
Free Daily Newspapers – Business Models and Strategies

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Research questions

Free daily newspapers have been very successful since their introduction in the mid-nineties: almost 10 million copies are distributed every day. Early research focused on the introduction, reactions of established publishers and the rapidly changing markets. There has been some general research (Picard, 2001; Vogel, 2001; Wilkinson, 2001; Arnoud & Peyrègne, 2002, Bakker, 2002) while other studies were devoted to specific markets, like Sweden (Wadbring & Weibull, 2000), the Netherlands (Schaap, 2000; Van der Veer, 2000), Switzerland (Bachman, Brander & Lenz, 2001), and Germany (Vogel, 2001). Furthermore there are research reports from the industry itself, mainly from free papers to prove their value to potential advertisers.

Now that free dailies have been around for seven years, research questions should shift to long-term developments. Many free newspapers for instance were introduced just to counter a new competitor or to prevent a new firm entering a market – typical short-term strategies. But what strategies can publishers apply in the long run? How will readers react in a market where a free daily is not a novelty but an established product? To answer these questions we will first describe the introduction of free newspapers (countries, markets, titles, publishers, market share). After that we will outline different business models that are used by publishers and come up with a theoretical framework to map short- and long-term readership developments. Then

we will move to the options publishers have in markets where free papers are widely read and the strategies they can use to attract the new readership created by the free dailies.

As noted above, academic research on free newspapers is not widely available. Publications used here are, for instance, also reports by newspapers organizations, news from business publications, press releases by publishers, and research paid for and published by free newspapers themselves. Categories and methods used are often not very clear, and sometimes the outcome is

very clearly meant for (potential) advertisers. There are some serious reliability and interpretation problems with some of these research reports. In some cases this is, however, the only available research. It is particularly problematic regarding long-term effects on readership. Also the possible business strategies of publishers of paid newspapers in markets where free newspapers are well established, are not very well documented. In these cases research and evidence will be sometimes anecdotal and unquantified. It will probably take some years before extensive academic research on this subject will be available. This study hopes to ask some basic questions and outline some possible research strategies for the near future.

Introduction: the rise of free dailies

The first 'modern' free¹ daily, *Metro*, was founded in Stockholm, Sweden in 1995 by the Modern Times Group (MTG), a subsidiary of the Swedish Kinnevik

Abstract

Free daily newspapers, first introduced in Sweden in 1995, have proved to be much more than a passing phenomenon. By 2002, 80 free daily newspapers were introduced in 26 countries, 60 of them still exist. In thirteen countries free papers are responsible for more than ten percent of the total daily weekday circulation. The total circulation of the 60 free papers is almost 10 million copies, every day more than 20 million people read these papers. The success of the free papers is the result of their efficient cost structure and their ability to reach a new and relatively young audience. When looking more closely at the firms that publish these free newspapers two different models emerge; first, the entrepreneur entering a new market, and second the local or national newspaper firm. In the second model, free papers are launched to prevent other firms entering the market or to counter new firms already in the market. In the long run these obstructive tactics may develop into more positive strategies. Most readers are former 'non-readers' or people who read paid and free newspapers. Existing firms are developing strategies to benefit from the growing readership of newspapers created by free papers.

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group. The group had interests in media and telecommunications but did not publish newspapers in Sweden. In 2000 MTG sold the majority of their shares in the new formed and now Luxembourg-based *Metro International S.A.* group. After the Stockholm *Metro*, editions in other countries followed. In 2002 the company publishes 23 editions in 15 countries and claims a readership of 10 million. *Metro International* is responsible for 50 percent of the total circulation of free daily newspapers. In 2002 new editions were published in France (Paris, Marseilles, Lyon) and Hong Kong. A *Metro* franchise has been launched in Seoul (South Korea) in May 2002. This edition is not owned by *Metro International* but it uses the same format and also the *Metro World News* service. The Canadian *Metro*'s are also not fully owned by *Metro International*, for legal reasons both titles are published in partnership with local firms (Torstar in Toronto and Transcontinental in Montreal). Not every *Metro* however is a *Metro International* title, other *Metro*'s are published in the UK, Moscow and Belgium by local publishers.

