

# Chapter 1

## Aim and rationale

### 1.1 Aim

The aim of this thesis is to investigate the role that commercial factors play in the selection of target audiences and publishing sites by media houses in general and publishers of community newspapers in particular.

In the pursuit of this objective, the study will seek to assess the extent to which newspaper publishing house Caxton and CTP Publishers and Printers limited (Caxton) considered profit-making motives when selecting a target audience for its *Urban News* series of community newspapers, launched in Soweto in early 2005, and how these commercial motives interact with the normative ideals of community media.

The main question that the study seeks to investigate will be:

To what extent and in what ways are commercial factors such as the desire for profit and the dependence on advertising revenue a consideration when community newspaper publishers select target audiences for their publications and how do these profit motives tie in with the normative ideals of community media as an agent of societal development?

Other questions that the research will also consider are:

- Whether, and in what ways, ‘commercial’ community newspaper publishers seek to strike a balance between the needs of the communities that they serve and the needs of their advertisers? Whose values are being prioritized and why?

- For what reasons do community newspaper publishers develop publications for specific communities rather than others?
- In the ‘commercial’ community media model, do communities have any say/power at all in developing their own community media or deciding the shape that it takes, and, if so, in what ways and to what extent is this decision-making defined by the powers of commerce?

## **1.2 Rationale**

The commercial orientation of media organisations and media products in globalised, free market democracies has been identified as one of the most critical issues affecting contemporary media today, raising much debate within professional media circles and among media academics across the globe (McChesney, 1998; Curran, 2002). The study of this growing phenomenon, under the auspices of critical political economy and media economics theories, seeks to understand how commercial factors, such as ownership structures, the need to increase profits and the dependence on advertising revenue, affect the normative values of media, centred on meeting the information, education and entertainment needs of the public (Golding and Murdock, 2000).

Together with other media, commercial newspapers depend on advertising as their primary source of income, through which they generate profits and meet the costs of production and labour. In the contemporary media market, news media organisations in South Africa and the world have had to contend with the rising costs of creating media products in a fragmented media and audience environment, where a diverse range of

consumers has a broader range of media goods to choose from (Ettema & Whitney, 1994) and where there is more competition in terms of attracting audience and advertiser attention. As this choice is governed by the quality and type of content of the product, media firms have had to invest more and more of their incomes in creating products that are competitive within the market and that meet increasingly stricter consumer demands. The concern of critical political economists has largely been that, through expanding their ownership and the weight of advertising dollars, commercial entities have gained a degree of influence over commercial and public media, where in some instances, the quest for advertising revenue has increasingly taken precedence over the role and governing principles of broadcasting and the press (McManus, 1994; Curran, 2002).

An equally contentious issue has been the notion of community media; what it is, what it should do and who exactly it should serve. The precise characteristics of community media have been difficult to pin down, with scholars struggling to find a fitting, all-encompassing definition of community media and its characteristics (Howley, 2005; Dunaway, 1998). This question has been increasingly complicated by the emergence of various types of 'communities' within the media framework (Jankowski (ed), 2002), which have made it difficult to set down the specific features uniquely identifying community media and its functions. However, despite the contestation, the paramount principle of serving communities has continued to stand out as possibly the major characteristic of community media. Howley (2005) stresses the "local orientation" of community media and its required goal of meeting the needs and serving the interests of

specific communities. However, exactly what ‘serving’ the community means in practice is debatable.

Definitions of community media have emphasised the fact that in order to prioritise the needs and interests of the served community and not pander to advertisers and funders, community media should operate with the specific objective of promoting community development and on a not-for-profit basis (Hadland, 2004). This would therefore require the medium to depend on donations and contributions by members and funding organisations that are not binding to any commitments for advertising or any other profit generating activities.

The move of “commercial community media” – that is, media that apply a commercial model to the production of community media – into geographic areas designated as formerly disadvantaged and in need of community media is in conflict with the perceived non-profit focus that has characterised community media since its inception. Previously confined to the domains of commercial and public media, growing commercial trends in the news media have led commercial media companies to seek new markets in communities, where smaller and more fragmented audiences provide advertisers with more refined markets within which to sell their products, and publishers with more defined ‘markets’ – in the form of audiences – to provide to advertisers. The immense pressures of sustaining viability, the need to meet shareholder demands and the quest for profit, have also contributed to community media firms going commercial, taking in an increased quantity of advertising in order to break even. Commercial media organisations

expanding into and specialising in the realm of community media have also shifted the focus of the medium to a more commercial orientation, in line with values that are more focused on generating profit for shareholders. Also, local media provides a marketing and advertising opportunity for local businesses and services, particularly those newly established in communities that historically have few services and businesses.

Little research has been conducted into the specific matter of the commercialisation of community media within the country, despite clear empirical evidence pointing to the advancement of the trend (The Media, 2006; Randall, 2006). This study, therefore, is also focussed on adding to the body of knowledge that exists on the impact of commercial factors on community media in South Africa.

Investigation into the areas of commercialisation and audience selection in South African community media could have relevance to current debates that are thriving in the global media industry today, where the ‘power of money’ is seen to be more and more influential in the journalism and media industry. Contention surrounds whether or not this influence is adverse or positive (Dunaway, 1998), and it is hoped that this study will provide a clearer understanding of the commercial impact on the domain of community media.

The South African media landscape is also growing at an accelerated pace, with new commercially focused media products being constantly churned out and existing media expanding their operations. It is the researcher’s belief that this scenario provides the

rationale for an exploration into how media organisations are selecting their target audiences for these new media products, particularly community newspapers.

Community media has slowly morphed from being the smallest and possibly least influential form of media into one of the most critical, largely due to its close proximity and relevance to the people who are its audience. Its ability to address the issues that are closest to specific audiences has gradually brought it to the fore, thus the interest of this study in investigating how this media type is dealing with rising commercial pressures. Also, given the context of a society with communities that have been designated as disadvantaged, in need of development and underserved, the trend has implications for the South African project of media democratisation.

Being a commercial media house, Caxton's focus is primarily profit-driven (Keogh, 2006), and as such it presents an adequate case study for how commercial factors impact on the media. The launch of the organisation's *Urban News* community newspapers series presented an opportunity to explore the impact of these commercial factors in a South African community media setting, where little of the impact of commercialisation is known to have been studied despite the emergence of a 'commercial community' media model.

The primary thrust of the research is to address the question of the basis for the development of community newspapers. Are community newspapers developed on the basis of what a particular community has to offer as a market for advertisers or by virtue

of there being a genuine need to serve that community's needs for information, education and entertainment through a community newspaper? It will also explore the possibility of achieving a balance between both of these objectives. This would also lead to an analysis of whether or not communities in areas that are being served by commercial community newspapers are being served adequately in terms of their 'media' needs of information, education and entertainment, or whether these considerations have been overtaken by commercial priorities.

The study attempts to draw out the implications for the future of community newspapers in the light of the expansion of commercialisation in community media in general. It also seeks to contribute to discussion around the prospects of non-commercial community newspapers and the crucial issue of whether or not they will be able to remain viable and compete with the commercial community papers, as well as how this can be achieved.

The subject of this study is South African media firm Caxton and CTP Publishers and Printers Limited (Caxton), a Johannesburg Stock Exchange listed firm that has interests in printing and publishing as well as a diverse range of media products, including commercial newspapers, community newspapers and magazines. Caxton is possibly South Africa's largest commercial community media company, and was established by two Pretoria businessmen in 1902. In 1961, the company made its entrance into the newspaper business, acquiring the Jewish community publication the *South African Jewish Times*. Seven years later the company changed hands and introduced *The Germiston Eagle*, South Africa's first geographic community newspaper that was

published for the residents of Germiston. By 1978 the company was publishing at least nine community publications, and the group's newspaper division currently owns or co-owns 129 newspaper titles ([www.caxton.co.za](http://www.caxton.co.za)). During the apartheid era Caxton consolidated its position as the country's largest commercial community newspaper publisher. The majority of the company's titles were 'free-sheets' that were mostly published in the white suburbs.

### **1.2.1 The Urban News Series**

In April 2005 Caxton launched its *Urban News* series of 10 community newspapers going out to 309 000 households and an estimated 1 328 100 readers in Soweto. The series was rolled out by the launch of three titles (the *Protea Urban News*, *Diepkloof Urban News* and *Pimville Urban News*), followed, in September of that year, by another seven Urban News titles covering the communities of Dobsonville, Orlando, Eldorado Park, Meadowlands, Chiawelo, Jabavu and Zola.

According to the publishers, the papers were targeted at tapping into the spending power of Soweto's "emerging black middle class", a market that had been previously untouched in spite of the growing consumer profile of the area (Randall 2005). Another motivation and primary consideration for the launch of the series was the establishment of five shopping centres in and around Soweto, which serviced the broad footprint of the entire *Urban News* series. The shopping centres would be the main source of advertising for the *Urban News* papers and would, it was hoped, make the community papers more viable. The Urban News series was an extension of Caxton's already established commercial



community newspaper model that thrives in Johannesburg's northern suburbs. The model was premised primarily upon generating revenue through attracting advertising that was specifically targeted at the geographic community, and promoting the community as a segmented 'niche' market that would bring in income for advertisers.

The papers' editorial content was also geared at the smaller suburbs of Soweto, which had previously been viewed as a single unit that was fed uniform news. News items in the Urban News papers are specific to the ten suburbs for which the papers are published, with content only being shared when it has a broader focus on the whole of Soweto, Johannesburg, Gauteng or South Africa.

Using Caxton's *Urban News* community newspapers as a case study, this research seeks to gain an insight into the varying ways through which the growing trend of commercialism has manifested itself within the South African media landscape and more specifically the influences of the 'commercial community' media model on the development of community newspapers and communities in South Africa.

## **Chapter 2**

### **Theoretical framework and literature review**

As stated at the beginning of this thesis, the broad focus of this study is to investigate new developments within the field of community media, particularly the commercial and other factors influencing these developments, and the potential implications that they have for previously disadvantaged urban township communities. This concern is addressed and analysed in theories and debates centred on media commercialisation, the role of community media, audience segmentation and ‘audience-making’. Much has been written both on the international stage and locally, within South Africa, regarding these concepts and will be drawn upon to set out the theoretical foundation for the research and analysis that follows.

#### **2.1 The media in society**

A critical starting point in seeking to understand the workings of the media is gaining an understanding of the function that they have in society. Over the past 60 years a significant amount of research and authorship has gone into this field of study and much of it comes to the general conclusion that the existence of a free, independent and objective media is crucial to the progressive development of any democratic society and that a commercial media guarantees these. However there are also critiques of this normative view that will be discussed later in this study.

The Goldsmiths Media Group, writing in Curran (2000), sets out some of the normative functions of media in society, including its role in providing the means and the space for

an array of citizens to express their views and rationally debate issues affecting society and the state. The group also notes that the media is expected to provide “a source of objective information, widely available to all citizens and a check (‘watchdog role’) on the activities of powerful institutions and individuals” (ibid).

This notion of rational debate resonates with Habermas’ view of the importance of the “public sphere”, broadly defined as the space or arena within which public discourse and association can be conducted (Habermas, 1991). Habermas’ view is that the public sphere is a space to which all citizens or members of a society are guaranteed access and in which they “rationally” deliberate and discuss their common affairs, exchanging ideas and opinions and interacting with each other resulting in the formation of general public opinion that must culminate in some action and transformation for society (Habermas ibid). Through historical research on the development of the public sphere in 17<sup>th</sup> and 18<sup>th</sup> century Britain, Habermas attempted to demonstrate that journalism and the media played a major role in expanding the public sphere and making public debate accessible to all who want to take part in it. Today, through the provision of space for “rational” public discourse, a variety of media provide a platform for public sphere operations.

The varying forms of media-society theory, as presented by McQuail (1994), all point to the ideal of media having the role of mediator between society and ‘reality’, enabling members to interpret the experiences of the world around them, and performing the function of an agent of social integration and change. These functions could be said to be

predicated on the notion that the ideas and values that the media conveys to society are the primary causes of social cohesion and development.

The role of the media in giving society direction has been extensively discussed (Bennett, 1982; McQuail, 1994; and Curran, 2002,) with some scholars arguing that without the media performing this role, society would have no means of keeping a check on itself or on the state thus hindering its development. McManus' (1994) metaphor of the media as society's "headlights" clarifies this concept. He states that:

“In democratic theory, news media are supposed to act as society's headlights. As we travel through time, they illuminate what's before us...Society's headlights have to shine farther and more broadly than ever before and their beams must be bright enough for us to see our options and their consequences clearly,” (xi).

Carrying this metaphor further, the reliability of the "headlights" and what they illuminate is of paramount importance. The headlights should not be brighter in some areas than others or deliberately neglect to illuminate some areas for any reason. The information presented to society for its citizens to make informed and intelligent decisions must be as reliable as possible, and those tasked with the role of acquiring and passing this information on must perform this duty as objectively and professionally as they can. However, by virtue of the constraints of its production, the media cannot be an entirely neutral open space. Emerging trends point to the fact that contrary to being neutral facilitators within this space, the media has become an agent that serves to

legitimate or criticize some ideas emerging from within the public sphere, thereby playing a key role in deciding whether or not they can grow to the level of consensus or public opinion. Being a medium through which ideas are passed among the participants in a particular public sphere, the media has a certain degree of power in decision-making in society.

