



LEO J. SHAPIRO & ASSOCIATES LLC.

May 5, 2006

A LANDMARK STUDY OF MEDIA AND INTERNET USAGE IN CHINA

You can tell a lot about the general media usage of a middle-class Chinese person by looking at how and where they use the Internet. That's what we are learning from our first Leo J. Shapiro & Associates national poll of China, conducted in March, 2006.

Actually, our China poll targets the more than 150 million Chinese households with landline telephones living in urban areas of more than one million population in all mainland provinces except those of the sparsely settled "great northwest" [Gansu, Ningxia, Qinghai, Xinjiang, and Xizang].

In this all-important consumer segment, television dominates the market for news, both in terms of most often viewed in the last seven days (78%) and most preferred if given only one choice. Local newspapers are the second most referenced (48%) news media, the Internet is third (32%) most used, what is known as *bao ting* is fourth and national newspapers fifth .

What is *bao ting*? This means local and national newspapers posted by a city behind glass in free-standing, eye-level bulletin boards along heavily traveled sidewalks.

Some analysis:

INTERNET USAGE

--Almost half the Chinese sample (49%) has the potential for Internet access, either at home or work.

People who are plugged into the Internet tend also to be more plugged in to print media, but a little less plugged in to broadcast media.

--Forty-three percent have used a search engine, such as Baidu, Google, or Yahoo.

There is no clear general pattern of Internet searchers preferring or using one news media or another more or less than other Internet users, perhaps indicating that using a search engine is seen as quite unlike referencing a news media.

--Nearly a third (31 %) say they have been online in the past seven days before the survey.

Higher frequency Internet users are also higher frequency newspaper readers.

--28% sometimes use the Internet in an Internet café.

The Internet café crowd watches less television news and is most likely -- among Chinese Internet users -- to read *bao ting*, or posted newspapers.

--20% of Chinese interviewed have visited a blog website.

Blog readers are selective news hounds, voraciously consuming newspapers and news radio but tending to eschew television news.

TV NEWS

Internet users are less likely to be plugged in to the television. TV news viewership in the past seven days is lowest among those who have visited an Internet cafés or read a blog.

LOCAL PAPER

Readership of local papers increases sharply with all kinds of Internet usage. Preference for local papers as a sole news source declines a little with Internet usage.

NATIONAL NEWSPAPER

Both readership of and preference for national newspapers as news sources increases with Internet usage.

Blog readers are the most likely to have read a national newspaper in the past seven days before the survey and blog readers are also the most likely to prefer national newspapers as their sole source of news.

POSTED NEWSPAPER -- BAO TING

In our survey, no one expressed a sole preference for *bao ting* as a news source, but over one in five (22%) have read a *bao ting* in the past seven days before the survey. Bao ting readership is higher among Internet users and highest among the café crowd. This is intuitive, since the café crowd is out, about, and more likely than others to pass by a *bao ting* as they crawl the cafés.

The high *bao ting* use among all Internet users is noteworthy. Bao ting are not unlike the Internet in that news gets posted and people often read it on the way to doing something else.

NEWS MAGAZINE

News magazine readership, but not preference for, is a little higher across the board among Chinese Internet users, with no one segment standing out in particular as more or less frequent news magazine readers. Preference for news magazines as a sole news source is a flat two percent across the board.

RADIO NEWS

Except for blog reading news hounds, Internet users are not remarkable in terms of listening to

radio news in the past seven days before the study. There is an across the board low preference level for radio news as a sole news source.

BOTTOM LINE

Posted newspapers might seem like a quaint old tradition to tourists in China who see wizened old men in cotton shoes pouring over the daily news at *bao ting* bulletin boards.

But our research reveals that *bao ting* readers are typically younger, disinclined to couch potatoism, and relatively plugged in to the Internet.

There might be lessons here for both Chinese and U.S. newspaper publishers. Would U.S. pedestrians read Chinese-style – but English-language - posted newspapers?

Would Chinese or U.S. pedestrians read newspapers that are electronically posted on flat screen monitors installed in public places?

Can newspaper web designers everywhere learn something useful by studying the Chinese tradition of *bao ting*?

Perhaps most encouraging of all for newspapers, does the popularity of *bao ting* among those Chinese citizens who see themselves as “pioneers” of a Brave New World bode especially well for the continuing value and vitality of words on paper? Our research indicates that certainly would seem to be the case.

By Leo J. Shapiro and Steve Yahn

Note: Media usage in China was just one of 15 categories of consumer behavior studied by the first Leo J. Shapiro and Associates national poll in China, with topics ranging from shopping and spending habits and expectations, to illness and treatment considerations, to banking practices.

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