

**Institute of Distance and Open Learning
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**Master of
Communication & Journalism**

**Paper VII
Media Management**

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Unit 1

Principles of Media Management

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1.1 Introduction :

You must have already experienced in your own life, the extent to which the mass media can influence us - both in terms of intellectual as well as economic aspects. In the Opinion Writing course we have discussed in details about the enormous influence that mass media have on

us in our life. In this course, we are going to discuss the ways in which the mass media influences us in the economic sense. We shall also see the process by which the big corporate entities have managed, over the decades, to enter and entrench into the mass media world and by that play a role in each and every walk of our life. It is important to know about this aspect also because of another reason. That is, in future when you would join any media organization it will be far more beneficial and effective if you are familiar with the managerial aspects of the entire business. This is because, in today's era a media person also needs to be market-savvy as his or her survival will depend, to a great extent, on the very survival of that specific media organization in which he is employed. This will help you in maintaining a balance between both the sides of the business.

1.2 Objectives :

By the end of this unit you will be able to

- *discuss* media management as a whole
- *find* out the emergence of mass media as an industry,
- *list* the survival and marketing strategies adopted by the organizations
- *describe* the contribution of various departments to the overall growth of the media organization or product

1.3 Media Management :

We all know that there are several hundred newspapers, magazines, book publishing houses, cinema production studios, TV and Radio stations etc. all over the world. However, it is also true that not every one of them is equal in size. They vary in their size, revenue earned, number of people employed etc.. For example, on one side,

we do have the famous and reputed newspapers, magazines, TV and Radio channels having a worldwide presence with enormous financial and other clout. On the other side, we also have our very own small newspapers, magazines, single TV and radio stations which do possess very limited popularity in the region where they exist.

Now, the question is how to manage such big, small and also medium level media houses which may be owning just a newspaper or a magazine, a TV channel, a radio station or owning and running a number of them across the country and also the world as well.

There are two important aspects in this regard. The first is that there is media management from the Public Relations point of view. By this, we understand the job of handling the mass media for gaining the optimum possible advantage of publicity from them for the organization in which one is employed. While the second aspect is how these media organizations are being managed. Here we will be concerned with this aspect rather than the other.

1.3.1 Principles of Media Management :

Mass media has become steadily established as corporate houses nowadays, thereby requiring the principles of general management to be employed in managing the day-to-day affairs of them in a beneficial and effective manner. However, it is not that all the general principles of management can be blindly implemented in case of the mass media industry. This is because mass media or mass communication is such an interesting business concern which has to present a judicious mix of philanthropic senses and business interests.

This is an open secret that now-a-days mass media is more of a business concern than serving the masses with news and opinions. Yet, by the very nature of its service-

oriented culture, mass media cannot be overtly reflecting its commercial interests more than that of the philanthropic ones.

On the other hand, it cannot be too lenient or negligent on the business side also because even for its own survival, mass media must be self-dependent or be able to support its own financial requirements. It cannot be run on charity.

In another paper of this programme, we have already deliberated on how mass media was more of a social and philanthropic concern in the early days of its emergence in all parts of the world and more so in India. But as time went by and especially during the late 1960s and early 1970s the commercial aspect started overshadowing the social cause and now-a-days it is far more prominent. Hence, it will be a wise thing for any journalist to have at least a basic idea about the concept of media management. You must have noticed that these days business concerns prefer to employ people with a formal higher qualification in business studies with a graduate-level degree preferably in engineering & technology. This is because it saves a lot of time and resources for the business establishment as the person understands both the technical as well as management issues involved in the programme. In the same way, if a journalist is also trained in the basics of media management he or she will be able to combine both news interests and business interests of the mass media entity with ease. This is vitally important in today's difficult times for the media because of too much competition.

It works both ways. First of all – for the big and also for the medium establishment, mass media organizations, the business part is taken care by the appropriate department and personnel. But in case of the small ventures like a newspaper / magazine, published by just a few persons, a Community Radio station etc., the same

persons have to double up as editors, reporters, accountants, marketing executives for the product because of constraints of money. Hence, a preliminary idea into the aspect will be beneficial for the aspirants for a career in this field.

1.3.2 Media as an Industry and Profession :

If we go through the history of mass communication and media, we will find that the Chinese had possessed a printing press system many hundreds of years ago till Johannes Gutenberg's revolutionary discovery. The Romans are credited with a newspaper of sorts starting with the *Acta Diurna*.

We also find that later on, in the very large colonial area earlier known as British North America (BNA) – the territories of today's USA and Canada, newspapers and journals were published basically with patronage of political parties. So much so that if a political party ceased to exist or was not being able to gain monetary benefits, the newspaper had to be closed down.

During those days one of the proprietor-cum-editors of a certain newspaper in that region realized the importance of employing a reporter for feeding the newspaper. This was to ensure that the mass people also had something to read in it and thereby bring in revenues – whatever or however much it might be.

It is also interesting to note that there was an era in the history of mass communication known as the 'penny press' which were the times when a newspaper was sold for one penny each for mass circulation. From that situation, to that of the present one, there has been a sea change in the fortunes of the media. And today it has become established as full-time commercial corporate organizations with all the ingredients of a normal business concern. Hundreds and thousands of people are getting

employment in them directly as well as indirectly in various sectors involved with the entire business. This ranges from - creation of software or contents like news items, entertainment programmes, producing films, publication of books, etc., to technical works like running the mechanical jobs, maintenance of satellite connections, production and distribution of print media products, TV and Radio sets, projectors, cinema halls and what not.

Mass media is a complex industry with quite a few sections of people integrally connected with it contributing different aspects and support to it. All of these are highly essential for the popularity and also survival of the mass media product for the future.

Another important aspect of the entire mass media business is that here the products are very highly perishable. This means that the products become almost useless after one or two usage. For example - after reading about a certain news item or listening to it in Radio or seeing it on TV, we usually do not need to read it again and again and dump the newspaper or close or change the channel of the Radio or TV. Similarly, the newspaper on a said date will not remain the same on the day after. For this reason, it is important that the media put out the most recent and relevant news as content and not outdated news. Hence, to be able to keep up with the times and give an impression that your organization is ahead of the competitors, there is a very tough competition going on in the management control rooms of each and every media organization - whether big, medium or even small ones. Otherwise, why would the masses stick to your product rather than shifting their commitments to the old existing media products.

There is yet another complication involved with the mass media business. That is, in most of the cases, products have to be distributed free of cost. For example - majority of news bulletins in TV and Radio as well as the

entertainment programmes are broadcast for free usage by the targeted audience. Besides, we already know that the number of masses or readers of mass media are almost numerous and may be spread all over the world or the country. This makes it impossible for charging money from the users or even if possible, it is a highly cumbersome job and administrative costs will be quite high. So, the cost and profits would need to be recovered in some other ways, basically advertisements.

Of course, there are quite a few channels which allow viewing of their products or software only on a 'pay-per-view' arrangement. This means that a consumer or audience has to pay a specific amount of money beforehand for viewing or listening to the programme broadcast by the media agencies. Similarly, newspapers and magazines also charge an amount of money for its copies which is also quite nominal as the major cost is recovered by the revenues from advertisements. On the other hand, in some Western countries there is the concept of 'free newspapers' which are distributed free to the people. This is beginning to happen in India too with papers that are distributed free in a certain neighbourhood in a city. But their number is very low as yet.

As the majority of the TV and Radio channels have to air or broadcast their software or products for free usage by the masses, this business is not like the other commercial enterprises.

Over the years, mass media has established itself as a major industry all over the world adopting all modern practices of management systems. From a mere philanthropic activity dedicated to promoting social causes, it has become a self-dependent and highly profit-making industry today. This has opened up a lot of professional avenues for making a career in this field—both in technical and software areas. And like the established industries

in other fields, here also remuneration and perks are quite comparable to the best in the industry so that talented experts should be attracted to it.

Whether it is films, music, books, news and entertainment, new media like internet, there is a tremendous growth being experienced over the years and the good thing is that this pace is set to grow in a steady manner in the next few years. Even for the book publishing industry, though we have an impression that there are very few people reading books nowadays, quite a few reputed book publishing companies are flourishing in their field across the globe. Further, like a few other industries in different sectors, this is also a high-pressure profession where a person has to be on his or her toes for the whole of the 24 hours as anything might happen any moment – be it Public Relations, Advertising, News, etc.

1.3.3 Ownership Patterns of Mass Media in India :

Like any other industry in the world the ownership patterns of the mass media business in our country are wide and varied with newer systems coming up compared to the old conventional systems. Let us look at a few of the ownership systems in the country's mass media industry. From an individual ownership to that of big corporate organizations it varies widely including a lot of different combinations of ownership patterns in between.

A most common one is the sole or single individual ownership of a mass media agency like a newspaper, magazine, book publishing concern, film production house, etc. When the scales of production of that specific media organization or agency are in a manageable scale, it is an ideal system of ownership. Here also things range from just a one-man show to the extent of involvement of many employees or stakeholders. So, it may be a single-person entrepreneurship where the sole owner is the publisher, marketing and advertising collection executive of the

concern, etc. He or she will also be responsible for a steady flow of the contents for the newspaper / magazine or any other mass media product being released into the market for mass consumption. In our country, we have more than 60,000 newspapers and periodicals of all shapes and sizes and frequency of publication in many languages. But it is not that all of them are very well-organized and enjoy a high amount of readership. Majority of them are small and medium-scale circulation newspapers and periodicals with a sole ownership with or without a few employees. There are quite a few instances when the owner of a printing press that undertakes job-works in the area of printing is also engaged in publishing a four-sheet / six-sheet newspaper or magazine used for local circulation only.

Ownership of mass media agencies on 'partnership' basis is also another system in this regard. Here, more than one person or agency get together to float a business concern for publishing a newspaper / magazine / books, launching a TV or Radio channel etc. This system is seen more in case of capital-intensive mass media concerns like TV / Radio channels or film production etc. rather than not so capital-intensive ones like the print media. Of course, even in case of print media, if things are started on a big scale, then in this case also a major infusion of capital is necessary. But in case of Radio / TV channels we know that crores of rupees are needed to be spent for creating infrastructure and setting up of the entire business in place which makes it difficult, if not impossible, for one or two individual persons to start up such a big venture. Hence partnership is a common trend in this sector. There may be two types of partnerships here.

First of all - it may be financial by which more than one partners come together to pool in money for starting the venture purely for business concerns. Secondly, more than one media agency or organization may form a partnership or collaboration for sharing their resources like media

contents, advertising, manpower, etc. Recently, a similar development has taken place in Assam wherein two mass media organizations - one popular general entertainment cable TV channel and a reputed newspaper house (both of them well-established in their respective fields of operation) have formed a partnership by which they hope to cut down on the costs of day-to-day operations. This may prove to be beneficial as instead of sending two journalists for covering the same programme or event one will be adequate making the other person free to be sent somewhere else. Further, as both of them have wide reputation and adequate dedicated audience they would be able to expand their audience base further. In other words, both of them will be able to utilize the already existing audience base and goodwill among the masses for each other for their future benefits. Over the years, publication houses of quite a few newspapers, magazines are going in for collaborative or partnership programmes for reaping the benefits of the already-existing audience base in each other's fields of expertise.

Private limited company is another common system by which several promoters develop a certain mass media entity like a newspaper / magazine / TV / Radio channel, etc. As we have mentioned about the problem of arranging finances, like-minded people, interested in the activity, congregate among themselves by pooling in some amount of money and then allowing the public to own shares in it. It is quite common to see share offers from reputed mass media companies like Zee Tele-films, STAR TV, Sony, etc. The public who own a portion of the shares are entitled to receive a certain percentage of the profits which might be generated every year. This is one convenient way of arranging finances for funding big-scale ventures like TV channels, radio centers, etc.

In the Public Limited company ownership system, masses or the public can buy shares of the companies which own the newspaper or TV / Radio channel through

stock exchanges. Here, some portions of the total capital are pooled in by the original promoters leaving the rest to individual shareholders.

In the Private Limited Company system, the public or masses are not allowed to buy shares of the newspaper-owning companies. Here, the original promoters pool in the major amount of capital while also taking support of financial institutions or other organizations / concerns involved.

