

## **Business model of free newspaper and Sri Lankan Newspaper Industry (A study on the behavior of newspaper readers)**

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### **ABSTRACT**

Information acts very important role in human society. Though there are many other sources of information, newspaper still plays an essential role as the conveyer of information. But as time went by the shape and format of the newspaper has been changed. In this context free newspaper was introduced to the world as a successful business model. Free newspaper is a publication which contains current news, published at least four times a week, revenue depends on the advertisements and available free of charge at public places in the city. Though many developed countries are doing business well with this concept, it's still new to Sri Lanka. So if we are going to start a free newspaper in Sri Lanka, there is a question that, how Sri Lankan audience will react to this product. The behavior of consumer is more and more important when we are developing a new product or service. Newspaper reader is the ultimate consumer of a free newspaper. Therefore the main objective of this study is to find out the possibility to start a free newspaper in Sri Lanka by researching the behavior of newspaper readers in Sri Lanka. 100 respondents from Colombo city were taken in to the sample by using random sampling technique. Researcher was conscious to select commuters instead of just taking people who live in Colombo. It's because, free newspaper is mainly published targeting the commuters in countries where free newspaper has got the popularity. Rational for selecting Colombo city is, it is the largest metropolitan city and major economic center in Sri Lanka. And that makes Colombo the most suitable location, if some company wishes to start a free newspaper in near future. Questionnaire survey was performed to collect data. The computer software SPSS 19.0 was used to analysis data and calculates values. It was found that the number of regular newspaper readers is low and highest amount of non-readers are teenagers who are in the age group of 15-19. When we analyze the behavior of Sri Lankan commuters, 54% people said that they do nothing during the commuting time. 23% sleep. 12% listen to radio or music. 8% chat with friend. Only 3% answered that they read something. It was proved that majority of Sri Lankan's do not have a habit of reading while traveling. But it was revealed by this study that majority of people would like to have a free newspaper one day. But they have no idea what the free newspaper is. At last it was proved that though there are both positive and negative facts, people haven't dumped newspaper yet. Even though there are a number of nonreaders, creative strategic plan can turn these non-readers to readers. It is a good opportunity which we can use creatively with new product to establish free newspaper concept in Sri Lankan newspaper industry.

***Key words – Fee newspaper, Newspaper Reader, Sri Lanka, Behavior, Newspaper industry***

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