

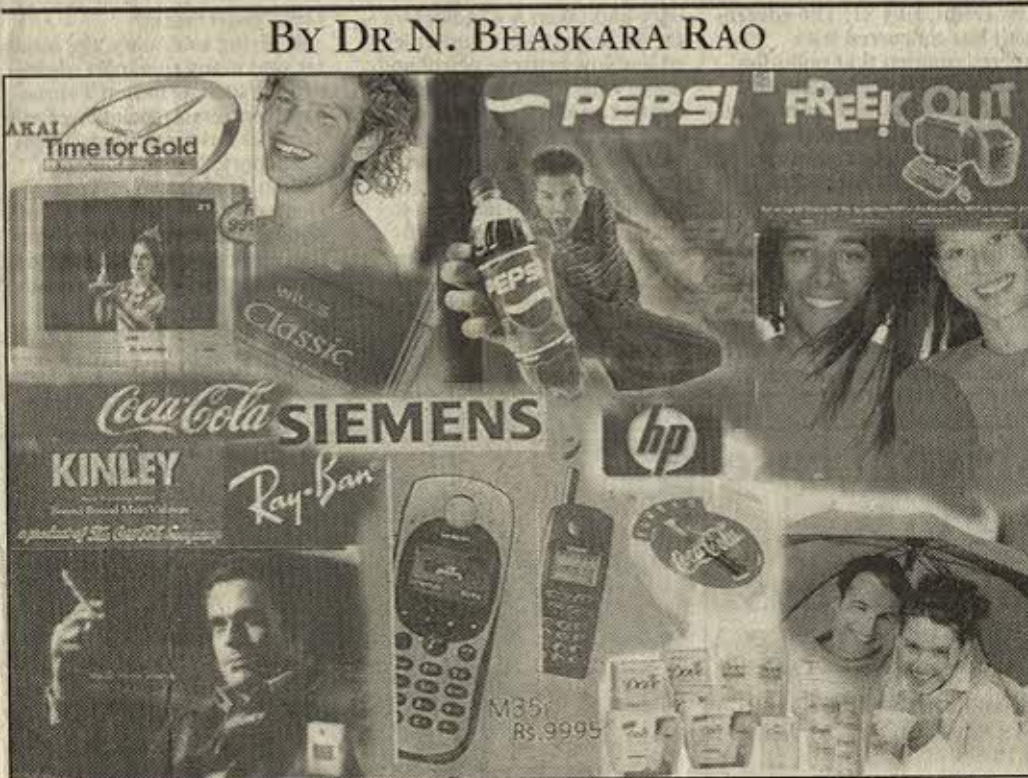
Media: How foreign is Indian?

The Indian media scene has gone through a dramatic shift in recent times both in terms of content and control. While media content is getting more and more market driven, control has now shifted, although indirectly, to "foreign corporates". And yet our political masters continue to revive irrelevant debates like the one of the 1955 Cabinet decision against the entry of foreign capital in Indian print media when in fact the "foreign factor" is already "moderating" the priorities of Indian media. The debate on foreign equity perhaps is meant to sideline the core issue — direction the Indian media is taking.

Today advertising and market research in many ways determine the media's scope. Both functions are largely in the hands of corporates which in turn are controlled by foreign corporates. Let us examine this phenomenon which we could brush aside as a "global trend"; else we could get down to understand its larger implications. Today the path the media takes and the pace at which it moves are decided by advertising, market research and media planning as much as in the case of ownership pattern and journalistic trends. By and large the control of these "determining factors" has slipped out of Indian hands with no one making an attempt of it.

MEDIA VIABILITY

First: Advertising's share in media's total revenue has been on the increase and has been changing from being "supplementary" (25-30 per cent) in nature, the way it was some decades ago, to that of a "supportive" one (45-55 per cent) today. In fact, for television channels, advertising has been their "primary source" (50-70 per cent) of sustenance and has even "determined" their priorities.



