

Poland News Media Landscape Trends

December 2021



This report was commissioned by Google and prepared by Accenture. All information in this report is derived or estimated by independent Accenture analysis using both proprietary and publicly available information. The analysis of the report was completed in 2021, however, due to the availability and reliability of the data as a result of the COVID-19 pandemic, the most recent data used in the report was from 2019.

Google has not supplied any additional data, nor does it endorse any estimates made in the report. Where information has been obtained from third-party sources and proprietary research, this is clearly referenced in the footnotes.

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Estimates of newspaper revenues are based on a composite of public and proprietary sources. This aggregate information was also tested against Accenture’s proprietary datasets and publicly available company-level information and reporting. Where equally reliable and authoritative estimates varied from one another, an average of the available data is reported.

All figures in the report are quoted in the local currency.



Executive summary

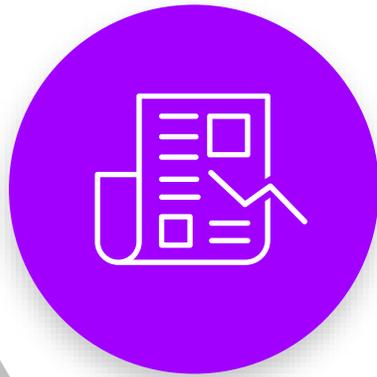
The media landscape in Poland fundamentally changed in the past two decades. The internet democratised how content is created and consumed, enabling new channels of communication between businesses and consumers.

These changes have significantly disrupted traditional newspaper revenues, which have fallen by 51% from 2004 to 2019, as the market for classifieds advertising dramatically declined.

From 2004 to 2019, total newspaper revenues fell by 645 million zloty. The largest share (48%) of this decline was from the loss of printed classifieds revenue, which once contributed 394 million zloty to newspaper coffers and now contributes just 63 million zloty. Classifieds advertising now happens on several pure play online sites: online only platforms which host listings for a specific niche such as job advertisements, second-hand cars, or real-estate listings. These businesses are often supported by local entities, including news publishing businesses.

In the meantime, a significant majority (91%) of the growth of online advertising has come from new growth rather than displacing the existing markets of traditional advertising. This strong growth from the internet, along with consistent growth in television magazines has seen the wider advertising industry keeping pace with rapid GDP growth in Poland from 2004 to 2019 (increasing 145%).

The internet proliferated in Poland over the same period with internet access surging to 80% in 2019. Among Polish internet users, smartphones are prevailing medium for accessing news content (81% reach in 2019), with 18% of the population paying for online news content. As readers spend more time online, publishers are innovating by more directly engaging their online communities, mainstreaming recurring subscriptions and personalising content offerings.



1

What caused the decline in Polish newspaper revenues?

Polish newspaper revenues have declined significantly over the last two decades

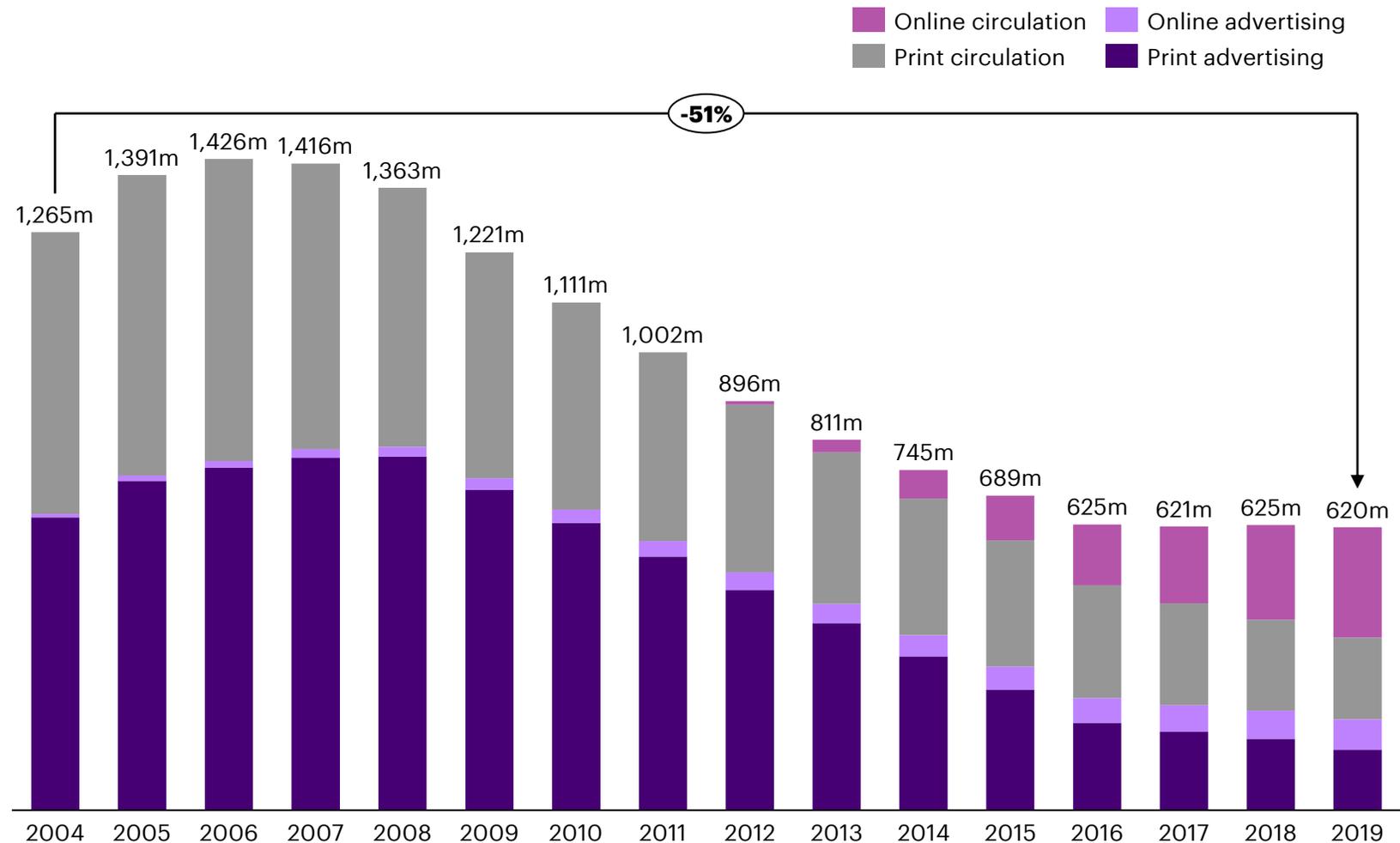
Polish newspaper revenues halved from 2004 to 2019. Newspaper revenues totalled 1,265 million zloty in 2004, peaked at 1,426 million zloty in 2006, and fell to 620 million zloty by 2019, a reduction of 51% across the 15 years. In 2004 newspaper revenue was comprised almost entirely from print circulation and print advertising sources with their declines after 2009 partially offset by growth in the online circulation and online advertising segments.

