The International Journal on Media Management, 16:105–121, 2014
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ISSN: 1424-1277 print/1424-1250 online
DOI: 10.1080/14241277.2014.974244

Routledge
Taylor & Francis Group

Free Newspapers in the United States: Alive and Kicking

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Free newspapers are a substantial segment of the U.S. newspaper industry, as well as an under-studied topic within media research. This study considers the economic health of free newspapers in the United States and whether they face a dire future given their heavy reliance on advertising, a source of revenue that has been in decline for newspapers. One question guiding this research is whether free newspapers face two options: continue producing free content by relying on advertising (in addition to other revenue sources), or abandon the advertising-based business model. Seven research questions address a number of issues, such as whether free newspapers are profitable, if decision-makers are considering changing their business model, whether they are seeking alternative sources of revenue, whether reader engagement is connected to the price, or a lack of one, of a newspaper, and whether decision-makers are optimistic or pessimistic about the future of their industry. A Web-based survey asked decision-makers at free newspapers in the United States to respond to questions related to the health and future of their newspaper or newspapers. This survey was complemented by in-depth interviews with publishers of four different types of free newspapers in Texas. The study concludes by suggesting free newspapers are not only viable but in many markets they are thriving. Sweeping generalizations (often seen in industry discourse) about the future of print newspapers can be misleading. This study contributes a reality check and calls for further research on the economics of print media in the digital era.

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INTRODUCTION

For many decades free newspapers have been attracting readers with various degrees of high- and low-brow journalism. This audience is then sold to businesses, organizations, and individuals seeking to sell their wares or services, or create recognition for a cause, event or a candidate—the classic advertising-based business model employed by paid and free newspapers. The latter, however, may be more financially vulnerable than the former because free newspapers are more reliant on advertising revenue than paid newspapers. Anyone who has been following the plight of daily newspapers in the 21st century knows advertisers are spending less on print products (Mitchell & Rosenstiel, 2012). How are the people running free newspapers in the United States reacting to this decline in ad revenue? Do they fear for the future of their business? This study is an attempt to answer those questions and others related to the future of free newspapers.

Sparked by the rise of the Internet in the mid-1990s, criticism arose from industry observers, publishers, and owners that newspapers should never give away their content (Buffett, 2012; Ladurantaye, 2012a, 2012b). Nevertheless, free newspapers have existed for two centuries in the United States, suggesting the decision to give away content has been somewhat successful. However, technological change has unleashed a revolutionary disruption of the news media's evolution, perhaps forever dismantling the advertising-based business model for print publications (Doctor, 2010). Advertisers have embraced the Internet, especially online gathering places like Google, Yahoo!, Facebook, Microsoft, and AOL, the top five sellers of online advertising in 2012 (Efrati, 2012). The amount of advertising revenue that newspapers attract has been declining since 2006 (Newspaper Association of America, n.d.), prompting a quest to identify new or neglected revenue sources to help keep newspapers alive. Paid/subscription newspapers continue to wrestle with the pros and cons of installing some form of an online paywall to generate revenue. Lost in the discussion are free newspapers, of which there are approximately 1,627 across North America (Fleming, 2012a; Association of Alternative Newsmedia, 2013). If advertising, the dominant source of revenue for newspapers, continues its migration away from print where does that leave the owner, publisher, manager, or journalist at the free newspaper? Shirky (2012) suggests magazines and newspapers reliant on advertising for the lion's share of their revenue have three options: shrink their operation, restructure their organization, or "harvest" revenues until the publication collapses (p. 29).

Even though it is common to expect that the end is nigh for newspapers (The Economist, 2006; Ingram, 2013a), some industry observers are not convinced (Chyi, Lewis, & Zheng, 2011; Garden, 2010). Perhaps free newspapers are the proverbial canary in the coalmine? If they perish or embrace a paid status then the advertising-based business model that has lasted centuries

may indeed become obsolete; if they survive, then the advertising-based business model is still relevant and those who scold news companies for not charging for their content are misguided. Either way, this study contributes to the discussion of the viability of the advertising-based business model and examines whether this point in history marks the beginning of the end for free newspapers or the beginning of free newspapers' survival in the digital age.

