

# **Decline and Survival Strategies of the Newspaper Industry in a Depressed Economy: A Study of the *Daily Trust* and the *Leadership* Newspapers\***

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## **Abstract**

For many decades, newspapers were largely seen as means of expressing social, cultural, political, and economic intelligence which help to deepen societal discourses as well as set and build both public and policy agendas. However, the digital revolution has tended to upset the dominance of the newspaper in this role. Added to this, the seeming decline in readership and dwindling revenues occasioned by harsh economic realities as is the case in Nigeria, have also led to the decline of the industry. This study, therefore, explores the impact of the economic recession on two Nigerian newspapers - *Daily Trust* and *Leadership*. In-depth interviews were conducted on two senior editors of the newspapers to investigate the survival strategies adopted by them in the midst of economic decline. The findings reveal that, in line with the pro-cyclical and counter-cyclical business behaviour theories; the newspapers, faced with low demand, fierce competition, and palpable uncertainties, adopted several measures some of which include niche reporting, depth journalism, new investments, complementary digital presence, and editorial restructuring to stay afloat. Based on these findings, it is

recommended that national/local newspapers' synergies, exploitation of local language, joint operation arrangements, and design of fresh business models be adopted as part of the survival strategies.

**Keywords:** Qualitative Research, Depression, Economic Decline, Survival Strategies, Nigerian Newspapers.

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### **Introduction**

The newspaper industry in Nigeria is about as old as its colonial history. Cagé (2014) notes that whereas newspapers or their precursors appeared in the West in the 17th Century. They came to South Africa in 1800, Sierra Leone 1801, Liberia 1826, Ghana 1854 and Nigeria 1859. Cagé (2014) observes that: “an informative press is indeed a potent check on corruption; it enhances effective and active monitoring of public goods delivery (for example health and education) and is an instrument of public accountability... a free and information press is crucial to good governance and democratic development, but it also affects economic development – through its impact on social capital” (p.1).

It is true that the press and prominently so, newspapers in Nigeria have contributed significantly to social, cultural, economic and political developments in Nigeria. Tommy (2014) argues that Nigeria's first generation newspapers which include *Iwe Iroyin*, *Anglo-African*, *The Mirror*, *The Nigerian Chronicle*, *The West African Pilot*, etc and modern Nigerian newspapers like

*The Guardian, Tribune, The Punch, Vanguard, Sun, Thisday* to which can be added *Daily Trust* and *Leadership*, have “served as platforms for mobilising the people, spreading nationalist awareness and for opposing the worst manifestations of subjugation” (p. 89).

However, beyond these roles of the newspaper, Cagé (2014) rightly observes that, “the media are businesses and are shaped by many economic factors” adding that, “despite this cultural importance of an informative press for the future of Africa, the literature has overlooked the issue of what makes it viable,” (p.1). This situation has lent credence where Aliagan (2015) observes that in Nigeria, several studies have examined the constraints that newspapers face particularly following the introduction of digital technologies. Citing studies conducted by Obijiofor (2003), Olukotun (2005), Kperogi (2011), etc, he lamented that there was a serious paucity of research on the survival of newspapers occasioned by dwindling readership and depreciating revenues.

Although Cagé (2014) who presented a position on the economics of the African media from his Harvard University setting observed that newspaper reading is bound to expand in many sub-Saharan African countries in spite of the competition with broadcast and online media. Why? This is said to be due to improvement in literacy, low-capital requirement to set up the print press, as opposed to television and the Internet, and the increasing boldness and independence of the newspaper as against state-controlled broadcast media.

Tommy (2014) canvasses the same views where he cites Obijiofor and Green (2001) and Okoro and Diri (2015) as stating that, “the future of newspapers is bright because there are inherent qualities that newspapers possess which enable them withstand the Internet news revolution,” but they hasten to warn that, “in truth, there are also reasons to worry, especially since the internet is encroaching into newspapers' audience and their advertising

revenue, not to mention the proliferation of news sources on the Internet,” (p. 88).

Looking beyond these problems of digital news encroachment, plummeting readership, dwindling sales and poor advertising revenues, the current experience in Nigeria where an economic recession has set in since 2015 gives deep cause for concern. This is the background that necessitates this study. In the face of economic recession added to the well-known threats which confront the newspaper industry even on a global scale, what strategies are the two selected newspapers – *Daily Trust* and *Leadership*, all based in Nigeria's Federal Capital Territory, Abuja adopting to stay afloat?

## **Brief Profiles of the Two Newspapers**

### ***Daily Trust***

*Daily Trust* newspaper is located at the Utako district of Abuja. Its slogan is, “The newspaper you can trust” and is branded as Newspaper of the Year, 2017. It is a 48-page newspaper with a web address as follows: [www.dailytrust.com.ng](http://www.dailytrust.com.ng), a Facebook page namely: [facebook.com/dailytrust](https://facebook.com/dailytrust) and a twitter handle: @daily\_trust. The paper's Chief Executive Officer/Editor-in-Chief is Mannir Dan Ali while the Editor is Nasiru Abubakar.

The newspaper on a typical Friday issue has about six pages of national and around the state news, five pages of business section including pension news, jobs and careers, a page of school guide, two pages of Youthville, a page of Islamic religious news, a page of city news and page of foreign news. There are also, two pages of politics section, four pages of opinion/editorial matters, two pages of sports and six pages of classified advertisements. Advertisements sourced from product manufacturers, banking institutions, educational institutions, telecommunications companies, government agencies and personalities fill up about 14 pages.

*Daily Trust* newspaper comes in tabloid format. It is

compact, neatly designed, all colour and features bold informational graphics. The cover price is two hundred naira only (N200). The publishers are Media Trust Limited. Their other titles include: *Weekly Trust, Sunday Trust, Aminiya, Kano Chronicle and Kilimanjaro*.

### **The Leadership**

The *Leadership* newspaper is a 48-page tabloid format publication with the motto: For God and country. It tags itself as “Nigeria’s most influential newspaper.” Its official website is [www.leadership.ng](http://www.leadership.ng), available on Facebook as *leadership newspapers* and has its Twitter handle as @leadershipNGA.

*Leadership* is published by Leadership Group Ltd with Sam Nda-Isaiah as Chairman and Catherine Agbo as Editor. Its mission is to stand up for good governance, defend the interest of Nigerian people even against their rulers, and raise their pen at all times in defence of what is right. The paper intends that these be the values by which it is assessed.

On a typical day, *Leadership* has about 15 pages of news – national and from the nation’s geo-political zones, Lagos, and Abuja. There are also about five pages of issues, viewpoints and columns, a page of sports, two pages of foreign news, three pages of law and legal matters, a page of health news, a page of politics, a page of energy business, another of property news and six pages of business including mines and steel. Advertisements sourced from banking institutions, government ministries, personal/goodwill messages, tertiary institutions, religious bodies, property companies and classifieds make up to thirteen pages.