## **2.2 Marxism and the critical political economy tradition**

Classic Marxist theory reveals some of the earliest efforts at gaining a critical insight into the influence of political-economic factors on the media, and is founded on Marx's idea that there exists a "direct link between economic ownership and the dissemination of messages which affirm the legitimacy and value of a class society" (McQuail, 1994).

Broadly described, Marx's notion was that by virtue of having ownership and control over the means of both material and ideological production, the ruling class was able to exert a relative degree of control over social and ideological products (Bennett, 1982). The owners of the means of production determined what was produced, what people thought about it, as well as how they thought about it. These ownership and control structures enabled an elite group to determine the output as well as influence the formation of social and economic ideas on everything from material goods to critical issues affecting society. However, a critical element that is often left out of this description and that is relevant to this research is that the owners of the means of cultural production also determined who had access to the products that were produced, and through this ensured the furtherance of these ideas and the economic strength of the elite.

“...the contents of the media and the meanings carried by their messages are according to this view primarily determined by the economic base of the organisations in which they are produced.” (Curran, Gurevitch and Woollacott, 1982)

The critical political economy tradition, which draws to an extent on Marxist philosophy and explores the influence of ownership, funding and advertising on media behaviour and content, is the core theoretical area in which this current study falls, as it seeks to explore the influence of commercial pressures on media and audiences within the South African media setting, and the impact of the decisions made by media publishers on their audiences. The heavy dependence of community media on advertising also means media firms are in many cases forced to serve more affluent audiences, sometimes with content that is preferable to them.

Criticisms and concerns regarding the threat of commercial pressures on the media landscape have also been raised in South Africa, where increasing spending on advertising has given some companies stronger influence within the print and broadcast media. Government sentiment has been that of adverse implications of commercialism on the South African media. President Thabo Mbeki, Government Communications head Joel Netshitenzhe<sup>1</sup> and Arts and Culture minister Pallo Jordan have all expressed deep scepticism at the effect that economic pressures have had on local media (Duncan, 2003).

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<sup>1</sup> Joel Netshitenzhe had left his position as government communications head by the time the research began.

According to Netshitenzhe, commercialism has had such a deep impact in South African media that it has posed a serious threat to media freedom. He states that media houses have allowed advertisers to control the content of their publications out of desire for “the bottom line” (Harber, 2004).

### **2.3 Media Economics and the Quest for Profit**

In the interests of survival in increasingly competitive markets, managers of commercial media firms have had to operate according to the principles of media economics, a branch of knowledge that has brought together the theoretical values of economics and the media. Picard (1989) defines media economics as a branch of knowledge “concerned with how media operators meet the informational and entertainment wants and needs of audiences, advertisers and society with available resources”. This notion is predicated on the idea that the needs of audiences, advertisers and societies are inseparable from consideration of the financial (or other) resources that make the production of media goods possible.

Picard (ibid) states that “the economics and financing of media companies are the foundation upon which all media activities take place”. Without these considerations, democratic, free-market societies could possibly be forced to go without the media products that they now so heavily rely on. According to Doyle (2002) the discipline of economics has become the key to understanding how media organisations and industries tread the contemporary business waters in which they operate.

The complexity of the media-economics link is explained by McManus (1994), who argues that media organisations operate in four different markets at the same time. The most common, he says, is the market for audience where companies sell a specific number of newspapers or attract a particular share of viewers, though there are also other transactions that are taking place almost simultaneously.

Shares of the media firm may be bought and sold on the *stock market*. The media firm also sells audience attention in an *advertising market*. Finally, the firm trades in a market for newsworthy information, a *market for sources*.  
(p5)

According to McManus (ibid), consumers are loyal to the company that provides the best quality news, which then has the largest share of consumer attention to sell to advertisers and consequently commands the highest price for advertising. The attention that the firm attracts gives it considerable influence with sources for news, who bring news and enable the firm to generate higher revenue. Due to this high revenue, a company's stock is likely to command a premium price on the stock market, thus enabling it to attract more funding for growth.

The listing of media firms on stock exchanges around the world has emerged as a major commercial pressure influencing the decisions of media houses. The interests of shareholders and stock market analysts increasingly have to be taken into consideration when decisions are being made, as these affect the company's ability to generate profit for shareholders and its ability to raise capital for expansion on the stock exchange.



Hirsch and Thompson (1994) stress the relevant point that executives of media organisations must take account of two sets of audiences when making decisions:

“Many news executives now must respond not only to the market for advertising space but also to the market for financial capital, and they must cater not only to the audience of news readers, but also to the audience of securities analysts whose recommendations can either make or break a company on the stock market” (in Ettema & Whitney, 1994:142)

Several media organisations, including Caxton which is the case study of this thesis, are now listed on stock markets around the world, and while they have keen audiences and advertisers watching their every move, they have equally keen observers in the form of aforementioned stock market analysts that, to a certain extent, they have to please.

The economics of the media is also deeply intertwined with broader economic forces affecting the rest of the environments within which media organisations operate. Doyle (2002) points out that the study of economics is carried out on the macro-economic and micro-economic levels. Macroeconomics takes account of the overall performance of the economy within which the organisation is operating, which has serious implications for the performance of the media industry in general. As the advertising industry grows, for example, the media industry, which depends on advertising revenue, will also grow (Doyle, *ibid*). On the other hand microeconomics considers the performance of “individual markets, products and firms” (Doyle, *ibid*).

Economists agree that profit-making is the core factor determining the existence of commercial media organisations today (Herman & Chomsky, 1988; McChesney, 1999). It enables them to produce the quality media goods that are the primary requirement for the entry into highly competitive markets within which they must survive if they are to stay in business. Doyle (2002) stresses that the natural inclination of every commercial organisation – including those involved in media activities – is to maximise profit. She says “the assumption that all firms seek to maximise profit is central to the economic theory of the firm” (Doyle, *ibid*), particularly in listed companies.

In applying these economic principles, media firms often find themselves caught up in the ethical dilemma of choosing whether to risk their credibility within the principal audience market and bow to economic forces or to stay true to their often stated mandate of the serving the public interest. The result, according to Bagdikian (1990), is that some media organisations choose the latter while others compromise on the former by covering up the economic interest of the organisation. Ehrlich (1997) states that although talk about money-making may be rare in the newsrooms of market-driven media companies, the sense and principles that govern news routines in these organisations is primarily economic.

#### **2.4 The workings of media commercialism**

Considerable debate surrounds the precise timing of the dawn of commercialism in the media (McChesney, 1998; Bennett, 2003), although the influence of external political and

economic factors on the media has been evident for more than a century (Schudson, 1995). Despite the contention over timing, it appears that the manifestation of commercialism within the media has largely taken place through the agency of ownership of media organisations and the influence of advertising.

Curran, Gurevitch and Woolacott (1982) note that in order to satisfy their profit motives and commercial focus, media organisations concentrate their attentions on serving the interests of those entities who provide these profits for them. These include advertisers – who by 1920 contributed more than 60 percent of newspaper revenue – and governments, which provide ‘optimum’ regulatory environments allowing media institutions to make profits (McChesney, 1998).

The nature of commercial media operations is such that the media require advertising revenue to sustain their operations and to grow. By selling space and audiences to advertisers, media organisations make the profits that have made the media big business today (McChesney, 2004; Bagdikian, 1990; Golding & Murdock, 2000). It is believed that print media generally depends on advertising for about 60% of its revenue, while commercial broadcast media generates 100% of its income from advertisers (Doyle, 2002; Hoskins McFayden and Finn, 2004). McChesney (ibid) decries the fact that “advertising has become such a dominant source of revenue for media industries that outlets unattractive to advertisers find themselves at a decided disadvantage in the marketplace”.

But the profit focus by the media industry, it is argued, has been at the cost of the values, needs and interests of the public. The media has shed its mandate to inform, educate and entertain the public to the best of its ability, choosing to further its own interests – and to a significant extent those of powerful advertisers – at the expense of those of the public. Curran et al (1982) note that modern media firms are left with little choice but to bow to the economic powers of those responsible for generating their revenue:

“Commercial media organisations must cater to the needs of advertisers and produce audience maximizing products (hence the heavy doses of sex-and-violence content) while those media institutions whose revenues are controlled by the dominant political institutions or by the state gravitate towards a middle ground or towards the heartland of the prevailing consensus” (Curran et al, 1982).

The commercialist thrust emerged partly as a response to the need by commercial media owners to increase profits and to expand the ownership ambitions of elite societal groups that owned media outlets. McManus (1994) states that the American media succumbed to commercial pressures after entrepreneurs succeeded political parties as operators of the press more than 160 years ago. During the era of the political press, which preceded the commercial press, the power of the media was vested in its position as “kingmaker”, through which media houses used their influence and visibility to influence political decisions (Bennett, 2003). But as media industries became more business oriented elements of the public interest gradually took a back seat to cost-cutting and more profit

focused initiatives (McChesney 1999) that saw advertising gain increasing prominence within global media structures.

From the above information it could be safely suggested that media entities that have any commercial inclination may lack total control over decisions relating to their operations or their content due to their principal profit focus, as they constantly have to cater to the desires of advertisers, shareholders and the capital markets.

McChesney (1999) notes that commercialism is linked quite closely to the broader system of capitalism, and has taken advantage of structures of ownership and the commercial media's strong reliance on advertising ostensibly to further the interests of a select group of elite media owners. These "interests" are primarily focused on generating profit for the relevant companies and expanding their ambitions of ownership and control. As Baker (2002) points out, market incentives that are geared towards income generation lead media producers to provide audiences with content that serves the producers' needs, and not what the audience needs.

## **2.5 Community Media**

Community media emerged on the global media stage as the third and, at the time of its inception, the least valued tier of the media hierarchy, following in the footsteps of public and rapidly growing commercial media. Hollander, Stappers and Jankowski (in Jankowski (ed), 2002) note that community media was developed as an agent of "participatory democracy", which granted a more inclusive role to members of society in

determining matters that were relevant to them. It arose out of a realisation by some societal groups that their needs and interests were not being adequately met in the mainstream commercial and public media, and was primarily used by local political groups, citizen groups and tenant associations as media of communication and as a means of raising awareness on issues affecting small, homogenous geographic and interest communities (Hollander Stappers and Jankowski, 2002; Atton, 2002).

### **2.5.1 Defining Community Media**

As previously stated, there is yet to evolve a precise and all encompassing definition of community media that is singularly accepted, though scholars concur that the primary characteristic features of this medium are its audience, which may either be a geographic community or a community of interests, and its developmental function within the relevant community (Hollander *et al*, 2002; Hadland, 2004; Howley, 2005). The geographic community brings together people residing within the same relative geographic locality, while the community of interest encompasses people sharing similar interests and concerns.

South Africa's Media Development and Diversity Agency (MDDA) defines community media as:

“Non-profit media that are owned and controlled by either a geographic community or community of interest, where any surplus revenue generated by the media is re-invested into the organisation, publication, or related projects” (As defined in the South African Media Development and Diversity Agency Act (No 14 of 2002))

Howley (2005) defines community media as media that are “grassroots or locally oriented” and that are “predicated on a profound sense of dissatisfaction with mainstream media form and content, dedicated to the principles of free expression and participatory democracy, and committed to enhancing community relations and promoting community solidarity”. However, the vast and diverse number of geographic communities and communities of interest has created difficulties in the ability of community media to serve the needs and interests of all of these groups. Apart from these challenges, an implied characteristic of community media is that it must in some way involve the community that it serves in its production and ownership. Researchers have stressed the fact that community media must be produced “by the community and for the community” (Hadland, 2004; Media Development and Diversity Agency, 2001), though issues relating to community members’ lack of experience in creating media products have added the dimension of “with the community” to this characterisation.

The desire to ensure that only the interests of the relevant community are taken into account has led some to emphasise that community media should operate on a not-for-profit basis (Hadland, 2004; MDDA, 2001), the logic behind this being that the needs and interests of the community are best served if the specific community being served is the only one that has anything to gain financially or otherwise through the medium.

The non-profit thrust requires community media to depend on donations and contributions by members and funding organisations that are not bound to any

commitments to advertising or any other profit generating activities. However, in an environment where even the commercial media seems to be under serious economic pressure, the question is whether a non-profit model is a workable option.

## **2.6 Commercialism and the community press**

The above consideration is perhaps part of the justification for the development of the ‘commercial community media’ model, an arm of community media that while to a large extent meeting the informational, educational and entertainment needs of the community, is also intrinsically focused on generating advertising revenue – and consequently profit – for its publishers.

Commercial community media thrives on the principle of a media that provides advertisers with refined and segmented audiences (Herman & Chomsky, 1988; Ettema & Whitney, 2002) that are more likely to respond to their products, but a key difficulty that this medium presents is how effectively this model ties in with the perceived developmental and non-profit role and function of the community media format. According to Hadland (2004: 10) community media “has an over-riding developmental mandate”, implying that its primary function is to assist in and promote the development of the specific community that it serves. It should “provide a means for cultural expression, community discussion and debate” (CRIS, 2003) and should ideally be non profit, owned, managed and operated by the community it serves and be accountable to community structures (Hadland, 2004). However, a number of conflicts of interest almost automatically arise, as these notions of community media differ considerably with the



commercial model's primary motive of generating financial profit for media houses and their shareholders.

