THE STATE OF INNOVATION AND MEDIA VIABILITY IN EAST AFRICA

FROM INDEPTH MEDIA HOUSE SURVEYS

Media Futures East Africa

in partnership with

THE AGA KHAN UNIVERSITY
Graduate School of Media and Communications

DW Akademie

KFW
Bank aus Verantwortung

german cooperation
DEUTSCHE ZUSAMMENARBEIT

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Table of Contents

List of Figures

List of Tables

EXECUTIVE SUMMARY

Media houses globally are grappling with how best to produce quality content while at the same time remaining financially viable in the wake of shrinking revenues, technological disruptions, the emergence of peripheral content creators, competition for advertisement revenues from big tech platforms, the COVID-19 pandemic, and a myriad of other changes in the ecosystem. Despite these challenges, **it is in the interest of the public that news media organisations (NMOs) produce quality content and do so in a financially sustainable fashion**. Media viability, that is, producing quality journalism in a financially sustainable way, is therefore a growing area of focus.

To this end, the Media Futures East Africa Project, jointly implemented by the Aga Khan University's Graduate School of Media and Communications and DW Akademie, set out to investigate the state of innovation and media viability in Kenya, Uganda, and Tanzania. The research was conducted in two phases. The first phase studied the ecosystem – the political, economic, social, technological, and community environment – in which East African news media organisations operate at the national level. The reports can be found on the project website. The second phase set out to examine the factors, at the organisational level, that impact media viability. It specifically analysed eight major variables: newsroom structure and resources; media ownership and business models; organisational capacity; innovation culture; journalism culture; financial trends and results; content quality; and COVID-19. The data was gathered via an in-depth survey of media managers and journalists from **437 media houses in Kenya, Uganda, and Tanzania from 2020 to 2021**. This report presents the results of the second phase of the research.

Generally, the findings indicate that the East African media sector is considerably young. Save for the print NMOs, which are predominantly 11 years and older, about 60% of the TV, radio, digital, and multimedia platforms have been in existence for just 10 years or less. This may be a disadvantage in terms of lack of experience and a high startup failure rate. However, studies have also shown **that young media organisations are more likely to experiment with new areas and explore possible new business models without the added hurdle of undoing entrenched systems**.

A significant percentage of news media organisations in the region (60%) are independently owned, especially in Uganda and Tanzania. Independent, rather than group ownership, may suggest a higher financial vulnerability to pressures impacting on editorial independence. On the other hand, however, ownership that is predominantly group/concentrated or part of a conglomerate gives the illusion of media pluralism even when editorial diversity is nonexistent. Therefore, independent ownership presents the opportunity for media pluralism and diversity of sources of information and pathways to editorial independence without additional organisational hoops.

The trends in the pre-COVID-19 period indicate that TV and radio news media organisations in East Africa were improving in financial strength going into the pandemic, with over 70% reporting that their performance in 2019 either remained the same or was stronger than in 2018. Print sector NMOs had the weakest performance in 2019 compared to 2018. This is in keeping with the trend in the rest of the world where, because audiences are moving to consume more audiovisual material, **there is a shift away from print**, which also has to contend with emergent content producers on the digital platform who are eating into the advertising dollar cake.

Commercial advertising was found to be the top source of revenue for the majority of the NMOs in East Africa across the sectors, while government funding was used by a mere 6% of the organisations. However, the study found that of the 12 revenue sources used by the NMOs surveyed, only **subscription revenue and government funding are linked to financial stability**. Still on finances, for the 2018/2019 period, over half of the NMOs (55%) indicated that their newsroom resources remained the same. On the other hand, over half of the organisations reported that the number of stories journalists were expected to produce per news cycle had increased. This suggests that NMOs stretched the available resources in order to keep afloat. Nevertheless, the study noted that stronger financial trends were positively related to the increased number of expected stories per news cycle. However, the direction of influence is not clear. This is worth exploring further.

The study established that slightly less than half of NMOs had their journalists provided with access to the equipment and technology they need to do their work, as well as training to enable them to stay current with journalistic techniques. The other half disagreed or was non-committal about having sufficient access to these two newsroom resources. Yet, these two variables were found to be positively related to financial performance, much as the direction of influence was not assessed. This suggests that for at least half of the NMOs in East Africa there is still **a gap in access to equipment and technology as well as training to stay current with changing journalism techniques**.

About half of the news media organisations in the three countries target the regional (in-country) market, that is, provinces, districts and counties. This is important to note, because it suggests that one diversification strategy that the media houses could explore further is the use of local languages spoken in those regions, as well as providing news that is specific to the regions served. Indeed, the study found that the **NMOs in all the three countries use a variety of languages**, apart from English and Kiswahili, in their news content.

Generally, NMOs in the region rate themselves highly – at over 60% – as far as innovation is concerned. Furthermore, media houses that rated themselves as very innovative/creative also rated themselves highly in terms of likelihood of survival as news producers. This is positive because **viability is not only about surviving as a media house, but about surviving as a news producer as well**.

Journalism quality – which in this case was boiled down to editorial independence, sufficient and regular payment for newsroom staff, and good journalistic practice (e.g. fact-checking) – was analysed against the NMOs' financial trends. All three aspects were positively related to better financial performance over time, although the direction of relationship could not be ascertained through the statistical techniques used.

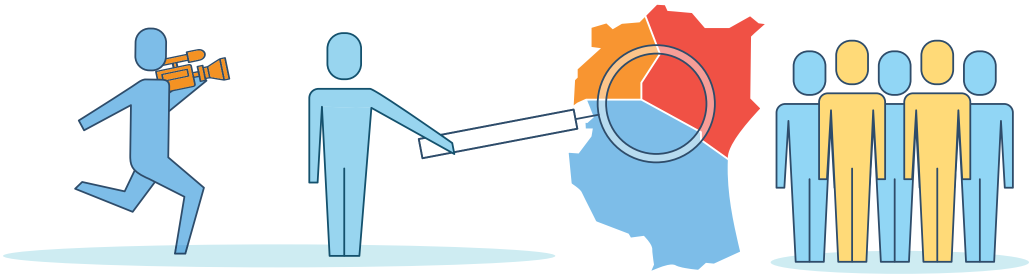
Nevertheless, **this positive relationship does imply that it is worth the effort to invest in journalism quality** in the long run and, specifically, in enhancing editorial independence, pay for newsroom staff, and good journalistic practice.

Pressures on news media organisations in the region are still present. In each country, NMOs agreed that in 2019, their journalists had been arrested or physically or verbally attacked at least once as a result of journalistic work. The organisations also agreed that **they had been compelled to publish or kill stories at least once in the same period due to business or political pressure**. Ugandan NMOs recorded the highest number of such incidents, while Tanzania reported the least. This makes it clear that efforts to enhance journalist safety are still needed, as are efforts to strengthen editorial independence.

Across the region, the COVID-19 pandemic had a negative impact on NMOs' financial revenues. Additionally, there was a decrease in demand for advertising. This situation highlights the need for media houses to diversify from commercial advertising as their main source of revenue. The study found that some types of revenue sources provided a better buffer than others against the negative financial effects of the pandemic. Specifically, subscription revenue and direct government funding were related to better revenue performance during the COVID-19 pandemic, while state advertising was related to less decrease in revenue. This makes the case for exploring not only audience subscriptions as a revenue model, but also the possibility of structured government support to news media organisations. Understandably, the latter would have to come with **checks and balances to ensure that such financing does not compromise editorial independence**.

The **pandemic on the other hand had a positive impact on audience numbers**. A majority of media organisations across the region reported increased audience numbers – likely as a reflection of the increased need for information during crises. The audiences that plugged into media houses are a potential area that East African NMOs can maximise on for their viability through, for example, research and providing these audiences with relevant content to retain them.

As regards organisational capacities, media organisations across the board rated themselves highly in having diverse staff from different backgrounds, including women and marginalised groups. This is despite the well-documented gender disparities in the newsroom. One may surmise that if the 'obvious' category (gender) is still skewed in newsrooms, it is likely that other minorities are also underrepresented. This suggests that there is a blind spot as far as diversity is concerned, and more efforts are needed to ensure that a broader range of perspectives and backgrounds are present in the newsroom. As regards the lower-rated organisational capacities, different sectors across the three countries identified different challenges. For radio, however, across the three countries, audience research was ranked as needing strengthening. Given the popularity of radio across the region, **audience research skills for this sector are an area that media development organisations could focus their efforts on as it holds the potential for tangible impact**.



INTRODUCTION

Why the Innovation and Media Viability Research

Media viability – producing quality journalism in a sustainable way – is a growing concern. All over the world media houses are faced with the challenge of devising strategies to ensure they survive and thrive in the face of a rapidly changing ecosystem. Issues of concern that **require innovative approaches include finding stable sources of revenue to support excellent journalism; fragmented audiences; evolving technology; and the need to create excellent content across multiple platforms** that incorporates the voices of not just top journalists but also influencers and citizens. All these demands are occurring in the context of rising competition from tech platforms, increasingly precarious political and economic situations, and the growing threat of major market disruptions caused by climate change, social and political upheavals, and pandemics such as COVID-19. These factors have intensified pressure on media houses and managers and made it necessary for news organisations around the world to find new ways of working.

It is in this context that the Aga Khan University's Graduate School of Media and Communications (AKU-GSMC) and DW Akademie undertook to study innovation and media viability among news media houses in East Africa. The study examined the status of the viability of the region's News Media Organisations (NMO) and the organisational factors that might be related to their strengths and struggles. This report presents the results of the research.

Background

The project drew upon research from around the world on management, media management, media viability, and organisational innovation. Previous research was reviewed to identify the specific areas of management and operations the study needed to examine, and to shape the questions to ask the respondents.

The Innovation and Media Viability in East Africa research was conducted in two parts: Phase I was an in-depth analysis of the political, economic, social, technological, and journalistic ecosystems in which news media organisations in Kenya, Tanzania, and Uganda are embedded. It used DW Akademie's Media Viability Indicators to guide data collection. The final reports from Phase I can be found on the project website.

This report presents the overall findings of Phase II of the project, which was an in- depth survey of NMOs across Kenya, Tanzania, and Uganda. The survey respondents were senior executives managing the individual news media organisation and journalists

> ***"All over the world media houses are faced with the challenge of devising strategies to make sure they survive and thrive in the face of a rapidly changing ecosystem.***

working in the organisations. The report presents a snapshot of the following topics in East Africa's news media organisations, with most results broken down by country and media industry sector.

1. Age, ownership, and general business model.
2. Finance and likely sustainability, including organisations' financial condition in 2019 and the trends in their finances going into 2019; the number and type of sources they use for revenue and their level of dependence on different sources; and their staffs' perception of their sustainability as news producers over the next five years.
3. Target markets in terms of geography, language, and type of content produced.
4. News organisations' internal innovation cultures as assessed by their staff and the relationship between innovation culture and organisational performance in other areas.
5. Organisational capacity in management, revenue generation, technology, research, and content creation, as assessed by managers and journalists.
6. Managers' and journalists' assessment of the quality of the content the organisations produce and the factors influencing it.
7. The degree to which East African journalists and news organisations are affected by attempts at intimidation or interference in journalistic independence.
8. The impact of the COVID-19 pandemic on the finances and practices of the organisations.

Data Collection and Response Rate

Data collection took place at the height of the COVID-19 pandemic, in 2020 and 2021. Over a period of six months for each country, media managers and journalists responded to an online survey they received via a link shared through email and WhatsApp.

The study targeted NMOs in East Africa. International media organisations with offices in the region, such as the BBC and CNN, were excluded. From a population of 683 East African media organisations that were at the time producing in-house news at least once a week, 437 had at least one journalist or one media manager participate. This gave a response rate of 64%. In Kenya, the study got at least one response from 78% of the 167 news media organisations that were in operation. In Tanzania, 77% of 221 NMOs responded and Uganda1 had a 46% response rate from 295 organisations.

Some 273 media managers responded in all three East African countries, a rate of 40%. In Kenya, the response rate from managers was 45%, in Uganda[1] it was 29%, while Tanzania had 52%.

In total, 814 journalists responded from 342 NMOs. In other words, 50% of the NMOs that were in operation in East Africa at the time of data collection had at least one journalist respond. In Kenya, 291 journalists responded from 110 NMOs, representing 66% of the organisations. Tanzania had 321 journalists from 132 NMOs, or 60% of the media houses, while Uganda had 202 journalists from 100 NMOs respond, which represents 34% of the organisations.

1 Uganda has a fairly high number of NMOs, but the response rate was considerably lower than Kenya and Tanzania because the country had very strict COVID-19 control measures coupled with internet disruptions during the 2021 election period, which made it difficult to get access to most of the media houses.

The analysis was done at the news media organisation level. The responses from all the journalists and media managers from each participating firm were aggregated into a mean score for each entity on each question. The mean score was then used in the analyses. Aggregating all the responses from each organisation resulted in data from 437 NMOs in total.

	Frequency	*Percent*
Kenya	*131*	*30%*
Uganda	*136*	*31%*
Tanzania	*170*	*39%*
Total	*437*	*100%*

Table 1: Aggregated Response Rate

The data per sector and country are presented below. However, two NMOs did not indicate their media sector, therefore, out of the 437 NMOs only 435 are represented below. Radio made up the largest group of responding news media organisations, reflecting the popularity of radio across the region. It was followed by TV – whose numbers across the region have grown since the migration to terrestrial digital broadcasting from analogue broadcasting in 2015. Digital outlets were the next largest group, before both print and multimedia organisations respectively.

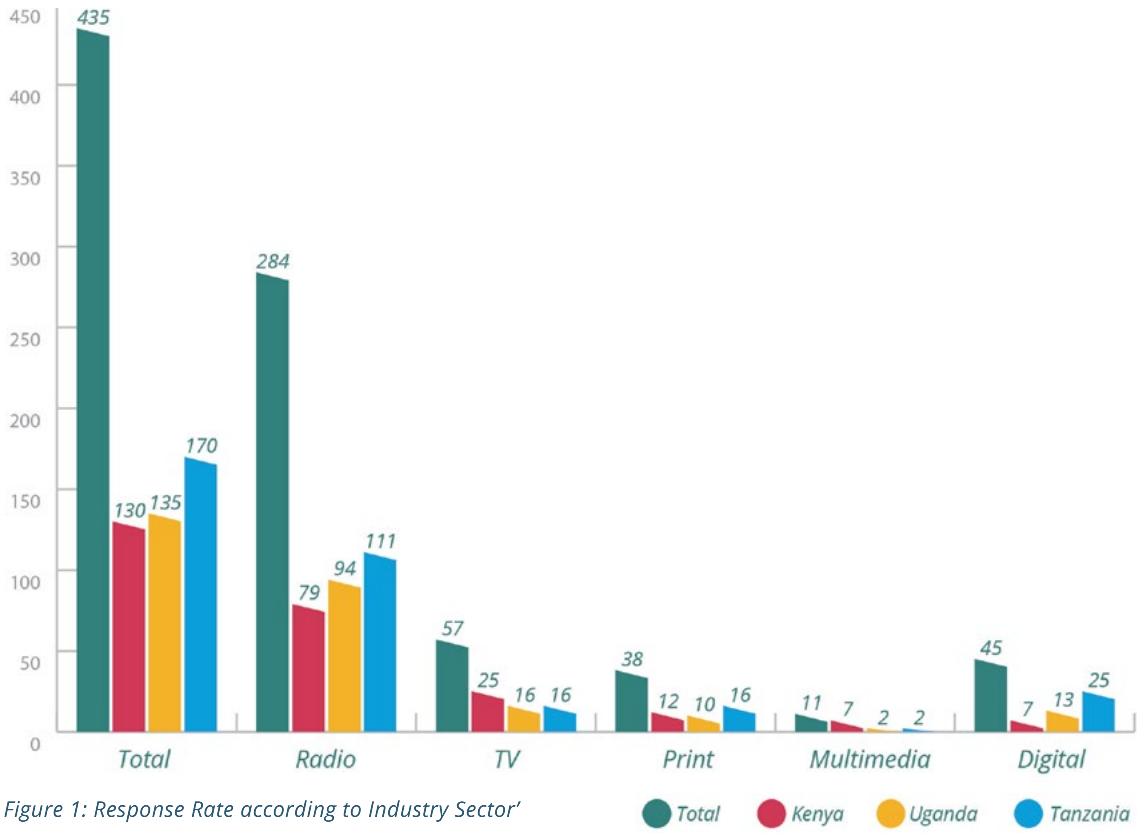
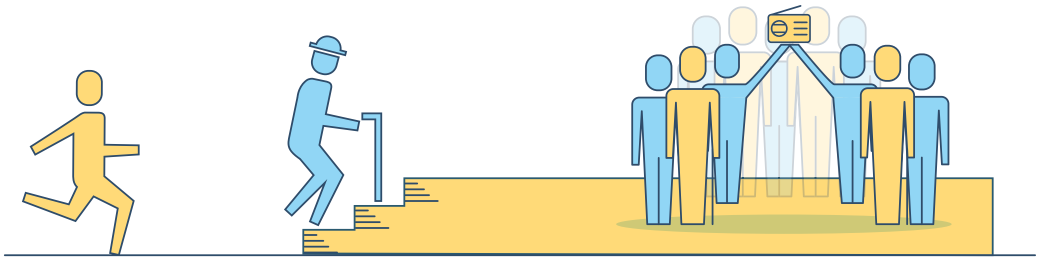


Figure 1: Response Rate according to Industry Sector'



NEWS MEDIA ORGANISATIONS' AGE, OWNERSHIP AND GENERAL BUSINESS MODEL

Extensive research in organisational management has found that organisational age and ownership structures influence performance and sustainability. **Long-term organisational research in the United States has established that only about 35% of all business start-ups survive more than 10 years**[i], so any industry with a high percentage of start-ups and young firms would be expected to have a high failure rate among individual companies. Organisational age also has been found to be related to a firm's resilience during major market disruptions such as pandemics and natural disasters, with middle-aged firms tending to be more resilient than either very young or older organisations.[ii]

Ownership structures and/or business models also play a role in a firm's performance and resilience. In media ecosystems such as East Africa, where many media houses are owned and at least partly subsidised by governments, communities, or religious institutions, it is nearly impossible to fully disentangle ownership structures from business models.

Research shows that the relationship between company ownership and performance is complex, but a number of studies have found that government-owned firms tend to underperform privately held firms. However, privately owned media firms can be difficult to sustain when competing directly against government-subsidised NMOs.[iii] Community-owned media in Nigeria were found to suffer from the unreliability of donors as a primary revenue source.[iv]

Ownership by a larger company with resources beyond just what the independent media house generates can improve sustainability if the parent corporation is committed to more than just profit-taking. Research also shows that firms with more resources also tend to be more resilient during market disruptions than firms with less resource slack.[v]

> “
> ***...a number of studies have found that government-owned firms tend to underperform privately held firms, but that privately owned media firms can be difficult to sustain when forced to compete directly against government-subsidised media***

Age of NMOs in East Africa

Print NMOS are by far the most established in East Africa, with 94% of print sector firms aged 11 or more years. They are followed in age by multimedia, radio, and TV. Digital NMOs are the youngest, with only 8% having existed for 11 years or more.

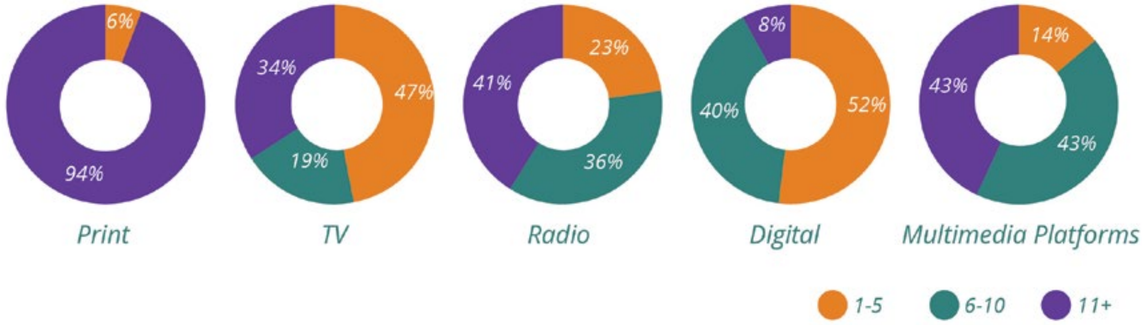


Figure 2: Age of Media NMOs

The same trend obtains in each country, with Kenya and Uganda print NMOs all aged 11 years and above, while Tanzania has a few print NMOs that were established in the last five years.

Compared to Kenya and Uganda, Tanzania has a relatively higher percentage of TV NMOs (57%) that have been in existence for 11 or more years while Kenya has a significantly high percentage of new TV NMOs (63%).[2]

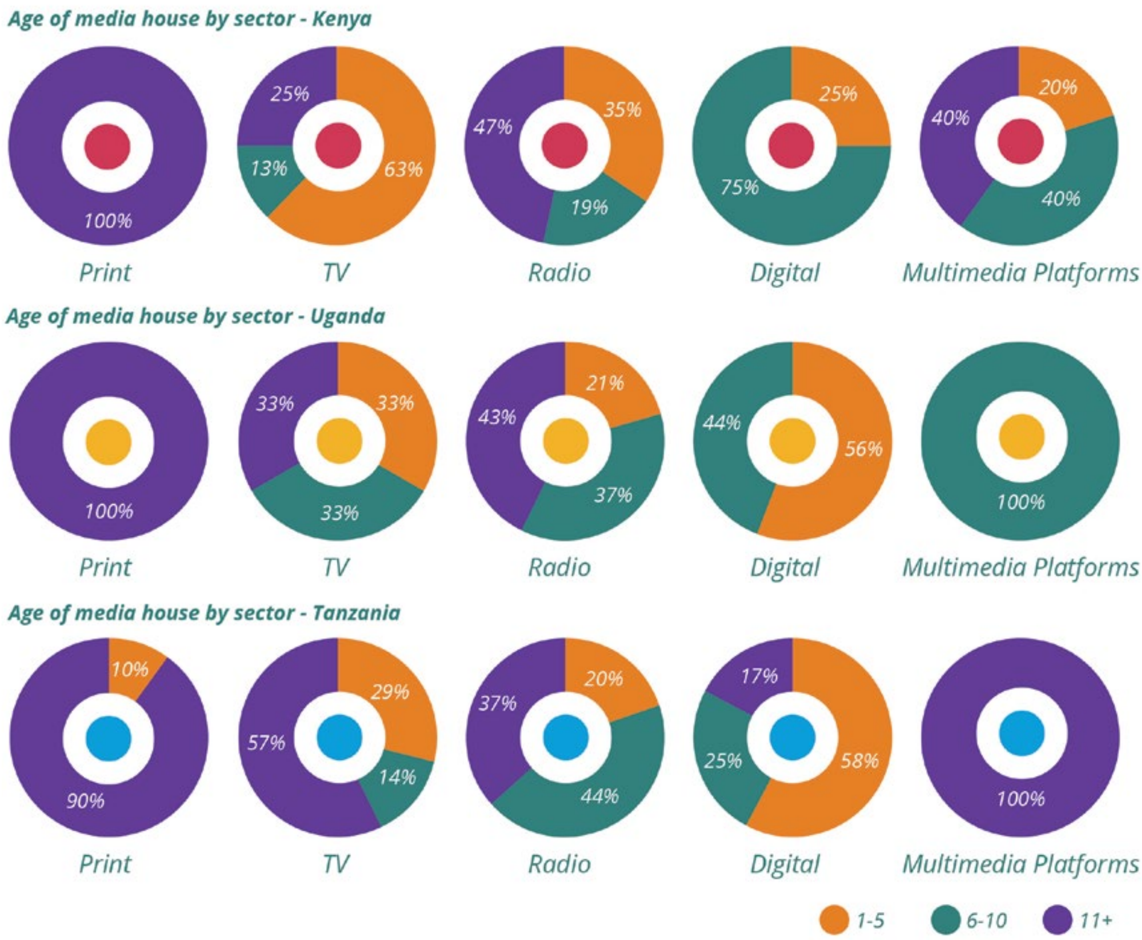


Figure 3: Age of NMOs by Sector Across the Three Countries

2 *Percentages that are more than 100% are due to rounding off error and negligible*

Ownership Models

The study established that even though slightly more than half (58%) of the participating NMOs are independently owned, Kenya has a comparatively high number (58%) that reported they are group-owned, either as part of concentrated ownership or part of media conglomerates.[3]

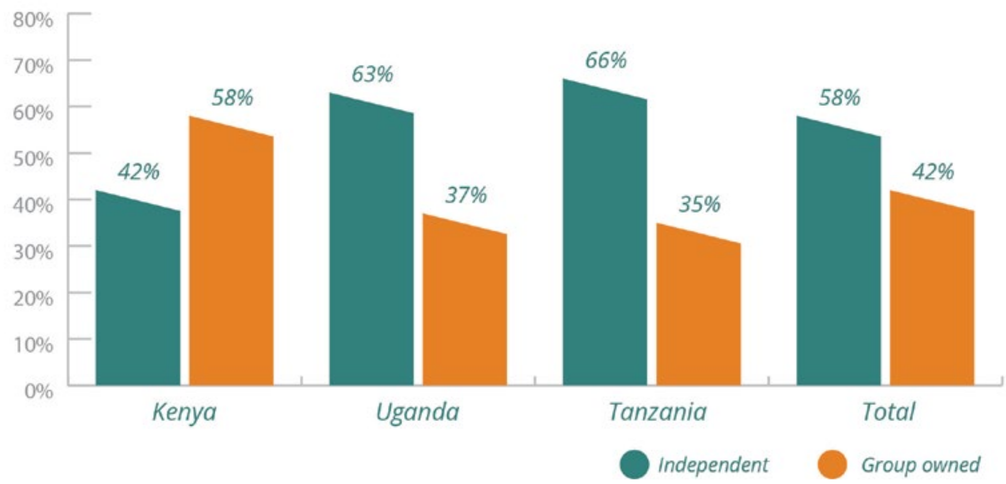


Figure 4: Ownership Models of NMOs Across the Three Countries

Ownership Models in Each Country at the Sector Level

At the sector level, the findings indicate that in all three countries, print NMOs are predominantly group-owned, which is also the case for TV NMOs in Tanzania. Digital and radio are predominantly independently owned in Uganda and Tanzania, with the former having a slightly a higher percentage of independently owned digital and radio firms, standing at 75% of those surveyed. Across the sectors, most NMOs in Kenya are group-owned, led by print and multimedia, with only the digital firms reported as being predominantly independently owned.