### **Statement of the Problem**

Newspapers since the coming of age of literacy and particularly after the discovery of the printing press have become veritable tools for the dissemination of information and knowledge, the transmission of cultural identities, the surveillance of the

terrestrial environment, and an outlet for the robust ventilation of human aspirations, hopes, desires and frustrations. In free societies and in republican and democratic milieu, newspapers confer status on crucial issues thus helping to set, build and enlarge the agenda in society where it is important for citizens to engage, and be involved in discourses in the public sphere as well as in a participatory democracy.

These roles of the newspaper are evident in much of the free world including Nigeria where they have been described as vibrant. This is so because even in the pre-colonial times, newspapers played a critical role in the struggle against colonialism, military despotism and other threats to democracy in Nigeria.

However, in recent times the newspaper have faced various threats to its existence – low literacy and poor reading habits among Nigerians, poor economic, industrial, and manufacturing climate occasioned by economic recession which have resulted in a depreciated buying power of the citizens and dwindling revenues spawned by loss of advertising revenues, plummeting newsstand sales and systemic corruption endemic in all sectors of the Nigerian economy.

Other impediments to the growth of the newspaper industry can be identified as poor social infrastructures especially transport system for newspaper distribution, the advent and consolidation of online journalism platforms which have instigated the movement of readers to virtual space and citizen journalism that have tended to dilute the professional supremacy of the journalist. Yet there are other nagging issues such as state-sponsored stifling of the press through intolerance of dissenting viewpoints and harassment of journalists. Added to these are the frequent complaints about the degrading quality of journalism as well as the failure of the press to connect with journalism training institutions for synergies.

The problems facing newspapers are not peculiar to

Nigeria. Several scholars have documented these problems and how newspapers are grappling with them in Zimbabwe (Chiyadzwa & Maunganidze, 2013), Europe (Leurdijk, Slot, & Nieuwenhuis, 2012; Penketh, Olterman, & Burgen, 2014; Collins, 2013; Sambrook, 2017), in Six different countries (Barthelamy, Bethell, Christiansen, Jarsvall and Koinis, 2011), the United States (Greensdale, 2014; Saperstein, 2014; Lavrusik, 2009); and in Africa including Nigeria (Cagé, 2014; Tommy, 2014).

Given these challenges facing the newspaper industry globally and particularly in Nigeria where economic recession (some say it is depression) had since set in from 2015; the question posed in this study is: What strategies have the two selected Nigerian national dailies – *Daily Trust* and *Leadership* adopted in response to: (a) dwindling readership, (b) declining revenues and (c) the economic downturn in Nigeria?

### **Objectives of the Study**

The broad objective of this study is to examine closely the decline in the newspaper industry in Nigeria and the economics behind it particularly considering the economic recession in Nigeria. The focus of the study is to explore the survival strategies of two major national dailies (*Daily Trust* and *Leadership*) based in Nigeria's political/administrative capital, Abuja.

### **Research Questions**

This study is structured to proffer answers to the following major research questions:

1. To what extent is declining readership experienced at *Daily Trust* and *Leadership* newspapers?
2. Given Nigeria's economic recession, in what state are the revenues of *Daily Trust* and *Leadership* Newspapers?
3. In what ways are *Daily Trust* and *Leadership* newspapers affected by the seeming migration of news readers to

- online platforms?
4. What are the experiences of *Daily Trust* and *Leadership* newspapers with regard to procurement, utilisation, and maintenance of new technologies?
  5. What strategies have *Daily Trust* and *Leadership* newspapers adopted in response to dwindling revenues occasioned by the economic recession?
  6. What survival strategies have *Daily Trust* and *Leadership* newspapers opted for to keep their titles in the news market where readers are increasingly going online?
  7. To what extent are *Daily Trust* and *Leadership* newspapers able to attract quality journalists into their employ?
  8. What future do *Daily Trust* and *Leadership* newspapers envision for the newspaper industry by 2030?

### **Literature Review**

#### **Nigeria's Economic Recession and its Effects on the Newspaper Industry**

It is widely known that Nigeria is experiencing an economic recession and in this sort of condition, individuals, families, institutions, commercial ventures, communities and the entire nation are bound to feel the crunch. Understanding the nature of an economic recession and how it affects the newspaper business is critical to an understanding of measures that can be undertaken to survive.

According to Noko (2016) citing the National Bureau of Economic Research (NBER), a recession is, “a significant decline of economic activity spread across the economy, lasting more than a few months, normally visible in a real gross domestic product (GDP), real income, employment, industrial production and wholesale-retail sales (p.1). Noko states further that generally speaking, economic recession is caused by high inflation, accumulation of debts especially foreign debts, high interest rates

which discourage investors, sharp drops in aggregate demand, wage and income falls and mass unemployment. Similarly, Conti *et al* (2015) agree that, “recessions create a scenario of decreased demand, intensified competition, and high uncertainty that leads most firms to reduce their operations in pro-cyclical strategy of cutting costs and investment in various functional areas such as production, marketing and research/development”. It is also pointed out that the effect of recession on company performance and the ways in which establishments respond is an area of enquiry that is less attended to. To this end, Conti *et al* (2015) discuss the following consequences of recessions to firms:

1. Recessions limit the demand for company's products and services due to lower employment, leading to decreased disposable income and reduced consumption confidence created by job security.
2. Recessions change the market competitive intensity – the level of competition a company faces. This contraction of demand compels the firm to lower prices to keep sales levels.
3. Recessions produce uncertainties making it difficult for companies to foretell the levels and timing of the ways in which demand and prices will change (p. 20).

It is possible for the discerning observer of the newspaper industry in Nigeria to notice these consequences outlined above.

On reflection, one is pressured to ask: what brought economic recession in Nigeria? Noko (2016) identifies the causes as poor economic planning, high inflation rate, high interest rate, high taxation, and policy conflict or contradictions. The possible economic policy measures to reverse economic downtown in Nigeria have been suggested as follows: reduction in tax rate, effective spending, enhanced access to credit, increased expenditure on skills, increase in agricultural production and export, and increases in manufactured goods and export.

Outside of Nigeria, one country that has equally experienced economic depression is Zimbabwe. Chiyadzwa and Maunganidze (2015) were compelled to investigate how *The Mirror* and *Masvingo Star* managed to survive. Back in Nigeria though, Tommy (2014) has, beside the economic recession that has currently affected the news business, highlighted the trends that may possibly explain economics of decline in the Newspaper industry. Some of these trends are:

1. The dominant perspective that owners wield considerable influence on how the newspapers are run.
2. The three-stage management structure involving the owner/publisher, an editor-in-chief, and a general editor (along with business executives on the same level in the hierarchy to manage the business aspect and report to the editor-in-chief).
3. The cost of production is the biggest environmental factor that caused concern for newspaper management (p. 90).

What we have seen thus far is that when newspapers cut down on the print run, place a freeze on wages, cut down on pagination, reduce the number of desks or sections, re-evaluate new agency subscriptions, reduce its staff strength, outsource operations, or depend more or less on freelancers and citizen journalists, among others, they may not only be responding to administrative, management or technological imperatives; they may indeed be striving to cope with current economic realities facing both the news firm and the country at large. The immediate concern in this article therefore is the extent to which Nigeria's economic recession affected *Daily Trust* and *Leadership* and the strategies they adopted to survive.

