



Webinar Brief

The Politcs of Media Economy in Pakistan

▶ ABOUT THE WEBINAR

Media plays a critical role as opinion-shaper in Pakistan. The burgeoning forms of media in the form of electronic, print, and social media, shape national narratives about politics, society and culture. Also, with respect to economy, the role is becoming more pronounced when factors such as commercialization, advertisements, political economy, TRPs, media as an avenue for culture industry, and digitization are brought into light. In the light of this debate, the current webinar is an attempt to:

1. Understand Pakistan's media economy (Media industry numbers in revenue, Media measurement tools in the past and in present and what media generally covers?)
2. Explain functional regulatory and legal frameworks of media economy in Pakistan.
3. Articulate if Pakistan's media content, especially televised contents reflective of socio-economic and political realities prevalent in the country, or not.
4. Reflect on the quantity vs. quality control of electronic media in Pakistan.
5. Decipher if there is political economy dimension through which media economy can be understood.
6. Understand the process entailing TRPs of televised contents in Pakistan.
7. Respond to a question, "Is media economy politicized in Pakistan?"

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▶ SPEAKERS



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- Media is just a talking industry without any space for thought.
- Newspapers are crowded with foreign policy, absurd opinions, and statements of politicians and governments, leaving hardly any space for economic, judicial issues and analytical work.
- Media house owners are businessmen, using media houses to assist their business to grow.
- Media is influenced by the Government through ads, lacking ideologies.
- Media enterprises in Pakistan are not profitable but they still survive due to poor regulations.
- Lack of research on structure of media; rating agencies and its methodology.

Mr. Bilal Gilani

- In Pakistan, 70% of people own TV, with 100 million young and adult people watching 120 minutes every day a shift from 240 minutes per day in one decade. Among watched content, 70% of the content is entertainment, with around 150 TV channels currently running, and each year 8 TV channels are added to the toll in Pakistan.
- In Print media, 847 newspapers are recognized by the government, and 163 newspapers are printed from more than one city, regional newspapers are dominant in Pakistan. Around 80% of the Pakistani do not read any newspaper representing excess supply.
- There are around 209 FM stations among these 154 are commercial and 55 are educational /another thematic. Radio

listening declined and was temporarily revised after F.M radio came. Around 10% of Pakistanis listen to the radio.

- Social media is on the rise and after the introduction of 3G, there is an increase by 300% in social media users. 12-13% of Pakistanis were using the internet in 2016 and now it has increased to 30% adults. 60% of Pakistanis don't have smartphones.
- Viewership of media in Pakistan is concentrated to 4% in Newspaper, TV media, radio and news websites and few owners are controlling the market, have cross Media ownership and hence thought control is possible in Pakistan. 80% of the market players who don't have viewership are surviving despite the market conditions.
- Total advertising revenue in media is 58 billion PKR, Government share in advertising was 10 % in TV, it was a cash-based economy, Govt. would inject cash leading to manipulation. Government advertising share in newspapers is unknown and for the last two years the share of government in the advertisement has fallen to zero percent leading to the closure of several newspapers, and 50 newspapers were notified to be closed in the past year.
- Advertising expenditure in Pakistan is on a decline in TV media and newspapers and it is on the rise in digital media, there is a lack of other forms of funding.
- The total estimated revenue of the media industry including advertisement money, revenue from subscriptions, and other sources is around 125 to 150 billion PKR.
- Revenue of the media industry is small as compared to its influence and importance.
- Ratings are just representations of urban Pakistan and rural areas are excluded from the rating methodology. Players in the market manipulated the rating samples to get favorable results. The sample size is just 2000 that is representing the whole population, and hence an absurd system/method is adopted for media ratings. The rating observed through these samples and methods is used to award advertisements to the said channels. Rating systems operate just like a mafia in which big players set the stage lacking reasoning.

- TV broadcasters solely relied on advertisement money and have no other source of funding for their operations. The rating system is complex and lacks a proper and transparent mechanism. Govt. is now in control of rating and advertisements and hence plays a huge role.
- The lack of transparency in funding mechanism, absence of competition, and absence of implementation of the law, absence of these three elements is a challenge for all institutions in addition to the media industry.
- Information is a public good and the media should be consistently looked upon from the perspective of providing information as a public good.
- The business model of rating companies is entirely dependent on media houses. The revenue of TV channels is entirely dependent on the advertiser. So, the monopoly of advertisers under the name Pakistan advertiser society, this society bars the members to buy ratings just from the rating company approved by the society.

Ms. Anum Malkani

- People are moving away from TV to social media. About 50% of the peoples in the west access the news from different social media platforms. It is also true for Pakistan due to increasing smartphone penetrations, broadband access, and 3G-4G access.
- The increasing influence of social media has enforced government to think about how to regulate online platforms.
- Regulators in Pakistan are more concerned about controlling the platforms and identifying the users and consumers, in order to control the promotion of bad things through online platforms. This is evident from the rules, regulations, and legislation put forward by the government which in addition to surveillance also leads to content regulation and overreach vis-à-vis user data.
- Such regulations also affect the local IT industry and technology sectors who have created an ecosystem of content creators, freelancers, and influencers along with ecommerce via social media platforms, and

have found ways to generate revenue in an already difficult economy.