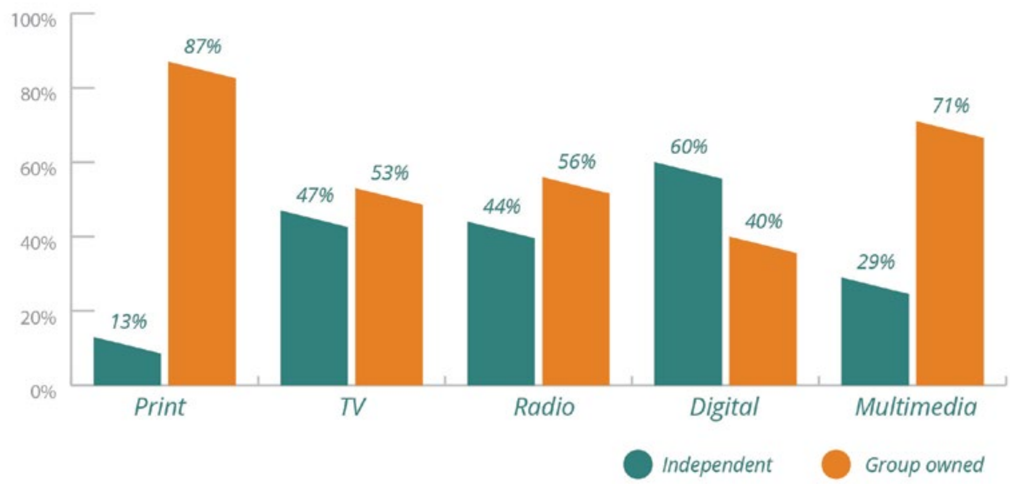


Figure 5: Kenyan NMOs' Ownership Models

Generally, Uganda and Tanzania tend to have a higher percentage of independently owned NMOs, and it is only in the TV and print sectors (and, in the case of Uganda,

3 *Concentrated ownership and conglomeration in the current study respectively refer to many news media organisations under one ownership, and news media organisations that are owned by a group whose interests transcend the media business.*

multimedia) that these two countries have relatively high percentages of group-owned NMOs, with Uganda leading in the percentage of TV stations that are group-owned (85%). However, unlike Kenya where the majority of NMOs in the radio sector are group-owned (56%), only about a quarter of Ugandan (25%) and Tanzanian (31%) radios are group-owned.

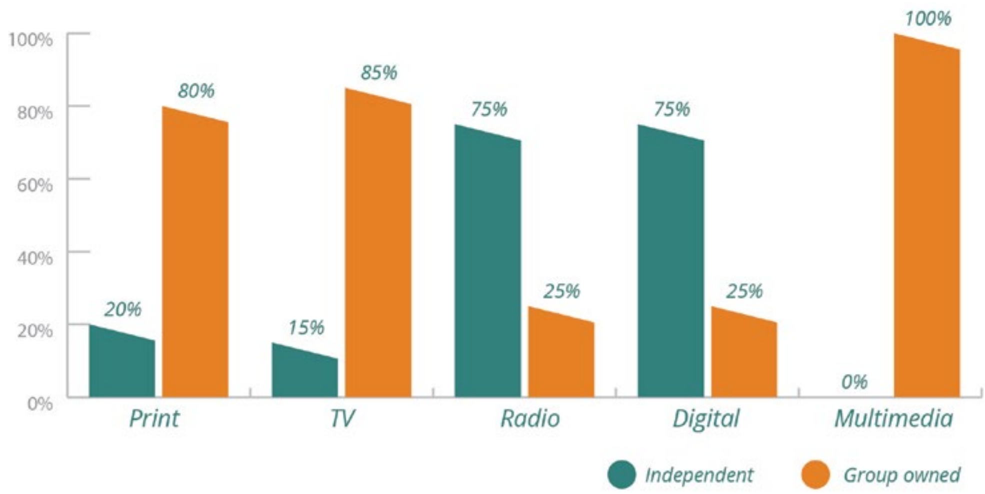


Figure 6: Ugandan NMOs' Ownership Models

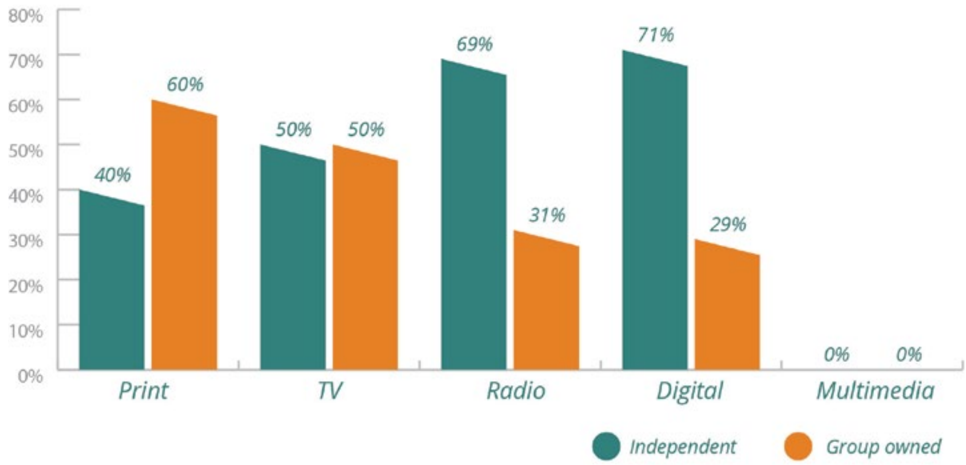


Figure 7: Tanzanian NMOs' Ownership Models

Business Models

The media in East Africa are predominantly commercial, with 57% of all the media houses reporting that they are for-profit. The findings also indicate that a number of NMOs are non-profit/community media, with the digital sector having the highest percentage (40%), followed by legacy media NMOs of print (26%), radio (28%), and TV (16%).

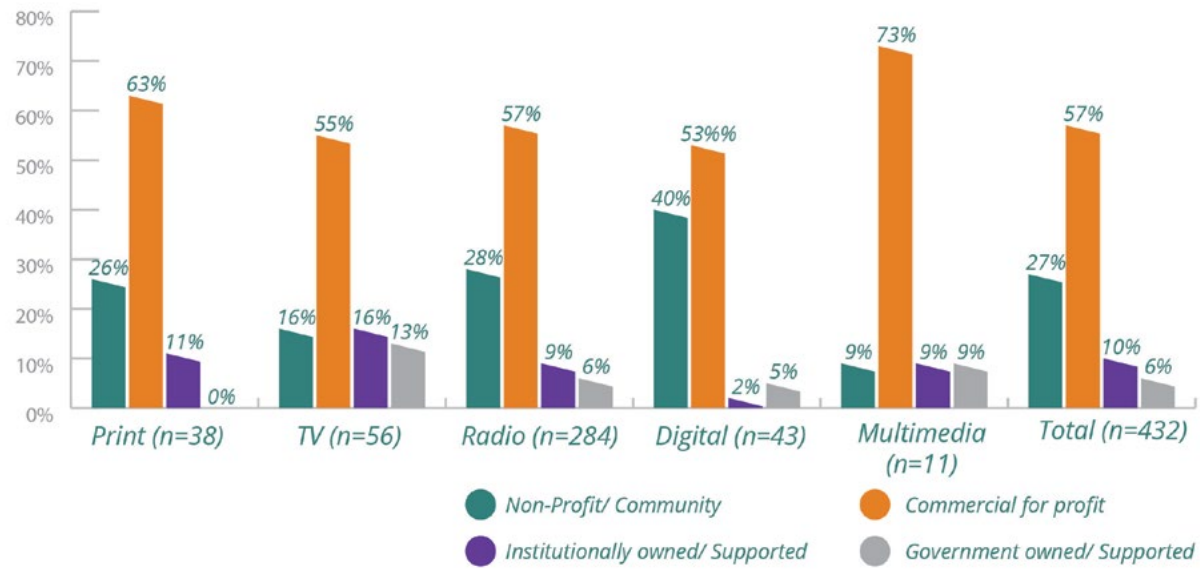


Figure 8: Business Models of NMOs in East Africa

Kenya's and Uganda's NMOs are predominantly commercial, with a relatively higher percentage that participated in this study from Uganda (79%) indicating that they are commercial/for-profit compared to Kenya (70%). In Tanzania the number of commercial/for-profit NMOs is lower at 31%. Tanzania presents a non-commercial picture of the NMOs, with print (63%) and digital (57%) leading as non-profit/community media followed by radio (48%) and TV (44%).

In all three countries, there seems to be a limited number of the government-owned or supported business model, averaging 6%.

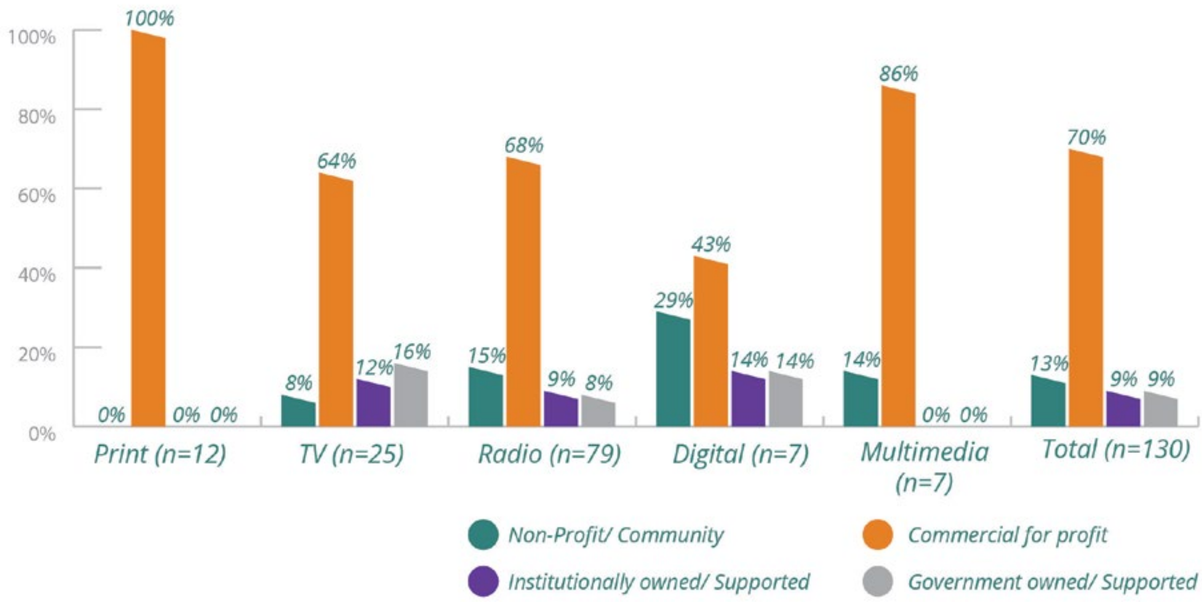


Figure 9: Business Models of NMOs in Kenya

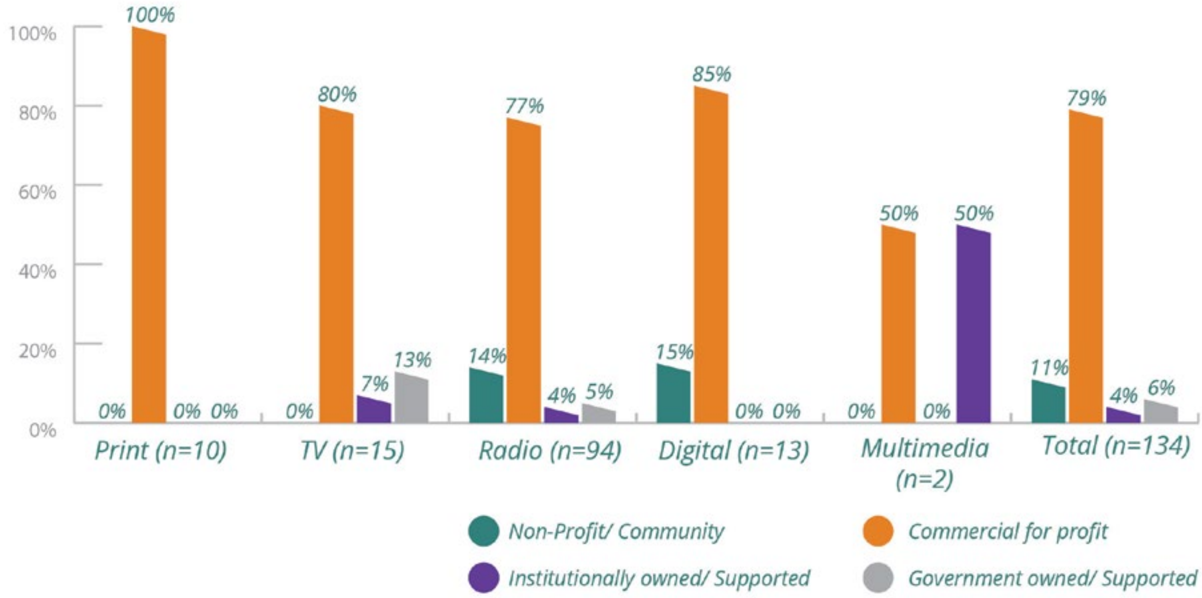


Figure 10: Business Models of NMOs in Uganda

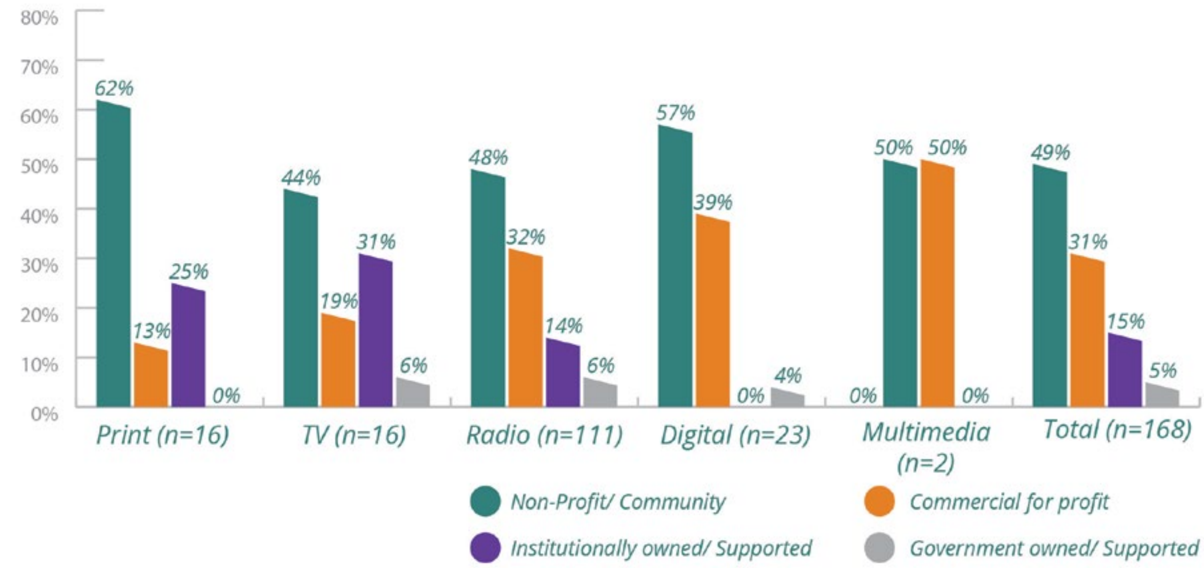


Figure 11: Business Models NMOs in Tanzania

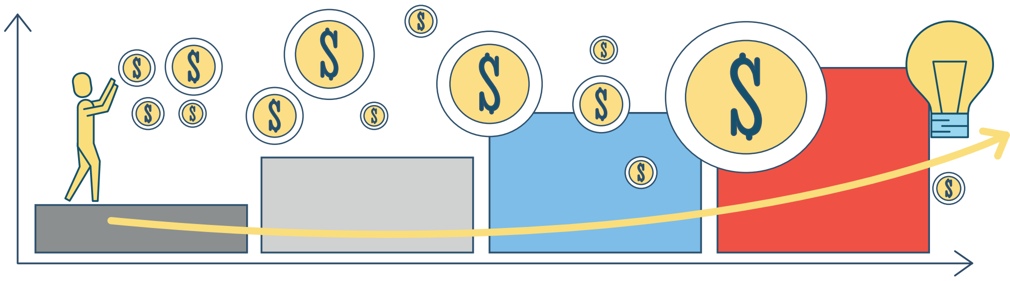
Estimated Likelihood of Survival as News Producers for Different Business Models

The findings indicate that most of the media managers and journalists working for government-owned or supported media houses perceive their NMOs as more likely to survive as news-producing organisations, with 86% estimating the likelihood at above 61%. Commercial/for-profit NMOs also seem to have a high likelihood of survival as 80% of the respondents from these media houses estimate that they have 61% or more likelihood of survival as news producers. These findings suggest a case for equitable support of the media by the government, not necessarily through ownership, but through fair distribution of advertising spend. The key is equitable distribution of government support, especially in advertising, given that skewed support by the government distorts the market and makes the independent, non-government-supported media more vulnerable in a competitive market. Further studies have established that government and state advertising can be a powerful tool for political favouritism, censorship, market distortion, and the emergence of an uncritical media pushing the government rather than the public interest agenda [vi].

	Non-Profit/ Community (n=116)	***Commercial for-profit (n=249)***	***Institutionally owned/ supported (n=41)***	***Government owned/ supported (n=28)***	***Total (n=434)***
60% or less estimated likelihood of survival	*22%*	*20%*	*27%*	*14%*	*21%*
61% or more estimated likelihood of survival	*78%*	*80%*	*73%*	*86%*	*79%*

Table 2: Estimated Likelihood of Survival as News Producers, by Business Model

…skewed support by the government distorts the market and makes the independent non-government-supported media more vulnerable in a competitive market.



FINANCIAL TRENDS, SITUATION, AND REVENUE SOURCES

Media viability requires financial strength and stability as a condition for consistently producing high-quality journalism over a long period of time. This section provides a snapshot of the financial situation and trends of East African media in 2019, just prior to the advent of the COVID-19 pandemic, which disrupted business and economic activity around the world. Research suggests that, in some cases, having multiple sources of revenue can strengthen a news organisation's finances.[vii] Some sources, such as subscription revenue, provide a more stable revenue stream than, for example, single-copy content sales or even advertising, in an increasingly competitive environment. But even as many experts have urged news organisations to develop multiple revenue streams,[viii] counter evidence for that strategy has emerged. At least **two studies have found that digital native news organisations that depend on only a single revenue stream are more likely to succeed than those that try to manage multiple sources**. On the other hand, in the United States, television networks that draw their revenue from both subscribers and advertisers appear to be more resilient than those that depend on just one source, leading even such a powerhouse as Netflix to consider diversifying its revenue streams in the face of growing competition.[ix]

News media finances and likely sustainability, including organisations' financial condition in 2019 and the trends going into that year, were surveyed. The study also sought to establish the number and type of sources NMOs use for revenue, their level of dependence on different sources, and their staffs' perception of their sustainability as news producers over the next five years. The findings are presented below.

> ***…sources of revenue, such as subscription revenue, provide a more stable revenue stream than others, such as single-copy content sales or even advertising, in an increasingly competitive advertising environment***

Financial Trends among East African NMOs from 2018 to 2019

The financial trends in the study covered the pre-COVID-19 period, with media managers and journalists giving an assessment of their organisations between 2018 and 2019. The findings indicate that more print NMOs in East Africa reported weaker financial performance in 2019 compared to 2018, and to the other four sectors. TV and radio NMOs fared relatively better, with 80% of TV and 71% of radio NMOs reporting that their performance in 2019 either remained the same or was stronger than in 2018. The digital and multimedia NMOs fared only better than print, as 41% and 40% respectively indicated that their 2019 financial performance was weaker than in 2018.