LITERATURE REVIEW

There is a long tradition of free newspapers in the United States (Brandsberg, 1969). However, this portion of the newspaper industry is often overshadowed by coverage and analyses of subscription or paid newspapers, particularly dailies located within major metropolitan areas (Bakker, 2008; Picard & Brody, 1997, p. xiv; Brandsberg, 1969). A wide variety of free newspapers can be found in the United States. These include daily newspapers like the geographic-specific *Vail Daily* in Colorado and *Metro,* a tabloid-sized daily that targets commuters in New York City, Philadelphia, and Boston. More commonly, free newspapers are community or small-town newspapers, so-called "alternative" newspapers, pro-business publications, and papers that target specific segments of society based on ethnicity, age, cultural, and political interests. *Editor & Publisher* defines a free newspaper as one that does not charge for 95% or more of its total circulation (Fleming, 2012b).

Another form of a free newspaper that has emerged, and subsequently perished in some markets, is one launched by paid daily newspapers to appeal to specific readers. These newspapers, generally aimed at people between the ages of 18 and 29, emphasize entertainment listings, short news stories, oddball features, sports, and celebrity news (Zerba, 2013). Zerba studied young readers' critiques of three free weeklies: the *RedEye* in Chicago (launched by the *Chicago Tribune*), the *210SA* in San Antonio (a product of the *San Antonio Express-News*), and *Quick*, a *Dallas Morning News* publication distributed by in the Dallas-Fort Worth area. Only *RedEye* was still operating in 2013.

There is evidence that circulation numbers for free newspapers are not falling as rapidly as those for paid newspapers (Rosenstiel & Mitchell, n.d.), yet it seems that in discussions about the future of newspapers, particularly regarding paywalls, free newspapers are overshadowed by news about paid newspapers. A study that said daily and weekly newspaper publishers in the United States had stepped up efforts to charge for access to online content fails to mention whether any of the newspapers' print versions are free (Jenner, 2012). Nevertheless, the lead scholar on the project declared: "The days of newspapers 'giving it away' are numbered" (Jenner, 2012, p. 2).

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In the 1960s, free publications were unpopular with their paid competitors because they competed aggressively for local advertising dollars, and they were not an appealing topic for communications scholars who "paid little or no attention to free circulation papers. Accordingly, the mass media researchers at the universities seldom investigated these publications" (Brandsberg, 1969, p. 1). Brandsberg (1969) estimated there were roughly 2,000 free newspapers in the United States in 1968, including shopping guides (or "shoppers" are publications that emphasize advertising over editorial content). Brandsberg estimated the total circulation was around 30 million in 1968, significantly higher than the 27.5 million for paid weeklies in 1967. He concludes: "These figures alone were enough to demonstrate that shopping guides and free circulation newspapers constituted an indeed big industry. Ironically, it had become huge with very few people realizing it" (Brandsberg, 1969, p. 13). Shoppers are not part of this study.

In 2009, there were 4,160 paid, 982 free and 913 "combined" (a newspaper that is both sold and given away for free) community weeklies (Tebo, 2009). By February 1, 2012, there were 3,809 paid community weekly newspapers in the United States, 1,072 free community weekly newspapers, and 1,020 combined weeklies (Fleming, 2012b). In three years the number of paid community newspapers dropped by 351 titles, free newspapers increased by 90, and combined publications rose by 107.

In addition, total circulation for paid community papers in the United States dropped by roughly 2 million copies between 2009 and 2011 compared to an increase of approximately 2.1 million for free papers. As of September 30, 2011, free newspapers distributed 22.9 million copies compared to 14.1 million paid copies (Fleming, 2012b). In 2009, the total circulation for free weeklies was nearly 20.8 million compared to almost 16.1 million for paid community papers (Tebo, 2009).

Free "alternative" newspapers are an important subset of the newspaper industry. In 2013 the Association of Alternative Newsmedia (AAN) had a membership of 118 newspapers with a combined weekly circulation of approximately 5.7 million in the United States (Association of Alternative Newsmedia, 2013).

Free *Metro* papers in Boston, Philadelphia, and New York City had a combined daily circulation of nearly 567,000 in 2013, allowing the group to claim it had the fourth largest newspaper circulation behind *USA Today, The Wall Street Journal*, and *The New York Times* (Metro, n.d.).

In total then, nearly 23 million free community/weekly papers, approximately 5.7 million alternative newspapers (Association of Alternative Newsmedia, 2013), and nearly 567,000 free *Metro* newspapers are distributed in the United States for a combined total of just over 29 million free papers appearing daily, weekly and monthly (see Table 1).

