the company Polskie Badania Czytelnictwa (Polish Readership Research) aims at determining the position of certain titles on the market. This research is especially desired by advertizes, who more value "reach" factors of a periodical, rather than information on circulation or dissemination.

The seasonal cycle of readership of the most popular press titles analyzed in the long term shows that it has little to do with dissemination and rather shows the strength of a brand and efficiency of editors marketing decisions than the actual readership range of titles. The analysis also proves that using different techniques of data collection influences the picture of

---

[25] Cf. *Trendy na polskim rynku…*

[26] *Cf.* par. 9 pt. 7 Circulation of Publications Registered with Związek Kontroli Dystrybucji Prasy [Audit Bureau of Circulation Poland] Audit Rules (valid of December 14, 2010).

[27] *Cf.* Polskie Badania Czytelnictwa z 2011 r., *Prasę czyta ponad 90 proc. Polaków!*, www.pbczyt.pl/news/items/35.html.

[28] Analysts underline that those questioned often have a tendency to over-estimate their reading activity, and research techniques used could multiply the number of readers of titles with higher circulation, longer tradition and higher prestige. *Cf.* H. Siwek, *Badania czytelnictwa prasy – deklaracje a rzeczywistość*, „Zeszyty Prasoznawcze" 1997, No. 3/4.

readership more than the efforts of editors. A change in methodology in 2006[29] resulted in some titles having decreased their dissemination, had much higher readership indexes ("Gazeta Wyborcza", "Tele Tydzień", "Tina", "Claudia", "Viva!", "Z Życia Wzięte", "Twój Styl", "Cztery Kąty") or the other way around ("Pani Domu", "Naj").

Table 12. Dissemination and seasonal cycle of readership
(data collected from January to June) of selected most-popular titles in the years 2004–2010

Title	**2004**		**2006**		**2008**		**2010**	
	Dissemination in thousand copies	**Readership (in per cent)**	**Dissemination in thousand copies**	**Readership (in per cent)**	**Dissemination in thousand copies**	**Readership (in per cent)**	**Dissemination in thousand copies**	**Readership (in per cent)**
"Gazeta Wyborcza"	436	19.46	434	20.19	411	17.95	336	14.52
"Fakt"	538	21.52	514	20.90	495	16.61	437	14.49
"Super Express"	231	11.55	200	9.53	205	7.91	184	6.67
"Tele Tydzień"	1220	22.81	1210	31.38	1203	37.45	1074	34.83
"Pani Domu"	273	20.90	348	18.26	217	16.79	319	14.96
"Przyjaciółka"	462	18.51	401	18.10	274	16.76	498	16.95
"Życie na Gorąco"	654	16.33	748	18.22	685	20.41	611	18.47
"Naj"	270	16.90	308	15.40	250	15.92	146	13.13
"Chwila dla Ciebie"	405	16.21	368	15.68	337	17.07	300	14.82
"Tina"	439	12.15	368	14.18	358	16.52	469	16.33
"Viva!"	229	7.52	225	9.68	209	11.84	201	10.83
"Z Życia Wzięte"	365	6.87	307	9.22	280	10.91	258	9.44
"Claudia"	488	13.84	476	14.34	420	13.46	308	10.68
"Poradnik Domowy"	377	5.95	435	7.45	456	9.46	374	9.46
"Twój Styl"	261	5.82	251	10.36	258	13.36	252	13.16
"Cztery Kąty"	93	4.49	98	8.93	116	11.16	92	10.28

Source: Data from ZKDP and PBC.

In general the dissemination of the most popular titles and estimates on their readership in the printed version show a drop tenancy in the last years. To some degree,

[29] The sample size, its selection and the methods of data collection, has been changed as of January 1, 2006.

readership of certain titles, and thus the range of press is increased by electronic distribution channels: internet, smartphones and tablets.

Press on the Internet

According to research by CBOS from July 2011, over half of Internet users and almost 1/3 of adult Poles read internet versions of papers or periodicals. The number of readers on the Web increased with the growth of people using the Internet and from 2006 has doubled[30]. The questionnaire did not determine however, how many press readers in the Internet also read the printed copy of the paper, but other research shows, that using both traditional and electronic media is substantial[31]. Co-readership of printed press and press on the Internet was also visible in the research by PBC in February 2011. A press reader on the Internet (every fourth Pole between the age of 15–75) in 99 per cent of the cases declared that he or she also read the printed version[32].

