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Introduction

IN A NUTSHELL

Today the grassroots press has to live or die by the tenets of the marketplace. The ability of small, independent community publications to survive and prosper is hampered by system-wide constraints. This Introduction sets the scene for the strategic approach adopted in the Report. Solutions to the problems of printing, distribution, circulation and marketing must be sought both at the enterprise level and in the wider environment.

The practical difficulties of making, producing, and delivering grassroots newspapers form part of a larger set of problems that bedevil grassroots publishing generally.

THIS REPORT is strategic in its intent. Although its prime subject is how to solve the problems of printing, distribution, circulation and marketing, it can be seen as an attempt to lay out a comprehensive roadmap for small publishers, though a lot of detail remains to be filled in. In this Introduction, we explain why the Report approaches its subject the way it does. The enterprise-level problems of producing newspapers and magazines form part of a larger set of problems that bedevil grassroots publishing generally.

It has not been our intention to generate a lot of new data, although fresh research has been done in certain areas such as case studies and profiling the grassroots sector. We drew much on the existing knowledge base to assemble a groundplan for action. The recommendations are directed towards using competencies within the sector and linking up with surrounding public and private sector organisations to create an enabling framework.

One of our findings is that research into the grassroots sector is woefully undeveloped. Data collection is going to be vital in order to arrive at the minimum set of information variables needed for decision-making and advertiser buy-in. Very little reliable data exists about the community print media, and this is hampering both strategic thinking and practical development (especially marketing) of the sector. Crucially, audited circulation figures are needed to prove the reach and frequency of the grassroots. Much more demographic and psychographic information is needed about the readerships.

Three scenarios

Brainstorming, informed by key players in community publishing, has led to many of the insights and practical proposals offered in this Report. We started the entire research effort with a foresight exercise that tried to visualise what the publishing future holds for the grassroots. The result was three broad scenarios, summarised in the diagram.

By modelling scenarios we were able to examine possibilities for the sector as a whole.

Scatterlings: the current position

The grassroots press is fragmented, poorly researched and virtually invisible to the outside eye. Small, divided, lacking in coherent sense of their own identity as a sector of media and also unrecognised as such by most commercial interests, the scatterlings carry on with their lives irrespective. Many complain about conditions and believe that racism and capi-



The increasing availability of funding for small businesses, and support for community media efforts from several quarters, could unleash fly-by-night opportunists.

talism are to blame for the ills of the sector. A minority of these papers succeed very well, growing their markets, establishing a name for authoritative community news coverage, and acting as models and mentors to the rest of the sector. But there is no co-ordinated plan to extend the modelling, as the movers and shakers have limited resources.

Pack of tricks: dangerous possibilities

Because of the increasing availability of funding for small businesses, and support for media efforts, the grassroots become plagued by fly-by-night opportunists. They exploit government and corporate attempts to use the sector to reach SA's rural and township grassroots readers. Advertisers initially, those who are brave enough to venture into using grassroots print are often burnt by opportunists who take ad bookings and run with the money without delivering genuinely informative products. Meanwhile, the various groupings within the grassroots fall out with each other, cannot agree on objectives or working structures, attack those who are trying to assist, and steadily destroy their own base in the trust of communities.

Energiser: visionary leadership

This is the preferred scenario, which stresses sector-wide strategies, voluntary affiliation, innovation, for empowerment, and public-private partnerships. Energised by a passion to reflect South Africa's communities fairly and fearlessly, like-minded publishers come together and manage to pull the majority with them. The publishers and their supporters – the MDDA, other institutions – succeed in forging alliances that champion their interests and lend them the critical mass to survive and prosper in a fiercely competitive media system.

Discussion

Which way will things go? It is really anybody's guess right now. We have found – and it comes as no surprise, since most observers of the grassroots press know this already – that many of the small independent community publications are chronically weak and struggling to survive. Naturally, small businesses battle to establish themselves anywhere, and in all sectors of the economy the plight of small businesses has been cause for concern. But in grassroots publishing the situation can only be described as disastrous. Very few start-ups are able to get on their feet. Although a significant number of independent publishers have managed to pull through hard times, the times are not getting any easier even for them, and certain dynamics in the media industry continue to drive promising ventures to the wall.

Members of the Association of Independent Publishers (AIP) have characterised corporate community publishing as a kind of invasion by dark forces – “Borg”¹ – bent on the destruction of media independence. An AIP survey² of the grassroots found serious concern about the conglomerates tightening control on access to national/provincial advertising (often aided by government procurement policy), and tightening control of national distribution networks. Staff poaching is also alleged. But Professor Guy Berger, head of the Department of Journalism and Media Studies at Rhodes University, says

Some of the commercial community papers are very plugged into community news and views, while some of the grassroots are one-person soapboxes.

He goes on:

All community papers, however, need to build on their major strength – which is a monopoly of uniquely local information that no one else can provide. That also means they should often go further than simply reporting – they need to get involved in celebrating and campaigning for their communities as well.³

Corporate community publishing has been described as a kind of invasion by dark forces – described as ‘Borg’ – bent on the destruction of small media independence.

IN A HEARTFELT appeal to the MDDA to protect small publications against market aggression by the corporate community media, Malvory Adams and Debbie Hendriks, editors of the Cape Flats newspaper West Xpress have said in a letter to the MDDA¹:

Ray Joseph hit the nail on the head when he wrote in an article in The Media magazine “Resistance is futile. You will be assimilated.”. If you stubbornly resist assimilation, like us, the conglomerates will annihilate you, regardless of how much it costs.

Since March this year, it has become increasingly difficult to sustain West Xpress, an MDDA-sponsored community newspaper in Cape Town, because of a slump in advertising income caused in no small measure by the departure of our sales staff we’ve painstakingly trained to the conglomerates. We couldn’t match the packages offered by the conglomerates. The fact that we have had to cushion the paper with monies from our other income streams hurt our company, Bravo Media Services, immensely.