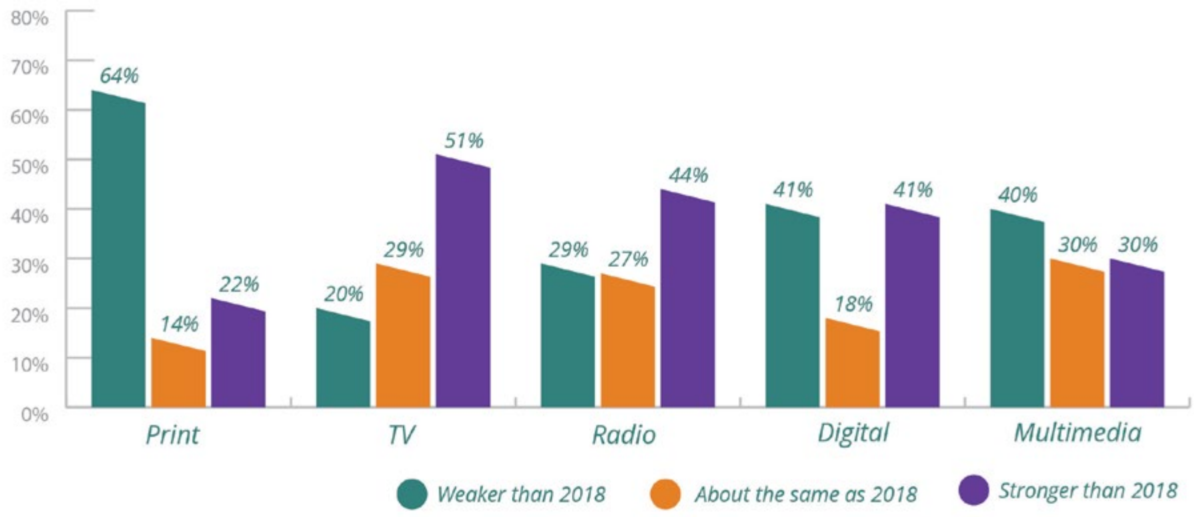


Figure 12: Financial Trends of NMOs in East Africa Across all Sectors

Financial Trends in Each Country between 2018 and 2019

All three countries experienced a similar trend in the print sector: 67% of Tanzanian NMOs reported weaker financial performance in 2019, as did the Kenyan (64%) and Ugandan (60%) firms. In the TV sector, the financial performance going into 2019 was slightly encouraging compared to radio. The Ugandan TV sector appeared to be the strongest, with 87% of the NMOs indicating that their performance improved or remained the same between 2018 and 2019, while Kenya (80%) and Tanzania (75) had comparatively fewer organisations reporting the same. Still, the figures were higher than print.

In the radio sector, the findings indicate that a higher percentage of stations in Uganda (85%) either had stronger financial performance in 2019 or had it remain just about the same, followed by Kenya (76%) and Tanzania (53%), which had a relatively high percentage of radio NMOs reporting a weaker performance in 2019 compared to 2018.

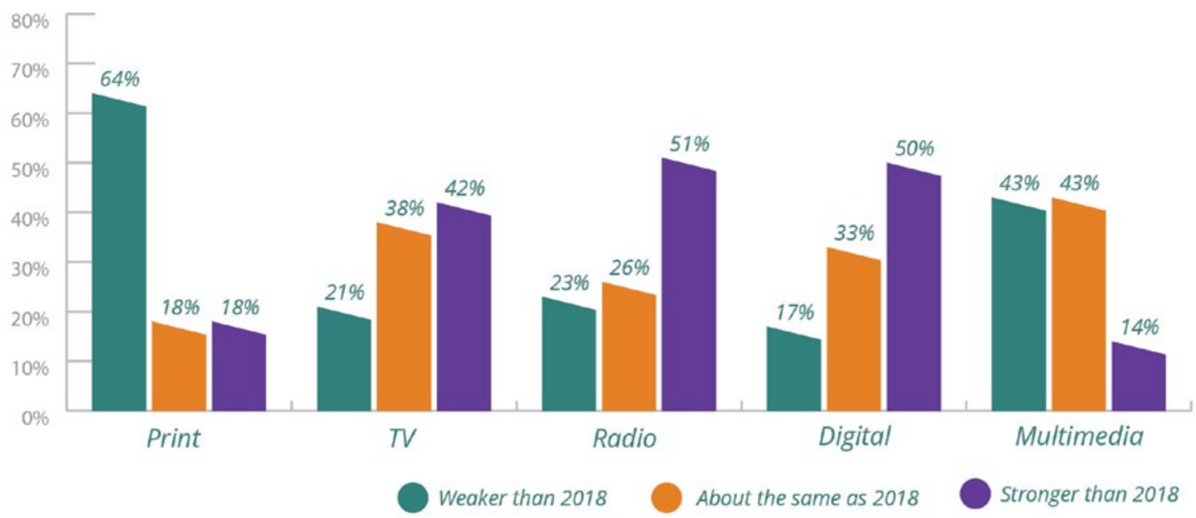


Figure 13: Financial Trends of Kenyan NMOs

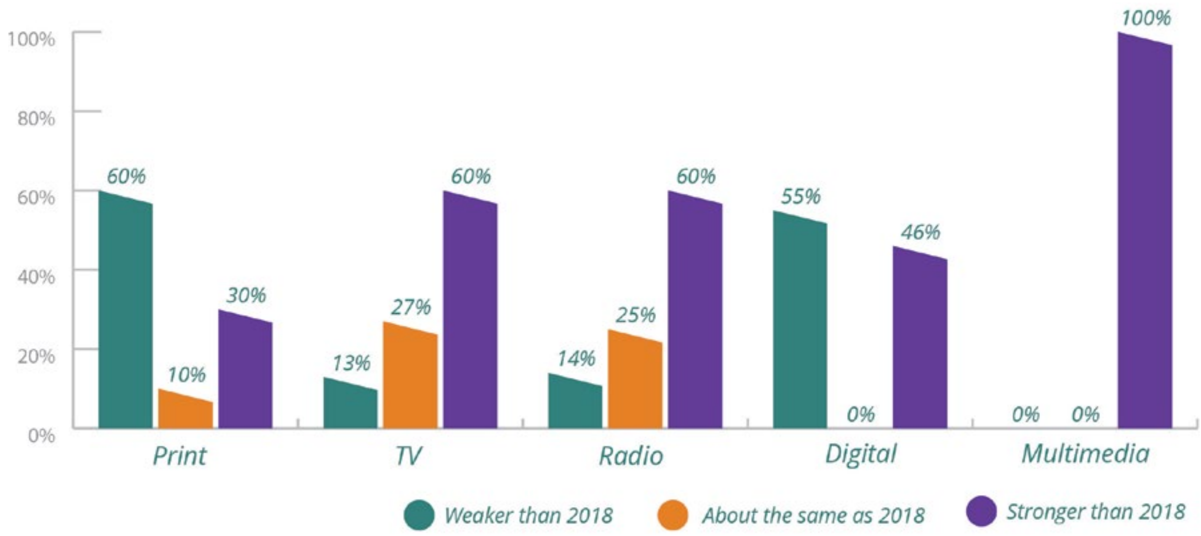


Figure 14: Financial Trends of Ugandan NMOs

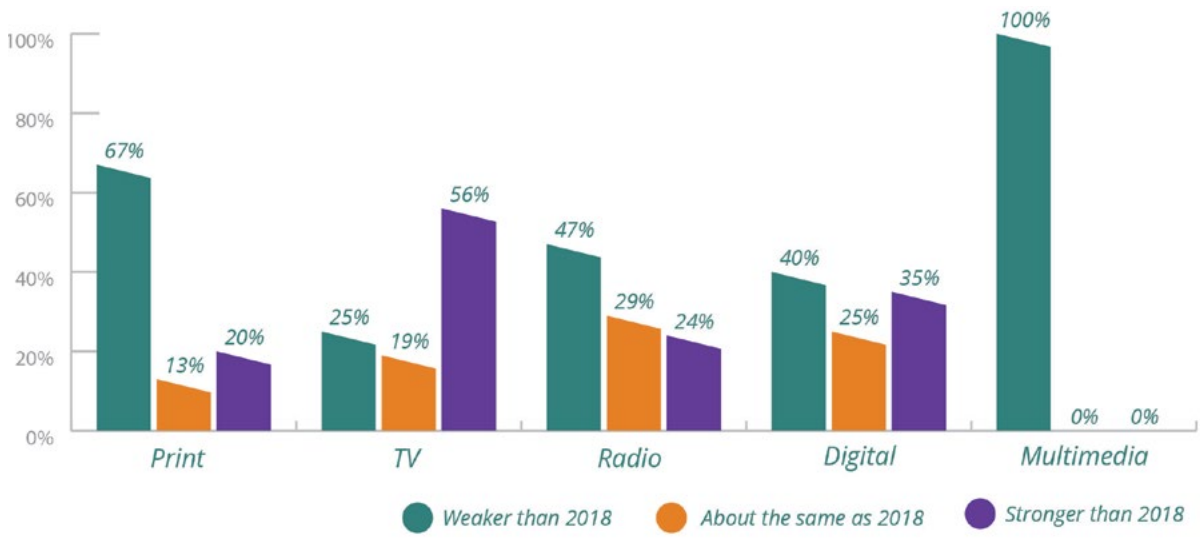


Figure 15: Financial Trends of Tanzanian NMOs

The findings seem to suggest that whereas in the print sector the financial trends are similar across the three countries, in TV and radio, Uganda's and Kenya's NMOs appear to perform better compared to Tanzania. The data indicate that a relatively high percentage of Tanzanian radio NMOs experienced worse financial performance compared to Kenya and Uganda. The findings also indicate that Kenyan digital NMOs fared better while the Ugandan and Tanzanian firms suffered relatively poor performance going into 2019. For the multimedia NMOs, whereas all the Tanzanian organisations reported a weaker performance in 2019, the inverse is true for Uganda, where they all had stronger performance, while in Kenya only 14% had stronger performance.

> *"... for some respondents whose news media organisations did not have favourable financial trends, the option of abandoning news production for non-news content was a consideration*

Financial Trends and the Likelihood of Survival

According to the findings, journalists and media managers in 80% of the East African NMOs estimated that their firms had a 61% or more likelihood of survival as news-producing organisations regardless of their 2019 financial performance. However, compared to the ones that did not do well in 2019, the findings indicated that more NMOs that had about the same performance as 2018 (87%) and the ones that did better (89%) were estimated to have 61% or more likelihood of survival as news producers. It does appear, therefore, that better financial performance instils in journalists and managers the belief that their NMOs are likely to survive as news-producing media organisations going into the future. It also emerged from the open-ended responses that, for some respondents whose organisations did not have favourable financial trends, the option of abandoning news production for non-news content was a consideration.

NMOs Financial Performance in 2019 compared to 2018

Estimated likelihood of survival	Weaker than 2018 (n=131)	About the Same as 2018 (n=102)	Stronger than 2018 (n=169)	Total
60% or less	38%	13%	11%	20%
61% or more	62%	87%	89%	80%

Table 3: East African NMOs' Financial Trend and the Likelihood of Survival as News Producers

Financial Results in 2019

Although many of the NMOs reported that their performance was improving going into 2019, a substantial number were in fairly poor financial condition. **Print media were particularly suffering, with 77% of the NMOs saying they either lost money or cut their budgets in 2019**. Multimedia platforms, on the other hand, seem to have enjoyed better financial results in 2019, while slightly more than half of the TV, radio, and digital NMOs either broke even or had a profit/surplus.

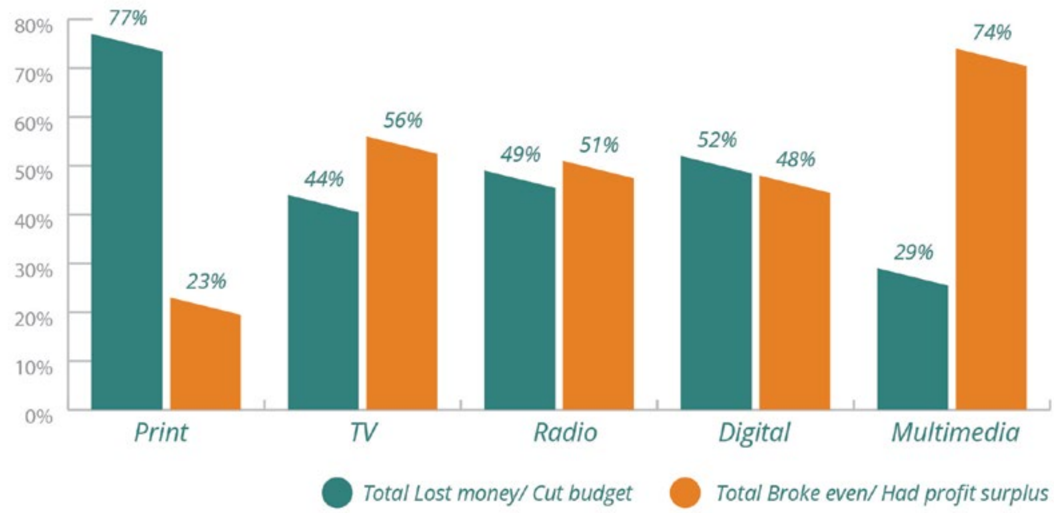


Figure 16: Financial Results of NMOs Across East Africa in 2019

Financial Results in Each Country

Print NMOs in Kenya and Tanzania experienced comparatively poor financial results in 2019, with the findings indicating that 80% and 89% respectively either lost money or cut their budgets. The Ugandan print NMOs surveyed fared better; only 33% lost money or cut their budgets. There seems not to be much difference between Kenya and Uganda in broadcast as about half or slightly more of the radio and TV NMOs in the two countries lost money or cut their budgets. In Tanzania, TV (75%) had comparatively better financial results, unlike radio, whose performance was similar to Uganda and comparably worse than Kenya.

	Kenya		Uganda		Tanzania	
	Lost money/ cut budget	Broke Even/ Had profit surplus	Lost money/ cut budget	Broke Even/ Had profit surplus	Lost money/ cut budget	Broke Even/ Had profit surplus
Print	80%	20%	33%	67%	89%	11%
TV	50%	50%	44%	56%	25%	75%
Radio	42%	58%	50%	50%	51%	49%
Digital	33%	67%	44%	56%	62%	38%
Multimedia Platform	40%	60%	0%	100%	0%	100%
Total	46.20%	53.80%	47.40%	52.60%	54%	46%

Table 4: NMOs' Financial Situation in Each Country in 2019

Financial Results and the Likelihood of Survival as News Producers

Most of the NMOs that lost money or cut their budgets moving into 2019 were nevertheless optimistic about their survival as news producers. The findings indicate that 69% of the NMOs estimated a 61% or more likelihood of survival. However, the findings also raise some concern because, even though 83% of the NMOs that broke even or had a profit/surplus estimated 61% or more likelihood of continuing to produce news, 17% of them estimated a 60% or less likelihood of continuing as news organisations. This suggests that financial results are not the sole predictor of employees' perceptions of their organisation's likelihood of survival. These findings further underscore the struggles that news media organisations are facing in their endeavour to produce quality journalistic content and remain financially sustainable.

	NMOs' Financial situation 2019		
Estimated Likelihood of Survival	Lost money/cut budget (n=121)	Broke Even/Had profit surplus (n=122)	Total (n=243)
60% or less	31%	17%	24%
61% or more	69%	83%	76%

Table 5: East African NMOs Financial Situation and Likelihood of Survival as News Producers

Revenue Sources

NMOs in East Africa use up to 12 different revenue sources – subscriptions; single-copy sales or paid downloads; commercial advertising; government advertising; sponsored programmes or stories; fundraising events or crowdfunding; government subsidies (tax reliefs or user and set fees); institutional support (NGOs, foundations, major donors, etc.); sale of related products (content, photographs, branded merchandise, etc.); sale of related services (workshops, training, marketing, or public relations); loans; and investment capital or start-up funds.

Commercial advertising is the top source of revenue for the majority of the NMOs in all three countries.

Print NMOs

Six revenue sources were found to be dominant for print NMOs in East Africa – single copy sales/paid downloads, commercial adverts, government adverts, sponsored content, related services, and institutional donors. Most of the print NMOs indicated that the two most used revenues sources are single copy sales and commercial adverts. In Kenya single copy sales, commercial advertising, and government advertising are the most widely used revenue sources with all the print NMOs drawing their revenues from single copy sales, commercial adverts, and government adverts while 80% and 40% of them respectively reported that they generate revenues from sponsored programmes and related services. In Tanzania, 90% of print NMOs draw their revenues from commercial adverts and 80% from single copy sales or paid downloads. The firms in both countries also draw revenues from sponsored content, though the percentage is relatively low in Tanzania. The sale of related services is also a source of revenue for 40% of media houses in Kenya, while in Tanzania institutional donors were found to be a source of revenue for 20% of print NMOs. The data on print NMOs from Uganda was not sufficient for analysis.

	Kenya (n=5)	Tanzania (n=10)
1.	Single Copy/paid downloads (100%)	Commercial Advert (90%)
2.	Commercial Advert (100%)	Single Copy (80%)
3.	Govt Advert (100%)	Govt Advert (60%)
4.	Sponsored Programmes (80%)	Sponsored Programmes (30%)
5.	Related Service Sales (40%)	Institutions Donors (20%)

Table 6: Print NMOs' Revenue Sources

TV NMOs

Most TV NMOs in the three countries predominantly draw their revenues from commercial advertising, government advertising, and sponsored programmes. In Kenya and Tanzania, about a third of the TV NMOs also listed government funding among their top five sources of revenues, while in Uganda, a significant number of the organisations (50%) reported sale of related products.

More TV NMOs in Uganda (100%) use commercial advertising compared to Kenya (82%) and Tanzania (71%). More media houses in Uganda (88%) and Tanzania (71%)

have sponsored programmes as a source of revenue than Kenya (65%). Government advertising is a source of revenue for fewer TV NMOs in Tanzania (57%) compared to Kenya (76%) and Uganda (75%). The findings also indicate that unlike Kenya and Tanzania, where a third of TV NMOs said they get government funding, there is very little such assistance for television outlets in Uganda. Nonetheless, the findings suggest that, though relatively fewer compared to the numbers in Kenya and Tanzania, TV NMOs in Uganda appear to be a lot more enterprising because several of them indicated that they draw revenue through the sale of related products. They also get loans and capital, which appears not to be the trend in Tanzania and Kenya. However, **it is worth noting that even though loans and capital are ideal for business expansion, they are not a sustainable business model when used to pay operating costs. Previous studies indicate that this is usually a sign that a company is having problems.**

	Kenya (n=17)	*Uganda (n=8)*	*Tanzania (n=7)*
1.	*Commercial Advert (82%)*	*Commercial Advert (100%)*	*Commercial Advert (71%)*
2.	*Govt Advert (76%)*	*Sponsored Programmes (88%)*	*Sponsored Programmes (71%)*
3.	*Sponsored Programmes (65%)*	*Govt Advert (75%)*	*Govt Advert (57%)*
4.	*Govt Funding (35%)*	*Related Product Sales (50%)*	*Govt Funding (29%)*
5.	*Related Service Sales (35%)*	*Loans Capital (38%)*	*Other (29%)*

Table 7: Most Used Revenue Sources by TV NMOs

Radio NMOs

Radio NMOs in all three countries appear to be the only ones that source revenue from the public and other donors through crowdfunding. However, they all share the top five revenue sources, with commercial advertising leading in the three countries. The other four sources are government advertising, sponsored content, institutional donors, and fundraising/crowd funding. The number of Ugandan radio NMOs that draw their revenues from government advertising (74%) and sponsored content (89%) is relatively high compared to both Kenya and Tanzania.

	Kenya (n=43)	*Uganda (n=62)*	*Tanzania (n=82)*
1.	*Commercial Advert (93%)*	*Commercial Advert (95%)*	*Commercial Advert (85%)*
2.	*Sponsored Programmes (79%)*	*Sponsored (89%)*	*Govt Advert (63%)*
3.	*Govt Advert (70%)*	*Govt Advert (74%)*	*Sponsored (62%)*
4.	*Institutional Donors (53%)*	*Institutional Donors (55%)*	*Institutional Donors (44%)*
5.	*Fundraising/Crowdfunding (47%)*	*Fundraising/ Crowdfunding'(29%)*	*Fundraising/Crowdfunding (27%)*

Table 8: Most Used Revenue Sources by Radio NMOs

Digital NMOs

Most of the digital NMOs appear not to be innovative in revenue generation, seeming to favour the traditional revenue sources of legacy media such as commercial advertising, government advertising and funding, sponsored content, and institutional donors. However, in Tanzania digital NMOs draw some revenue from paid downloads (29%) while in Uganda, some generate revenue from the sale of related services (22%) and related products (22%). Although crowdfunding is gaining traction in other markets, it seems that in East Africa, most digital native NMOs have not quite ventured into it. Only four digital NMOs from Kenya responded, and it is instructive to note that none of them draws their revenue outside the traditional sources of commercial advertising, sponsored content, and government funding.

	Kenya (n=4)	***Uganda (n=9)***	***Tanzania (n=14)***
1.	*Commercial Advert (100%)*	*Commercial Advert (100%)*	*Commercial Advert (64%)*
2.	*Sponsored Programmes (50%)*	*Sponsored Programmes' (78%)*	*Sponsored Programmes (43%)*
3.	*Govt Funding (50%)*	*Govt Advert (44%)*	*Govt Advert (29%)*
4.		*Related Service Sales (22%)*	*Institutional Donors (29%)*
5.		*Related Product Sales (22%)*	*Single Copy Sales (29%)*

Table 9: Most Used Revenue Sources by Digital NMOs

> ***Besides commercial advertising, radio NMOs in all the three countries also predominantly draw revenues from government advertising, sponsored content, institutional donors, and fundraising/crowd funding***

INVESTMENT IN NEWSROOMS

Studies on newspaper circulation and profitability have established a correlation between investments in newsrooms over time and increased circulation and revenues including advertising revenues and the attendant profits. Further, investment in newsrooms rather than individual products produced by publishers has been found to sustainably lead to profitability. Newsroom investment has been operationalised to mean, not just the deployment of financial resources, but a commitment of resources into the production of quality journalistic content for a mass audience. Key indicators of newsroom investment include the percentage of budget devoted newsrooms, changes to the budget - given that sustainable investment is the key, deployment of staff and the expected number of stories they should produce in a news cycle and newsroom staff access to technology and equipment.

Percentage of Budget Devoted to Newsrooms

On this question, there were responses representing only slightly over half of the 437 NMOs, since the question was only in the management questionnaire. Of the 225 that answered, 53% reported that they devoted 41% or more of their budget to newsroom operations. This suggests that at least a quarter of the NMOs in East Africa dedicate a fairly high percentage of their budgets to newsrooms.

Estimated Newsroom Budget Share	*Frequency*	*Percentage*
0.1-20%	*48*	*21%*
21-40%	*58*	*26%*
41-60%	*67*	*30%*
61-80%	*39*	*17%*
81-100%	*13*	*6%*
Total	*225*	*100%*
Did not respond	*212*	
Grand total	*437*	

Table 10: Budget Devoted to Newsroom

Change in Newsroom Budget Share Between 2018 and 2019

Almost half of the NMOs that responded (44%) indicated that they had either significantly or slightly increased the newsroom share of their total budget. Conversely, 33% of the organisations indicated that they had either slightly or significantly decreased it.

Change Newsroom Budget Share 2019 compared to 2018	*Frequency*	*Percent*
Newsroom's share of the NMO's total budget increased significantly	*33*	*14%*
Newsroom's share of the NMO's total budget increased slightly	*68*	*30%*
Newsroom's share of the NMO's total budget was stable	*52*	*23%*
Newsroom's share of the NMO's total budget decreased slightly	*56*	*24%*
Newsroom's share of the NMO's total budget decreased significantly	*21*	*9%*
Total	*230*	*100%*
Did not respond	*207*	
Grand total	*437*	

Table 11: Change in Newsroom Budget Share between 2018 and 2019

The statistical analysis indicates that financial trends have a relationship with changes in newsroom budget share and that there is a significant and negative relationship between changes in newsroom budget share and financial trends (r (225) =-.292, p=.000). Further, changes in newsroom budget share have a significant and fairly strong and positive relationship with the financial results of NMOs (r (218) =.304, p=.000). However, both the NMOs' financial trends (r (218) =.118, p=.082) and financial results (r (209) =.163, p=.018) seem to have significant, positive, but weak relationships with newsroom budgets.

Changes in Newsroom Resources

The NMOs largely indicated that their newsroom resources remained the same, with 24% of the participating organisations showing a decrease and 22% an increase.