Mass media agencies or products owned by different types of Trusts is another interesting system of media ownership in India. Under this system of ownership, a trust formed by a few persons assembling for a specific cause or a family floating a trust, decides to run a newspaper or magazine or a TV / Radio channel. For example - *The Tribune* of Chandigarh, which is a reputed English daily with a high amount of popularity in the entire region from Punjab / Haryana to Himachal Pradesh, is managed by a trust. There are quite a few other examples of this type of newspapers or media agencies. Most of the Community Radio (CR) stations in our country are managed and run by trusts formed by representatives from the community in which they are being set up. Nepal is a pioneering example of the flourishing CR system of communication for social causes and is a fine example of this kind of trusts running the CR stations. And in many cases, we have trusts also simultaneously running a newspaper or a periodical along with the CR activities. We can also cite the example of *Down to Earth* - the monthly newsmagazine published by the reputed organization named Centre for Science and Environment (CSE), based at New Delhi, about environmental issues for quite a few years by now. This is an example of a magazine published or managed by a trust formed for a specific purpose. Similarly, there are many organizations and establishments set up for a specific cause. And they publish

newspapers, magazines, TV or Radio channels for furthering their cause among the masses for gaining the maximum possible publicity. For example, the Press Council of India publishes its annual reviews of cases in a booklet format, Assam Science Society publishes its bimonthly magazine *Binjan Jeuti*, the Research in Newspaper Development (RIND) - a constituent body of the reputed Chennai-based organization - Press Institute of India (PII) publishes two journals - one - VIDURA, a quarterly journal and Grassroots - a monthly journal on various issues relating to the mass media in the country.

Publication of newspapers / magazines or setting up of TV / Radio stations on a cooperative basis is also another interesting possibility. One famous example is the case of *The Pioneer*, originally published from Lucknow now published from New Delhi. When the earlier owners of this reputed daily decided to stop its publication because of financial and other reasons, a major portion of its existing employees - journalistic and non-journalistic - formed a cooperative body and took over the management of the newspaper and it is being run successfully till date under the able leadership of its editor who has been actually leading the organization so far. At a smaller grassroots level, many NGOs and Self Help Groups (SHGs), are also nowadays trying to publish limited circulation newspapers and journals for the benefit of the members and like-minded people in the vicinity. This is done so that people come to know about their struggle and get inspired to start new ventures for improving their life in the process.

Religious institutions are another important form of newspaper management in which religious bodies, faiths, etc. set up their own newspapers, magazines, TV / Radio channels for propagating their principles, religious beliefs etc. amongst the masses. We know that every

religion, religious faith, sect and cult has their own followers in small and large numbers. Now, as many of them are highly devoted to the cause of their religion, religious faiths, they contribute financially to launch a mass media agency or tool for popularizing their belief among the people. In cable TV, many of you may be familiar with the Om Shanti Om channel, Astha channel etc. which aim at promoting a certain kind of belief among the people. There are two kinds of target audience here. First of all—the already-existing followers who need their dose of religious sermons and sayings, and secondly, newer people who are yet to be exposed to this new belief with a hope that in the near or distant future at least some of them will become converts to this belief. The Astha channel may not be exactly termed as a religious channel as it deals mainly with curing of various diseases using our traditional system of medicine including *yoga*. There is yet another aim of the religious channels or media agencies in addition to the aims mentioned here. They also have a goal of spreading at least some amount of peace and understanding in the minds of the people so that the world may become a peaceful place. Besides, nowadays, because of work pressure, family matters, financial constraints, most of the people, whether in business or salaried jobs have to go through extreme scales of tension almost everyday. Thus, these persons may get some solace from the channels or journals which are broadcasting or publishing advises towards this end. Not only in case of our country, any religious organization all over the world also do publish journals, have TV / Radio channels which are propagating the beliefs and principles for attracting as much people as possible anywhere in the world.

Then there is the system of franchisees which is somewhat new in our country. One major example was the publication of the daily - *The Asian Age*, under this mode, at several places of the country about a decade back. This daily under its editor-cum-owner veteran

journalist Mr. M. J. Akbar launched its main edition in New Delhi while publishing it through various franchisees at different regions of the country including Guwahati. The arrangements are normally different for different organizations. Under normal circumstances, the common system is to supply the main news items, editorial write ups along with other features which are taken as important and essential for the newspaper or magazine. However, like an edition of a newspaper or magazine, a majority of the pages are devoted to news items, features, other columns and items generated from the regional areas. However, in case of *The Asian Age*, this arrangement did not work in a very satisfactory manner. Normally, this system is adopted by organizations or business concerns that are desirous of starting a new venture in mass media or those from foreign countries trying to make an entry into the country. They select one or two already existing and established mass media agency for such a venture so that they can get an opportunity to check the ground realities before launching their own product in a full fledged manner. Here, things are driven more by the question of advertising revenues than anything else. Such a franchisee existence allows much more visibility of the contents as well as the product itself among the targeted masses. This brings in more and more advertising companies for advertisements of their products in it. More visibility means more consumers which in turn would mean more advertisement revenues. This system can be compared somewhat with the code-sharing system of civil aviation airliners. Under this system two or three or maybe more airliners form an alliance and rather than flying their own aeroplanes on low revenue routes they share the routes with these partners. For example, a person is flying from New Delhi to Montreal, Canada. He or she buys a ticket with an airliner and the travel is to be completed in two phases. The first phase from Delhi to Europe or some place in the middle-east is executed by that airliner while the second phase is taken up by a

partner airliner. This way, all the airliners involved in the programme, earn a good amount of publicity about themselves while at the same time also cutting costs in the process. Almost the same principles apply in case of franchisees in the mass media business.

Sometime back, the Ministry of Information & Broadcasting of the Union Government enacted laws regulating the entry of foreign media organizations into the country. Some of these regulations provide that any mass media organization from a foreign nation would not be allowed to enter the Indian scenario directly with 100 % investment. Instead, they will have to enter into a partnership with an existing Indian company or form a new business concern with not less than 50 % participation by Indian individuals or mass media organizations. Thus, any mass media concern from a foreign country will have to necessarily go through this route for launching a media concern in this country.

Here we have discussed some of the systems and trends of ownership of mass media concerns in India. However, this should be kept in mind that these are not the only systems of ownership available and things keep changing with time with the emergence of newer models and concepts. Many a times you may be surprised to see a combination of more than one or two of the systems described above. It is also possible that we come across systems that are completely new and different.

1.4 General Management :

As we have repeated earlier also, mass media agencies and tools are developing themselves as any other business concern over the years and thereby the general rules and principles of management also apply to them. However there are few exceptions in this regard as some of the products in this sector like news items and entertainment

contents are to be distributed free of cost to the target audience.

1.4.1 Finance :

The first thing a person or any organization interested in starting a mass media venture confronts with is how to manage finances for the activity. Depending upon the scale of operations in mind the amount of finances is also going to vary for each instance. If a single individual plans to start a newspaper or a magazine on a locally-based circulation scale he or she will need a few thousand rupees for paper, printing, distribution, engaging personnel for editing works, etc. However, if he or she wants to launch a TV or Radio channel on a broader basis, it will involve quite a few crores of rupees in the process. And also a long list of employees need to be engaged in different areas of activity like technical production, news gathering, programme production, advertising management, etc. Finances may be generated by a few persons pooling in some amount of money or by taking bank loans or selling open public shares of a certain percentage of the total original amount of capital. Many a times it so happens that an existing and established mass media house is interested in launching a new venture. In such cases, either the entire amount of the required capital or a major percentage of it is supplied by the parent media house while the rest is generated from business houses concerned or bank loans etc. So there can be many ways to generate finances for starting a venture in the first place. This is a complicated affair involving a lot of risks also because the new product will take about several years before the initial capital can be recovered and some amount of profit can actually be reaped by the promoters.

1.4.2 Circulation-Price war, Sales :

Let us consider a situation. For example - in Assam, especially in Guwahati nowadays, we have about 12 daily

newspapers, mostly in Assamese with the rest in other Indian languages and English. This is in addition to the other non-dailies in circulation across the state. Now, out of so many choices in hand, it is anybody's guess as to which newspaper will be favoured by the people so that he or she subscribes to it in the morning. The same situation happens in most of the cities across the state. There has been a proliferation of newspapers, whether daily or non-daily alike. Here let us look at the factors which determine the buying of a specific newspaper among so many of them on offer.

First of all—there is an issue about the time of delivery of the newspaper at home every morning. This is because most of the regular readers of newspapers keep yearning for it first thing in the morning and unless he or she gets it, one is not satisfied.

Secondly, price of each individual newspaper and proportionate contents are two other major concerns that influence the popularity of every newspaper in circulation. This is why the term 'price war' has come up over the years. Under this mode, some of the newspapers make a strategic move by reducing the price of its each individual copy by 25 paise or 50 paise or even one rupee so that its competitors can be caught off-guard. This happens because in addition to the regular dedicated readers, every media agency like a newspaper or a magazine or Radio / TV channel, has some 'floating readership' or audience. This means the people or masses who may not be regular readers of a particular newspaper will, however, buy and read any newspaper or magazine which can be found conveniently with easy access and at a lower price. Even for the regular readers, if the price of a newspaper is dropped to a certain point, they would prefer to immediately switch off to that. So, a series of price decreases by other newspapers also follow suit resulting in a situation when none of them can reduce prices further. *The Times of*

India is credited with starting this price war in Delhi in the 1990s which is going on even today in different shades. In a majority of the metropolitan cities one can still buy a daily newspaper for rupees two or even less. That too with so many printed pages compared to regional dailies.

1.4.3 Advertising & Marketing :

As we have said earlier, mass media is also nothing but a business concern now-a-days. So, their management authorities take resort to marketing and sales strategies for attracting more and more readers and advertisers for the paper / magazine or the channel. This is a cyclical development for the mass media agencies. The subscription of Rs 2/- or 4/- or whatever it might be for newspapers and magazines, is just a pittance for them as the major finances come from advertisements only. That is why, sales personnel from these organizations visit people or organizations for increasing the sales of copies of newspapers and magazines or selling advertising space. This is also called space selling which means convincing people for paying specific amounts of money for advertising their products in the channel or the newspaper or magazine. Though we normally do not see this initiative in the regional dailies, this forms an important aspect of the marketing of newspapers or magazines in the society so that more business can grow. And more subscribers or readers mean more visibility among the masses which in turn means more attractive revenues for the companies. That is why, they become more interested in advertising their products in that newspaper or channel. Even for films, this is becoming a major avenue for generating money.

1.4.4 Personnel Management :

It is a known fact that human resources is the most important of all the resources of production for carrying

out any activity in a successful way. The Personnel Department is the one which is concerned with the processes of selection of the right person or employee, arrangements for enhancing their skills from time to time, motivational programmes whenever needed, looking for new talents etc. This is necessary so that the mass media concern can carry out its functions successfully for the benefit of both the organization and its readers or consumers. This is why, except the very small and medium level organizations, the big and major concerns definitely have a good Personnel Department for looking after these affairs. Because, even though an organization may have the best of equipments and technical support in place, if the manpower at the organization's disposal is not adequate and good enough, all the efforts will become a waste delivering nothing for anyone. Human resources here is a wide and all-encompassing term ranging from employees in the mechanical departments, helpers to the editor and senior editorial and managerial persons. As mass media is a team effort, a meaningful contribution from each of the persons employed or involved with the activity is a must for presenting a useful product to the masses in the end. And the thumb rule in the mass media industry is that only a useful product is seen as a successful product.

1.4.5 Production :

Technical production of a mass media product is also a highly-significant aspect of the entire media business. Without the presentation of a finer product in the hands of the masses, people will not vie for reading it or listening to it or seeing it when it is released into the market. So, a combination of both good and suitable contents and improvised technical quality will only make it attractive and effective. This in turn will ensure that more and more people are subscribing to it. Let us cite a few examples here. In case of newspapers if the newsprint (the paper on which it is printed) is good enough and good type font

and ink is used then it automatically becomes attractive. Similarly, good quality of photography, editing, colour combination etc. are important enough to make a TV programme look attractive for the masses so that they can be driven to buy it. Hence, a judicious and effective combination of good contents with good quality production is a must for ensuring more and more popularity for the mass media products.

1.5 Let us Sum up :

Let us reiterate here again the importance of understanding the very basics of mass media management for a student of mass communication. This is because if he or she knows both the sides of this world it will be very helpful in their practical life while working for any mass media organization. Thus, we have discussed briefly about the different systems of media ownership patterns in India. However, these systems keep changing from time to time and newer models keep emerging with the passage of time. But these are the basic conventional systems. We have also gone through the jobs of a few different departments of the mass media world which will help you in gaining a lot of insight into the actual working situation of the system. We have also learnt how mass media is totally dependent upon a combined team efforts for presenting a finer and attractive finished product to the masses at the end of the day. Also what are the contributions of the human resources as well as the different departments into making the product a really successful one in the end. Over the years, mass media has established itself as a flourishing industry and is still developing by leaps and bounds throwing open enormous career opportunities for the upcoming youngsters for the future. Hence, it is important that we become familiar with all the finer points of the system for getting ourselves well-prepared for a career in this field.

1.6 Possible Questions :

1. Explain the term Media Management with examples.
2. Describe a few patterns of mass media ownership in India.
3. What is the importance of Personnel Management?
4. What is the significance of the Production department in the mass media industry ?

1.7 References/Suggested Readings :

1. Indian Media Business by Vanita Kohli
2. Mass Communication in India by JV Vilanilam
3. The Media in Your Life by Jean Folkerts and Stephen Lacey
4. India Year Book published by the Publications Division, New Delhi

1. Explain the term Media Management with examples.
2. Describe a few features of mass media ownership in India.

Unit 2

Journalists' Pay Commission

3. What is the importance of Journalism Commission?
4. What is the significance of the Journalism Commission in the mass media industry?