Until recently, we have managed to sustain the paper with the reserves the company accumulated during the 6-month MDDA grant period. Unfortunately, the enemy began to move in (in our instance, Tyger-Burger), a Media24-owned free sheet. The Daily Voice and Son also became very active in our area and started to play The Numbers Game when they deal with advertisers. The conglomerates are

Protocols required to protect grassroots independence

masters at this game - their 200 000 plus copies per week against our meagre 20 000s and 15 000s. The Borg has struck – with deadly consequences.

Unfortunately, West Xpress, in its present form, has become unsustainable. The refusal of Shoprite, Pick ‘n Pay, Spar, Game etc. to advertise in our paper, even after two years in the market, and Tyger-Burger’s move into our areas with their lower advertising rates, left us with no other option but to close shop. We’ve done OK locally, but we couldn’t get enough ads to sustain the paper over a longer period.

Several other grassroots publishers expressed similar views. It is said that the big publishing conglomerates – Caxton, Johncom, Media24 and Independent Newspapers – are going head to head against each other in the bid to buy up existing community and grassroots titles, carve out new markets, and start new titles.

It is not surprising that mainstream media groups are entering terrain hitherto occupied only by a few grassroots papers. The term “community” is central to media development throughout the world today.

The vulnerability of the grassroots press is a compound of its small size, management and editorial problems, lack of clout with advertisers, and weak sector co-ordination. But how is the situation to be rectified, given that market forces are driving community press consolidation? The problems of the independents arise fundamentally from historical and structural factors. Community organisations cannot in and of themselves change the structures of the South African political economy. As Hein Marais said with some prescience in 1998:

Having laid the groundwork for South Africa’s fledgling democracy, the popular movement has been struggling to find its footing in the transition. Buffeted by changes, neither its mass-based organisations nor the array of NGOs that function in their support have evaded the dilemmas thrown up by internal dysfunctions, funding crises, political incoherence, and overall strategic disorientation... [But] Despite this disorientating context, the popular movement is by no means dead in the water.²

The strategy offered in this Report is one of grassroots press aggregation (to leverage combined strengths) and synergies with the rest of the media.

The MDDA has got to try to get the major companies to accept certain protocols for the protection of SMME independence.

The protocols need to be negotiated, setting out principles for the recognition of independence and stating how the mainstream is prepared to offer practical assistance to its grassroots competitors to get on their feet. We have referred to this as co-opetition. The principle of such support is already established in the form of the MDDA itself.

Obviously, no free enterprise system can function without the freedom to buy, sell and invest in businesses, but unless some agreement is reached on behalf of the grassroots press it is quite conceivable that most successful publications will simply be taken over and merged into the mainstream stables. Is this what media diversity is supposed to be about?

For their part, the grassroots newspapers should exploit their individual and collective strengths. They are small and hence can be nimble, quick to seize opportunities, can make do with slim resources, and most importantly, are passionately committed to their mission. Passion is the basis of all successful entrepreneurship.

¹ West Xpress letter to Messrs Lumko Mtimde and Fana Baganeneng, 2006.

² Marais, Hein – South Africa: Limits to Change – the Political Economy of Transition. 1988. University of Cape Town Press and Zed Books, London. ISBN1-919713-13-1.

We saw it as our task to locate well-informed, experienced publishers and observers to describe the problems. Then we sought a range of solutions from whatever sources, locally or internationally, had useful ideas or techniques to offer.

Our remit is not to deal with editorial issues but we must highlight the connection between editorial quality and the marketability of the product. South Africa today offers huge opportunities for grassroots publishing. This is a newly democratic, developing society with inadequate coverage of local issues and a need for crusading journalism especially for the poor. The opportunities arise from growing literate readerships and expanding marketing budgets for sponsorships and advertising.

Initiatives prompted by the MDDA amongst others have also opened up new vistas in publishing. Chances of success being what they are, big media corporations are hungrily snapping up once-independent print media and launching new titles of their own. The fact that this is happening should not deter individuals and community based organisations from launching into publishing themselves. Indeed, there is a long tradition of truly community-driven publishing. Research has shown that on average, the independent publications outrank many of the newer corporate media in terms of years of longevity.

Particular and general

We saw it as our task to locate well-informed, experienced publishers and observers to tell us about problems in printing, distribution, circulation and marketing. Then we sought a range of solutions from whatever sources, locally or internationally, had useful ideas or techniques to offer. There is immense variety in the grassroots press and it would be folly to imagine that one-size-fits-all solutions will be found. On the other hand, there are generic problems which are sufficiently widespread to demand a co-ordinated, general response.

We investigated the problem areas but eventually our findings led us into a much wider field of inquiry. Business systems consist of interlocking parts, and for them to work smoothly together it is important to consider the system as a whole and make changes that will filter through to all the parts. Weak management, high printing costs, poor distribution networks, lack of software and services for marketing, and much else besides, bedevil the attempts of small publishers to become self-sustaining.

Is this solely due to lack of management skill at the enterprise level? Partly, yes – but that is not the whole picture. Failures have much more to do with structural features of the media system which poses almost insurmountable obstacles to success in independent publishing.

Problems can be, and have been, tackled on a one-off, case-by-case basis, but this has not resulted in a dramatic improvement in the fortunes of the sector although it may have brought relief to individual publishers. What we are saying is that in grassroots publishing today, the particular cannot be dealt with without reference to the general.