The period of decline was characterised by significant innovation in Poland's media sector. Consumer behaviour also underwent momentous changes with the advent of the smart phone and the proliferation of the internet in Poland with 80% of the polish population online in 2019 compared to 33% in 2004¹. The growth of programmatic advertising and digital classified websites also upended traditional advertising models in the news market.

Newspapers supplemented their print revenues with additional digital sources towards the end of this period with, for example, Gazeta Wyborcza incorporating a subscription service to their digital platform in 2014².

Polish newspaper revenues over time

Nominal zloty millions, 2004-2019



Sources: PwC Global Entertainment and Media Outlook; Polskie Badania Czytelnictwa circulation audits; Accenture analysis. Notes: For 2009-15, advertising values are calculated as a collation of available estimates. Data from PwC quoted in USD was converted at the stated exchange rate or the average exchange rate in the year of publication (2009: 1 USD = 2.41 zloty; 2020: 1 USD = 3.90 zloty)

1) [World Bank](#); 2) [Wirtualne Media](#)

The loss of classifieds revenue accounts for 48% of the overall newspaper revenue decline

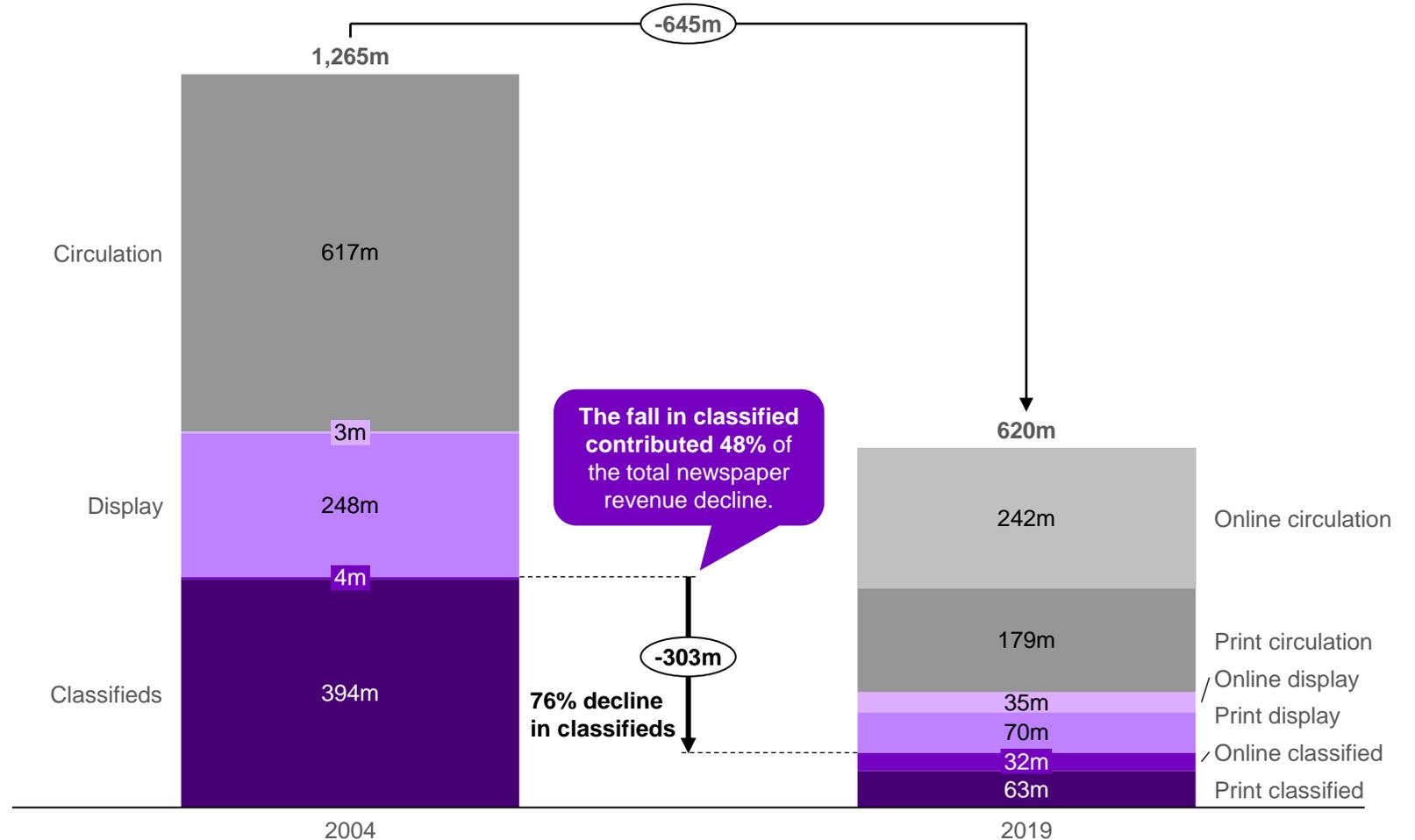
The total decline of 645 million zloty between 2004 and 2019 involves a significant change across the segments of newspaper revenues.

Classifieds accounts for the largest share of the total 645 million zloty decline of Polish newspapers from 2004 to 2019. This segment fell 76% from 398 million zloty in 2004 to 95 million zloty in 2019. This 303 million zloty fall accounts for 48% of the total decline in newspaper revenue across this time. Classified advertising contributed 32% of overall newspaper revenue in 2004 however this fell to only 15% of revenue in 2019.

Circulation revenues declined from 617 million zloty to 421 million zloty from 2004 to 2019. This 196 million zloty fall represent a 32% decline in overall circulation. The sharp fall in print circulation is partially offset by new revenue streams from digital circulation and subscription. By 2019, online circulation was worth 242 million zloty and accounts for a majority of circulation revenue.

