

Changing Readers, Changing Media

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Excerpts from talk by Hazel Reinhardt, President of Hazel Reinhardt Consulting Services and former Minnesota state demographer (boldface added by Kees)

Copies of her slides courtesy of Northwestern University Media Management Center

I want to look at the next five to 10 years and some of the challenges that newspapers are likely to face.

Population, or demographics, is one of the few areas where the trends are not only projectable but projectable with considerable accuracy – more so than we have in any other area. The numbers I'm going to show you for the next 10 years, outside of some major catastrophe, are the numbers that will be realized in the United States. There is almost nothing we can imagine that will happen to change that.

Readership, at the weekday level since 1970, has about 20 percentage points, from 78 percent of adults to 59 percent of adults reading on a typical weekday. Sunday presents quite a different story, from 72 percent to 69 percent. We've had the launching of many additional Sunday newspapers in that time frame. Another thing to realize is that, in 1970, a higher percentage of adults read a weekday paper than a Sunday paper. That has now been reversed.

Regarding readership, there are two powerful predictors: One is the level of education and the other is age. From the education point of view, we get 71 percent of the adult population who have college degrees reading on a typical weekday; 61 percent of high school graduates and 40 percent of people with less than a high school education.

On the age component, you will see that 71 percent of the 65+ read. It falls to 47 percent for the 25- to 34-year-old, and 45 percent for the 18- to 24-year-old. **What we're seeing here – one of the most important issues facing newspapers today – is that it's becoming very clear that newspaper reading is correlated with the individual's generation.**

I put them into three groups here: Pre-boomers, people born 1945 or before; Baby Boomers, born 1946 to 1964; Generation X, 1965 to 1976. We see very dramatically the change in readership, from Pre-boomers, 70 percent of whom typically read on a weekday, Baby Boomers 58 percent and Gen X 47 percent.

It's a mystery to me that we could have known about this for so long but seemed to not want to talk about it: Each generation of younger people is reading less or less frequently.

We can see that each passing decade is producing lower readership. Bottom line this is very important. If it is indeed related to generation, then we have to keep our eye on what is happening generation to generation.

How are the changes in population likely to affect newspapers?

- 1) The population is aging. Most of you will find that to be good news because you will not be out of sync with what's happening generally.
- 2) America is becoming more diverse – race and ethnicity.
- 3) The gap between the rich and the poor is widening – not as great as it was in the 1920s but starting to approach that.
- 4) We have a real concentration of population in regions of the country and certain metro areas.

Let's turn to aging. In cultural dimensions, we have life stages – going to school, getting married, getting driver's license, consuming alcoholic beverages, signing up for Medicare. But concentrate on generation, a fairly recent concept for thinking about population. We have a group of people who have been affected by the same technologies, the same kind of life experiences, and that has resulted in that group holding a particular view, value system, belief system, attitudes. The Baby Boom generation was the first one to have a real generational sense about itself in this century. They are 30 percent of the entire population, about 40 percent of all household heads.

Baby Boomers like to say that they're going to redefine aging. We know that the business of plastic surgeons has picked up, so we know we're not going to see it as dramatically. But we know about physical dimensions that are hard to escape, that chronic conditions increase about tenfold after the age of 40. Things like arthritis, diabetes, high blood pressure.

What's collective about aging? This largest-of-all American generation, Baby Boomers, is aging and contrary to what you may say, most Baby Boomers are not 50. They are 42 and 43 years of age. In the next decade we are going to see an enormous number of people turn 50 and enter those middle years of life. That's one reason we're aging. The second is that we have very low fertility and we have a birth dearth, so Generation X is much smaller. Even the Millennial Kids. If this generation were not supplemented by immigrants from abroad, it would be smaller. And we are having a senior boom – adding years of life after the age of 85. It's most dramatic in growth of the population over the age of 100.

In 1990 there were approximately 37,000 Americans over the age of 100. The forecast for 2010 is about 137,000 and by 2050 the estimate is about 850,000. This is what makes people who think long term about health care and the like anxious.

I want to say to Boomers: When you turn 100, the President of the United States is not likely to send greetings and the Willard Scott of 2050 or 2060 is not likely to feature you on the news program because there will be so many of you.

The other thing about aging is that it's a global phenomenon. The United States is among the youngest of the developed nations. One way to notate that is to think about median aging, half above and half below. We see in 1990 median age in the United States was approximately 33 years; by 2000 we think it's going to be 35.7 and by 2020 close to 38. Behind those figures is a profound shift in age groups.

The first of the Boomers will start to turn 65 in 2011. All Boomers will reach the age of 65 in 2025. Nearly 20 percent of the American population will be over the age of 65.

The 18- to 29-year-olds will start to increase between 2000 and 2010. These are Echo Boomers, Generation Y, Millennial Kids, whatever label you want to put on them.