While the community newspaper model is ideally exclusively focussed on the interests of audiences and relevant communities, the commercial model is obliged to focus mostly on the interests of advertisers – even though audiences are also a consideration (Hirsch and Thompson, 1994). It thus becomes necessary for the “commercial community media” model to strike some form of a balance between the needs and interests of advertisers and those of the community it serves (Schudson 1993).

Although there is much criticism of the commercial community trend, there is little doubt that viability issues in the domain of community media lend credence to a more serious consideration of the trend. Research carried out in community media highlights the challenges surrounding the viability of community newspapers (Hadland, 2004; Milne, Rau, Du Toit and Mdlongwa, 2006). In a research report on the community media sector in South Africa, Hadland (2004) notes that the lack of viability of community newspapers due to poor funding has in several cases affected the quality (both in terms of production and content) of these media in South Africa.

“Small print has generally not been able to access what funding there has been for small media, as the bulk of this has gone to radio. Neither has it benefited from the funding directed at audiovisual media as it seems to fall outside the official definition of arts and culture. The sector has only survived through its ability to tap into other income-generating opportunities.” (p85).

These “opportunities” have in some cases included resorting to the same strategies as commercial media, which depend on income from advertisers generated through selling audiences to advertisers (Berger and Kanyegirire, 2002; Chomsky, 1997). In one sense, the entrance into the community media market by commercial media companies may thus not entirely be a bad occurrence, and could enhance the growth of the community media sector. The various strategies that these companies use and have transferred from the commercial media sector to community media may also be taken advantage of to assist the development and viability of community newspapers.

The consideration of this possibility brings to the fore the issue of whether the commercial model can tie in well with the principles, roles and functions of the community media sector in which it is increasingly being applied. In the light of the outlined principles of community media, one is drawn to ask whether the model of a ‘commercial community media’ – with its focus on advertising *and* the development of the community – can fulfil normative expectations of what community media should be.

## **2.7 Audience selection and segmentation**

The growing profile of the media industry and rising commercial pressures such as the need for significant profit and the need to be competitive in fragmenting media environments have made audience selection a critically important aspect of contemporary media. Media companies are under pressure to attract the highest numbers of the right audiences, which they can in turn sell to the biggest spending advertisers in order to make

the largest possible profit. Ettema and Whitney (1994) state that the rise of commercial pressures within the media has forced media firms to focus on “institutionally effective audiences that have social meaning and/or economic value within the system”.

Audience segmentation divides audiences into categories of individuals or groups with relatively common interests that according to Ettema and Whitney (ibid) are either anticipated or created and then met by content producers. Windahl and Signitzer (1992) justify audience segmentation on the grounds that they believe the more homogeneous audiences are easier to communicate with due to the similarities of their needs. The authors note that segmentation considers certain “primary categories” such as segmentation by demographic characteristics (age, gender, occupation, family size, lifecycle, income, education and race), geographic characteristics, social class and psychographics, that distinguish audiences and the content that they desire and receive.

In the process of ‘audiencemaking’ and audience selection, media industries are resorting more and more to audience segmentation, through which they deliberately ‘create’ the more refined and homogenous audiences that are more likely to be responsive to advertisers and thus boost their profits (Gandy, 2000; McGain and Russell, 1981). Napoli (2003) states that audience fragmentation occurs when “traditional ‘mass audiences’ are subdivided into smaller, more homogeneous segments”. As they resort to more lucrative target marketing, media companies now sell the audience to the ‘market’ of advertisers (Bagdikian, 1990; Chomsky, 1997; McManus, 1994; McChesney, 2004), taking advantage of segmentation to provide more refined, homogenous audiences that are

composed of consumer groups that are more likely to purchase advertised goods. According to Bagdikian (1990) advertisers value news environments that create “a buying mood” among audiences, which is characterised by an audience’s curiosity and desire to *possess* goods and services advertised in specific news media and not only to admire them.

Berger and Kanyegirire (2002) stress the fact that the print media need advertising to survive, and that in order to get it they have little choice but to target audiences that are desirable to advertisers:

“The bottom line is that newspapers have to target a class of readers that is being chased by most advertisers - conventionally that is they have to identify people with disposable income to buy the products of their advertisers...”

Kotler (2006) and Wildman (in Ettema & Whitney, 1994) also posit the increasing importance of target marketing in order to reach more specific audiences and refined markets that are more likely to respond to specific products. The advantage of this is that advertisers are not forced to spend exorbitant amounts attempting to sell products to people who are not likely to buy them, but on a segmented audience market that is created for them.

Wildman (ibid) stresses that the decision to publish to a particular audience at a particular time is critical for modern media companies that are keen on maximising profit.

“The timing of a media product’s release into different distribution channels is an important component of overall strategy employed to maximize the financial returns to a product whose content is not diminished by consumption” (In Ettema & Whitney 1994: 130).

However, in the context of media products that are meant to take the interests of a broad public to heart, the argument for target marketing presents some difficulties. Howley (2005) points out that it amounts to a society that has no shared media experiences due to attempts to cater for a large number of refined and homogenous groups. The disadvantage is that each of these groups receive news and information that is distinct from the others and is largely unaware of what is happening within the environments of other segments, which tends to work against the ideals of the media as nation builders, and as creating a common public sphere

To a large extent the Urban News papers investigated in this study support the principle of target marketing. According to senior Caxton officials, had it not been for the rise of consumer culture and the emergence of the “black middle class” that became the primary audience segment targeted by the Urban News series in Soweto or for the erection of the set of shopping centres built in various areas in the township, it is unlikely that Caxton would have proceeded to launch its *Urban News* papers in that area (Randall, 2005). In the interests of its profit motives the company was forced to wait until there was an audience market wealthy enough to present to advertisers as a market for their products

and until there were shopping malls with shops carrying the products that the audience would buy.

With the increasing push towards commercialisation the character of the audiences receiving specific media products has become more important than the actual number of people that make up these audiences. Curran (2002) observes that elite groups all over the world are served by the “prestige press”, advertising-rich media organisations that have gained their ‘prestige’ status – and the faith of advertisers – by giving the elites influential voices that are not available to other classes, and by giving advertisers audiences itching with the buying culture. News (and other) media organisations that circulate relatively few issues among the elite classes of specific societies post higher revenues and have become better options for advertisers than those circulating more issues among lower classes. As a result media organisations target affluent ‘niche’ audiences that they are better able to sell to advertisers for higher advertising dollars.

### **2.7.1 The ‘audience as commodity’ theory**

Webster and Phalen (in Ettema and Whitney (ed), 1994) put forward the notion of the audience as a commodity, which is built on the premise that where the media are dependent on advertising revenue, audiences become a commodity or good that media organisations sell to advertisers. The model recognises the economic value that audiences possess within the broad framework of media economics, and acknowledges that while media firms primarily sell content, commercialisation has made audiences more lucrative. According to Webster and Phalen (ibid), this economic value is “expressed in

measurements of the audience's size and composition", that is to say the most valuable audiences are those that are composed of the highest number of people with the greater buying tendencies.

The commodity model also highlights the important factor that commercial media companies must be allowed to create and sell audiences in order for them to survive and perform their informative, mediatory and regulatory functions which serve the public interest (Webster and Phalen, *ibid*). Without adequate resources (generated through advertising revenue) permitting media firms to carry out their role and function, the media's capacity to serve the public interest is severely limited.

## **2.8 The South African Context**

The South African media setup has seen community media gradually gaining prominence as a medium of communication that seeks to cater for the specific needs of groups that have been lost or neglected within the broader framework of mainstream media. South Africa's National Community Media Forum (in Berger, 1996) notes that South Africa's community media sector emerged during the country's apartheid era, during which it was used as "a tool to counter state propaganda, inform, mobilise and educate the masses about their rights and to facilitate the building of strong community organisations". Since the end of apartheid, community media, and the community press in particular, have continued to flourish despite the obvious challenges of keeping their operations running amid rising costs of production (Hadland, 2004; The Media, 2006; Milne *et al*, 2006).

In an effort to address this challenge, local community newspaper publishers such as Caxton and Media24 appear to have taken up the commercial model and are now seeking to blend the commercial and community media models as means of meeting the needs and interests of the communities they serve, while at the same time ensuring that they sustain their need for profit by serving the interests of their advertisers. Advertisers are also more willing to advertise in community media that are more audience specific and enable them to target products at a specific audience (Randall, 2005). In a recent advertorial in media magazine *The Media* (2006) Media group Media24 notes that advertising spending in community media grew exponentially during 2005. The company states that community newspapers experienced a 22% increase in advertising spending throughout the year, the equivalent of R200 million.

### **2.8.1 Market driven media: A South African perspective**

Despite concerns about its adverse impact that many argue sacrifices the needs and interests of media audiences at the expense of profit motives and the push towards expansion of media footprints, it is argued that commercialisation has gradually gained ground in the South African media landscape (Duncan, 2003).

Market forces have become the primary consideration of both commercial and community media, while the domain of the public media also appears to have taken up the mantle of generating revenues. According to Teer-Tomaselli (2001), the bulk of revenue generated by public broadcaster SABC comes from advertising and not from licence payments and government subsidies as the ideal situation would dictate. She notes



that the broadcaster receives 78% of its revenue from advertising, 18% from licences and 4% through government subsidies.

In a bid to balance the roles of the community media operator and the commercial entity, players in the local community media sector seem to have resorted to audience segmentation, through which smaller audience segments or “communities” are served with media products that ensure the highest return for the publishing firms. As evidenced by the growing ad spend in the community media sector (The Media, *ibid*), advertisers are increasingly willing to pay more for more refined target audiences that are more likely to buy the specific products that they advertise. As such it has become almost critical that media houses specifically target audiences that guarantee a commercial return when creating media products (Berger and Kenyegirire, 2002).

To help ease the task of linking the appropriate advertising content with the appropriate target audience, the South African Advertising Research Foundation (SAARF), which is responsible for providing data on the use of mass media and the consumption of products and services by media users, developed the Living Standard Measure (LSMs) and the All Media Products Survey (AMPS).

Since their inception 16 years ago, the LSM and AMPS have become the most commonly applied target marketing and segmentation tools in South Africa, and are used by media publishers and broadcasters as well as media planners to segment audiences into “distinct, identifiable groups in terms of demographic and personal data, media consumption data

and psychographic data” ([www.saarf.co.za](http://www.saarf.co.za)). South African advertisers and media companies have become heavily reliant on the two measures to determine where and when to place particular types of advertisements, using variables such as wealth, access and geographic indicators as determining factors.

SAARF developed the LSMs in the late 1980’s motivated by the growing weakness of traditional market segmentation differentiators of “rural/urban” and race ([www.saarf.co.za](http://www.saarf.co.za)). The foundation noted that the traditionally wide gap between the urban and rural markets was gradually narrowing and that the spending and consumption habits of both markets were becoming increasingly similar. To counter this, SAARF developed a new structure that grouped markets according to product use and community size – namely, “metropolitan”, “cities/large towns”, “small towns/villages” and “rural” – in an attempt to segment the market by level of sophistication so that marketers could better define their target markets (saarf, *ibid*).

Media planners and marketers appear to have shunned the lower end LSM categories 1 to 5, which they believe cannot afford many advertised products<sup>2</sup>. Research into the advertising industry has shown that in spite of comprising the majority of the population, LSMs 1-5 attract less of total ad spend (Cowling, 2004), while the more affluent categories 6-10 are responsible for the larger chunk of funds spent on advertising.

Cowling points out that:

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<sup>2</sup> Appendix A shows the demarcation of LSM categories, their population relative to the whole South African population and the most common types of media that each group uses. (Source: [www.saarf.co.za](http://www.saarf.co.za)).

“It is no longer enough for media products to have a big audience; that audience should also have a significant representation of LSMs 6-10. Thus the media products whose audiences are largely LSMs 1-5 are the poor relations of the media world” (Cowling, 2004).

The result, she says, is that since there is more advertising support for media products targeting the more affluent members of society, there are more media options for this group and very few for the not so affluent majority, which is served mostly by the public broadcaster and only barely by commercial media

The relevance of LSM and AMPS data to this study is critical, as it helps to determine the exact factors that media houses and advertisers take into consideration when selecting target audiences. This information will be weighed against the normative ideals of community media to gain an insight into the role that commercial factors play when publishers select audiences for community newspapers.

Despite some debate regarding the reliability of the LSM as well as what it can predict about consumers, it has been noted that media planners and advertising executives are greatly reliant on LSM data and that newspapers and broadcasters understand the value of having the right LSM profile (Cowling, *ibid*).