### **Constraints Facing the Newspaper Industry around the World and Adopted Survival Strategies**

The problems and challenges facing the newspaper industry are

global. Lavrusik (2009) notes that newspapers are struggling in terms of finances and that the underpinning issues are business-driven, structural, cultural, and related to the industrialised basis of circulating newspapers. He suggests that newspapers should do 12 things to survive. These include putting the web first and reporting from multiple platforms, going niche, offering unique content in print, becoming curators and contextualisers, integrating real time reporting, and restructuring internal cultures. Others include encouraging innovation, investing in mobile technologies, communicating with readers, building communities, and reconsidering the use of pay walls.

In the European setting, Collins (2013) observes that, “a long illness usually precedes the death of a paper; journalists are sacked, newsgathering budgets are cut, pagination is reduced, and potential consumers are excluded by price rises”(p.1). He states that *The Guardian* media group lost £129m in 2012 and that two UK papers – *The London Evening Standard* and *The Independent* have indicated that they need investors to take up part of the newspapers' liabilities.

Lavrusik (2009) examined the United States newspaper situation and argues that the fallout of the alterations in newspaper fortunes include a decline in public access to affordable content, a reduction in content quality and diversity, and a dip in the multiplicity of sources of content occasioned by mergers or closures of news firms. What these call for is a serious reconsideration of the ways in which the press is publicly financed. Such as opting for a public service publisher (PSP) fund which the UK regulator Ofcom has tentatively proposed.

In many studies, the economic decline in the newspaper industry is often placed at the doorstep of the Internet and online news platforms (Tommy, 2014; Saperstein, 2014; Sambrook, 2017; and Aliagan, 2015). However, Greensdale (2014, p. 12) writes that this assumption is based on three false premises:

**Fallacy One:** Online advertising revenues are

naturally lower than print revenues, so traditional media must adopt a less profitable business model, which cannot support paying real reporters.

**Fallacy Two:** The web has made the advertising market more competitive, which has driven down rates and in turn, revenues.

**Fallacy Three:** The net is responsible for the demise of the newspaper industry.

Greensdale (2014) cites a study by Chicago University Mathew Gentzkow as arguing that the perception that online ads are cheaper to buy is so because people quote items in parameters that are not comparable to each other and that the popularity of newspapers had reduced enormously well before the emergence of digital platforms. Greensdale, however, concludes that, "... he may be overstating his case because the Internet has been and continues to be a significant contributory factor to decline" (p.12).

Interestingly, some authors have argued that the decline in the newspaper industry is overstated. Barthelemy, Bethell, Christiansen, Jarsvall, and Koinis (2011) state that, "while there are clearly significant shifts taking place within the print industry, particularly around attempts to monetise online content and find alternative sources of revenue to replace falling advertising revenues from print, the decline of the industry is overstated. News organisations are going through a process of transition and adaptation... the narrative of newspapers being in perpetual decline is mostly Western centric, and does not take into account regional variations and the fact that in many emerging countries, print newspapers are robust and growing" (p. 2). Providing details of the decline of the newspaper industry in the West, Barthelemy *et al* (2011, p. 36) note:

Markets where print newspapers are more dependent on revenues from advertising were more severely affected by the economic recession. Worldwide, advertising comprises 57percent of overall newspaper revenue while

circulation makes up 43percent. In the US, newspapers generate on the average 73percent of revenues from advertising, and sell their print copies at lower prices. In Germany, newspapers generate 53percent of their revenues from advertising. In the United Kingdom the average is 50percent. From 2008 to 2009, newspapers' ad revenues declined 25percent in the US, 22.1percent in the UK and 2.2percent in Brazil. By contrast, they increased by 10percent in Egypt and Lebanon and by more than 13percent in India. Newspaper circulation fell by 10.6percent in the US, 5.6percent in Europe and 4.6percent in South America; and grew by 1percent in Asia and 4.8percent in Africa from 2008 to 2009.

Concerning Africa, Cagé (2014) is supportive of Barthelemy *et al* (2011). Though the authors observe that in very many countries in sub-Saharan Africa, newspapers are not profitable in terms of sales from advertising and sales from subscription/cover price; that paid journalism is used subtly to scale down criticism, that African newspaper readership at the aggregate country level differs from place to place but is nothing near mass circulation and that only in a few countries e.g. Nigeria is the advertising market growing. Cagé predicts that, “countries in Africa are among the only countries in the world where the reading of newspapers will continue its expansion during the coming decades,” (p. 2). However, with the harsh economic situation facing Nigeria for instance, this prediction may not hold true anymore.

In some developing countries such as India and Brazil, Barthelemy *et al* (2011) indicates that the print newspapers are thriving thanks to increasing, “literacy, employment, education and income levels” (p. 38). They conclude that, “the newspaper industry is not in the process of marching towards its death, but is coming to terms with a period of uncertainty and rapid

technological change” (p. 43). In striving to find ways to survive, the authors continue, newspapers, “have been stretching the trusted brands they have created to capitalise on brand loyalty and move into commerce”, and “diversification of non-media holdings and investments...” (p. 43). Based on these arguments, Cagé (2014, p. 16) also suggests ownership concentration “because a market can only support a limited number of media outlets, due to both the endogenous and exogenous fixed costs of news production”, development of synergies between national and local newspapers, and the evolvement of non-profit media organisations as fresh perspectives for a new business model for African media.

Still writing on the situation in the US, Saperstein (2014) observes that newspapers are struggling to survive in the age of technology. To Saperstein, “in 2013, total revenue within the newspaper industry decreased by 2.6 percent representing over a billion dollars in lost funds. As a result, *The New York Times*, *The Wall Street Journal* and *USA Today* have all experienced major losses, with each of the papers cutting anywhere from 20 to 100 newsroom jobs...” He added that, “from 2006 to 2012, the number of working journalists in the United States decreased by 17,000,” (p. 2). To survive in the age of technology, Saperstein suggests that, “innovation in the news industry will involve changing not only the traditional journalism model, but also incorporating changes into its business technological and marketing sectors as well,” (p.4)

Some of these ideas are contained in the research into existing and new models to finance quality journalism and possible strategies for moving forward (Ooslanader, Gauter, & Dyck, 2015). There authors suggest 52 ways to make money with quality journalism. A few of the suggestions include:

1. Commercial organisations could perform traditional research or ask journalists to create investigative productions in a

consulting capacity (consultative journalism)

2. Work with resources, data and people from universities, which might also provide office space and other resources... creates cost advantages and depth of information (academic co-operation)
3. Collaborate with other journalists or the public across national borders, disciplines or areas of expertise (data-research-narrative-technology) (Ooslanader, Gauter, & Dyck, 2015, p.18).