	Frequency	*Percent*
Decreased	*77*	*24%*
Stayed about the same	*175*	*55%*
Increased	*69*	*21%*
Total	*321*	*100%*
Did not respond	*116*	
Grand total	*437*	

Table 12: Changes in Newsroom Resources

> **"*Data from previous studies suggest that companies start boosting resources to the newsroom when their finances show signs of improvement*"**

Whereas the statistical analysis indicates that newsroom resources have a significant and fairly strong relationship with the financial trends of NMOs (r (303) =.346, p=.000), the relationship between NMOs' newsroom resources and their 2019 financial results is statistically nonsignificant and very weak (r (149) =.086, p=.296). This could mean that, based on the 2019 results, financially struggling NMOs are investing less in newsroom resources. However, it cannot be ascertained from the data whether this reduced investment is because of weaker results or the cause of the results. Data on financial trends from previous studies suggest that companies start boosting resources to the newsroom when their finances show signs of improvement.

Stories Produced in Each News Cycle

More than half of the participating NMOs (52%) reported that the average number of stories that journalists were expected to produce in each news cycle increased, with a further 37% indicating that the number remained the same. Only 11% of the participating organisations had journalists and managers indicate that the number of stories expected decreased. These findings suggest that NMOs in East Africa increasingly pushed journalists to produce more stories in each news cycle.

	Frequency	*Percent*
Decreased	*48*	*11%*
Stayed about the same	*155*	*37%*
Increased	*220*	*52%*
Total	*423*	*100%*
System	*14*	
Grand Total	*437*	

Table 13: The Number of Stories Journalists Produced in Each News Cycle

The statistical analysis further indicates that stronger financial trends are closely associated with increased number of expected news stories (r (392) =.365, p=.000) and that NMOs with a higher number of news stories are likely to have better financial results (r (236) =.283, p=.000). These statistical findings **suggest that with journalists filing more stories in a news cycle, the NMOs probably end up maximising the journalists' capacities to produce more news stories and save on resources, thus putting the organisations in a better financial situation**. It is worth noting that this relationship between journalists' capacities and better financial results departs from findings from earlier research in the US which established that newspapers that gave their journalists more resources, including time, to do better stories performed better financially. Fundamentally, the findings in the current study raise concern because the suggested inference herein is that there is an upside and no downside to pushing journalists to churn out lightly reported, easy, and short stories rather than producing the hard, important ones. However, the study collected data during the COVID-19 pandemic and there is a possibility that the conditions may have pushed editors to demand more stories from each journalist because most media houses had laid off some newsroom staff.

> ***There is a possibility that the pandemic conditions may have pushed editors to demand more stories per journalist because most media houses had laid off some newsroom staff***

Access to Equipment and Technology

Access to equipment and technology is key for quality production of journalistic content. The study sought to establish the extent to which NMOs made available the equipment and technology journalists need. The findings indicate that journalists and managers in close to half of the participating NMOs (48%) either strongly agreed or agreed that journalists in their respective media houses have access to the equipment and technology they need. These findings suggest that a fairly good number of media houses in East Africa have invested in the equipment and technology that journalists need in their line of duty. However, the fact that 24% either disagreed or strongly disagreed raises questions because that represents a quarter of the NMOs that responded.

Journalists have access to the equipment and technology they need	*Frequency*	*Percent*
Strongly Disagree or Disagree	*106*	*24%*
Neither Agree nor Disagree	*121*	*28%*
Agree or Strongly Agree	*207*	*48%*
Total	*436*	*100%*
Did not respond	*1*	
Grand Total	*437*	

Table 14: Journalists' Access to the Equipment and Technology they need

Statistical analysis indicates that both the NMOs' financial trends and financial results have a statistically significant relationship with journalists' access to equipment and technology. However, the relationship between access to equipment and technology and financial trends is comparably stronger ($r(401) = .241, p = .000$) than the relationship between access to equipment and technology and financial results ($r(242) = .136$, $p = .034$).

Access to Training

The findings indicate that almost half of the media managers and journalists either agreed or strongly agreed (46%) that journalists in their NMOs have access to the necessary training to stay current with journalistic techniques. However, journalists and managers from 25% of the NMOs indicated that they either disagreed or strongly disagreed. This suggests that there could be a sizeable number of media organisations in East Africa whose journalists and managers feel that their journalists could benefit from more access to training. The need to train, reskill, and retool journalists cannot be overemphasised given the rapid technological advances that require them to be at the cutting edge in the rapidly evolving digital world.

> ***There could be a sizeable number of NMOs in East Africa with journalists and managers who feel that their media houses can improve on providing journalists with access to training***

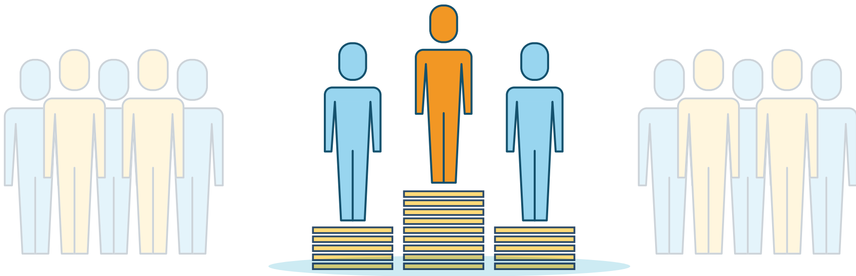
Journalists have access to training to stay current with journalistic techniques	*Frequency*	*Percent*
Strongly Disagree or Disagree	*110*	*25%*
Neither Agree nor Disagree	*125*	*29%*
Agree or Strongly Agree	*200*	*46%*
Total	*435*	*100%*
Did not respond	*2*	
Grand Total	*437*	

Table 15: Journalists Access to Training

Further statistical analysis indicates that journalists'access to training and NMOs' financial performance have a fairly weak but statistically significant relationship (401) =.175, p=.000). The relationship between journalists' access to training and financial results in 2019 is weaker and comparably less significant (r (242) =.087, p=.176) than the relationship between journalists' access to training and financial performance. These analyses seem to suggest that though weak, there is a significant relationship between journalists' access to training and financial performance. And because more investment in training may not immediately produce better financial results, the findings also seem to underscore the need for media development stakeholders to support journalism training in order to strengthen NMOs, especially the small ones, which often have to choose between investing in training – which has a long-term benefit – and attending to more urgent financial needs.

In a nutshell, the statistical analysis shows that NMOs' stronger financial trends and results are closely associated with an increased number of news stories journalists were expected to produce, increased newsroom resources, increased newsroom budget share, and access to better technical equipment.

The findings also seem to underscore the need for media development stakeholders to support journalism training in order to strengthen NMOs, especially the small ones, which often have to choose between investing in training – which has a long-term benefit – and attending to more urgent financial needs



TARGET MARKETS, LANGUAGE, AND TYPES OF CONTENT

Research in media management and economics shows that a news organisation's target market in terms of geography directly impacts financial strength and viability. Organisations serving larger markets tend to be financially stronger and more profitable than those serving smaller communities and areas because large-market media are a more efficient "buy" for a wider range of advertisers. [x] The economic strength of the city or region a media house serves also impacts the company's finances. Regions with weak local economies, where the population has less disposable income, are less attractive to advertisers regardless of how large the potential audience is.

Media are a language-based product. Print and digital media are not only language-based, but also require people to be literate – and for digital media there is also the aspect of technical literacy – to use them. Thus, a news media organisation's market is limited by the match between the language and formats of its content and the languages and literacy rates of the audience it serves.

News media play a critical role in society and the need for people to have news available to them in forms they can consume is clear. [xi] **But in most culturally diverse countries, there are socioeconomic differences between ethnic, linguistic, and religious groups. Thus, from a business perspective, a news media organisation's potential for financial performance is related to the socioeconomic power of the cultural subgroups it chooses as its target audience, while some local or vernacular media may, in some instances, play a role in maintaining or increasing divisions between language and cultural groups in society.**[xii]

Finally, in the digital age, many legacy media houses have diversified their content beyond the single format – radio, TV, print – they originally produced. By building digital platforms and distributing news in multiple formats, they seek to give audiences – and advertisers – more options. While such diversification would seem to be a good strategy, research has found that product diversification can, in some cases, hurt financial performance, if the staff is stretched too thin and managers find themselves in charge of products and markets they do not fully understand. [xiii]

> ***A news media organisation's market is limited by the match between the language and formats in which it produces content, and the languages and literacy rates of the audience it serves***

Target Market

Kenyan TV and print NMOs target the national market, while radio predominantly goes for the regional (within a country) market. The trend is the same in Uganda and Tanzania. Instructive to note, however, is that print NMOs in Uganda (80%) and Tanzania (75%) target the national market more than the Kenyan ones do (42%). Kenyan print NMOs, in contrast, are more likely to target either the regional (33%) or international markets (25%). Publications such as the Daily Nation, Sunday Nation, Business Daily, and The EastAfrican, all owned by the Nation Media Group (NMG), and The Standard newspapers owned by the Standard Group (SG), not only target the market in Kenya but also have consumers within the regional and international markets. This can be attributed to the growth and development of the media industry in the country over the past two decades, which has thrust Kenyan publications onto the international market. On the other hand, the inception of devolved governments in Kenya in 2013 arguably created more resources and centres of political power at the regional levels, which may have encouraged a focus on regional markets.

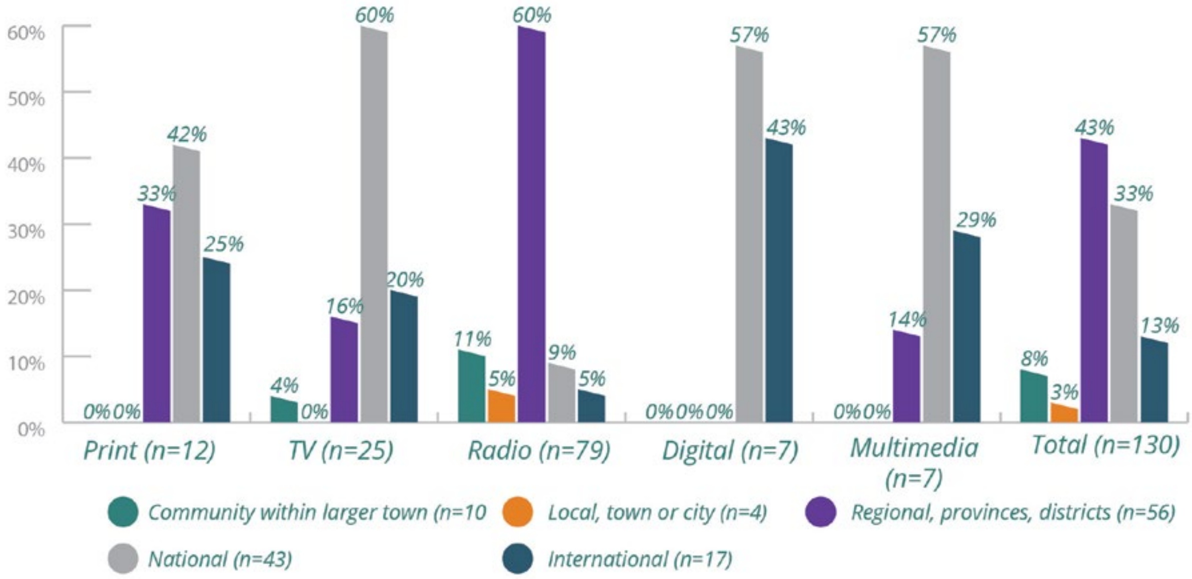


Figure 17: Kenyan News Media Organisations' Target Market

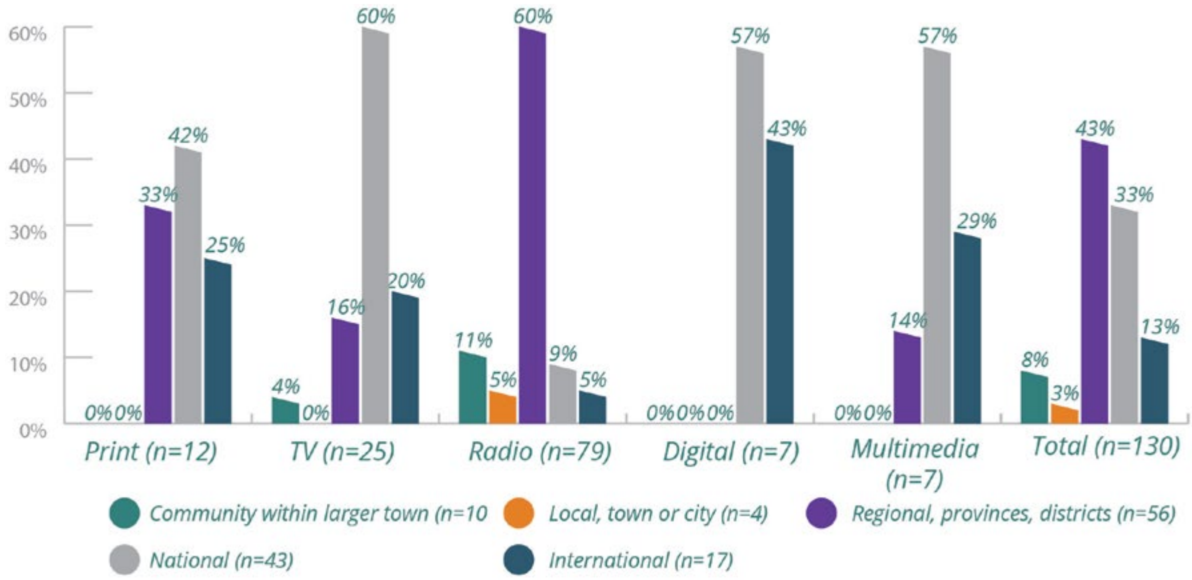


Figure 18: Ugandan News Media Organisations' Target Market

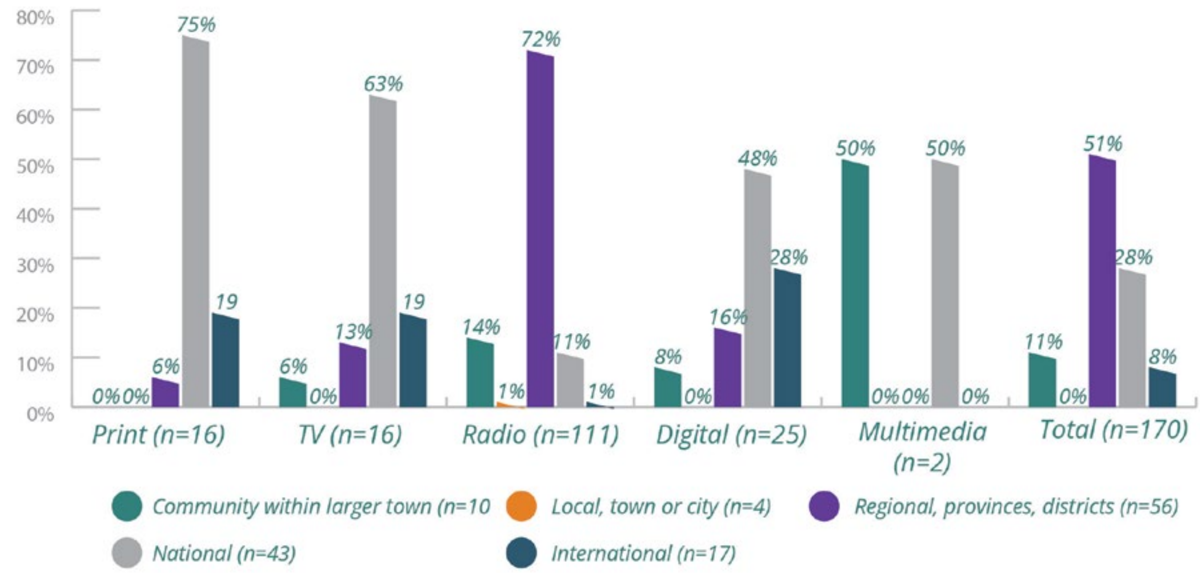


Figure 19: Tanzanian News Media Organisations' Target Market

Language of News Content Production

The NMOs in all three countries use a variety of languages for their news content. In Kenya and Uganda, print, digital, and multimedia NMOs predominantly use English, while in Tanzania, all media sectors predominantly use Kiswahili. The use of other languages (apart from English and Kiswahili) for media content was noted for Uganda and Kenya, but not for Tanzania. This may be explained by the fact that Tanzania's broadcast policy mandates only the use of national languages – Kiswahili and English – for media content.[4]

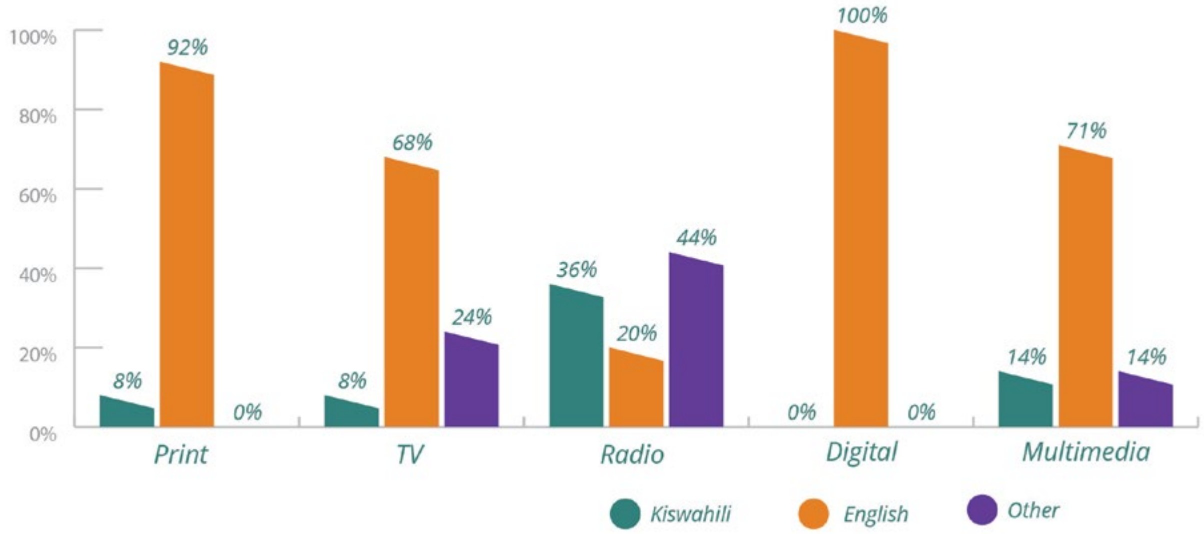


Figure 20: The Primary Language of News Production by Kenyan NMOs

4 *See p.9 and p.15 of Tanzania's broadcast policy of 2003, which specifies broadcast languages as Kiswahili and English: https://www.michezo.go.tz/uploads/publications/en1548233720-SERA%20YA%20HABARI%20NA%20UTANGAZAJI.pdf accessed 12.07.2022*

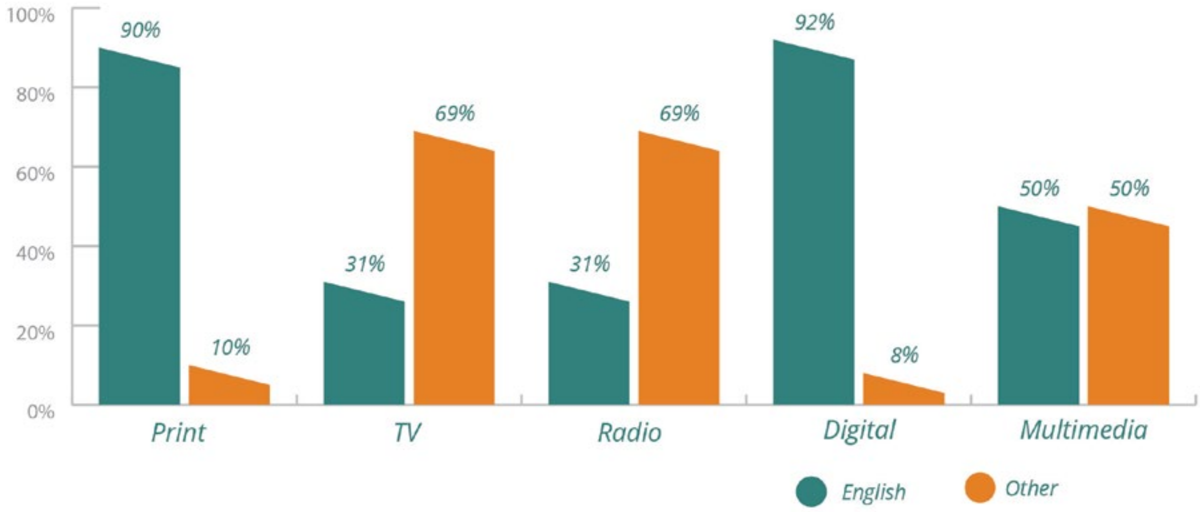


Figure 21: The Primary Language of News Production by Ugandan NMOs

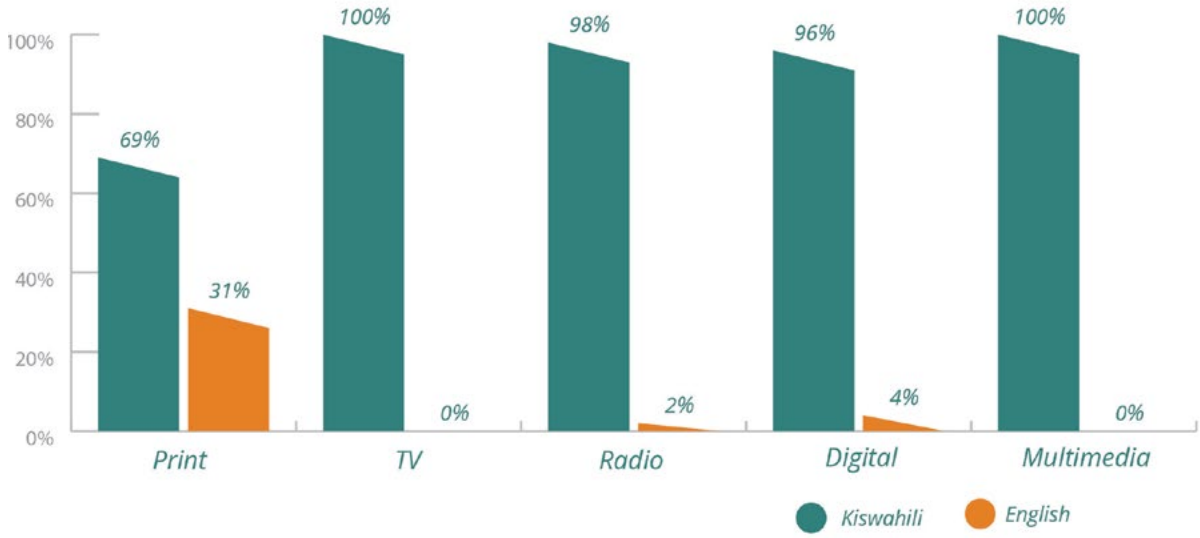


Figure 22: The Primary Language of News Production by Tanzanian NMOs

Content Diversification among Print, Radio, and TV NMOs

Print, TV, and radio NMOs across East Africa produce and distribute news content over various platforms and in different formats. The survey established that social media, digital text, audio and/or podcast, multimedia, infographics, and still photos are produced and distributed to a varying extent by NMOs across the three countries. Print, TV and radio NMOs, besides producing for their root platforms, also predominantly produce and distribute their content through audio and/or podcast, and social media. In Uganda, 93% of the media across print, TV, and radio reported that they produce and distribute content in podcast/audio format. The numbers are equally high in Kenya (81%) and Tanzania (74%).