These numbers reinforce Brandsberg's (1969) observation that there are significant numbers of free newspapers circulating in the United States. Free

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TABLE 1 Circulation of Free Newspapers in the United States 2012–2013

Newspaper Type	Circulation
Weeklies/community	23,000,000
Alternative	5,700,000
"Metro" dailies	567,000
Total	29,267,000

Note. Sources: Editor & Publisher International Newspaper Data Book 2012; Association of Alternative Newsmedia; Metro United States.

newspapers are a substantial segment of the newspaper landscape, news operations that have relied on the advertising-based business model for decades. Yet, industry veterans, such as Walter E. Hussman Jr., publisher of the *Arkansas Democrat-Gazette*, argue that offering news for free, whether online or print, "is a bad business model" (Farhi, 2008). Perhaps both free and paid newspapers will disappear over time as the competition for advertising dollars intensifies and print ad revenues continue to fall (Newspaper Association of America, n.d.). Or, perhaps free newspapers will be the first to perish because they are more reliant on ads to pay the bills. While some industry veterans believe the advertising-based model is "bad business," the advertising-based business model has nevertheless been employed by scores of free newspapers for many decades.

Newspaper Business Model

Newspapers are unique in that they "operate in two markets at the same time. They create, manufacture, and sell the physical product—a newspaper copy—to readers while simultaneously selling a service—access to those readers—to advertisers" (Picard & Brody, 1997, p. 5). Consumers either pay a price to access the content or if the content is free they are paying with their time and attention (Picard & Brody, 1997).

The business model for newspapers in the United States has functioned virtually unchanged for nearly 200 years (Shirky, 2012). Shirky (2012) likens the newspaper business model to a three-legged stool: One leg is the publisher giving the audience access to the news; the audience is the second leg, giving "the publisher access to the advertisers;" and the third leg is the advertisers paying the publisher to reach the audience, which in turn allows the publisher to cover the costs of providing more news (p. 29). Even though some observers are not so certain that the advertising-based business model is doomed (Picard, 2002; Garden, 2010), Shirky (2102) is not one of them: "Every formerly stable leg of that triangle is buckling" (p. 29).

While the Internet can be seen as simply a new way to deliver familiar information (news and entertainment), the impact of social media and blogs are new developments and as a result established business models are

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suffering (Küng, Picard, & Towse, 2008a). Kaye and Quinn (2010) declare the traditional newspaper business model is "virtually obsolete" (p. 18). Despite the reality that advertising revenues are keeping the doors open at many newspapers as they try to transition to the digital world, the two "pillars" of newspapers' revenue—subscriptions and ad revenue—"are now crumbling" (Kaye & Quinn, 2010, p. 19).

Newspapers in smaller markets are not suffering as mightily as newspapers in large- or mid-sized markets, and the small-market publications may even prosper because they are more attuned to their audience's and advertisers' needs (Salkever, 2012). But, of course, free publications can be found in large and small markets and the reality is advertising revenue has been under siege for several years (Edmonds, Guskin, Rosenstiel, & Mitchell, 2012; Newspaper Association of America, n.d.; Rosenstiel & Mitchell, 2012). And yet, according to Soloski, the newspaper industry is profitable (2012).

The Organization for Economic Cooperation and Development (2010) has estimated that the reliance on advertising revenue, as opposed to single-issue sales, is highest among newspapers in the United States (87%), Luxembourg (77%), and Canada (77%) compared to European countries that range between 50 to 60% while Japan was the lowest at 35%. If decision-makers at a free newspaper decide that relying on advertising revenue leaves their business vulnerable, what options are available? A common expectation is that a combination of revenue sources will be the future norm for news organizations, such as online fees, partnerships, and events like book fairs (Kaye & Quinn, 2010). A free newspaper could also institute a cover price or a subscription fee, but researchers assert this paper could expect to lose more in advertising revenue than what it would gain in revenue from readers (Hoskins, McFayden, & Finn, 2004). The implication is that the imposition of a price will drive away readers, thus reducing the size of the audience, making it tougher to attract advertisers in an already depressed market.

Research Questions

In order to analyze the current status of free newspapers and if their strategy for the future includes two options—stay free but seek additional revenues, or abandon the free model altogether—seven research questions have been developed:

RQ1: How has advertising revenue and circulation changed, or not, at free newspapers from 2011 to 2012?