Display revenues declined from 248 million zloty to 105 million zloty. Display revenue fell by 143 million zloty from 2004 to 2019 a decrease of 58%.

Poland newspaper revenues by segment
Nominal zloty millions, 2004-2019



Sources: PwC Global Entertainment and Media Outlook; Polskie Badania Czytelnictwa circulation audits; Accenture analysis. Note: Display and classifieds revenue split determined by analysis of available Poland data and comparison to comparable countries and regions.

'Pure play' online sites have captured the 87% of Polish classified revenues

The loss of classified advertising has been a major driver of total newspaper revenue decline.

Poland's classified advertising market was dominated by newspapers in 2004 who captured 92% of the 427 million zloty market. **By 2019, the classified market had inverted with newspapers accounting for only 13% of the total market.**

The entry of online 'pure play' sites also drove growth of the total market from the 2004 mark of 427 million zloty to 739 million zloty in 2019.

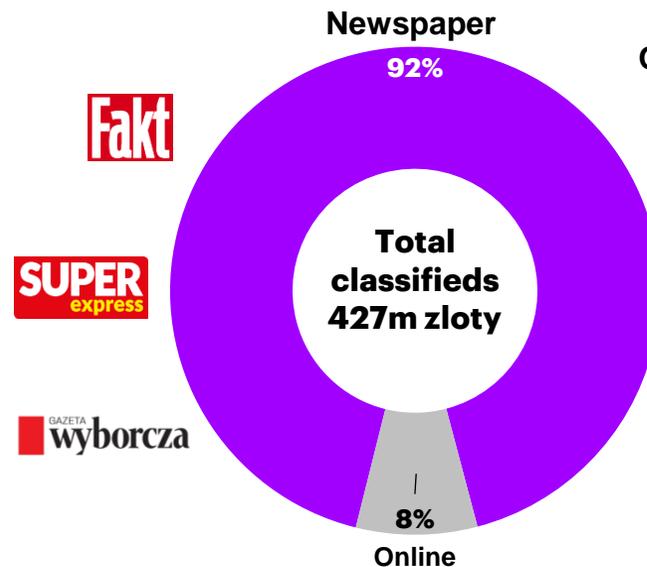
Poland's e-Commerce market accounts for 40% of the total classifieds market and have contributed to the market's growth through the creation of new revenue streams including programmatic and targeted promotion of classifieds listings. National and European brands accounts for a majority of the e-commerce classifieds activity with their established reputation and logistic infrastructure providing the edge over larger international platforms.

Online platforms specifically tailored for real estate listings (Adresowo, Oferteo, and Otodom), vehicle sales (AutoCentrum, Moto.pl, and Otomoto), and job postings (Pracuj, Go Work, and Step Stone) have moved these classified advertising segments into the digital space.

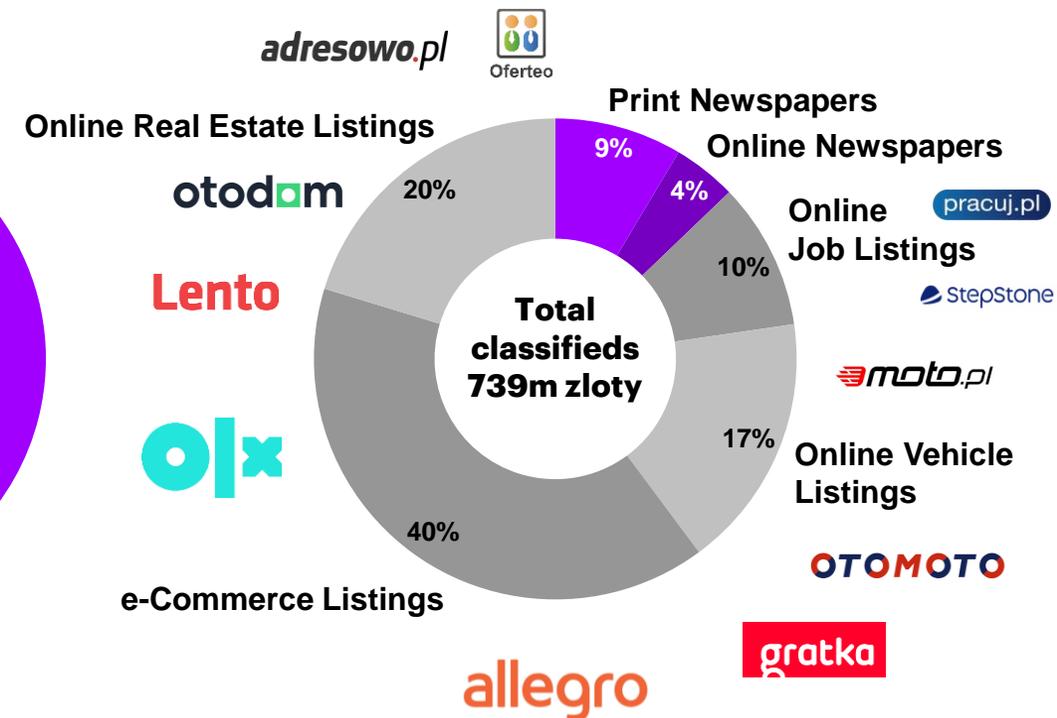
Change in newspaper share of classified revenue

Nominal zloty millions, 2004-2019

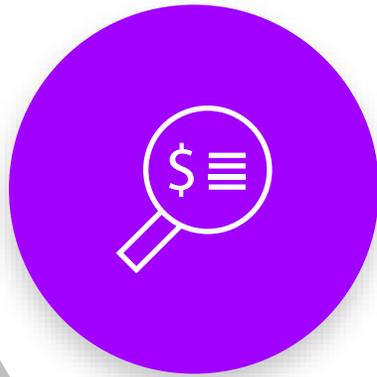
2004: Newspaper share 92%



2019: Newspaper share 13%



Sources: PwC Global Entertainment and Media Outlook; Interactive Advertising Bureau AdEx Benchmark; Statista Advertising in Poland dossier; Reuters Institute Digital News Report; S&P Global Market Intelligence; Similar Web data; Wirtualne media analysis; compiled data from financial and annual reports for pictured companies; Accenture analysis.