In the United Kingdom, Sambrook (2017) states that, “newspapers are caught in a technology-primed trap where social media interlopers are taking readers and profits, changing consumer behaviour and diverting advertising” and that, “the irony is that reach and readership for newspapers have never been higher, but the difficulty in making profit has never been greater” (p.1). In response to this dire outlook, newspapers in the UK have resorted to several strategies according to Sambrook to resolve these dilemmas. These include implementing a full pay-wall, the metered pay wall, the open model or the free model. Other newspapers now recourse to partisanship and sensationalism to jerk up readership while others settle on niche markets and huge investments in staff and digital operations.

In continental Europe, Penketh, Oltermann, and Burgen (2014) have researched into the ways European newspapers are attempting to survive the digital revolution. They state that, “newspapers are in freefall. Print editions are being discontinued. Editors are being replaced at an alarming regularity. Financial losses are mounting. Digital strategies are yet to bear fruit. New readers are fickle, promiscuous, and hard to impress” (p. 1). The authors studied the situation in Spain and recounted the woes of *El Pais*, *La Vanguardia*, *El Periodico*, *El Mundo* and *El Publico*. They also examined the market in France and related a similar tale of misfortune for *Liberation*, *Le-Monde*, and *L. Opinion*. In

Germany the authors observe that, “German papers have been sheltered somewhat from the global storm because of the comparatively late arrival of Pay TV, traditionally high retail prices and the prevalence of the subscription model” (p. 4). Another plus for big German newspapers and magazines is that they “have one editorial team overlook all its channels of output,” however, the *Frank-furter Allgemeine Zeitung* is said to have announced that, “it had suffered losses to the tune of several million Euros,” (p. 5).

Generally speaking, newspaper firms have reacted to the volatile market situation in several ways. Leurdijk, Slot, and Nieuwenhuis (2012, p.7) identify some of these ways as follows:

1. Introducing new sections and weekend magazines which offer readers light entertainment and lifestyle information and offer advertisers extra, attractive advertising space.
2. Changing the newspaper format: from broadsheet to Berliner, or tabloid format.
3. Introducing free newspapers.
4. Launching websites and other online services such as email newsletters, RSS feeds, and news apps, etc.
5. Exploiting their brand name by offering extra products such as books, DVDs, wine or travels, related to, for instance their book, film, or lifestyle newspaper sections.
6. Integrating their journalistic profile more strongly to their commercial potential.

In Zimbabwe, Southern Africa, Chiyadzwa & Maunganidze (2015) investigated the survival strategies that are feasible, practicable and available to the media in times of economic and political turbulence if viability is desired. They studied *The Mirror* and the *Masvingo Star*: two Zimbabwe community newspapers and found out that the papers exploited the following factors to survive: (a) maximisation of political polarisation, marked sensationalism to obtain reader interest,

maximisation of news proximity after the demise of big titles, and reliance of civic society donor funds.

And in Nigeria, Tommy (2014) interviewed eight top and middle management staff of four newspapers – *The Guardian, Sun, Vanguard, and Tribune* and based on his findings noted earlier in this literature review, he recommended among others, good editorial packaging, good customer relations through public relations and advertising, event sponsorship and marketing promotions as strategic moves to remain strong in the market. Others are periodic audience, business, operations, product and marketing researches, government subsidies to boost local capacity, and leveraging new media platforms to improve reach and relevance.

Similarly, Aliagan (2015) explored the survival strategies employed by Nigeria's top seven national dailies – *The Punch, The Nation, The Sun, Vanguard, The Guardian, Thisday, and Daily Trust*. The study was not motivated by Nigeria's economic recession as in this present case but by the vicissitudes of technological changes affecting the newspaper industry. The two major rationales for Aliagan's study were loss of readership and revenue caused by reader switch, and the perceived migration of advertisers to online news platforms. He observed that the Nigerian newspapers adopted the following survival strategies: cutting operational cost, improving their online presence and advertisements, minimising online content, hard-copy-only ads and notices, improved graphics, and niche publications as pullouts and magazines. Others include public lectures and awards, social media interface, mobile newspaper, retainership, content page subscription, political leaning and ethnic loyalty as well as columns/columnists. Aliagan also observed that the newspapers used multimedia publishing (online TV), supplements, and other sources of revenue to stay afloat.

Having reviewed this corpus of literature from around the world including Nigeria, it would be interesting to see whether the

strategies adopted by newspapers in response to technological challenges are the same or different as those adopted in response to economic recession. The noticeable difference in this present study is that *Daily Trust and Leadership* are relatively young in Nigeria's newspaper history, they are both owned and operated by Northern Nigerian interests and are based in Abuja – Nigeria's administrative capital which has little industrial presence.

### **Theoretical Framework**

In exploring how business firms including newspaper organisations navigate their ways through recession, the pro, or counter cyclical theory of strategic management comes to play. According to Conti, Goldszmidi and Vasconcellos (2015), “Recessions are recurring events in which most firms suffer severe impacts while others are less affected or may even prosper. Strategic management has made little progress in understanding such performance differences. In a scenario of decreased demand, intensified competition, and higher uncertainty, most firms try to survive by pro-cyclically cutting costs and investments, but firms could take advantage of undervalued resources in the market to counter-cyclically invest in new business opportunities to overtake competitors’ (p. 273).

Conti *et al* (2015) explain that recessions lower the demand for many products and services, change their demand patterns, as well as the market competition intensity. Economic recession or depression also generates business uncertainties leading to anxiety in business planning and forecasting. The strategies that are usually affected as companies, including newspaper companies, try to grapple with economic recession include supply strategies which encompass staffing strategies, production strategies, and purchasing strategies. These strategies are mostly pro-cyclical.

Second, demand strategies which encompass marketing investments, pricing, and research and development investment

are likewise pro-cyclical. Third, capital strategies cover credit policy, capital expenditures in fixed assets and acquisitions which also occur at the pro-cyclical level.

On the other hand, Conti *et al* (2015, p. 276) hypothesises that,

(a) Counter-cyclical strategies of increased investment in supply, demand and capital-related areas during recessions lead to superior changes in performance.

(b) Flexibility moderates the relationship between strategy and performance such that increased flexibility strengthens the positive effect of a counter-cyclical strategy investment on the change in performance during recessions.

(c) Opportunity recognition in recession increases firms' use of counter-cyclical strategies of investment in supply, demand, and capital related areas during recessions.

(d) Entrepreneurial orientation moderates the relationship and strategy in recession such that increased entrepreneurial orientation strengthens the positive effects of opportunity recognition on firms' adoption of counter-cyclical strategies of investing in supply, demand, and capital related areas during recession.

The lesson that is drawn from the examination of these theories is that, in their attempts to respond to Nigeria's economic recession, the management of *Daily Trust* and *Leadership* newspapers adopted aspects of the pro-cyclical and or the counter-cyclical management strategies to survive. The success or failure of the adopted strategies would be seen if they survive or crumble under the weight of the recession.