RQ2: Given the fluctuations in advertising revenues, are executives at free newspapers adjusting their business model to seek a variety of sources of revenue?

RQ3: Are sales representatives at free newspapers selling both platforms, online and print, or are they focused on one platform only?

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RQ4: How do the sources and types of advertisements differ between the online and print editions at free newspapers?
RQ5: To what extent do free newspapers invest in editorial content?
RQ6: To what extent do executives at free newspapers believe they have a relative advantage over paid newspapers?
RQ7: To what extent are executives at free newspapers optimistic or pessimistic about the future of free newspapers?

METHODS

This study is based on quantitative and qualitative data from a Web-based survey complemented by information gathered during extended interviews with four newspaper publishers.[1] The publishers interviewed in the summer of 2013 represent four distinct types of free newspapers: (1) the so-called "alternative" weekly (*The Austin Chronicle*), (2) a weekly targeted at the African-American community in Austin (University of Texas at Austin, 2013), (3) an independently-owned community weekly located in a major city (*The Leader* in Houston, TX), and (4) a free suburban paper that is published four times a week by a large media group (*Briefing* in Dallas, TX). The interviews were conducted in the subject's office or a boardroom in the subject's building. They were digitally recorded and lasted between 100 to 120 minutes. Interview responses were analyzed qualitatively for common themes and differences among the subjects.

The Web-based survey asked decision-makers at free newspapers—publishers, executives, advertising managers, and editors—to respond to 52 open-ended and multiple-choice questions. The Web-based survey, hosted by Qualtrics, was launched April 12, 2013 and closed May 11, 2013.

Sample

The primary source for the list of potential survey respondents was the *2012 Editor & Publisher International Newspaper Data Book, Book 2: Weeklies* (Fleming, 2012b). Newspapers that fit *Editor & Publisher*'s definition of a free newspaper—5% or less of a newspaper's circulation is paid and 95% is free—were selected form Section 1 of the data book. In addition, groups such as the AAN, the Independent Free Papers of America, the Association of Free Community Newspapers, and the blog Free-Daily.com were consulted while Web searches helped discover more free newspapers. As a result, a "master list" of nearly 1,400 free newspapers, and potential decision-makers at these papers, was created.

In compiling this list it became apparent that editing was necessary to ensure a more accurate sample while also eliminating duplication. For example, C&G Newspapers operates 19 newspapers in Michigan (C & G Newspapers, n.d.). It was deemed counterproductive to send one

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decision-maker at C&G 19 email invitations to participate in the Web-based survey. In addition, websites were consulted to verify, or in some cases correct, respondents' e-mail addresses, resulting in the refinement of contacts for possible participants. Ultimately, the master list of nearly 1,400 free newspapers was reduced to 714 decision-makers representing 1,264 newspapers.

The response rate for the Web-based survey was 22.13%, or 158 valid responses from 714 initial email invitations. Three follow-up emails were sent asking potential respondents to complete the survey. Data generated by the Web-based survey was analyzed using SPSS software.

Results

In total, 67% of Web-respondents said their operations were profitable in 2012, 22% said they "more or less broke even," 10% indicated they lost money in 2012, while 1% said they did not know. Regarding 2013, 73% of respondents anticipated making a profit, 21% expected to break even, 4% said they did not know, and 2% anticipated losing money (see Table 2).

Regarding RQ1, results from the Web-based survey show the free newspaper business is still very vibrant. Advertising revenue from 2011 to 2012 increased for 32% of the respondents, or stayed the same for 41%, while circulation increased for 23% and stayed the same for 66% (see Table 3).

TABLE 2 Profitability of Free Newspapers in 2012 and Anticipated Profitability in 2013

Profitability of Free Newspapers in 2012			Anticipated Profitability in 2013	
	Answer	Percent	Answer	Percent
Made a profit		67	Making a profit	73
More or less broke even		22	Breaking even	21
Lost money	10		Don't know	4
Don't know	1		Losing money	2
Total	100		Total	100
(Valid cases)	(127)		(Valid cases)	(126)

TABLE 3 Advertising Revenue and Circulation at Free Newspapers in 2012 Compared to 2011

Answer	Advertising Revenue (%)	Circulation (%)
Stayed more or less the same	41	66
Increased	32	23
Decreased	27	11
Total	100	100
(Valid cases)	(142)	(142)