## **2.9 Conclusion**

The various theories and debates addressing the issues of media commercialism, the role of community media, and audience segmentation that have been looked at in this chapter

all set out the theoretical foundation for this study and help in the quest to investigate the influence of these factors within the field of community media. The reference point for this investigation can no doubt be an analysis of the normative functions of media in society, including its role in providing the means and the space for citizens to express their views and rationally debate issues affecting society and the state. It is also clear from this theoretical framework that the media is expected to be a dispassionate source of information for all citizens, and a watchdog of influential institutions and individuals. However, the growing commercial thrust of many media organisations means that pressures such as the desire to maintain and increase profits pose a challenge to these normative functions of media firms. Profit-making has become the main factor determining the survival of commercial media organisations, making it possible for them to produce the quality media goods that are essential for them to compete in the media market and justify their existence to shareholders.

Within the realm of community media, the solution to this problem would appear to lie in media organisations balancing the information, education and entertainment needs of their audiences with their own commercial motives of growing incomes and maintaining profits, taking into account the fact that community media outlets have the primary function of developing the communities for which they are produced apart from their growing commercial inclination.

## **Chapter 3**

### **Research methodology**

#### **3.1 Study Objective**

The objective of this study is to investigate the role that commercial considerations, such as the quest to increase advertising revenue and profit, played and continue to play in the selection of target audiences for Caxton Urban Newspapers' *Urban News* series and the potential implications for the communities in which these newspapers operate. The study also seeks to analyse whether, or to what extent these commercial factors tie in with the normative ideals of community media in the context of how it is defined and how it should operate.

In the pursuit of these objectives the study utilised a combination of qualitative and quantitative research methods of analysis, as it was felt that combining these two methods would best capture the information required. Scholars have posited that the use of qualitative and quantitative methods in unison is of great benefit in the field of media research (Davies, 2000; Bernard, 2000). According to Davies (ibid) "using quantitative research alongside qualitative research offers a synergy whereby objective data can provide a structure to analysis of subjective qualitative data". It is this "synergy" that the researcher sought to exploit in marrying the qualitative and quantitative methods for this research.

### **3.2 Qualitative Research**

Bertrand and Hughes (2005) describe qualitative research as being “primarily based on description rather than on measurement of the factors to be analysed”. Unlike quantitative research, which focuses on numerical data, qualitative research places emphasis on and carries out in-depth analysis of words, images and subjective material. Merriam (1988) highlights the fact that in qualitative research, the researcher is the primary instrument for data collection and analysis. The researcher draws conclusions after careful collection and analysis of the details that are relevant to the research. Some of the main data collection methods falling under the domain of qualitative research include in-depth interviews, on-the-spot interviews as well as content analysis, which can also be conducted quantitatively. The qualitative research method was selected for use in this research due to its strength in explaining and interpreting “behaviours, processes and motivations” (Bassey, 2006) which, within the context of commercial community media and Caxton, was one of the key objectives of the study. The company’s expressed “motivations” for developing the Urban News series were investigated and analysed, along with the “processes” it followed in carrying out this move and its “behaviours” in doing so.

### **3.3 Quantitative Research**

Quantitative research is defined as “a formal, objective, systematic process in which numerical data are utilised to obtain information about the world” ([www.fortunecity.com](http://www.fortunecity.com)). Conclusions are drawn from the analysis of ‘quantitative’ statistical data that is most commonly collected through the survey method, which utilises

questionnaires and interview schedules to collect information via telephone, surface mail, e-mail or face to face with interview candidates (Davies, 2000). In this study, numerical data relating to editorial and advertising content in the Urban News papers was used to obtain information about why Caxton chose to publish a specific set of newspapers to a specific group of people.

### **3.4 Case Study**

This study was carried out as a general case study that was conducted in an effort to gain an insight into the operational workings and strategy behind Caxton's Urban News series.

Yin (1984) defines the case study research method as:

“...an empirical enquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used” (p23).

In the instance of this particular study, the case study involved the use of multiple sources of evidence, including personal interviews, documentation, and information from Caxton's website to study the company's history and operational strategy, as well as its audience targeting strategy and processes for the Soweto papers. A thorough investigation of the Urban News papers was conducted, focussing on the strategy and rationale and processes behind the launch of the papers, their target audience and their advertising and editorial content. The above-mentioned evidence sources were used to get the required information, which was then filed and analysed by the researcher. Yin (ibid)

notes that data analysis “consists of examining, categorizing, tabulating or otherwise recombining the evidence to address initial propositions of the study”. To large extent, it was these procedures that were followed in the analysis of collected data.

### **3.5 Data collection methods**

The collection of data for this study was carried out in four main phases, which included a document and internet search of information related to Caxton’s Urban News community newspapers, an editorial content analysis and advertising content analysis of the actual papers and a survey comprised of in-depth, semi-structured interviews with executives of Caxton Urban Newspapers and the Newspaper Advertising Bureau (NAB).

#### **3.5.1 Document and Internet search**

The primary stage of the data collection process was a literature review and Internet search that was carried out to find documentation that was relevant to Caxton’s Urban News papers as well as to the study as a whole (i.e. to the broad topics of community media, media commercialisation and audience segmentation). It was felt that documentation and web material about the Urban News papers would provide the broad foundation of information required to carry out the study, which would then also be used to put the content analysis and survey interviews into context.

The process of this search included browsing the Caxton and NAB websites for information about the company and reviewing newspaper and website articles relating to the company’s strategy for selecting a target audience for its Soweto community



publications. Some documents relating to Caxton's strategy and rationale for launching the Urban News papers were obtained from the advertising offices of the publishers and others from the NAB<sup>3</sup>. The internet search was conducted using the keywords "Caxton Urban News community newspapers" and "South African community media". Apart from the internet and newspaper articles, documents outlining Caxton's plan for the roll-out of the Urban News series were also obtained from company officials and from the Newspaper Advertising Bureau. The intention was for this documentation to give insight into the specific reasons for Caxton's decision to launch community newspapers in Soweto and precisely how this was done. From these documents it was possible to establish how the company represents itself and its interests, as well as who it is talking to and how.

### **3.5.2 Content Analysis**

The content analysis was the second phase of the data collection process and took the form of an editorial content analysis and an advertising content analysis of the Urban News papers. Bertrand and Hughes (2005) define content analysis as a form of textual analysis in which units of measurement are defined that can be applied to texts and the resulting data then interpreted quantitatively. Content analysis has been used to investigate the objectives and focuses of individuals, groups or institutions and was thus felt to be appropriate for the current study, which sought to probe the objectives of the Urban Newspapers division of Caxton in setting up the Urban News community papers

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<sup>3</sup> These documents contained information on the Urban News target audience, circulation and readership figures as well as maps showing the suburbs in which the papers were published. It looked at the income profile of Soweto residents and the commercial and infrastructural profile of the area, particularly its suitability as a retail market, and a market for advertisers.

and targeting them at the Soweto community. According to Berger (1991) the purpose of content analysis is to learn something new about the content and those who produce the messages. Bertrand and Hughes (ibid) also note that content analysis has several advantages as a media research method, particularly that it is relatively easy to access material and that it can deal equally easily with current and past events.

To begin with, 21 issues of the various Urban News community newspapers were collected for analysis by the researcher. The papers were obtained from the offices of the publishers and were split into two sets. The initial set contained 11 issues of the Dobsonville Urban News, which is distributed to residents of Dobsonville in Soweto. This set contained all the issues of the paper that were published over the three month period between June and August 2006<sup>4</sup>. The rationale behind this was to be able to analyse the editorial and advertising content of one of the Urban News papers over a continuous and prolonged period, gaining an insight into the nature and target audience of the content the papers were carrying as well as who was advertising in the papers and the type of advertisements that they were placing.

In order to compare the advertising and editorial content of all of the ten Urban News papers, a second set of papers was also collected containing 10 different Urban News issues published on the same day, November 10, 2006. This set comprised of one issue from each of the 10 Urban News publishing sites in Soweto, with the rationale behind

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<sup>4</sup> While the intention was analyse a set of papers published over a continuous three month period, the absence of some back issues in the publishers' library (where copies for analysis were obtained) made this difficult. Despite the fact that papers for the issue of June 16, 2006 had been destroyed, the period June-August 2006 was the only period for which a relatively complete set of papers could be found.

this being the desire to compare the editorial and advertising content within all of the various Urban News papers. It was hoped that this would give an insight into differences in the target audiences of the Soweto market, where some areas within the suburb are more affluent than others and thus possibly attracted more or different advertising. The selection of November 10 was based on the availability of a complete set of copies from the publishers.

After the collection of material required for analysis a thematic content analysis was carried out of all the papers obtained, in which the editorial content was analysed on the basis of the themes of all editorial stories. This exercise was carried out to ascertain whether or not the news carried by the Urban News papers was “community news” that directly affected and benefited the community being targeted. All editorial articles were counted, and the main headlines of all the stories were catalogued according to what category they fell under, with the listed thematic categories being health, general news, municipal service issues, education, crime, sport, entertainment, and social responsibility issues (see Appendices F and G). It was felt by the researcher that these were the main issues that were evident in the Urban News copies selected for analysis.

Articles were also placed into three sub-categories, namely community specific editorial content relating particularly to Urban News target communities within Soweto, i.e. Dobsonville, Zola, Pimville, Meadowlands, Chiawelo, Protea, Diepkloof, Eldorado, Orlando and Jabavu; general editorial content relating to Soweto in general but not specifically to Urban News target communities within the township, and general editorial

content relating to Johannesburg and Gauteng Province, including Soweto and Urban News target communities. These sub-categories were then assigned codes to help identify and distinguish them with the first sub-category being assigned code (A), the second sub-category code (B) and the third sub-category code (C). This process made it possible to compare the quantity of local content<sup>5</sup> that was specific to particular suburbs within the Urban News footprint to that which was shared, i.e. which was published in all of the papers on a specific day. Following this exercise, the material in the individual frequency tables was then used to compile broader tables summarising the editorial content contained in all the Urban News papers analysed (Appendices F and G).

After the thematic content analysis of the editorial content, a content analysis was then carried out of the advertising content in all of the selected issues in order to assess the nature and quantity of advertisements carried by the papers. This process would give an insight into who was advertising in the urban news papers, how much advertising was contained in the papers, and what the advertisements were about. It was hoped at the time that this information would help the researcher understand better how and why the advertising that the papers were getting could have influenced Caxton's decision to publish in Soweto. It was also done to get an empirical assessment of whether or not the company's plan to tap into the 'buying mood' of the area and attract geographical advertising targeted at Soweto suburbs and residents had been successful, as the attraction of advertising from business operators within the Soweto area had been a major factor in the decision of whether or not to publish in the township.

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<sup>5</sup> Being 'community newspapers' targeted at particular local communities, it was felt that emphasis should be placed on analysing the local content that specifically targeted these communities.

First, all advertisements in the selected issues were counted and catalogued according to their size, sector and the name of the advertiser (to ascertain whether or not they were based in Soweto). They were placed in 2 main categories, according to whether they were display ads or advertorials (see Appendices B and C) and then into two sub-categories, according to whether they were placed by local companies based in Soweto or by external companies based in other parts of the city or country (see Table 1 below). These two sub-categories were then allocated the codes (L-local) and (E-external) respectively. After this, advertising ratios were calculated for each issue, detailing the total number of advertisements in relation to the total number of articles per issue.

### **3.5.3 Data Categories**

Having read through the Urban News issues selected for the content analysis and counting all of the advertisements and articles carried in these issues, I developed categories and sub-categories for both advertising and editorial content that would help outline the nature and quantity of content carried in the papers. After counting all of the advertisements and articles in the selected issues, I placed the advertisements in three categories and the editorial content in nine categories. In addition to these categories, I also identified two sub-categories for advertising content and three sub-categories for editorial content. These sub-categories were intended to help identify the geographic origin of both advertising and editorial content. The full description of these categories is detailed below:

### 3.5.3.1 Definition of Content Analysis Data Categories

#### a) Advertising Content Categories

- Display or Run of Paper: - single advertisements that stand on their own.
- Advertorials: - advertisements appearing as paid/promotional articles of a particular company, product or event.
- Inserts: - advertisements placed by specific companies and containing several pages of products. Inserts can be pulled out of the main paper and read separately.

#### i. Sub – categories

- Local (L) – Local advertisers that are from within Soweto<sup>6</sup>.
- External (E) – External advertisers not based in Soweto<sup>7</sup>.

#### b) Advertising Ratio

This referred to the total number of advertisements in relation to total number of articles per issue. This method of calculating the advertising ratio was selected as it was felt that it best suited the requirements of the study, considering that part of the aim of this study was to assess whether or not Caxton was able to achieve a balance between the needs of its advertisers and those of its readers within the Urban News footprint. In order to distinguish between advertising content categories, the study utilised two advertising ratios:

- i. Display/run of paper advertising ratio – number of display/Run of Paper ads in relation to total number of articles per issue.

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<sup>6</sup> These advertisers have an actual presence in Soweto. These also included adverts placed by national retail and wholesale giants such as Shoprite and Game.

<sup>7</sup> These are advertisers who do not have an actual physical presence in Soweto.

- ii. Advertorial advertising ratio – number of advertorials in relation to total number of articles per issue.

Advertising ratios were calculated by dividing the number of articles by the number of advertisements (or advertorials) and multiplying this figure by 100.

