

# COLUMNIST



**Neville Rhodes**

## Delivering: the future

**Home news delivery (HND) not only guarantees paper sales, it is also crucial to the long-term survival of the newstrade**

**H**ND is the lynchpin of the newstrade. It always was, it is now, and it will certainly be so in the future. Without it, the wheels would come off the distribution system.

Around one-third (my estimate) of the national newspapers that are delivered to homes or businesses are not only guaranteed sales for retailers, they are also effectively firm-sale copies for the publishers and their wholesalers.

They reduce the proportion of copies at risk of not being sold and returned for credit, helping to keep waste within tolerable limits.

Managing supplies or allocations becomes increasingly difficult as circulations decline, so boosting the ratio of delivered and shop-saved copies to casual sales is, for most publishers, critical to the survival of their print titles.

This is the aim of National

Home News Delivery Month, which is being promoted by all the national newspapers (except the FT), the wholesalers, the Fed and other trade partners, and will run throughout October.

News retailers can register their interest now at [hndmonth.co.uk](https://hndmonth.co.uk), where they can also request PoS packs and promotional leaflets. These free materials will be delivered by news wholesalers during the last week of this month.

Thirty years ago, in a booklet I wrote on home delivery for the Telegraph's 'It's your business' scheme, I described an HND rounds list as "the asset [which provides] the most solid guarantee of profits" for newsagents, and showed how it generated customer loyalty and created marketing opportunities to sell other products.

Home delivery and retailers have moved on since those days. There has been a steady decline in the number of HND agents, down



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from 25,000 in the early 1990s to only about 6,000 today, while those who have maintained their deliveries are now finally receiving enhanced terms for specified delivered copies of some titles.

The most significant change is the expansion of digital sources of news. This has hit sales of newspapers hard, but newsbrands still reach 19 million UK adults, so there are countless occasional newspaper buyers who are potential customers for HND – either through a publisher's print subscription, or a direct account with an independent retailer.

Publishers will be supporting Home Delivery Month with in-paper promotional offers – most likely seven-day or weekend-only print subscriptions at introductory prices – and incentives "to help retailers encourage new customers".

Talking to casual buyers about the various offers is probably the best way to recruit new HND customers.

For customers who don't want a subscription, but would like a home delivery either every day or just on certain days of the week – the latter should be a 'can-do', and not refused simply because it's unusual – a direct-to-customer account is the other option.

And if you don't do HND now, but can see the potential benefits, when a customer who lives reasonably close to the shop asks about it, why not make them an offer? The newstrade's future depends on increasing HND.

### ★ HND profit is possible

**+** AS AN EXAMPLE of how profitable HND can be, I devised a hypothetical round of 30 customers, each of them taking just one national newspaper a day for a week. The papers were allocated roughly in proportion to their market share: eight Mails, six Suns, four Mirrors and one, two or three copies of the other seven titles. The average delivery charge was 50p a day per customer. The round yields revenue of £441, made up of £336 from cover prices, and £105 from delivery charges. Profit is £68 from the newspapers and £21 from a 20% profit on the delivery charges. Add a few periodicals and local papers, and a second paper each day for three (10%) of the customers, for a round that makes more than a £100 a week profit. I know it's not as easy as this, but it is possible, and it shows that HND can still make a significant profit contribution for a convenience store.

*Neville Rhodes is a freelance journalist and former retailer providing his views on the major topics affecting news sellers*