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**Where did the growth of
online search revenue come
from?**

Total advertising market in Poland has grown by 6.3 billion zloty with growth from internet and traditional segments

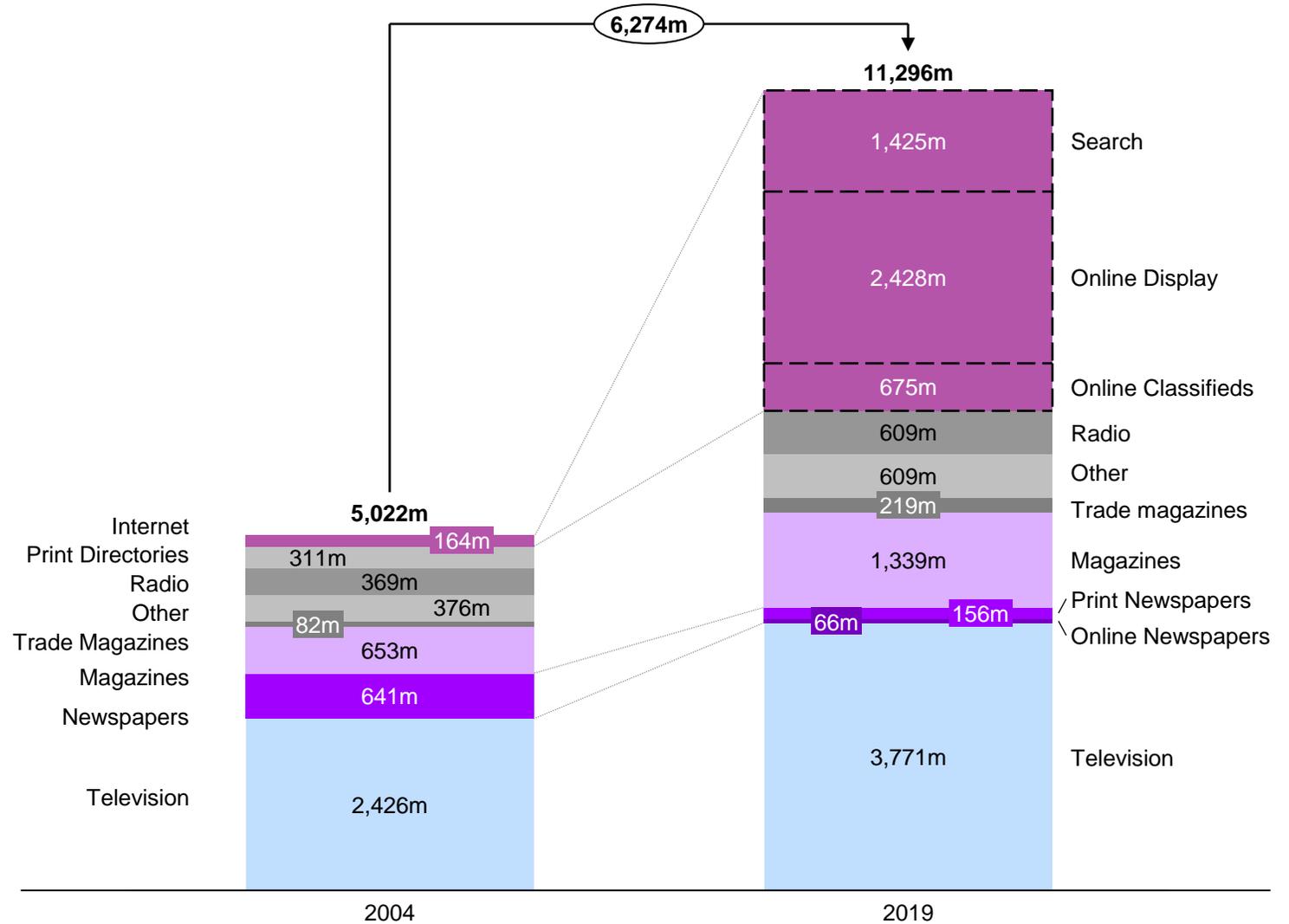
Poland's advertising market grew 125% from 2004 to 2019, driven by the realisation of new internet advertising revenue streams and growth in traditional advertising segments. Total advertising revenue in Poland grew from 5.0 billion zloty in 2004 to 11.3 billion zloty in 2019.

The internet grew from 164 million zloty of advertising revenue in 2004 to 4,528 million zloty in 2019. From 3% in 2004 to 40% of the total advertising market in 2019 the internet has realised new revenue streams from search referrals over this period. The proportion of Poles utilising the internet in any capacity grew from 33% in 2004 to 80% in 2019¹.

Many traditional segments have also grown over this time. Television grew 55% from 2.4 billion zloty to 3.8 billion zloty from 2004 to 2019. Magazines also grew over this period with consumer magazines doubling from 653 million zloty to 1,339 million zloty. Trade magazines grew by 167% from 82 million zloty to 219 million zloty.

Total advertising revenues in Poland

Nominal zloty millions, 2004-2019



1) [World Bank](#);

Sources: PwC Global Entertainment and Media Outlook; S&P Global Market Intelligence; Interactive Advertising Bureau AdEx Benchmark; Accenture analysis.

Internet advertising has grown to 4.5 billion zloty, predominantly from new opportunities

The value of online advertising has grown significantly from just 164 million zloty in 2004 to 4,528 million zloty in 2019.