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- 2.8 Let us Sum up**
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- 2.10 References / Suggested Readings**

2.1 Introduction :

It is an established system that whenever a certain activity is recognized as an industry by the government and the society, certain privileges, standards and benefits are also announced along with it. This includes—minimum qualifications for entering the profession in its different sectors, a model regulation regarding salary and pay-

scales, service rules etc. Now we know that mass media, especially journalism, has been duly recognized as an industry long time back by the government. In the earlier unit you have become familiar with the different aspects of management of mass media ventures. In this unit we aim at making you familiar with some other related aspects of the entire industry.

2.2 Objectives :

Our objectives in this unit are to help you to —

- *explore* the aspects of pay and service-related matters for people engaged in the business of mass media,
- *discuss* how certain supporting functions of the media business are carried out
- *explain* the coordination of various activities in a mass media organization

2.3 Journalists' Pay Commissions :

In any society and country it is the duty of the government to ensure that the people engaged in a certain vocation are not exploited by the employers in any manner. In the same way, in its bid to ensure that the media persons engaged in the field of journalism and mass communication and media are not exploited by the employers, a model pay-scale and salary structure is announced by the government and it is revised periodically too. We already know that the government does the same practice periodically for the employees of the Union Government and also for the state government by way of Pay Commissions. In the same manner, after according industry status to the journalism and mass media sector the government has constituted several wage boards for determining the pay and salary scales and other working conditions and privileges from time to time.

According to Jean Folkerts and Stephen Lacey, in a free-market society mass communication can be described as a system that produces information on the basis of interaction between two forces. Audience demand and the ability of the media companies to supply content and media companies actually supply and produce something for which the audience will pay.

In the 1950s and 60s, when organized labour sector was at a nascent stage of its development without adequate unionization, the Union government decided to set up wage boards for fixation of compensation including salaries.

Hence, The Working Journalists and Other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955 (45 of 1955) provided such a provision of wage boards for journalists and non journalists. Since 1955, a total of six such boards have been set up till date.

These are —

1. Wage Board for Working Journalists 1956,
2. Two wage boards for both working journalists and non journalist newspaper employees, (1963 and 1964),
3. Same as above in 1975 and 1976 respectively, but later on converted into a one-man tribunal in February, 1979, headed by Justice Palekar,
4. Justice UN Bachawat Board in 1985,
5. Justice Manisana Board in 1994,
6. Narayana Kurup board in 2007,

2.3.1 Bachawat Commission :

The fourth Journalists' Wage Board was the one known as the Bachawat Commission by the name of the person

who chaired it. This board was entrusted with the responsibility of recommending pay and salary structures for working journalists as well as non-journalistic newspaper employees. The commission carried out a thorough and comprehensive study of the industry's actual situation. It had also gone through the representations of associations and unions of the target audience and had recommended quite decent scales of pay and salary structure for the people engaged in the business.

According to its recommendations, the initial starting salary for a sub editor or reporter at entry level was fixed at Rs 2170 per month with other allowances including dearness allowance, house rent allowance, city compensatory allowance, etc. With gaining of seniority level there were avenues of being promoted to higher positions like senior sub editor / senior reporter, assistant editor, deputy editor, executive editor, etc. with higher and enhanced pay and salary with usual allowances along with adequate retirement benefits.

The initial starting salary was supposed to be quite decent as the basic pay for new entrants into the Union Government's general civil services was also fixed at Rs 2200/- only, just Rs 30 more than the journalists' basic pay.

Not only journalists, similar adequate pay and salary with allowances were also fixed for non-journalistic employees like proof readers, machine operators, artistes engaged in layout design and preparation etc.

As this was quite a satisfactory arrangement the employees liked it and it went on for a long time. However, when the Union Government announced the Fifth Pay Commission for its employees in the mid 1990s there were strong demands from the journalistic and non-journalistic

fraternity of the entire country for new and revised pay-scale for themselves also.

Significantly, this time, the journalists' and non journalists' fraternity demanded that there should be no separate wage board for the two. And the general wage board constituted by the Union Government for its employees should also incorporate pay-scales and salary-related aspects of journalists and non journalists.

2.3.2 Manisana Commission :

The government constituted a separate wage board for the community under chairmanship of former High Court Justice Manisana Singh. One significant aspect about this board was that employees of news agencies were kept out of its jurisdiction.

There was a good amount of delay in finalizing the recommendations and presenting them to the government for implementation. The journalists and non journalists' communities had to resort to protest demonstrations quite a few times for speeding up the process.

The final recommendations known as the 'Award' have classified the newspaper establishments into several categories and were deemed to have come into force on 1st April 1998 in respect of the newspaper establishments of Classes III and above and on the first day of June 1999 in respect of the newspaper establishments of Classes IV and V and on the first day of April 2000 in respect of newspaper establishments of Classes VI to IX.

The classification was like this —

| Class | Gross Revenue |
|--------------|----------------------|
|--------------|----------------------|

| | |
|----|--------------------------|
| IB | Rs. 600 crore and above; |
|----|--------------------------|

| | |
|----|--|
| IA | Rs. 225 crore and above but less than Rs. 600 crore; |
|----|--|

- I Rs. 75 crore and above but less than Rs. 225 crore;
- II Rs. 25 crore and above but less than Rs. 75 crore;
- III Rs. 11 crore and above but less than Rs. 25 crore;
- IV Rs. 5.5 crore and above but less than Rs. 11 crore;
- V Rs. 2.5 crore and above but less than Rs. 5.5 crore;
- VI Rs. 1.25 crore and above but less than Rs. 2.5 crore;
- VII Rs. 60 lakh and above but less than Rs. 1.25 crore;
- VIII Rs. 30 lakh and above but less than Rs. 60 lakh;
- IX Less than Rs. 30 lakh.

And based on this classification, Justice Manisana had recommended a differential salary and pay-packages for the journalistic and non-journalistic employees of newspapers.

A few salient features of the Justice Manisana Award are —

- i) Every part-time correspondent / photographer was to have been paid not less than 40 per cent, if posted at district head-quarters and above and not less than 1/3rd, if posted at a place below district head-quarters, of the basic pay plus DA applicable to a full time correspondent / photographer at similar level, provided that no part-time correspondent / photographer will work for more than two newspaper establishments. In addition, payment shall be paid to him or her on per column inch basis, the rate of which is to be settled by mutual negotiations.
- ii) The revised rates of dearness allowance (DA) shall be paid according to average all-India Consumer Price Index Number (1982=100) for regional centers

compiled by Labour Bureau for Industrial Workers and will become operative for classes III and above from the first day of April 1998 and for classes IV and V from the first day of June 1999, and for classes VI to IX from the first day of April 2000.

- iii) Night shift allowance at the rates prescribed in properly was to be paid by the newspaper establishment to their respective employees.
- iv) Hardship allowance - an employee working in hilly areas above 5000 ft. (1524 meters) from the sea level or in a disturbed area shall be paid a lump sum of Rs. 250 per month.

Besides, other allowances like leave travel allowance, medical allowance, Medicare insurance were to have been provided to the employees wherever it was found to be adequate and applicable.

However, following the award of this Commission's recommendations, majority of the mass media organizations across the country had actually adopted the system of 'contractual appointments' rather than going for the general system of employment on a lifelong term. This system is also beneficial for the journalists as whenever they may get a better opportunity they can go to another organization without much hassles. Besides, even though appointments are made on contractual basis, remuneration and perks are quite attractive and good enough.

The Award of this pay commission is still going on whereas a new journalists' wage board, headed by Justice Narayana Kurup, a retired judge of the High Court, is about to declare its final recommendations to the government for implementation. It is hoped that the recommendations would fulfill a long-standing demand of the journalists

and non journalists of the country which will help them adequately to discharge their duties in a better manner than ever in the future.

Stop to Consider :

The Working Journalists' Act 1955 has a few important provisions such as...

- a) Subject to any rules that may be made under the act, no working journalist shall be required or allowed to work in any newspaper establishment for more than 144 hours during any periods of four consecutive weeks, exclusive of the time for meals.
- b) Every working journalist shall be allowed during any period of 7 consecutive days rest for a period of not less than 24 consecutive hours, the period between 10 p. m. and 6 p. m. being included therein. (Explanation - for the purpose of this section, 'week' means a period of 7 days beginning at midnight on Saturday).
- c) The number of hours which shall constitute a normal working day for working journalists exclusive of time for meals shall exceed six hours per day in case of a day shift and five and a half hours per day in case of night shift and no working journalist shall ordinarily be required or allowed to work for longer than the number of hours constituting a normal working day.
- d) When a working journalist works for more than six hours on any day in the case of day shift and more than five and half hours in case of night shift, he shall in respect of that overtime work, be compensated in the form of hours of rest equal in number to the hours for which he has worked overtime.

2.4 Directorate of Advertising & Visual Publicity (DAVP) :

The Directorate of Advertising & Visual Publicity is the nodal advertising agency catering to the publicity requirements of different ministries, departments, public sector undertakings and autonomous bodies of the Government of India. It is the only advertising agency of its kind in the country that meets multi-media publicity requirements of various ministries and departments of Government of India. Besides, it also serves nearly 160 Public Sector Undertakings and autonomous bodies. DAVP offers complete facilities to its clients under one roof and provides them a single window service. Be it formulating communication strategies, designing and release of press advertisements, printing of folders, posters, kits, booklets, calendars, diaries etc., outdoor publicity through hoardings, bus-back panels, banners, kiosks, computer animation displays etc., or publicity through audio-visual media over AIR and Doordarshan, DAVP has highly trained and experienced professionals, the expertise and the requisite infrastructure to undertake these jobs.

It ensures nationwide distribution of material through its mass mailing unit, which has an address bank of over 15 lakh addresses, updated regularly. In other words, it is the nodal agency of the Government of India for advertising by various ministries and organizations. The primary objective of the Government in advertising is to secure the widest possible coverage of the intended content or message through various newspapers and journals of current affairs as well as science, art, literature, sports, films, cultural affairs, etc. In releasing advertisements to newspapers / journals the DAVP does not take into account their political affiliation or editorial policies. However, it would avoid releasing such advertisements to newspapers / journals, which incite or tend to incite communal passion, preach violence, offend the sovereignty

and integrity of India or socially accepted norms of public decency and behaviour.

Its mandate is to inform the people about the policies, programmes and achievements of the Government through press advertisements, audio visual spots, documentaries, jingles, printed literature: posters, booklets, folders, outdoor publicity, banners, bus-panels, exhibitions on specific themes of national and socio-economic relevance.

Its motto is to function as a multi-media advertising agency of the union government, meet all publicity needs of its ministries / departments, including production of media inputs as well as dissemination of messages / information, help union government departments in formulating communication strategies / media plans and providing them at one place the multi-media support in their implementation, empanel newspapers / journals for release of government advertisements and enter into rate contracts with individual newspaper for the purpose.

It has several wings for looking after different activities such as the Campaign Wing, Advertising Wing, Printed Publicity Wing, Audio-Visual Cell, Outdoor Publicity Wing, Exhibition Wing, Mass Mailing Wing etc.

The organization has the following set up -

- A) Two Regional Offices at Bangalore and Guwahati to coordinate the Directorate's activities in the southern and eastern regions respectively.
- B) Two Regional Distribution Centers at Kolkata and Chennai to look after distribution of publicity material in the eastern and southern regions.
- C) Thirty-five 35 Field Exhibition Units which include seven mobile exhibition vans, seven family welfare units and 21 general field exhibition units.

- D) Regional Exhibition Workshop at Chennai; and
 E) Exhibition Kit Production Centre at Guwahati to assist the Exhibition Division at Headquarters in designing and fabricating exhibits.

JOURNAL EMPANELMENT :

DAVP empanels newspapers / periodicals for the purpose of release of advertisements- classifieds or display for its clients. At present more than 2500 newspapers / journals in Hindi, English and regional languages from all over the country are on its panel.

The newspapers and journals to be empanelled need to fulfill the following criteria —

A minimum circulation of 2000 paid copies per issue : Relaxation, however, is made in case of Sanskrit newspapers / journals and those published from Jammu and Kashmir, backward, border or remote areas or in tribal language or those primarily meant for tribal leaders. The minimum paid circulation in such cases, has to be 500 copies per issue. RNI / ABC / Chartered Accountant should certify the circulation.

Minimum print area...

Newspapers / periodicals should have the following minimum print area to be acceptable for government advertisements.

| Periodicity | Print area not less than |
|-------------------------|---------------------------------|
| Dailies | 1520 std. col. cms. |
| Weeklies, Fortnightlies | 700 std. col. cms. |
| Monthlies | 960 std. col. cms |

Regular publication for one year...

A newspaper should have an uninterrupted and regular publication for a period of not less than 18 months before it becomes eligible for empanelment.