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These results are borne out, for the most part, by the four publishers interviewed for the study. Although Tommy Wyatt at *The Villager* and Nick Barbaro at *The Austin Chronicle* were reluctant to provide specifics, they insist advertising revenue held steady from 2011 to 2012. The other two publishers—Jonathan McElvy at *The Leader* in Houston and Richard Alfona at *Briefing* in Dallas—both report advertising revenue increased from 2011 to 2012. *Briefing*, however, is unique because it does not directly bear the costs of maintaining a fleet of reporters and photographers, instead pulling content from sister publications, primarily *The Dallas Morning News*, and other news services. Nevertheless, *Briefing* "is the biggest revenue producer and profit producer" of all the publications in the DMN Media roster, according to Alfona, group publisher and general manager. He said *Briefing* generates between $10 million to $20 million revenue a year and a 48% profit margin for DMN Media. Jim Moroney III, publisher and chief executive officer of *The Dallas Morning News*, said in 2011 that *Briefing* was expected to generate approximately $15 million in revenue that year (Tennant, 2011).

The Leader is an example of a suburban or community newspaper that has a small news staff (one editor, one freelance reporter, and a collection of freelance columnists) but may be able to expand coverage given the newspaper made a profit of roughly $95,000 in 2012. Publisher McElvy was confident advertising revenues could increase by 28% in 2013 over 2012.

Regarding the second research question, the Web-based survey shows decision-makers at free newspapers are trying alternative revenue sources but the familiar methods of generating revenue still dominate. "Sponsoring or hosting events" was employed by 36% of respondents. Other non-advertising revenue options such as "marketing consultations for local businesses" was at 12% and selling "e-books" at 5% (see Table 4). The majority of respondents (73%) pursued "special advertising sections" and more than one-third have published a separate title unlike the parent newspaper, two enterprises that still rely on advertising. The majority of decision-makers do not impose a fee to access website content, but almost one-third said they would consider some form of a fee. Contrast that apparent willingness to charge

TABLE 4 Alternative Sources of Revenue Pursued by Free Newspapers

Answer	Percent
Special advertising sections	73
Sponsoring or hosting events	36
A publication completely unlike your newspaper	34
Other	18
Marketing consultations for local businesses	12
E-books	5
No, we have not sought alternative sources of revenue	5
Selling property	2

TABLE 5 Attitudes of Free Newspaper Decision-Makers Toward Implementing a Fee to Access Online and Print Content

Answer	Online Fee (%)	Print Cover Price (%)
No	53	76
Yes	32	11
Don't know	15	13
Total	100	100
(Valid cases)	(125)	(132)

online readers a fee with the overwhelmingly conviction (76%) that the print product will remain free and one is left with the impression that if the free paper business model is to evolve, that evolution might happen online first (see Table 5).

Text responses from the Web-based survey reflect a willingness to consider alternative sources of revenue, such as a voluntary payment system, or even charging readers who pick up a paper in a store while offering free home delivery. The text responses also show an overwhelming reluctance to abandon the free business model, at least in print. Many said it was unlikely the return on charging 25 cents or a $1 per copy would cover the costs of setting up a paid/subscription infrastructure, and that such a move would alienate readers accustomed to a free newspaper as well as advertisers used to a wide circulation normally associated with a free newspaper.

These considerations were reflected in interviews with the publishers. Switching from free to paid would be a fundamental transformation that is simply not worth the likely loss of readership, the subsequent decline in ad revenue, and the prospect of dealing with disappointed readers. Nevertheless, these publishers endeavor to supplement ad revenue with other publications, hosting events, offering marketing consultations to local businesses and, in the case of *The Leader*, soliciting voluntary payments.

RQ3 asked if sales representatives were selling both online and print platforms, or if they focused only on one. RQ4 asked if the sources and types of advertisements differ between the online and print editions. The vast majority of survey respondents (96%) said their sales staff sells for both online and print, yet online ads only account for roughly 5% total advertising revenue, reflecting the newspaper industry's struggle to offset declining print advertising revenue with online ad revenue (Edmonds, Guskin, Mitchell, & Jurkowitz, 2013). The breakdown of types of ads does not differ greatly between online and print, with "retail" accounting for 38 and 41%, respectively (see Table 6). In terms of geographic sources for advertisements, "local" dominated at 57% for online ads and 72% for print (see Table 7).

