

Consumer Behavior Towards Digital and Printed Media in Indonesia

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ABSTRACT

This paper purpose is to examine consumer behavior toward digital media and printed media in Indonesia. Researcher using quantitative descriptive analysis to answer the research objective. We used online surveys with 105 respondents, who had various age ranges from the baby boomer generation, X generation, Y generation which is represent millennial generation and even the Z generation. The result showed that 41% respondent Use digital Media, 1% still use printed media and 58% use both digital and printed media. We also found that people use printed media because more trust and they willing to pay to get information from printed media rather than digital media. Other important finding is, respondents have more trust to printed media and willing to pay to get information rather than digital media

Perhaps this research can give more insight to Media Company as a value knowledge to get close to their customer. We really recommend media company especially printed media to diversified their media channel, not only depend on printed media but also start to using digital to reach more customer and promoting also give benefit more to their advertiser

Keywords

digital media, printed media, consumer behavior

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Introduction

Nowadays, the jargon “Go digital or die!” is so popular because internet of things influences everyone’s life, from early age children to senior people. Recent rapid advances in ICT, especially on the Internet and mobile technology, have highlighted the rising importance of the business model (Al-Debei, ElHaddadeh, & Avison, 2008).

The rise of digital media keeps increasing as the technology and the generation Y population continues to grow. Facebook, Twitter, e-magazines, and e- newspapers have become a new digital business model to search and locate information and news. However, despite the rise of digital technology, many people still utilize printed newspapers and magazines. Public places such as in airports, hotels, banks, offices and inside airplanes.

It is true that printed newspaper and magazines have been declining in all over the world since the last fifteen years. For example, Mediapost.com reported that Time Inc. posted a 6.6% decline in print advertising in the fourth quarter of \$382 million, while the New York Times Co. also posted a 6.6% decline in print advertisement revenue (Google, 2017). In terms of advertising from 2004 until 2012, Google ads kept increasing every year, while U.S. printed magazines and printed newspapers kept declining. The Newspaper Association of America and Publishers Information Bureau have both stopped publishing figures for their respective industries’ advertising revenue and advertisement pages.

There is also breakthrough that is made. The New York Times newspaper have its total circulation revenues increased 1.3% in 2015, due to a 13.8% increase in revenues from digital subs, which contributed \$192.7 million, and the company closed the year with around 1.1 million digital-only subs.

However, other publishers struggled to replicate this success. For example, Gannett Co. ended the year with just

125,000 digital-only subs, while Tribune Publishing had only 81,000 at the end of the third quarter.

Most of scholars and practitioners support the opinion that the media market is undergoing a substantial transformation. The changing measures and trends have different characteristics according to each country. However, a tendency seems to emerge on the global scale, and it has a fundamental influence on the media market and media consumption habits of a country (Fodor, Jackel, Kocsir, & Medve, 2013).

The purpose of this research is to examine the behavior from the customer towards digital media and printed media. This research will examine if there is any shifting behavior from printed to digital media or if it is just a new option for consumers in accessing information which is usually only found in printed media to be used in both kinds of media. It is very important to understand the point of view from Millennia’s generation. This paper contributes to the insight of consumer behavior towards printed and digital media in terms of difference between old and new tradition and generation as well.

Literature Review

Digital media

Digital media is digitized content that can be transmitted over the internet or computer networks. This can include text, audio, video, and graphics. This means that news from a TV network, newspaper, magazine, etc. that is presented on a Web site or blog can fall into Most digital media are based on translating analog data into digital data.

The Internet began to grow when text was put onto the Internet instead of stored on papers as it was previously. Soon after text was put onto computers images followed, then came audio and video onto the Internet. Digital media

has come a long way in the few short years to become as we know it today and it continues to grow this category.

Print media

According to Oxford dictionaries, print media described as Means of mass communication in the form of printed publications, such as newspapers and magazines. Media refers to paper publications circulated in the form of physical editions of books, magazines, journals and newsletters that reach very large numbers of people. Newspapers can broadly be divided into two kinds: the broadsheet newspapers, and the tabloids.