The Norwegian firm Schibsted publishes its version of the free daily (*20 Minutes*) in Switzerland (Bern, Basle, Zurich), Spain (Madrid, Barcelona), France (Paris), and until 2001 in Germany (Cologne). *Metro International* and Schibsted represent the entrepreneur-model of the free newspaper publisher. These firms enter a new market with a new product: capitalize and don't cannibalize (Schibsted publishes newspapers, but not in markets where they launched free papers). This entrepreneur model can also be found in Iceland where the very successful *Frettabladdid* is published by an independent investor. Free newspaper entrepreneurs in Germany (Berlin, Hamburg, Munich), Buenos Aires and Singapore have not been very successful. Sound financial backing and the use of one fixed format probably explains the success of *Metro International* and Schibsted.

Table 1: Introduction of free newspapers 1995-2002

Europe	Sweden	(Stockholm* 1995, Göteborg 1998, Malmö 1999)
	Czech Republic	(Prague 1997)
	Finland	(Helsinki* 1997)
	Hungary	(Budapest/National 1998)
	Germany	(Berlin 1998, Hamburg, Munich 1999, Cologne* 2000)
	UK	(London 1999, Glasgow, Birmingham, Leeds, Manchester*, Sheffield, Edinburgh, Newcastle* 2000)
	The Netherlands	(national* 1999)
	Switzerland	(Zurich* 1999, Basel*, Bern* 2000)
	Belgium	(2000)
	Italy	(Rome* 2000, Milan* 2000, Turin, Naples, Florence*, Bologna* 2001)
	Poland	(Warsaw 2000)
	Greece	(Athens 2000)
	Spain	(Bilbao, Barcelona*, Madrid* 2000)
	Iceland	(2001)
	Denmark	(Copenhagen 2001)
Russia	(Moscow 2001)	
Austria	(Vienna 2001)	
France	(Paris*, Lyon, Marseilles* 2002)	
North and South America	Argentina	(Buenos Aires* 1999)
	Chile	(Santiago 2000)
	U.S.A.	(Philadelphia, New York 2000, Boston 2001)
	Canada	(Toronto* 2000, Montreal* 2001)
Asia/Pacific	Singapore*	(2000)
	Australia	(Melbourne* 2001)
	Hong Kong	(2002)
	Seoul	(2002)

* more than one free newspaper introduced.

Almost all other free newspapers are or were published by local or national publishers like Springer (Germany), Kronenzeitung (Austria), the Regionale Uitgevers Groep (Belgium), News Corp/Murdoch (Melbourne), and De Telegraaf (The Netherlands). The only other 'chain' is Associated Newspapers (UK) with six editions and a total daily circulation of 840,000; almost half of it (375,000) is published in London (other editions are often published together with local newspaper firms).

So far, 80 free daily newspapers have been introduced in 26 countries (Table 1). The majority have been launched in the last three years. In some markets (Stockholm, Cologne, Buenos Aires, The Netherlands, Zurich, Basle, Bern, Toronto, Newcastle, Singapore, Rome, Milan, Melbourne, Paris, Marseilles) more than one free paper was published. Some papers were closed down or merged with their competitors. In 2002

almost 60 free dailies exist and there are more to come. Rupert Murdoch (*The Times*) was thinking about a second London free paper although this project has probably been shelved. Other free papers are planned in Brazil, New York and Berlin. In some cases (Cologne, Toronto, Zurich, Paris) it has led to a genuine newspaper war (Arnoud, 2002; Fitzgerald, 2001; McMullan & Wilkinson, 2000; Vogel, 2001; Wyss, 2000).

