

The Use of the Internet by Japanese Newspapers



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Executive Summary

The Bivings Group conducted the following study to form a comparison between the online strategies of American newspapers and their Japanese counterparts. We examined the websites of the 21 most widely circulated newspapers in Japan and evaluated them based on the use of ten Web 2.0 features in order to assess the degree to which Japanese newspapers are embracing the Internet.

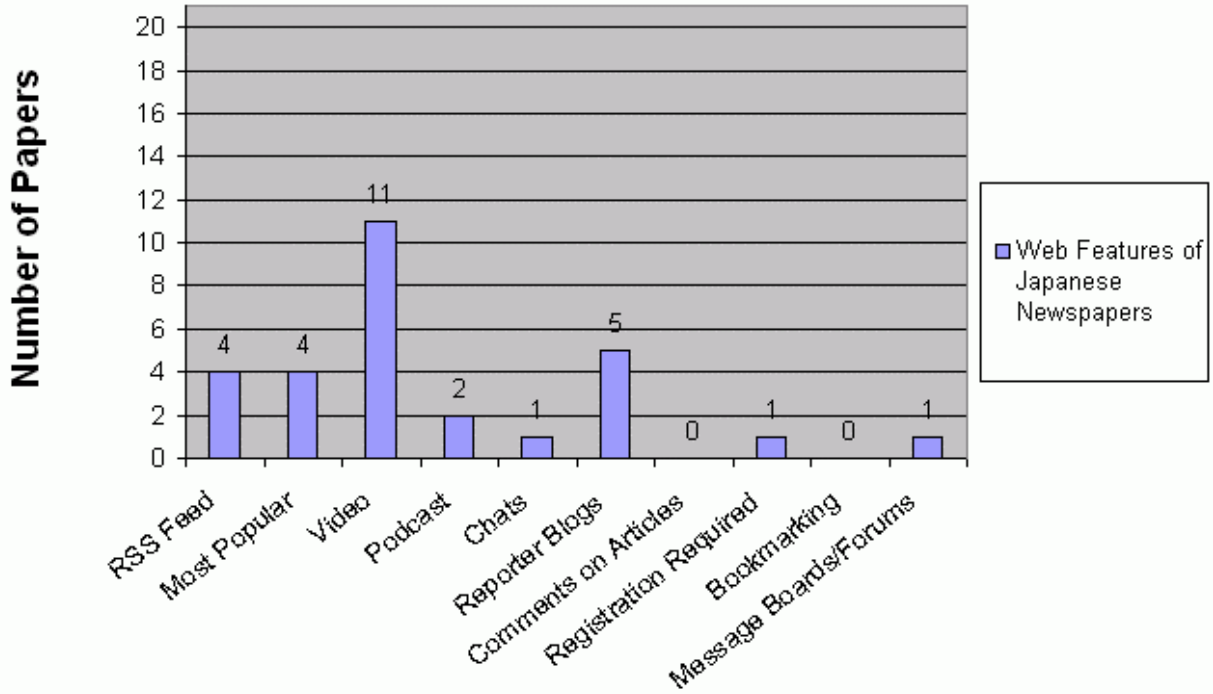
In the United States, the Web has become a viable news outlet, and is regularly used by American dailies to promote their newspapers and to combat declining print readership. Our research clearly showed, however, that most Japanese papers have not adopted aggressive online strategies, and thus do not value the Web as a useful tool for promoting readership. With further research, it became clear that Japanese reading habits and the framework of the Japanese newspaper industry are structured very differently than the American system. Thus, our statistics show a significant lag in the adoption of Web 2.0 features by Japanese newspapers when compared to American papers.

Key Findings:

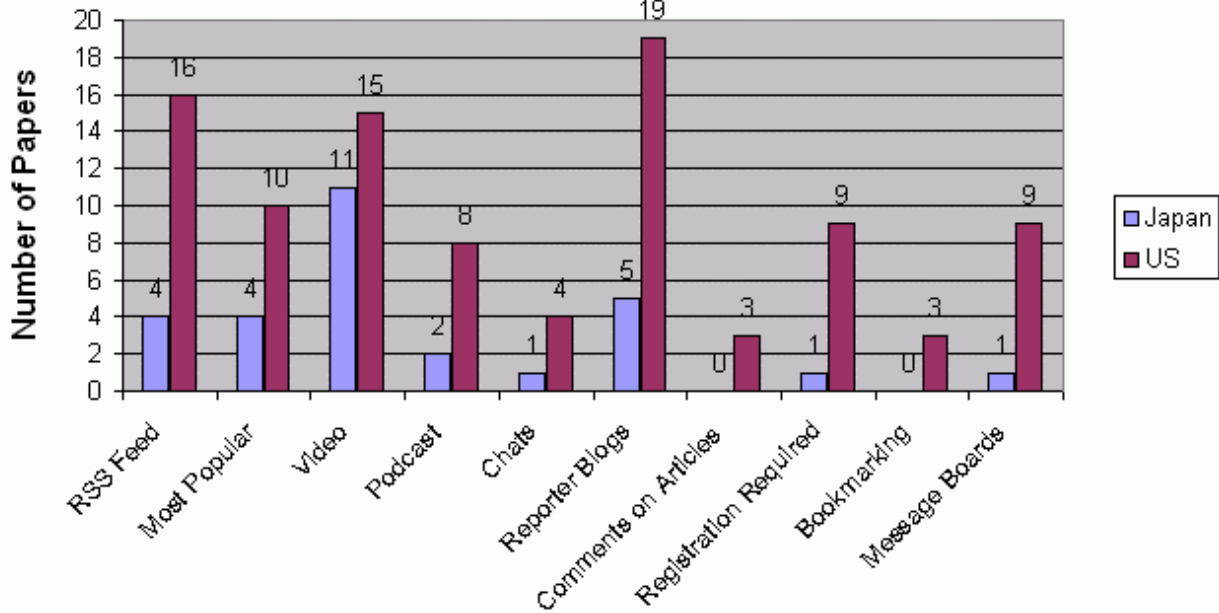
- **Only four of Japan's top 21 papers are using RSS feeds.** In comparison, 17 of the top 25 American papers offered this technology. In both the United States and Japan, none of these RSS feeds included advertisements.
- **Almost all of the Japanese sites had pages dedicated to cell phone access.** Although this was not a technology we researched on the American websites, it absolutely was not a noticeable or “stand out” feature on any of the American newspaper sites. This is clearly an area where Japanese newspaper sites are ahead of American sites. The argument could be made that the widespread distribution of content via cell phone takes away the need for RSS feeds of content in Japan.
- **Just five of Japan's top 21 papers offer reporter blogs.** In contrast, 23 of the top 25 American papers have blogs on their websites. In addition, on many of the American websites, such as the [Boston Globe](#), the blog networks are highly developed and cover many issues. The lack of reporter blogs may be due to the fact that Japanese blogs tend to be more personal, taking the form of diaries, whereas many American blogs are often used to report news.
- **The most widely used Web feature on the Japanese websites was video: 11 of the 21 websites offer this technology.** This is almost comparable to the American websites, where 15 of the top 21 papers offer Web videos.
- **Just one Japanese newspaper, the [Shizuoka Shimbun](#), required registration to read online content.** In contrast, nine American papers required registration, with some charging a registration fee. The Shizuoka Shimbun's registration was free of charge.

The following graphs summarize these results. More information follows in the report itself.

Web Features of Top 21 Japanese Newspapers



Comparing US Newspaper Web Features to Japanese Newspaper Web Features



Methodology

We researched and analyzed the websites of the top 21 most widely circulated newspapers in Japan and compared them with the Web features offered by the top 21 papers in the United States. In order to determine the degree to which these newspapers have embraced the Internet and Web 2.0 tools, we evaluated them based on the presence or lack of the following elements:

- **RSS Feed:** Does the website offer an RSS Feed? If yes, is it a full or partial feed? *Note that this does not consider RSS feeds for reporter blogs, only for the newspaper's content.*
- **RSS Feed Includes Ads:** If the website offers RSS, do the feeds include ads?
- **Most Popular:** Does the website offer a "Most Popular" function? This can be any feature that keeps track of and displays the "most popular", "most read", or "most emailed" articles of the day.
- **Video:** Does the website offer video content?
- **Podcast:** Does the website offer podcasts?
- **Chats:** Does the website offer live chats or chatrooms?
- **Reporter Blogs:** Does the website offer reporter blogs?
- **Comments on Articles:** Can users post comments on articles?
- **Registration Required:** Is registration required to view articles?
- **Bookmarking:** Does the website offer a bookmarking function? Is it internal or external?
- **Message Boards:** Does the website offer message boards or forums?

We used the [World Association of Newspapers' list of the most widely circulated papers](#) in the world to decide which Japanese papers to research. The research was conducted on August 10-11, 2006, and thus represents a snapshot in time rather than evolving trends.

The papers we researched are listed here, followed by their circulation figures for 2005:

Title	Circulation ('000)
Yomiuri Shimbun	14,067
The Asahi Shimbun	12,121
Mainichi Shimbun	5,587
Nihon Keizai Shimbun	4,635
Chunichi Shimbun	4,512
Sankei Shimbun	2,757
Tokyo Sports	2,425
Nikkan Sports	1,965
Hokkaido Shimbun	1,922
Sports Nippon	1,711
The Nikkan Gendai	1,686
Yukan Fuji	1,559
Shizuoka Shimbun	1,479
Sankei Sports	1,368

Hochi Shimbun	1,354
Nishi-Nippon Shimbun	1,025
Daily Sports	999
Kyoto Shimbun	825
Kobe Shimbun	821
Chugoku Shimbun	789
Kahoku Shimpō	622