**c) Editorial content categories**

- Crime – articles on criminal activities and court procedures within the specified area within which the particular Urban News paper is published, e.g. Dobsonville, Pimville, Zola etc.
- Municipal Service issues – articles on municipal or other services offered within specified area including electricity and water supply.
- Entertainment – articles on entertainment issues within specified area.
- Health – articles relating to health and medical issues within specified area.
- Education – articles on education and related issues within specified area.
- Sport – articles relating to sports and sports development within specified area.
- General news – general news/information about developments or events taking place in the community.
- Social responsibility issues – articles relating to donations, community development and community service within the specified area.
- Business/Investment – business and investment related articles published within the specified area.

### **i. Sub Categories**

- Community specific editorial content relating particularly to Urban News target communities within Soweto, i.e. Dobsonville, Zola, Pimville, Meadowlands, Chiawelo, Protea, Diepkloof, Eldorado, Orlando and Jabavu.
- General editorial content relevant to Soweto in general but not to specific Urban News target communities within the township.
- General editorial content relevant to Johannesburg and Gauteng Province, including Soweto and Urban News target communities.

## **3.6 Coding**

### **3.6.1 Advertising Content**

In the analysis of advertising content, a frequency table was constructed for each of the 21 issues of Urban News papers selected, outlining the page on which the advert appeared, the name of the advert, the size of the advert, the location of the advertising company and the industry within which the particular advert fell. The information in these tables was then used to develop more detailed frequency tables summarising the advertising content of all the papers that were analysed. Table 1 and Table 2 below are examples of the tables that were created for individual Urban News issues. It should be borne in mind that there were two main sets of Urban Newspaper issues that were analysed – one comprising of 11 issues of the Dobsonville Urban News published between June 9 and August 25, 2006 and the other comprising of the 10 Urban news issues (one from each of the 10 suburbs) that were published on November 10, 2006.



**Table 1: Advertising Content Analysis Frequency Table, Dobsonville Urban News – 9 June, 2006**

Page	Advert Name	Company	Size	Industry/Sector	Location
1	Cut Rite	Cut Rite	5x2	Clothing/Textile	(L)
2	Solly's Discount World	Solly's Discount World	F/Page	Household &	(L)
5	Weekend Price Attack	Shoprite	F/Page	Supermarket	(E)
6	Classifieds	In-house	-		(E)
6	T.W. Real Estate	T.W. Real Estate	10x2	Property	(E)
6	Money Available	No Hazzle Bonds	10x2	Microfinance	(E)
8	Brothers Furniture Store	Brothers Furniture	5x1	Household &	(L)
8	Windscreen Special	Commercial Auto Glass	10x1	Motoring	(E)
8	Money Available	No Hazzle Bonds	10x2	Microfinance	(L)
8	Big Buy Bonanza	CTM Roodeport	15x3	Building Materials	(E)
<b>Total Adverts</b>		<b>9</b>			
<b>Advertising Ratio %</b>		<b>89%</b>			

\*(L) – Local (within Soweto)

(E) – External (outside of Soweto & national)

Table 1 details all of the advertisements contained in the Dobsonville Urban News issue of 9 June 2006 and the advertising ratio (number of adverts relative to number of articles) for that particular issue.

**Table 2: Advertising Content Analysis Frequency Table, Zola Urban News – 10 Nov, 2006**

Page	Advert Name	Company	Size	Industry/Sector	Location
1	Cut-Rite	Cut Rite	5x2	Clothing/Textile	(L)
2	Toyota Avanza	Toyota	F/Page	Motoring/Vehicle	(E)
3	Job Vacancies/Training	Elite Skills Academy	4x2	Recruitment	(L)
3	Foundation for a better future	Asha Pre-Schools	10x4	Education	(L)
3	Cosmo City – Northriding	Pam Golding	19x4	Property	(E)
3	Main Reef Village	Pam Golding	19x4	Property	(E)
*	Game Insert	Game	20page	Wholesale	(E)
5	Weekend Price Attack	Shoprite	F/Page	Supermarket	(E)
6	BONA	BONA	17x4	Media	(E)
6	Classifieds	In-house	-	Shopping Mall	(E)
7	Go Shopping	Oriental Plaza	F/Page	Shopping Mall	(E)
8	Tile Sale	B & S Tiles	20x3	Building Material	(L)
<b>Total Advertisements</b>		<b>12</b>			
<b>Advertising Ratio</b>		<b>Display Advertisements – 42%</b>			
		<b>Inserts – 20%</b>			

\*(L) – Local (within Soweto)

(E) – External (outside of Soweto & national)

Table 2 details all of the advertisements contained in the Zola Urban News issue of 9 June 2006 and the advertising ratio (number of adverts relative to number of articles) for that particular issue. This issue also contained an insert by Game, the advertising ratio of which was listed separately to distinguish between the categories of display advertisements and inserts. This distinction was felt to be necessary because inserts and advertorials did not appear in all of the issues analysed, thus listing them under the same category would give an inaccurate measurement of the number of advertisements carried and the advertising ratio of a particular issue.

### **3.6.2 Editorial Content**

In the analysis of editorial content, frequency tables were also created for each of the 21 issues analysed, detailing the number of pages in a particular issue, the title of the article (and the page on which it appeared) and the category and sub-category under which the article fell. An example of one of these frequency tables is shown in Table 3 below, which details the editorial content carried in the Chiawelo Urban News of 10 November, 2006. The information in these individual frequency tables was then compiled and summarised in broader tables (Appendices E, F and G), which showed all of the editorial content analysed and which area of the Urban News footprints it covered.

**Table 3: Editorial Content Analysis Frequency Table, Chiawelo Urban News – 10 Nov, 2006**

Page	Article Heading	Category	Sub-category*
1	'Help me find my lost cousin Phumlani'	General News	(A)
	SCP promotes computer literacy	Education	(B)
2	-		
3	Young offenders apologise for their wrongdoings	Crime	(B)
	Chiawelo community armed with rakes and spades ...	Services	(A)
	Public warned about 2010 World Cup scam	Crime	(C)
4	Spiced Gold beach party boosts local sensation	Entertainment	(B)
5	-		
6	Jacobs to table annual report before portfolio committee	General News	(B)
7	-		
8	City of Joburg to expand water and sanitation	Services	(C)
9	-		
10	-		
11	Soccerex comes to Jozi	Sport	(C)
12	Putco cup to take the centre stage	Sport	(B)
	'I want to play more professional soccer'	Sport	(A)
<b>Total Articles</b>	<b>11</b>		

- \* (A) Community specific editorial content relating particularly to Urban News target communities within Soweto, i.e. Dobsonville, Zola, Pimville, Meadowlands, Chiawelo, Protea, Diepkloof, Eldorado, Orlando and Jabavu.
- (B) Generalised editorial content relevant to Soweto in general but not specifically to Urban News target communities within the township.
- (C) Generalised editorial content relevant to Johannesburg and Gauteng Province, including Soweto and Urban News target communities.

As these tables only represented information in individual issues of the Urban News papers, the information they contain was then compiled into a series of more detailed tables (explained in more detail in the following section) summarising the advertising and editorial content in all of the papers that were studied. Appendices B to G give full quantitative summaries of the advertising and editorial content in the two sets of data analysed. This includes tabulated representations of display advertisements, advertorials and inserts as well as news content for all the Urban News issues published on 10

November 2006 and from June 9 to August 25 2006<sup>8</sup>. It was this information that was then analysed to bring out the results and analysis that follows in the next section.

### **3.7 Survey**

The survey for this research was conducted through the use of in-depth semi-structured personal interviews conducted with senior executives and editorial staff of Caxton Urban Newspapers. A combination of face-to-face and telephone interviews was used, the latter necessitated by deadline constraints on the part of some of the interview candidates that made them unavailable for lengthy face-to-face interviews. However, despite these constraints, the researcher was able to acquire the required information from interviewees, who made themselves available for follow-up telephone interviews where the need arose. Gunter (2000) states that the use of personal interviews in media research gives the researcher a great deal of control over the data collection process. From the evidence of this study, some of the major strengths of personal interviews are that researcher has control over the selection of respondents, who would be people that would add value to the study, and that the response rate is 100% once the respondents have been selected.

#### **3.7.1 Survey Respondents**

Four respondents were interviewed for this study, as it was felt that these would best provide the information required. These interviewees included:

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<sup>8</sup> Except June 16, issues of which were destroyed and thus not available for analysis

**Mr. Kevin Keogh** – Chief Executive of Caxton Urban Newspapers division, who was interviewed regarding the company’s strategy of developing commercially oriented community newspapers and its strategy of targeting the so-called ‘Black Diamond’<sup>9</sup> audience in Soweto. As Chief Executive he was partly responsible for developing the Urban News papers and the strategy for doing so.

**Mr. Nthatho Khumalo** – Group Editor of all 10 Urban News titles, who was interviewed in order to gain insight into the group’s community news orientation as well as the Soweto community’s response to the papers. As editor, Mr Khumalo was responsible for the papers’ editorial policy and was able to give valuable insight into how he and the company saw their community focus.

**Ms. Matefo Liholo** – Senior Advertising Executive for Caxton Urban Newspapers, who was interviewed in order for the researcher to get a clearer perspective on the nature and quantity of advertising in the Urban News titles. Ms Liholo was directly responsible for sourcing advertising content for the papers and therefore understood the advertisers’ profiles and some of challenges faced securing advertising for the Urban News papers.

**Ms. Gill Randall** – Joint Managing Director of the Newspaper Advertising Bureau<sup>10</sup>, who was interviewed on her perceptions of the commercial community media model and Caxton’s strategy and intentions in targeting the Soweto audience. The NAB partnered with Caxton in the Urban News project and was tasked with creating the rationale for pursuing the project. It also captured national advertising for the Urban News papers.

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<sup>9</sup> The term is understood to have been coined by Professor John Simpson of the University of Cape Town’s Unilever Research Institute, and refers to the class of young, professional, middle class black South Africans who are gradually amassing considerable wealth in the country.

<sup>10</sup> The NAB is fully owned by Caxton and operates as a brokerage firm securing advertising content on behalf of 150 newspapers that are owned by a variety of media companies. Its role is to conduct the sales and marketing on behalf of the newspapers and source advertisements from national advertisers and advertising agencies (Randall, 2006).

It is important at this stage to note that these were all key individuals, responsible for both the business and editorial strategies of Caxton as a group and the Urban News papers in particular and therefore were able to outline the particular processes and day-to-day decision-making as well as their interpretations of their strategies and projects.

### **3.7.2 The interview process**

Of the four interviews that were conducted, two were face-to-face interviews while the other two were telephone interviews. Due to deadline constraints and their busy schedules, Mr Keogh and Mr Khumalo were only available for interview via telephone, though it must be stated that this took nothing from the depth of the information obtained through this process. In carrying out these telephone interviews, each of the subjects for the telephone interviews were asked questions from an interview schedule<sup>11</sup> that contained both open-ended and closed-ended questions. Additional questions that were not on the schedule were also asked, depending on some of the responses given to scheduled questions. Each interview took approximately 20-25 minutes to complete and at the end of each interview, respondents were kindly asked to avail themselves for follow-up interviews should the need arise, a request that they both agreed to.

The face-to-face interviews were conducted by the researcher at the offices of the respondents. The semi-structured interview approach was also applied in these instances, with respondents asked questions from an interview schedule that contained both open and closed ended questions. Additional questions that were not on the schedule were also

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<sup>11</sup> The referred interview schedules are attached as appendices.

asked dependent on responses given. The primary advantage of semi structured questions in the interview process, according to Bernard (1988) is that the interviewer is also free to follow other leads if they arise out of the respondents' responses. The face-to-face interviews were recorded and then transcribed by the researcher.

## **Chapter 4**

### **Research findings and analysis**

The findings of the study largely suggested that commercial considerations such as the desire to increase profit and advertising revenue were some of the key factors considered in determining the target audience and publishing site for Caxton's community media. The study found that while there was a relative focus on the community, this focus was primarily on the community as consumer and as potentially useful to advertisers rather than on the 'media needs' of informing, educating and entertaining the relevant communities. It was found that newspaper publishers, and Caxton in particular, were increasingly taking advantage of community media to boost their revenues and market presence, as the medium allowed publishers to present advertisers with specified, niche audiences that were more likely to purchase advertised products, thus luring much needed advertising content and revenue for community media publishers. The findings of this study revealed the interesting fact that despite the clearly commercial thrust of the Urban News community newspapers, Caxton was to quite a large extent able to strike a balance between the commercial motives of the publications (through the amount and type of advertising they carried) and their community focus (represented by the editorial content in the newspapers), which sought to address the informational, educational and entertainment needs of the relevant communities.

#### **4.1 Document and Internet search findings**

The primary stage of the data collection process was a literature review and Internet search that was carried out to find documentation that was relevant to Caxton's Urban



News papers as well as to the study as a whole, i.e. to the broad topics of community media, media commercialisation and audience segmentation. This included browsing the Caxton and NAB websites for information about the company and reviewing newspaper and website articles relating to the company's strategy for selecting a target audience for its Soweto community publications. The internet search was conducted for "Caxton Urban News community newspapers" and South African community media. Apart from the internet and newspaper articles, PowerPoint presentations outlining Caxton's plan for the roll-out of the Urban News series were also obtained from company officials and from the Newspaper Advertising Bureau.