The papers have a circulation of between 50,000 (Montreal, Bilbao) and 406,000 (The Netherlands). The total estimated circulation is around 9,500,000 (Table 2). This means that something between 20 and 25 million people read a free newspaper every day because every copy is read by two or three people. Total reading time is between ten and twenty 20 minutes (Bachman, Brander & Lenz, 2001; Bereik- en lezersonderzoek *Spits & Metro*, 2000; Sjöwall, 2001; Wilkinson, 2001).

In some countries free papers have a considerable market share, circulation numbers are available for 22 of the markets where free papers are published, in 13 of these markets, free papers have a share of ten percent or more of the total daily newspaper circulation (Table 3.).

Business models

The free newspaper is aimed at the general public in metropolitan areas and is published on weekdays (the Stockholm and Hong Kong *Metro*'s also have a

weekend edition). They have a comparatively cheap distribution system, mostly through the local public transport system, although some alternative ways of distribution exist; copies are also distributed in office buildings, shopping malls, hospitals, and university campuses while in Iceland and Zurich the free paper is delivered door-to-door in some areas. Free papers have a small editorial staff; a typical *Metro* edition employs only 40 people, 15 to 20 of them journalists (*Metro Annual Report*, 2000; Wadbring & Weibull, 2000;

Arnoud & Peyrègne, 2002). Size does not seem to matter, the Canadian editions in Toronto (145,000) and Montreal (100,000) had a staff of 40 people, as does the new Hong Kong edition (300,000). Non-MTG free dailies seem to have more journalists, the London *Metro* (Associated Newspapers) has a staff of 90 people (Arnoud & Peyrègne, 2002). The Paris *20 Minutes* has 26 full-time professional journalists. Competing national and metropolitan dailies employ at least ten times as many journalists. For news, the free dailies rely heavily on

Table 2: Free newspapers: countries, markets, titles, publishers, circulation in 2001/2002

Country	City (title)	Publisher	Circulation
Sweden	Stockholm, Malmö, Gothenburg (Metro)	Metro International	384,000
Finland	Helsinki (Metro)	Metro International	105,000
Denmark	Copenhagen (MetroXpress)	Metro International	140,000
Iceland	Reyjavik (Frettabladid)	Vizir	70,000
Netherlands	National (Metro)	Metro International	308,000
	National (Sp!ts)	Telegraaf	406,000
UK	London, Midlands, Scotland, North West, North East, Yorkshire (Metro)	Associated Newspapers	837,000
Belgium	National (Metro)	RUG	200,000
Switzerland	Zurich, Basle, Bern (20 Minutes)	Schibsted	300,000
	Zurich (ZürichExpress)	Tamedia/NZZ	194,000
	Basle (Baslerstab)	Basler Zeitung	102,000
Czech Rep.	Prague (Metro)	Metro International	174,000
Hungary	Budapest/National (Metro)	Metro International	302,000
Poland	Warsaw (Metropol)	Metro International	182,000
Italy	Rome, Milan (Metro)	Metro International	414,000
	Rome, Milan, Turin, Naples, Florence, Bologna (Leggo)	Caltagirone	715,000
	Milan, Florence, Bologna (City)	Corriere della Sera	400,000
Greece	Athens (Metrorama)	Metro International	101,000
Spain	Barcelona (Metro Directe), Madrid (Metro Directo)	Metro International	414,000
	Barcelona, Madrid (20 minutes)	Schibsted	500,000
	Bilbao (El Nervión)	Gruppo Correo	50,000
Austria	Vienna (U-Express)	Kronenzeitung	150,000
Russia	Moscow (Metro)	Moscow Metro	N.A.
France	Paris, Marseille, Lyon (Metro)	Metro International	500,000
	Paris (20 Minutes)	Schibsted	450,000
	Marseille (Marseille Plus)	Hachette	100,000
Chile	Santiago (Publimetro)	Metro International	119,000
Argentina	Buenos Aires (La Razón)	Grupo Clarin	230,000
U.S.A.	Philadelphia (Metro)	Metro International	152,000
	Boston (Metro)	Metro International	183,000
Canada	Toronto (Metro Today)	Metro International	181,000
	Montreal (Montréal Métropolitain)	Quebecor	50,000
	Montreal (Metro)	Metro International	104,000
Singapore	National (Today)	Media Corp	250,000
Australia	Melbourne (MX)	News Ltd.	90,000
Hong Kong	National (Metropolis Daily)	Metro International	300,000
Korea	Seoul (Metro)	Metro Int. franchise	400,000
		total	9,557,000