Introduction

Japan currently maintains the world's third largest newspaper market, selling 69.7 million copies daily. The largest markets belong to China, with 96.6 million copies sold daily, and India, at 78.7 million copies sold daily. The United States is fourth, selling 53.3 million copies daily.¹ Despite an overall 56% increase in global newspaper sales last year and a 1.7% growth in the Asian region, Japan's dailies are suffering from declining circulation. According to the [World Association of Newspapers](#), Japanese newspaper circulation has been falling since 1996. In the past five years, sales have dropped by 2.81%, with circulation declines of .97%, .67%, and 1.2% in 2005, 2003, and 2002, respectively. The industry did experience slight growth in 2004, with circulation increasing by .04%.² In comparison, newspaper circulation in the United States has been dropping for a longer period of time, at a rate of 1% per year for almost two decades.³

Despite this decline, the newspaper dominates Japan's news industry, with about 90% of Japan's population reading a newspaper on a daily basis.⁴ A combination of a mature and effective, century-old delivery system and reliable content with fewer classified advertisements than Western newspapers are behind this high degree of readership. Fifty-three percent of newspaper revenue is attributed to circulation profits, mainly the result of home delivery subscriptions⁵, and 93% of all Japanese obtain their newspaper through home delivery. These deliveries are made possible through a national network of 23,000 delivery agents, who are mostly "mom-and-pop" shops. These shops employ another 480,000 people in the newspaper industry.⁶

In a comprehensive national survey conducted in 2003, Japanese newspapers dominated other forms of media, particularly the Internet, in terms of perceived reliability of content. The chart below shows that in a survey of customers of four of Japan's major media companies, all of the customers ranked newspapers as the most reliable form of media. The Internet consistently ranked fourth behind newspapers, television, and magazines.⁷

¹ World Association of Newspapers, "World Press Trends: Newspaper Circulation, Advertising Increases", 5 June 2006, available at: http://www.wan-press.org/print.php3?id_article=11185

² World Association of Newspapers, "World Press Trends", 2005-2003. Available at: <http://www.wan-press.org/index.php3>

³ "The State of the News Media 2004", *Journalism.org*, available at: http://www.stateofthenewsmedia.org/narrative_newspapers_audience.asp?cat=3&media=2

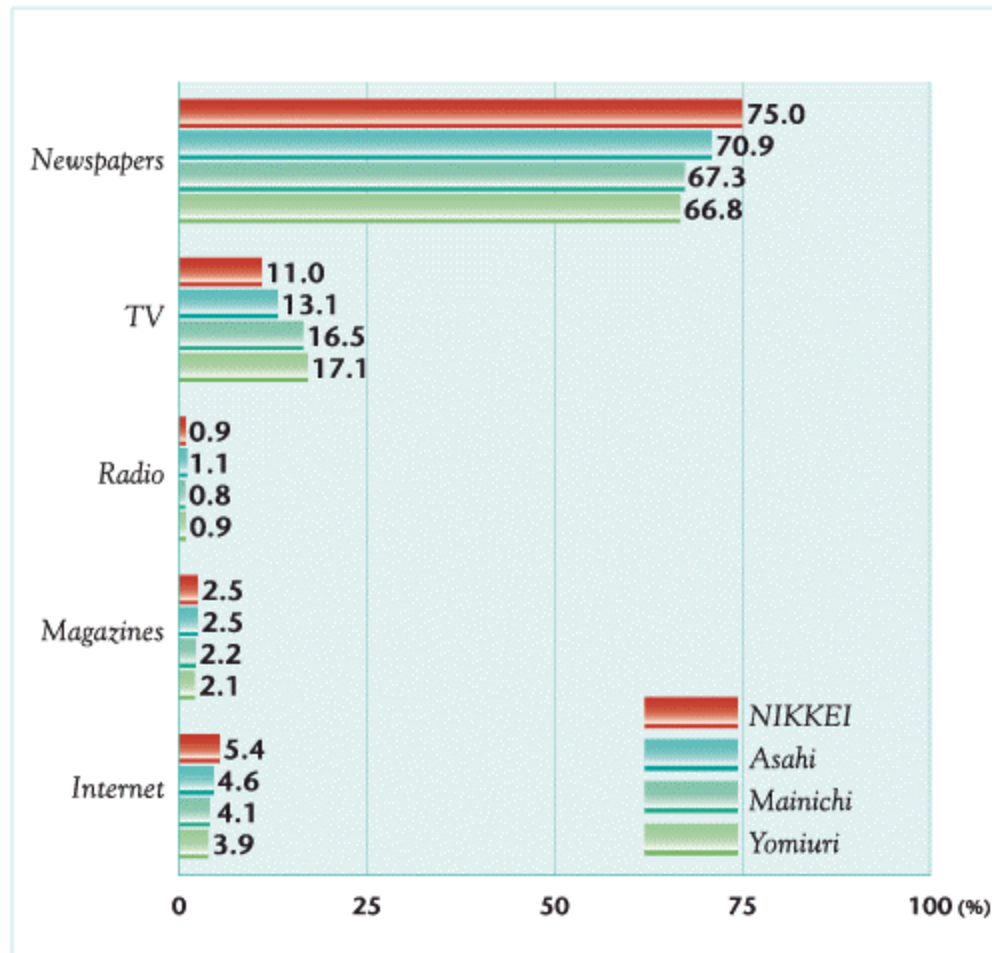
⁴ "Japan: Nine out of 10 Japanese read newspapers every day", *The Japan Times*, 10 October 2005, available at: <http://www.asiamedia.ucla.edu/article.asp?parentid=31286>