The increase in multimedianess of readers is contradicted by the findings on dissemination and readership of printed press, especially the data concerning dailies, which seems to confirm the idea of reader migration to the Internet. The dissemination of daily press is declining, while the number of people visiting their on-line versions is growing. Thus in relation to the number of people purchasing dailies in their printed version, the share of readers of certain titles on the Internet is increasing.

Table 13. The daily number of real users (RU) on sites of the largest dailies and their average sales (in thousand users)

Title/site	I 2008			I 2009			IV 2010			IV 2011		
	RU daily	Sales	Share of RU (in per cent)	RU daily	Sales	Share of RU (in per cent)	RU daily	Sales	Share of RU (in per cent)	RU daily	Sales	Share of RU (in per cent)
"Gazeta Wyborcza" / wyborcza.pl	33	417	7.9	44	376	11.7	120	382	31.4	71	322	22.0

30 The data comes from the research "Current problems and events" (Aktualne problemy i wydarzenia) from July 2011, done by CBOS. *Korzystanie z Internetu*, sierpień 2011, www.badanie.cbos.pl/details.asp?q=a1&id=4511.

31 Research by Ipsos from March 2010 showed that frequent use of the Internet is linked to more intense press readership and radio listening. *Cf. Osoby częściej korzystające z internetu częściej czytują też codzienną prasę, czasopisma, a także słuchają radia*, www.ipsos.pl/prasa-internet-radio-telewizja.

32 *Prasę czyta ponad 90 proc. Polaków!*, www.pbczyt.pl/news/items/35.html.

“Super Express” /Se.pl	7	204	3.4	14	207	6.8	62	215	28.8	52	183	28.4
“Fakt”/fakt.pl	2	527	0.4	7	471	1.5	60	501	12.0	49	400	12.3
“Rzeczpospolita” / rp.pl	23	149	15.4	31	135	23.0	50	153	32.7	40	135	29.6

Source: Own estimates based on Megapanel Gemius/PBI and ZKDP.

If we were to assume that the Intenet user, deprived of the electronic version of the daily, bought the actual paper, sales of the largest papers in Poland would increase by several to even 30 per cent. Such an assumption is of course unauthorized because most Internet users search for the latest information not on the publishers site, but on services that agregate content. They dominated the information market on the Internet and achieve the highest viewership. The most popular sites in the information and journalism branch have for years been Onet, Wirtualna Polska and Interia, although press publishers are doing increasingly better on the web, especially when they create own services and not just sites for their paper titles.

Table 14. Range of most popular sites in the information and journalism industry (in per cent)

Site	**X 2008**	**X 2009**	**X 2010**	**X 2011**
Onet.pl	29.9	36.3	37.1	34.8
Wirtualna Polska	25.0	26.8	32.3	33.5
Gazeta.pl	20.3	30.2	32.1	29.1
Interia.pl	18.1	20.0	18.4	18.2
Media Regionalne	9.4	15.8	19.2	20.3
Polskapresse	9.1	17.8	17.9	20.3
Ringier Axel Springer	6.7	8.2	10.2	9.8

Source: Megapanel Gemius/PBI.

Common accessibility of information and journalistic content on the Internet makes it difficult for publishers to charge for using electronic editions of dailies and periodicals. Some of them decided to introduce payments for unique content or archives[33], but it is still too early to rate the effects of their decisions.

Declining readership of printed editions forces press publishers to change their business models because with the outflow of readers, their advertising revenues decrease.

[33] “Przekrój” was the first in Poland to restrict access to their online content, in March 2011. Payment for parts of the service was also introduced in 2011 by “Rzeczpospolita”. From 2012, exclusive content on rp.pl, ekonomia24.pl and parkiet.pl also required payment.

Press advertizing market

The size of advertizing spending in press, as in the whole advertizing market in Poland, are know only in estimates. Companies monitoring this market collect data on advertizing revenue of certain media through writing down all aired commercials in the given medium and pricing them according to the official price list. Such data does not reflect actual expenditure on advertizing – it does not include discounts and barter deals, advertizing sales packages and sometimes even auto-promotion. It is estimated that the net value of advertizing is only 1/3 of expenditures accounted by the price list. No company does research in every type of media, therefore, much of the advertizing market, especially inserts in industry and local media, remain outside the audit. No substantial methodology and different degrees of media monitored additionally differentiate estimates of certain companies on the size of the entire advertizing market and advertizing spending in certain media. Nonetheless, all assumptions show that the net worth of advertizing in press[34], and especially in its share in the so-called media mix, has been diminishing in the last few years.