wire services and third party material (graphics, photographs, television-schedules, product-information and stock news). Since 2001 the *Metro*-chain has its own Metro World News service. To reduce costs further the use of a strict format for every *Metro* edition in the world is compulsory. Metro and Schibsted do not have their own printing plants: "Outsourcing is a keyword in the Metro business model" (Arnoud & Peyrègne, 2002, p. 6). The biggest cost problem free newspapers have confronted in the last years is caused by their success; public transport firms are charging much more now for new contracts.

There are different kinds of free newspapers publishers (Wilkinson, 2001; Picard, 2001; Arnoud & Peyrègne, 2002; Bakker, 2002). First of all the entrepreneur, the new non-local or foreign firm entering the market. This is the *Metro* and *20 Minutes* model of Metro International and Schibsted. These publishers use a specific model for their business:

I. The *invasion* model, a very 'lean and mean' operation, costs are reduced as much as possible by employing very few journalists, using a lot of third party material, not owning printing presses and applying a very strict chain-format. This model can also be found in Iceland. A special case is the Moscow *Metro* which is published by the public transport company itself. Profits are the only reason for staying in business, both Metro and Schibsted have closed down free papers (Zurich, Cologne, Buenos Aires) when profits were not expected in the near future.

Other free dailies are published by firms that also publish local or national dailies in the same market where the free dailies are published. Different short-term models can be distinguished.

II. The *defense* model when the second paper is published because of the launching of another free paper. In the Netherlands, the biggest na-

Table 3: Circulation (* 1000) and market share of paid and free newspapers

	Paid newspapers	Free newspapers	Total circulation	Market share free papers
Iceland	93	70	163	43%
Italy	6,024	1,529	7,553	20%
Singapore	1,096	250	1,346	19%
Spain	4,300	964	5,214	18%
Switzerland	2,666	596	3,262	18%
Hon Kong	1,482	300	1,781	17%
Hungary	1,625	302	1,927	16%
The Netherlands	4,400	714	5,114	14%
Poland	1,157	182	1,339	14%
Argentina	1,500	230	1,730	13%
Greece	681	101	782	13%
Belgium	1,568	200	1,768	11%
France	8,799	1,050	9,849	11%
Czech Republic	1,704	174	1,878	9%
Sweden	3,700	384	4,084	9%
Denmark	1,481	140	1,621	9%
Canada	5,167	335	5,502	6%
Austria	2,503	150	2,653	6%
Finland	2,304	105	2,409	4%
UK	19,052	837	19,889	4%
Australia	3,030	90	3,120	3%
U.S.A.	55,945	335	56,280	1%

Source: World Press Trends 2001 (paid newspapers); paid newspapers circulation for 2000, except for Iceland (1999) and France (1998), free newspapers circulation from 2001/2002.

tional newspaper *De Telegraaf* introduced a free paper (*Spts*) the same day as the Dutch *Metro*. In Cologne two local firms (Springer and Du Mont Schauberg) launched free papers when Schibsted published *20 Minuten*. After one year *20 Minuten* gave up whereupon the other two papers ceased publication. Quebecor published the free *Montreal Metro-politain* to protect the advertising interests of *Le Journal de Montreal* (Quebecor launches free paper..., 2001). In Stockholm and Göteborg existing newspapers published a weekly free paper (Wadbring & Weibull, 2000).