Further, for inclusion in the Union Public Service Commission (UPSC) Media List

Only daily newspapers are considered for inclusion. The publication should have an offset printing process, Minimum paid circulation of 20,000 copies, Standing of five years as on first of April of the year in which UPSC Media List is scheduled to be revised.

A minimum print area of 12,000 sq. cms. Exceptions / relaxations with above clauses are applicable to newspapers published from Sikkim, North East, Jammu & Kashmir, Pondicherry, Goa, Daman & Diu and in Urdu, Sindhi, Sanskrit and Nepali languages.

A newspaper will stand suspended if it is found to have —

- submitted wrong or false information in its application for empanelment / renewal of rate contract; or
- discontinued its publication, changed its periodicity or its title or have become irregular or suspected to have been indulging in unethical or anti-national activities as found by the Press Council of India or if convicted by a court of law for such activities.
- refuses to accept and carry an advertisement issued by DAVP on persistent basis.
- If declared un-established by RNI will be suspended from DAVP empanelment and recovery will be effected. Resumption will be considered only on receipt of the

RNI certifying circulation only from the year RNI declared it established.

- The circulation certified by RNI / ABC if found lower than the claimed circulation will be taken into consideration for recovery.

Its major advantages are that it provides —

- single-window service
- cost designated nodal agency for handling Government publicity
- cost effective and gives professional expertise
- advertisement rates are less than half of the commercial card rates of newspapers
- uses the largest number of newspapers and periodicals at the national level
- know-how for delivering quality results within a short span of time
- design free of cost, has a large number of experienced artists on its rolls
- full-fledged studio with DTP facilities
- expertise to translate and print in regional languages besides English and Hindi
- one of the biggest and most wide-spread exhibition set ups in the country
- the largest database of over 16.5 lakhs addresses covering more than 560 categories

Printed Publicity :

DAVP brings out different types of printed publicity material in bulk like posters, folders, booklets, brochures, diaries, calendars, table calendars, wall hangers stickers etc. on behalf of client Ministries and Departments of Government of India.

Audio-Visual Production Works :

DAVP prepares audio spots, jingles, and sponsored radio programmes, video spots/quickies, documentaries and short duration promotional films on behalf of its clients. Some state governments also approach DAVP for their audio video productions.

Broadcast Service :

Besides production, DAVP can also arrange for broadcast of audio spots and programmes through various stations of All India Radio and telecast of video productions through Doordarshan.

Empanelling For DAVP's Works :

If you have acumen for audio video productions, sound professional expertise, experience and financial standing and a creative team supports you Applications are invited for empanelment once in three years.

Eligibility criteria...

Degree or diploma in audio-video productions with a minimum three years experience in the field or Five years professional experience in the field of audio-video productions; Minimum turnover in AV production of an average of at least 10 lakh per year in the preceding three years.

If you meet the above criteria then ...

First of all, obtain the prescribed form for empanelment as audio or video producer free of cost from AV Cell of DAVP or download it from its website www.davp.nic.in.
Provide your company's profile, information about the

creative team and the jobs undertaken etc. Give complete address, the name of the contact persons and telephone / fax numbers while submitting your application.

Give complete details about your experiences, financial background, qualifications, facilities etc. with adequate proof in support of the claims. Also send a show-reel of your productions.

Outdoor Publicity :

Publicity through outdoor formats such as hoardings, kiosks, bus-panels, wall paintings, cinema slides, animation displays etc. are conventional systems but an effective means of spreading any message. These displays serve as constant reminders to passers by and viewers and cater to both the literate and the non-literate.

For execution of these jobs throughout the country, DAVP engages reputed private agencies and empanel them for production and display jobs.

The empanelment is done by DAVP in the following three categories :

Category-I

- (a) Hoardings
- (b) Wall paintings
- (c) Cinema slides

Category-II

- (a) Kiosks
- (b) Bus panels
- (c) Bus Queue Shelters
- (d) Computerised animation display system

- (e) Train / Rail Car panels
- (f) Decorative railings
- (g) Bus tickets

Category-III

- (a) Banners
- (b) Satin Dangles
- (c) Miscellaneous jobs like PVC plastic gifts etc.

With over 15,00,000 addresses comprising nearly 550 categories, Mass Mailing Wing of DAVP is one of the biggest setups of its kind in the country. It reaches every nook and corner of the country right up to block / panchayat levels. After periodical reviews, new addresses are added and old ones found to be obsolete or inoperative are deleted in an on-going process.

2.5 Audit Bureau of Circulations :

Audit Bureau of Circulations (ABC) is one of the several organizations of the same name operating in different parts of the world. The ABC, founded in 1948, is a not for profit, voluntary organization consisting of publishers, advertisers and advertising agencies. It has done pioneering work in developing audit procedures to verify the circulation data published by those newspapers and periodicals which have earned the right to display its emblem.

ABC, as it is called and understood by all, is a founder member of the International Federation of Audit Bureaux of Circulations. The main function of ABC is to evolve, lay down a standard and uniform procedure, by which a member publisher shall compute its net paid sales. The circulation figure so arrived at is checked and certified by a firm of chartered accountants which are approved by the Bureau. The Bureau issues ABC certificates every

six months to those publishers whose circulation figures conform to the rules and regulations as set out by the Bureau.

From a modest beginning it has grown to remarkable proportions. ABC's membership today includes 411 publishers of national and regional importance, 151 advertising agencies, 51 advertisers & 20 news agencies and associations connected with print media and advertising. It covers most of the major towns in India. Facts and figures which are checked and certified by an independent body are a very important tool in the hands of the advertising business community. The details of ABC certified circulation figures are available online to all members of the Bureau at no extra cost.

An advertiser would like to know the facts and figures before investing money in advertising and ought to know how many people buy a publication and in which area. The ABC gives all these vital facts, updated every six months. Its figures are not the outcome of opinions, claims or guesswork, but they are the result of rigid, in depth and impartial audits of paid circulations of member publications by independent and leading firms of chartered accountants working in accordance with the rules / procedures prescribed by the Bureau.

The policy formation body of the Bureau is the Council of Management consisting of elected representatives from publishers (8), advertisers (4) and advertising agency (4) members of the bureau. To assist the Council of Management an Executive Committee (EC) is appointed by the Council, to guide and oversee its day-to-day working. The EC consists of publishers, advertisers and advertising agency members of the council. The Council and the EC meet regularly as often as required. The Chairman is elected annually by the Council of Management.

The Bureau certifies audited NET PAID circulation figures of publications enrolled with it for a continuous and definite six-monthly audit periods and supplies copies of the certificates issued for such publications to each member. Free distribution and bulk sales are also shown on the certificates provided the relevant records are adequately maintained. Records are checked and rechecked at every level for authenticity. Facts and figures are scrutinized by impartial auditors, and only then is the CERTIFICATE OF NET PAID CIRCULATION issued. The day to day working of the bureau is handled by its secretariat which is headed by the Secretary General.

Press Commissions' Reports :

Soon after the country achieved freedom from foreign rulers, the Union Government appointed several press commissions successively for a comprehensive assessment of the mass media situation during the early days of 1950s and 1960s. These commissions have carried out extensive studies of the ground reality and submitted their reports.

2.6 Coordination of A to Z functions, Printing, Packing, Transportation, Distribution :

We have already come to know that the mass media business is a complex and integrated one now-a-days except for the small and medium newspapers or radio stations including Community Radio stations. Let us have a glance as to why it is so —

2.6.1 Print Media :

In a newspaper, especially in a daily, from the moment of getting news items for editing till the newspaper reaches

the houses of the readers, there is a long chain of activity that has to be completed. Reporters and journalists start looking for as well as bringing in news items since the morning forenoon session which are sent for editing in the afternoon and evening. In the evening, by about eight or nine o' clock news items which will be printed in the next morning's edition are finalized by the senior editorial personnel concerned. Before that the selected items are already processed into printable versions in the DTP section. After finalization of selection along with the advertisements for the day's edition, page layout is prepared and all the pages go for printing in a sophisticated printing system. Following printing, packaging of the papers is done in different packets for transportation to different places and sent in batches by vehicles. After the papers are handed over to the dealers and hawkers, they finally deliver them to the individual readers. In addition to these, several departments are working almost day and night to help the industry going by working in the advertising and sales department, personnel department, DTP section, printing or machine sections, packaging and vehicle loading sections, etc. Hence there is a need for meticulous monitoring of the all the serial activities from beginning to end.

It needs mention here that with the sole aim of cutting on the time of delivery of a newspaper to the people at the earliest possible moment in the morning quite a few newspaper houses have started the local editions by printing as well as adding news items of that area. While several metropolitan newspapers like *The Hindu*, *The Indian Express*, *The Times of India* have been doing this for many years, in Assam also *Pratidin*, *Amar Aosm* and *The Assam Tribune* groups of publication have started several editions to cater to the readers. This has been necessitated because of the intense competition among the dailies for catching more and more readers. Just imagine the situation. When a newspaper is printed only in Guwahati,

it will require more than eight hours to reach places in distant areas like Silchar, Dibrugarh, Sadiya, Dhubri etc. So, if it can be printed at some conveniently-located places like Jorhat, Kokrajhar, Tezpur, Silchar, readers in and around these places could be served from these points which will in turn cut down drastically on the time for the newspaper to reach these areas by vehicle.

We know that with the advent of technology, things are undergoing major changes in every sector. In case of printing also, nowadays the layout of the pages can be very conveniently done in the computer itself with the help of specific software packages like Pagemaker, Quark Express etc. And the final master print can be printed directly from the computer. This saves a lot of time as several steps in between are eliminated because of the development. Besides, the use of computers in reporting and editing work have also rendered the entire process far less time-consuming in the event. This is because reporters both at the head office and at distant places can file their reports online through internet which the editorial persons can edit in the computer itself without the need of papers in the process. Similarly, photographs can also be transmitted, edited and printed like this which saves a lot of time.

2.6.2 Electronic Media :

This type of mass media's activities is different from the print media whereas it is also quite complex. For example-irrespective of whether it is a news channel or a general entertainment channel, all the programmes have to be prepared before hand except for the live programmes. This requires a lot of planning, coordination, manpower and logistical support which includes vehicles for movement of the crew, food and accommodation arrangement etc.. Besides, the most important thing is to maintain the strict

time schedule at any cost. The activity also includes issues like choice of topics or subjects for programmes, locale selection, taking appointments with the persons concerned for the programmes etc. Again, the programmes need to be edited before they are broadcast. The editing is usually done in the studios, but for important outdoor events, many a times depending upon the circumstances, it is also done at studios fitted inside special vehicles from the spot of the events. Further, advertisements have to be inserted into the programmes at suitable pre-determined points. The same situation also applies for Radio channels. The most important challenge is to be able to collect and edit a news item and put it on air with minimum gap of time between its happening and the broadcast. That is why in media the proverb ASAP - "As Soon As Possible" and "Deadline is Yesterday" are quite popular. Also, important and major developing news items can be updated from time to time - an advantage which is not there in print media. In short, people in the mass media business have to be on their toes 24 hours of the day as anything might happen any moment of the day or night. Hence, here also there is an extreme need for a very meticulous monitoring of A to Z functions. Significantly enough, as most of the news or programme channels are broadcasting programmes for 24 hours of the day, things are far more complex and complicated in this regard which is not so much in case of the print media. In print media the persons involved can avail at least some amount of time as the deadline is usually set for about 9 or 10 p. m. in the night. The use of computers and internet have revolutionized the way things are carried out in case of the electronic media also as explained above in regard to the print media.

2.7 The Mass Media Business :

This is a complex business as we have said earlier also. In simple words, mass media sells information to the mass

consumers whereas at the same it also sells the attention of the consumers to the advertisers. It can also be said that in this world mass media must generate contents in both quantity as well as quality, generate advertising revenues and sustain profitability or financial support, contents must be promoted for creating mass awareness about them so that a healthy survival can be ensured for the business. Mass media exerts enormous influence over the lives of human beings – both in intellectual as well as economic aspects. Nowadays it is the world of information and without it is almost impossible to survive at all. And mass media is the supplier of all sorts of information to us 24 hours of the days and thus we can never undermine the importance of this world in our society. As in communication, mass media facilitates an enormous exchange of information between the masses on one hand and the advertisers on the other hand. This ensures that both of them can be equally benefited in the process. The masses can satisfy their requirement for news and information about whatever is happening around the world along with advertisement messages about the products they might need at any moment of time. And based on this big-scale exchange activity, there lies the mass media industry of the world with hundreds of billions of rupees' worth business.

2.8 Let us Sum up :

From the discussions above as well as from your personal experiences also, it must have become almost obvious how complex and complicated a business mass media is, in reality. And that too carrying out this enormous task everyday without a break is really a formidable challenge. As it has become a full-fledged industry many years back, the government has taken up serious steps for implementing structured pay-scales for the personnel engaged in it. While earlier pay commissions for journalists

have given due recommendations, the latest one headed by Justice Narayana Kurup is about to submit its report which is expected to bring some parity with the pay and perks of the journalistic and non journalistic employees with those of the union government employees following the recommendations of the 6th Pay Commission.