Surface and subtext

Under the visible surface of the struggling grassroots there is a subtext that goes something like this:

At the enterprise level, lack of business know-how, combined with journalistic idealism ill-supported by marketing systems, makes the launch and running of any community publishing enterprise risky from the start; what makes it worse is that publishing is quite easy to get into but hard to sustain, so attracting people who think they can make it only to find that they lose a lot of money. Meanwhile, beyond the enterprise itself in the economic environment, grassroots publishing has low credibility with financiers and advertisers and hence does generate capital or space sales on the scale needed to turn a profit. And in recent years, corporate community papers and municipal publications have been invading local markets and putting grassroots publishers out of business. The combination of idealism, managerial complexity, low credibility, and strong competition is deadly and drives many publishers into a survivalist mode – if they survive at all.

Our case studies draw attention both to the potential for success and the major structural problems of the grassroots. This can become a vibrant, winning sector. But it is hampered by market constraints of all kinds which affect the functions we have been asked to investigate. Our researchers

At the enterprise level, lack of business know-how, combined with journalistic idealism ill-supported by marketing systems, makes the launch and running of any community publishing enterprise risky from the start.

True community publishing is driven by passionate commitment to reporting the realities of community life – what happens on the ground, seen through the eyes of the people who live there.

have decades of experience in the publishing game and can recognise the systemic problems whose roots lie deep in the oligopolistic structure of the media industry over many generations. Interviews with key informants in grassroots publishing have confirmed the analysis and helped us by suggesting how sectoral and national initiative should be framed.

Upward pointers

Fortunately, not all is gloom and doom. The existence of the MDDA is tangible proof that both government and mainstream media have recognised the need for intervention and funding. There is also a strong spirit of innovation among grassroots publishers, and the technology climate is beginning to favour wide-awake, nimble entrepreneurs.

There are other upward pointers too. A SWOT analysis conducted by Clive Emdon on Sonqoba Ngolwazi, a planned community magazine in Kathorus (Vosloorus, Katlehong and Thokoza) found pluses and minuses in the equation. Emdon points out that this paper will truly community-driven although currently the group has almost no proven management and editorial skills on which to base a launch. Emdon's mentoring was supported by the National Arts Council, and he helped the group to apply for MDDA funding, which was granted but was expected to take time to come. Sonqoba Ngolwazi has competition in the form of a free commercial newspaper put out by City Vision; but the difference is that while City Vision's edition is written by one person, Sonqoba Ngolwazi has more than 20 women and several men and youths who are willing contributors and distributors. All show keen interest in what they hope to publish – because it will be their voice and vision. A familiar lack of publishing skills, slim resources, and inability raise funding hobble this promising venture.

Sustainable livelihoods

For now, the evidence on the surface is that each and every publisher is experiencing tribulations that are systemic in nature. At the enterprise level, definite practical steps can and should be taken to help the publishers (especially the start-ups) to develop managerial competencies. This is what training and mentoring are all about. But at the sectoral level, and nationally as far as the print media as a whole are concerned, much more proactive intervention is required, on a broader front, involving institutional alliances and firm partnerships across government, the tertiary education and training sectors, the banks, the printing and marketing industries, and international aid organisations.

In terms of this strategy, the MDDA, in partnership with major institutions, should be seeking to enable grassroots publishing development across the economy. This applies to urban and rural publications, voices for women and the disabled, specialist magazines from sport to science, and connections between grassroots publishers, broadcasters and Internet media.

Creating a flourishing ecology of independent media requires a market development strategy. Market development is often contrasted with human development, but we think they are complimentary. People who are struggling to earn a living in contemporary South Africa have little option but to enter the marketplace. This is where they find their livelihood. It is important to recognise and understand people's strengths, including those of poor people, and not just their problems, since it is their strengths that give them the platform on which to build a livelihood. The British Department for International Development (DFID) draws the connection between making a living and earning self-respect in this definition of sustainable livelihoods:

Those trying to earn a livelihood in the sector should not be regarded as helpless victims but as dynamic agents, and given the tools to make use of their natural strengths.

Project-by-project funding on its own is not going to bring about market development, and the MDDA should spend more on the building of infrastructure by means of sector-wide initiatives.

A livelihood comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base.⁴

By the same token, small entrepreneurs bring their passion and skills to the launch, gaining self respect as they seek to earn an income. Some will succeed; those who fail will not necessarily lose all self-respect: lessons are put down to experience and may be recycled into future ventures. The market development paradigm stresses that the disadvantaged are protagonists rather than passive recipients or victims of economic circumstances. It is important to be familiar with the sustainable livelihoods approach because it relates directly to the fortunes and morale of the start-up publishers the MDDA hopes to help.

MDDA funding

But single project funding on its own is not going to bring about market development. Recent international trends in economic theory stress that poverty elimination must go hand in hand with sustainable business creation⁵. Enabling of the market for products from the least well financed entrepreneurs requires a range of undertakings by those organisations, public and private, which have the resources to make things happen. As simple illustrations, MDDA could, for instance, arrange for the display of newspaper stands and telephone pole poster frames for grassroots publishers, and get permits for street sellers (to prevent harassment by traffic police) and in effect cutting the red tape that hinders distribution. This requires liaison with local authorities.

The goal of development, thus, should be to target the system-wide features that keep publishers at a disadvantage. To achieve this, the MDDA seriously needs to look at its own capacities and consider how to inject the necessary business and negotiation skills into the staffing mix. As far as

market development goes, it cannot be the MDDA's limited financial coffers that pay for initiatives such as black empowerment in the printing industry, but there will be costs in collecting resources and setting up the institutional linkages that we outline later.

Topics overview

Report outline

Henceforth, this Report proceeds to offer a strategic roadmap for the upgrading of printing, distribution, circulation and marketing. It cannot be a complete blueprint because it does not cover editorial issues, financial management and much else besides – items that did not form part of the current brief. We are well aware that many aspects will be controversial and some of our findings are debatable. For this reason the Report is going on the Internet in a password-protected site (www.pressroots.co.za) so that contributors and those with grassroots credentials can view it and react. Still, a start has to be made somewhere. Our proposals are far-reaching and, if implemented, would change several aspects of the way the MDDA handles grassroots funding and contribute to the transformation of the media industry.

