

Publishing:

5812 Publishing of directories and mailing lists

5813 Publishing of newspapers, journals and periodicals

Sector Paper





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· Turnover / output measurement



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· Measurement of SPPI



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· International progress

01

CHARACTERISTICS OF THE INDUSTRIES



Definition of service

Two main products:

**published content (printed or online)
and advertising space.**

Several revenue streams:

- revenue generated from the sale of content:
 - mailing lists, individual copies of directories, newspapers and periodicals,
 - subscriptions, which can include online access and print copies
- advertising revenue, which is generated from the sale of advertising space,
- some may also charge licensing fees for the use of their content
- although marginal, user data and web traffic data may be a source of revenue

Industry classifications

ISIC rev. 4		NACE rev. 2		NAICS 2017	
Code	Title	Code	Title	Code	Title
5812	Publishing of directories and mailing lists	58.12	Publishing of directories and mailing lists	511140	Directory and mailing list publishers
5813	Publishing of newspapers, journals and periodicals	58.13	Publishing of newspapers	511110	Newspaper publishers
		58.14	Publishing of journals and periodicals	511120	Periodical publishers

ISIC 5813 = NACE 5813 + 5814

- NACE 5813: at least 4 times a week / NACE 5814 : less than 4 times

Product classifications

CPA 2008		CPC ver 2.1	
Code	Title	Code	Title
5812	Publishing of directories and mailing lists	32230	Directories, in print
		73312	Licensing services for the right to use databases
		83631	Sale of advertising space in print media (except on commission)
		83639	Sale of other advertising space or time (except on commission)
		84313	On-line directories and mailing lists
		89110	Publishing, on a fee or contract basis
5813	Publishing of newspapers	32300	Newspapers and periodicals, daily, in print
		32410	General interest newspapers and periodicals, other than daily, in print
		32420	Business, professional or academic newspapers and periodicals, other than daily, in print
		32490	Other newspapers and periodicals, other than daily, in print
		73320	Licensing services for the right to use entertainment, literary or artistic originals
		83631	Sale of advertising space in print media (except on commission)
		83633	Sale of Internet advertising space (except on commission)
		84312	On-line newspapers and periodicals
		89110	Publishing, on a fee or contract basis
		5814	Publishing of journals and periodicals
32410	General interest newspapers and periodicals, other than daily, in print		
32420	Business, professional or academic newspapers and periodicals, other than daily, in print		
32490	Other newspapers and periodicals, other than daily, in print		
73320	Licensing services for the right to use entertainment, literary or artistic originals		
83631	Sale of advertising space in print media (except on commission)		
83633	Sale of Internet advertising space (except on commission)		
84312	On-line newspapers and periodicals		
89110	Publishing, on a fee or contract basis		

CPA 2008		NAPCS broad product	
Code	Title	Code	Title
5812	Publishing of directories and mailing lists	7014505	Directories
		7014515	Databases and other collections of information
		7002525	Library and archive services
		7012600	Mailing lists
		7012275	Advertising space in printed publications
		7012350	Internet advertising
		7012400	Advertising space in publications on electronic and other media, except online
		2052875	Quick printing
		2052900	Digital printing
		7009581	Licensing of rights to use intellectual property protected by copyright
5813	Publishing of newspapers	7001175	General newspapers
		7001200	Specialized newspapers
		7011125	Local transportation and delivery of purchased or serviced items
		7012075	Graphic design services, except advertising graphic design
		7012275	Advertising space in printed publications
		7012350	Internet advertising
		7012400	Advertising space in publications on electronic and other media, except online
		2052875	Quick printing
		2052900	Digital printing
		7009581	Licensing of rights to use intellectual property protected by copyright
5814	Publishing of journals and periodicals	7001225	Periodicals, general interest
		7001250	Periodicals, business (including farming), professional and academic
		7001275	Periodicals, not elsewhere classified
		7013050	Public relations event management services
		7012275	Advertising space in printed publications
		7012350	Internet advertising
		7012400	Advertising space in publications on electronic and other media, except online
		2052875	Quick printing
		2052900	Digital printing
		7009581	Licensing of rights to use intellectual property protected by copyright

Classification issues

Should online-only publishers be included in these industries ?