⁵ "Managing Perception: 2006 Outlook, Chapter 7: Spotlight on Japanese and Chinese Papers", International Newspaper Marketing Association, available at: <http://www.inma.org/pdf/2006outlook-c7.pdf>

⁶ "Japan's Six Major Daily Newspapers", *University of Southern California Japan Media Review*, July 25, 2005, Available at: <http://www.japanmediareview.com/japan/wiki/Shimbunwiki/>

⁷ Graph from Nihon Keizai Shimbun Media Data, available at: http://www.nikkei-ad.com/media_data/en/japan_market/j_market_eval.html

Reliability



Source: J-READ, October 2003

In researching Japanese newspapers and their online features, the Bivings Group determined that Japanese newspapers are not using the Web in the same way that American newspapers are. Japan's print news industry is very well-established, trusted by the general public, and tied to major corporations, while Internet news content has yet to develop a central position in the way Japanese people obtain information. Naomi Hatta, of the University of Southern California's Japan Media Review, notes:

Traditional Japanese media have been unsure of how to adopt the Web as a medium, where a profit model is yet to be defined. Dissimilar to American and British media, Japanese have been slow to experiment with the media in relation to content creation and readership...Old Media have been reluctant to go online, [with their online content criticized] as 'stale reprints' of previously run stories.⁸

⁸ Naomi Hatta, "Japanese Online Media", *Japan Media Review*, 2 August 2005, available at: <http://www.japanmediareview.com/japan/wiki/onlinemedia/>

Structure of Industry

When evaluating the online features of Japanese newspaper websites compared to American websites, it is important to recognize various differences in the structure and purpose of the Japanese newspaper industry, as well as the reading habits of Japanese people in general. One major difference between American newspapers and Japanese newspapers is that most major Japanese papers publish both a morning and evening edition, which is rare in the American industry. According to Asahi Shimbun:

Morning editions offer comprehensive editorial content ranging from sections on politics, business/economic, international, and other "hard" news to lifestyle sections, sports and entertainment, and other "soft" news. They have a broad readership, led by businesspeople.

Evening editions are full of daily life-related content and entertainment news aimed primarily at homemakers and businesspeople who have returned home and want to relax.⁹

Selling multiple editions of newspapers increases sales and circulation of newspapers, and also contributes to brand recognition. Businesspeople are target customers for multiple-edition newspapers, as Japan's "salarymen" depend almost exclusively on the public transportation system for commuting to and from their offices, often for several hours a day. This behavior has especially helped entrench print newspapers into the lifestyles of the Japanese people. The afternoon/evening papers reach financial industry companies around 12:30 PM, other businesses between 3:30 PM and 4:00 PM, and suburban homes around 5:00 PM.¹⁰

Another significant difference between the Japanese newspaper industry and the American industry lies in the structure and content of Japanese newspapers. There are 1,457 daily newspapers in the United States, most of which are locally focused.¹¹ In contrast, there are just 105 newspapers in Japan, with several national newspapers, including Yomiuri Shimbun, Asahi Shimbun, Mainichi Shimbun, and Nihon Keizai Shimbun dominating the market. Part of what makes these newspapers so important to the industry is that they form the core of "official media":

Under Japanese law, national dailies are the designated media for public announcements by joint-stock corporations, such as information on financial affairs, business status, business lines, and financial status. Public announcements in newspapers have a solid reputation for credibility and their ability to convey information.¹²

⁹ "Newspapers in Japan", *Asahi Shimbun*, available at: <http://www.adv.asahi.com/english/newspaper/editions.html>

¹⁰ "Newspapers in Japan", *Nikkei Media Data*, available at: http://www.nikkei-ad.com/media_data/en/japan_market/j_market_papers.html

¹¹ "The State of the News Media 2004", *Journalism.org*, available at: http://www.stateofthenewsmedia.org/narrative_newspapers_audience.asp?cat=3&media=2

¹² "Newspapers in Japan", *Asahi Shimbun*, Available at: <http://www.adv.asahi.com/english/newspaper/official.html>