The chapters are arranged as follows.

- After dealing with terms and concepts in Chapter 2, we go on to present a central analytical tool, the S-Curve, whose purpose is to identify problem areas for business growth both at the enterprise level and in the broader environment. This is designed to help the MDDA pilot its interventions.

The blueprint is not complete because it does not cover editorial issues, financial management and much else besides – items that did not form part of the current brief.

Most printing is contracted out to jobbers and larger firms, though some grassroots publishers do have their own presses.

- We then report our findings on Printing (Chapter 4) and Distribution, Circulation and Marketing (Chapter 5) within the context of the broad strategy.
- Finally in Chapter 6 we to recommend the creation of a General Agency for Publishing Services, the setting up of an Internet portal to serve the grassroots and put them in touch with advertisers and other stakeholders, and the formation of a National Community Publishers Forum to give voice to the issues that confront the grassroots. In the final chapter we also propose the broadening of the expert network for mentoring, and that a national trainee internship programme should be set up in conjunction with the universities and mainstream media. This programme would bring recruits into the media profession – starting at the grassroots – and being collaborative, might well help to defuse the mounting hostility felt by grassroots publishers towards corporate and municipal media.

Here is how we approached each of the sub-themes in the Report.

Printing

In our inquiry, “printing” referred to all the processes including drawing up printing specs, quoting and billing, choosing and using technologies of page makeup and reproduction, selecting the printing process be it web offset litho or other, cutting and folding, quality controls, delivery, and scheduling and contractual agreements. Most printing is contracted out though some grassroots publishers have their own presses. Those sending work out may go to printing houses owned by larger companies which publish their own newspapers, often in competition with the grassroots. Although deeply resented by many publishers, printing with the competition is not necessarily a bad thing if the price is right and the product delivered on time and in good order.

It is a fact, though, that very few “progressive” or emergent printers exist to handle grassroots contracts. Empowerment initiatives are under way in the printing industry and should widen the printing options available to grassroots publishers. Equally, digital technologies are opening up new

choices, making it possible to print shorter, faster runs; and groups of grassroots printers, or hubs, can now come together to share low-cost printing technologies. We discourage the thought that the MDDA itself should set up a printing press, as this would undercut emergent printers and grassroots hubs.

- The objective with the printing research was to establish how costs could be lowered, turnaround speeded up, quality managed, and payments facilitated. Chapter 4 deals with Printing.

Distribution

Distribution includes the physical job of fetching, carrying and dropping off copies and collecting undistributed copies. It also involves management of distribution logistics, staffing and data capture, accounting for payments and returns, planning of routes and identification of outlets. Customer relationships include merchandising and branding, handling subscriptions, arranging news stand sales or freebie displays, making bulk deliveries and giving out personal copies. Most individual grassroots publisher nowadays are forced to do their distribution themselves – inefficiently – because few agencies will take them on or the only available agency is run by mainstream competition.

- The objective was to establish how to set up effective systems, making grassroots distribution more regular and competitive, while collecting and using data relevant to the job. Chapter 5 deals with distribution, circulation and marketing, which are intimately connected.

Circulation

We restricted the meaning of circulation to the figures showing how many copies of paper or magazine are actually distributed to readers. These figures are vital for advertisers as well as the publishers themselves who need to know the reach of and demand for their papers. There are huge problems in capturing this data because no sectoral audit system exists, and many publishers cite

Distribution, circulation and marketing are closely related, all requiring data collection, customer knowledge, and efficient execution.

Lack of credibility is the biggest issue in grassroots marketing. Establishing the trust of advertisers is going to take research data, awareness-building, and commitment by sector members.

unaudited figures of their own, or use printer invoices to show how many copies left the presses. The Audit Bureau of Circulation of Southern Africa (ABC) has offered to provide audit for qualifying grassroots papers but there are limits to the offer and there is scepticism among grassroots publishers, who want their own system.

- The objective was to find audit solutions that the grassroots will accept while going as far as possible to satisfy the demands of advertisers for provable figures.

Marketing

We defined marketing in terms of what grassroots publishers must do to promote their publications in the eyes of all stakeholders, including readers, financiers, sponsors, advertisers, community organisations, government and the private sector, including competing media. Credibility is the biggest issue in grassroots marketing. To establish credibility, papers must, firstly, unpack and analyse distribution and circulation data to clearly profile the footprint of the publication. Secondly, sector must reach potential backers locally, regionally and nationally with awareness-building message that grassroots publishing has a meaningful role in society and the economy. Thirdly, publishers need to make every member of staff and every reader a committed ambassador for the paper and the sector as a whole.

- Our objective was to draw up a broad marketing proposal that would advance the credibility of the sector, taking into account the three goals mentioned here.
- Empowerment is an important theme in distribution and marketing because, as in printing, there are very few emergent service providers ready and able to serve grassroots publishers. Needed here are local distributors who own vans and can do the fetching and carrying for individual publishers. Also needed are grassroots market researchers and advertising agencies. In the absence of an Empowerment Charter for the Media Industry, a number of initiatives may be undertaken by the MDDA and its partners to press forward with the creation of a service infrastructure based on black SMMEs.

Organising ideas

We have made use of three organising ideas to relate grassroots publishing to the surrounding environment. The parameters of the possible are not dictated by the publisher but by external factors over which the individual has little control. Yet this does not make publishers helpless. They can respond with various techniques, amongst which we have identified three that seem to us most appropriate for their situation.

Aggregation

To aggregate means to bring together like elements in a system, using the strengths of the parts to advance the power of all. While every publisher can exist without every other publisher (a “Scatterlings” scenario), by joining together they can accomplish much more; and still remain independent.