## **Methodology**

This study adopted the time-tested qualitative research method with the in-depth interview as the instrument of data gathering. Qualitative research is usually necessary when researchers aim at

ascertaining and theorising on significant topics (Jameshed, 2014). Stressing on the validity of interviews for professionals, Jameshed states, "semi-structured interviews are utilised extensively... based on semi-structured interview guide, which is a schematic presentation of questions or topics and needs to be explored by the interviewers" (Jameshed, 2014, p. 87). Gill, Stewart, Treasure and Chadwick (2008) note that qualitative methods, such as interviews, "provide a deeper understanding of social phenomena than would be obtained from purely quantitative methods such as questionnaire" (p. 292).

The choice of *Daily Trust* and *Leadership* newspapers for this study was informed by the fact that the two newspapers are the main extant English Language newspapers based in Nigeria's Federal Capital, Abuja serving the interest of the North in Nigeria though they are also read nationwide. Aliagan (2015) notes that, "a 2009 survey by the Advertisers Association of Nigeria (ADVAN)... revealed that the top seven Nigerian national dailies comprising *The Punch*, *The Nation*, *The Sun*, *Vanguard*, *Guardian*, *Thisday* and *Daily Trust* polled a combined circulation of 174,312 representing 91.8% of the market share" (p.11). The interest in only the Abuja-based newspapers is that Abuja's economy is mainly administrative whereas the industries and other commercial ventures are located in Lagos, Kano, Kaduna, Ibadan, Port Harcourt and the Aba-Onitsha-Owerri-Nnewi axes. The question then is, what is the basis for the survival of the Abuja-based newspapers in a worsening Nigerian economy?

The semi-structured, in-depth interview questions were nine and dealt with the newspapers' backgrounds, decline in readership, dwindling revenues, reader migration to online platforms, and technology issues. Others were strategic responses to dwindling revenues amid economic recession, strategies adopted to stay afloat in the news market, the quality of journalism labour, and a vision of the newspaper industry by 2030.

The most knowledgeable journalist (editor) who was

familiar with the day-to-day operation of the two news firms and who had spent between five and ten years in the organisations were identified and selected for the interview. Each interview took place in a quiet area of the work environment, lasted for at least two hours, and was tape recorded, transcribed, and used for the study. The interviews were conducted on the 3rd and 4th of March, 2017. It was necessary to carry out the study at this time because Nigeria had been experiencing economic recession since the last quarter of 2015, which affected businesses in Nigeria adversely.

The question lurking behind this method is the usual – how objective are those running the newspaper business expected to be when asked about the health of their operations? It was, however, observed as Barthelemy, Bethell, Christiansen, Jarsvall and Koinis (2011) did that we were equally, “surprised by the frank and honest conversations we have had with those working on the frontline of journalism and newspaper industry” (p.43).

## **FINDINGS**

### **Background of the Newspaper Firms:**

*Daily Trust* was established in 1998 as a weekly publication based in Kaduna, northern Nigeria. By the year 2000, it relocated to Abuja, Nigeria's capital territory, and metamorphosed into a daily publication. Kabiru Yusuf is the founding chairperson of the newspaper corporation. He worked as a journalist in several news outlets including the *Triumph*, *The Guardian*, *Today*, *Citizen Magazine*, the British Broadcasting Corporation, and was at a time an academic at the Othman Danfodio University, Sokoto. He studied political science. He is the Head of the Board of Directors while Mannir Dan Ali is the Chief Executive Officer and Editor-in-Chief who himself also worked for the BBC many years before joining *Daily Trust*.

*Daily Trust* is rated as a national newspaper based in Abuja with major focus on the coverage of the 19 Northern states of Nigeria. The newspaper firm has printing presses in Abuja, Kano,

Maiduguri and Lagos. Content is produced and designed in Abuja and sent to the presses in PDF format in order to decentralise production and allow ease in circulation. In 2016, Mediafact, a media research concern, paired *Daily Trust* with *The Punch* as the highest circulating newspapers in Nigeria. Again, in December 2016, *Daily Trust* won the Nigerian Media Merit Award as Newspaper of the year.

*Leadership* was set up in 2006. The paper is about 11 years old now. Sam Nda-Isaiah who used to be a columnist for *Daily Trust* newspapers founded the paper. The column was called Leadership Confidential. He also had a father who was a journalist, indeed a sports editor at the *New Nigerian*. His flair for writing and the readership that Nda-Isaiah's column commanded, gave him the impetus to establish *Leadership* newspaper.

### **Extent of Declining Readership at *Daily Trust* and *Leadership*:**

For *Daily Trust*, readership has not suffered greatly. In 2008 for instance, *Daily Trust* Sunday circulated about 10,000 copies but in 2016, its circulation had risen to 40,000 copies. Today in 2017, *Daily Trust* circulates between 35,000 and 40,000. It could do much between than this if potentials are maximised. A major setback for *Daily Trust* has been the insurgency in the North East. Insecurity in that part of the North which is really the main base of the paper has killed economic activities in the region and hampered the capacity of people to buy/read newspapers. The paper has made up for this loss by gaining a bit more from the South West, South East, and South-South – particularly because of the printing press established in Lagos. This has given visibility to the paper in these regions where 70% of the paper is sold.

In December 2016, Newspaper Vendors Association in Abuja made *Daily Trust* its newspapers of the year because it outsold other newspapers titles in Abuja. Several factors are responsible for the popularity of *Daily Trust*. These include credibility, uncompromising standards, reliability of published

information, an inclination towards more investigative journalism and the encouragement of greater use of infographics. These adopted measures prove that newspaper industry professionals are aware of the parlous state of the economy. Rather than sleep, managers are active devising means of improving readership.

Leadership is conceptualised as a national newspaper but no newspaper is completely national. While being located in the Federal Capital Territory, Abuja; the major portion of its readership is in the North particularly Kaduna and Kano. About 90 to 95% of the copies for Abuja are sold while 80 to 90 percent slated for Kano is sold. *Leadership* has a greater percentage of readership than other newspapers in Abuja especially on Fridays because *Friday Leadership* is very different. On those days, it treats history, culture, My Town, Lunch, My Boss, etc with some interesting flair.

It is a fact that the economic recession has eaten deeply into *Leadership's* revenue base though the sales on Mondays and Fridays are very apparently because of the popularity of the publisher's column as well as that of Azu Isiekwene – the Veteran journalist and publisher of *The Interview*.

### **Current Revenues Profiles at *Daily Trust* and *Leadership*:**

It is true that the economic recession has affected newspaper revenues adversely. The most crushing challenge is the hike in the cost of printing materials: Ink, newsprint, spare parts, and engineering experts who are often sourced from abroad. The difficulty in accessing foreign exchange for these needs is telling. *Daily Trust* has been compelled to increase its cover price from N150 to N200, but newsstand sales or cover price of newspapers never covers any cost. In other words, sales of the newspaper copies are usually inadequate to sustain running or production costs.