Responses from the publishers were varied and somewhat revealing in that a Web presence is acknowledged but not necessarily embraced. Online

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TABLE 6 Types of Online and Print Advertising in Free Newspapers in 2012

Type	Online (Mean)	Print (Mean)
Retail	38	41
Entertainment	15	16
Other	9	13
Classifieds/personal	3	9
Financial	2	4
Political	1	2

TABLE 7 Geographic Sources for Advertising in Free Newspapers in 2012

Geographic Source	Online (Mean)	Print (Mean)
Local	57	72
Regional	6	9
National	7	5

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ad sales are part of doing business at *The Austin Chronicle*, but publisher Nick Barbaro lamented how much time, effort and expense goes into maintaining an online presence that is not a significant revenue producer, a point echoed in Web-based survey responses. Tommy Wyatt at *The Villager* sees his website as more of a value-added proposition, a place to give loyal advertisers a boost rather than a format to be sold aggressively. *Briefing* is different because it does not have a website but is also part of a larger digital strategy pursued aggressively by DMN Media, although the company modified *The Dallas Morning News*' paywall in 2013 (Ingram, 2013b) then abandoned its paid website altogether in 2014 (Jean, 2014). Jonathan McElvy sees potential in *The Leader*'s website and social media if he can convince advertisers that the combination of print and online readers, augmented by a social media presence, is a substantial audience they need to reach.

The publishers also note that the types of ads their newspapers attract are for the most part local, again reflecting the Web-based survey results, even though some may be local outlets for national brands like automotive dealerships and grocery store chains. Nick Barbaro said *The Austin Chronicle*'s advertising representatives concentrate mostly on print, sales that also generate higher commissions. *The Chronicle* was largely sold out online and if they were able to increase traffic he thinks they may be able to sell more website ads. "There is just so little money online," he lamented. "In a business sense, we spend an inordinate amount of time" on *The Chronicle*'s website, roughly a 50–50 split in time and effort between the website and the newspaper. "But the revenue is still 95–5" in favor of the print edition, he said. "Our website wouldn't exist if we didn't have the print edition, because it wouldn't make no money," Barbaro suggested.

Connected in terms of reader engagement, RQ5 asked, "To what extent do free newspapers invest in editorial content?" and RQ6 asked, "To what extent do free newspapers believe they have a relative advantage over paid newspapers?" Web-based survey results show decision-makers devote an average of 42% of pages per issue to editorial content. Whether that editorial content is of a high or low quality could not be discerned by the online survey. The majority of respondents (83%) do not believe that a person is more "engaged" in a newspaper simply because he or she paid for it. A vast majority (91%) of decision-makers believe they have an advantage over paid newspapers because they focus on local editorial content. "Content is king and if the paper is lousy, people will not be engaged, paid or free," said one respondent.

The final research question required decision-makers to look into the future. They were strongly positive (31%) or positive (50%) about the future of their newspaper (see Table 8). This positivity may be linked to the financial state of newspapers. As noted earlier, 67% of respondents said their newspaper made a profit in 2012 and 73% anticipate making a profit in 2013. This positive view is echoed in responses to the survey question: "Do you disagree or agree with the assertion that it is only a matter of time before newspapers are an online-only news outlet?" Nineteen percent of respondents strongly disagreed, 35% disagreed and 23% somewhat disagreed (see Table 9).

Respondents' sentiments—positive about newspapers' future but curious about what happens next as the digital era unfolds—were echoed by the four publishers. Perhaps reflecting knowledge of their local markets, the publishers were confident they can maintain relevance among readers and advertisers, but acknowledge they will have to work at it because competition for ad dollars and readers has increased.

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TABLE 8 Decision-Makers' Attitudes Toward the Future of Their Free Newspaper or Papers

Answer	Percent
Positive	50
Strongly positive	31
Neutral	15
Negative	3
Strongly negative	1
Total	100
(Valid)	(128)

TABLE 9 Decision-Makers' Opinions on Whether Newspapers' Future is Online-Only

Opinion	Percent
Disagree	35
Somewhat disagree	23
Strongly disagree	19
Neutral	8
Somewhat agree	7
Agree	5
Strongly agree	3
Total	100
(Valid)	(129)

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DISCUSSION AND CONCLUSION

This article started from the premise that the downward trend in advertising spending on newspapers leaves free newspapers potentially more vulnerable than paid newspapers because of free papers' heavy reliance on advertising revenue. It was suggested free newspapers face two alternatives: Stay the course and ride out the digital wave while diversifying sources of revenue, or abandon the free business model and start charging for both the print and online versions of the newspaper.