We have also discussed about the Directorate of Advertising and Visual Publicity and Audit Bureau of Circulation - two important organizations involved in the business of checking up and authenticating of the circulation figures of newspapers and magazines and other journals.

After that, we have also thrown some light on the chain of jobs necessary for finally delivering the newspaper to the houses of the readers and the TV and Radio sets of the mass consumers of those products. In the mass media business, especially in print media - News Reporting and Editing are definitely the core activities whereas all other functions - printing, packaging, distribution and delivery of news items to the masses are secondary or supporting activities. An absence of these functions will greatly hamper the distribution and delivery of news items to the masses. Hence there is an utmost need for judiciously combining all these jobs for a smooth and effective functioning of the mass media system. This is because the ultimate goal of mass media is to present quality contents to the masses (whether non news or news) who are dependent upon it for satisfying their thirst for information. A basic and preliminary understanding of these aspects of mass media business will help you in discharging your duties in a better manner in future. Because it is not just enough to produce quality contents but it is also equally important for delivering the same to the masses or the target audience in a convenient and attractive manner in a time-bound form.

2.9 Possible Questions :

1. What is the importance of a Pay Commission for journalists? Discuss about the situation of journalists' pay-related matters.
2. What are the activities of the Directorate of Advertising and Visual Publicity (DAVP) ?
3. What is the significance of the Audit Bureau of Circulation (ABC) for the print media ?
4. Discuss the chain of activities necessary in print and also electronic media from the beginning till the time the contents are delivered to the masses in the end.
5. What is the impact of advances in technology including computers and internet in case of mass media ? Discuss with examples.

2.10 References / Suggested Readings :

1. Indian Media Business by Vanita Kohli,
2. Mass Communication in India by JV Vilanilam,
3. The Media in Your Life by Jean Folkerts and Stephen Lacey
4. India Year Book published by the Publications Division, New Delhi.

Unit 3
Growth of Mass Media in India

Contents :

- 3.1 Introduction**
- 3.2 Objectives**
- 3.3 Economic Liberalization and Competitive Growth of Mass media in the Country**
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- 3.5 Foreign Direct Investment in Media**
- 3.6 Vernacular and Local Newspapers in the Light of Globalization**
- 3.7 Let us Sum up**
- 3.8 Sample Questions**
- 3.9 References / Suggested Readings**

3.1 Introduction :

Over the years mass media and mass communication have established themselves as highly-competitive business enterprises all over the world and also emerging as an employer with great potential in the coming days. One important feature of this development is that the trend is always on the increasing scale rather than decreasing despite all odds. We all know that in the western developed nations and societies mass media is a business which is not controlled by the government directly except strictly enforcing specific guidelines. This is done to ensure that media does not take undue advantage of its immense influential powers. On the other hand, in the developing

nations and also in the Communist and dictatorial countries, the government or the ruling society or elite has a direct or indirect bearing on the mass media. In the chapter on Theories of Mass Communication, you must have realized how mass media is expected to function in specific political systems across the world. As the latest era is being swept by a worldwide trend of economic liberalization, cutting across every walk of life, how can mass media be left behind. This chapter is devoted to discussing, in detail, how this trend is changing the face of the mass media all over the world.

3.2 Objectives :

By the end of this unit you will be able to

- *be* well-acquainted with the processes by which economic liberalization is helping the unprecedented growth of mass media
- *observe* the impact of investment from foreign companies in our country's mass media
- *find* the relationship and competitive aspects between the newspapers of local languages and the English ones
- *have* a comprehensive idea about the overall growth of Indian mass media

3.3 Economic Liberalization and Competitive Growth of Mass media in the Country

Soon after the independence of the country in 1947, we have decided to follow the five-year plan growth model for an all round development. The idea was that as our resources were not abundant its usage had to be managed in a highly rational and controlled manner so that each and every sector of the economy and section of the society could derive benefits from it. The five-year plan model is still being followed in the country even though priorities

are constantly undergoing changes with every passing plan. The idea was to take up government's initiatives in case of heavy and capital-intensive industries and prepare the ground to play for the private sector. It was also decided to promote a new system called public sector undertaking (PSU) which would be floated by the government as autonomous business corporations usually in such sectors where the investments would rather take a long time to mature and yield profits. The mainstay of the entire economy was some sorts of restrictions and regulations that prevented a competitive environment for the country's business enterprises like the one prevalent in the western nations. This was done to protect our economy and business from the big enterprises from the developed foreign nations.

However, in the 1990s, when the Indian economy was in quite a bad shape, the union government had no alternative than to open up the economy for foreign investments. And immediately our economy was flooded by hundreds of companies interested in doing business in India. As we have said that mass media is big business nowadays, it was quite natural that many mass media entities would also enter the country for business.

It is not only that the economy was opened up for foreign business concerns. Inside the country also, the electronic media sector which was strictly controlled by the Union Government in the form of All India Radio and Doordarshan was thrown open for private enterprises. That is why today we can see almost 300 Cable TV and private FM radio channels all over the country and many more are going to come up in the next few years. Even the Union Government had unveiled a major plan for setting up of 336 radio stations in the next few years under a mixed system of operation - NGOs, private operators, educational institutions, All India Radio etc.

On the other hand, in case of informing the masses of

important and useful information, the government during the earlier days of our independence felt that radio would be the most useful medium for the purpose. Besides, as the literacy rate of the masses at that time was not highly encouraging it was believed that the people were not yet ready to have enjoyed a free functioning of mass media mainly radio. Hence the medium was kept under strict government control for about four decades. It is only during the early 1990s that private business establishments were also allowed to operate radio channels under the FM mode.

In 1995, the Supreme Court of India delivered a momentous verdict saying that the airwaves were public property and no agency or body including the government had any authority to monopolize it by any means. This verdict has opened the floodgates of petitions from voluntary and social organizations as well as educational institutions for allowing them to operate radio channels for 'public or community's interests'. This has further led the government to make legal provisions for accommodating private operators along with NGOs, voluntary organizations, educational institutions to be allowed to apply for, receive and operate FM radio channels. Today, in our country, there are more than a hundred private FM channels in addition to about 40 Community FM radio stations including those in the educational institutions. We can say that this is also a major implication of the economic liberalization process.

Stop to Consider

TV / Cable TV

In a similar situation like Radio the decade of the 1980s has witnessed a major spurt in the establishment of cable TV channels. Starting with a few ones in initial period, today it has grown to more than 300 of them in

all, covering almost every sector of entertainment and news delivery to the more than 100 crore population across the nook and corners of the country. Even the Union Government-supported Doordarshan has expanded its network coverage in a huge way to compete with the private cable TV operators.

Television which is considered as the leader in digital media has been experiencing a profuse growth in terms of number of channels. With the technological advancements in the field of broadband, IPTV and DTH the number of channels and TV as an electronic media will grow further leading to many media jobs in India. It has been found by the Federation of Indian Chambers of Commerce and Industry (FICCI) that growth in the Entertainment and Media industry is more than that of the Indian economy.

Print Media :

In case of the print media also the trend has been highly satisfactory and encouraging over the years. The growth was quite sluggish till about the early 1980s though picking up quite enthusiastically as the days went by. With an increase in the literacy rate of the country's population there has been a major rise also in the number of copies of newspapers and journals and also books sold over the last about a decade.

3.4 Competitive Growth of Mass Media in India :

The media scenario in India has come of age with almost a revolution taking place in different areas of mass communication.

India the largest democracy in the world with continental proportions can boast of about 60,000 newspapers and

periodicals being published today along with more than 400 round-the-clock cable TV and private Radio channels serving news and entertainment to the people.

This definitely qualifies to be called a quantum jump from just a little over 6,500 newspapers and periodicals way back in 1956. The corresponding circulation figure was about nine million. The number of journals rose steadily to more than 30,000 by the last decade of the last century. This also contributed about 127 million copies printed in the year 2000, subsequently reaching 18 crore copies today. This puts India only next to China which is on top in this regard at present.

The broadcast media has a far greater penetration, reach and influence upon millions of people through the entertainment, news-based and current affairs programmes etc.

And with increasing decentralization from the centralized regime, diversification from homogenization, manipulative to participatory communication, Radio broadcasting is enjoying a far higher acceptability and popularity amongst the masses. This is basically due to the factors such as easy accessibility to vast masses, comfortable adaptability to local needs, culture, ethos etc. and above all, from its amenability to becoming a medium of participatory two-way communication process.

It will remain an important medium of mass communication for the developing nations for a very long time to come due to the fact that it can easily and economically reach so many people at distant and remote places than any other form of mass media.

It was Lord Irwin who could foresee the true potential of this medium when he declared, way back in 1927, that "India offers special opportunities for the development of broadcasting. Her distances and wide spaces alone make

it a promising field. In India's remote villages, there are many, who, after the day's work is done, find that time hangs heavily enough upon their heads. Both for entertainment and for education, its possibilities are great and as yet we perhaps scarcely realize, how great they are."

The advantages for the Radio as a medium of mass communication include -

- its inherent ability to obtain reactions from a large number of people at the same time
- its merit of immediacy, ability to break the barrier of literacy
- its programmes of intensive broadcasting in agriculture which was introduced in order to help a large number of farmers
- extension workers to get quick, correct and succinct information

The significant role of extension services largely lies in narrowing down the gap between the researchers and farmers in bringing about social changes by way of introducing innovations among farmers.

Today, in terms of geographical, linguistic and numerical strength, Radio's reach is far greater than that of all other media in the country. That is where lies its great potential. This is further enhanced by the introduction of FM and digital broadcasting facilities.

The basic fact about Radio is that it is entirely an aural art with a complete absence of visual components. Interestingly, this is both an advantage and a drawback at the same time for the medium as an art form.

In the words of N Menon, former Director General of AIR, "We have to create a language which is as near the

language of speech as possible. The sound of words should be the operative factor in this language, not the shape. The voice can persuade, condemn, doubt, hesitate, approve, question as well as assert. It can bring rhythm and life to speech."

The growth story of India's entertainment and media (E&M) industry is unfolding spectacularly as it is set to touch the Rs 1 trillion-mark in just four years time, a study has indicated. Growing at a compound annual growth rate (CAGR) of 18 per cent, the industry, which currently hovers around Rs 437 billion, is expected to outgrow the country's economy, according to a FICCI-Pricewaterhouse Coopers study in 2005.

According to a report jointly published by the Federation of Indian Chambers of Commerce and Industry (FICCI) and KPMG, the media and entertainment industry in India is likely to grow at the rate of 12.5 per cent per annum over the next five years and touch US\$ 20.09 billion by 2013.

"This growth is partly due to the several positive measures taken by the Government," a joint statement by PricewaterhouseCoopers Managing Partner Deepak Kapoor and Executive Director Timmy S Kandhari said.

"It has also been boosted by technological advancements, entry of large corporate players into all segments of the industry," the report said. According to the study, the E&M industry is growing at a faster rate than the country's economy because of its income elasticity, wherein when income rises, more resources are spent on leisure and entertainment than on necessities. The study foresees the growth being chiefly led by Radio and TV which will clock 28 and 22 per cent, respectively.

Television will continue to contribute the largest share of revenues to the industry with its size expected to

grow from the current Rs 191 billion to Rs 519 billion by 2011, it says. In hot pursuit are film entertainment (16 per cent), out-of-home advertising (17) and live entertainment (16).

Meanwhile, "the film industry has continued its trend of corporatisation with more than half of the releases in 2006 produced by corporates rather than individuals," veteran filmmaker Yash Chopra said in the foreword to the study. "The growth in number of multiplexes and digital cinemas is expected to drive the growth of this segment over the next five years," adds Mr. Chopra of Yashraj Films. In fact, a clearer indication of the state of affairs in the film industry is evident from the fact that India has long produced more movie titles in *Bollywood* than the North American industry of Hollywood. In 2004 the official estimate was 934 movies with 3.1 billion admissions. Today global Hollywood hit movies are often released simultaneously in India; *The Da Vinci Code* was dubbed into six Indian languages. In 2004, merchandising for "Spiderman 2" collected over US\$ 2 million in India in its first weekend, the highest ever for a Hollywood film.

TV channels from the West are generally allowed open access into the India market: CNN, MTV, the BBC, as well as American sitcoms and soaps are popular on the cable networks in India. India is the third largest television market in the world today. There are over 119 million television households, which comprise only about 60 per cent of the total households in the country. Of these 119 million television households, about 50 million receive cable television services.

Although the fastest growth projectile in Indian E&M industry will belong to Internet advertising (43 per cent), in terms of hard figures the segment is expected to post only a humble Rs 9,500 crore from the current estimated Rs 1,600 crore.

The Indian media and entertainment (M&E) industry is one of the fastest growing industries in the country. Its various segments—film, television, advertising, prints media and music among others—have witnessed tremendous growth in the last few years. With A.R. Rahman and Resul Pokutty having won Oscars for their commendable work in *Slumdog Millionaire*, the spotlight has shifted on India and the immense talent and potential it offers.