III. The *prevention* model where publishers launch a free paper before another firm enters the market; INMA-director Wilkinson (2001, p. 4) refers to them as 'spoiler-publications'. In the UK and Austria this has been the case. In Norway two free semi-weeklies were released to prevent new competitors from entering the mar-

ket (Wadbring & Weibull, 2000), in Paris the weekly *A Nous Paris* had less success in keeping out free papers.

IV. A *promotion* model is operating when the free paper is mainly used as a promotion tool for a 'regular' newspaper, the German free *IC-Press* (*Der Spiegel*) and the New York *Daily News Express* are examples. The promotion model is a short-term marketing tool.

Prevention and defense are typically short-term models. After a competitor has left the market or has not entered the market, publishers must reconsider. Either stop publication or move to a different stage.

V. The *expansion* model, when local firms publish a free paper, no longer to prevent another publisher from entering the market but for profit themselves. Here the pre-

Table 4: Closed down or merged free newspapers Europe

Europe	Sweden (Stockholm: Everyday, Stockholm News) The Netherlands (National: News.nl) Germany (Berlin, Hamburg, Munich: 15 Uhr Aktuell; Cologne: 20 Minuten, Köln Extra, Kölner Morgen) UK (Newcastle: MorningNews MTG; Manchester: MetroNews MTG) Switzerland (Zurich: Metro)
North and South America	Argentina (Buenos Aires: Metro, El Dairo del Bolsillio) U.S.A. (New York: Daily News Express) Canada (Toronto: FYI, Today)
Asia/Pacific	Singapore: Streets Australia (Melbourne: Melbourne Express)

dominant way of operating is achieving synergy by combining activities in the paid and the free paper (advertising, marketing, housing, distribution, and sometimes even newsgathering). The UK *Metro*'s and the Belgium *Metro* are perhaps the best examples of this model. It may be difficult however to distinguish between expansion and defense.

In the defense and prevention model publishers are willing to lose money for some time. Often paid papers cross-subsidize the free dailies. This means that markets in which free papers are published are often imperfect, and competition is by definition 'not fair'. Price dumping, cross subsidizing, operating publications at a loss are not 'fair' and because of that are possibly also harmful for customers. Furthermore it may hinder innovation and provoke actions from anti-cartel authorities.

Fierce competition between entrepreneurs and established firms have led in many cases to closures and mergers. This happened in The Netherlands, Stockholm, Newcastle, Manchester, Zurich, Cologne, Buenos Aires, Toronto, Singapore and Melbourne. It is also clear that entrepreneurs without much financial backing are not strong enough to stay in business very long, as can be seen in the Berlin, Hamburg, and Munich cases (Table 4).

Readership

Failure or success of a free newspaper is closely related to the development of the newspaper market as a whole. How do readers react to free dailies? Is the market growing or do readers switch from a 'regular' newspaper to a free one? Important is the claim from free dailies that they attract a new and much younger public than 'regular' newspapers. We should bear in mind that in many markets (UK, the Netherlands, Sweden, Switzerland, Germany, USA) readership is declining (see also Hendriks, 1998). Also, attracting a young audience is indeed a serious problem for traditional newspapers.

Here a substitution/cumulation model (Bakker, 2002) is used to map changes in readership. Readers of free dailies can be divided in three different categories. Readers who did read paid newspapers but now only read free papers (*substitution*), people who read both paid and free papers (*cumulation*); and people who did not read a paid newspaper in the past (*new readers*).

The most notable short-term effects of paid newspapers is when a new competitor takes away some of the existing readers (substitution). Cumulation is predictably high in markets where readership of paid newspapers is already high as in the Netherlands and Sweden (McMullan & Wilkinson, 2000). There is also little doubt that the new

medium will attract new users. Half of the readers of the London *Metro* are formerly non-readers (Arnoud & Peyrègne, 2002). In the long run, other movements are possible, the most important are: cumulation leading to substitution; or new readers moving over to paid newspapers.

