

The advertising pressure on news media is forcing a shift from 'serving the public' to targeting niche markets says Lesley Cowling.

The rising sense of unease

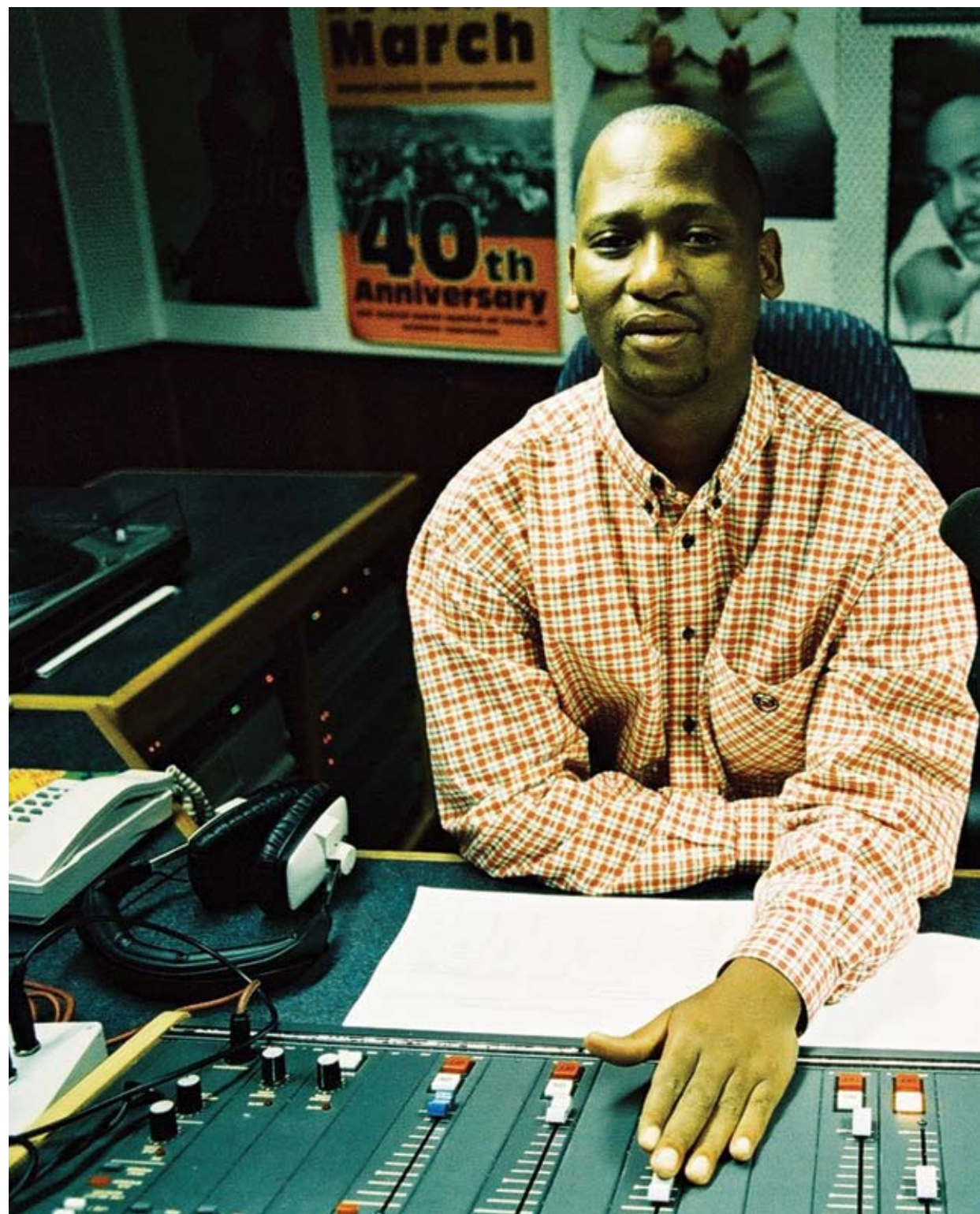
I was talking with some journalist friends recently about changes in the media business, wondering whether this meant a paradigm shift for journalism, when one of them said: "Please don't use that word 'paradigm'. It reminds us too much of when we were at university."