An analysis of the PowerPoint presentations used by Caxton in preparing its move into Soweto showed that the company's reasons for publishing in this particular area were primarily commercial and that the focus was largely on the community as consumers and as potentially useful advertisers. Several of these presentations that were obtained by the researcher looked at the income profile of Soweto residents and the commercial profile of the area, particularly its suitability as a retail market, a market for advertisers and a market that advertisers would want to take advantage of and be involved in. The documents looked at how much Soweto residents made (in terms of income), as well as how and where they spent their money. The presentations also assessed how Soweto has grown since the apartheid era and whether or not it would be a prime audience market for any company or potential advertiser at present and in the future. However, while a strategy presentation would tend to look at commercial viability above all else – the key

is whether the company thinks it must deliver a good editorial product as part of its business strategy.

#### **4.1.1 The value of Community Newspapers in South Africa**

Despite widespread perceptions that community newspapers are a “minor” media format delivering little value for publishers and advertisers, much that is happening within the sector in South Africa and abroad suggests that the sector is contributing more than is thought to the revenue and societal roles of media organisations that operate them (The Media, 2006; NAB, 2004a). Media group Media24 notes that advertising spending in community media grew exponentially during 2005, with community newspapers posting a 22% increase in advertising spending throughout the year, the equivalent of R200 million (The Media, 2006).

NAB joint managing director, John Bowles points out that “community newspapers deliver escalating value to advertisers – and at an efficient cost” (NAB 2004a). Bowles’ notion is based on an analysis of media trends showing that audience delivery in the media in general, measured by broadcast footprint or circulation figures, is coming under more intense pressure due to the rising costs of production and increasing competition in a vibrant media industry that is constantly churning out new media products. The apparent result of such an environment is that it is becoming gradually more expensive for advertisers to tap into prospective markets.

The advantage of community newspapers, however, is that the cost of advertising and sustaining them is low due to the usually lower number of pages and smaller distribution area and their greater dependence on small businesses, which helps them to keep advertising costs low. In spite of their smaller size and dependence on smaller businesses for advertising, Bowles (ibid) says the reach of community media is rarely affected and mostly remains constant. This presents an advantage over larger commercial publications that incur huge production and printing costs due to their size and wider reach. Randall (NAB, 2004c) notes that community media delivers maximum coverage and minimal wastage<sup>12</sup>. Due to its specified audience market, community media is mostly delivered to an audience that has a need for it and to whom it is directly relevant.

In recent years Bowles (ibid) says community newspapers have surpassed the reach of more prominent commercial publications. He says:

“Many advertisers use television, radio, magazines, daily and weekly newspapers to reach the masses and are not reaching as many people as they think. Across the country, community newspapers have a far higher reach of urban consumers than dailies, Moreover, target markets can be more accurately captured with the community papers” (NAB, 2004b).

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<sup>12</sup> Also referred to as wasted reach, wastage refers to the distribution of media products to audiences or areas that do not require or use them.

#### **4.1.2 “Community” and the commercial community media model**

While more and more evidence is becoming available to suggest that the commercial thrust in the media today is directing the bulk of the media’s activities, the domain of commercial community media also has a strong reliance on the notion of community, which Randall believes is the major push factor resulting in the growth and success of community media (NAB, 2004c). The Concise Oxford Dictionary defines community as either “a group of people living together in one place, especially one practising common ownership” or “the condition of having certain attitudes and interests in common”. It is this commonality, geographically rooted oneness and common ownership that Caxton has taken advantage of to achieve success in its endeavours in community media.

According to Randall (ibid) there is “massive loyalty” in community media as audiences receive content and information that is relevant to their needs and which they may often not be able to access elsewhere. This loyalty is what is often taken advantage of by publishers (to sell to their advertisers) and advertisers as a ready and consistent market for the products that they advertise. Without this audience loyalty it could be argued that both commercial and community media would be lost, as they would fail to satisfy both the public’s needs and interests as well as their own commercial motives.

As it is the content carried by community media publications that creates audience loyalty, the relevance of this content to the specific community for which it is being published or broadcast then has added weight. The content carried by community media

must be relevant to the specific audience to the extent that it creates an extended loyalty among the audience, which in turn leads to a ready consumer market for advertisers.

Randall (2004c) notes that Caxton and the NAB's community titles have experienced an average issue readership of between 75% and 95% per week per area, figures that she believes are keeping them popular with advertisers interested in breaking into various community markets. This success is achieved through a balanced mix of relevant editorial content and advertising that keeps audiences interested and that, as a result, keeps advertisers attracted to the newspapers.

#### **4.1.3 The Black Diamond Theory and the lure of Soweto**

The end of apartheid in South Africa and the dawn of the era of transformation resulted in the emergence of a new class of South African citizen. Previously demarcated along the basic socio-economic structures of rich and poor, there emerged within the country a new breed of middle-class South Africans that have come to be known as the "black diamonds". The term is understood to have been coined by Professor John Simpson of the University of Cape Town's Unilever Research Institute, and refers to the class of young, professional, middle class black South Africans who are gradually amassing considerable wealth in the country (Caxton, 2006).

Due to their high income and comparable spending profile, "black diamonds" have been the target market of a significant number of commercial activities and products across a

variety of sectors in South Africa, including banking, insurance and retail, where they are being targeted by businesses in the quest for maximum commercial gain.

Media organisations within South Africa have not been left out and are also increasingly trying to tap into the black diamond market for their own growth. Media firms are developing products that are specifically suited to the 'black diamond' audience, which they can easily sell to advertisers as a market of buyers that effortlessly get into what Bagdikian (1990) calls the 'buying mood' due to their high disposable income. Content in several media outlets has been specifically suited to the young, professional, middle-class market, with an apparent 'special' focus on issues of financial investment, property and vehicle sales, and career development issues.

According to Randall (2006) the rise of the black middle class in Soweto was a major reason for the launch of the Urban News papers in that area. An unpublished planning document prepared by the NAB and Caxton for the launch of the Urban News papers (October, 2006) states that Sowetans spend close to 4-billion rand a year on retail goods alone, although only a quarter of this is actually spent within the area. These figures present a strong case for retailers to advertise in Soweto, in the comfortable knowledge that there is a ready market for their products and that there is likely to be a favourable response to their advertisements. It also explains part of Caxton's motivation for publishing the Urban News community papers in Soweto.

In its planning document, the NAB says Soweto is home to an estimated 1.2 million residents, representing close to 35% of the entire population of Greater Johannesburg. The company says these people are believed to represent an untapped consumer market worth close to R12 billion in total disposable incomes that is ready for advertisers to come and take advantage of.

Widespread infrastructural developments that are taking place in Soweto are also used by Caxton to justify a move into the former dormitory settlement. The media house makes reference to five new shopping centres that have been (and are still being) built in Soweto, an upmarket hotel, as well as office and industrial space developments and housing developments in six suburbs.

#### **4.2 Content Analysis Findings**

The objective of the content analysis that was carried out of the Urban News community newspapers was to help achieve the broader aim of this study, which was to assess the extent to which commercial factors such as the desire to increase advertising revenue and profit were determinant in the selection of a target audience for the papers. By analysing the nature and quantity of advertising content carried in the Urban News papers, the researcher was able to gauge whether or not Caxton's move to adopt a commercial focus targeting advertising revenue was successful or not. In this assessment, it was assumed that meagre advertising content in the Urban News papers would point to the failure of the move while a large quantity of advertising content would point to the success – in the short term during which the papers had been in circulation – of selecting Soweto as the

target audience. Similarly, Caxton's community focus was also judged, to an extent, on the basis of how much of its editorial content actually and specifically targeted and was relevant to the communities that it was publishing to.

The content analysis was able to shed some light on whether or not Caxton's commercial thrust was able to dovetail with the normative ideals of what community media should be. By observing and analysing the nature and quantity of advertising and editorial content carried by the Urban News papers, which were relatively balanced, it was possible to conclude that the commercial and community focuses could effectively run concurrently (under the auspices of the 'commercial community media' model), as a balance could in fact (as seen to be achieved by Caxton) be struck between commercial and community values.

To a very large extent, the findings of the content analysis carried out for this study fulfilled the main objectives for which it was carried out. It revealed that there was a very heavy and consistent flow of advertisements into all of the Urban News papers in all ten suburbs, an ideal situation for any commercially focused newspaper and one which was a key consideration for Caxton in choosing to publish the papers in Soweto (Keogh, 2006). Appendices B and C indicate that the advertising ratios of display adverts for the majority of issues that were studied were between 50-112%, an average of at least an advert per page – but in most cases more. The lowest display advertisement ratio for any of the issues analysed was 46%, while the highest was 112.5%. It was noted that the Urban News papers generally reflected high advertising ratios, whether analysed on a 'once off'



basis, as with the issues of November 10, 2006, or over a more prolonged period, as with the issues of June 9 to August 25. From these figures alone it could be possible to conclude that the company was successfully attracting adequate quantities of advertising, as the figures also show a broad mix of advertisers in a variety of sectors.

Keogh (2006) said that one of the key factors the management and planners of the Urban News papers considered was whether the papers, once published, would be able to maintain a high flow of advertising content and revenue. He said not only did they expect the papers to have a lot of advertising, but the quality of advertising had to be that which could generate adequate income for the company. Only once the expectation of this was 'certain' was publishing allowed to proceed (Keogh, *ibid*). From the evidence of the issues analysed in the content analysis, it appeared that the profile of some of the advertisers, as indicated by Appendices B and C, suggests that these are large, and in some cases national clients who advertise in several other 'big' media and are thus able to pay their way. Some of the advertisers included retail and wholesale giants Shoprite and Game, as well as real estate firm Pam Golding and building material supplier CTM, all of which are among some of the major competitors within their respective sectors.

The advertising content analysis revealed that the Urban News papers had a very diverse range of advertisers across a variety of sectors, and this could be taken to reflect the broadness and diversity of the Soweto audience market as well as its diverse needs. Advertisements cut across several sectors that included clothing and textiles, motoring and vehicle sales, property, education, recruitment and training, supermarket and

wholesale, media, construction, microfinance, insurance and health and beauty. As shown in Tables 2, 3 and 4, companies in the motoring and vehicle sales industry proved to be the largest and most consistent advertisers, followed by supermarkets and wholesalers<sup>13</sup>. Companies in these two sectors were also the only ones to place advertorials and inserts in the Urban News papers.

An interesting point to note at this juncture is the relatively low number of advertorials published in the Urban News papers. As shown in Table 3, there were only four advertorials published in the Dobsonville Urban News between June 9 and August 25 (a period of three months) and another four published in all the papers on November 10, 2006. Coupled with the fact that there were only two companies that placed these advertorials, this may point to difficulties that the publishers are facing in attracting this type of advertising content, even though this may have little effect on the advertising income accrued.

According to Randall (2006) part of the justification for publishing the Urban News papers was to tap into the market of advertisers who had just opened shops in the new shopping malls that had been (and were in the process of being) built in Soweto. However both Keogh (2006) and Liholo (2006) point out that Caxton faced considerable difficulties in trying to lure advertisers from the township, and that quite a number of adverts were 'national' adverts that came through the Newspaper Advertising Bureau (NAB).

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<sup>13</sup> Tables 2 and 3 also show that companies in the clothing and textile industry were among the most consistent advertisers, but as this was only one advert placed in all the issues studied for this analysis it seemed inappropriate to refer to the industry as a major advertiser.

Although it could be argued that the precise origin or location of advertising is irrelevant and that what is required is a constant inflow of advertisements, an increase in the quantity of localised adverts (and advertorials and inserts) would undoubtedly be of immense benefit to both Caxton and the Urban News readers. At the least, this would mean that the general quantity of adverts and revenue obtained through them is boosted, benefiting the publishers, while the audiences would have more shopping options to choose from and closer places from which to buy things that they need.

Another point that is relevant to note at this stage is that quite a significant amount of advertising is shared between all the Urban News papers. Appendix B shows the display advertisements carried in all 10 of the Urban News papers on November 10, 2006, however what was discovered by the researcher but could not be shown in the frequency table is that while there were differences, quite a lot of the same adverts were carried by all the different papers, i.e. an advert carried by the Dobsonville Urban News on this day could also be found in the Diepkloof Urban News, Pimville Urban News, and Meadowlands Urban News. The 'Cut-Rite' advert shown at the top of Table 1 and Table 2 above is one example of an advert that was carried in every single issue of the Urban News papers that was analysed, both in the data set of June 9 to August 25 and that of November 10.

In several instances these adverts were not paid for separately in each instance that they appeared, but were placed in several issues to cover gaps in content. This theory supports

Liholo (ibid) and Keogh (ibid)'s assertions that advertising content for the Urban News papers was not coming that easily. However, this could also have been adapted as a deliberate strategy of selling across all papers by Caxton, and that the company deliberately intended for advertising to be shared among the Urban News papers. An obvious advantage of this would be that it would considerably lessen the burden of looking for advertising for all 10 papers, both in terms of the time and resources (staff and financial) that it would take to do so. Sharing advertising content would definitely lessen operational costs for Caxton, while it would maintain the high revenue obtained from the heavy advertising content that is found in the Urban News papers (Tables 2 and 3).