The reason for aggregation is that many small operators can gain advantages and economies of scale by combining forces. At present, the “big battalions” in the media – the large, mainstream companies – are to some extent able to control their own markets, and manage supply chains, simply by being big and commanding many resources. They own printing houses, can cross-sell advertising across many titles, have well organised distribution networks, are highly visible and have the trust of other business interests including financiers, and can undertake their own training and recruitment. Little of this applies to the small press elements. But with some adjustments in thinking, behaviour and institutional support, they can join hands and gain many of the benefits of scale.

Synergies

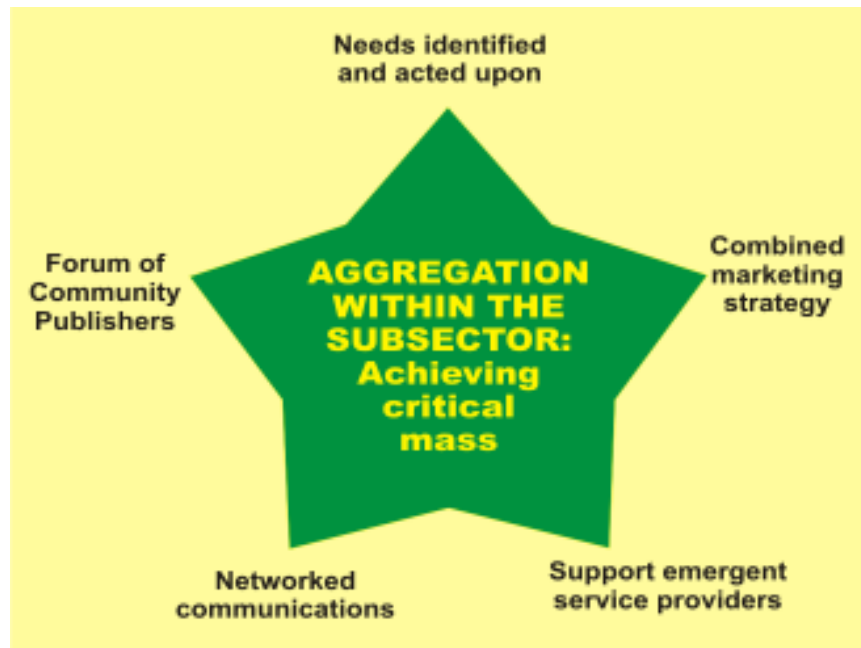
Synergy means that various agents in a system work together harmoniously, but it differs from aggregation in that the agents may be of different kinds. The community press system currently includes distinct groups of grassroots publications, corporate commercial publications, municipal

By aggregating, smaller players can gain similar economies of scale to those already enjoyed by the big companies.

Perspective

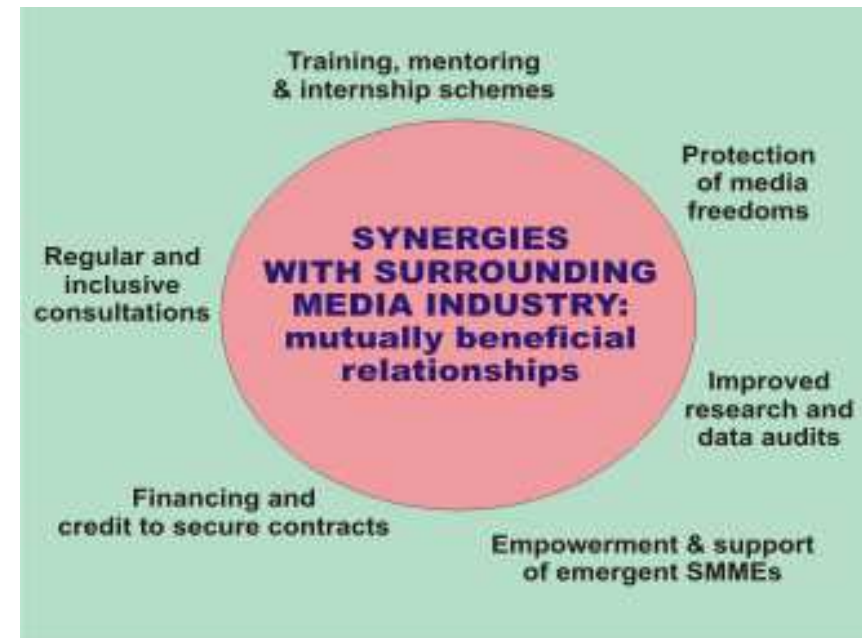
Aggregation – combining forces

Without surrendering individual identities or diluting their ownerships, small enterprises in the grassroots press sector can create the critical mass to render many of the advantages and economies of scale already enjoyed by large companies. Agreements may include co-operative buying of supplies, the sharing of information, mentoring and networking to spread knowledge and experience, and speaking with one voice.



Synergies – co-opetition

“Co-opetition” is typical of all industries where voluntary combination takes place in order to broaden the resource base of all participants. This Report suggests that integrated media industry efforts can be made towards educational upgrading; SMME development and empowerment, banking and insurance; greater respect between industry players, and a broadening of the media’s research knowledge.



and local government publications, and numerous civic organisation publications. They do not all share the same needs and interests, but they do share some – for example, commitment to free expression; the need for cheaper bulk supplies; and the demand for trained recruits to enter all aspects of publishing. They also interact with broadly the same set of surrounding institutions, such as government spokespersons, banks, advertising agencies, paper supplies, and so on.

The reason for seeking synergies is that grassroots publishers are under-capacitated and under-resourced, as a report by the SA National Editors Forum (Sanef) has said⁶. They have limited access to mainstream media counterparts, without any formal channel for tabling concerns or initiating ongoing constructive debate and co-operation. Synergies with the rest of the media, and with surrounding business organisations and government media bodies, would result in the mobilisation of resources to come to the assistance of a struggling sector. Any serious market development programme will require the broad-based empowerment of emergent contractors, skilled professionals, and workers to transform the media industry from its present top-heavy structure (dominated by a few large firms). But because the large firms themselves are involved in empowerment, synergies, rather than hostilities, should be the order of the day.

