

## FLEET STREET SHUFFLE

Fleet Street is once more living dangerously. Circulation figures for last year show that national newspaper daily sales fell by 500,000 over the previous year. As advertisers understand such figures, this indicates that our national press, still much the largest in Europe, has mislaid nearly two million readers.

A multi-million pound bingo bash among the tabloids has not stopped the slide of the *Express*, *Mail*, *Minor* and *Daily Star*. Between them they lost more than half a million sales. The only popular newspaper to come up shining is the *Sun* which managed to put on an extra 42,000. This still leaves some 450,000 sales at this end of the market unaccounted for. Bingo or no, customers seem to be looking elsewhere for their news and entertainment.

During the past 12 months a selection of disaster rumours have been heard around Fleet Street watering holes; the *Express* is about to close, or is it the *Mail*? Inevitably there has been talk of mergers. And the *Daily Star*, which outshines the *Sun* when it comes to titillation, has been a frequent tip for the chop. Certainly, the *Star* now looks distinctly unsteady. Its circulation has dropped to 1981 levels and it was the heaviest loser of them all, down more than 200,000.

The success of the *Sun* — now selling well over 4,000,000 a day — is undoubtedly due to its aggressive marketing strategy. It was the clear winner of the bingo war and has now established a circulation lead of almost a million over its rival the *Daily Mirror*.

The *Mirror's* decline has been rapid and fairly astonishing — the paper normally expects to increase sales when its traditional enemy, the Tories, are in government. More worrying for Mirror Group executives may be the suggestion that the *Sun* is threatening to usurp the *Mirror's* position as pack leader in the hunt for display advertising revenue. Last year advertisers spent about £220m on popular press advertising of which the *Mirror* took 26.30%, but the *Sun* increased its share of the market to 25.10% and would appear to be closing fast.

While this contest is being fought out at the popular end of the market, another no less intriguing struggle is being waged at the so-called quality end of the street. Unlike the popular press, quality newspapers are holding their readers, but there is evidence that a small, even imperceptible revolution is in the making. A switch in allegiances from the *Daily Telegraph* to other newspapers suggests that the house magazine of rank and



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file Tories is suddenly vulnerable.

Last year the *Telegraph* lost 39,000 sales. The *Financial Times*, which has always enjoyed having the smallest circulation and the biggest slice of the advertising cake, increased its circulation to just over 200,000. The *Times* added another 8,000 to reach 305,000 daily sales. The biggest increase — 24,000 — was picked up by the *Guardian* which is emerging as the strongest challenger to the *Telegraph*.

The *Guardian's* success — it now sells 421,000 daily — owes much to the 11-month suspension of the *Times* three years ago which destabilised the quality market. But perhaps the paper's biggest boost came with the election of the most reactionary Conservative government since the war. With more than half its readers under 35 years old, the *Guardian* has captured those people — Tories among them — who want to distance themselves from the right wing political cocktail being mixed at Westminster.

In four years the *Guardian's* circulation has increased by more than 50%; its advertising share is increasing while the

volume of advertising taken by its rivals is falling; and it has just been named Newspaper of the Year by the advertising industry journal *Campaign*.

Two years ago the *Guardian* would have regarded the *Times* as its main rival, but with a circulation lead of 105,000 and, as *Campaign* reports, 44% more readers at the posher end of the social scale, that battle appears to have been won. Now the target chosen by the boardroom is the *Telegraph*.

*Guardian* managing director Gerry Taylor predicts that, within 18 months, it will be the top paper for private sector advertising. And group chairman Peter Gibbings is optimistic enough to predict in a letter to the *Spectator* that profitable days lie ahead for a paper which has traditionally had its heavy losses massaged by other parts of the company.

The management's enthusiasm flows from the realisation that the *Guardian* is becoming the natural home for opinion that is at odds with the government — ranging from all points left of the SDP to a growing number of Tories. As a *Guardian* leader might put it, only time will tell whether an even woolier



editorial line will emerge to keep the paper's new readers happy. There is no doubt, however, that the *Guardian's* workforce will expect the paper's success to initiate a move away from the meanness with which the company has treated its staff over the years.

Across the way in Gray's Inn Road the *Times* is still labouring in its circulation rut under the management of Rupert Murdoch. It has just topped 300,000 sales a day but that compares with more than 350,000 in 1974.

Murdoch's style of management is well known. He came to the *Times* with a mission: to tame the unions and to get the paper into the black. So far he has had much less than success on either front. The unions have resisted his brutish approach to industrial relations (when he sacked 40 journalists on the *Australian* recently, he euphemistically described them as 'unhappy in their work'). Someone once said that Murdoch regards himself as the world's greatest newspaperman — if greatness is measured by the ability to chop, swop and demoralise workers then he is indeed in a class of his own.

But winning over readers may require a different approach. The success of the *Guardian* indicates that a shift of opinion among the readers of quality papers is taking place and, to succeed, Murdoch may have to steer his paper to the centre of the political stage and away from Downing Street.

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