The comment, though meant as a joke, points to an unease that often surfaces when journalists reflect upon the commercial context of their work. In our seminars at Wits, working journalists express a similar discomfort when examining the effects of advertising on the media.

Although a disputatious bunch, nothing unites journalists faster than a threat to their perceived professionalism. This became evident last year, when *Sunday Times* reporters held a staff meeting and unanimously demanded an inquiry into the conduct of a fellow journalist. They believed she had broken one of journalism's most important codes, and this united them over and above all other differences.

But what is this professionalism? What are these changes in context, or (with apologies), the paradigm shift in media, if there has in fact been one? And is it all bad?

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After a decade of more media freedoms, less state intervention and more diversity of media products, aren't we in a better position than we were 10 and 15 years ago?

To start with the first question: I would argue that news journalists regard themselves as professionals when they see their role as informing a broad public of matters of importance in society. "We, the journalists, tell you, the public, the most important news of the day." A corollary to this is the injunction on journalists to decide on what is news not according to their own opinions, but by a set of news values that everyone adheres to. And that they should not take sides between combatants in any of the news stories.

It is this stance that gives the news media its standing in society, as the so-called Fourth Estate, the watchdog of government, the place where, as certain theorists argue, people can find information to help them engage as citizens in society. It is what guides journalists in their daily routines, and, for many, gives a sense of pride in what they do.

Apartheid placed political restrictions on the fulfilment of this idealised role, and its end was

widely seen as allowing media to take its rightful place in society. But almost immediately, the media felt the force of other constraints, now mostly economic. There was increased competition from new radio and television stations, and the Internet, without a comparable growth in ad spend. Changes in ownership put pressure on media to deliver profits. There was the commercialisation of the SABC, which put their many stations into the market more aggressively as competitors for advertising. The advertising pie was suddenly being fought over by many more hungry media mouths, and survival was not guaranteed, even for media with big audiences.

Competition for audiences and the dependence on advertising for revenue is obviously not new, but a number of other factors in the last 10 years have changed (and are still changing) the relationship between advertisers and news producers. Two of these are particularly significant: first, a greater sophistication in marketing that targets specific consumers for particular products; and second, an intensive drive by many media organisations to develop strategies to attract advertising.

This change in marketing can be seen in the rise



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only attract 32% of ad spend, skewing the market dramatically in favour of LSMs 6-10.

It is no longer enough for media products to have a big audience; that audience should also have a significant representation of LSMs 6-10. Thus the media products, whose audiences are largely LSMs 1-5, are the poor relations of the media world, like the SABC vernacular stations, which between them attract 65% of radio audiences – 19.5 million listeners in 2003. Classic FM (158 000 in 2003) and Cape Talk (106 000 in 2003), on the other hand, which have small but desirable audiences, receive the most ad spend in radio per listener. The skew in the media landscape, then, results in many media choices for the more affluent citizens of society and very few for the majority.

The fact that most whites fall into the richer group, and the poorer group is largely black and coloured means that no amount of transformation in the advertising industry, which has been accused of racism against so-called “black” media, is going to give the poor relations more resources.

More than any other organisation, the SABC picks up the shortfall in media for the poor. Apart from its radio stations, it also attempts to fulfil a public service mandate with SABC1 and 2. In recent years, the strategy has been to cross-subsidise these channels by making SABC3 commercial, but recently the pressure to function on a commercial basis has meant that 1 and 2 are also looking for ad spend. The broadcasters are expected by the government to be both self-sufficient and fulfil a public service function. How they juggle these requirements and what happens in the news departments will be crucial for the millions of people who get all or most of their news and information from here.