Social media use across all the three legacy platforms as a distribution channel is reported to be relatively high in Tanzania (71%) and Kenya (70%) and comparably low in Uganda as only 58% of NMOs in Uganda reported that they produce and distribute news content via social media. In 2018 the Ugandan parliament passed the over-the-top tax (OTT), popularly known as the social media tax, which required internet users to pay 200 Ugandan shillings ($0.055) to use social media applications such as Facebook, Twitter, and WhatsApp. Further, effective July 2022, the social media tax was replaced by a 12% levy on internet data bundles. It is possible that the cumulative tax on the internet of 30%, which also includes an 18% value added tax (VAT), has impacted the use of social media for the distribution of media content in Uganda.

Infographics is the least produced and distributed format by print, radio, and TV across the three countries, with Kenyan respondents reporting the highest percentage of NMOs (20%) that produce and distribute content in infographics format.

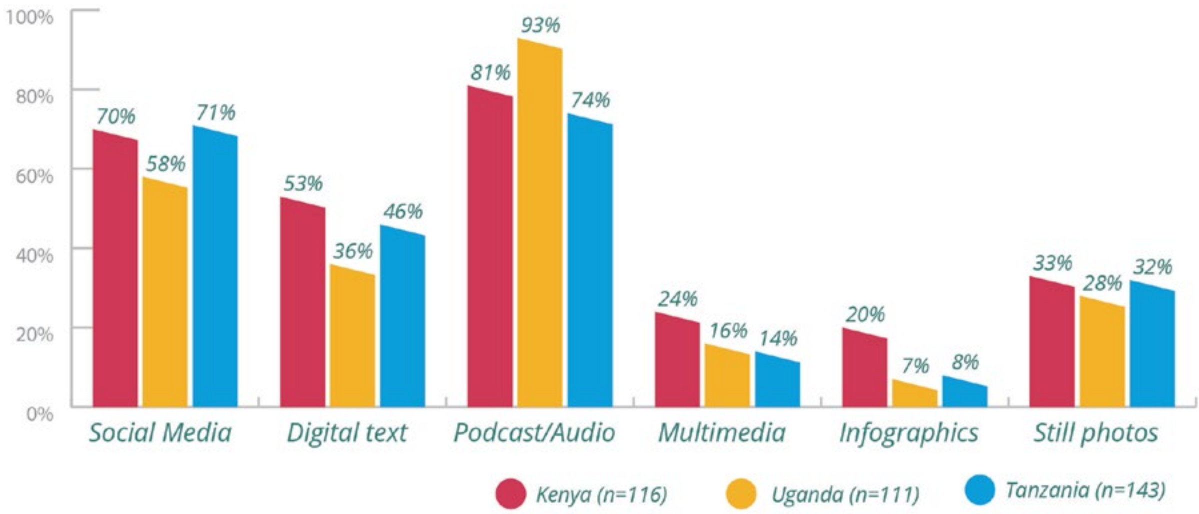


Figure 23: Content Diversification by Print, Radio, and TV NMOs Across East Africa

Kenya

The survey **respondents reported audio and/or podcast, social media, and digital text as the three topmost formats that print, radio, and TV NMOs in Kenya produce for distribution**. More TV stations indicated that they produce and distribute content through social media platforms. Generally, more TV NMOs reported being diverse in content production and distribution and the findings indicate that, save for infographics (44%) and still photos (44%), more than half (52%) of the TV NMOs reported that they produce and distribute content for social media (88%), digital text (68), audio and/or podcast (52%), and multimedia (52%).

Print NMOs in the country also appear to be relatively diverse in their content production and distribution. Digital text (83%) and social media (75%) are the two leading content diversification platforms/formats for print. The findings indicate that audio and/or podcast is the least reported as a platform for distribution by print NMOs. Still, a fairly high number – slightly more than a third (33%) – of print NMOs reported that they produce and distribute news content via audio and/or podcast.

Many radio NMOs produce and distribute content on social media (63%), audio and/or podcast (98%), with a significant number of the organisations (43%) also reporting that they produce and distribute news content in the form of digital text, probably on their digital platforms.

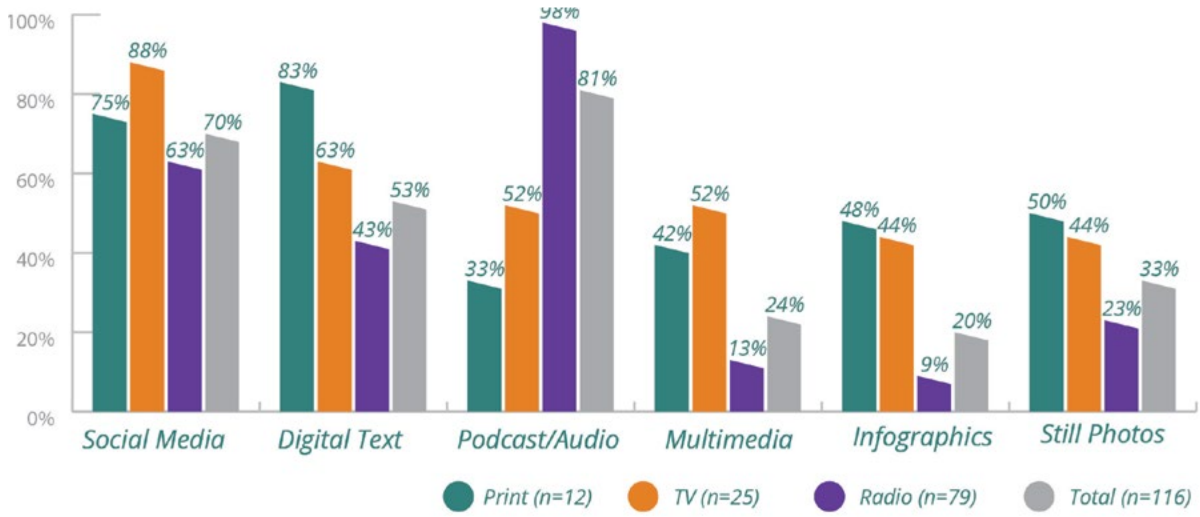


Figure 24: Content Diversification by Print, Radio, and TV NMOs in Kenya

Uganda

In Uganda, a high percentage of TV (94%) and print (80%) NMOs reported using social media, while infographics (19%) and multimedia (38%) are the least used by TV stations. Radio stations in Uganda do not seem to be big on either social media (50%) or digital text (36%) production compared to Kenya and Tanzania. Uganda's print NMOs reported that they predominantly produce and distribute content on social media (80%), digital text (80%), and still photos (60%). Unlike Kenya (33%) and Tanzania (25%), more print NMOs in Uganda (50%) reported producing and distributing content in the form of audio and/or podcast.

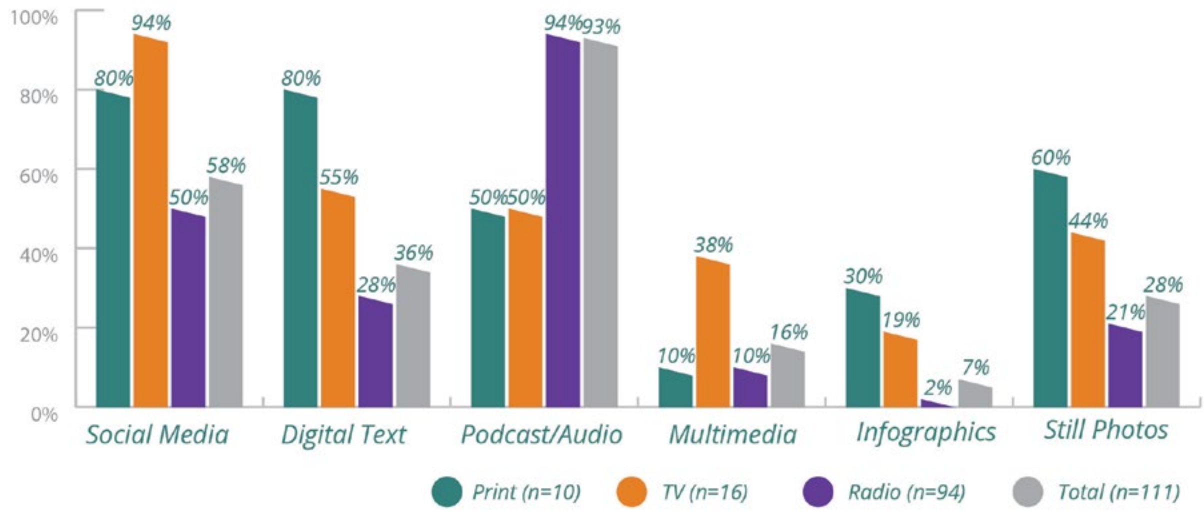


Figure 25: Content Diversification by Print, Radio, and TV NMOs in Uganda

Tanzania

In Tanzania, just like in Kenya and Uganda, print, radio, and TV NMOs predominantly use social media. The findings indicate that Tanzanian print organisations (81%) reported relatively high use of social media compared to radio (69%) and TV (69%).

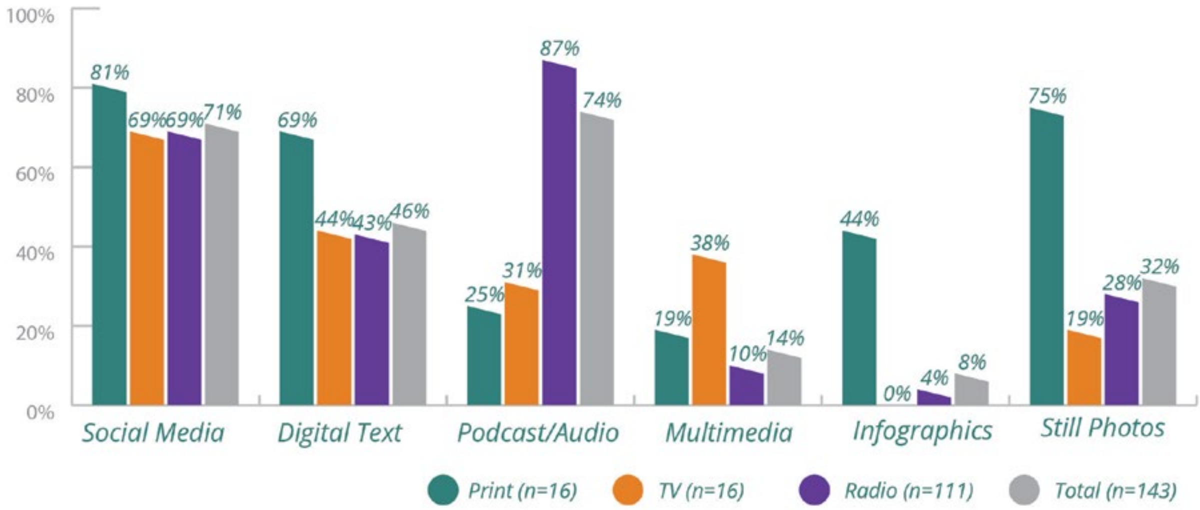
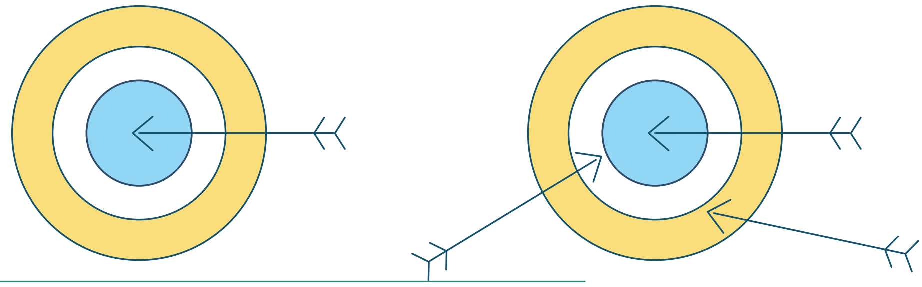


Figure 26: Content Diversification by Print, Radio, and TV NMOs in Tanzania

Video Content Production and Distribution

Video, probably because of its resource demands in production and distribution, does not seem to be a popular content format for non-TV NMOs in East Africa. The findings indicate that the production and distribution of video content is predominantly the preserve of TV stations. Respondents in the three countries reported that video ranks among the top three content types produced and distributed only by TV, digital, and multimedia organisations. Print and radio in Kenya and Uganda and all the media sectors in Tanzania do not seem to prioritise video as a content diversification stream. Video production is resource-intensive, and it appears its limited use compared to social media and audio and/or podcast is a strategy by most NMOs to diversify production and distribution in a cost-effective manner.

> ***Video, probably because of its resource demands in production and distribution, does not seem to be a popular content format for non-TV NMOs***



NMOs' INNOVATION CULTURE AND ORGANISATIONAL PERFORMANCE

In a rapidly changing media ecosystem, the ability of an organisation to innovate, adapt, and develop new products and strategies can be the difference between viability and failure. The ability to innovate is a capacity that varies widely among organisations.

Research has shown that certain characteristics are common to organisations with the ability to successfully innovate[xiv]. These include having a flatter, less hierarchical and authoritarian structure; leadership that encourages staff to share ideas across organisational departments and boundaries; and a diverse staff that brings to the organisation broad expertise and perspectives across different areas of knowledge and personal experiences. Other studies on innovation have established the importance of the organisation and individuals within it having broad external contacts that allow them to gather information about what is happening in the environment and among key organisational stakeholders, and to encounter new ideas.[xv]

Leadership and organisational culture greatly influence an organisation's capacity to innovate. Although creativity and innovation are not the same thing, creativity often is the spark that leads to innovation.[xvi] Research identifies the factors key to encouraging creativity and innovation as including creating a diverse team with different skills and perspectives to work on the project, providing the team with autonomy of action without close supervision, including the freedom to fail without penalties; and enough time and other resources to succeed, but not so much that they lose focus and efficiency. [xvii]

Other factors in successful organisational innovation are organisational age and demographics, as well as market share. Younger organisations and those with younger employees who are less ingrained in the firm's and industry's traditional practices are more likely to develop and adopt innovations than older, established entities or the firms with older, more experienced workers.[xviii] An organisation's competitive position in its market also affects its innovation capacity, with market strength being a double-edged sword. Research shows that many firms that succeed at developing transformative innovations are those that faced lower levels of direct competition and, therefore, had more resources to devote to innovation and more protection in the event of failure.[xix] However, well-established incumbent firms also face a dilemma in times of industry change and disruption.

Adopting a new innovation or process risks sacrificing current revenue and alienating existing customers, with no guarantee that the gamble will eventually pay off with more

> *"Leadership and organisational culture greatly influence an organisation's capacity to innovate. Although creativity and innovation are not the same thing, creativity often is the spark that leads to innovation*

customers and greater revenue. History shows that managers in many organisations choose to optimise their returns for as long as they can, until they are forced to cede their market to more innovative competitors.

Innovation Culture in East African NMOs

Managers and journalists were asked to rate, on a scale of 1-10, the innovation culture of their news media organisations on several measures widely used to assess organisations' innovation cultures[5]. The indicators mostly speak to the organisational innovation culture, relationships, and processes, and not the outcome. However, measures of innovation culture are good indicators of organisational innovativeness.

Kenya

The study established that NMOs in the TV sector (72%) and multimedia platforms (71%) are perceived by their managers and staff to be the most innovative in Kenya, while print is perceived to be comparably the least innovative. Generally, a majority of NMOs (60.5%) are perceived by both managers and journalists to have an innovative culture.

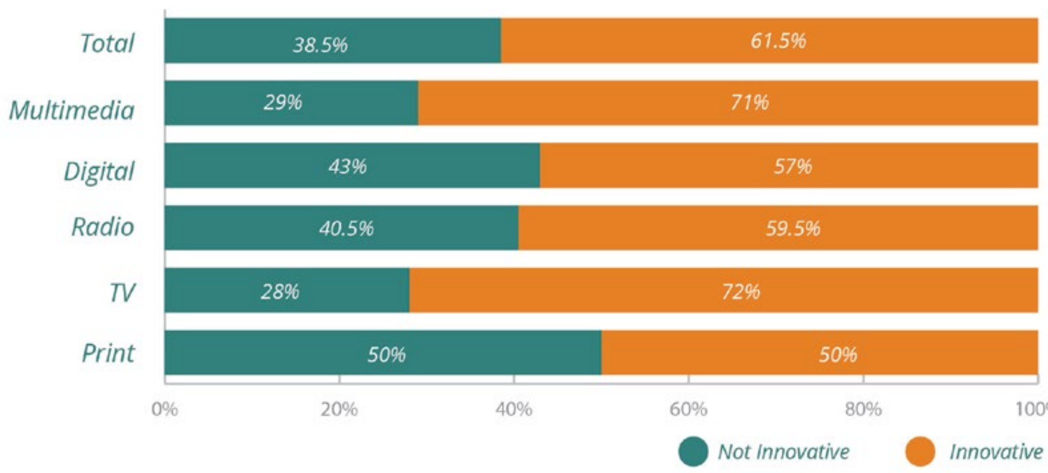


Figure 27: Innovation Culture of NMOs in Kenya

Uganda

Just like Kenya, Ugandan NMOs are generally perceived to be innovative, with the findings indicating that managers and journalists in 64% of the NMOs that participated in the study see their media houses as having an innovative culture. However, unlike Kenya, where TV and multimedia are leading in this positive perception, in Uganda it is NMOs in the print (70%) and radio (65%) sectors that are ahead.

5 *Measures of innovation culture used in this study attached as Appendix One*

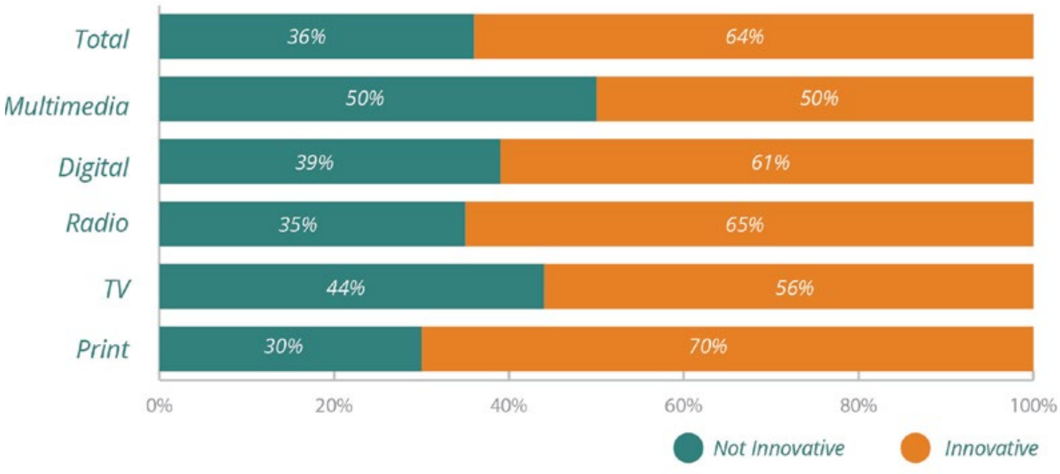


Figure 28: Innovation Culture of NMOs in Uganda

Tanzania

In East Africa, Tanzanian managers and staff have the most positive assessment of their NMOs' innovation culture, with the findings indicating that 73% of the media organisations are perceived to be innovative, higher than either Kenya (61.5%) or Uganda (64%). The findings further indicate that across all the media sectors in the country, the response for innovativeness is high, with the lowest still rating relatively high, at 68%, for the digital sector.

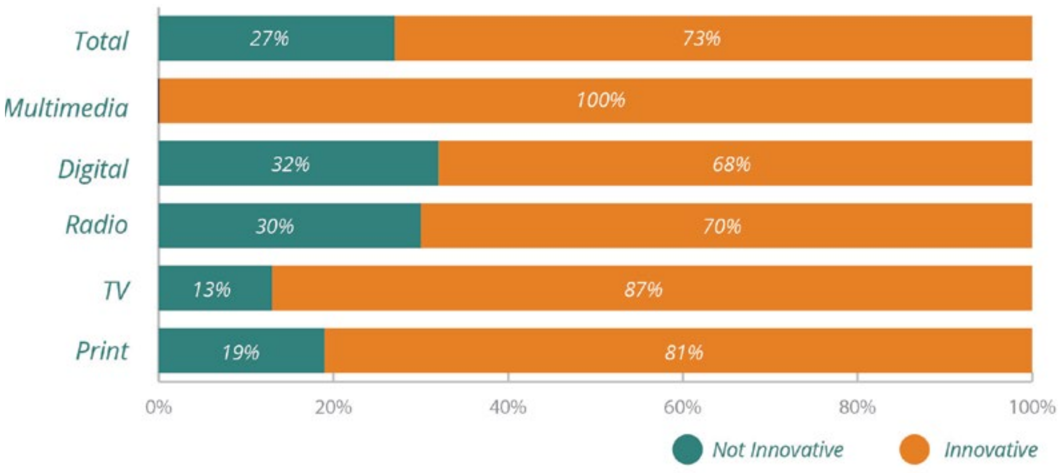


Figure 29: Innovation Culture of NMOs in Tanzania

Innovation and Journalism Quality

The research assessed journalism quality through a series of questions that clustered around three aspects of journalism widely considered to be important measures of quality: editorial independence, journalist pay (sufficient and regular payment for newsroom staff), and good journalistic practice (newsroom management and processes as discussed in the next section). Statistical analysis indicates that there is a positive, weak, but significant relationship between journalists' pay and their assessment of their NMOs as innovative (r (318) =.244, p=.000). These findings suggest that NMOs that are assessed as innovative are more likely to pay their journalists better and that the ones that pay their journalists better are also more likely to be innovative or at least assessed as innovative. In addition, the findings also established that there is a weak, positive, but significant relationship between NMOs' independence and innovation (r (318) =.247, p=.000), which suggests that innovation is likely to encourage independence in editorial decisions. The inverse is also true – that independence in decision-making is likely to encourage innovation. Suffice to note, the direction of the relationship is not absolute and one-way.

The statistical analysis further indicates that there is a positive, weak but significant relationship between NMOs that employed good practices in their content production and assessment of innovation (r (318) =.170, p=.002). The findings suggest that across East Africa, the relationship between NMOs' investment in good journalistic content production and perception of innovativeness by the staff is significant and worth further investigation.

Innovation Culture and Likelihood of Survival

The findings indicate that journalists and managers estimate media houses perceived to be more innovative/creative as having higher likelihood of survival as news producers. Whereas 68% of NMOs that were perceived not to be as innovative as they should be were estimated to have 61% or more likelihood of survival as news producers, the figure was 85% for NMOs that were perceived to be innovative/creative. Nonetheless, a notable percentage of NMOs (15%) that were rated as innovative were also estimated to have a 60% or less chance of survival.

	NMOs' Innovation Culture		
Estimated Likelihood of Survival	*My media house is not as innovative as it should be (n=145)*	*My media house is a very innovative/creative organization (n=292)*	*Total (n=437)*
60% or less	*32%*	*15%*	*21%*
61% or more	*68%*	*85%*	*79%*

Table 16: East African NMOs' Innovation Culture and Likelihood of Survival

> ***A notable percentage of NMOs (15%) that were rated as innovative were also estimated to have a 60% or less chance of survival.***

QUALITY OF JOURNALISM CONTENT AND THE INFLUENCING FACTORS

The survey sought to establish the managers' and journalists' assessment of the quality of journalism content their NMOs produce, and the factors influencing that quality. "Journalism quality" is a difficult concept to define because the idea is influenced by both culture and personal viewpoints. **Some of the characteristics professional journalists globally tend to point to as indications of quality journalism include accuracy, balance, independence from direct or indirect outside influences, fairness, and relevance to the audience.**[xx]

Among the factors research has identified as being important in influencing the quality of the journalism a news organisation produces are the organisation's ownership, internal culture, a moderate but not excessive level of journalism competition in the market, and adequate resources.[xxi]

Equipment and staff are some of the resources key to a news organisation's ability to produce quality journalism. Research has found that in order to produce quality journalism, news organisations must have a large enough staff to give journalists the time they need to ensure their stories are balanced and accurate, and to pursue difficult and complicated stories.[xxii] News is a "talent good," [xxiii] meaning that its quality depends on the knowledge, talent, and experience of the individuals who produce it. So, being able to hire and retain experienced journalists is necessary to the ability of a news organisation to produce quality journalism for its audiences. Low wages or inability to consistently make payroll make it difficult, if not impossible, to attract and keep top professional talent. When such problems become common in an industry, it becomes increasingly difficult to compete against more stable industries in attracting new generations to the profession.