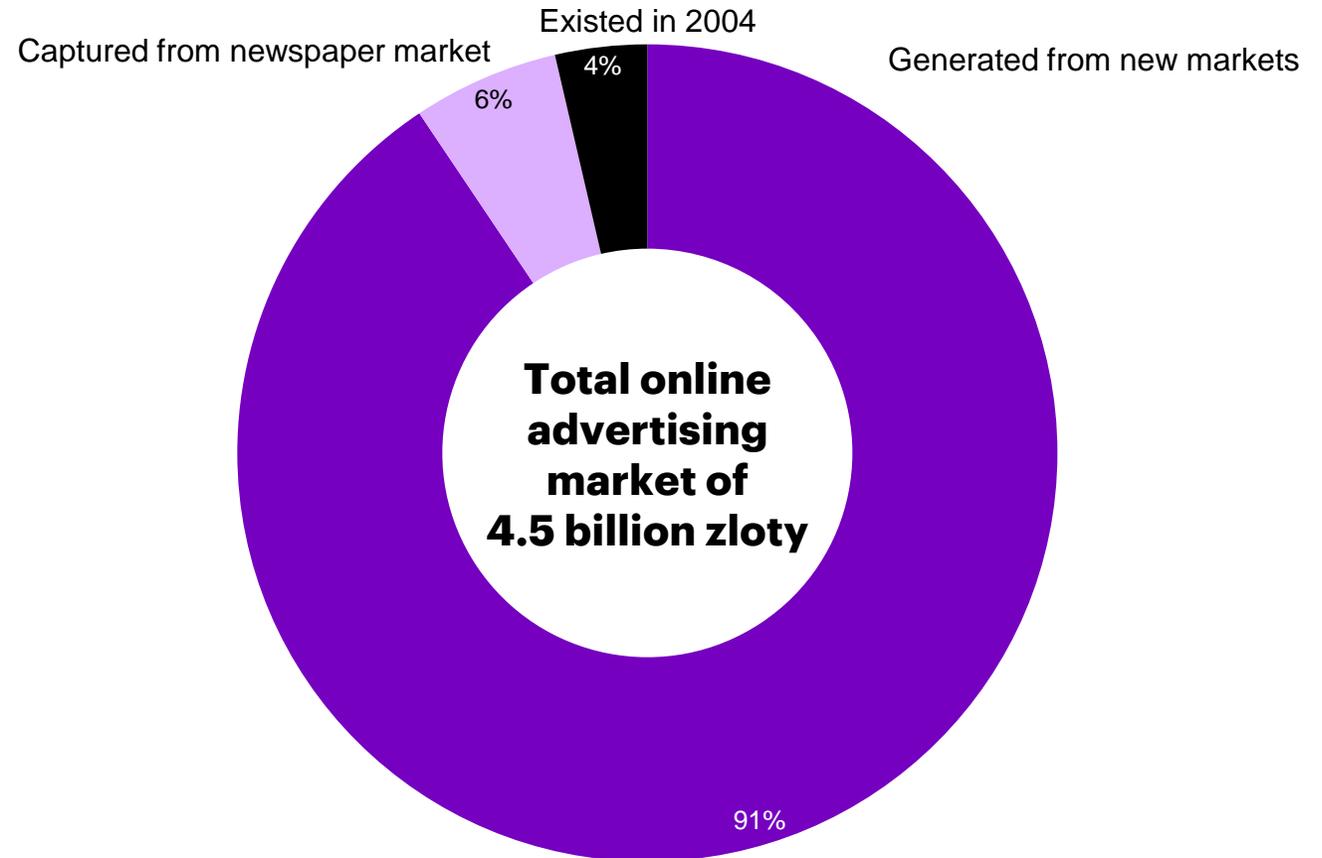
Internet revenue grew 27 fold over this 15 year period, giving a CAGR of 24.8%. This increase, coupled with growth in many traditional sectors, saw overall revenue growth in Poland's advertising industry grow by 6.2 billion zloty in this time.

The internet has captured 62% of all advertising growth since 2003, with television accounting for 19% and consumer magazines 10%.

Newspaper advertising revenues declined 419 million zloty from 2004 to 2019. Attributing this decline among other segments of Poland's advertising industry proportionally to how much they grew over the same period, the internet captured 261 million zloty from the newspaper segment decline. This accounts for just 6% of the total 4,528 million zloty online advertising market in 2019.

Sources of growth of internet advertising revenue

Change in revenue between 2004 and 2019





3

How have reader preferences changed over time?

84% of Poles access news via the internet, with both new and traditional players competing over the market

The typical internet connected Polish person accesses news content from multiple sources in an average week. **The internet has the largest reach with 84% of those surveyed using it to access news content.** Television also has a substantial reach, with 70% of surveyed Poles accessing news content through their TV in a typical week although this portion has been slowly dropping in recent years.

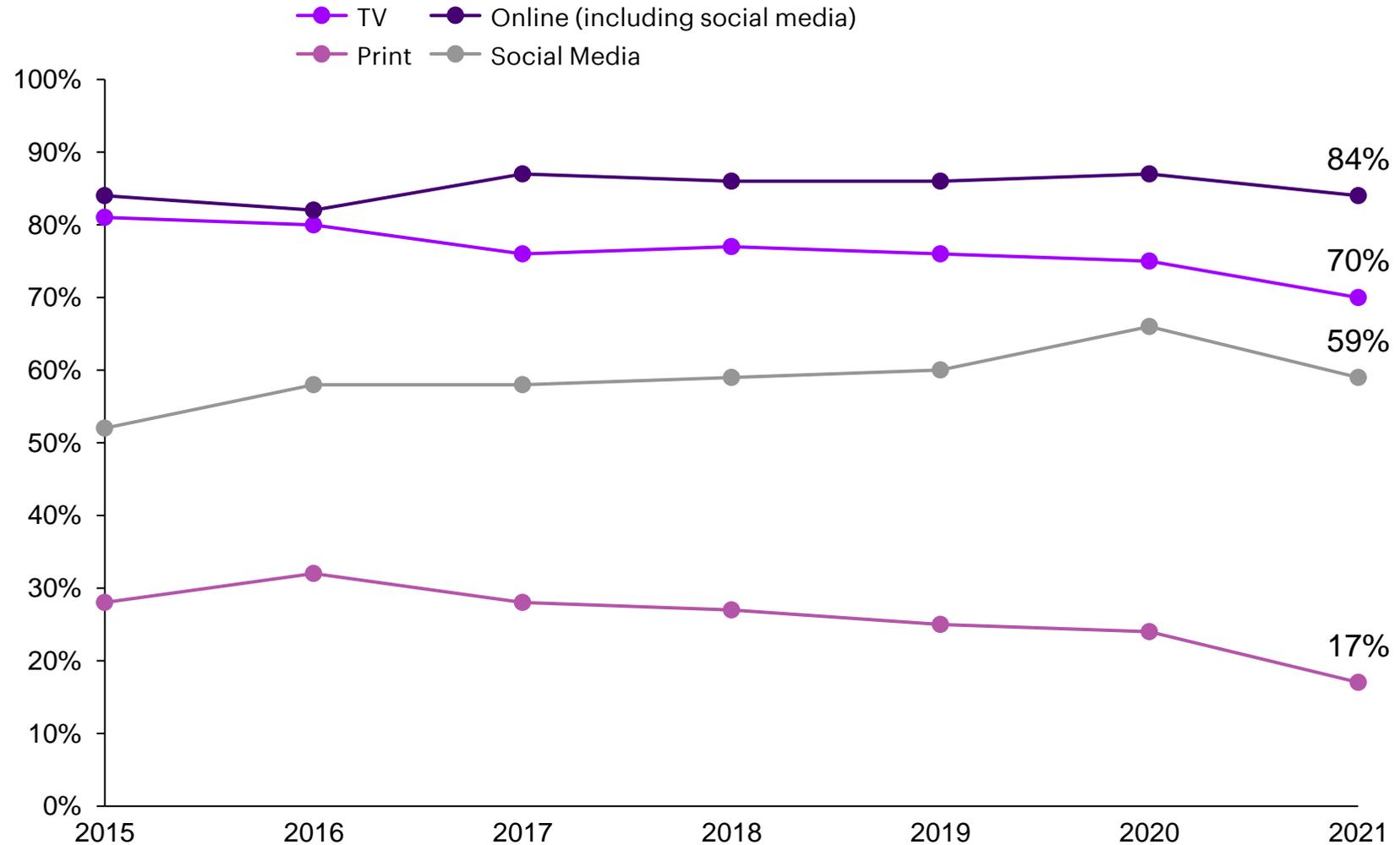
Social media has been a source of news content for just over half (59%) of Poles since 2015.