Consumer Behavior

Consumer behavior involves the study of individuals and the methods they employ to choose, buy utilize, and utilize goods and services to fulfill their wants and the effects that these have on the consumer and society as a whole (Khaniwale & Manali, 2015). All the purchasing, buying, or using processes will come with what brand they choose, are willing to pay, and consider trustworthy or not. All the final results which are the outcome of consumer behavior are the buyer's decision.

There are several factors that influence consumer buying behavior. This factor is classified into two groups, which are external and internal. External means the influential behavior comes from large groups that have the same values, cultures, or social conditions. The external factors consist of cultural factors and social factors (Khaniwale & Manali, 2015).

An internal factor means the behavior comes from the attributes that belong to individuals. It has two categories: personal factors and psychological factors. Personal factors include education, income, age, lifestyle, occupation, economic situation, concept, and personality (Khaniwale & Manali, 2015). Psychological factors include perception, motivation, learning, beliefs, and attitudes. A purchase decision is the result of the culture, subculture, social class, membership groups, family, personality, psychological factors, to name a few factors to individual and consumer. In better understanding and identifying those purchase decision factors, managers should be able to create a unique value proposition message and efficient advertising campaign to meet customers' need and increasing the sales (Rani, 2014).

Consumer Behavior towards the Media

The customer is an important key to the success of every business. In the media industry, to win the competition means to win the customers. Customers mean any generation from baby boomers until generation Z. Consumer behavior gains great attention for any company, including the media. From the buyer's point of view, nowadays, it has become quite difficult to make a purchasing decision as a result of so many available options which are so close in comparison. It is difficult for consumers to decide on what they should spend their time, effort, energy, and money (Manali & Khaniwale, 2015).

Four major cohorts exist in the United States. Builders were born between 1920 and 1945; Baby Boomers between 1946

and 1964; Generation X members were born between 1965 and 1980 and Generation Y between 1981 and 2000 (Ordun, 2015). Age is one of the factor. For example, baby boomers have different behavior in getting information than generation Y or generation Z, because the digital age just started around the year 2000. Prosperity also affects different behavior for those with high incomes and low incomes. The educational level or educational field also determines the behavior of the consumers. Generally, an educated person tends to make wise decisions as compared to an uneducated person. It is because they differ in the ability of collecting, processing, and analyzing information. The educational field also has an impact on consumer purchases. For example, doctors may be incline to recommend that their patients eat healthy food as they are aware of the advantageous of it (Manali & Khaniwale, 2015).

Not only income, perception also influences behavior for buying items. In the media, if a consumer has a positive perception toward one brand then the individual will tend to be willing to buy it (Manali & Khaniwale, 2015). For every behavior, there will be a different idea about what kind of media consumers will read, the spending budget they will use for the media, and what platform they are going to use. This behavior will have a different effect on the media, whether it is printed or digital media.

One of the most potential target markets for media companies are millennial. They are a new generation which are the children of the boomers. In the 1960s, which born between 1980- 2000, the generation gap was over differences in lifestyles and ideology between parents and their children. Similar to their parents, millennial are not defined by demographics alone, but rather by a combination of their demographic cohorts, values, life experiences, and buying behaviors (Ordun, 2015). Millennial have been leading technology enthusiasts. For them, these innovations provide more than a bottom source of information and entertainment, and more than a new ecosystem for their social lives. Many millennial say that their use of modern technology is what distinguishes them from other generations (Ordun, 2015).

Other research shows that millennial like to use printed media as well. They use digital media to get the latest or most updated news, but for longer news or detailed and serious articles they prefer print media. Not only generation X use this printed media, but also millennial and age under it. In this case, the consumption of print media to obtain information is for longer journeys and leisure purposes. With a good print magazine, a person can relax and unwind (Fodor, Jackel, Kocsir, & Medve, 2013).

From a Nielsen survey about print and digital newspapers by generation, it shows that millennial have the largest percentage in using digital newspapers as media. For printed readers, the proportion of Generation X is 37%, but when it comes to digital Generation Y or millennial, they lead with 32%.