Table 15. Share of press in the media mix in the years 2003–2010 (in per cent) according to Kantar Media

	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Dailies	10	11	13	12	10	9	8	7
Periodicals	13	14	16	15	13	12	10	9
Total	23	25	29	27	23	21	18	16

Source: “Statistical Fact Book” 2010.

Press loses advertizing income mostly to the Internet[35]. An especially large outflow of advertizes is registered by dailies, from which small-ads and advertizing industries such as finances, motorization, and telecommunications, traditionally the domain of daily press, are retreating to the Internet. It is perfectly visible on the example of “Gazeta Wyborcza”, which due to its national-local structure, numerous thematic adds and a professional network of sales workers reached the highest, near 40 per cent share in the daily advertizing market. Advertizing revenue of “Gazeta Wyborcza” has been gradually decreasing for the last four

[34] According to reports by Zenith Optimedia, netto expenditure from advertizing in dailies show a drop tendency since 2008. In 2007 they were 760 million PLN, in 2008 – 753 million PLN, in 2009 – 620 million PLN, and in 2010 – 566 million PLN. Advertizing value in periodicals have been dropping since 2009. In 2008 it was 916 million PLN, in 2009 – 795 million PLN, and in 2010 – 726 million PLN.

[35] According to some companies researching the advertizing market, expenditure for internet advertizing exceeded the expenses for advertizing in dailies already in 2008, and for periodicals in 2009. Cf. "Statistical Fact Book” 2010, www.impactor.pl.

years and in a rate which cannot be justified by a smaller growth dynamic of the whole advertizing market.

Table 16. Advertizing revenue of "Gazeta Wyborcza" in the years 2000–2010 (in million PLN)

2000	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
615.3	578.3	461.4	415.1	441.1	465.4	472.6	488.5	485.8	342.8	305.9

Source: Annual report of Agora S.A.

Dailies, due to their high circulation and frequency of ads, are the largest source of revenue for their publishers[36]. A further outflow of advertizing from daily press can therefore be especially threatening to the profitability of publishing companies, especially that the decrease of advertizing revenue is also tangible in other printed titles, regardless of their periodicity. This points to a structural nature of the press advertizing crisis.

Publishers of papers and periodicals maintain a high profit margin from sales of printed press[37] by decreasing production costs: minimizing costs of marketing and promotion, reducing employment and cutting material costs. However, the investor behavior, at least towards publishing companies noted on the stock market, shows smaller trust towards the development of traditional media and promote any branch outs and highly rate shares of companies from the electronic media industry[38].

Concluding the changes taking place on the press market, one can say that it is still developing, although with smaller dynamics. The growing increase in the number of titles and size of press dissemination is paired with a decrease in periodicity. The situation of dailies is especially difficult – they note losses in the number of titles, single circulation and dissemination. This tendency was temporarily slowed down by the development of free press, but the readership of these titles did not develop in readers a habit to reach for daily papers and did not increase consumption of paid journals. Both readers and advertizing are seized by the Internet. The activity of press publishers on the Internet so far does not compensate for

[36] Agora, which publishes two daily press titles and several periodicals, has over 80 per cent of its advertizing revenue from dailies. Axel Springer, despite selling shares in "Dziennik", had almost 50 per cent of its income in 2010 from publishing daily press ("Fakt", "Przegląd Sportowy", "Sport"), and not from the numerous periodicals in its portfolio.

[37] On the example of Agora one can see, that the profit margin for press, despite the advertizing crisis, is higher than the margin for radio or Internet. For papers it was, during the last four years, over 20 per cent, for periodicals – almost 18 per cent, for radio nearly 4 per cent, while the Internet is only beginning to make up for years of losses.

[38] The stock-market value of Agora is only half of its account value. The stock-market value of TVN is almost 4-times its account value.

smaller income from printed media, which still has the highest profit margin. Growing concentration of press activity and obligating publishers to economic efficiency, contribute to changes in business models and searching for income in areas of activity outside the press.