Results from the Web-based survey, and in-depth interviews with publishers of four distinctly different newspapers, reveals free newspapers are not only surviving but many are prospering. They are not abandoning the free business model. Granted, the results have to be kept in perspective because the Web-based survey did not reach all free newspapers in the United States, and the publishers of four newspapers interviewed for this study are located in just one state. But the Web-based survey results, complemented by interviews with publishers of four divergent types of free newspapers, show a newspaper can survive, and even prosper, giving readers free access to news. This, in turn, demonstrates that the print-based advertising business model is not obsolete.

There is no desire here to overstate results or assert that free newspapers are immune to the many challenges facing the news industry in the digital age. It remains to be seen, but perhaps the waves of digital disruption will eventually crash even harder against the shores of free newspapers just as they have negatively impacted paid daily newspapers in many markets. But neither can it be ignored that these results show many free newspapers appear to be divorced from the common narrative that newspapers are dying because advertising dollars are being consumed by online behemoths like Google (Ingram, 2013a), or that newspapers are doomed if they don't charge for access to their content (Farhi, 2008, Buffett, 2012; Ladurantaye, 2012a, 2012b). It is simply not the case—so far—that newspapers are doomed, that

they represent a medium that will be eclipsed much like writing on cave walls. In addition, many decision-makers at free newspapers acknowledged that being free is not necessarily as important as producing a compelling product that people go out of their way to pick up.

It is hoped that this study contributes to the discussion of the future of newspapers in three ways: Broaden the conversation about the economic health of newspapers beyond just what happens at paid newspapers; recognize free newspapers are alive and kicking which means the advertising-based business model has not perished; and that perhaps free newspapers, and newspapers in general, are now representatives of "secondary technologies" (Bolter, 1991, p. 39). Secondary technologies may once have been dominant, as newspapers were for many decades, but they have been overtaken by emergent technologies. Nevertheless, "secondary technologies survive by meeting some need better than the dominant technology" (Bolter, 1991, p. 39). Free newspapers are clearly meeting the needs of readers and advertisers in their markets or else they would cease to exist. No one can predict the future of the newspaper industry, but it can be said with confidence that free is a model still relevant in print.

Limitations and Future Research

It would have been informative to conduct interviews with publishers of free newspapers in states that were not doing as well economically as Texas in 2013. It might be difficult for a publisher to be upbeat about the future of her free newspaper if business activity has declined in that market. Connected to the health of a local economy, interviews with publishers of free newspapers that are losing money may have added a counterbalance to this study. Then again, these interviews represent four varieties of free newspapers, a strength of this study.

The results imply that just as it seems unfortunate, or flat out wrong, to equate the economic misfortune of big city paid dailies as an indicator of the health of the entire U.S. newspaper industry, it would be equally inaccurate to suggest the results reported here stand for the entire free newspaper industry. Indeed, one problem for a Web-based survey is the "quality of a sampling frame or list," which can affect the ability to generalize to a larger population (Poindexter & McCombs, 2000, p. 279). While this study is merely a 2013 snapshot of a historically under-reported segment of the U.S. newspaper industry, it also has a fairly strong foundation because the Web-based survey of 714 decision-makers representing more than 1,260 free newspapers had a reasonable response rate of 22%.

Regarding future research, the handful of free daily newspapers in the United States should be a topic for study. An analysis of their business models and styles of journalism would not only inform the larger discussion of the fate of free U.S. newspapers in the digital age, but also remediate the dearth of historical research on free papers.

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Finally, this analysis of free newspapers could lead to a study of free news in general and, more specifically, the future of paywalls and free news online. Does the enduring history of successful free newspapers suggest many readers prefer free news and, therefore, the push to charge for online access to content is shortsighted? A study of this kind could be more complex than a limited analysis of free newspapers. While it might amount to comparing apples and oranges, it could also provide empirical evidence for the debate about how much of a newspaper's future is online, a debate that is more often based on emotion than fact.

NOTE

1. The four decision-makers consented to be interviewed and to their names being used, as per rules monitored by the Institutional Review Board at the University of Texas at Austin.

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