“Co-opetition” is typical of all industries where voluntary combination takes place in order to broaden the resource base and social standing of all members. Integrated efforts can be made towards: educational upgrading, infrastructure build (eg IT networks), and much more. In particular, we stress the need for accelerated internship placements of university students in journalism, marketing and management through a nationwide system that needs to be set up soon.

Networking

Both aggregation and synergies can be advanced through effective communication and IT networking. Currently the AIP represents a significant number of established publishers, but outside of the association there is very limited networking. Many individual publishers are truly “scatterlings”. This has to be rectified if individual publishers and the sector as a whole are to embrace the “Ener-

Outside of the AIP there is very limited networking across the grassroots press, many of whose members are truly ‘scatterlings’.

Small businesses should be brought into existence to supply services such as printing, distribution, research, marketing and promotions.

giser” scenario. Both human and technological networking is required. We propose the formation of a National Community Publishers Forum (NCPF) and the creation of an Internet portal, the iPop, both of which would help to bring about wider interaction in the sector. Sponsorships should be found to set up an Internet portal for successful syndication of content from and to local areas. Since networking and communication are germane to all the solutions we propose, we will not dwell on the theme here.

Even in the absence of an industry-wide Empowerment Charter, for which there is some agitation, applying aggregation, synergies and networking steps should go a long way towards creating a viable small business subsector of printing and publishing. Everyone in the industry stands to gain from synergies, capacity building, and human resource development - while the public at large will be better served with a diversity of print media

Empowerment theme

Any programme of development in the grassroots area can and must transform the business basis on which publishers currently have to operate. This implies broad-based empowerment of contractors to print, distribute, promote, and raise funds/advertising for, grassroots publishers. It will require identification of candidates and facilitation of finance, training and relationship building - elements that may need to be in the hands of agencies properly equipped for the tasks.

Discussion of a media BEE charter has hardly even begun. An informed observer, the Commissioning Editor of the Financial Mail, said in a SABC-TV1 in October 2006 that empowerment is happening in the media on an operational level but not on an ownership level. She pointed out that the media is very powerful and government does not wish to be seen to be interfering in the media. At the same time, the media had a responsibility to undertake empowerment initiatives to fall in line with the rest of the economy on which they constantly reported BEE deals.

MDDA Role

It needs to be said that our recommendations should not be read as a grandiose plan to take over community publishing and run it as an MDDA fiefdom. The MDDA is in the perfect position to catalyse change without attempting to dominate it, which would not meet with success anyway.

The role of the MDDA is bound to be controversial, whatever it does. Criticism levelled at the MDDA should not be regarded as destructive. In a sense, the organisation is still finding its way and has to come to terms with a set of structural conditions in publishing which do not hold in the more familiar terrain of community radio.

Our diagnosis of sector problems suggests that the MDDA needs to take a hard look at its how it parcels out its funding. A slice of allocations needs to go towards infrastructure building, including support for aggregation efforts and synergies with the wider industry. This means that the original plan to use 60% of grant money for community media projects, 25% for small commercial media and 5% percent to research projects will need revision. This raises a set of policy issues which we cannot resolve, but are putting the issue on the table.

We regret to report that many small publishers feel that MDDA's support systems for grassroots publishing are haphazard, slow, discriminatory, and lacking in continuity. This is a perception that needs to be corrected. Better all-round communication would help. Essentially, however, the way that support is granted needs to be restudied and amended. Though well intentioned, throwing money at problems on an individual basis is not going to solve the root problems. For funding that is given, project conditions should be strictly set, benchmarks laid out and monitored, and progress supported promptly so that impetus is not lost. Substantial funding should now also be earmarked for infrastructural change and development in order to upgrade the capacities of the whole sector.

There are many significant differences between community radio and the grassroots press, knowledge of which should guide intervention in each sector.

Area overlaps should prompt research

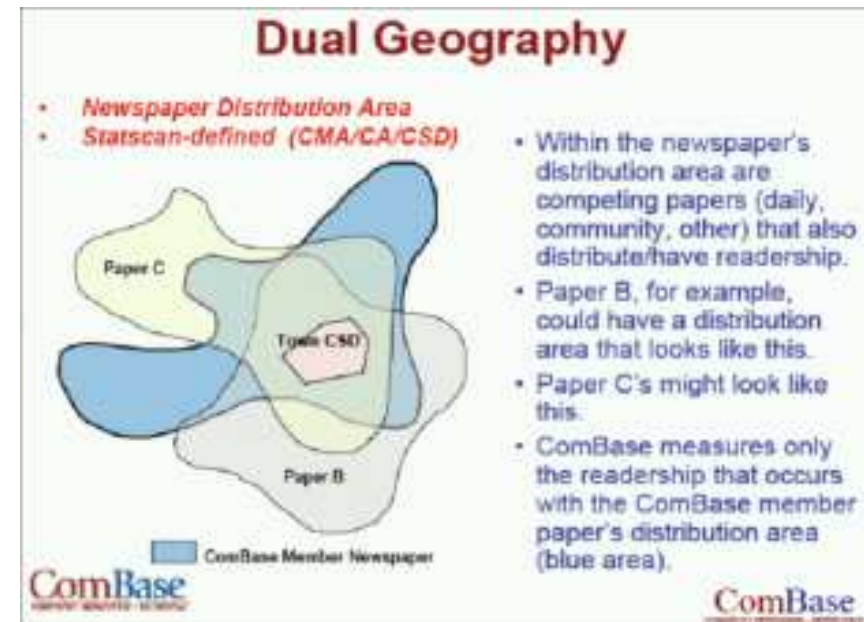
The illustration below reveals the problem facing papers in a community area – the problem of overlapping circulations. Community newspapers confront this issue daily as competition increasingly moves into the community space. Community radio in South Africa also faces overlapping footprints with commercial stations, but the difference is that radio stations are licenced and hence virtually guaranteed an existence once they have met the conditions of the ICASA licence. Community newspapers have no such guarantee, and also, they lack the market research effort that is put into recognised radio stations by the industry.

