

Newspaper hopes to lure young readers by cutting political coverage

By <u>Dinfin Mulupi</u> 21 Jul 2014

A newspaper publisher in Kenya is targeting young Africans as it seeks to expand its business throughout the continent's main cities.



Image via X News Kenya

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Despite perceptions that 20-somethings don't read newspapers, Paul Marshall Co-Founder and CEO of Xtra Publishing, believes that the youth are drawn to well-packaged and well-crafted newspapers.

In March, the company started printing *X News*, a free daily evening paper targeted at people in their 20s and 30s. Some 30,000 copies are distributed every day at bus terminals, office buildings and universities in Nairobi.

Earlier this month private equity firm Fusion Capital invested Ksh. 125m (\$1.4m) in Xtra Publishing in exchange for a 40% stake, valuing the media company at about Ksh. 313m (\$3.6m).

"Nairobi is a big city and we felt there was room for more newspapers. If you look at the newspaper business here generally, it is quite profitable but not very vibrant. The circulation has been declining in relative terms. If you consider the growth of Nairobi and its economy over the last ten years, and the actual readership vis-à-vis population, there has been massive decline," says Marshall, an investment banker.

Marshal co-founded the company with two other investors six years ago but it is only until this year that they started publishing *X News*. The three partners initially pumped close to \$1m into the business.

Less focus on politics

Marshall notes that too much political coverage in Kenyan newspapers has put off younger readers while blogs, though popular, rely too heavily on sensationalism.

Produced by a team of young journalists, *X News* focuses on human interest stories, lifestyle features and strong sports coverage. It also has a section highlighting top city nightclubs and restaurants. The paper gives little space to politics, and focuses on social issues and news that it says is inspiring, informative and consumer-driven.

"How is it that in some boring day in mid-March when parliament is not in session you still have to get through ten pages of politics to get to news?" asks Marshall. "Our research shows young people are aware of politics and they are not ignorant to it, but they are not fascinated by it. They have their lives to live... there is a lot [more] to life than politics and perversion."

Marshall says that when the company first started out, the biggest challenge was finding staff that could deliver on the vision for the newspaper.

"We hired tried and trusted newspaper men and realised that their minds had not really moved from the 1970s... to this age. They thought that we must have a political message and they must influence the political agenda," says Marshall.

Expanding across the continent

X News relies on advertising for revenue. Once the model has been proven in Nairobi, Xtra Publishing hopes to grow its print and digital platforms to other leading cities in countries such as Uganda, Tanzania, Ghana and Nigeria.

"The research suggests that free newspapers are city newspapers. So naturally we want to roll out in other African cities," says Marshall. "The future for print media is free news, and the future for media as a whole is digital web and SMS services."

Marshall cites the successful model of Metro International, a Swedish company that publishes the *Metro* brand of newspapers across Europe, the Americas and Asia. The free newspaper is predominantly targeted at commuters.

Research suggests Africa is urbanising at a rapid rate and by 2030 more than half of the continent's population could live in cities. This surge is expected to boost consumption in urban centres.

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