Interesting result from digital product and process study came from Halttunen (2016). His paper investigates the consumer behavior towards digital music products that is emphasized on positive and negative impacts of digitalization. The negative impacts for example consequences of digital piracy. The result of the study is the

consumer behavior will increase contingencies that leads to unexpected behavior, such as, the persistence of the piracy problem. This problem will be a great challenge in term of copyrights and intellectual property. Other problem might lead to decreasing sales, because although the youngsters will have unlimited access to internet content, they might be reluctant to pay for any digitized products, and will be a remaining free-riders. In this case, the sharing economy in digital era might only be an utopia.

A study about factors influencing media printed sales is conducted by Tumwine, Omagor, and Gershom (2012). Their study show that the performance of printed media is influenced by its content, appropriate cover price, selected distribution channel, and its brand values that will affect consumers to buy the newspaper. Those variables counts 56.6% of the variation in financial performance. This paper also reveals that advance technology such as digital platform, competition and promotions do not improve the financial performance of the printed media in Uganda. The research suggests to boost financial performance, the managers in printed media companies should improve their product offers, such as update news in the exemplar given to the customer, and also notice the changes in economic conditions and readers' purchasing power. In addition, the printed media companies should make its edition is difficult to read for non-subscriber.

Another study, conducted by Bonner and Roberts (2015), explore about how millenials feel about print magazines in the era of interner of everything. This study reports that participant's reading habits consists of the content, aesthetics, entertainment, escape, habit and ease of use. This research use mixed methods of focus groups and survey. The printed magazine companies should be able to reveal the instrumental themes that attracts millenials. This study concludes that digital natives will dictate the future fate of printed media.

Based on above explanation, Generation Y is a native digital user, so their need to get information through digital media is their priority. We would like to identify if generation Y prefers using digital media rather than printed media.

For the issue of price or payment, some consumers have a different attitude toward price sensitivity. If media consumers have to pay for online information, they would rather have printed media. The respondent between 20-40 years of age, will chose to obtain online information (Fodor, Jackel, Kocsir, & Medve, 2013). In this case, we would like to examine if the consumer prefers free digital media.

Research Methodology

Data collection

The samples are from Indonesia by using simple random sampling technic. We make a questioner by using google from than spread it through email, face book and WAG in our contact list. The questioner is spread from 25 November 2017 until 12 December 2017. After we collect data than we use excel to process the percentage and make pie chart to help user easier to understanding the data. We choose 105 respondent which has a access to internet. Some sample being deleted due to late submit. This paper using descriptive analysis as a tool to analysis the respondents

answer from our questioner. The secondary data was retrieved from newspapers, reports, journals, and the Internet to make this paper more comprehensive.

First the survey will ask the respondents' profiles and consumer preferences, generation gender, age, media spending habits, jobs, and education. The ages were grouped and then analyzed. Second the survey focus on internal factors (personal and psychological) and external factors (cultural and social), which represented consumer preferences for a product. These preferences consisted of attributes that showed what customers' preferences were in choosing both kinds of media. The preferences were to get information, the type of digital media, willingness to subscribe, willingness to pay, the amount to spend, the type of interest in the content, the brand, the perception (trust) of the media, the perception of the brand, and the frequency of updated digital media.

Results And Discussion

Characteristics of Respondent

There were 105 respondents who consisted of 60% males and 40% females. The age that is less than 18 is 31%, from 18 until 37 years old is 58% and more than 38 years is 38%. The education degree is mostly bachelor (59%), followed by master and above (35%) and diploma (6%). From survey result total respondent current job the most high is private employees (56%), entrepreneur 17% and others 27%. From survey result total respondent the highest expenses on media majority less than Rp.100.000 (45%) and (Rp.100.000 - Rp.500.000) (38%). Some respondents have media expenses more than Rp 2.000.000 (7%). Details of descriptive statistic is presented on Table 1.