The drawing reflects results from a Canadian community newspaper readership study, now compiled as a Community Newspaper Database, ComBase*. In 2002, the Canadian Community Newspapers Association (CCNA) commissioned the study national readership research project to give precise data about the readership and this became North America's largest ever readership study.

The diagram suggests several key issues for community newspapers in South Africa.

Audience research is necessary to establish the geographic reach and community-of-interest basis for a publication that faces competition from others in the same area. Grassroots publishers are in a unique position to tap the support and resources of the communities they serve, because they are in and of their communities. But publishers themselves must find ways to generate reader loyalty by embedding their publications in communal lifestyles through church, sport, business, artistic, youth, gender and local government links.

* <http://www.combase.ca>



Radio and print

Differences between the two should be recognised at the outset. There is no regulatory body such as Icasa (the Independent Communications Authority of South Africa) monitoring and prescribing what may and may not happen. Community papers fall under the common law and various Acts and regulations affecting mass media in general. The management of the radio spectrum by Icasa means that community radio stations each have a defined footprint and do not face direct competition for the same audience in the same part of the spectrum. Publishers can face intense competition in their local areas and there is no legal protection apart from standard mercantile and media law. Very significantly, where community radio stations are included in the SA Advertising Research Foundation's AMPS (All Media Products Surveys), giving advertisers listenership statistics, no AMPS figures are available for small publications.

The barriers to entry in community radio may be quite high in making a licence application and assembling the technology and human resources to run a station; but once on the air the station is guaranteed a regional footprint and can clearly establish its presence with audiences and advertisers. There are few barriers to entry into community publishing - all you need is text, pictures and somewhere to print the first edition - but only then do the problems really begin. Print has low admission but high retention costs (radio is the opposite). For publishers, the challenges come in waves, from the steep learning curve facing editor-managers in new start-ups, to the wearying trials of strength that come with fighting legal and financial battles even for publications that may have been around for half a lifetime or more. It's easy to get into publishing but extremely hard to stay there and make it sustainable.

'I suspect that when community radio first appeared the message communicated to the media buyers was that these are backyard operations appealing to lower income groups with very little disposable income.'

Marketing perspective

Mainstream media groups are attracted to community publishing because of the great opportunities out there.

Despite the differences, in many ways the findings and recommendations of this Report come close to that of a MISA study on community radio and advertising first published in July 2004⁷. It recommended strategies that amount to aggregation, synergies and networking. It called for training and facilitation in management, marketing and/or advertising to develop a sector that is “self-managed”. It said there should be review of existing audience research with the aim of instituting a research organisation in collaboration with the SA Advertising Research Foundation (SAARF). The approach to self-management (or sustainable independent organisations) and the suggestion for synergies with SAARF are also what we are saying in with respect to the community press and its many potential partners in research and market development.

The main parallel is that community papers today find themselves in much the same situation as community radio ten years ago. Says Brian Milne, sales and marketing manager for The Media Connection:

I suspect that when community radio first appeared the message communicated to the media buyers [agencies purchasing advertising space] was that these are backyard operations appealing to lower income groups with very little disposable income. Major opportunities were missed by leading corporations in terms of using these media to improve communication with their target audiences.⁸

The situation has improved, somewhat, for radio, but not for print media. The present Report deals with community newspapers, but synergies with radio are important and are covered later. The general point is that lack of awareness in the marketing fraternity limits the profitability of the

community media sector and hinders market expansion. Advertisers, above all, have a longterm stake in audience growth, and to them questions of editorial quality and media reach into communities should stir intense interest.

Advertising

Our brief did not include advertising as such: a separate MDDA study has been under way here. Yet the discussion of marketing led inexorably to issues in advertising, which we have touched upon without going into much detail. It seems the bulk of media buyers have not yet grasped the growing importance of grassroots newspapers. What arouses the interest of advertisers, and what satisfies them? Simply put, they want to know that their ads are effective. Media-buying is hard-nosed, not sentimental. Although “goodwill advertising” is to be had from corporates and government, the majority of media buyers have to prove to their clients that expenditures on space are cost-effective.

In the chapter dealing with marketing we show that things should be on the up for the grassroots because of class mobility, a general improvement in the incomes of the lower middle class, and better analysis of lifestyle measures (LSMs) leading to better profiling of the products that LSMs will buy – including, for instance, cellphones.