The 30- to 44-year-olds will decrease in number between 2000 and 2010. By 2020 the size of those two groups will be fundamentally the same as it was in 1990. The big play is in the aging of the population.

The reality of America is that white folks are old folks and old folks are white folks. The young people of America are far more diverse in race, diversity, culture. The median age is a clear way to notate that. The white non-Hispanic population is projected to have a median age of 44 years by 2010.

What are the consequences of that aging? We are going to have a lot of households and families "empty nest." For decades we have had the hook of "what's of interest to families"? As we can see, in the next five and 10 years, the number of households with families with children is not going to increase; the growth will be in empty nesters. Families with children will fall between 26 and 28 percent. The vast majority of households will not have children present. You'll have to think of different ways to interest them.

There should be considerable well-being in the next decade because such a large proportion of the population will be in its prime earning years. And on a per capita basis, spending continues strong into the late years of life. However, people spend their money on different things. Older folks spend more on health care, but more than anything else they spend their money on experiences. **The young buy goods, the middle aged buy services and the elderly buy experiences.** Everything they do tends to be framed in this experiential dimension. They like to think of travel that is exotic.

The figures also show that in the next decade, like a tidal wave, another generation will come into adulthood. Another generation of potential readers.

The Pre-boomers represent about 63 million in 1998, 31 percent of all adults. By 2010 that number will be reduced to 39 million, 17 percent of all adults, and by that time the entire generation will be 65 and over. These are among the best newspaper readers. Natural attrition will decrease their number among us.

Boomers representing 78 million in 1998, 39 percent of all adults, will be at 75 million at 2010, 33 percent of the population. These are also fairly good readers.

Generation X, 44 million or 22 percent of all adults in 1998, will go to 46 million or 21 percent in 2010. Immigration from abroad is increasing these numbers.

And finally is Generation Y. Only 15 million of that generation was over 18 in 1998, only 8 percent of all adults. By 2010 that generation will contribute 65 million to the adult population, 29 percent of all adults.

It is on these numbers that the future readership of newspapers hinges. You can look at these numbers and be sobered by them. You can look at these numbers and anticipate hope.

If Generation Y reads at the same level as Generation X, overall daily readership will be below 50 percent by 2010 – 45 percent by 2015. Following that train of logic, the last American reading a newspaper would be observed in 2078.

The point I want to make is that the next five to 10 years is really the crucial time in determining what proportion of American adults will read a newspaper.

Why is this a reason for hope? In part because Generation Y, according to all surveys that have been taken, are considerably different in their outlook from Generation X. They're a more optimistic generation, a more community-minded generation, seemingly more involved generation. **The challenge to newspapers is how and what do we need to do to make a larger proportion of them newspaper readers than Generation X?**

Immigration is a major factor. If we think about the 20th century, we now have about one in 10 of every American being foreign born. The high point was in 1910 when just about 15 percent were foreign born. If immigration continues at the same rate it is, we'll be back at about 13 percent in 2010.

Where they come from has a big bearing on whether they speak English and whether they're oriented to reading. The change makes it a significantly different marketplace.

About a third of the foreign population is in California. And Immigration Naturalization reports that 50 percent of the population that enters the United States declares California as its destination.

In the 1950s over half the immigrants came from Europe. In the 1990s they're coming from Latin America and Asia.

The challenge of incorporating and enticing a very diverse audience to the newspaper is critical or newspapers in many communities will be read only by a segment of the people who live there. (See graphics for more information on diversity, education and income.)

I want to leave you with the sense of a profound change and one that's coming very quickly:

- A new generation will come on the scene and we will either get them as readers or we will not. And we will know very quickly. Working on it today is none too soon.
- That while all places will grow older, some will remain significantly younger and will have a very high proportion of Generation Y.
- That we are seeing increasing and greater diversity in the population, in language, in the ability to read English, the desire to read and the extent to which newspapers reflect anything from an immigrant perspective, or a perspective anything other than white middle class establishment.

These demographic changes also greatly affect the issues for a democracy and the issues of how we build community.

The future of newspapers as a national phenomenon in the United States will be played out in the large metros and in states such as California, Texas and Florida.

(From the Q&A period, when she was asked whether young people would naturally turn to newspapers as they got older.)

If you did not read a newspaper when you were 35 and you did not read one when you were 45, why would you suddenly take it up at 55 or 65? You have established patterns.

You have a few safe years. Do not be lulled. You have a few years when you have the Boomers and Pre-boomers who are big readers with you. The future is whether you can get Generation Y.

And if you noticed, I have not mentioned Generation X.

(And later)

I'm trying to deal with what is so often a misperception within the industry and that is that a generation's reading behavior increases as it ages. That was not true. It stayed constant.