> ***News is a 'talent good', meaning that its quality depends on the knowledge, talent and experience of the individuals who produce it, so being able to hire and retain experienced journalists also is necessary to the ability of a news organisation to produce quality journalism for its audiences***

External social and economic factors in a news organisation's market can also be an obstacle to quality journalism. Having too many or too few news organisations in the market may make it easier for governments or business interests to control and influence news content. [xxiv] Community taboos that make some topics unacceptable to cover or to cover in a fair and balanced fashion, political pressure on journalists or news organisations, economic pressure from advertisers or funders, and direct threats and acts of intimidation, whether from the authorities or the public, all seriously erode the ability of journalists and news organisations to produce "quality journalism" and serve the public interest.[xxv]

NMOs in East Africa and Quality of Journalism

The study used a series of questions to measure respondents' assessment of the quality of journalism their organisation was producing. The questions used a Likert Scale where 1 stood for "Strongly Disagree" with a positive statement about the quality of journalism practice in their NMO, and 5 stood for "Strongly Agree". A factor analysis identified a three-factor solution, with the questions measuring three separate aspects of journalism quality: (1) good journalistic practices (newsroom management and processes); (2) journalists' pay; and (3) editorial independence.

The first factor measured journalistic quality as a function of journalistic practices (management standards and practices) that seek to produce high-quality, fact-based news products. Specifically, the measures include whether in the NMO, **news stories are reviewed by an editor before publication; whether major stories are subjected to a formal fact-checking process before publication; whether newsroom managers emphasise the need for facts and evidence in stories; whether newsroom managers will take direct action to stop journalists from engaging in professionally unethical behaviour when they learn of such behaviour; and whether newsroom managers are open to new ideas and innovations in the newsroom.** The analysis of the data shows that the managers and journalists who responded generally rated their NMOs fairly highly on these measures, and that the results were consistent in all three countries, as shown in Table 17 below.

	Journalistic Practices (newsroom management and processes)	*Journalist Pay (sufficient and regular payment for newsroom staff)*	*Editorial Independence*
Region/Country	*Mean*	*Mean*	*Mean*
East Africa	*4.23*	*3.64*	*3.64*
Kenya	*4.18*	*3.62*	*3.62*
Tanzania	*4.24*	*3.62*	*3.62*
Uganda	*4.22*	*3.66*	*3.64*

Table 17: Journalism Quality in East African NMOs

The second factor centred around issues of the pay journalists in East Africa receive from their employers. The factor analysis identified three questions that clustered together in terms of respondents' answers. Specifically, whether NMOs pay their journalists regularly; whether the pay is enough to help the organisations attract and retain qualified talent; and whether NMOs pay their journalists well enough to discourage professionally unethical behaviour. News media content is a talent product, which makes it critically important for NMOs to attract and retain excellent, experienced, professionally well-prepared journalists. Equally important, journalists must be paid well enough by their employers to discourage them from making up for inadequate or irregular pay by engaging in professionally unethical behaviour. The data analysis indicates that the managers and journalists who responded rated journalist pay positively, with an East African mean of 3.64 out of 5.00, as shown in the table above.

The third aspect of journalism quality that was measured in the survey was related to the newsroom's editorial independence. For this factor, the measures included whether the NMOs' owners/managers respected the newsroom's editorial independence; whether advertising was not allowed to influence news decisions and content; and whether the NMO had enough different advertisers or sources of revenue to prevent important clients or funders from interfering with decisions on content. Again, the organisational means across the NMOs showed a fairly high level of consistency with an East African mean of 3.64 out of 5.00. However, inasmuch as the general assessment of the level of editorial independence and journalistic pay were positive, with both having a mean of 3.64, the differences in their assessment and that of journalistic practices raises germane questions. **These findings indicate that both journalists and managers seem to agree that their processes and practices are probably sufficient to guarantee quality journalistic content**. The findings however also show that journalists' pay and editorial independence are not rated as highly. Therefore, it is safe to surmise that issues of poor-quality content are probably occasioned by journalist pay and editorial independence issues.

Financial Trends/Results in 2019 and Good Journalism Practices

The three aspects of journalism quality – editorial independence, journalists' pay (sufficient and regular payment for newsroom staff), and good journalistic practices

– were analysed against the NMOs' financial trends and results. The statistical analysis indicates that there was no significant relationship between NMOs' good journalistic practices in content production and better financial results in 2019 ($r(155) = .042$, $p = .605$). In other words, the Pearson correlation as regards the level of significance shows that the negligible relationship between financial results and good journalism practice is in fact one that occurs by chance to the tune of 60.5%.

However, the study established that there was a weak, positive, and significant relationship between NMOs' good journalistic practices in content production and financial trends between 2018 and 2019 ($r(302) = .169$, $p = .003$). That is, even though weak, there is a significant relationship between the quality of journalism, especially with regard to good journalistic practices, and the financial performance of NMOs, and this relationship is not by chance, as indicated by the significance level. These findings suggest that, to some degree, there is a relationship between investment in good practices such as fact-checking and editorial independence, and good financial performance. A study by Lacy and Fico on newspaper circulation established that there is a positive relationship between investment in editorial quality and circulation. [xxvi] These two scholars built on previous studies and concluded that it is in the media managers' and owners' interest to invest in quality journalism if they are to increase circulation and enhance financial performance. However, in the current study, whereas good quality journalism is positively related to better financial performance, there is also a likelihood that media houses with better financial performance may be channelling more finances to better journalistic practices. The current study did not measure the direction of the relationship and future studies need to focus on these variables to establish the direction of the relationship.

> *...issues of poor-quality content are probably occasioned by journalist pay and editorial independence issues*

Financial Trends/Results in 2019 and Journalists' Pay

The Pearson correlations analysis indicates that there was a positive, weak, but significant relationship between journalists' pay (sufficient and regular payment for newsroom staff) and the NMOs' financial results in 2019 ($r(155) = .173$, $p = .030$), and a positive, comparably strong and significant relationship between journalists' payment and the NMOs' financial trends in 2019 compared to 2018 (r (302) =.255, p=.000). These findings suggest that the NMOs that have better financial trends or posted better financial results are likely to pay their journalists better. However, there is a remote possibility that better journalists' payment is a forerunner of better financial trends and results, which future studies should strive to establish.

Financial Trends/Results in 2019 and Editorial Independence

The findings indicate that there is barely a relationship between journalists' and NMOs' editorial independence and financial results, and that whatever relationship exists is nonsignificant (r (155) =.019, p=.816). This suggests that whether a media house is independent or not in its editorial decisions is not related to the NMO's financial results. On the other hand, the statistical analysis established a positive, weak, but significant relationship between editorial independence and financial trends (r (302)=.147, p=.010). These findings suggest that NMOs that are independent in their editorial decisions over time, with journalists free to cover and publish stories without undue influence from other sources, are likely to have better financial trends in subsequent years.

Journalists Arrested or Physically Attacked

External pressures on news organisations that undercut journalism quality were also assessed. The study sought to establish whether, to the respondents' knowledge, their organisation had had at least one instance of specific types of journalistic intimidation in 2019. Both the media managers and journalists reported higher incidences of journalists in Uganda experiencing arrest and physical attack because of their work as compared to journalists in Kenya and Tanzania.

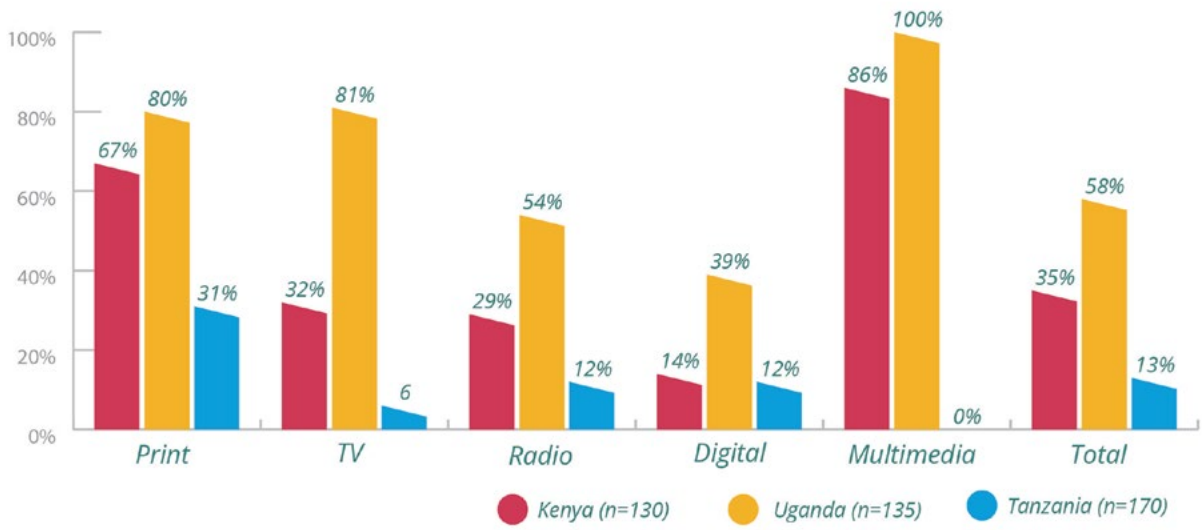


Figure 30: Arrest and Physical Attack of Journalists as a Result of their Work

More than half (58%) of the NMOs from Uganda that participated in this study reported that they had had at least one journalist arrested or physically assaulted in 2019. The attack or arrest of legacy media journalists were relatively high in the country, with print at 80%, TV at 81%, and radio at 54%.

In Kenya, print NMOs appear to have had more journalists arrested or physically assaulted because of their work, with 67% of print NMOs indicating that they had had journalists arrested or attacked. The picture was better for broadcast media but still concerning, with 32% of TV and 29% of radio NMOs reporting that they had experienced negative incidents. Overall, 35% of Kenyan NMOs indicated that they had had at least one journalist arrested or attacked in 2019.

Tanzanian NMOs reported experiencing fewer instances of arrests and attacks, with only 13% of them indicating that journalists in their media houses were arrested or attacked because of their journalistic work in 2019. The incidence was particularly low for TV and multimedia platforms, which stood at 6% and 0% respectively.

For Uganda, the findings indicate that even though the numbers are not as high as for legacy media, digital and multimedia NMOs had more journalists attacked and arrested, followed by Kenya, while Tanzania had the least arrests and attacks on digital and multimedia journalists.

A 2021 report by the Media Innovation Centre[xxvii] notes a decline in the freedom of the media in Tanzania from 2015 and the onset of self-censorship, occasioned by an intolerant political environment that clamped down on journalists and media outlets. This situation led to a dearth of critical journalism. As the Media Innovation Centre report notes, government officials, civil society organisations, and thought leaders from different industries, including academia, muted their dissent. Consequently, it is possible that the media had nothing to report that would offend the regime and attract arrests or physical attacks of journalists.

Verbal Attacks on Journalists

Verbal attacks on journalists seem to be more prevalent across the three countries compared to physical assaults and arrests. The Ugandan respondents were the most likely to report that they or their colleagues had been subjected to verbal attacks, including through social media, at least once during the year. Out of the 136 Ugandan NMOs that participated in the study, 85% reported that their journalists had experienced verbal attacks. Legacy media in Uganda seem to be the hardest hit in verbal attacks, with over 80% of the print, TV, and radio NMOs reporting that at least one of their journalists experienced this form of assault.

More than half of Kenyan NMOs (54%) also indicated that at least one of their journalists was verbally attacked, with print (75%) reporting the highest incidence followed by TV (52%) and radio (48%). In Kenya, just like in Uganda, all the multimedia platform NMOs (100%) indicated that their journalists experienced at least one incident of verbal abuse in 2019.

In Tanzania, verbal attacks overall seem to be relatively high (34%) compared to arrests and physical abuse (13%), but still comparatively low when looked at against Kenya and Uganda. Nevertheless, the incidence of verbal attacks reported by print NMOs was high (75%) and the same as in Kenya.

“Government officials, civil society organisations, and thought leaders from different industries, including academia, muted their dissent. Consequently, it is possible that the media had nothing to report that would offend the regime and attract arrests or physical attacks of journalists

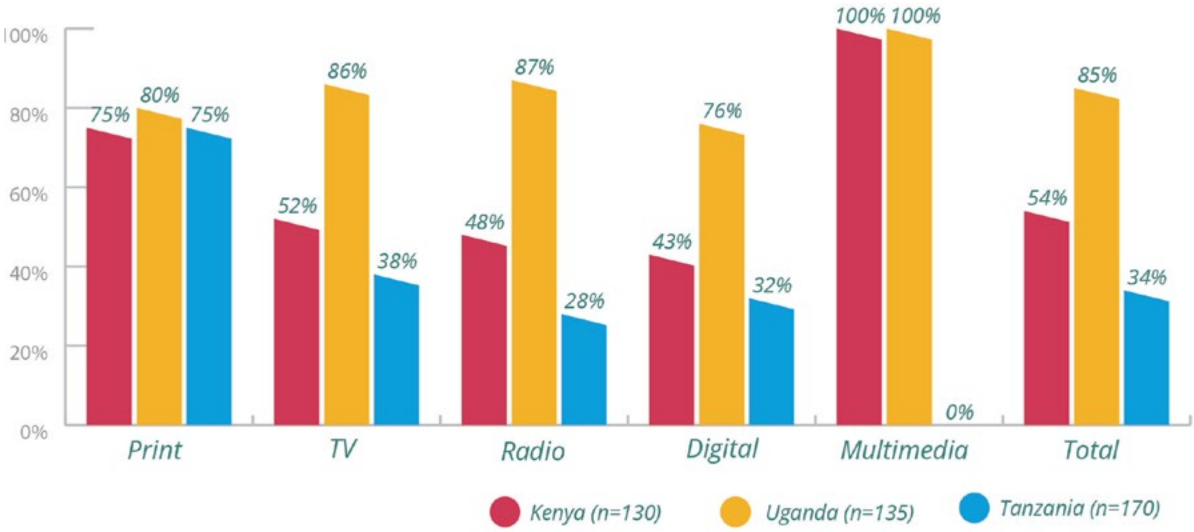


Figure 31: Journalists Verbally Attacked as a Result of their Work

Whereas the number of multimedia platforms is relatively small, the high percentage of verbal attacks for Kenya and Uganda can be explained by the fact that most of these platforms bring together different outlets of media conglomerates in one digital platform. On these digital platforms, consumers of the content have instantaneous and interactive engagement with journalists. For print or even broadcast journalists whose content appears on these platforms, the audience is afforded a platform to respond and, thus, the higher number of verbal abuse reports.

Stories Published Because of Business Pressure

The study sought to establish whether published stories are affected by business pressure exerted on journalists and editorial staff. Business pressure here is defined as direct demands by advertisers or funders to publish certain stories. Ugandan NMOs seem to be the most affected by business pressure as 45% of them indicated that they published at least one story because of business pressure in 2019. Tanzania reported the lowest number (18%) of such incidents.

The findings indicate that across the three countries the business pressure to publish stories was consistently high for print NMOs, with Tanzania having the least number (50%) indicating they had published a story due to insistence from advertisers or funders in 2019. It is only in the print media sector that all the three countries had 50% or more of respondents report this influence.

A very high percentage of TV NMOs in Uganda (85%) reported pressure to publish stories because of business. But in radio, the incidence of such pressure was low compared to other sectors of the media industry. Some 23% of radio NMOs in Kenya, 13% in Tanzania, and 35% in Uganda reported influence from business pressure. The findings further indicate that more Kenyan NMOs on the digital and multimedia platforms reported publication of stories because of business pressure compared to Uganda and Tanzania.

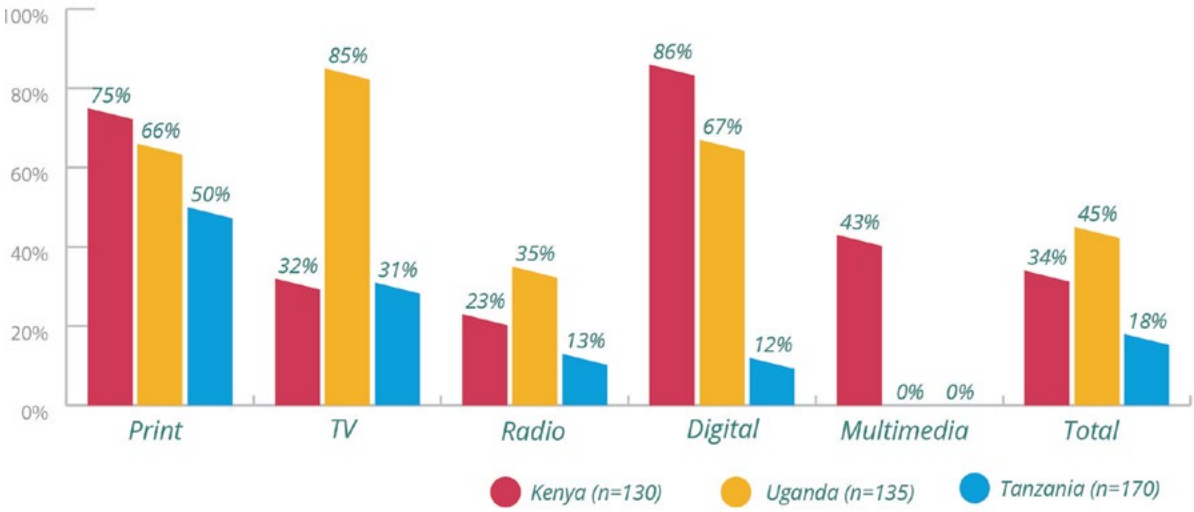


Figure 32: NMO Published Stories because of Business Pressure

Stories Not Published Because of Business Pressure

Across the three countries, the findings indicate that more NMOs in Uganda (48%) failed to publish at least one story in 2019 because of pressure from advertisers or funders, followed by Kenya (38%), while Tanzania had the least number (16%) reporting doing so that year. For legacy media, Uganda still led in the number of print NMOs (77%), TV (60%) and radio (44%) that reported failing to publish stories because of business pressure. Kenyan print, TV, and radio NMOs reported the second highest number of NMOs with at least one story killed in 2019 while Tanzania reported the least of the three. Kenyan digital and multimedia NMOs reported comparatively high numbers of NMOs that failed to publish stories because of business pressure.

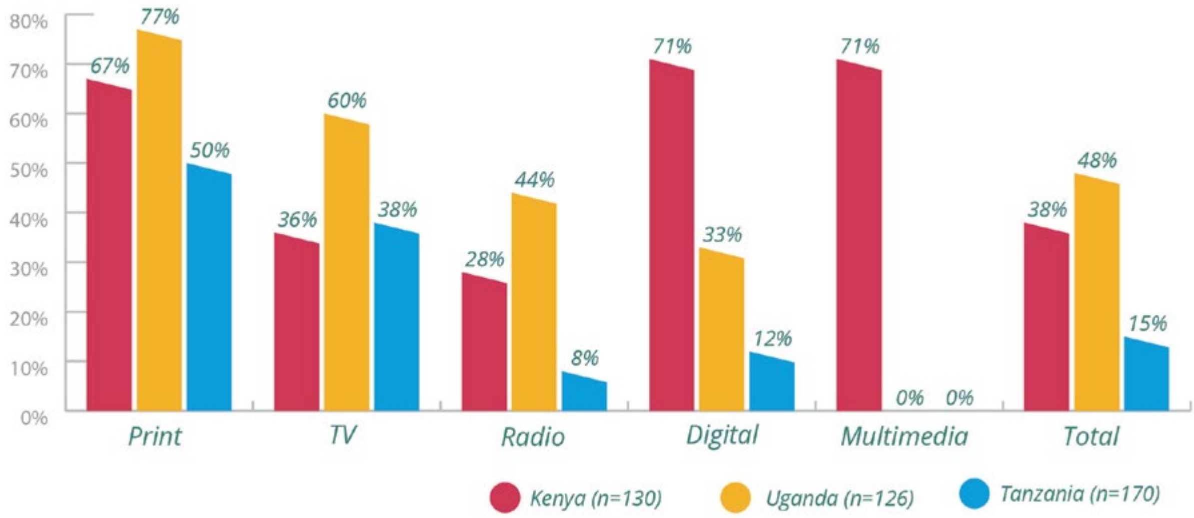


Figure 33: NMO Did Not Publish Stories Because of Business Pressure

Stories Published Because of Political Pressure

Political pressure seems to be a lot more pronounced in Uganda as 41% of the NMOs reported that they published at least one story because of political pressure in 2019. Print (67%) and TV NMOs (62%) in Uganda reported relatively high numbers of NMOs that experienced political pressure to publish stories compared to both their Kenyan and Tanzanian counterparts. Tanzania reported comparably higher cases of TV NMOs that published stories because of political pressure than Kenya, and the same is the case for print NMOs in Tanzania.

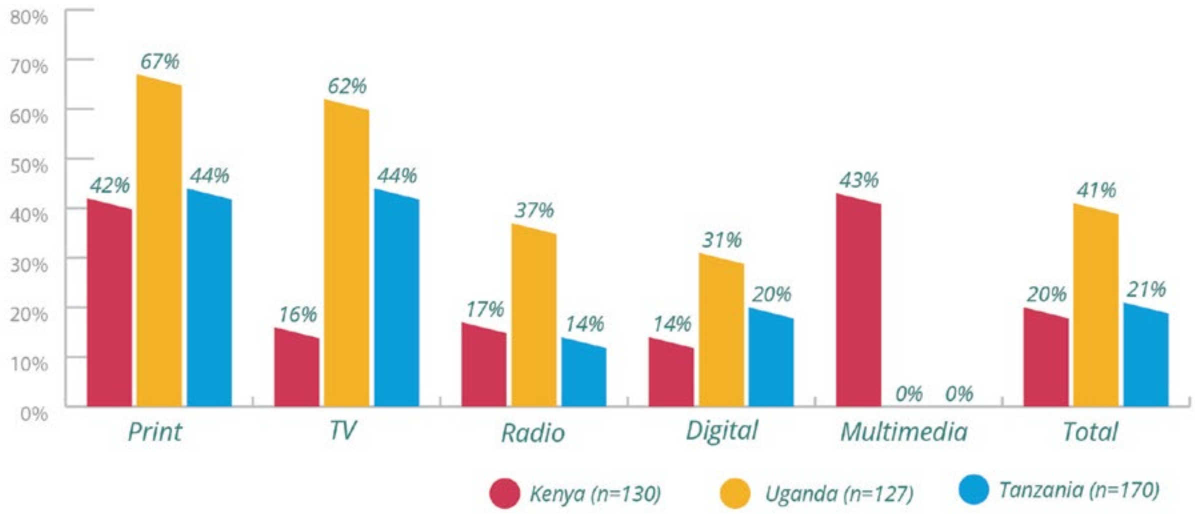


Figure 34: Stories Published Because of Political Pressure

Stories Not Published Because of Political Pressure

As with the other sources of influence, Uganda leads in the number of NMOs (60%) that failed to publish at least one story in 2019 because of political pressure. Other than Kenya, where multimedia platforms reported a relatively high percentage of NMOs (60%) that did not publish at least one story because of political pressure, print NMOs in all the three countries had 58% or more of the NMOs reporting that they killed at least one story in 2019. The findings also indicate that 74% of Ugandan TV NMOs reported that they failed to publish at least one story because of political pressure.