The first possibility is very threatening for paid newspapers. The second one however is very promising. Roger Parkinson, president of the World Association of Newspapers (WAN) stated that "there is evidence that not only are these media attractive to young readers, but they may also be attracting young people to the paper product itself." (*Quotes from the conference, 2001, p. 2*; see also McMullan & Wilkinson, 2000). In the UK the London *Metro* for instance successfully promotes *The Evening Standard* and the *Daily Mail* (Picard, 2001). The weekend single copy sales of newspapers should rise if the hypothesis of moving over or successful promotion is correct.

In the Netherlands publishers of paid newspapers have argued that the influence of free newspapers on total sales of newspapers has been negligible. Data from the four national daily morning papers (*de Telegraaf, Algemeen Dagblad, de Volkskrant, Trouw*) however indicate that subscriptions have gone down in the last year (which could be a long-term effect), but also that single copy sales have dropped more than ten percent in four years (the period of competition from free dailies). Publisher PCM (*Algemeen Dagblad, de Volkskrant, Trouw*) reported in 2001 a decline in single copy sales. This indicates that substitution is – at least in the short run – not that important. The drop in subscriptions in 2001 however could have been influenced by free papers. In Barcelona, daily sales of paid newspapers is reported to have dropped by five percent (Arnoud & Peyrègne, 2002). Wadbring and Weibull (2000) indicate that in the Stockholm market subscription was also affected. Picard (2001) estimates

that at the most a two percent drop in paid circulation can be attributed to free dailies. Although cumulation (reading paid and free papers) and 'new readers' are more important than substitution, it is clear that there is some substitution, and long-term effects are not yet known. The claim that "Readership of free newspapers may (...) be considered independent of, and therefore not a competitor, to paid-for newspapers" (*Free paper readers ...*, 2000) is not exactly true.

There is little doubt that readers of free dailies are considerably younger than readers of paid newspapers. In 2001, Bachman, Brander and Lenz concluded after interviewing more than 800 readers in Zurich that young people between 16 and 30 were far more inclined to read free newspapers than older readers. Research from *20 Minuten* showed that 29 percent of the age group 'Kids' (10-13 years) considered themselves as regular readers of *20 Minuten* (D&S Institut für Markt und Kommunikationsforschung, 2001). The three free Zurich newspapers reached 36 percent (*ZürichExpress*), 40 percent (*20 Minuten*) and 22 percent (*Metropol*) of the age group 14 to 34 (Mach Basic, 2001).

In the Netherlands, 37 percent of the *Spits* readers are between 13 and 35 years old, for national paid papers this percentage is 24 percent (*Bereik Spits*, 2002). Metro International claims that 41 percent of their daily readers are under 30 (Sjöwall, 2001) while the Australian free daily *MX* even claims that 72 percent of their readers are under the age of 35 (*MX Reader Profile*, 2001). In the UK, almost 80 percent of Associated's Newspapers *Metro* readers are between 16 and 44 years old (Wilkinson, 2001).

Strategies of paid newspapers

A typical first reaction of existing newspaper publishers, when faced with a possible new competitor, has often been to take them to court. Publishers have

sued free newspaper on almost every possible issue: unfair competition, cartels, the right to carry the 'Metro' title or using the term 'newspaper', the right of non-EU firms to own publishers, littering, unfair treatment by authorities and public transport systems. Most of the legal cases have been lost by traditional publishers (McMullan & Wilkinson, 2000). Picard (2001) calls these *obstructional strategies*, and notes that such strategies are "not a particularly useful competitive response because it rarely changes the market dynamics or forces the competitor out of the market" (p. 170). This is illustrated in Italy where the Norwegian firm Schibsted was successfully kept out of the market (because Norway does not belong to the EU) but where nevertheless three different firms now distribute 1.5 million free papers daily. Economic pressures can be successful however, as demonstrated in the Cologne case. In France disputes with trade unions have even led to paper-burning and harassing people who handed out the free papers on the street (Arnoud, 2002).