Television :

According to the study by FICCI and KPMG, the television industry, which is currently valued at about US\$ 4.63 billion will expand by 14.5 per cent between 2009 and 2013. Digital distribution platforms such as direct-to-home (DTH) and Mobile TV are transforming the industry. Mobile TV—where content will stream in on mobile phones—which is currently at a nascent stage is poised to grow big with the advent of 3G, according to experts. Viewership across various segments is increasing and marketers are launching new channels to meet this growing demand. Turner and Warner Bros Entertainment, Hollywood's leading studio have launched WB, a new Warner-branded channel in India that will showcase blockbuster motion pictures and acclaimed television series.

Music :

Industry experts estimate that the current size of the music industry is about US\$ 149 million. According to a PwC study, the industry is likely to grow by 2 per cent over the next five years and will be a US\$ 164.56 million industry by 2012. While cassettes and compact discs (CDs) have traditionally accounted for most of the sales, future growth will come from non-physical formats such as digital downloads and ring tones, among others. Digital music sales were expected to account for 88 per cent of the total music industry's revenue in India by 2009.

Radio :

The cheapest and oldest form of entertainment, reaching 99 per cent of the population, this segment is likely to see many dynamic changes. According to the PwC study, revenues from radio are likely to grow at a compound annual growth rate (CAGR) of 24 per cent between 2007 and 2012. The growth projection for the industry was from US\$ 150.52 million in 2007 to US\$ 370.22 million in 2012. Private FM radio has emerged as the fastest growing segment in the media, notching up an average 30 per cent growth in advertising revenues, compared to the industry's average of 18 per cent, according to A C Nielsen's Radio Audience Measurement (RAM) service.

Advertising :

Advertising trends showed a healthy growth in the last five years as marketers sought to woo customers for a wide range of products. Radio, internet and cinema have been the traditional mediums of advertising and according to a survey by Adlabs Cinemas and research firm IMRB, in cinema, the 30-second in-theatre advertising accounts for 95 per cent of cinema advertising. The remaining 5 per cent comprises activities in the lobby area such as new car or bike displays, etc. Of the overall advertising spend, currently only around 0.4 per cent (around US\$ 15.42 million) is spent on cinema. Print and TV account for the majority of the ad spend.

The number of brands advertised on television witnessed an 82 per cent increase during 2008 compared to 1999, according to a survey by AdEx India, a division of Tam Media Research. Going forward, digital media advertising (internet, mobile and digital signage) is expected to emerge as the medium of choice for advertisers. Of the available media, it was the fastest growing segment in 2008. According to a FICCI-PwC report, online advertising is expected to touch US\$ 212.03 million in 2011 from the current US\$ 57.83 million.

Cinema :

The Indian film industry is the largest in the world in terms of number of films produced per year. The FICCI-KPMG study values the Indian film industry at US\$ 2.11 billion and projects its growth at 9.1 per cent till 2013. The opening of the film industry to foreign investment coupled with the granting of industry status to this segment has had a favourable impact, leading to many global production units entering the country. Buoyed by the success of its maiden production in India—Chandni Chowk to China (which garnered US\$ 8.67 million globally in the first three days of its release)—Warner Brothers Pictures India is set to invest US\$ 38.6 million in film production this year.

In 2001, film was accorded 'industry' status by the Indian Government thus making it eligible for film financing from banks and financial institutions. The Industrial Development Bank of India (IDBI) set up the country's first film fund worth 100 crores. Cable television is the largest revenue earner with television broadcasting in second place and film third, followed closely by television production.

The future primary drivers for the entertainment industry will be growth in GDP, changes in demographic and the adoption of digital technology by the industry. The subscription revenues of the television channels are estimated to be around Rs. 25 billion currently. There are thirty five million households having access to about seventy channels the cable networks. The penetration of cable TV, particularly in the rural segment is expected to grow by 12% in the coming years.

According to an estimate by FICCI and Ernst and Young, the Indian entertainment industry was worth more than Rs. 400,000 million in 2008. Several positive developments like the accordance of the 'industry' status to the film

industry, satellite channel penetration, the retail boom in the channels for music sales (Music World & Planet M), the use of digital technology in all spheres of entertainment and the growth of multiplexes have contributed to the growth of this sector.

Entertainment industry in India is presently in a consolidation phase as boundary lines between films, music and television are fast disappearing. Skills and resources are being pooled extensively. Besides adaptation to high-end digital technology, the entertainment industry is also witnessing rapid development of state-of-the-art studios and post production facilities.

In terms of employment, an estimated 6 million people earn their livelihood from the entertainment industry and this number is all set to grow. Entertainment industry in India is projected to be one of the major economic driving forces of the country. In India, television is the major segment of entertainment industry. Presently, India has the third largest television market in the world behind only China and the USA. Presently, the technology of film-making in India is perhaps the best among all developing countries. Indian film industry is now increasingly getting professional and a lot of production houses such as Yash Raj Productions, Dharma Productions, Mukta Arts, etc. are now working on corporate lines. The popularity of Indian entertainment industry goes well beyond the geographical frontiers of the country. Indian television channels and films are viewed and enjoyed across the entire South Asia. Across the Middle East, parts of South East Asia and Africa, large expatriate populations ensure that Indian TV channels and films are a regular part of their entertainment bouquet. In UK and North America (USA and Canada), Indian TV channels and films are increasingly finding a foothold beyond the expatriate pockets as the audience there has started to enjoy and identify with the contemporary Indian culture. Quite a few of Indian film stars are also getting good offers from Hollywood.

The future prospects of Indian entertainment industry look to be extremely good. As India's profile rises on the global stage outside interest in India's culture and entertainment industry is also bound to grow.

A Few Important Trends :

One very interesting and encouraging development in this regard is that all the three media - print, TV and radio are competing with each other in a healthy manner thereby benefiting the audiences in a far better way than otherwise. This is because, to survive in a respectable way in this tough competitive world, all of them are implementing the best possible means of entertainment and news delivery so that the audiences do not swap to another channel or switch over to another medium under any circumstances.

For example - in case of radio, earlier majority of programmes were of non-interactive type with hardly any scope to involve the individual audience in the programmes which could never deliver customer satisfaction. But as nowadays a considerably-high number of programmes are interactive - where the anchorperson receives peoples' queries and answers them properly—it goes a long way in keeping the masses in good humour making them feel that they are being cared for by the mass media.

Another important impact of the economic liberalization process has been a somewhat gradual but steady growth towards a problem situation arising out of 'cross media ownership' during these years. As the electronic media sector has been opened up, the already-existing print media organizations have started lobbying for commercial FM radio and cable / satellite TV channels in a mad rush owning several such channels across the nation in some cases. This may lead to a monopoly-like situation in the future if the trend is allowed to proceed without any restrictions.

3.5 Foreign Direct Investment in Media :

This concept means investments in the Indian mass media business by firms, business establishments and also by mass media enterprises from foreign countries without any major restriction. With the onset of the economic liberalization policies as mentioned earlier, this has been going on in many sectors of the business and economy of the country with different kinds of regulations over the level of investments. However, with mass media, particularly with news and entertainment this is a tricky and controversial question as it opens up several important aspects.

First of all we all know that in an ideal situation the mass media of a country is expected to be the mirror of that society. This means that the mass media should reflect the reality and the actual status of the society in proper terms. Besides, in any society, especially in developing nations like India, mass media have multiple responsibilities to shoulder. This includes - providing information, education, persuasions of the masses through its outlets so that an overall developmental effort could be initiated.

Secondly, unless a mass media outlet or institution or organization has some basic local characteristics how can it be expected to have a local flavour and closeness with this country's cultural ethos.

Now, when a newspaper, a radio or TV channel or film production company would be fully-funded by a completely foreign firm can we expect them to be caring about our culture. It is common knowledge that even inside the country the mass media establishments are basically launched for monetary profit in the long run. Yet, even though they are launched more for commercial purposes yet they do have to shoulder certain amount of responsibilities as mentioned above. But can we expect

the same kind of responsibility-sharing by the mass media organizations totally funded by a foreign business concern?

This is because when a newspaper or radio or TV channel would be set up by such a business organization, it would have to be operated according to their policies which we can hardly expect to be conducive or beneficial for our culture and economy. Of course, this may not be true to all such organizations whoever comes to set up mass media ventures in India. But it is expected that such a situation may arise.

There is another major concern in this regard. That is, we all know that a majority of those concerns coming to our country to set up such ventures would be of a huge financial standing which could be hardly matched by our firms. This would automatically open up a highly competitive situation in which our firms may be handicapped by a severe disadvantage. A similar situation occurred in the cold drinks business of the country when the economic liberalization allowed global giants in the business to enter our economy and several major and popular Indian cold drinks establishments were bought up by the foreign firms.

Further, as mass media is taken as an extension of our cultural ethos opening up of the economy and the media business for foreign firms is a serious cause of concern. This is one of the major causes why the union government has not yet opened up this sector fully for foreign direct investment. But investment is allowed in a limited amount with some conditions attached.

A few of these conditions are —

- Books of scientific or other knowledge-related aspects are allowed to be printed and marketed in India
- Foreign media firms are allowed to acquire about 26 % of equity in Indian mass media firms so that they cannot

have controlling stake in the business. In other words their equity percentage must be kept at a lower amount not to let them do whatever they would like to do.

No Government policy can be expected to do justice without addressing three core issues cutting across all media. These are (a) to do with FDI, not only into "news Media" (radio, television, newspapers) but all other media and obligatory conditions that need to go with license; (b) certain polarization in the pattern of media holdings towards a monopolistic situation, and (c) of course without having a view about emerging cross-media operations. So far there is no indication that the Government has taken note of these issues seriously. The first deal under FDI into newspapers materialized in September 2003, one year after 1956 Cabinet decision was reversed and liberalized for 26 percent foreign equity. As about 15 ventures between one or other big Indian news media house and one or other prominent one in UK or USA or Australia or in Europe are being pursued, 9 or 10 of them have already been formally announced signaling a new era in the Indian media scene. However, so far no smaller, or even a medium sized newspaper has attracted enquiries for FDI. Over and above FDI of 20 or 26 Per cent, foreign institutional and non-resident Indian investment also is allowed. Together this could amount up to 46 percent in the case of News media, DTH, cable TV and FM radio.

Foreign Direct Investment (FDI) Allowed into Media :

Media Percent of FDI

Technical Journals 100 %

Films 100 %

Advertising 100 %

Market Research 100 %

Public Relations 100 %

Printing Plants 100 %

TV-Non News 100 %
TV News 26 %
Cable TV 26 %
Newspapers 26 %
Radio-FM 20 %
DTH 20 %

(Additionally investment allowed from abroad includes from NRI's and Institutional.

Source: Compiled by CMS Media Lab)

In addition, foreign newspapers can now launch facsimile editions of their international edition, but after incorporating local subsidiaries registered in India and without carrying locally generated contents, including advertisement. This is because of certain apprehension that Indian newspapers may not able to withstand competition. This provision, however, is being contested by big media houses. Also, as the cap on foreign syndication in Indian newspapers has been increased form 7.5 to 20 percent of total editorial content, the extent of foreign contents by way of supplements, etc. has significantly increased. There are no active media watch groups in India which are on constant vigil and are based on objective analysis and reliable methodology. There is hardly any independent ongoing research on media operations and trends. We are emphasizing the word independent research, because TRPs, IRS, NRS, if one really digs into, will find that the same global corporates who are the gatekeepers and interested in each other involved in perpetuating their findings as yardsticks for the country and in the process protect their own commercial interests.

As usual, this is a controversial topic with the general opinion widely divided between those favouring it and those opposing it and both the sides present equally-convincing arguments in support of their claims. Deliberations are also going on at the level of the Union Government's

Ministry of Information & Broadcasting about it and because of the high sensitiveness of this issue full or even half equity participation by foreign media firms or business concerns is yet to be allowed.

In some cases, foreign investment is allowed on the condition that the business concerns have to set up an Indian company with almost equal or more numbers of members in the Board of Governors of the organization. By this provision, it is expected at least some amount of responsibilities of Indian ethos would be carried out by the new ventures.

Foreign entities are allowed to own minority stakes in Indian media companies; Ireland based INDEPENDENT NEWS & MEDIA INVESTMENTS LTD owns 20% of India's largest regional language newspaper chain, Jagran publications with a daily circulation of 2.4 million.

3.6 Vernacular and Local Newspapers in the Light of Globalization :

We have discussed about the various aspects of Foreign Direct Investment in the field of mass media in India. Under such circumstances it is quite natural that the newspapers and magazines published in Indian languages may feel that a threat might emerge in future about their existence in view of the big financial clout and capacities of the foreign mass media establishments. Here, foreign mass media mainly means English language media.

However, the reports of the National Readership Surveys (NRS), for the last several years, have indicated something highly encouraging.