- Government need to identify and realize the activities that are taking place on online platforms and let the positive activities flourish.
- PTA needs capacity building and technology up-gradation to understand how the technology sector works and digital platforms work.
- Social media platforms provided the space for voices who were not allowed to or couldn't voice their opinion on traditional TV media. This has led to a wave of regulation to control digital internet media.

Mr. Asad Baig

- The structure of PEMRA does not let the media industry to flourish and generate revenue and hence become independent. Furthermore, providing tools to manipulate and influence media content in small and media industries at large.
 - Ad-spent on TV is on the decline for the past three years without any chance for recovery. Due to the absence of subscription revenue and absence of brand partnership they are unable to generate the revenue for themselves on their own.
 - Direct to home (DTH) is absent and a parallel economy emerged which acts as intermediaries distributing the media such as cable operators who are earning 200% of the Pakistan TV advertisement economy instead of the content producers.
 - Target rating points (TRP) have some issues. When media logistics publish TRP they mention that their data sets are not national representative and the data sources are also missing, that is they need to publish from which cities the data is collected and its methodology.
 - Digital Ad revenue is increasing and is now 50% of the TV ad economy. This isn't a good thing as the Big Tech (Google, Facebook, Instagram, etc.) are getting a major share of this revenue. In other words, our 50% of the TV ad revenue that is now in the digital ad is going to Big Tech and this figure will continue to increase to 80% in the next five years.
- Big Tech is now held accountable as the case from Australia and is made to pay the Big tech for news and journalism around the world. A big question for Pakistan is how to make big tech contributions to the viability of the media industry.
 - Policymakers are old-fashioned and have no clue about the current digital media scenario which is evident from their digital media legislation.

Mr. Aftab Alam

- Privatization and liberalization of the markets have led to informal markets such as cable operators.
- In 1992 International Telecommunication Union (I.T.U) issued a directive to all its member states to open its communication and information sector for private players, and new private TV channels launched in Pakistan.
- In the 1990s PTA started issuing licenses for cable operators, When PEMRA came in 2002 there were around 1800 cable operators in Pakistan. Who was initially regulated by PTA and afterward were regulated under the regulatory framework of PEMRA.
- The legislative framework of regulatory bodies was drafted by donors. The ADB and the World Bank were operating a program "Access to Justice" in Pakistan, due to which the state was under obligation to do certain legislation, along with the binding from I.T.U resulted in the emergence of PEMRA.
- Until 2007 the cross-ownership of the media was banned, in 2007 cross-media ownership restriction was removed and today 4 media houses cover 80% of the market as the result of removing this restriction and an undue concentration of media ownership exists. Due to this concentration, it is way easier to control the media in Pakistan.
- The flaw exists in the regulatory framework which allows such concentration and activities to flourish. There is a lack of research on the markets by regulators and hence no strategies are developed keeping in view the prevailing situation of the market. The advertising market is not regulated by regulators. Instead of regulating the market, PEMRA is focused on content regulation.

- The emergence of electronic media also led the print media to grow in the case of Pakistan.
- Based on rating the media houses are granted advertisements, big players try to manipulate the rating process to get more revenue.
- In 2018 PEMRA put forward regulation regarding TRP "Television Audience Measurement rating services regulations" under which PEMRA's role is to issue licenses and methodology according to which rating companies will function. There is nothing concrete in the regulations regarding TRP put forward by PEMRA.
- While media can be controlled by controlling the cable operators. If a sound decision regarding DTH is taken by the regulators the unfair practice of the cable operators can be controlled and the issue of media concentration can be addressed.
- Digital internet falls under the control of PTA instead of PEMRA due to lack of legislative framework. As PTA is interested in the regulation of content than promoting fair competition raising further issues.
- A monopolist mindset exists to control the media so that the opinion of the masses can be controlled. Even in the U.S.A, some lobbies control the media. There is a new trend among media houses of having cross-ownership of educational institutes. To influence young minds.
- Privatization of the media has made things worse as they are controlled by those who push vested interest. As private media houses are funded by private corporations so they are not interested in looking into their role in society.
- An information vacuum is first created and then that vacuum is countered with fake information.
- Regulators of the media industry PTA, PEMRA, and Competition Commission of Pakistan are involved in activities that concern content control instead of promoting fair competition in the market. The people should decide what they want to see and what they don't and regulators should focus on enabling a fair market condition.
- Until 2018, 250,000 people were employed in the media sector as compared to 2000 people in the year 2002. The number of working journalists in 2018 is 18000. In the past three years, around 8000 journalists were unemployed due to various reasons.
- Five companies are licensed to conduct the rating business in the country.

Miss Huma Baqai

- There is a government influence and intervention in media operations and functioning. Those journalists who are critical to the government and military establishment are not allowed to do their programs.
- The basic role of the media was to provide consumers with a choice and valid information so that they could make informed decisions. This role of media has completely perished.
- Regulatory bodies control the media in Pakistan, now the government is trying to control digital media.
- Disinformation campaigns are using 0.005% to 0.5% of truth and then manipulating the truth to alter the behavior of consumers. We don't have the tools and strategies to counter the campaigns of disinformation.

Way Forward

Academically, the need is to produce knowledge by conducting multi-method, multi-sectoral, and multi-analytical research on Pakistani media.

Granularity in research on revenue generation, regulatory frameworks, rating system, the politicization of media, and politics of media economy in Pakistan are some of the untrodden areas for future research.