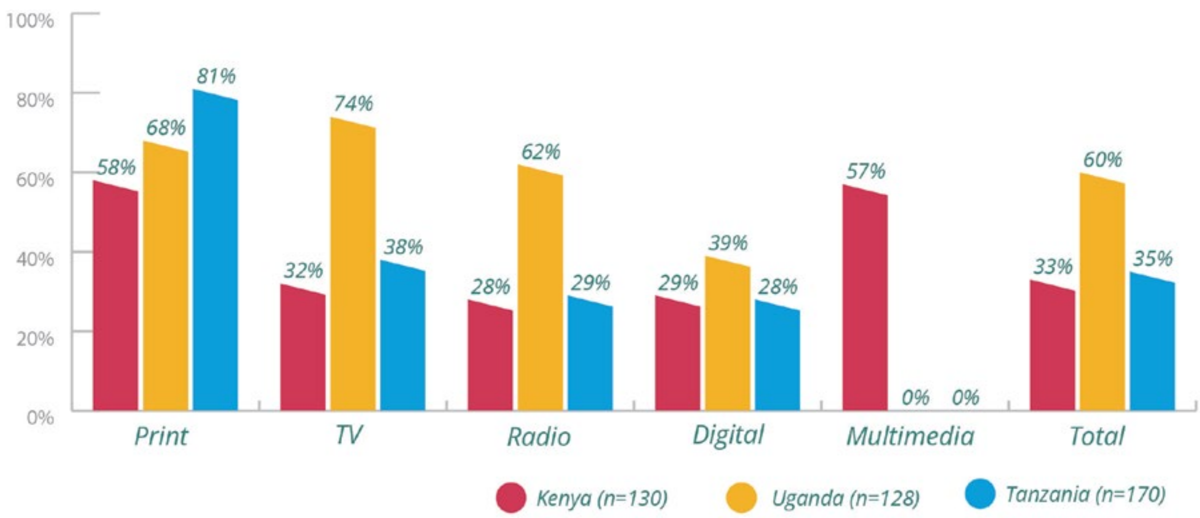
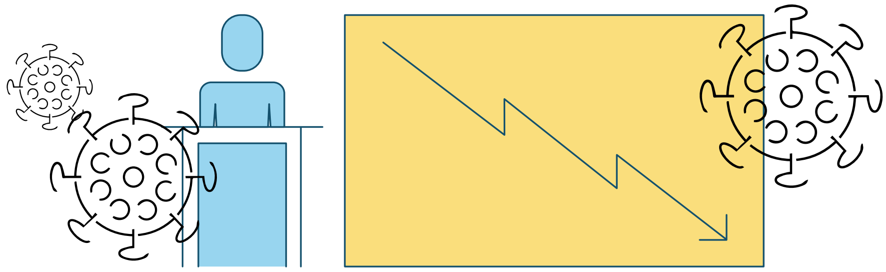


Figure 35: Stories Not Published Because of Political Pressure

The findings seem to indicate that Ugandan NMOs suffer more editorial interference compared to both Kenya and Tanzania. TV NMOs in Uganda appear to be suffering the most from political interests, business pressure, verbal attacks, arrest and physical attacks for their journalistic work.



THE IMPACT OF COVID-19

The first cases of COVID-19 in East Africa were reported in March 2020. Government protocols in Kenya and Uganda disrupted the production and distribution of news content as media houses lost revenue, reported declines of up to 33% in advertising spend in the first half of 2020 compared to the first half of 2019 (IPSOS, 2020), and had to contend with staff layoffs. Globally, however, the trends in both developed and emerging markets indicated remarkable increase in media consumption on both the digital and legacy news platforms [xxviii]. Media houses had to inform the public and journalists had to work under circumstances they were not accustomed to and in a socioeconomic and political dispensation that was disrupted by a novel pandemic. Suffice it to note that the increase in media consumption at the height of the pandemic was challenging, but also provided opportunities for monetisation and expansion of advertiser reach.

COVID-19 and the Financial Revenues of Legacy Media Platforms

The impact of the COVID-19 pandemic on financial revenues was significant in all the three countries and across all the media sectors. Print was the most affected in Kenya and Uganda, with 100% of the print NMOs that participated in the study reporting they had a decrease in revenue as a result of COVID-19. In Tanzania the picture was not any better, with 90% of print NMOs reporting that their revenues had decreased.

While a significant number of radio and TV NMOs in the three countries reported that they had decreases in revenue, comparably fewer TV stations in Tanzania reported such a trend. In Tanzania, more radio NMOs (82%) compared to TV (57%) reported decreases in financial revenues. In Uganda, in addition to the impact on all the print NMOs that responded to the survey, TV (87%) and radio (80%) NMOs also reported high percentages of decreases in financial revenues. This trend in Uganda, compared to Kenya and Tanzania, can be explained by the COVID-19 experiences and the containment measures in each country. Uganda, for instance, had stricter COVID-19 measures that technically had the country in complete lockdown for longer periods of time compared to Kenya. Kenya, in contrast, had COVID-19 control measures but did not at any point lock down the country completely, although movement was restricted. In Tanzania, COVID-19 was not officially acknowledged, especially by the then President John Pombe Magufuli, and it was not until after his death in March 2021 that the country started instituting public health measures.

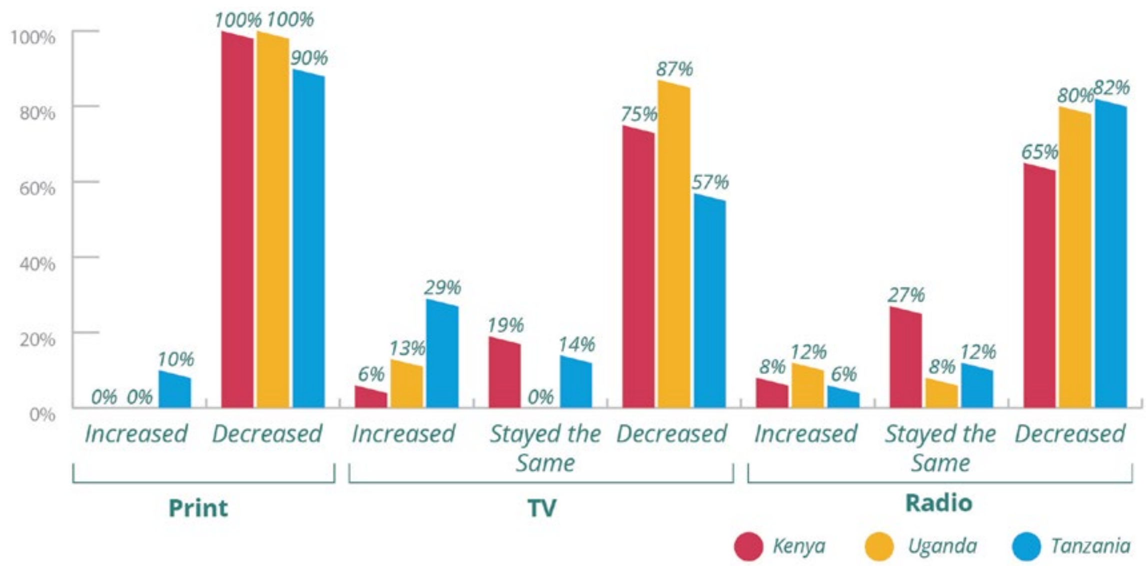


Figure 36: Legacy Media and Financial Revenues during the COVID-19 Pandemic

COVID-19 and the Financial Revenues of Digital Native and Multimedia Platforms

The findings about COVID-19's impact on the revenues of news organisations were particularly interesting because they were so different in the different countries. In Tanzania, the two multimedia platforms that responded reported that they had increased financial revenues during the pandemic. In Uganda, in contrast, the two multimedia NMOs that participated in the study reported that their revenue trends remained the same. In Kenya, seven multimedia platforms participated and they all reported that they had a decrease in revenues. The trends for the digital native NMOs are fairly encouraging for Uganda and Tanzania, with about one-third showing either stable revenues or a slight increase during the pandemic. All the multimedia respondents in Uganda and Tanzania had stable or positive revenues during the pandemic. In Kenya, all the digital native NMOs and multimedia platforms that participated reported a decrease in revenues.

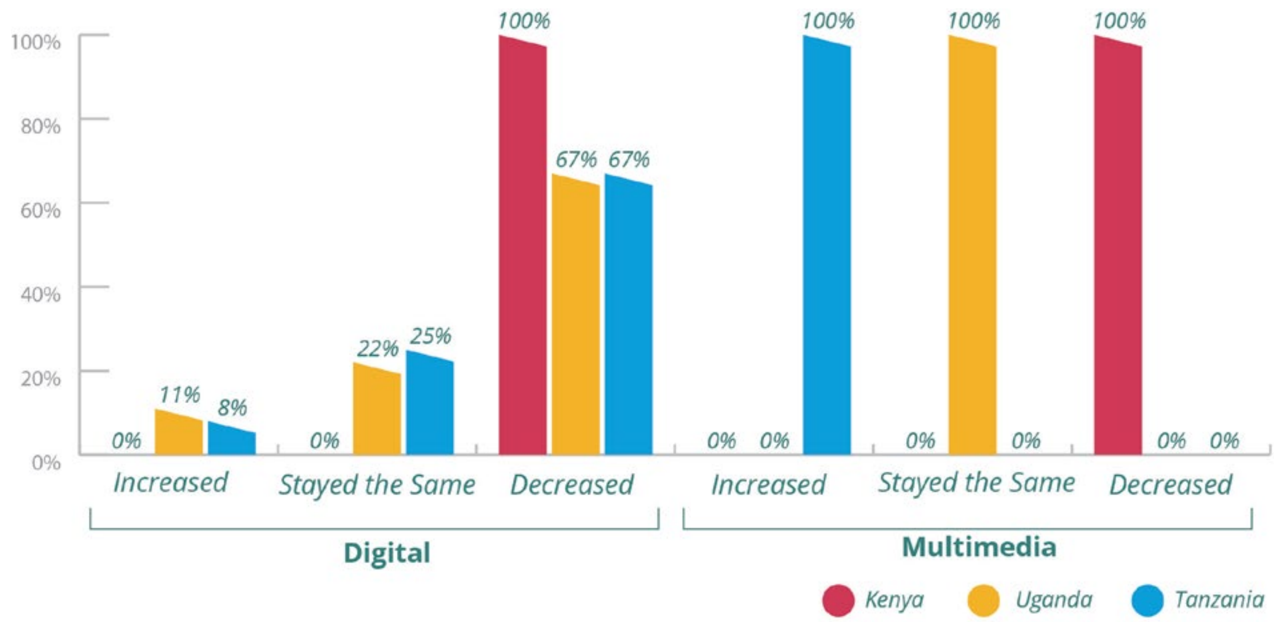


Figure 37: Digital Native and Multimedia NMOs and Financial Revenues during the COVID-19 Pandemic

Overall Financial Impact of COVID-19 on Revenues and NMOs' Estimated Likelihood of Survival

The findings seem to suggest that East African NMOs that weathered the COVID-19 pandemic by either realising an increase in revenues or having their earnings remain the same at the height of the pandemic appear to be having a fairly optimistic picture of their future, as captured in the table below. For the NMOs that realised an increase in revenue, 77% also estimated that they have 61% or more likelihood of survival as news producers, while for the ones whose revenues remained the same, 89% estimated that they have 61% or more likelihood of survival as news producers.

Overall financial impact of COVID-19 pandemic on revenues in 2020

Estimated Likelihood of Survival as News Producers	*Increased (n=22)*	*Stayed the same, despite Covid (n=27)*	*Decreased (n=196)*	*Covid has not affected our community or business operations (n=17)*	*Total (n=262)*
60% or less	*28%*	*11%*	*23%*	*29%*	*22%*
61% or more	*77%*	*89%*	*70%*	*71%*	*78%*

Table 18: Financial Impact of COVID-19 on Revenues and NMOs' Likelihood of Survival

COVID-19 and Revenue Sources

A correlational analysis between the percentage of revenue a media house reported getting from different sources and the financial impact of COVID-19 found that some types of sources provided a better buffer than others against the negative financial effects of the pandemic. Subscription revenue (r (251) =.206, p=.001) and direct government funding (r (251) =.184, p=.003) are two sources that had a positive, weak, but significant relationship with better revenue performance during the pandemic in 2020. Subscription revenue tends to be more stable than advertising, particularly during times of economic uncertainty. Similarly, direct government subsidies can be a more stable income source for news media than competitive market sources.

The study also found evidence that government advertising helped to cushion the organisations against the negative effects of the pandemic, another indication of the potential for state funding to help financially stabilise news media organisations. Specifically, among the NMOs that reported decreased revenue because of COVID-19, the decline was slightly, but statistically significantly smaller among the ones where government advertising provided a larger percentage of their total revenue (r (165) = -.239, p=.002).

In many countries around the world, however, government funding and advertising are mechanisms for controlling news media content. Under the definition of media viability used as the basis of this study, stable revenue from government funding would be undesirable if it came at the price of control or greater interference with the independent journalism a NMO produces. In some Western European and Pacific Rim countries, however, legal, and organisational structures have been established that provide NMOs with access to a steady flow of financial support through the government while maintaining strict barriers that protect journalistic independence.

COVID-19 and Trends in Demand for Advertising

A total of 71 (Kenya), 78 (Uganda), and 104 (Tanzania) NMOs responded to the question on the impact of COVID-19 on trends in demand for advertising. The findings indicate that 82% of all the participating NMOs in Kenya, 73% in Uganda, and 68% in Tanzania reported that the demand for advertising space and time decreased at the height of the pandemic. Legacy media were the hardest hit across the three countries, with the findings indicating that most of the print, TV, and radio NMOs reported a decrease in demand for advertising.

In Kenya and Uganda, all the print NMOs that participated in the study reported that they had experienced a decrease in demand for advertising, while in Tanzania 89% of the print organisations were affected. Tanzania appears to have fared slightly better than Kenya and Uganda, with 60% of TV and 69% of radio NMOs experiencing a decrease in advertising demand. Comparably, Kenya and Uganda had 75% or more of their radio and TV NMOs reporting decreases. For print, whereas all Kenyan and Ugandan NMOs experienced a decrease in advertising demand, in Tanzania the percentage stood at 89%, suggesting that at least 11% of the firms did not experience a decline in advertising demand.

All the participating multimedia platform NMOs in Kenya and Tanzania indicated that they had suffered decreased demand for advertising during the peak of the pandemic. In Kenya, all the digital native NMOs that responded reported a decrease in advertising demand, whereas in Uganda and Tanzania, only half of the digital native NMOs reported a decline. The findings suggest that Ugandan and Tanzanian digital native NMOs weathered the pandemic better than their Kenyan counterparts.

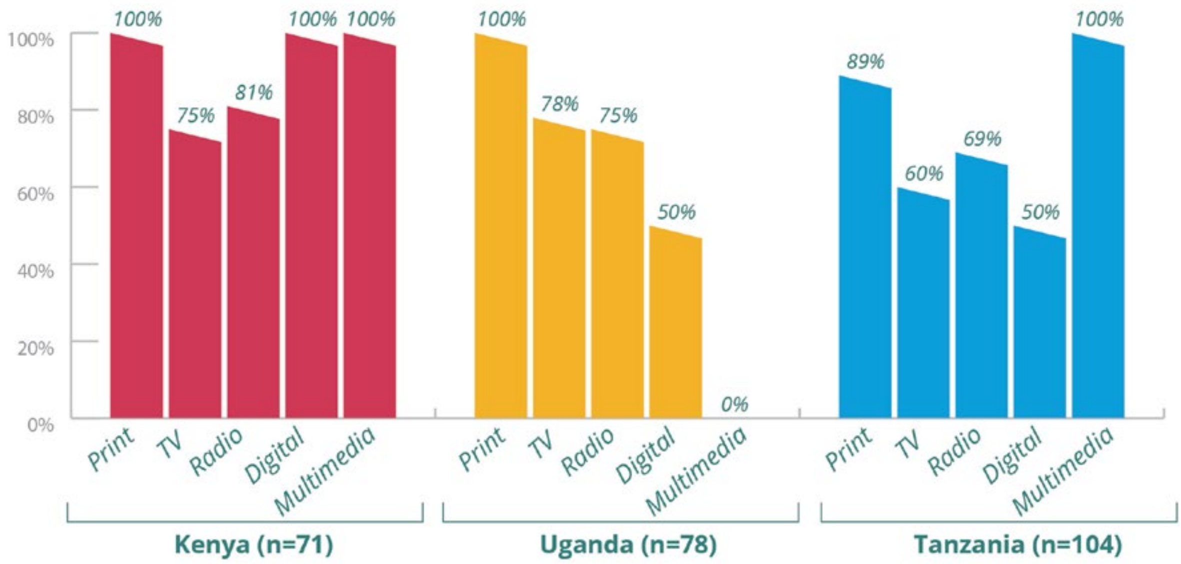


Figure 38: Decrease in Demand for Advertising and COVID-19

Audience Trends in East Africa during the Pandemic

In all the three countries, audience numbers across all the sectors increased, with 46% (n=397) of the NMOs reporting that audience numbers increased in 2020. TV reported the highest percentage of increase in audience numbers in 2020 (65%, n=33), followed by digital NMOs (58%, n=22) and radio (46%, n=120).

Kenya

The audience trends in Kenya indicated a considerable increase across all media sectors in 2020 compared to 2019. Some 56% of the NMOs in the country reported that they had increased numbers. The respondents reported considerably higher increase in audience numbers for TV (63%), radio (57%), and digital (50%). Print (30%) and multimedia (43%) NMOs, on the other hand, reported decreases in audience numbers. These findings suggest that more Kenyans preferred broadcast media, as the percentage increase in audience numbers in the TV and radio sectors is relatively high.

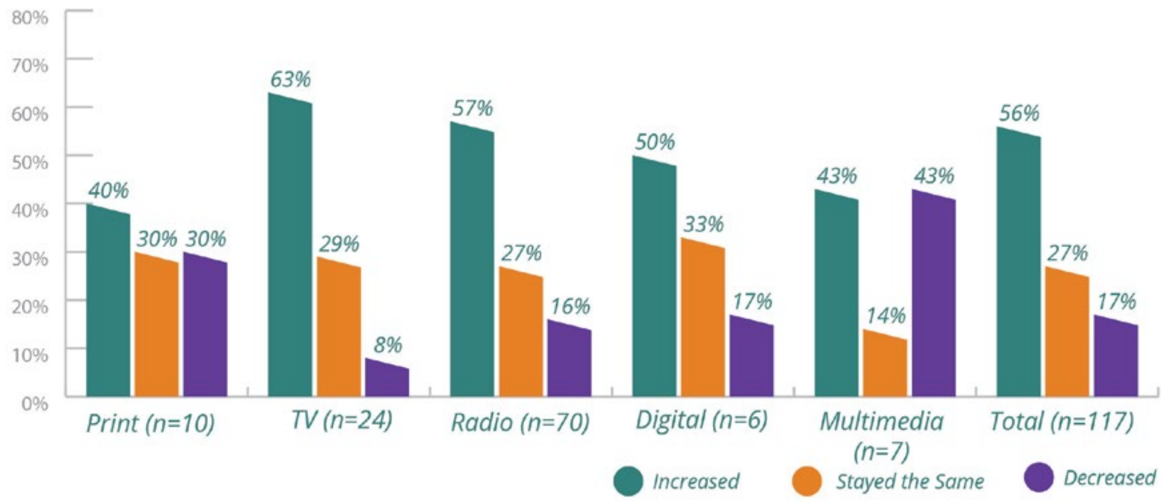


Figure 39: Audience Trends in Kenya at the Peak of COVID-19 Pandemic

Uganda

The trend in Uganda is similar to Kenya, with more than half of the NMOs across the platforms (54%) reporting that they had an increase in audience numbers. The findings also indicate that NMOs in the broadcast and digital sectors reported a larger increase in audience numbers, with TV leading at 87%, which is very high compared to both Kenya (63%) and Tanzania (42%). Print in Uganda had the lowest percentage of NMOs that reported increases in audience numbers.

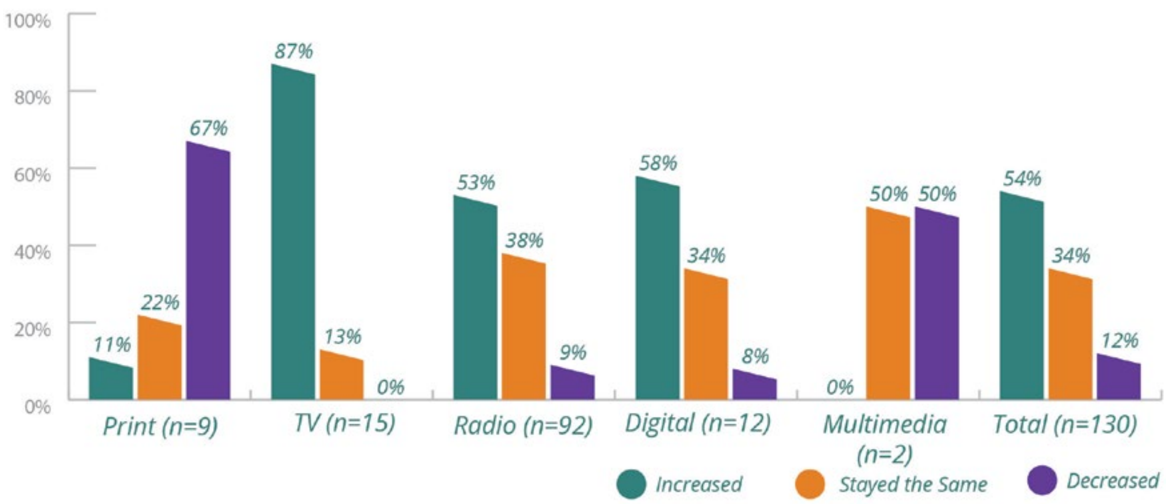


Figure 40: Audience Trends in Uganda at the Peak of COVID-19

Tanzania

Tanzania had the smallest increase in audience numbers, with only 33% of all the NMOs that participated reporting that they had increase. The country also had the highest percentage (44%) reporting that audience numbers remained the same. However, it is important to note that the digital NMOs in Tanzania reported a relatively high percentage increase in audience numbers (60%), which is higher than both Kenya and Uganda. The approach by the Tanzanian government of not acknowledging COVID-19 as a pandemic might explain the increase in audience numbers reported by the digital native NMOs. In June 2020, the then President of Tanzania announced that God had saved Tanzanians from COVID-19 and the country stopped reporting new cases to the World Health Organisation (WHO). Therefore, there is a possibility that Tanzanians who sought news around the pandemic did not do so from the legacy media that probably stuck with the government position. They would have sought more information from the digital native NMOs, which were more likely to get information from international sources and links that the government had little control over at a time when the public in East Africa was generally anxious and yearning for more news about the coronavirus, which was and still is novel to many.

