

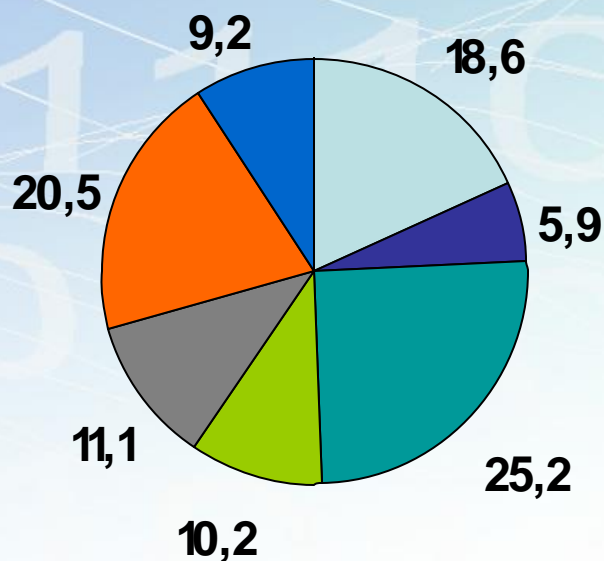


Trends and problems in the Estonian media

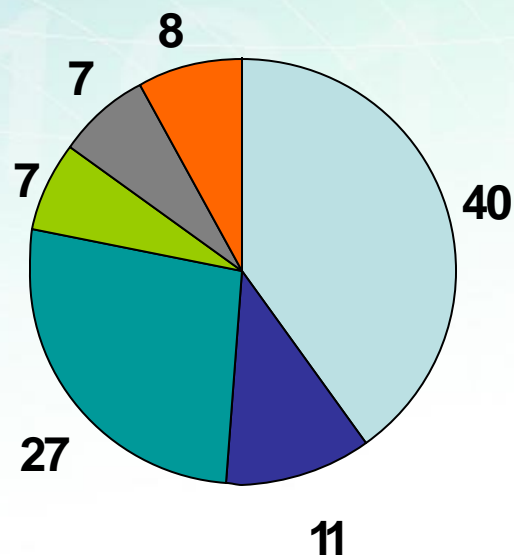
Urmas Loit, University of
Tartu

Advertising expenditure

2016 I-IX



2007



- | | |
|---|---|
|  Newspapers |  Magazines |
|  TV |  Radio |
|  Out door |  Internet |
|  Direct Mail | |



General trends

- Collapse of traditional business models – funds flow to transnational companies (*Google*) who do not contribute to the content production.
- Audiences have used to have online content for free but they also dislike to watch advertising.
- Regulation model (licensing and supervision) in the AV-sector has failed due to lack of transparency and proficiency.
- No clear media policy whatsoever.



Business models

- Mass-targeted advertising jeopardized
- Extra small market – concentration, oligopoly
- Creative costs cut
- Increase of content marketing
- Shift in management practices:
 - Postimees Group's new Estonian owner tends to interfere in the contentual issues
 - Owner of Ekspress Meedia: the highest authority for content is the meeting of the editorial staff
- State(s) have not fully realized that democracy gains only from trustful and autonomous news media



Audience fragmentation

- Affects also the business models.
- Fragmentation in several ways:
 - dispersing between niche channels
 - seeking diverse content in the Internet
- Low willingness to pay for journalistic content online
 - The number of respondents not willing to pay for online content in 2014 has significantly increased compared to 2011 [from 46% to 69%].
 - At the same time the willingness to look at advertising is low, too.



Absence of media policy

- There is no general media law in Estonia.
- Several ministers of culture have claimed that no media policy is needed either (esp. in written).
- Government has tried to keep maximally away from resolving media issues.
- Absence of media policy has simultaneously caused over- and under-regulation.
- Media policy perceived as bunch of restrictions.
- Uneasy times need public agreement on values and preservation of trustful and autonomous news media.



Footless AV regulation model

- Regulatory functions were held by MinCult.
- EU insisted on the “independent regulator”.
- Now functions divided between two institutions:
 - MinCult sets the policies and licence conditions
 - TRA issues the licences and carries out surveillance.
- No clear distribution of responsibilities, thus little room for considerations while the issuing process.
- All earlier competent officials have left and no one knows the historic perspective.



Three stories to tell

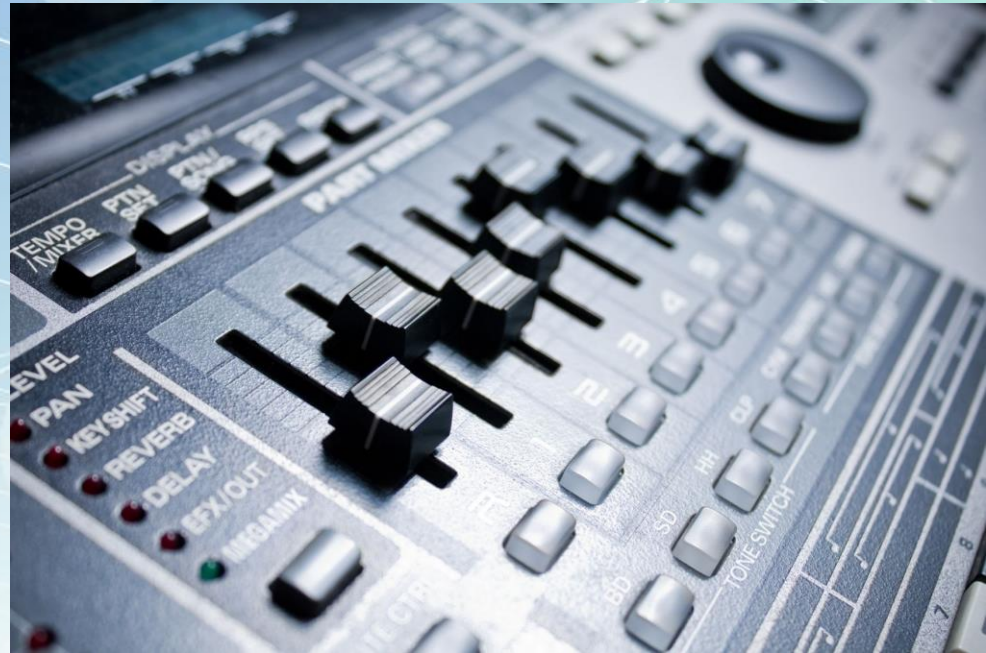


- Collective letter to the owner by editors of *Postimees* against dictative management
- Untransparent confusion with issuing radio licenses
- Appointing a government official to the PSB council



Department heads of *Postimees* wrote a memo on “dictactive” management in the organisation.

Journalists have been prescribed whom and in what tonality to (and not to) cover.



**Issuing radio licenses has caused confusion for
Inconsistent assessment of applications.**

**Practical media policy making has blurred
between two institutions. The regulator applies
formalist assessment of qualitative matters.**



Parliament is about to appoint the second highest official of MinCult to the PSB council as for “an expert”.

He himself sees no conflict of interests, even though the ministry holds certain role *in re* the PSB under the law.



The final remark

- Media policy must be there.
- Media policy shall determine the values to maintain independent news media informing the general public which enables them to grasp the diverse world.
- Media policy shall guide to find the best practices for the future media performance in the public interest.