First of all- there is a considerably-high growth of Indian language print media over the decades, more so in the last about a decade. It has been found that newspapers or

periodicals published in Indian languages (both recognized by the country's Constitution or not) enjoy a far higher number of copies in circulation on any given day. In fact, more than half of the total copies of newspapers in circulation are in Indian languages across the nation. And this figure is topped by those published in Hindi. This is followed by newspapers published in other Constitutionally-recognized Indian languages enjoying a support of huge numbers of people like Malayalam, Kannada, Gujarati, Bengali etc.

This positive growth is not only in case of the print media. Even in case of electronic media including TV and Radio channels in Indian languages are increasing on a daily basis. Every month or so several new TV channels are launched including entertainment and news as their mainstay rather than anything else. Even the recession which caused major problems for the world economy has failed to restrict the spirit of the growth of the Indian language journalism.

However, there is a condition at this point. That is a majority of the Indian language newspapers usually do not enjoy a good advertisement base and hence they depend on increasing circulation figures. This aspect pushes up price of one copy of a newspaper published in a majority of the Indian language newspapers compared to the English language ones. In other words, the newspapers in the Indian languages end up being priced more than those in English language.

If we observe closely we will find that a newspaper published in Assamese or Bengali costs at least Rs 3 or Rs. 4 with about 10 printed pages. As against this, an English newspaper published from a metropolitan city usually carries a price tag of Rs 2 or 3 at the best. This has been made a reality by two factors - either the financial base of that specific mass media organization is quite comfortable or they receive a huge amount of

advertisement revenues. This happens because the advertisements are invariably of consumer goods that are sold only among those sections that also look at the English language papers than those in Indian languages.

Hence, Indian language newspapers have to depend upon mainly on circulation prices or publication of the newspapers only because of a philanthropic or social welfare activity. This is a major cause for concern for the Indian language newspapers because of globalization. Yet, the steady growth of newspapers in our languages is a highly-encouraging trend which we should promote at all costs in the days to come.

1.7 Let us Sum up :

In the sub units above, we have learnt about the various pros and cons of the processes of economic liberalization, globalization, foreign direct investment in the mass media business in the country. We have also discussed about the Indian language newspapers in view of globalization of our economy ushered in about two decades ago. In the earlier days our economy was somewhat closed and the Indian business establishments including that of mass media enjoyed a certain kind of protection from the government from the fierce cut-throat competition promoted by the mass media establishments of foreign countries. However, with the opening up of the country's economy things have become acutely competitive and our mass media had to face a jolt in this regard. Yet, it is heartening to see that our mass media has faced this challenge boldly and improvised itself over the years to have gained an adequate competitive edge in view of the new emerging situation.

1.8 Sample Questions :

1. Give a brief description of the growth of Indian mass media business over the years.

2. What can be possible problems and prospects of allowing hundred per cent Foreign Direct Investment in the Indian mass media.
3. How are the Indian mass media, particularly our language media facing the challenges of adapting to the new situation which is far more competitive and complex ? What will be the situation after five years from now in your opinion ?
4. Even though there are so many mass media agencies in operation, are the masses receiving a wide variety of choices both in news and entertainment. Explain.

1.9 References / Suggested Readings :

India Annua, Publications Division, GOI

Manorama Yearbook, Malayala Manorama Publications

United Nations Yearbook

Five Year Plans of India

World Events, Orient Longman

Asian Recorder

The Times of India Directory

The Indian Media Business by Vanita Kohli

Unit 4
Entertainment Industry in India

Contents :

- 4.1 Introduction**
- 4.2 Objectives**
- 4.3 Growth of the Entertainment Industry in the Country**
- 4.4 Comparison with Global Status**
- 4.5 Cross Ownership of Media**
- 4.6 Let us Sum up**
- 4.7 Sample Questions**
- 4.8 References / Suggested Readings**

4.1 Introduction :

Even though we have been speaking a lot about the unprecedented as well as revolutionary growth of the mass media business in the country we have not discussed the growth of the entertainment industry in India and a comparison of the country's status with that of the world. This is necessary to allow you to have a comprehensive view of the mass media scenario both inside the nation as well as the world so that you can make a comparison.

4.2 Objectives :

The objectives of this unit are to

- *make you well-versed with the status of both global and Indian mass media business status,*

- *make* you find out a linkage between these two developments over time,
- *help* you discuss the issue of cross ownership of mass media and what are its pros and cons in the *long* and short run

4.3 Growth of the Entertainment Industry in the Country :

The decade since 2001 has been of economic and political turbulence in India. Consistent commitment to economic reforms, initiated in 1991, has triggered this process. During this period India has also witnessed an unprecedented growth of mass media, particularly the electronic media and structural changes of for reaching consequences. Mass media in India proliferated in leaps and bounds since 2003 in turns of size.

There has been a proliferation of news bulletins on various television channels in the last couple of years. The big daily newspapers have further increased their circulation and readership. Radio and cinema got revived in the last couple of years. The turnover of media sector is more than Rs.400 billion and growing at around 18 percent per year. And, as a result, media is identified as among the top five priority sectors for investment. All this is significant in the larger context of the "Press freedom" which is not only uniquely provided in the constitution of the country, but also respected as in any other prominent democratic and developed country. In fact, there are fewer specific restrictions or regulations in India restraining media freedom than perhaps in USA, for example. Indian mass media now is not dominated by Government, including the electronic media, as in the earlier decades. In fact, it is private operators, new and old ones, who are making a difference. The share of State owned All India Radio and Doordarshan TV would at the most be one-third of broadcast scene. In other words, the globalization process

has changed the very course of mass media in India, but moved it closer to "entertainment sector" and, in that process, diversity and pluralism, two basic characteristics of India, are likely to be eroded.

Stop to Consider :

Cinema

Cinema Theaters 13000 3.3 billion viewers / year
Multiplexes 130 Account for 1/3 of collections
Feature films made yearly 1200

Telecom

Landlines 54 million 26/1000 people
Mobile 45 million 7/1000 people

Internet 13 million

Source: CMS Media Lab Compilation

2000-2005 period has been years of dramatic growth of electronic media. The number of television channels available to subscribers in the country has crossed 200 against hardly ten a decade ago

However, surveys have indicated that the number of channels actually viewed in a household, at one time or other, in an average week, is hardly ten. Today there are 25 round the clock news channels (all up linked from India as required). They are competing to excel not just in the case of English or Hindi but also in regional languages. Additionally, nearly half of Doordarshan channels as well as other channels too have more than one news bulletin daily. Zee TV, Sahara TV, Sun TV, and ETV have already got news in local languages across the country and announced plans to have in more languages. Although the share in viewership in the country for news on television has doubled since 2003, it is still much less than 10 per cent (as most news channels are watched mostly in cable TV households and more than one-third

of total viewers are children). But news channels have gained in advertising support substantially-nearly one-sixth of TV advertising revenue. Over and above these channels, there has been a plethora of "neighborhood channels" mostly by successful local cable TV operators. In some cities in the South (like Madurai, Coimbatore, Vijayawada) there are more than a couple of such channels.

Reach of Mass Media :

Overall, Television today reaches nearly 50 percent of population of adult (about 350 million) against about 35 percent (about 200 million) of newspapers of all periodicity. Interestingly, even in rural India, the print media reaches about a quarter of population against about 45 percent reached by television. English publications hardly have 10 percent readers. Readers of daily newspapers comprise 90 percent of total readers. Readership for magazines works out to hardly one out of every five and there has been a decline in magazines readership more recently. But the disparities in the reach of media are too glaring between regions and sections of society. Taking a long-term view, one could say that TV has slowed down the growth of newspapers marginally but has added to the competition and brought in more optimizing efforts. Because of liberalization, radio is being rediscovered in India. In fact, last two years saw listenership surveys and claims of listenership by competing radio channels as some of the metro cities are having more than three FM radio channels. Similarly, because of increase in the number of multiplex cinema theatres, cinema too received certain revival. It is also because the number of "formula films" have come down.

Growth in Circulation :

In the last couple of years Hindi publications, particularly the dailies, had better growth in their circulation than in

the case of other languages, including English. While newspapers in the southern states had higher growth of circulation, the growth in the states of North was not significantly different from the previous years as one expected considering the size of potential market. Also, wherever there has been keen competition, the growth has been higher. Telugu, Kannada and Malayalam dailies grew a little over 5 percent. Tamil dailies, however, by and large, remained stagnant in circulation. English periodicals had faster growth than periodicals of other languages.

High Growth, Low Expansion :

With proliferation of TV, radio and newspapers recently in the country, the overall role, reach and relevance of media should have expanded much beyond what it was a couple of years ago. The range of coverage of the news media should have also expanded beyond metro cities. But hardly there has been any change in both the respects. This is because the competition within and across the media has been for the same sections of people, the ones having deeper pockets. That is how rural reach as well as coverage is still negligible. Some increase in circulation and viewership nevertheless is because of multiplicity, not because of expansion in the reach beyond two-thirds of population. That is the ones seeing are seeing more channels or programmes, and the ones reading are reading more newspapers.

Despite all that recent growth and expansion of mass media and emergence of new media, the overall reach of media of mass communication put together is not even two thirds of adult population of the country. And, regional differences between States in this regard continue to be glaring. In fact, in the last couple of years there is some stagnation in the "overall expansion" of media, going by various national surveys, including the just released National

Readership Survey (NRS) for 2005. Male-female differences in readership have come down during the last two decades. But they are still significant. In fact, even in urban areas, readership among women is hardly a quarter against over one-third among men. Younger age groups are not reading newspapers as much as their elders. This is because of preoccupation as mass media in terms of their concerns, contents and concentration in the operations. The NRS for 2005 in fact brings out that even the reach of newspapers has fallen in urban India since 2002 (from 48 to 46 percent) and that there are 314 million adults now who can read but do not read any publication. Also, despite proliferation of media and competitiveness, the choice in the content package of channels is not so distinct.

In the last couple of years the overall readership of newspapers has increased by about four percent both in urban and rural areas. Language publications obviously continue to dominate the scene. Out of the top ten newspapers, only one is of English language, having multiple editions. English dailies in all are read by less than four percent of adults. Over the years readership for daily newspapers in the four Southern states increased a lot more than in the other States. This is significant for two reasons. Firstly, both circulation and readership of dailies in these states has been growing all along in the earlier years too and the growth of dailies in Hindi was expected to be much higher in 90s whereas it has not been so. Second, the spread and proliferation of television in the four Southern states has also been lot more with language TV channels originating local programmes, including news. This has not slowed the growth of readership in the South. This is also the case with Marathi dailies. Overall, both growth and expansion has been more and faster in the case of regional language media.

One reason for low penetration of media is that even after fifty years of India's independence, there are hardly 100 locations in the country originating newspapers. In fact,

nearly 90 percent of newspapers are published from 25 metro cities. This is despite availability of basic infrastructure elsewhere too. The number of locations however, has more than doubled over the last 25 years. Hardly one-fourth of districts of India (598) originate a daily newspaper. Most of them do however have incoming newspapers. A recent initiative of newspapers like Eenadu (AP) has unleashed "district-specific editions" to the main edition. This was also noticed almost two decades ago in Tamil Nadu with a newspaper called "Dinamalar". This has helped expand the reach and participation. As against this, over 770 locations in India have a TV transmitter of one kind or other, although not even 5 percent of them originate local programmes. Then, there are cable TV operators practically in most urban centers of India, some of them are trying to meet unique local needs, including coverage of local events with local news. And yet, well over half of news of national news channel bulletins continue to be from Delhi and Mumbai.

Is TV Expanding Readership?

The States where growth of newspaper circulation and readership has been more in the last couple of years are the same States where proliferation of television and viewership to TV has been higher and growing too. For sure, it could be said that TV has no significant impact on the levels of readership to newspapers in the country, particularly in the case of the big ones. On the contrary, certain competition is helping to increase the overall market for newspapers. However, there is enough empirical evidence that newspapers, of late, have slipped as the "primary source" (on politics and business/finance) for news, both in urban and rural India. Also, there are enough indications that growth in advertising flow to newspapers has declined, not in absolute terms though. This decline is more in the case of single editions, small and medium sized newspapers than in the case of bigger and multi-edition dailies. Dailies which have better spread, far more

extensive and localized in their reporting, have not been affected as yet. Overall, competition has brought in newspapers a new found concern, orientation and initiatives to retain the hold and to cope with growing opportunities.

The fact that frequent readership surveys and market studies are being sponsored is an indication of the increasingly competitive scene. However, unless the methodology of readership surveys and their scope becomes more objective, newspapers will continue to be in a disadvantage of limiting to quick fix "formulas" promoted by elite groups. With delicate balance of power in the country gradually shifting from the government and the executive to the people and the public opinion they generate, the role of news media has become even more significant now. That is how the "agenda setting" role of media has become even more important today. But, agenda setting function of daily newspapers has been on the decline. Television channels now share that distinction more often. With more news and current affairs based programmes on every TV channel, newspapers are under pressure to hold on to the title.