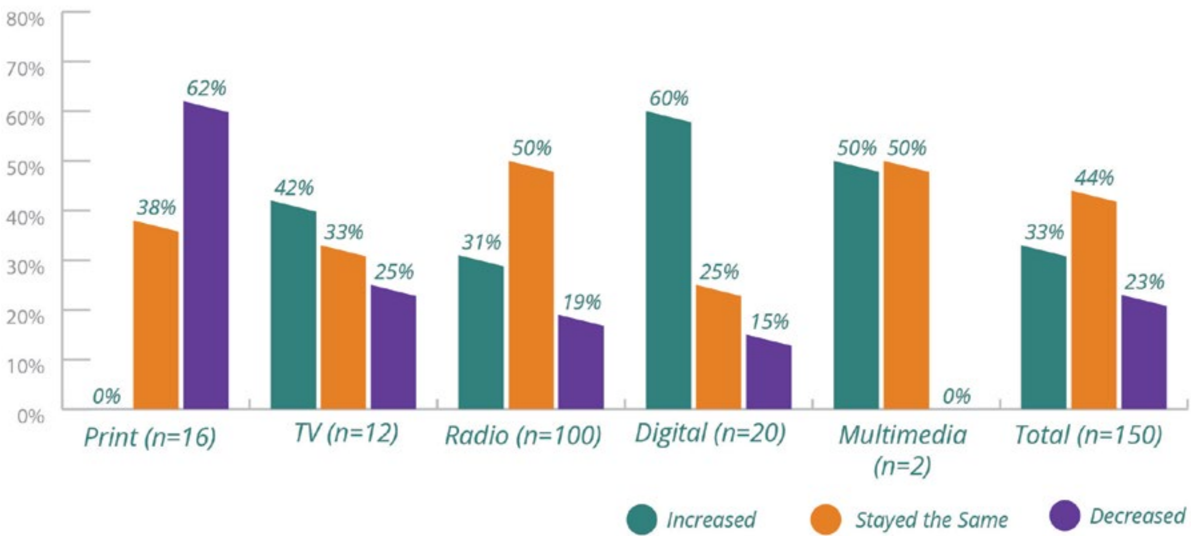
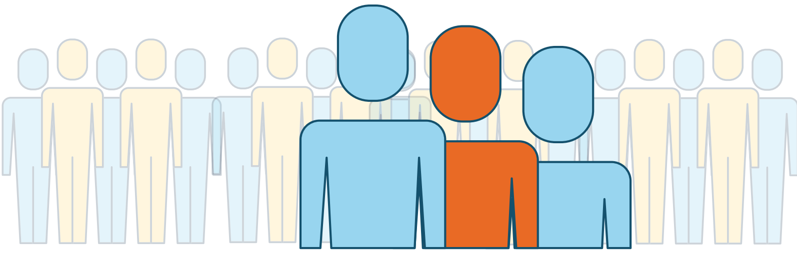


Figure 41: Audience Trends in Tanzania at the Peak of the Pandemic



ORGANISATIONAL CAPACITIES

One of the key approaches to understanding the successful strategic management of firms operating in competitive environments is the resource-based view (RBV) or theory, which argues that firms may gain long-term competitive advantage based upon the internal resources and capacities they control. [xxix] While a firm's resources include capital and finance, at least equally important, according to the RBV, is a firm's knowledge resources – that is, the knowledge, expertise, experience, and creativity embedded in the organisation's staff. The value of knowledge resources as a competitive advantage is that they are rare, non-substitutable, and – unlike tangible and capital resources – non-imitable by competitors.

Research shows that the knowledge resources embedded in an organisation's staff are critical to its innovation capacity and resilience to market disruptions and unexpected events.[xxx] Moreover, as an information product, news is also recognised as a "talent" good, that is, a product whose quality is wholly dependent on the knowledge, experience, and talent of the individual or team that creates it. As producers of talent goods, news media houses are particularly dependent upon the internal knowledge resources and staff capacities they have available. Thus, in the face of rapidly changing technological and market conditions, knowledge resources and staff capacities are central not only to an NMO's ability to compete and serve audiences, but also, increasingly, to its survival.

Print NMOs

In print, the three countries' journalists and managers seem to identify different organisational strengths and weaknesses, although the results indicate that the difference in mean scores between the top and lowest ranked is fairly small. NMOs' "diverse staff from different backgrounds, including women and marginalised groups" and "senior managers' high skills in management" are the most highly rated organisational capacities media houses feel they have. The other key capacities reported by print NMOs' journalists and media managers are: education and vocational training in marketing, sales and advertising; staff expertise to innovate content and processes; and journalists' expertise to help audiences find content through search engine optimisation and social media. The top three areas in each country are shown in Table 19 below.

Kenya Print (n=12)	*Mean*
Staff education and vocational training in marketing, sales and advertising	*3.83*
Diverse staff from different backgrounds including women and marginalised groups	*3.75*
Senior managers highly skilled in management	*3.67*

Uganda Print (n=10)	*Mean*
Senior managers highly skilled in management	*4.10*
Diverse staff from different backgrounds including women and marginalised groups	*4.10*
Staff have expertise to innovate content and processes	*4.10*

Tanzania Print (n=16)	*Mean*
Diverse staff from different backgrounds including women and marginalised groups	*4.50*
Journalists in our MH have expertise to help audience find content (SEO, social media, etc)	*4.38*
Senior managers highly skilled in management	*4.33*

Table 19: Print NMOs Top Three Organisational Capacites by Calculated Mean (1-5)

Whereas "staff expertise to innovate content and processes" is ranked as one of the top organisational capacities in Uganda, in Kenya the print NMOs rank it as a capacity they are weak at. Nevertheless, across the three countries the key perceived organisational weaknesses that cut across seem to be in areas of the digital platform and technological aspects. They range from knowledge and skills in advertising on the digital platform, monetisation of content across platforms, new revenue sources, and audience research. All these can be summed up as challenges related to the digital disruption because they either touch on the digital platform or issues related to the disruption of the business models, which calls for new revenue-generation models. The table below presents the organisational weaknesses as perceived by journalists and managers from the three countries' print NMOs.

Kenya Print (n=12)	*Mean*
Staff expertise to innovate content and processes	*3.42*
Advertising staff knowledge and skills in selling digital adverts	*3.42*
Cooperative partnerships with at least one other NMO to share resources or content	*3.36*

Uganda Print (n=10)	*Mean*
Staff skills in working on development of new revenue sources	*3.70*
NMO expertise to monetize content across platforms	*3.60*
Cooperative partnerships with at least one other NMO to share resources or content	*2.80*

Tanzania Print (n=16)	*Mean*
Revenue sources and the staff skills in working on development of new revenue sources	*3.94*
Skills of NMOs staff in audience research	*3.94*
Advertising staff knowledge and skill in selling digital adverts	*3.93*

Table 20: Print NMOs Lowest Ranked Organisational Capacities by Calculated Mean (1-5)

TV NMOs

The findings indicate that the assessment of the capacity of TV NMOs is relatively high compared to print across the three countries. The top three organisational capacity strengths are: "staff diversity including women and marginalised groups," "managers skills in managing people through organisational change", and "content monetisation". Table 21 below shows the three top-ranked organisational capacities for the TV sector for each country. The ranking seems to suggest that staff diversity is pronounced and in Kenya, unlike the other two countries, organisational capacities related to journalists are highly ranked. In Uganda the highly rated organisational capacities are related to managers, while in Tanzania a mix of both managers' skills and content areas are highly ranked.

Kenya TV (n=25)	*Mean*
Staff diversity including women and marginalized groups	*4.48*
Journalists' expertise in helping the audience find content	*4.36*
Staff technical knowledge and skills in keeping the organisation current with digital and technological changes	*4.32*

Uganda TV (n=16)	
Managers skills in managing people through organisational change	*4.25*
Staff diversity including women and marginalized groups	*4.19*
Highly skilled senior managers in management	*4.13*

Tanzania TV (n=16)	
Content monetization	*4.20*
Highly skilled senior managers in management	*4.13*
Staff diversity including women and marginalized groups	*4.13*

Table 21: TV NMOs Top Three Organisational Capacities by Calculated Mean (1-5)

TV NMOs in all the three countries seem to be struggling with training in the areas of advertising and marketing, financial management, and skills in the development of new revenue sources. The findings as shown in Table 22 below seem to suggest that TV NMOs in East Africa can do with more training in the areas of advertising and marketing, audience research, and development of revenue sources in the digital era, given that the development of new revenue sources and selling digital adverts are ranked as some of the weakest capacities.

Kenya TV (n=25)	Mean
Advertising and marketing education or training	3.92
Skills in working on development of new revenue sources	3.88
Financial Management	3.84

Uganda TV (n=16)	
Skills in audience research	3.56
Advertising and marketing education or training	3.44
Cooperative partnerships with at least one other NMO to share resources or content	3.13

Tanzania TV (n=16)	
Staffs' skills in working on development of new revenue sources	3.60
Advertising staff knowledge and skills in selling digital adverts	3.53
Advertising and marketing education and training	3.50

Table 22: TV NMOs Lowest Ranked Organisational Capacities by Calculated Mean (1-5)

Radio NMOs

Staff diversity, including women and marginalised groups, and journalists' expertise to help audiences find content through search engine optimisation (SEO) and social media were found to be radio NMOs' organisational strengths that cut across the three countries. Generally, journalists and staff in radio NMOs seem to be ranked highly with regard to their capacity within the organisations, and it also appears that radio journalists and managers seem not to rank managerial capacities highly, as shown in the table below.

Kenya Radio (n=78)	Mean
Staff from diverse backgrounds incl. women and marginalized groups	4.63
Journalists in our MH have expertise to help aud find content (SEO, social media, etc)	4.33
Staff have technical knowledge to keep NMO current	4.17

Uganda Radio (n=94)	
Staff from diverse backgrounds incl. women and marginalized groups	4.36
Journalists in our MH have expertise to help audience find content (SEO, social media, etc)	4.26
Our Media House has a sound business plan	4.05

Tanzania Radio (n=111)	
Journalists in our MH have expertise to help audience find content (SEO, social media, etc)	*4.17*
Staff have expertise to innovate content and processes	*4.11*
Staff from diverse backgrounds incl. women and marginalized groups	*4.00*

Table 23: Radio NMOs Top Three Organisational Capacities by Calculated Mean (1-5)

The findings indicate that audience research and capacities to deal with challenges occasioned by the digital disruption rank among the lowest three organisational capacity areas for most of the radio NMOs in all the three countries. The other low capacity areas are monetisation of content across platforms; optimisation and maintenance of a production distribution system; skills in selling digital adverts; and cooperation to leverage resources or content. However, the differences in the mean scores for the three areas that radio professionals ranked low on organisational capacity and the ones they ranked highly are small.

Kenya Radio (n=78)	*Mean*
Technical knowledge to optimise and maintain production-distribution system	*3.86*
Skills in audience research	*3.79*
Cooperative partnerships with at least one other MH to share resources or content	*3.76*

Uganda Radio (n=94)	
Expertise in monetisation of content across platforms	*3.18*
Skills in audience research	*3.79*
Cooperative partnerships with at least one other MH to share resources or content	*3.76*

Tanzania Radio (n=111)	
Skills in audience research	*3.34*
Vocational and academic trainings for staff working in marketing and advertising	*3.14*
Staff knowledge and skills in selling digital adverts	*3.13*

Table 24: Radio NMOs' Lowest Ranked Organisational Capacities by Calculated Mean (1-5)

Audience research and capacities to deal with challenges occasioned by the digital disruption rank among the lowest three organisational capacity areas for most of the radio NMOs in all the three countries. Other areas include monetisation of content across platforms, optimisation and maintenance of a production distribution system, skills in selling digital adverts, and cooperation to leverage on resources or content

Reflections on Staff Diversity as an Organisational Capacity

Overall, the NMOs' staff and management seem to rank staff diversity highly for almost all the NMOs. Yet looking at the data from the survey, there is a huge absence of females among the respondents at both the manager and journalist level: only about a quarter of the manager responses are from females, while only about a third of the journalist responses are from women. Only one manager – the most senior executive in the media house – was asked to respond to the manager survey. However, all the journalists in each media house were encouraged to respond. Thus, the data suggest that women are under-represented in the ranks of senior media house management in all three countries. Among journalists, possible explanations for the small percentage of female respondents are that women may be either underrepresented or are less likely to have responded to the survey invitation or both. However, the apparent gap between respondents' perception of their organisation's level of diversity and the limited gender diversity among survey respondents, particularly at the senior management level, is consistent with previous studies which contend that male managers are almost always oblivious to the structural barriers and discriminatory attitudes towards women that prevent women from being hired and advancing when they are hired, or female managers just did not participate in the study.

CONCLUSION

A fast-changing media ecosystem, the disruptive effects of technological transformation, escalating competition for shrinking revenues, and the economic devastation of the COVID-19 pandemic have made continuous innovation and adaptation necessary for media houses. This study set out to investigate the state of innovation and media viability among news organisations in East Africa, because innovation is a vital factor for viability. Data was gathered from 437 news media organisations in Kenya, Tanzania and Uganda through an online survey. A total of 814 journalists and 273 media managers from these media houses responded to the questionnaire that gathered data on the factors that impact their organisations as they strive to maintain their viability, that is, their ability to produce and disseminate high-quality news in a sustainable fashion.

The study found that the same factors such as ownership and business models, financial trends, journalism quality and organisational capacity impact different news media organisations' viability in different ways, depending on the organisation's size, location, economic strength, and other variables. These findings suggest that there is no one generic solution that fits all NMOs and underscores the complexity of media viability especially in the wake of the digital disruptions. News media organisations are unique and **more specific studies that focus on individual NMOs over a period of time would possibly provide viable pathways for sustainable production of quality content in a financially sustainable fashion**. Nevertheless, some observations from the study may aid in carrying farther the thinking about media viability in East Africa.

One is the finding on the age of the organisations. Print NMOs, most of them aged 11 years or more, were found to be the oldest in the region, while a majority of the other sectors were aged 10 years and below. Digital media organisations were the youngest, with only a small percentage being in existence for 11 years or more. The older organisations were the hardest hit by the effects of the technological and financial disruptions currently assailing the industry. Although previous research has linked the age of organisations to survival rate, with very young firms and startups being associated with high levels of failure, younger media companies were found to be more resilient during the period under study. **The young age of news media organisations in East Africa coupled with these media houses' resilience suggest viable opportunities for innovative thinking especially around the digital disruption**, given that younger NMOs do not suffer the problem of sticking to a traditional way of doing things. This offers a glimmer of hope for the young NMOs which can leverage the technological disruption as opposed to adapting to it, which is proving problematic for the aged NMOs.

Ownership structures and/or business models are two factors which have been found to play a role in the performance and resilience of firms. The majority of the media organisations in East Africa – close to 60% - were found to use the commercial/for profit business model. At the same time, almost 30% of all East African news media identified as non-profit/community media, while only 6% identified as government owned/supported. The prevalence of the commercial/for profit business model in the region suggests that the public's news and information needs are highly dependent on NMOs that are driven by both the commercial and public interest logic, a situation that sometimes sacrifices public interest journalism and by extension quality journalism. **The risk to public interest journalism is highlighted by the fact that as per the research findings, regardless of business model, NMOs whose higher percentage of revenue came from government support or advertising were more resilient financially, especially during the COVID-19 crisis**. It is therefore safe to conclude that given the dominance of commercial for profit NMOs in East Africa and the significant role in resilience government support and advertising plays, there is need to reimagine policy conversations and regulations around equitable distribution of government advertising spend to guarantee public interest, quality journalism by both commercial and government owned news media organisations. Furthermore, the fact that the non-profit/community media model accounts for about a third of the media in the region continues to make the case for actively strengthening legislation that facilitates growth of this media tier in all three countries.

Factors such as resources and equipment allocated to news producers play an important role in determining the quality of the content produced and ultimately affect the performance of the organization, including financially. The **statistical analysis of resource allocation to newsrooms and journalists' access to technology and equipment indicated that stronger financial trends and results were closely associated with an increased number of expected news stories produced by journalists, increased newsroom resources, increased newsroom budget share and access to technical equipment that journalists need**. It is thus safe to conclude that the resources media organisations devote to the newsroom, the nerve centre of news production, are vital for the financial performance of NMOs. Yet, only about half of the media outlets surveyed categorised themselves as having sufficient resources of equipment, technology, and training. Resourcing of newsrooms and equipping of journalists with technology and equipment thus appears an area that would provide possible pathways for both innovation and viability of NMOs.

Quality journalistic content emerged as a critical factor in media viability. The study found that for media organisations that hope to survive as news producers, investment in the three factors on which quality content rests – **good journalistic practice, regular and sufficient pay for newsroom staff, and editorial independence – is crucial**. Good journalistic practice scored highly in all three countries, with respondents expressing confidence that the right systems and procedures are in place to ensure quality content production. These include fact-checking and adhering to ethics. However, sufficient and regular pay for newsroom staff and editorial independence were ranked lower in all the three countries. The findings suggest that the institution of good journalistic practices in newsrooms may not necessarily guarantee production of quality, public interest content, especially if the journalist pay is not sufficient and regular to stop any sort of engagement in professionally unethical behaviour. **The research findings further make a strong case for media houses to rethink journalists' pay**: the statistical analysis established a strong, positive and significant relationship between journalists' pay and the financial trends of NMOs, which suggests that either positive financial trends result in better pay, or the remote possibility that better journalist payment is a forerunner of positive and better financial trends. Future studies should strive to explore this relationship further.

Also interesting to note is that whereas statistical analysis indicates that investment in newsrooms and production of quality content have positive relationships with financial trends and the likelihood of journalists to perceive their media houses as innovative, further statistical analyses also indicate that such investments lead to relatively poor financial situation in the immediate subsequent year. These findings probably explain the news media organisations' hesitance to invest in newsrooms, a situation that might be profitable in the immediate term, but not viable in the long run, especially with regard to quality of journalism.

Media houses in East Africa across all sectors ranked themselves highly as far as innovation culture is concerned, with the lowest innovation rating being 50%. Furthermore, the study found a positive relationship between positive innovation assessment and the three quality journalism markers of editorial independence, journalist pay, and good journalistic practice. This finding can be understood in several ways. First, continuing to invest in quality journalism is likely to provide media organisations with better chances of staying innovative. Secondly, organisations with innovative, flexible management are also more likely to manage in a way to create quality content. And thirdly, as also suggested by the innovation literature, having some, but not too many resources, is related to the ability of an organisation to innovate - but also related to the likelihood that a news organisation will be paying staff enough and regularly and providing them with equipment. As such, the research findings underline that financial resources, quality journalism and innovation go hand in hand.

Previous studies have shown that innovation demands a plurality of viewpoints, which tend to be generated by, among others, a diverse workforce. However, the survey responses were overwhelmingly from male respondents at both journalist and managerial level. If this pattern is an indicator of the gender distribution in East African media houses, then it implies that diversity in the workforce is yet to be achieved, and therefore it is important to deliberately focus on enhancing diversity, if media houses want to enhance their innovation capacity.

The study also noted that media houses in East Africa produce their news content in a variety of languages, especially radio. Furthermore, for the three countries studied, the in-country regional market was the largest target market for news content. While the use of intra-country regional languages may be a good diversification strategy to secure new audiences, it also argues for exploring alternative sources of revenue, outside of commercial advertising. This is because potential commercial advertisers would be likely to base their decision to buy advertising space or not on the reach of the media house, as well as on the financial strength of the target audience. Given the economic inequalities in the various parts of East Africa, commercial advertising may not sustain all media outlets targeting a regional audience.

Indeed, one cannot speak about the viability of a media organisation without considering its financial performance and sources of income to fund its activities, especially the production of quality news content. **Out of twelve different possible sources of revenue, commercial advertising was the most frequently mentioned with 100% of media houses in Kenya and Uganda across all sectors and 64% in Tanzania saying they use it**. Such overdependence on commercial advertising in a media ecosystem that is characterised by dwindling advertising dollars in the wake of the insurgence of digital media content producers and big tech companies can only lead to further revenue challenges for media houses. Other than Tanzania where NMOs had a few innovative revenue models like crowd funding, the dearth of variety in revenue models, especially for print that reported the most significant decline in revenue trends, should be a concern for media owners and media development partners. Other East African media sectors were in better financial shape than print media in 2019, but not significantly so. Of the twelve revenue sources, subscription revenue and government advertising/support were the only two sources of revenue that were found to positively relate with better financial performance during the pandemic. This suggests that exploring subscription revenue and government advertising/support should be a priority for media houses, especially to manage difficult times. **The fact that government funding was a stabilising factor during the pandemic argues for creating support structures that media houses can access in times of need - such as a permanent and independently managed fund.** The Media Council of Kenya, for instance, instituted grants to cushion community media against the adverse economic effects of the pandemic. Such a model can be explored further, possibly with non-governmental actors included, so long as the risk to editorial independence is addressed.

Editorial independence is key for the continued viability of news media organisations. It is therefore a matter of concern that journalists and media outlets in the region continue to record negative experiences in the course of their work, as was demonstrated in this study. Given the findings, safety of journalists and media freedom are still areas that need continued strengthening.

As regards organisational capacities, media houses in the region seemed to struggle most with insufficient technical and technological skills in the new digital age, as well as understanding their audiences. This underlines the importance of continuing to focus efforts on audience research and the upskilling of journalists to deal with digital disruption.

Ultimately, **there is no magic formula to guarantee media viability across the board**, as the mixed results of this research have shown. Nevertheless, from the findings on the interplay of the organisational factors affecting innovation and viability discussed in the preceding pages, one thing is clear: each news media organisation stands a chance of survival and long-term viability if they tailor their viability strategies to their unique individual context.

The fact that government funding was a stabilising factor during the pandemic argues for creating support structures that media houses can access in times of need - such as a permanent and independently managed fund.

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APPENDIX

Appendix one: Measures of Innovation

Instructions: **Please use a scale of 1 to 10 to rate the news outlet where you work on each of the following statements, where 1 is "Not at all innovative/creative" and 10 is "Highly innovative/creative." (A slider was used}.**

1. How innovative/creative is the leadership/management of your news outlet when visioning the future of your news outlet?

1 2 3 4 5 6 7 8 9 10

2. How innovative/creative is the leadership/management of your news outlet in solving the problems your news outlet faces?

1 2 3 4 5 6 7 8 9 10

3. How innovative/creative are the employees in your newsroom –managers, journalists and other newsroom staff – in the way they think about journalism?

1 2 3 4 5 6 7 8 9 10

Instructions: **Please use a scale of 1 to 10 to rate the news outlet where you work on each of the following statements, where 1 is "Not at all open" and 10 is "completely open." (See Next 3 questions) (A slider was used).**

1. How open are leaders/managers of your news outlet when employees suggest new and creative/innovative ways of doing things or solving problems?

1 2 3 4 5 6 7 8 9 10

2. How open are managers in your news outlet to new ideas suggested by outsiders such as audiences, advertisers, funders?

1 2 3 4 5 6 7 8 9 10

3. How open are journalists in your news outlet to new ideas suggested by outsiders such as audiences, advertisers, funders?

1 2 3 4 5 6 7 8 9 10

Instructions: **Please use a scale of 1 to 10 to rate the news outlet where you work on each of the following statements, where 1 is "Completely False" and 10 is "Completely True.".**

1. We take time to understand our competitive environment to the point where we can anticipate industry shifts.

1 2 3 4 5 6 7 8 9 10

2. We constantly work to better understand our stakeholders in ways that allow us to create a strategic advantage in the marketplace over our competitors.

1 2 3 4 5 6 7 8 9 10

3. There is consensus across both management and staff about how we can best be successful and sustainable as a business that produces news.

1 2 3 4 5 6 7 8 9 10

4. There is consensus across both management and staff about how we can best serve society as a news organization.

1 2 3 4 5 6 7 8 9 10

5. I am given the time/opportunity to develop our news outlet's creative potential.

1 2 3 4 5 6 7 8 9 10

6. I am prepared to do things differently, if given the chance to do so.

1 2 3 4 5 6 7 8 9 10

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