

Factors Influencing the Circulation Patterns of Canadian Community Newspapers: An Empirical Study

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1 Introduction

Despite the extensive attention given to daily newspapers due to their comprehensive coverage of national and international news, there exists a significant research gap when it comes to community newspapers in Canada. There is a severe lack of academic papers discussing community newspapers in Canada. However, these local publications hold a critical role in delivering information that is regionally relevant, serving as essential channels for local government activities, advertisements, and fundraising for local projects or elections. Moreover, they possess substantial cultural value as a cherished element of Canadian society. Further, community newspapers face challenges from online news platforms with declining profitability, which has led to closures of many newspapers. A noteworthy example is that Postmedia and Toronto Star swapped dozens of community newspapers in 2014, with many of the swapped paper were shut down as a cost-cutting strategy.

Newspapers have a longstanding tradition and appeal to older generations who may be less inclined to access news online. Additionally, community newspapers remain essential in areas with limited internet accessibility, ensuring that residents are not solely reliant on online sources. Hence, it is crucial to obtain a comprehensive understanding of the factors that affecting the circulation patterns of community newspapers since circulation serves as a direct measure of the reach of local news through these publications, knowing these factors will help policy makers to subsidize the companies or local regions more accurately with limited funds, and also serves as industrial research to help community newspapers to adjust their strategies to remain high level of circulations under a shrinking market.

To address this research gap, this paper investigate factors influencing the circulation of Canadian community newspapers. specifically we explores the factors in the following categories:

Ownership: This paper will examine whether newspapers with larger circulations, owned by large media companies, experience more significant declines compared to newspapers with smaller circulations, owned by small companies or family businesses. In addition, this study will examine whether local markets tend to exhibit higher concentrations over time, with large newspapers or newspapers owned by giant companies dominating circulation or these local markets favors small publishers, enabling them to maintain a significant share of circulation without being overshadowed by larger firms. The analysis will span the period from 2013 to 2019.

Competition: This paper will measure the competition level by the number of newspapers circulated

in the same census subdivision and the number of newspapers circulated in the same census subdivision owned by other companies. It will investigate whether increased competition leads to a more substantial decline in circulation.

Demographic Characteristics: This paper will analyze how factors such as population size, income levels, and average education levels correlate with circulation patterns. Understanding these demographic dynamics can provide insights into the target audience and readership preferences.

By systematically exploring these factors, the research aims to provide a comprehensive understanding of the factors influencing the circulation of Canadian community newspapers.

To conduct our analysis, we acquired data from News Media Canada spanning the period from 2013 to 2019. This dataset provided valuable insights into free and paid circulations, newspaper ownership, names, and the markets in which they circulated. The circulation areas for each newspaper are consisted of addresses or names of specific locations such as cities, towns, streets, or local districts. However, the dataset did not provide a standardized market level required for further analysis. To address this issue, we utilized the geopy package in Python to obtain representative latitude and longitude coordinates based on the addresses or location names. We then mapped these coordinates to the corresponding census subdivisions in Canada. We defined a newspaper's market as the census subdivision in which it circulated. While this approach may have limitations, such as a newspaper may only circulate in certain streets rather than the entire census subdivision, we consider it a reasonable market definition. This is because most markets indicated in the dataset corresponded to towns or municipalities (census subdivisions). As a result, census subdivisions serve as the most suitable administrative districts for representing the circulation areas of community newspapers.

For each census subdivision, we retrieved demographic characteristics from the CHASS data center. These characteristics included total population, growth rate, age distribution, education levels, and incomes, which have potential relevance to newspaper circulations.

It is important to note that the dataset provided by News Media Canada, while comprehensive, may be subject to noise and incompleteness. This is because newspapers have the choice to subscribe to membership with News Media Canada and voluntarily report their circulation statistics. Consequently, not all community newspapers across Canada are captured in this dataset. Furthermore, if a newspaper appeared in the dataset previously but is absent in the current year, it does not necessarily imply that the newspaper has ceased publication. It could be due to the newspaper suspending its membership or choosing not to report statistics to the association.

However, our discussions with the data provider indicate that most influential newspapers opt to subscribe to News Media Canada as it is the leading association for community newspapers. Membership offers valuable benefits such as low-cost webinars for editorial, marketing, and advertising departments, sales training, auditing, and representation of members' interests in various public affairs issues. These services and resources are valuable to community newspapers and can potentially yield cost-cutting benefits. Consequently, we believe that this dataset adequately captures market features and can provide answers to our research questions.

Futhur works:

Methodology: statistics summarization, regressions, or difference in difference analysis), to be done later.

Discuss the result: need to be done after the result comes out.