Marketers do not only target very specific audiences for their advertising – they are also nicheing their products more and more by associating them with particular kinds of content. This is not new. Supplements and special sections in print media have always had associated advertising. However, as newspapers compete for advertising by developing new supplements and products, these sections are constructed with the advertisers’ interests in mind, rather than by a process of imagining what readers might be interested in.

Travel sections, for example, exist because the travel industry needs to advertise its latest deals. Science sections, on the other hand, are practically non-existent, because there are no science advertisers. The *Mail&Guardian’s* regular books supplement disappeared some years ago, when booksellers found other ways to reach their customers.

The same is true for television programming. South Africans love local content; advertisers prefer the known quantity of imported programming. Investigative and documentary programming may draw big audiences, but advertisers don’t want to

see their luxury products appearing in between exposés of muti murders and eroding medical services.

It is at this stage of the discussion that journalists tend to get worried. What happened to: “We, the journalists give you, the public today’s news”? Are we now in the arena of: “We talk to our particular readers (hopefully LSMs 6-10) about subjects that may interest you and are supported by advertising revenue”? This is quite a shift for journalists and editors (perhaps even a paradigm shift?), and they’re unwilling to make it. Even media executives under pressure to produce profits often feel an uncomfortable conflict between the old idea of serving the public and the new, targeted approach. But media companies that have refused to make the shift, have lost share of ad spend to those that do, and some have even had to kill certain products. The alternative press, that didn’t make the transition from a donor-funded model to a commercial model, disappeared.

However, the pressure has also pushed certain print companies to develop other strategies, which consist in more than just giving advertisers what they want. One example is the development of the “value-added” product.

The thinking could, for example, go like this: What do our readers want to know about, and can we get advertising to finance this section/supplement?

Thus, the development of products is guided by editorial principles, and the advertising would follow. A related strategy is cross-subsidisation: sections and supplements are developed specifically to attract advertising, advertising ratios are kept high and so subsidise those areas that do not attract advertising, such as news, opinion, analysis and sport. (I say, let sport go to the wall, but millions would disagree.) The *Sunday Times* has been particularly innovative in the last decade in moving from a mass-based model to a collection of niches, thus serving a range of different audiences, while keeping them in the family.

However, these strategies do not extend to finding ways to serve the lower LSMs. Some print companies have cut back on distribution to country areas, because advertisers don’t want those readers. Others state explicitly in their mission statements that their targeted audience is LSMs 6-10. The print media, in particular, have moved away from the notion of a broad public. “Newspapers are a business,” says one media executive. “We have to survive, make profits for our shareholders. It’s not our job to serve everybody.” Ten years ago, I don’t believe we would have said that. But media companies have always been pragmatic about survival, both then and now. It’s a necessary function of commercial media.

But that leaves us with the question: “Whose job is it?”

of the living standards measure (LSM) as the pre-eminent tool for the measure of audiences. When the LSM appeared 14 years ago, it seemed to offer a development from purely geographic, race, gender and age measures of audience. The LSM divides South African households into 10 categories based on product use, and because of this, it is more than a simple measure of affluence, but also gives marketers a sense of who is likely to buy their products.

There has been some debate about how reliable the LSM is and what exactly it can predict about consumers. But, despite the cavilling from commentators, the reality is that media planners rely heavily upon the LSM, and broadcasters and newspapers fully understand how important it is to have the right LSM profile.

The conventional wisdom among marketers is that there is no point in advertising a wide range of products to LSM categories 1-5, the mostly black and rural poor, as they cannot afford them. The effects of this were seen in an analysis by Brenda Wortley and Sue Bolton done for the parliamentary hearings into the advertising industry in 2002. Although LSMs 1-5 form 65% of the population, they



Lesley Cowling is a senior lecturer in Wits University’s Journalism and Media Studies programme. She leads a research project in the programme’s Media Observatory on the effects of advertising on media. She is also a writer for the popular soapie *Isidingo*.