A CMS survey on sources of information and their reliability has brought out few pertinent observations. Firstly, the overall media credibility, including that of newspapers, has gone up since the previous survey, couple of years earlier. Secondly, television has now surpassed newspapers as "primary source" as well as the "most relied" source for political, stock markets and sports news. Thirdly, thanks to multiplicity in 24-hour news channels, newspapers received a boost. For, TV news bulletins generate certain "appetizer effect". It is partly because of more of the same or the same from more news channels. Newspapers are often checked back for what is seen or heard on TV news bulletins - as if reading is more believable! CMS research described this phenomenon as "appetizer effect" of television news bulletins.

The role of news channels and the pattern of viewership to news among various sections need considerable and constant research, more from a sociological-political perspective. With media becoming complex and also specialized, two "new" mediating functionaries have emerged since 2000 with serious consequences to the very nature and character of the journalist-centred "Fourth Estate". Both these functionaries of "media planning" and corporate "public relations", in a way erode into core prerogatives of journalists and their "editorial control". The media planners are the ones involved these days in buying wholesale space and time of media for advertising and selling the same in retail on their terms. In the case of corporate "public relations", functioning of these "experts" implies certain undermining or interference in the functioning, particularly of news reporters and editors and their marginalization. (Media scene as India globalizes, a report from Centre for Media Studies, Delhi prepared by *Prof. N. Bhaskara Rao & Ms. P N Vasanti*)

Emerging Media Scenario

At a time when the need in the context of globalization is for more Indian correspondents abroad, their number is shrinking. Their number today is lowest in three decades. There are some 60 countries whose media representative is present in India today, against hardly 10 countries where Indian media has a representative. Is it due to increased reliance on Internet?. Or, is it result of a profit maximization strategy? No wonder why the percentage of revenue being spent for news origination has declined despite increase in the revenue. This trend in a way symbolizes certain "homogenization in media contents" and changing values of media.

Mass media, together with entertainment, advertising and marketing get their momentum from economy,

demographics and life-styles, on the one hand, and technological developments on the other. And, news media gets their push from political uncertainties and economic transition as is being witnessed in India today. The convergence between entertainment, advertising and marketing will sustain and shape mass media even more in the new millennium. The rate of employment, particularly among females, infrastructure development, age composition of population, savings and time use patterns are some of the aspects that determine the kind of mass media scenario India will have. Mass media of course is both a cause and effect in this process. This aspect need to be studied more closely in the coming years.

4.4 Comparison with Global Status :

Global advertising (ad) spending was expected to grow at a 5.9 % compound annual growth rate (CAGR) for the year 2009, with online ad spending projected to grow at a 15.8 percent CAGR over the same period. That was the projection according to the latest Global Entertainment and Media Outlook released by PricewaterhouseCoopers today. It is too early to measure the impact of the recession and the extent of the shortfall but then there is no doubt that the ad spending did fall short of the expectation. It is, however, also a fact that the media industry has stayed afloat in a general sense despite the recession.

Overall ad spending was forecast to grow from \$358 billion in 2004 to \$477 billion in 2009. TV advertising was expected to grow more slowly than online, at a 6.4 percent CAGR during the period. However, TV remains the largest advertising medium by far and will make up more than half of the overall spend in 2009 at \$186 billion. Digital TV will add to the number of outlets and fuel multi-channel advertising, which will be the principal driver of growth in this area, the study finds.

The faster-growing Internet ad space was expected to end up at \$32 billion globally in 2009, fueled by an expanding broadband subscriber base and ad formats geared to broadband, such as keyword search and full-motion video.

PricewaterhouseCoopers finds the global entertainment and media industry to be in its strongest position since 2000. The report looks at 14 industry segments, including recorded music, filmed entertainment, Internet access and advertising, TV networks and distribution, video games, and eight smaller segments. "The entertainment and media industry continues to display an extraordinary ability to reinvent itself and create new revenue streams through innovative offerings that barely existed as recently as 2000," Wayne Jackson, global leader of PricewaterhouseCoopers' Entertainment & Media Practice, said in a statement.

Spending across all segments was predicted to increase at a 7.3 percent CAGR to \$1.8 trillion in 2009. Improved economic conditions, an advertising upswing, and expanding online distribution of media were considered as the basis to this enhanced spending on advertisements and key drivers triggering spending.

Meanwhile, new revenue streams led by broadband Internet and wireless technologies are expected to account for a significant portion of total growth in global spending. Total revenue from new spending streams was predicted to increase from \$11.4 billion in 2004 to nearly \$73 billion worldwide by 2009. "Online and wireless video games, online film rental subscriptions, licensed digital distribution of music, and the rapid adoption of ring tones and mobile music downloads are becoming critical components of the industry and driving significant revenues.

However, an AC Nielsen report shows that advertising across all four traditional major media types (newspapers,

TV, magazines and radio) was down in the quarter. Magazines fared the worst, down 17.4%, while newspapers saw a 9.1% decline. Slowdowns in TV and radio advertising were more contained, the report said. In terms of media breakout, the report reveals that print media is being hardest hit by the economic crisis, declining in all regions, especially North America where newspapers and magazines ad spend was down to some extent.

While television ad spend was down in both Europe and North America, the overall decline was balanced by slight increases in Asia Pacific. Radio saw a drop in North America but was reasonably stable in Europe and up slightly in Asia Pacific making overall decline more contained

4.5 Cross Ownership of Media :

At this point the term Cross Ownership of media is bound to create some curiosity in your minds to know what it means. The concept has been developed to mean ownership of several different mass media entities by a single company or organization or a consortium of companies mainly in the same country. For example - *The Times of India* group of publications owns as well as operates quite a few radio channels and two TV news channel also. This means that the company is having a widespread interest in different media organizations across the country. There are many examples like this. The India Today group, for example also owns and runs two TV channels and an audio cassette/cd business. The Sun TV group in the South owns TV channels, cable TV operations, a newspaper and a FM Radio now. We also have the example of Rupert Murdoch who owns and runs TV and newspapers.

The legal provisions of various nations are constantly monitoring the trend so that one single media owner does not become a big and powerful monopoly by extending his

or her area of influence. These provisions are aimed at keeping the future of the nation safe by trying to keep a close tab on the media so that nothing damaging or untoward incident should happen. This is a new concept which is assuming a major significance in the light of the emerging mass media scenario in the country.

Now, apparently there is nothing wrong in this development. But if we look deeply into the situation a 'not-so-positive' scene will come into the mind. Because, when one single group of mass media business would be able to control so many media across the nation - right from the metropolitan cities to the remote corners of the state, just imagine the kind of influence it will have on the entire society as a whole. It will be enormous.

Under such circumstances, they would be able to hold the society or the masses at their mercy and do anything they feel like whenever it will suit their business or other interests. Of course, it is a different matter to debate whether they would actually take such an initiative. But there is adequate and enough scope for them to do so when they want to..

This is why the governments in majority of the countries of the world normally do not allow a very high concentration of different mass media tools in the hands of a few persons or groups of business houses so that they cannot exert any undue pressure on the masses as well as the government for getting their selfish interests served at any cost.

Let us visualize another scenario here. We already know that there are several major newspaper or mass media business groups in the country having a nationwide presence with enormous influence. If, in the near future they are allowed to own up to 80 or 90 per cent of the mass media tools or entities in the country we can only

imagine what sort of an influence they would be able to mount on the government and the society. In reality this means that the more than 60,000 newspapers and journals, several hundreds of cable TV and FM radio channels all over the country would be controlled by hardly 20 to 30 such major groups.

Now, whenever required or necessitated by their business interests, which is always more important than peoples' interests for the private business organizations these 20 to 30 groups which practically own 90 per cent of our mass media may come forward to form a cartel (an informal or formal group). And then they will dictate the terms of business in the mass media world what will happen. We cannot expect a very strong remedial step from the government because it is also apprehensive of antagonizing the mass media basically for its enormous reach and influence on the masses at every level of the society.

The government of course takes steps for preventing such a major concentration of mass media tools in a few hands. However, in India the rules are not very clear and strictly adhered to by the mass media business enterprises. In practice it is quite difficult to be controlled.

It can be mentioned here that in the USA, which is a pioneer in the mass media business in the world, there are adequate legal provisions to prevent this development. But even there the media organizations manage to find out ways and means for concentrating their hold on the media business.

There is another interesting feature to the US and Canadian mass media systems. That is - more than 90 per cent of their mass media tools like newspapers, magazines, TV or radio channels are mainly scattered across the country with a very low nationwide presence like we do have in India.

Almost all media that reach a large audience in the United States are owned by for-profit corporations—institutions that by law are obligated to put the profits of their investors ahead of all other considerations. The goal of maximizing profits is often in conflict with the practice of responsible journalism.

Not only are most major media owned by corporations, these companies are becoming larger and fewer in number as the biggest ones absorb their rivals. This concentration of ownership tends to reduce the diversity of media voices and puts great power in the hands of a few companies. As news outlets fall into the hands of large conglomerates with holdings in many industries, conflicts of interest inevitably interfere with newsgathering.

But it is generally felt that independent media are essential to a democratic society, and that people should be made aware to break up monopolistic media conglomerates. At the same time, non-corporate, alternative media outlets need to be promoted by both the government and the non-profit sector.

On the other hand media houses argue that media businesses require huge capital investments and have long gestation periods ranging up to ten years or more and imposing cross-holding limits at this stage will retard the growth of the media industry. They also argue that it would affect the efficiency of the media businesses. Today, there exist 300 television channels, and 100 others waiting for a nod from the Ministry of Information and Broadcasting; 8,600 newspapers and 250 FM stations. In this scenario, the government feels the need to put certain restrictions on the Indian media sector. It is important to understand not just the provisions of cross-media laws in some of the most developed, vibrant and pluralistic markets such as the USA, but also the genesis of these laws.

There is a contradictory view from the media that print media has a reach of over 200 million, compared to TV's 500 million. If anyone has a monopoly today, it is Prasar Bharati. No C&S TV channel in India commands an audience share greater than 20%, let alone the 45% threshold prescribed in the US cross-media legislation. Also, news and views on radio being a monopoly of the government-run All India Radio with AIR's monopoly over short-wave and medium-wave radio broadcast,

The Federal Communications Commission (FCC), USA, has strict legislation in this regard. It has strict rules on how many media outlets a single entity can have which are reviewed every four years.

Such laws in the US were a result of big television channels controlling terrestrial networks and therefore the need to prevent their control over other media in newspapers and radio. In India, terrestrial television is the sole monopoly of the government with Prasar Bharati running terrestrial television in Doordarshan.

The government's intention of supporting plurality of media voices and preventing anyone's control over this voice for the benefit of consumers is best served by supporting both old and new media.

Such media ownership restrictions are currently only applicable to the DTH sector in which broadcasting companies and cable networks can only own 20 per cent equity.

According to the Ministry, guidelines on cross media restrictions will also help bring a level playing field amongst players in similar businesses. At present there are telecom companies with plans for terrestrial broadcast through IPTV and mobile TV. While in the telecom sector FDI of up to 49 per cent is permitted through the direct

route, in broadcasting the Foreign Investment Promotion Board's (FIPB) approval is needed for any amount of FDI. This type of issues like these need to be settled by such regulations.

Developed nations including USA and Australia have in place cross media restrictions that don't allow media organizations to dominate all media platforms in any particular geographical area. However, there is a view in the media sector that while the ultimate goal is understandable enforcing it strictly will be a difficult task. Cross ownership of media.

4.6 Let us Sum up :

We have seen that the mass media industry all over the world is growing by leaps and bounds and more importantly this is a trend which is projected to keep growing in the next about a decade at least. As the world is nowadays more and more inter-connected among the nations we are also being able to get an important share of this growth which is a good and positive sign for us both in terms of job opportunities and also a wider choice of news and entertainment sources. From a few hundred newspaper and magazines at the time of Independence today we are flooded with a so many thousands of them along with ever newer media choices that it can be safely said that we are living in a buyer's world in terms of availability of choices. However, along with this development there is also the underlying potential danger of the concentration of mass media tools by a minority of media business groups which may create troubles in future in the form of cross ownership of mass media. But this is a challenge which needs to be dealt with adequate legal provisions and restrictions for a smoother and convenient dissemination of information and entertainment messages to the society at large.

4.7 Sample Questions :

1. Give a brief description of the growth of the mass media industry in our country.
2. What is the scenario of global mass media growth nowadays?
3. Is this growth of mass media in our country good for our society? Give justifications both 'for' and 'against' the development.
4. What is cross ownership of mass media? Is there any tendency in our country also towards this development?
5. Suggest some possible means for preventing the dangers from a possible development of an acute problem of cross ownership of mass media in India.

4.9 References / Suggested Readings :

India Annua, Publications Division, GOI
Manorama Yearbook, Malayala Manorama Publications
United Nations Yearbook
Five Year Plans of India
World Events, Orient Longman
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The Times of India Directory
The Indian Media Business by Vanita Kohli
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