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outside the country, account for well over half the advertising business in the country. The entry of foreign advertising agencies has been going on as a parallel activity to the entry of foreign brands and an increase in the share of foreign corporates in the total advertising of the country. In fact, lifting the limits of foreign capital in advertising agency business has opened the floodgates. Now global conglomerates like WPP, TWT, O&M, BBDO, DDB-Needham, JWT have

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BY DR N. BHASKARA RAO

gained majority control in Indian advertising and in the bulk of the market share as well. Little over half of Indian advertising is accounted for by overseas-based agencies, whose majority control in India is with foreigners. In fact, there may be only two agencies in the top 20 without a foreign partnership. The agencies are now answerable to either private groups based abroad or to dollar-trading stock markets in London or New York.

Fourth: Market research is the basis for the proliferation of brands and consumerism as well as for the media's preoccupation and priorities and the very scope and character of advertising. Even a few years ago we had about six or seven market research agencies which were mostly owned by Indians. Today

implications for India than we seem to realise. The distortions are already evident today in our media scene. This dilemma is causing concern and controversy lately even in the United States at the highest policy levels.

Fifth: With media becoming increasingly complex in nature and also very specialised, two "new" mediating functionaries have emerged in the last two years. This has had a serious impact on the very nature and

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character of the Fourth Estate. Both of these, media planning and public relations, in a way eat into the core prerogatives of media functionaries and their "editorial control". And the fact that both these functions have become corporatised with foreign agencies having managing control, should cause some concern in the country before it is too late.

INROAD INTO MEDIA PREROGATIVE

Media planners are the ones involved in buying wholesale space and time for advertising and selling the same retail on their terms. They are yet to expand nationally. Think of the implications. Particularly because of the fact that some of these corporates are controlled by foreign agencies and they have been in business in a big way trying to determine the terms of advertising in India. This amounts to, in a way, undoing what Doordarshan initially did in terms of providing level playing opportunity to small and regional advertisers by way of special concern for them so that they could compete with big corporates and larger market.

POWER SHIFT

In the case of "public relations", functioning of these "experts" implies certain undermining or interference in the functioning, particularly of reporters and editors. For, the function of PR is to ensure coverage for a particular viewpoint or otherwise. The "disinformation" which is being talked about a lot in recent times is part of this new phenomenon. Today the majority control of these PR corporates in India, some six or seven leading ones operating nationally, is with foreign agencies. In fact, some of these have entered India as part

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Second: Mostly multinationals and big corporates advertise through newspapers and television. In fact, the top 15 advertisers account for 75 per cent of the advertising revenue of newspapers and television channels. Except for Dabur, Tata, Bajaj and Videocon, all other top advertisers belong to the multinational category. The top brands being advertised in the media belong to these corporates. With India being suddenly flooded by foreign brands, both Indian media and consumerism have received a very big boost, in a manner that as a country we cannot reverse the trend even if we want to do it.

ADS SUSTAIN MEDIA

Third: The business of advertising agencies has been getting concentrated in fewer and fewer hands in the last couple of years. The top five advertising agencies, with major holdings from

outside the country, account for well over half the advertising business in the country. The entry of foreign advertising agencies has been going on as a parallel activity to the entry of foreign brands and an increase in the share of foreign corporates in the total advertising of the country. In fact, lifting the limits of foreign capital in advertising agency business has opened the floodgates. Now global conglomerates like WPP, TWT, O&M, BBDO, DDB-Needham, JWT have

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RESEARCH FOR WHOSE BENEFIT?

Market research agencies conduct "readership" surveys and "rate" television viewership and thereby directly influence advertising agencies and in turn the media determining their priorities and preoccupations. The point here is that the methodology being followed for readership surveys and TV ratings is not without bias in favour of the sponsors and subscribers. As one who was involved in the launch of India specific readership and rating studies 25 years ago, I feel guilty for what is happening today, particularly about the way the findings of these surveys are being used both by newspapers and television channels. The "TRP trap", as I call the phenomenon, has larger

implications for India than we seem to realise. The distortions are already evident today in our media scene. This dilemma is causing concern and controversy lately even in the United States at the highest policy levels.

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Mr P.N. Vasanti, director of Centre for Media Studies, on the basis of an analysis conducted, says that "communication business has now moved into foreign control and this reflects on the scope of contents of newspapers, even more so in the case of television channels. Even Doordarshan's programming today is based on the guiding formula and criteria promoted by foreign dominated agencies having their interest in big corporates."

Against this background, a debate on the entry of foreign capital into print media is irrelevant and is not keeping with what the government has already done by opening the floodgates for the electronic media.

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