Peaking in 2020 at 66% surveyed internet users report accessing news content over social media platforms. This is despite the same survey reporting that just 37% of Poles trust social media as a source for news¹. Reuters reports that Facebook is utilised by a majority of Polish internet users to access news content with 55% reach, however this fell from sharply in 2021 from 65% the year prior. YouTube (35%), Facebook Messenger (25%), and Instagram (13%) are the platforms with the next highest reach in 2021¹.

Print sources collectively have lost some reach with **only 1 in 6 Polish internet users reporting accessing news from a physical print publication in a typical week down from 28% in 2015.**

Sources of news content accessed in a typical week

Proportion of surveyed internet users in Poland, 2015-2021



Source: Reuters Digital News Reports.

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1) [Reuters Digital News Report 2021](#)

Appendix



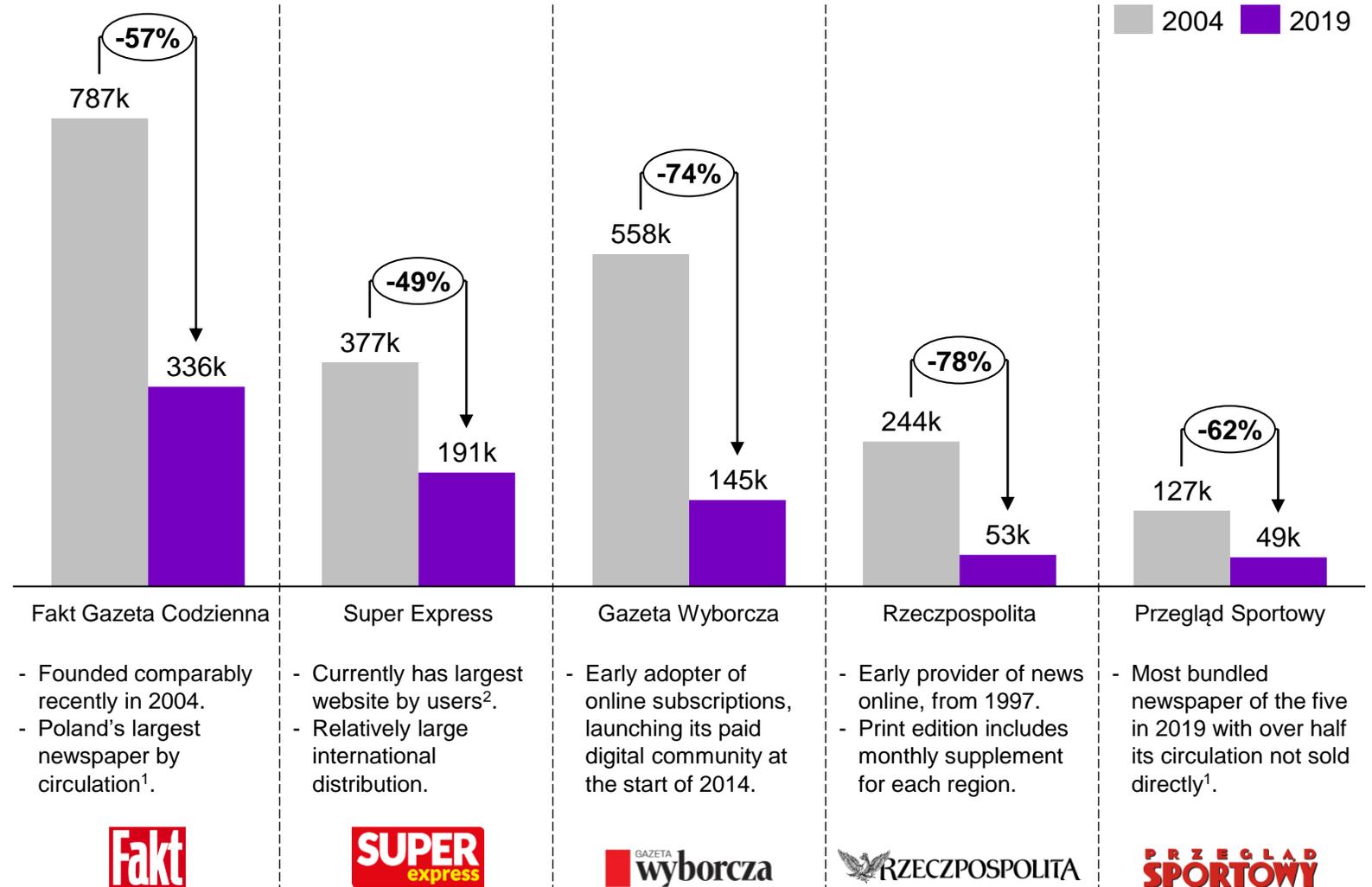
The five largest Polish newspapers have all seen steep decline in physical circulation

Poland's five largest newspapers lost between 49% and 78% of their physical circulation volume from 2004 to 2019. These five publications, which account for approximately 64% of Poland's total 2019 newspaper circulation¹, include publications across the ideological spectrum and who specialise in regional, national, and international news.