Table 1. Descriptive Statistics

Variables	Frequency	Percent
Gender		
Male	63	60%
Female	42	40%
Age (years)		
<18 years	3	31%
18-36 years	61	58%
37-60 years	40	38%
>60 years	1	
Education Degree		
Diploma	6	6%
Bachelor	62	59%
Master and above	37	35%
Employment		
Private employee	59	56%
Entrepreneur	18	17%
Others	28	27%
Expenses on media		
<Rp 100.000	48	45%
Rp 101.000-500.000	40	38%
Rp 501.000-2.000.000	10	10%
>Rp 2.000.000	7	7%
Use digital Media		41%
Use printed media		1%
Use both digital and printed media		58%

Findings

Digital Media Consumers

From the respondents who chose digital media, it was found that trusted is 66%, easy to access (14%) and 20% because it is free to get information. When the respondents were asked what kind of digital media they usually accessed, it was found that 86% of them used social media, and 73% also accessed news media. Reading E-news and E-magazines also comprised 29% and 21% of the respondents. Then 70% of them were willing to subscribe, and 30% were not willing to subscribe. But when they were asked about their willingness to pay to get information from a digital source, surprisingly 67% of the respondents said they were unwilling and only 33% were willing to pay.

When examining deeper about the content of the digital media they accessed, lifestyle content comprised 77.2%, while the economy and politics made up only 13% and 10%. For websites, detik.com was the leading website with 84%, followed by Kompas.com with 16%. The main reasons why they chose those brands were trusted (66%), free (20%), and easy to access (14%). The willingness to subscribe shows low participation (30%) and most of the respondent do not want to subscribe (70%). Details of variables and result are presented in Table 2.

Table 2. Digital Media

	Description	Percentage
Reason to access Digital media	Fast update, free, cheap	50%
Type of Digital Media	Social media	50%
Content	Lifestyle	77%
	Economy	13%
	Politic	10%
Brand	Detik.com	84%
	Kompas.com	16%
Reason of Brand	Trusted	66%
	Free	20%
	easy to access,	14%
Willingness to subscribe	Yes	30%
	No	70%
Willingness to pay	Yes	33%
	No	67%
Trust		48%
Update Information	Real Time	39%
	1 hour	18%
	1 day	15%
	12 hours	9%
	Others	22%
Willingness to spend monthly	Rp 51.000-100.000	38%
	Rp 101.000-200.000	26%
	Rp 201.000-300.000	17%
	Rp 301.000-400.000	12%
	>Rp 400.000	7%

Source: Respondent

Printed Media Consumer

The consumer of printed media choose newspaper (45%) and magazine (55%). The preferred content in printed media is politic (50%), lifestyle (26%), and automotive (24%). For the brand, the top of mind of respondent is Kompas (77%), followed by Tempo and Femina (23%). The reason to choose the brand is because they are trusted (75%), like the content (11%) and a given facility from the office (14%). Different with digital media respond, the customer for printed media is willing to subscribe (59%) and the remaining is not willing to subscribe. The details are presented in Table 3.

Table 3. Printed Media

	Description	Percentage
Type of printed media	Newspaper	45%
	Magazine	55%
Content	Politic	50%
	Lifestyle	26%
	Automotive	24%
Brand of printed media	Kompas	77%
	Tempo, Femina	23%
Reason to choose the brand	Trusted	75%
	Facility from the office	14%
	Like the content	11%
Willingness to subscribe	Yes	59%
	No	41%

Source : Respondent

Conclusion

From this research, it can be concluded that consumer behavior in acquiring information is quite balanced in using both digital and printed media. Also, the brand was important for why they chose certain media, and the reason why they primarily chose a specific brand was because they trusted the content more. The millennial generation as native digital users have a tendency to use digital media as a way to access information, but they are also not reluctant to use printed media. For generation Y behavior, they prefer using digital media rather than printed media in getting information.

It can be concluded that consumers are more willing to use digital rather than printed media, because there is greater access to the Internet. For consumer behavior regarding price, it was found that most readers of printed media were willing to pay for printed media but most digital consumers were not willing to pay for digital media. For the brand factor, most respondents chose a certain brand because they trusted that brand, and the trust here refers to the content

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