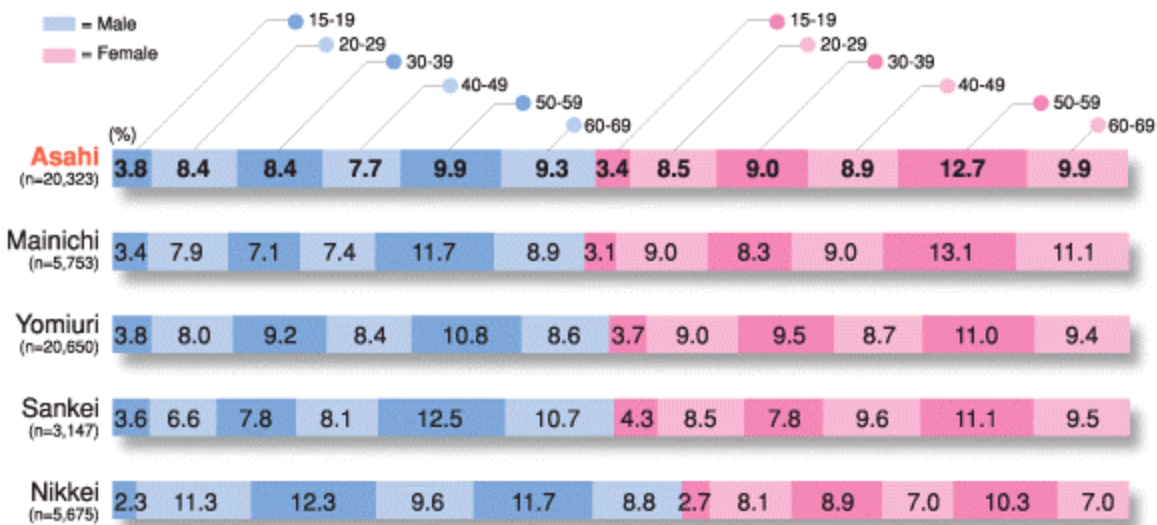
In addition to these official national newspapers, the industry consists of more than 50 regional papers. Rounding out the industry are trade and special interest papers, such as sports dailies. While these papers serve primarily entertainment purposes, they were included in our study due to their high circulation figures.

Another factor that has helped to entrench newspapers as a primary source of information in Japan is the structure of its population. More than half of the people who read Japan's five major daily newspapers, (Asahi, Yomiuri, Mainichi, Sankei, and Nikkei), are over the age of 40. The chart below details Japan's newspaper reading demographics by gender and age¹³:

National dailies have similar composition by gender and age

The five national dailies feature similar composition in terms of gender and age.

Audience composition of 5 national dailies by gender and age



* Sample size (n) is adjusted after random sampling so that the data is relevant to all the population groups of age 15-69 in different regions.

Note that sample size is different from the number of data collected.

Source: "Comprehensive National Newspaper Survey (J-READ), October 2004," Mdeo Research Ltd.

As shown by this chart, newspaper reader demographics in Japan are heavily skewed away from younger generations and toward older people. Japan is currently suffering from an aging population, with 20% of its people being over the age of 65, the highest percentage in the world.¹⁴ The problem is so severe that as of January 2006, the Japanese population had fallen by 19,000 compared to a year earlier, with the current birth rate stagnating at less than 1.3 children per woman of child-bearing age.¹⁵ Given that Japanese people tend to trust newspapers more than any other news source, and that the Japanese population is aging rapidly, it is unlikely that the newspaper industry in Japan will lose its hold on Japanese news.

¹³ *Asahi Shimbun Media Kit*, available at: http://adv.asahi.com/english/media_kit/gender.html

¹⁴ "Turning Boomers into Boomerangs", *The Economist*, Volume 378, Issue 8465, February 18 2006.

¹⁵ "The Downturn", *The Economist*, Volume 378, Issue 8459, January 7, 2006.

The Internet is a Contender

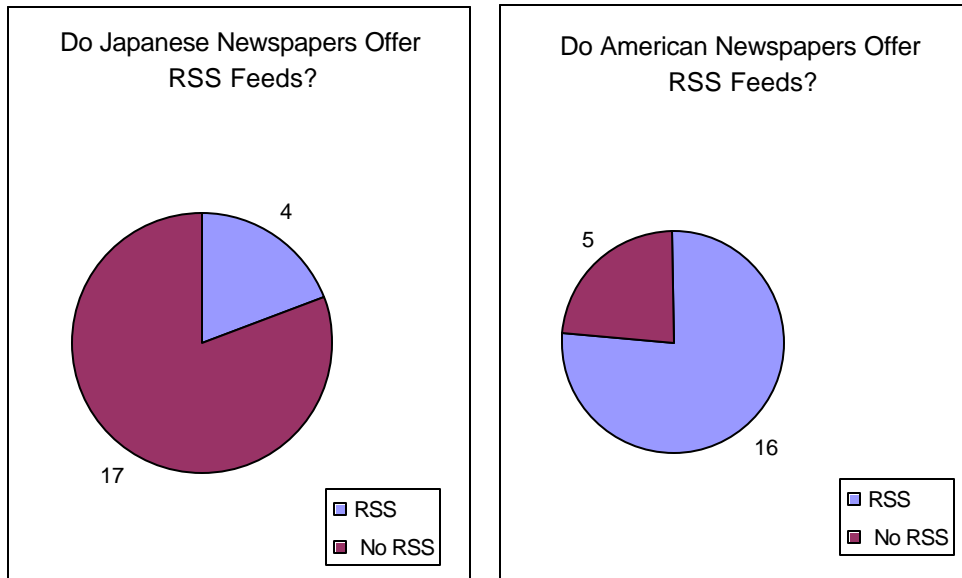
Despite the newspaper's strong hold on the Japanese intellect, Shingo Ueji, a senior researcher at Asahi Shimbun, notes the growing importance of the Internet as a source of news.