With regard to the editorial content analysis, it was found that content was to a very large extent community focused and conforming to the accepted norms of community news. The papers contained news items that were relevant to the particular audience being targeted and that were informative, educational and entertaining (see Table 3 above for examples). The table shows the example of the Chiawelo Urban News issue of Nov. 10, 2006 in which 28% of articles related specifically to things happening in Chiawelo, while 45% of the content was relevant to the whole of Soweto, though not the whole of Johannesburg. In instances where content did not relate specifically to suburbs within Soweto (i.e. Pimville, Meadowlands, Chiawelo etc.) it was about the broader Soweto community in general. Some examples of stories carried by the Urban News titles include *Baragwanath's hand unit officially opens* (Dobsonville Urban News, June 30, 2006),

*Mnisi's death stuns the community* (Diepkloof Urban News, November 10, 2006) and *Traffic lights at Phera Street cause havoc* (Jabavu Urban News, November 10, 2006).

Table 6 shows the sub-categories of editorial content and summarises the general focus of all the editorial articles that were analysed. It was found that 59.7% of all the articles carried in all Urban News papers that were analysed were specific to the community in which a particular paper was published (i.e. Dobsonville, Diepkloof, Chiawelo, Zola, Pimville, Meadowlands, Jabavu, Protea, Orlando and Eldorado). The rest of the news content was split between articles relevant to Soweto in general but not specifically to Urban News target communities within the township (20.4%) and that which was also relevant to Johannesburg and Gauteng Province, including Soweto and Urban News target communities (19.9%).

Though the editorial content in the Urban News papers was very community focused, much of this news was also shared across a significant number of the issues for the different suburbs. For example, stories such as *Soweto beach party: a source of excitement*, *Putco Cup to take centre stage* and *Joburg Water launches R200m programme* could be found in 6 out of the 10 (60%) issues published in the different suburbs on November 10. This could be attributed to the fact that these stories related to the broader Soweto and Johannesburg audience apart from also being relevant to the specific Dobsonville, Meadowlands, Zola, Protea or Pimville Urban News footprints.

It should be explained that the large extent of the community focus by the Urban News papers was to a degree unexpected by the researcher. It was initially expected that since the Urban News papers were 'commercial community papers' – and given Caxton's acknowledged and observable commercial thrust (Keogh, 2006) – the focus of news would be more commercially inclined than it was actually found to be. It was not expected that the Urban News papers would balance commercial motives and community focused news in the manner in which they did. As a result of this finding, it was possible for the researcher to draw the conclusion that the balance between the commercial and community focus in community media was achievable and that this balance could gradually be pursued and achieved across a broader national and even global landscape.

The debate over the existence of commercial community media and its struggle to balance both commercial and community interests has been widely documented (Berger and Kanyegirire, 2002; Hadland, 2004) and perhaps it could be true that Caxton, through its Urban News titles, is among a few publishing houses in the world that are managing to achieve this balance. What is clear from this research is that the balance between community and advertiser interests can indeed be achieved.

Although the advertising ratios of the Urban News papers were consistently very high (between 92 % and 163%) this in no way implies that the editorial was overwhelmed by advertising content. As stated above quite a significant number of the advertisements carried in the papers are shared and in a few cases some were repeated in the same issue, thus the conclusion that the ratio of advertising content to editorial content is balanced.

Though it may be desirable for the papers to increase the number of community focused stories that they write, the researcher's observation and analysis is that the current scenario of heavy advertising content, as shown in Tables 2 and 3, in no way tilts the scale in favour of advertising.

In line with this commercial community focus, the editorial content in the Urban News papers could be said to largely reflect the needs and wants of the audiences in these communities. As previously stated, and shown in Table 6, a considerable amount of the editorial content carried by these papers is focused on what (developments, events and activities) takes place in the 10 publishing sites and within the whole of Soweto in general. The news is to a very large extent 'for the people, by the people' and this is supported by Urban News Editor Nthatho Khumalo (2006) who says that the journalists who write for the Urban News papers are all drawn from the specific areas for which they write. Khumalo (ibid) said this strengthens the community focus of the papers and makes it easier for community members to participate and bring in story ideas that they feel are relevant to them. This also makes it easier for the journalists involved and the papers as a whole to tackle the most central issues affecting the communities that they serve.

The findings of the study showed that sport and general news articles dominated editorial content (Tables 4 and 5) and this may largely reflect the major interests of the Urban News communities. Articles in these categories accounted for between 18% and 33% of articles carried by the Urban News papers of November 10 and between 29% and 50% of all articles carried between June 9 and August 25, 2006.

There was however a very diverse mix of issues covered in editorial content, as shown by the relatively large number of categories (crime, social responsibility, health, education, municipal services issues, general news, entertainment and sport). These issues were covered in more or less all the papers analysed.

### **4.3 Survey Findings**

Having carried out the literature review and content analysis, the information obtained through these research methods was then used as the basis for the survey interviews that were carried out with senior executives, advertising and editorial staff of Caxton and the NAB, which has partnered with Caxton in the Urban News project. Interviews carried out with Kevin Keogh (CEO of Caxton Urban Newspapers), Nthatho Khumalo (Editor of Caxton Urban Newspapers), Matefo Liholo (Senior Advertising Executive for Caxton Urban Newspapers) and Gill Randall (Managing Director of the NAB) all revealed Caxton's motivations, strategy and procedure in developing the Urban News community papers. The interviews were also insightful in that they were able to give the researcher a background understanding of the rise of commercial community newspapers in South Africa.

#### **4.3.1 The rise of commercial community newspapers in South Africa**

According to Randall (2006) commercial community newspapers in South Africa began their expansive growth after apartheid and in the years immediately following the country's independence in 1994. During the apartheid era a significant number of



community newspapers (and community media in general) were funded by the International Media Development Trust (IMDT) which accesses funds from countries such as Denmark, Sweden and Germany to finance the development and running costs of community newspapers, radio and television all over the world. During the apartheid era the IMDT was a major player in South Africa as well, where it funded community newspapers to raise awareness and promote resistance to the apartheid governance system, among other things.

However, Randall (2006) says the end of apartheid saw the IMDT cease its funding activities for community media in the country, many of which were now forced to seek funding elsewhere to sustain their operations. The result was that many community media operations were forced to close down until Caxton stepped in to help some of them become economically viable, but this was only on the condition that the community newspapers it would help publish would only carry advertising. But even this did not manage to help save the papers. Keogh (2006) and Randall (2006) said the advertising content that the papers depended on proved hard to come by until even Caxton was eventually forced to pull out. The company was investing heavily in printing and distributing the papers with little return, and eventually decided to maintain only those papers that were attracting advertising support. According to Randall (2006):

Back in that day you couldn't get advertising for the papers because (advertisers) first of all said the people (the audience) don't have the economic means for us to advertise to them... I mean even at that stage we went to

the government and said all your referendum advertising and your Masiphane advertising, housing advertising, all of that...here we've got a perfect vehicle and even the government didn't support those papers (Randall, 2006).

The turn came with the wave of decentralisation that happened across South Africa during the mid-1990s, which saw a considerable number of people and businesses moving out of central business districts and the more common residential areas to suburbs further away, where a new wave of infrastructural development was taking place. Randall (2006) says "the reason why community newspapers were born is because all things started decentralising".

With the heavy push towards decentralisation, the new suburbs gradually started getting their own shopping malls and centres in those suburbs where people worked and also conducted their leisure activities. The malls catered for all the people's needs, and according to Randall (2006):

It was now the right time to launch a community newspaper, because people started shopping locally so national and local advertisers were able to know their customer bases and even more importantly they knew that these people lived in the areas of their (advertisers)' operations (Randall, 2006).

A wave of community newspapers was started in areas such as Benoni, Boksburg and Roodeport, targeting advertising from the then newly developed malls and shopping

centres, establishing a model for community newspapers that Caxton would follow to this day.

#### **4.3.2 The plan for Urban News**

Keogh (2006) and Randall (2006) state that having developed a working commercial community newspaper model that was commercially oriented and pivoted on advertising support for community newspapers, Caxton began applying this model in various suburbs with positive results. New Caxton titles were launched in several suburbs across the country using the same strategy. In some areas infrastructural development triggered a boom in economic activity that Caxton took advantage of to launch its community papers and in some areas the change in the economic profile of the audience, and the consequent possibilities for attracting advertising, was enough to inspire a new community newspaper by Caxton. Since the late 1990s, Caxton's community newspapers arm has pursued a strategy of developing community newspapers for sale and some for free distribution that are targeted at lucrative middle class communities. For Soweto, the situation was no different and the (infrastructural) growth of the township and the realisation of the rising income and spending profile of the black middle class in the township motivated Caxton to consider launching a series of community newspapers in the area. According to Keogh (2006), the Urban News titles were partly inspired by the fact that:

“Joburg is the economic hub of South Africa and Soweto is the economic hub of Joburg so it seemed logical for us to get into that market. The guys who drive Joburg stay in Soweto” (Keogh, 2006).

With such a lucrative commercial and infrastructural profile, as well as its apparent need for community news (due to the huge size of its community), Soweto and its growing number of middle class inhabitants fit quite well into Caxton's commercial community model. Caxton's main objective in developing the Urban News community papers was to provide an opportunity for advertisers to gain entry into Soweto's 'black diamond' market, while furthering its own commercial ambitions of maintaining high advertising revenue and consequently increasing profit. Randall (2006) states that:

The time was right – once the development of Soweto started with the shopping malls going up – the time was right to be able to put out the papers, deliver them and know that ultimately we will get advertising support to sustain them (Randall, 2006).

An invitation letter to potential advertisers by Caxton Business Manager Pat Wills (2006) states that in establishing the Urban News community newspapers, Caxton sought to “make this market easily available to you, the advertiser at cost effective rates”.

Keogh (2006) says that while it could have been possible to launch community papers in Soweto that were founded purely on the availability of community focused editorial content, it would have been “impossible” to sustain the papers and remain financially stable at the same time. He says once the shopping centres and malls started going up in Soweto, it became easier to attract advertising for the papers and consequently to sustain them because advertisers at malls such as Protea and Jabulani Mall were more willing to

place advertisements in newspapers targeted at an audience that they could identify and that they could see shopping in their stores.

After the launch of the Diepkloof and Pimville Urban News papers in July 2005, Randall (2005) also outlined the papers' success in achieving the company's goals of tapping into Soweto's advertising market for commercial gain. She said the Diepkloof and Pimville Urban News were "appealing to advertisers who are realising the value of people living, working and most recently shopping in Soweto". Randall (ibid) takes pains to explain that the Urban News papers would benefit advertisers:

The Urban news series will benefit advertisers in influencing residents to distinguish where to find the best savings for particular services, products, household appliances, furniture, clothing, medical care etc. (NAB, July 2005).

Khumalo (2006) states that feasibility and audience studies<sup>14</sup> for community newspapers were done in conjunction with the NAB, which commissioned research into the economic and infrastructural development of Soweto and into the profiles of its residents and potential readership. The NAB prepared several presentations on the potential of Soweto and readership profiles that were obtained by the researcher. The Living Standards Measure (LSM)<sup>15</sup> was also applied to shed light on precisely who the target market for a

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<sup>14</sup> It was not possible to obtain documents and information about the stated audience study from the publishers, who said the information could not be given out.

<sup>15</sup> A detailed table outlining LSM categories is found in Appendix A.

Soweto community newspaper should be, what their expectations for such a paper would be and whether or not they were a market that advertisers could respond to.

Apart from the commercial motivations, there was also an apparent desire by Caxton management to give the Soweto community an additional voice through which to express themselves. Despite being such a broad and diverse community, there appeared to be an inadequacy in community focused media in Soweto. The majority of papers distributed in the area are national newspapers that had a broader focus than Soweto, even though quite a lot of the content carried by these papers was in some way relevant to the Soweto community.

According to Caxton, the Urban Newspapers' closest direct competitor in Soweto is City Vision, which is published by one of Caxton's major competitors in the newspaper publishing business, Media24. However City Vision only reaches 70 895 households each week, only 23% of the Urban News' total print order that goes into about 302 000 homes within Soweto weekly. Another distinguishing factor is also that while the Urban News papers are distributed to only ten suburbs out of the more than 70 suburbs that are understood to make up Soweto, City Vision has a blanket coverage in which all of its issues distributed in Soweto go out to the majority of the suburbs in the area, with little, if any, consideration having apparently been given to the varying profiles of Soweto suburbs.

The other major newspapers distributed in Soweto are national papers that have a wider national presence and that, therefore do not specifically target the Soweto audience – even though they acknowledge the importance and value of Soweto as an audience market. The *Sowetan* and *The Daily Sun* have national circulations of 124 000 and 467 681 respectively, while their readerships are 1 640 000 and 3 679 000. Only a percentage of their print run is distributed in Soweto.