- North American countries: different approaches
(excluded in US, recently included in Canada)
 - **NAICS 519130** Internet publishing and broadcasting and web search portals
is not connected to **ISIC 5813** in the correspondence tables
- According to ISIC notes, there seems to be no indication that online-only publishers should be excluded from these classes.
- Should NAICS be revisited to follow more closely to ISIC on this point ?
(next NAICS update in 2022)

Market conditions, trends

Decline in the number of establishments and pressure on existing business models

- Significant reorganization process, still going on
- Loss of revenue from print advertising or physical subscription
- Many publishers have elected to circulate a portion of their content for free
- Bundles of print and digital have been developing
- Competition with other online providers, such as web portals
- New revenue from digital publishing is still dim for publishers (although advertisers spending on the Internet is soaring)
except for largest competitors, or those relying on branding or niche content

02

TURNOVER / OUTPUT
MEASUREMENT



Product structure

Fine disaggregation proposed by official classifications not accessible in many countries → survey needed

- 5813: Two kinds of breakdown may sometimes be accessible:
 - subscriptions and sales / advertising / licensing of rights
 - revenue from traditional formats / revenue generated online
- 5812: the low turnover in the industry does not generally justify efforts to disaggregate statistics by finer product codes.

Sources

Variable mix of administrative and survey data.

Information from tax data alone not sufficient

Measurement issues

Third-party stakeholders and isolation of the net revenue

- Physical products: transport and trade margin should be isolated from the output
- Advertising: the sales of advertising space are often shared between the publishers and an intermediary, such as a media marketer.

Only the net output (excluding the commission due to the media marketer, which provides an intermediary service linked to the advertising industry, ISIC 7310) should be taken into account in the measurement of the output of the 5812/13 industries.

This should lead to the separation of the advertisement turnover between the relevant services industries (publishing industries / advertising industries).

→ These industries have to be collected and computed consistently

03

MEASUREMENT OF SPPI



Sources

SPPI survey

- Dedicated monthly or quarterly survey: information on product-level, sometimes with product-level weights asked once a year
- In combination with an external source (Spain):
collaboration with a company that carries out the exhaustive control of the advertising activity

Industry vs product

- (In the contributing countries) the methods are based on the product approach

Price methods chosen

For single copy sales (online or print)

- Direct use of repeated service: price retained by the publisher
- Average price per unit for a homogeneous family of publications: the number of units should include free/promotional copies
- Model pricing: especially for mailing lists (customization)

For subscriptions (online or print)

- Direct use of repeated service: format/duration/new or renewal
- Average price per unit: the buyer type is important (some receive free or discounted price copies)
- List prices: if no other pricing options are feasible – with collection of the average price discount

Price methods chosen

Advertising: print

- Average price per unit: for very homogeneous types of advertisement ;
 - The unit has to be identified clearly (full page, inches...)
 - Prices should ideally be corrected by circulation figures
- Direct use of repeated service: with characteristics fixed: format/type/size/colors and exact placement...
- Contract price: the contract changes should be managed according to rules for products replacements
- List prices: if no other pricing options are feasible – with collection of the average price discount.

Price methods chosen

Online advertising

- Average price per unit: total turnover divided by the unit used for pricing (for very homogeneous categories of advertisements).
CPM/CPC/CPA intrinsically contain an adjustment to achieved audience size
- Bid price: price per click that would be charged if a listing at a certain position was clicked upon for a specific keyword search
Should be diminished of all fees due to intermediaries in the programmatic chain (ad networks, supply side platforms...)
- Contract price

Evaluation of price methods

Direct use of repeated service vs unit value method

- The former depends on the stability of the service over time, which is not guaranteed as the formats tend to change rapidly.
- The unit value method leads to less product substitutions, but is submitted to fluctuations of the composition of the mix of services that cannot be completely avoided.

Audience

- Online advertisement series are mostly priced per click or per impression, which means they are already adjusted on audience.
- Regarding print advertisement, prices should ideally be corrected with circulation figures, or quality adjustments have to be done each time there is a perceptible change in the circulation.

04

INTERNATIONAL PROGRESS



Review of countries by VG bureau

Turnover / output

- 5812: 18 out of 23 countries collect industry-level turnover / output at industry-level (4 monthly, 3 quarterly, 8 annual). 2 countries mention finer levels
- 5813: 18 out of 23 countries collect industry-level turnover / output at industry-level (4 monthly, 2 quarterly, 9 annual). 2 countries mention finer levels

SPPIs

- 5812: 2 out of 23 countries calculate industry-level producer prices. Countries without calculation do not mention plans to have one. 1 country mentions finer levels
- 5813: 12 out of 23 countries – 10 who publish it. 4 countries mention finer levels

Turnover and prices calculations are considered as well aligned in the responding countries.

Thanks for your attention !

Yann Leurs

Insee

Head of services production prices skill center

Lyon, France

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Measuring, understanding