Advertising revenues are usually the single largest sustaining force of the Newspaper. On a typical day, *Daily Trust*

can have say 20 pages of advertisements and 28 pages of editorial matter. These could be more on Mondays, Tuesdays, and Wednesdays and at N600,000 per page, it could manage to survive. If the economy were better, certainly, ad revenues would have been more. So, the biggest challenge *Daily Trust* is grappling with, is not the Internet or the social media but the spike in the cost of production materials.

For *Leadership*, it is true that because readership has dwindled, revenue has also plummeted. This is so because thousands of readers now read their newspapers in the digital form i.e. online first thing in the morning and last thing before they retire to bed. Add to that, these same readers also obtain news and information through broadcast media, radio, television, cable, and satellite.

However, two factors have given the printed newspapers some advantage. One is that the newspaper has a greater capacity to give more in-depth treatment and presentation of issues and so, those who prefer this depth certainly opt for the printed version particularly those who are old, mature, and not too given to hand-held devices in addition to being used to the “feel” of and “aroma” of the printed newspaper. Two, serious advertisers especially those who put out recruitment ads, vacancy ads, contract bid ads, disclaimers, caveat emptor statements, change of names, applications for letters of administration, publication of certificates of occupancy, etc. necessarily recourse to printed versions of the newspapers. These two reasons have accounted for the continued survival of the printed newspaper even as firms continue to grapple with the loss of revenues compounded by the economic recession the country is undergoing currently.

### **Effects of Newsreaders' Migration to Online Platforms at *Daily Trust* and *Leadership*:**

*Daily Trust* has been dealing with this issue for five years now. The company does have a digital platform and on it, it mounts youth-friendly stories that are trending and these have witnessed a high traffic.

However, it is the printed version of the newspaper that brings in the main bulk of the revenue particularly when online operations are subsidised. The printed newspaper is not going into extinction because there are and there would still be readers who prefer the flexibility, the feel, the depth and the physical storage propensity of the printed paper.

There are several other points that give hope to the printed news – loss of confidence in fringe online news platforms, erosion of credibility, paucity of attention to balance, attribution, fairness, analysis and depth. It is true now that several groups have set up shop to cross-check the activities of online publishers.

It is also true that breaking news usually makes it to the online platforms faster, but deep, investigative stories not found elsewhere easily feature in the printed version where serious, mature readers turn to for credible, journalism pieces.

At *Leadership*, the phenomenon of migration of news readers to online platforms is real except for old generation readers. Young readers especially those who cannot afford the daily cost of newspapers prefer digital news.

Again, the practice of newspaper reviews on the electronic media each morning encourages people to scan their mobile phones, Ipads, and laptops for immediate details rather than take a taxi, drive, or walk to a nearby newsstand.

Also, readers seem to enjoy the special features inherent in the digitised form of news - the colour, drama, sentiments, sensationalism, and animation/sound.

However, the excesses of the digital platforms have become a boon to the printed medium. The prevalence and

preponderance of fake news websites have caused serious-minded news seekers to shun digital platforms. Moreover, since it is common for online news sites to delete or delist older posts after a period, readers who cannot guarantee that they will find their favourite articles usually opt for the offline or printed newspaper. Similarly, readers who are afraid that online systems may crash continue to keep faith with the printed version.

That said, it true to surmise that physical, offline readership has gone down due to online presence of most news firms and the dwindling purchasing power of the archetypal consumer. This is seen in the many unsold copies that are returned by the vendors. The sustaining factor to newspaper establishments so far remains advertising revenues. Without revenues from advertising, most news titles would significantly die off.

### **Influence of New Technologies at *Daily Trust* and *Leadership*:**

The newspaper industry cannot survive without technology. Albeit *Daily Trust* appraises technology's evolving nature, its fast pace as well as its cost and benefits; it does not embrace technology simply for its own sake but only adopts what it can afford, and what would benefit all parties.

*Daily Trust* for example, opted for *Daily Trust TV* – an interactive live-stream platform on Facebook. It has an Information Technology department which tries to integrate into the newsroom, service the press, deal with emergency situations, and trouble-shoot as the cases arise.

At *Leadership* one can readily point out issues concerning internet source providers. There is also the problem of network fluctuations, online traffic congestion, payment defaults and the human factor that affects everything under the sun. The news business at *Leadership* has, in spite of this, benefited enormously from technology. ICTs have enabled distant correspondents to place their stories online fast enough as well as used it to enhance

their routine operations as journalists.

Sadly, Nigeria's epileptic power situation makes it very difficult to keep technology totally utilised in the work place. Added to these issues are the manpower and personnel matters that arise when experienced hands that handle sophisticated technologies leave the employ of the newspaper because of better conditions of service in other firms.

### **Strategies Adopted in Response to Dwindling Revenues and Economic Recession at *Daily Trust* and *Leadership*:**

For *Daily Trust*, the printed newspaper is the major platform for delivering news to people. The publication has taken care to engage in the following activities aimed at shoring up its revenue base:

1. *Daily Trust* organises agricultural shows through which organisations showcase their machines and equipment, seedlings, chemicals and consultancies. The participants pay for their stands as well as newspaper coverage.
2. Organisation of seminars in partnership with groups and bodies such as the National Institute for Policy and Strategic Studies (NIPPS), Northern Governors Forum, and Northern Nigeria Development Commission. Participants pay while the groups co-sponsor the events.
3. *Daily Trust* engages in special projects such as the publication of goodwill messages, anniversary messages, birthday wishes, job opportunities, etc that are targeted at building readership and yielding revenue.
4. Book publishing for individuals, groups, agencies, and corporate bodies also helps to generate revenue.
5. Adoption of cost-cutting measures for example staff rationalisation, retrenchment, and cuts in allowances.
6. Running of impression and printing for other newspaper titles including *ThisDay* newspapers, magazines, etc.
7. Employment of an expatriate Chief Operations Officer to

ensure cost-effective management and conservation of resources on a sustainable basis.

8. *Daily Trust* also created new publications such as *Teen Trust* for teenagers; *Kilimanjaro*, a continental magazine; *Trust Sports*, for sports lovers; *Tambari*, a lifestyle magazine for women; and *Golf* magazine that is targeted at golf enthusiasts. A latest publication on the *Daily Trust* staple is a booklet on restaurants that showcases their locations, cuisine, and special offerings for the bustling urbanites.

To ensure that *Leadership* newspaper sells more than others, a deliberate policy of generating stories that are original to *Leadership* is undertaken daily. In doing this, *Leadership* also ensures that it underscores the consequences, implications, significance, and dimensions of the news so that the reader can obtain a broader perspective of the news. Beyond this, *Leadership* resorts to expert explanation of all complex issues in the news whether they deal with the national budget, political matters, or legal/judicial issues.

The economic recession and the high cost of newsprint and other materials have also compelled *Leadership* newspaper to reduce the volume of the newspaper from a pagination of 72 to 52 for the weekly issues and from 64 to 48 for the daily issues.

*Leadership* also effected a price adjustment as part of its survival strategies. For the daily issues of the paper, the price has been adjusted upwards from N150 to N200 and for the weeklies, from N200 to N300. This appears to be counter-intuitive because a reduced pagination should not attract an upward price review. However, the newspaper firm argued that whatever is lost in the reduced pagination is made up in quality content that has greater originality as well as an array of expert views in the relevant sections to give the significant implications of the news.