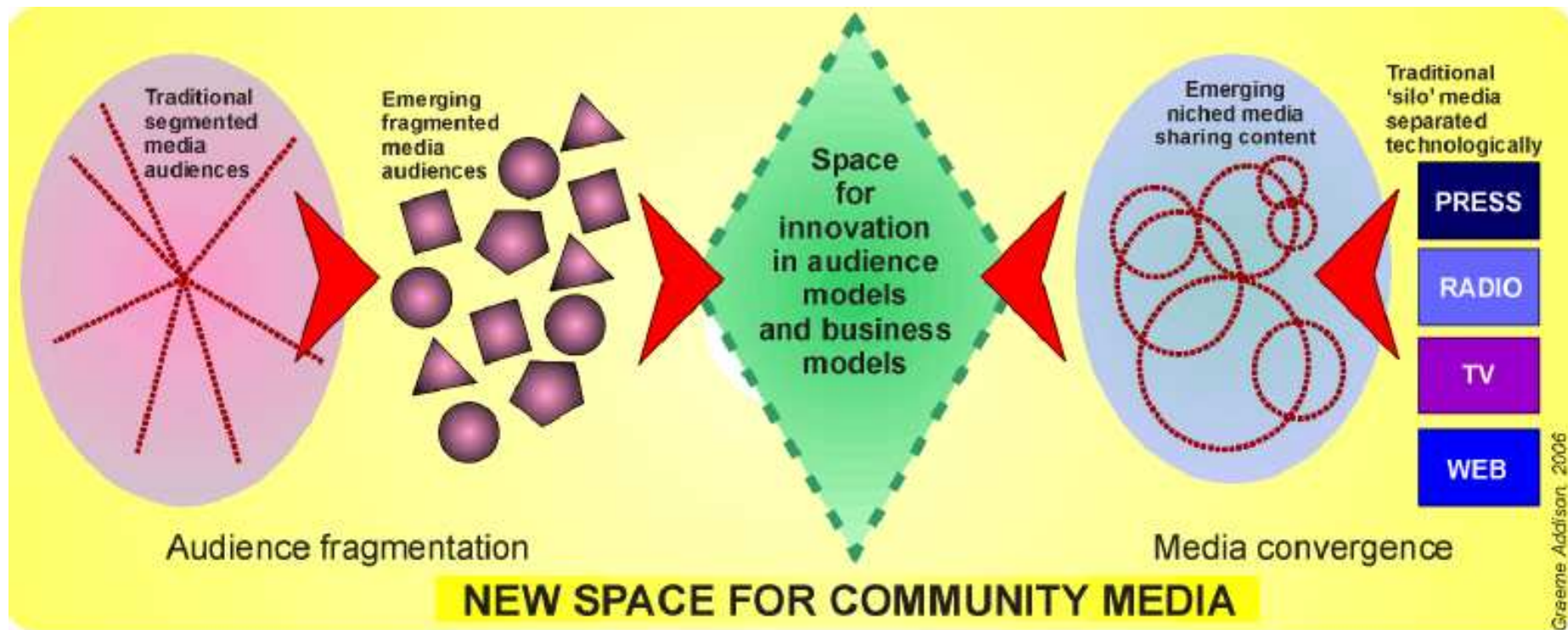
For the grassroots to garner advertising its share of advertising, a number of functions must be fulfilled. Circulation and readership data are lacking, much more publicity needs to be given to the pulling power of the sector, ad sales reps need training, and the MDDA should continue to put publishers in touch with advertising industry representatives as it has been doing.

What arouses the interest of advertisers, and what satisfies them? Simply put, they want to know that their ads are effective.

Innovation

The grassroots must innovate to take advantage of economic changes and audience diversification.

Still, advertising agencies themselves are increasing in a quandary about how and where to advertise. It is becoming problematic (throughout the world) to establish the effectiveness of advertising. New media technologies have increased the number of channels while, at the same time, audiences have been fragmenting. These trends are not necessarily bad for the grassroots: in fact, they promise new fields for innovative marketing. Audiences are fragmenting into local communities (suburbs, inner-city, townships, villages), communities of interest (sports, arts, business, hobbies), age cohorts (kids, youth, middle life, the elderly), gender (men, women and gays), specialists (engineers, IT people, biologists) and so on.



While audiences fragment, media are coalescing. They do so under the forces of technological convergence (with all media now sharing digital platforms and hence capable of exchanging content). The dynamics of this situation are represented in the drawing. Our contention here is that the grassroots can and should innovate to take advantage of economic growth and audience diversification. They will need to be fully networked to do so. Digital convergence implies the exchange of information via networks, and such networks are not yet in place at the grassroots.

This is a generalised, global picture, but no less relevant to South Africa for being so. The upbeat message is clear both from the hard data and from the views of community media watchers.

Conclusion

In conclusion, we believe that the strengths that grassroots media can play to will outweigh their weaknesses provided the sector embraces a collaborative strategy for development. The MDDA could be the Energiser that makes it all happen, not by having vast amounts of funding to change the media landscape but by bringing together those who belong together (aggregation) and, to use another metaphor to describe joint industry-wide action, fishing where the fish are (synergies). The opportunities are there for the taking.

If untapped audiences are waiting to read local news and listen to local voices, the grassroots press needs the wherewithal to respond. We suggest ways and means of building that capacity. A rapid improvement in news professionalism and total production efficiency is unlikely given the constraints in the sector but a start can be made on the basis of a clear roadplan for certain critical functions.

Digital convergence implies the exchange of information via networks, and such networks are not yet in place at the grassroots.

Footnotes

¹ Joseph, Ray - "Resistance is futile" , The Media Online, 1 December 2005. http://www.themedia.co.za/article.aspx?articleid=261412&area=/media_insightfeatures/

² Arenstein, Justin - AIP - Census 2006 preliminary findings. Report presented at the May 2006 Roundtable on print media convened by the MDDA.

³ Addison, Graeme – "Geography is King: community media are thriving in the eye of a storm". Brand magazine, March 2006.

⁴ DFID - Sustainable livelihoods guidance sheets. 2006. http://www.livelihoods.org/info/guidance_sheets_pdfs/section1.pdf

⁵ Shuftan, Claudio - The Emerging Sustainable Development Paradigm: A Global Forum on the Cutting Edge of Progressive Thinking. 1999. Internet paper:

<http://www.humaninfo.org/aviva/ch38.htm>

⁶ Sanef Skills Audit Phase 2: Managerial competencies among first-line news managers in South Africa's mainstream media newsrooms. Final report, May 2005, Johannesburg. Elanie Steyn; Arnold S de Beer & TFJ Steyn

⁷ Media Institute of Southern Africa - Community Radio and Advertising Draft Report. July 2004.

⁸ Addison, op.cit.