[Newspapers] are wondering what kind of a business model they should adopt in the coming years...At the same time, they are afraid of losing circulation and are struggling with the question of how they should differentiate their websites from the print newspaper in terms of content, relationships with customers, etc...The Internet has affected our traditional medium.¹⁶

¹⁶ Jane Ellen Stevens, "American News Websites May Offer Lessons for Japanese Papers", *University of Southern California Japan Media Review*, 18 March, 2004, Available at: <http://ojr.org/japan/qa/1079589086.php>

Results

1. RSS

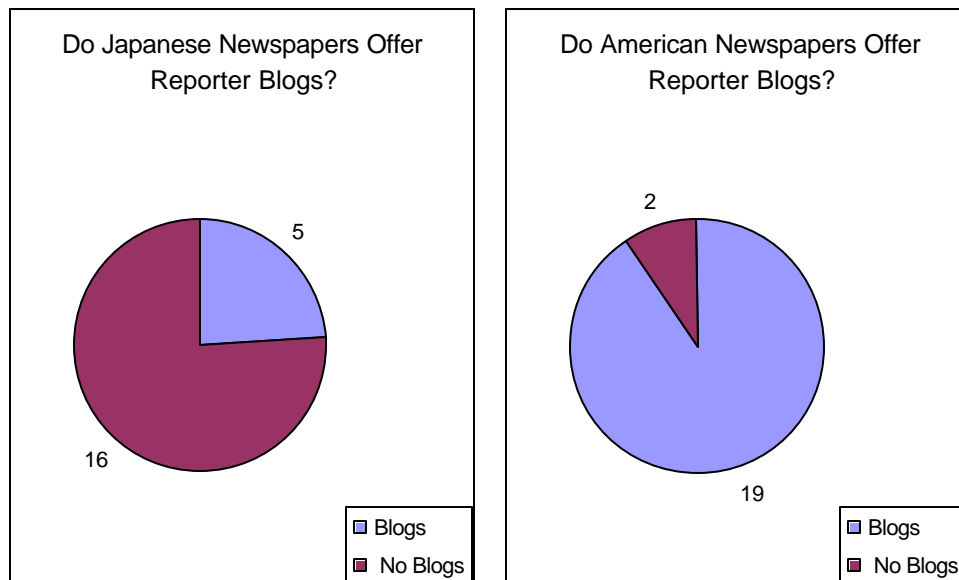


As shown from the above pie graphs, only four of the 21 top Japanese papers offer RSS feeds, while 16 of the top 21 American papers offer this technology. It seems that the heavy reliance on print media has hindered the growth of RSS on newspaper websites. Because fewer Japanese than Americans read their news online, RSS has not proven to be a necessary tool for obtaining news in Japan.

Our research indicates that perhaps RSS technology has been replaced by cell phone access in Japan. All of Japan's top 21 newspapers had portions of their websites specially designed for people reading news on their cellular phones, which we did not notice on any American newspaper site. Shingo Ueji, Asahi Shimbun's senior researcher noted in 2004 interview with USC's *Japan Media Review*, that generally, "the U.S. is ahead of Japan" when it comes to new media. However, Japan is "well ahead" of the U.S. in terms of "wireless Web for cell phones".¹⁷

¹⁷Jane Ellen Stevens, "American News Websites May Offer Lessons for Japanese Papers", *University of Southern California's Japan Media Review*, Interview available at:

II. Blogs

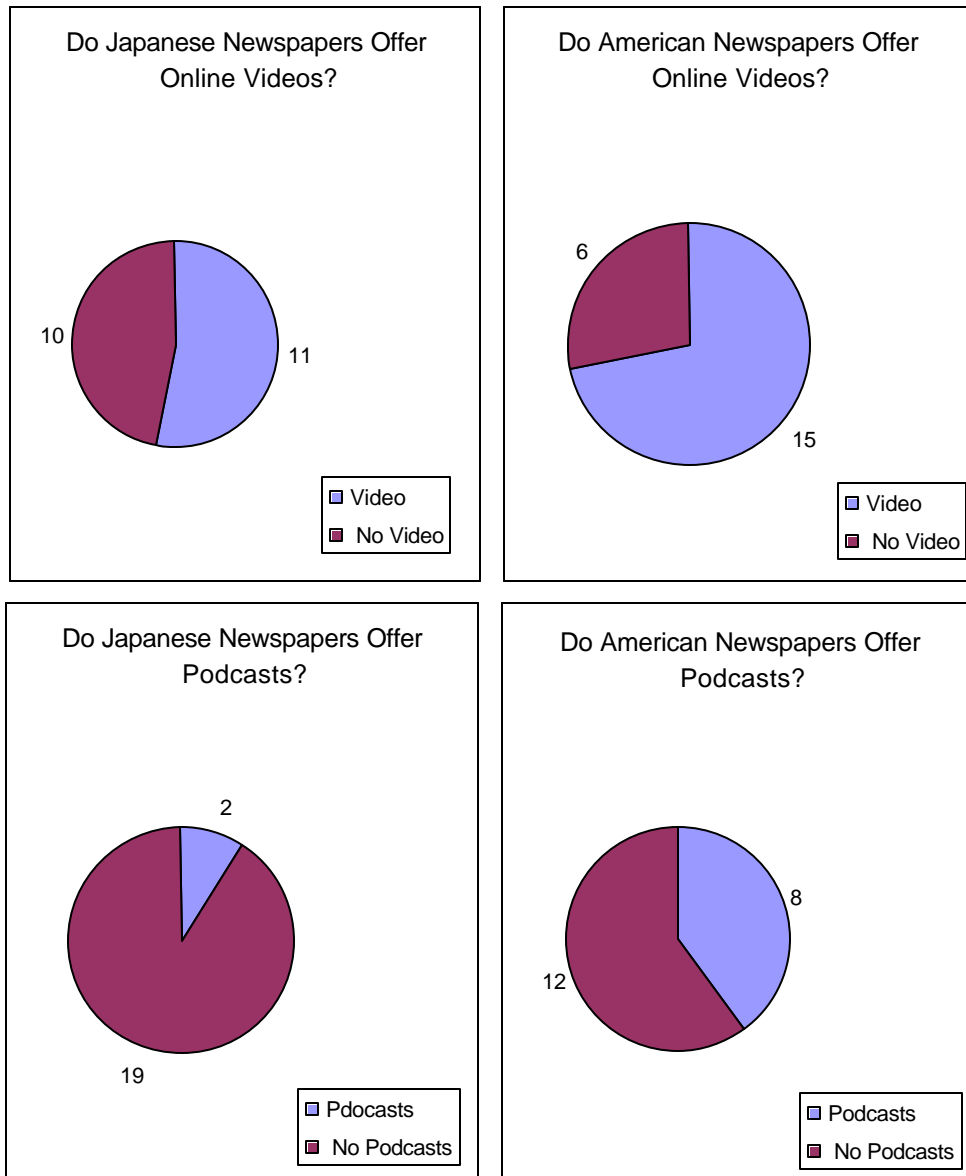


The data for reporter blogs proved to be very interesting. As shown in the pie graphs, reporter blogs form a major component of American newspapers' online strategies. However, despite the fact that 37% of the 37.3 million blogs tracked by Technorati are written in Japanese, reporter blogs are not common on Japan's newspaper websites.

The lack of reporter blogs in Japan can most likely be attributed to the content and style of Japanese blogs, which are often highly personal in content, resembling diaries. In contrast, American blogs often discuss news items or current events issues, which make newspaper websites a perfect medium for presenting blogs written by reporters.

Despite the top-down nature of newspaper websites, civic journalism and the popularity of blogging may already be affecting the interactivity of Japanese newspaper websites. The [Kanagawa Shimbun](#), for example, has a highly developed system of interactive features. Although not on our list of Japan's top 21 papers, we researched this website and found that it offers staff blogs, which were highly personal rather than official in content, RSS feeds for different sections, a network of reader blogs, and the ability to comment on blogs and articles. Perhaps the Kanagawa Shimbun is setting a trend for the future of Web 2.0 in Japan. It will be interesting to see what newspapers, if any, follow its lead.

III. Tech



Analyzing the “tech” category, including online video and podcasts, presents some interesting results. When researching the prominence of Web videos on the sites of Japanese newspapers, we discovered that they were almost on par with their American counterparts: 11 of 21 Japanese sites offer online video, compared to 15 of 21 American sites offering this feature.

Improvements in technology and the simplicity of uploading videos to the Web have obviously contributed to the use of this Web tool. In addition, sites like [YouTube](#) (the 15th most popular website in Japan, according to [Alexa](#)) have popularized online video and have made it a central component of Japanese Internet habits. Further, the Associated Press in the United States, and a similar system in Japan have made it easier for news sites to share video content. In Japan, local

papers can work together, almost resembling a coalition, for larger national news items, thus making it more efficient for them to get video content and other features.