Wills (2006) says the Daily Sun and Sowetan have failed to adequately serve the Soweto community, as only an insignificant proportion of their circulation is distributed in the area:

Soweto has been recognized as an under-served market and until now communicating with the Sowetan community has been difficult because only 10% of the Sowetan's circulation and 12% of the Daily Sun's circulation goes into Soweto. (2006)

Considering that Soweto has a population of close to 1.5 million people, most of whom read community newspapers, there is little doubt that the *Sowetan* and *Daily Sun* have done much to try and cover as much of the Soweto audience as possible. However their greatest disadvantage within this target market is that their content, while relevant to the Soweto community at a regional and national level, is not specific to this community and in most cases due to its “nationality” does not address the local, day-to-day needs of Soweto residents.

### **4.3.3 Target audience**

According to Randall (2006), the choice of the 10 suburbs in which the Urban News papers were to be launched was based on affluence, with the most affluent suburbs within Soweto being selected as potential publishing sites. Soweto has more than 50 suburbs within it, and Randall (2006) says the economic profiles of these suburbs were found to be in no way similar. As a result, a decision was made to publish to the more affluent suburbs such as Diepkloof, Dobsonville and Orlando.

### **4.3.4 The strategy at work**

After all the theoretical groundwork had been done, the first Urban News Community newspaper, the Protea Urban News was launched in April 2005 and this was followed by the other nine publications that were launched over a period of a year and a half. Randall (2006) states that the Protea Urban News was launched together with the newly constructed Protea Mall and almost immediately started getting its advertising support. However, she states that the paper initially found it hard to find its feet, as advertising did not come as easily as it had been expected to. The initial advertisers were mobile telecommunications rivals MTN and Vodacom, but even these did not place as much advertising as had been hoped. Randall (2006) says:

At the beginning we've had to take quite a knock. But having said that, October(2006) we raked in our first 1million rand turnover just in those papers and now with Jabulani mall opening now the advertising is starting to flood in. So now the papers will get thicker (Randall, 2006).



The opening of Jabulani Mall in October 2006 opened the way for new advertisers, and according to Randall (2006) the papers started getting Game inserts and Shoprite inserts, as well as other adverts that boosted their income and profit.

#### **4.3.4.1 Content**

Both editorial and advertising content in the papers is focused on the specific community served by the paper, with editorial content focusing on community specific matters relating to health, (municipal) service issues, corporate social responsibility issues, community events, sports and national issues having particular relevance to the targeted community. Editorial content is written for the community by members of the community and in several instances with the assistance of community members, who call and write in with relevant news information that they want published in the papers. Khumalo (2006) says:

“The stories are generated from the people on the street. They come in with their stories and sometimes we have government stories that are of interest to the communities”  
(Khumalo, 2006).

The papers are written for by 11 journalists, with one for each suburb. According to Khumalo (2006), the journalists are all residents and community members of the areas for which they write.

Unlike the model operated by their competitor, City Vision, the segmentation of the Urban News papers is what distinguishes their editorial content. Randall (2006) and Khumalo (2006) state that while the City Vision distributes the same, single product to all of its readers living in the different suburbs of Soweto, the Urban News model distinguishes content and caters it to the specific audience of a particular residential suburb within the township.

Randall (2006) insists that ‘community news’ in its truest sense is specific to a particular audience and is seldom general in nature. She says the people in one suburb of Soweto may not be necessarily interested in what happens in another suburb or what is being sold there unless for special reasons.

“City Vision cannot give you news about a ‘community’.  
It’s going to give you news about the whole area because  
it’s going out to the whole area. That’s not the community  
paper model in the sense that we produce community  
papers” (Randall, 2006).

Advertising content is also community specific and geographically focused, and is mostly obtained from businesses operating within the geographic footprint of the relevant community newspaper, i.e. Shoprite and Game advertisements are sourced from the Shoprite and Game stores within the particular publishing area.

An interesting feature of Caxton’s other suburban community newspapers is that the advertising content far outweighs the editorial content in the papers. Most of them carry a

large quantity of display adverts and inserts, revealing their primary focus of attracting advertising (and profit) as distinct from the secondary thrust of providing community focused and specific news. Keogh (2006) says:

“We’re totally dependent on advertising support. We have to otherwise we would go out of business and Caxton is a business at the end of the day. It’s mainly a community newspaper publishing business” (Keogh, 2006).

Randall (2006) notes that Urban News readers use the papers as “shopping malls” and locators that help them decide what they want to buy, and where they can buy it from without having to go too far away from where they live. She says the papers have managed to benefit from the accessibility of the malls apart from the new products that they are bringing to Soweto.

#### **4.3.4.2 Readership**

The total circulation of the Urban News papers is 309 000 with an estimated total readership of 1 328 100 readers. According to Keogh (2006) community papers in general have benefited from the slump in daily and Sunday papers’ readerships, which have gone down due to the wide accessibility of the information that they carry on the internet, radio and television.

According to Randall (2006), the NAB has found that because of the unique and relevant content in community newspapers, which in most cases cannot be found in any other

media, they average at least 84 percent penetration per area in which they are published, significantly more than what is achieved by radio and television.

#### **4.4 Conclusion**

Data collected through various means showed that Caxton's emphasis when determining the target audience and publishing site for the Urban News community newspapers was on increasing advertising revenue and profits. Although a relative focus on the community was discovered, this focus was mostly on the community as a potential consumer of advertisers' products rather than on the community's need to be informed, educated and entertained. While it has previously been viewed by many as being among the lower tiers of media formats, this study showed that community media was an essential outlet serving a unique developmental function among small and previously disadvantaged communities.

Previous chapters of this study stressed the need for commercial community media publishers to strike a balance between their commercial motives of increasing advertising revenue and raising profits and the normative ideals of what community media should be and how it should operate if the commercial community media model was to be successful. This study revealed the notable fact that Caxton was, to some extent, able to achieve this balance in the Urban News papers, in the quantity and type of advertisements that they carried and in the editorial content in the newspapers, which partly succeeded in meeting the informational, educational and entertainment needs of the specific Soweto

communities. A further analysis of how the publisher was able to achieve this balance follows in Chapter 5.

## **Chapter 5**

### **Analysis and conclusion**

#### **5.1 Analysis of findings**

The broad aim of this study was to investigate the role that commercial factors play in the selection of target audiences and publishing sites by media houses in general and by the publishers of community newspapers in particular.

Following observations that media firm Caxton and CTP Publishers and Printers limited (Caxton) operated a relatively unique brand of commercial community media that sought to unify the principles of commercialism and the normative ideals of community media in virtually all of its community newspapers, the study also sought to investigate how these two seemingly dichotomous theoretical frameworks were able to fit together in the Caxton community newspapers.

The main question that the study sought to investigate was:

To what extent are commercial factors such as the quest to increase advertising revenue and profit a consideration when community newspaper publishers select target audiences for their publications and how do these profit motives tie in with the normative ideals of community media as an agent of societal development?

Other questions that the research report considered were:

- How are ‘commercial’ community newspaper publishers able to strike a balance between the needs of the communities that they serve and the needs of their advertisers? Whose values are being prioritized and why?
- Are media products for communities developed on the basis of what the community has to offer as a market or by virtue of there being a genuine need to serve that particular community’s needs for information, education and entertainment?
- With the dawn of ‘commercial’ community media, do communities have any say/power at all in developing their own community media or deciding the shape that it takes, or is this decision defined by the powers of commerce?

In the pursuit of the study objectives the researcher investigated the extent to which Caxton considered profit-making motives, and carried out strategies aimed at increasing its advertising revenue and profit, when selecting a target audience and publishing site for its *Urban News* series of community newspapers launched in Soweto in early 2005.

Having carried out a full and in-depth investigation, the findings to a very large extent answered the main questions of the study. It was found that in spite of the ‘normative’ ideals of putting the needs and interests of the community first, commercial factors such as the need to increase advertising revenue and overall profit were the primary factors that Caxton considered prior to the launch of its *Urban News* community newspapers. These commercial considerations were prioritised over all other factors to the extent that it could safely be suggested that were it not for the assurance of commercial gain, in the

form of high advertising revenue and the overall revenue and profit accruing from it, the Caxton Urban News series would probably not have been established.

Evidence from planning documents, the content analysis that was carried out and the survey carried out through interviews with executives of Caxton and the NAB (who were all involved in the establishment and running of the papers) revealed that the need for commercial gain took precedence over all other considerations in the establishment of the papers. Factors that would assure this commercial gain, such as the existence of shopping malls within the Soweto, strong potential advertisers within these malls and the right income and expenditure profiles of the target audience were thus viewed as being crucial in the formative stages of the papers.

Contrary to widespread perceptions that raised the questions for this study, it was also found that in a commercial community media setting the commercial thrust, i.e. the profit motives referred to earlier in this section, can 'tie in' quite well with the normative ideals of community media. The findings of this study revealed that this could be achieved through finding a link between editorial content and advertising content.

Community media (as defined by Hollander *et al*, 2002; Hadland, 2004; Howley, 2005) is predicated on the quest to meet the specific information, education and entertainment needs and interests of specific geographical or interest groups. But while in most cases advertising content is merely viewed as the primary means of generating income for the newspaper, radio or television medium, the commercial community media model (as



operated by Caxton) views advertising as another means of meeting the needs of specific groups.

In this model, advertising apparently plays the role of showing community members what is on the market, where to buy it and how much it costs. From this study it would appear that that the advertising in Caxton's Urban News papers, while being there to generate income for the papers, is also there to serve an informative function for the mutual benefit of the community, the publisher and the advertisers. Whether or not this mutual benefit is equal for all the parties concerned is debatable but what is certain is that it does exist.

Regarding the issue of how commercial community media publishers are able to strike the delicate balance between the needs of the communities that they serve and those of their advertisers, the results of this study suggest that while no balance, in its truest sense, can be achieved, the needs of advertisers and communities can be met by acknowledging the relative importance of both groups. It was found that as the papers were distributed free and advertising was the sole means of revenue Caxton seemed to value its advertisers more (they were the primary consideration in launching the Urban News papers). However, the media house also attached considerable – though not equal – importance to its community readership. There was no evidence to suggest that readers were taken for granted in any way. To the contrary quite a lot of value was attached to the readers and this may have been out of a realisation that without a high readership to present to advertisers it would be difficult to attract advertising support for the papers.

The editorial content was relevant and community focused both geographically and in terms of readers' needs and interests. Important issues such as health, education, social responsibility and service issues were covered and this, coupled with the 'informative advertising' referred to earlier, catered quite well for the Urban News readers.

Based on the evidence of this study it could be concluded that in commercial community media settings, media products for communities are developed on the basis of what the community has to offer as a market more than the consideration of a genuine need to serve that particular community's needs for information, education and entertainment. Reference is made here to the earlier finding that commercial motives, i.e. the assurance of advertising revenue and profit, were the primary consideration for the development of the Urban News papers.

Had the various Urban News communities' information, education and entertainment needs been the primary consideration for the launch of the papers then it could be assumed that they could have been launched earlier, without the publishers having to wait for the arrival of the shopping malls and the advertisers that they brought. It can thus be concluded that the principle of "the audience as a market" explained by Ettema and Whitney (1994) holds true for commercial community media.

This also leads to the conclusion that the dawn of commercial community media has left communities with very little say or power in influencing or shaping the development of their own community media, as these decision now appear to be governed more by the

powers of commerce. In an ideal community media setting, the community should play a significant role in deciding the shape that their community newspapers, radio or television takes. But when the decision over whether or not the particular media will be developed is based on commercial factors, it would seem that this makes it difficult for the community to have any influence at all in shaping the direction that the media takes. Although the community may have a degree of influence in deciding what goes into their community newspaper by suggesting story ideas and bringing relevant topics for articles (as evident in the Urban News papers), this influence compares very little with the kind of power that decides whether or not a community newspaper is developed. This is a situation that may need to be addressed if the commercial community medium is to continue to flourish.

## **5.2 Conclusion**

This study has largely reflected on the development of the commercial community media format and, based on the evidence of Caxton's Urban News community newspapers, has drawn to the conclusion that commercial considerations are of paramount importance to the sustainability of the community media format today. In an environment where the costs of production of community newspapers have to be met with little free funding, the option for many community newspaper publishers wishing to stay in business is to base their operations on the commercial media model that is geared towards making money. While many community media purists may not be agreeable to this, it is only fair to acknowledge the challenges that community media publishers are facing with regard to sustaining their operations and that they need to implement some measures to stay afloat.

Caxton has shown that it is possible to cater for both advertisers and communities even when a commercial focus is being pursued by community media operators, perhaps pointing to the fact that the notion of community media being not-for-profit may not necessarily need to be a hard and fast rule, as the needs and interests of the community can still be served even by commercially focused community publications. It is however an area that should be treaded cautiously, as an overemphasised commercial focus may jeopardise the community focus, and an overemphasised community focus could see the medium failing to sustain its operations.

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### **Interviewees**

Keogh, K. Chief Executive of Caxton Urban Newspapers division. Telephone interview conducted on 22/11/06

Khumalo, N. Group Editor of Caxton Urban Newspapers titles. Interviewed on 23/11/06

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**Other internet sources**

[www.fortunecity.com](http://www.fortunecity.com)

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