Another response to the recession is the recourse to staff rationalisation, retrenchment and scaling down of non-critical

operations.

**Strategies Adopted to Keep *Daily Trust* and *Leadership* in the Market:**

*Daily Trust* has elected to take several steps to keep the title in the market place. Some of the steps are as follows:

1. Increase in cover price from N150 to N 200.
2. An increasing recourse to exclusive stories. Readers are willing to buy and read in-depth stories not found elsewhere.
3. Content redesign and repackaging and addition of new sections such as “Youthville”, for young adults, and “Homefront” for the family-minded.
4. Constant training and retraining of reporters on key areas such as data journalism, sub-editing, and solutions journalism. Solutions journalism is modelled to proffer ideas, innovations, and creative solutions to social problems such as water scarcity, poverty, disease, environmental degradation, etc. Typical stories bear success accounts, expert viewpoints, etc.
5. Provision of covered vendor kiosks/newsstands at strategic locations across the northern states and Abuja to support vendors and encourage single copy newspaper purchases.

*Leadership* has also undertaken some critical steps to keep the newspaper afloat. Some of the strategies are highlighted below:

1. *Leadership* has its headquarter offices and press in Abuja but to increase the supply of the title in the southern part of Nigeria and eliminate the problem of logistics, it prints for *Vanguard* newspapers for its Abuja operations while *Vanguard* prints for it for its Lagos operations. This ensures that the titles have an increased propensity to

circulate at both the North and South of Nigeria and thus be available in the market place across the nation.

2. Though *Leadership* is domiciled in the Northern part of Nigeria, it has made intentional and sustained forays into the South-East and South-South geo-political zones by focusing on what the state governments in those regions are doing. The idea is to make *Leadership* more acceptable outside the Northern region.
3. Another strategic action taken by *Leadership* newspaper to sustain the title in the market is that diversity issues are taken seriously. In the coverage of news and in the recruitment of staff, *Leadership* ensures that persons of the two main religions – Christianity and Islam and those of the major ethnic groups are given opportunities to work at *Leadership* without discrimination. This helps to give greater depth and perspectives to the firm's operations and improve general level of influence nationally.
4. In addition to these, *Leadership* insists on the open-mindedness of its news-editorial function in matters of religion, politics, ethnicity, gender, etc. *Leadership* hopes that readers and advertisers are more likely to accept the paper with a tolerant, liberal posture than others that are not.
5. Advertising is very dependent upon the business environment in any given country. The ad situation at *Leadership* is comparable to that of others operating in Abuja especially and Lagos in general. The newspaper makes every effort to attract advertising revenue and may sometimes let this take more space from a editorial matter, if need be.

Newspapers can do a number of things to attract advertisements such as giving editorial favours and prominence to

key figures in personality profiles, front page promotion of stories for potential advertisers, ensuring high production quality and fidelity of colours and photographs which normally attract advertisers, deliberate placement of advertisements on choice positions not requested by the advertisers, de-emphasising stories that are unfriendly to key advertisers in order to draw future ads, etc. A few of these methods may be seen as unprofessional or unethical, but newspapers in Nigeria must find ways to generate revenue and stay in business. The two newspaper firms studied are not too outside of some of these practices.

### **Strategies Adopted to Attract Quality Journalists to the News Firms:**

The experience at *Daily Trust* is that, no matter the training obtained by journalism graduates, they still require to be put through the practical side of things. They need to learn that the culture of individual news brand is critical. Besides this, the general problem is the increasing deficiencies of new entrants in the use of the English language and the mechanics of news writing and reporting. The setback is really in the aspects of the application of good grammar, the use of idiomatic expressions and the deployment of special registers for special beat reporting etc.

To *Daily Trust*, there are no difficulties recruiting fresh journalists because it has been its long standing policy to employ the best graduating students in mass communication from the University of Maiduguri, Bayero University, Kano, and the Ahmadu Bello University, Zaria automatically. The new journalism employees often falter in the use of English and show gross lack of knowledge of other fields such as politics, medicine, agriculture, science, business, economics, science & technology, and law. The suggestion here is that journalism trainees should, as a matter of urgent professional importance, obtain training in double honours so they can fit in more- properly in the newsroom.

Another problem encountered at *Daily Trust* is that fresh journalism graduates lack basic knowledge of statistics and the rigour of the scientific technique. Without these ingredients, evidence-based journalism is impossible and today's news readers are more sophisticated to only believe stories and media platforms that provide evidence in their stories.

Yet another drawback experienced with new journalists at *Daily Trust* is the constant resort to the Internet for news and reports. This is a rather lazy approach to journalism. Today's newspaper situation is highly competitive, media outlets that are not willing to do things differently and offer original, rare, or exclusive stories stand a very little chance of survival.

It is not difficult to attract those who work at *Leadership*. Referrals are received from institutions that train journalists, professional tests are conducted before recruitment, but editors are mainly promoted from within and practitioners are generally allowed practice in their areas of comparative advantage. Vacancy advertisements are rare at *Leadership*. The recession has made such an option economically inexpedient.

### **Vision 2030 for the Newspaper Industry in Nigeria**

The belief at *Daily Trust* is that newspapers will continue to exist though the content is bound to change. There will be a continual blurring of the line between academic/scholastic writing and journalistic writing. Journalism will tend towards more interactive content, based on research and evidence.

Second, journalism will become amply multimedia whether in printed or online versions. Stories will become more and more accompanied with video, audio, infographics, data and statistics.

Third, printed newspapers of the future will attract more advertising revenue because of the deficiencies of the online platforms and the invasion of the cyberspace by unscrupulous,

untrained, and unprofessional hands. In other words, the online platforms will become more and more unreliable necessitating a return to printed newspapers with more established media traditions and values that will continue to drive lovers of quality and professional journalism back to the newsstands.

Fourth, Newspaper firms will be compelled to evolve new business models such as diversifying into other strands of businesses including chain stores, hotels, real estate, restaurants, and merging with other business groups to consolidate their finances, tap into economics of scale, stay afloat and make profits.

Rather than become extinct, newspapers, in the next couple of years, will find ways to continue to foster community spirit and citizen participation in the transformation of societies. As newspapers find their feet again, after the jolt of the digital revolution, they will find their feet, stabilise and offer content that is knowledge-driven and research-based.

For *Leadership* the threats that the newspapers face can easily be seen. The reading culture and much more, the writing culture even among journalists are very serious setbacks for the industry. Journalism depends on reading and writing. The corps of journalists who are skilled writers are in fact going into extinction, and without a robust reading culture among the population, newspapers cannot survive.

Another unfortunate situation is the apparent disappearance of investigative journalism. If this becomes dead, then journalism itself has no future. Present and future journalists must strive to revive the fine art of investigative journalism if they must live up the expectations of their social responsibility and surveillance functions of the mass media.