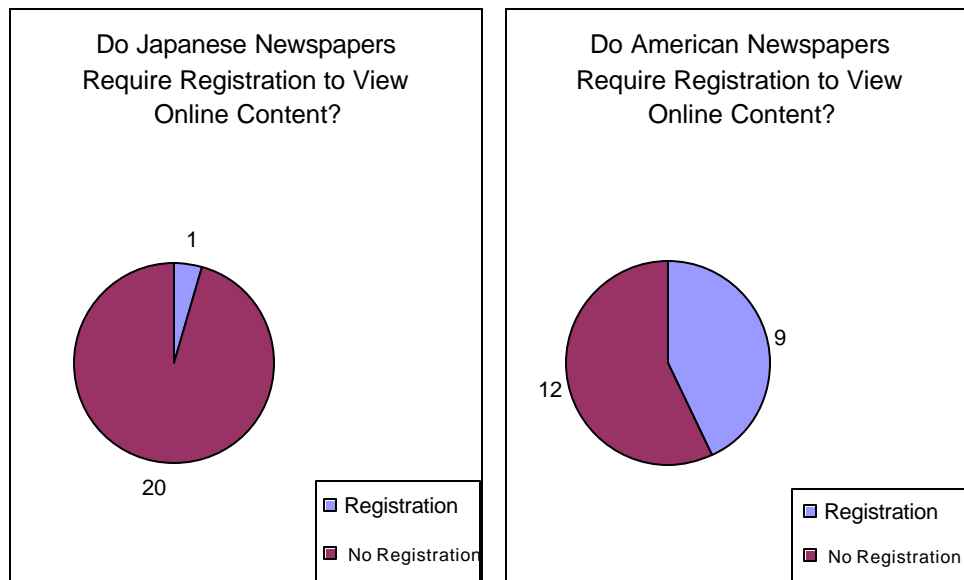
Podcasts, however, have not become an important part of Japanese newspapers' Web strategies. Analysts at the University of Southern California's Japan Media Review note that "podcasting is still in its early stages in Japan", and some doubt whether it will ever catch on to the degree that it has in the United States. Apparently, the problem lies in the overall industry structure, lack of content on Net radio, and a lack of interest in the technology.

Even NHK [Japan's national radio] doesn't have a 24-hour news stream like its counterparts the [BBC](#) and [National Public Radio](#). Local broadcasters in Japan have so far successfully opposed plans by NHK to create such a stream, saying that it would take away their audience at a time when many of the local stations are struggling to get by. Large radio stations in Tokyo and Osaka have also hesitated to promote Net radio because of concerns raised by smaller stations. This has led to fewer online broadcasts and less content to build podcasts from. Net radio remains underdeveloped in Japan.¹⁸

Despite the lagging popularity of Japanese podcasts, sites like [Livedoor](#), currently the 5th most popular site in Japan, [Livedoor Internet Radio](#) (a Net radio service provider), and [Seesaa](#) (gives a tutorial on how to podcast in Japanese, currently the 24th most popular website in Japan), are becoming more and more well known. Perhaps as these sites and others like them gain popularity in Japan, more newspapers will participate in podcasting. However, a former employee at an Osaka radio station notes, "NHK's broadcasts are mostly for older people". Thus, there may not be a large audience for news podcasts in Japan.

¹⁸ Bruce Rutledge, "Podcasts Pump New Life into Expat's Broadcasts", *USC's Japan Media Review*, 5 July 2005, available at: <http://www.japanmediareview.com/japan/stories/050629rutledge/index.cfm>

IV. Registration



Surprisingly, only one Japanese newspaper we researched, the [Shizuoka Shimbun](#), requires readers to register in order to view website content. Nine out of the top 21 American newspapers require readers to register to view articles. Several of these papers, including the [New York Times](#), have paid registration, whereas registration at the Shizuoka Shimbun is free.

Researcher Shingo Ueji noted the obvious by saying in an interview with *Japan Media Review*, “No major Japanese newspapers have this system [of registration]. Japanese newspapers should consider this as a way to increase revenues.”¹⁹ Perhaps Japanese newspapers are hesitant to introduce such a registration system because few Japanese obtain news via the Web to begin with. If Japanese citizens already do not trust the Internet as a reliable source of news, forcing them to pay in order to view content may discourage them even more.

¹⁹ Jane Ellen Stevens, “American News Web Sites May Offer Lessons for Japanese Papers”.

Conclusion

After conducting research on the twenty one most widely circulated newspapers in Japan and comparing their websites to their American counterparts, it is clear that Japanese newspapers are not aggressively implementing Web 2.0 tools on their websites, although they are very advanced in delivering content to cell phones. However, we have concluded that the lag in the use of Web 2.0 by Japanese newspapers is mostly the result of vast differences between the American and Japanese newspaper industries. Where Americans are more Web-focused in their methods of obtaining news, Japanese rely more on traditional media such as print news and television. The Japanese papers do not lag behind so much as they have developed strategies meant to suit the needs of their own newspaper culture.

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