In 2019 digital circulation is also important part of each newspaper's business model with **each of the top five largest print publications also operating a large online website**. Indeed, Super Express, Gazeta Wyborcza, Fakt Gazeta Codzienna, Rzeczpospolita operate the four largest newspaper websites in Poland with Przegląd Sportowy operating the 10th largest news website in Wirtualne Media's 2021 Media Panel survey².

Total physical circulation of Polish newspapers

Average circulation per edition for the five largest newspapers in Poland, 2004 & 2019



1) 2019 Polskie Badania Czytelnictwa Audit; 2) Wirtualne Media's 2021 Media Panel survey

Sources: Polskie Badania Czytelnictwa (PBC) circulation audits; Accenture analysis.
1) PBC Audit; 2) Wirtualne Media, Media Panel surveys.

Globally, paying audiences for news has held steady but with readers migrating to online sources

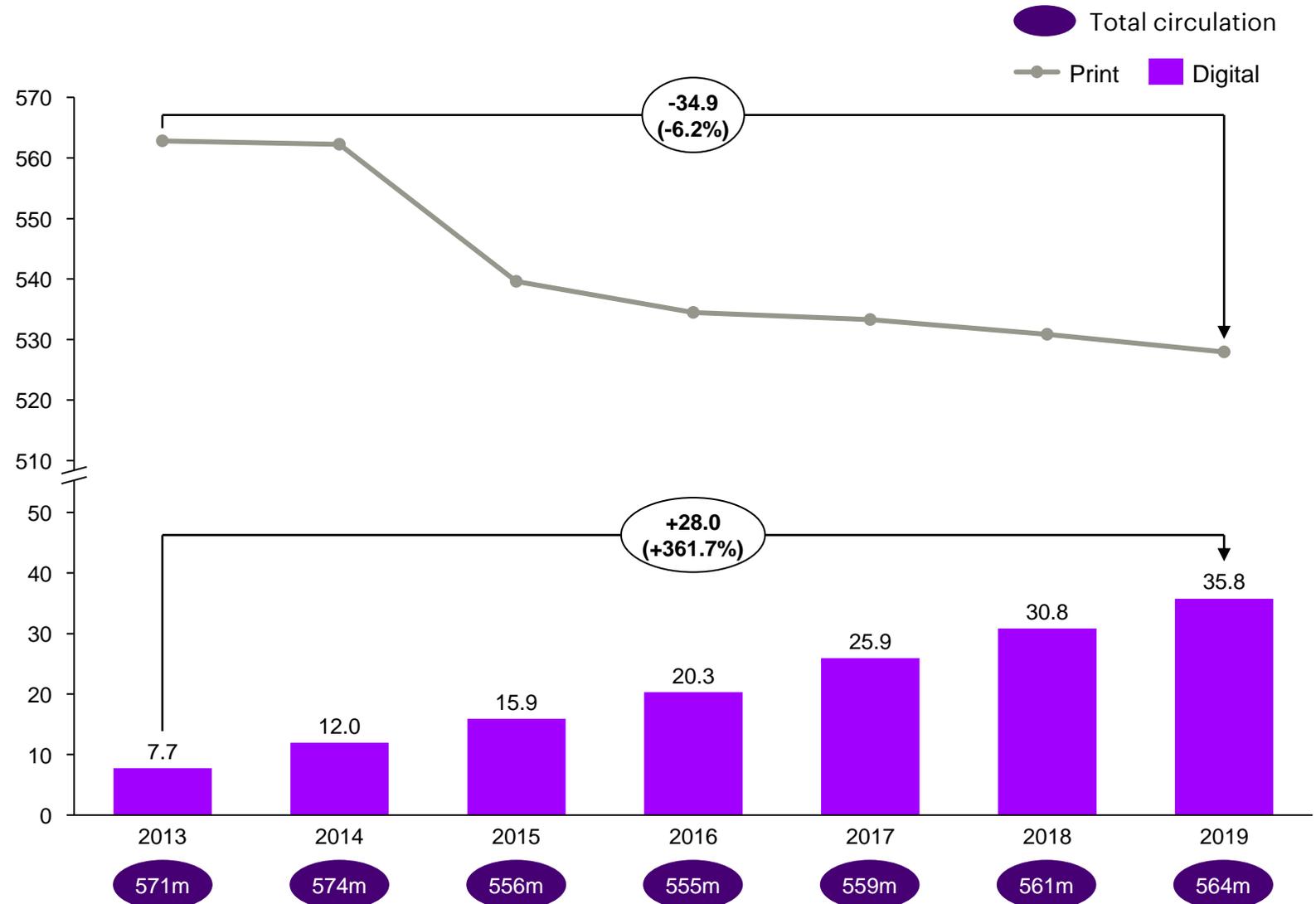
Globally, the demand for news has remained stable. Over the 5 years leading to 2019 total global circulation has remained stable declining 1.2% from 571 million units to 564 million units per day.

However, readers are increasingly purchasing their news content online with digital circulation jumping by 362%. This rise of 28 million daily units from just 7.7 million in 2013 to 35.8 million in 2019 takes digital's share of total circulation units from 1.4% to 6.4%.

Conversely, print circulation fell by 34.9 million daily units as readers as some readers digitised their news purchases and a smaller portion moved to free alternatives. This 6.2% drop in print circulation is predominantly driven by conversion of physical newspaper purchased into paid digital subscriptions but does include readers who are no longer paying for content from newspapers in any form.

Initial data from World Association of News Publishers for 2020 indicates that while growth in digital circulation continued, rising 23% to 44 million daily units, print circulation fell sharply losing 12.9% on their 2019 figures to 460 million daily units¹.

Global average daily print and digital circulation
Millions of units daily, 2013-2019



1) [World Association of News Publishers](#)

Source: World Association of News Publishers.

Smartphones have rapidly grown to become most prevalent method for accessing news content

In the 6 years leading to 2021 the proportion of Poles accessing news content through their smartphone surged to 81%.