Other factors that imperil the future of journalism include the inclination of readers to go online to save cost, the inability of journalism to pay practitioners adequately, unserious publishers who lack business acumen and tend to divert funds, the lack of patience in young journalists and their unpreparedness to submit

to the taxing and rigorous nature of journalism. To make matters worse, skilled and experienced journalists are depleting, meaning that the plunge of quality newspapers is imminent. If these conditions persist and steps are not taken to adequately remedy the situation; certainly then, the future of Newspaper journalism in Nigeria will remain bleak.

### **Discussion of Findings**

This discussion is principally based on the twin purpose of this study namely: to ascertain how the economic recession in Nigeria has affected the newspaper firms studied and the strategies the firms have adopted to survive. The study of *Daily Trust and Leadership* newspapers has shown that the economic recession in Nigeria has led to the following experiences:

First, Revenues that usually accrue from advertising have reduced because the business environment is harsh. Advertisers have tended to cut down on the budget and volume of marketing, promotions, public relations and advertising even before the recession set in. Now, they have every excuse to further cut the budget.

Second, the revenue accruable from newsstand sales has equally dwindled as news readers continue to battle with dwindling financial power to sustain paid readership. The economic recession in Nigeria has led to worker rationalisation, retrenchment, cuts in wages, wage freezes, job losses and unemployment. To further worsen the situation, the increasing availability of broadcast news and the digital revolution have further reduced newsstand sales.

Third, the high cost of materials used in producing newspapers – newsprint, ink, ICT accessories, spare parts for the printing press as well as the high cost of hiring expatriate personnel to service equipment have been reported at *Daily Trust* and *Leadership* as some of the effects of economic recession on

the newspaper firms.

Fourth, the inability of the government to adequately address the national infrastructure deficit occasioned by economic recession among other factors has increased the logistics of covering events and distributing finished products. The problem of distributing the newspapers nationwide for *Daily Trust* and *Leadership* has been highlighted in the study.

These findings agree with Conti *et al* (2015) observation that recession reduces the demand for most firms' products, changes the market competitive intensity and generates uncertainties. In reacting to the impact of recession, firms including *Daily Trust* and *Leadership* are bound to adopt strategies intended to keep them in business. These strategies follow the pro-cyclical or counter-cyclical behaviour theories which Conti *et al* (2015) also explain as involving such actions as cutting costs and expenditures or increasing investments respectively, combining both strategies or doing nothing until the recovery of the economy.

In line with this theoretical framework, this study demonstrated that *Daily Trust* and *Leadership* have adopted all or some of the following strategies in response to the economic recession in Nigeria and as survival measures: (1) Cuts in print run, (2) Freeze in wage increases, reduced allowances in the case of *Daily Trust* and *Leadership* owed arrears of salaries in the case of *Leadership* (3) reduction in the pagination of the newspapers, (4) reduction in the number of journalists on the news desks in the case of *Leadership*, (5) reduction of subscription of news agencies; and de-subscription of *New York Times* and *Reuters* in the case of *Daily Trust*, (6) decrease in staff strength (7) heavy dependence on freelancers and citizen reporters. Other survival measures include: (8) supplementary online presence of the newspapers, (9) scaling down promotion and advertisements of the newspapers, (10) newsstand sales promotion, (11) encouragement of patronage from government, (12) suspension of sponsorship of foreign reportorial trips, (13) drastic reduction of

foreign beats for *Daily Trust* and suspension of foreign correspondence by *Leadership*.

The two newspapers have also, (14) encouraged donations from the public, (15) opted for bank loans in the case of *Leadership*, (16) depended heavily on advertising and newsstand sales for revenue, (16) solicited goodwill grants though unofficially for *Leadership* and from foreign sources for training, for *Daily Trust*.

Several authors have corroborated these findings, Oostlander, Gauter and Dyck (2015) discusses 52 ways to generate revenue with quality journalism. Tommy (2014) dwells on Nigerian newspapers and how they survive in the digital age. Aliagan (2015) examined 15 survival strategies employed by seven top Nigerian newspapers following loss migration to digital platforms of readership and revenues. Some of the strategies align with the ones adopted by *Daily Trust* and *Leadership* as a response to the economic recession. In response to the economic crisis in Zimbabwe, Chiyadzwa & Maunganidze (2013) found that two local newspapers cashed in on political polarisation, resorted to sensationalism, and took advantage of the closure of big national newspapers to stay afloat.

As the study of *Daily Trust* and *Leadership* newspapers have shown in this article; Saperstein (2014) has noted that as newspapers struggle to survive in the age of technology, they shorten stories, add commentary and harness the social media – the same sort of things the two newspapers in this study are doing to survive the economic recession. *Daily Trust* and *Leadership* newspapers are also taking concerted and strategic steps to compel readership, exploit niche marketing, make investments in staff training and digital operations as Sambrook (2017) alludes to. Similarly, Leurdijk, slot, & Nieuwenhuis (2012) refer to exploiting brand name by offering extra products such as books, new sections, new titles etc as were carried out in the *Daily Trust*, to be effective strategies that could help newspaper firms stay on their feet in any economic situation.

## **Conclusion and Recommendations**

This study has clearly shown that apart from the dated problem of the broadcast media capturing a greater chunk of news consumers, or the penchant of digital news especially among the youth population, the economic recession in Nigeria has affected the newspaper industry adversely. The study shows that the effects of the recession include declining readership, dwindling newsstand sales of newspapers and reduction in advertising revenue. The study also indicates that these effects of economic recession have been experienced at *Daily Trust* and *Leadership* newspapers. The conclusion of the study is that both newspapers have adopted the survival strategies that companies usually adopt when facing economic crises. These strategies abound in the literature on newspaper economics and have tended to help the two newspapers stay afloat. How long these strategies will help the newspapers stay afloat remains unknown. Nobody also knows that even if the recession comes to an end, if the fortunes of the newspapers will improve. This is so because other variables come to play – literacy rate, reading habit, the digital revolution, etc. Authors and scholars have made suggestions and recommendations to address these concerns. On a more critical level, we think these will help:

As a mean of increasing media access, it is important to develop synergies between national and local newspapers in addition to developing local content and languages particularly to reach marginalised groups. In times of economic crisis, such synergies and approach could help newspapers save cost (Cagé, 2014). Cagé has also suggested that newspapers may operate a joint agreement and fuse business operators (printing, delivery, and advertising) to boost profits. She equally recommended the development of subsidised non-profit news agencies as a means of uniform funding of the news gathering operations of the entire industry. This has worked before as captured in the historical analysis of the reasons behind the establishment of Associate Press

(AP).

The decline in news revenues as Leurdijk, Slot, & Nieuwehuis (2012) have noted poses a significant threat to authentic news production, especially for critical areas such as investigative journalism and community reporting. And since online journalism through bloggers and citizen journalists fall short of the expected standard, credibility and sustainability; newspapers, especially in economically hard times, need to research, design, and produce fresh products, business models, and administrative strategies that could help the firms stay profitably afloat.

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