From a marketing point of view, the possible long-term effects are the most promising. Free newspapers have succeeded in changing "non-readers into readers" (Picard, 2001, p. 170; see Verwimp, 2001 for a critique on this approach). Publishers of traditional newspapers have so far used some strategies to explore this new public. Marketing efforts could take different forms: promotion, protection and exploiting weekend sales.

Promotion can take different forms. The *Daily Mail* has been successfully promoted in the UK by printing money off coupons in the London *Metro* (see Picard, 2001); also cross promotion for paid newspapers by advertising in free newspapers is possible. Distributing free 'slimmed down' sample copies of traditional papers via public transport is another possibility; in Germany Spiegel-Verlag and Deutsche Bahn handed out *ICE-Press* to first class passen-

gers on ICE trains, the paper is published in a tabloid format, has only four pages, carries some advertising and gets its news from Spiegel Verlag. The now closed down New York free paper *Daily News Express* could also be seen as an appetizer for the 'regular' *Daily News*. Distributing semi-weekly or weekly free slimmed down copies to non-readers (Norway) can be regarded as a defensive strategy to prevent another publisher to enter the market but at the same time can also work as an 'appetizer' for regular newspapers.

Protection aims more to minimise the effect of the free newspapers by limiting sales; the UK *Metro* and the Dutch *Spits* are distributed in specific time slots (not after 9.00 or 10.00) so that other newspapers are not harmed by free distribution. Another possibility is joint distribution with a 'regular' paper; in Paris *France Soir* carries *Metro* as a free supplement (see Arnoud, 2002). Sales can also be protected by distributing free newspapers via traditional newspaper kiosks (as in the Netherlands and Switzerland) so that buyers also feel compelled to buy other products.

One of the possible long-term effects is an increasing demand for newspapers on days when the free paper isn't available. In Denmark, Sweden, and the Netherlands weekend-subscriptions or a combined weekend/Monday subscription are introduced.

Apart from promotion for paid newspapers and attracting new readers, synergy can be created by joint advertising in paid and free newspapers. Also publishing weekly or semi-weekly free papers can create advertising synergy (and maybe reader interest), the Warsaw *Metro* (Agora) for instance uses this model. Publishers of free newspapers have other possibilities for expanding their reach. In some areas they also publish weekend editions (Stockholm, Hong Kong); in Switzerland, in non-metropolitan areas of Basle the free paper *Baslerstab* is published twice a week

while *ZürichExpress* has the possibility of subscription. Very little is known about the success of these strategies, as they have not been applied very long, and newspaper firms are usually not willing to share successful strategies with competitors while unsuccessful strategies are also kept secret as long as possible.

Conclusions

Free newspapers are here to stay; in the last few years more than 80 new titles have been launched and 60 survived. It has been proved that it is possible to make a profit and even to publish more than one newspaper in a metropolitan area. Free dailies have proven to be attractive to a younger audience; thus the future looks relatively bright. The readers of the free dailies are likely to be 'new readers'; (young) people who did not read a newspaper before, although some substitution is possible. Other markets and possible long-term effects should be studied in the future. These long-term effects are the most promising for existing firms, and there is considerable evidence that newspapers are developing some strategies to benefit from the growing (free) newspaper readership.

Endnotes

¹ Free daily newspapers should not be confused with freesheets, community papers, shoppers, or (free) weeklies. These weekly, semi-weekly or bi-weekly publications are delivered door-to-door in many European countries and are also known in the USA. In the Netherlands, for instance, the average household receives three different titles each week (Persmediamonitor, 2001; see McNair, 1999 for UK-examples). In World Press Trends (2001) they are referred to as free papers. They carry no national or international news and focus on local advertising and community information.

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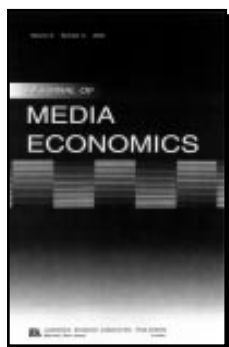
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