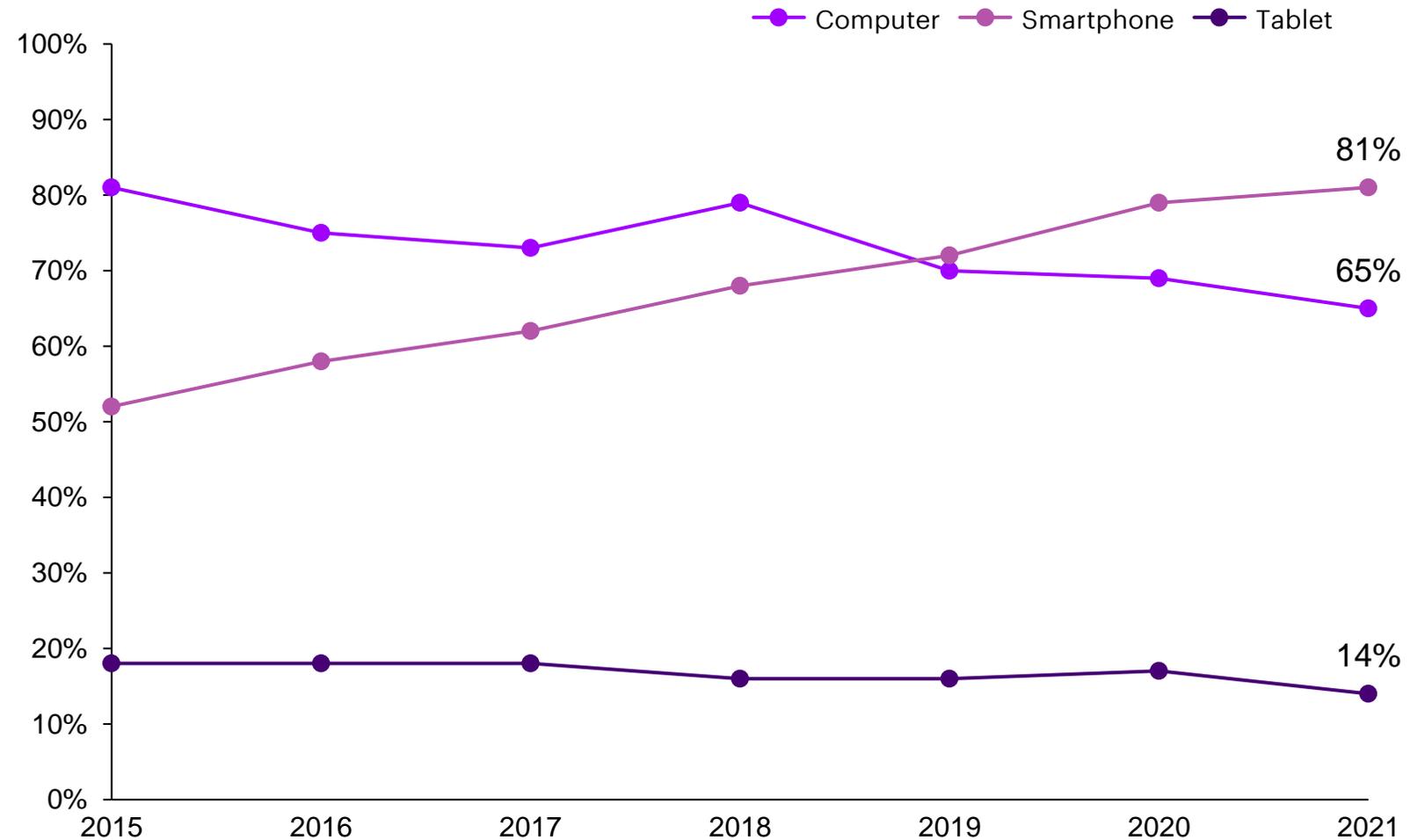
In 2019 smartphones surpassed computers to become the widest reaching platform for accessing online news content. Computers have been broadly declining since 2015 and by 2021 smartphones opened a 16% gap in reach in a typical week among surveyed internet users.

There has been more than one smart phone plan or subscription per Polish person since 2007² indicating that this trend is driven by the capability of the hardware and service delivery rather than access to devices.

Between 16% and 20% of Polish internet users paid for online news between 2016 and 2021. In 2016 this was a strong proportion with 20% of Poles larger than Reuter's average of 12% uptake of paid news among 20 developed nations³. By 2021 however the average uptake across these 20 nations had reached 17% largely catching Poland which had held steady at 18%.

Methods for accessing news content in a typical week

Proportion of surveyed internet users in Poland, 2015-2021



Source: Reuters Digital News Report. Note: Reuters reports that the polling error may have contributed to the spike in the computer series in 2018

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Glossary and Notes

“Newspaper revenues” refers to total income earned by print and digital news products. It is not an estimate of total corporate revenue of the parent companies of news organisations. For example, some newspaper companies also earn revenue through investments in live events, technology platforms, or ‘pure play’ websites. In keeping with statistical standards, these are not counted as part of newspaper revenues.

“Display advertising revenue” is earned from the placement of visual display advertisements in print papers or on websites. They are traditionally larger than classified advertising and include greater variety of image or font designs.

“Classified advertising revenue” is earned from the listing of predominantly text-based notes in print papers or on websites. They are traditionally smaller than display advertising and tend to be of more uniform size and design. They most commonly advertise small businesses, second-hand goods, real estate, jobs, or personal notices.

“Circulation revenue” is earned from fees paid by readers to access the news. They include the cover price of print newspapers, recurring subscriptions for online access, or any other fee-to-read model.

All figures in the report are quoted in local currency. Estimates from some sources were provided in foreign currencies, in which case they were converted to the local currency at the appropriate rate: as either provided in the source, or the annual average at the time of the source being compiled. All figures are quoted in nominal terms.

Calculating classifieds share of newspaper revenue decline

This report estimates that 48% of the total decline of newspaper revenues between 2004 and 2019 comes from the decline of classifieds revenue. This is calculated as a simple fraction where the difference in total classifieds revenue between those years is divided by the difference in total revenue over the same period.

Calculating source of online advertising revenue growth

This report estimates that 91% of the online advertising market in 2019 comes from new market growth. This is calculated by attributing the decline in newspaper revenue between the categories that segments that grew over this period – the internet, television, magazines (both commercial and trade), radio, cinema and outdoor. Decline in newspaper revenue was attributed proportional to the contribution to overall growth each of these categories made.

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