MEDIA ECONOMICS

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CHAPTER 1

AN OVERVIEW OF DEVELOPMENT OF MEDIA ECONOMICS

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ABSTRACT:

The expansion and evolution of the media sector itself has coevolved with the development of media economics. The use of economic theories and ideas to examine the complex dynamics of diverse media forms, from conventional print and broadcasting to the quickly developing digital platforms, falls within this area of study. This essay presents a summary of the development of media economics across time, tracing its origins from classical economic theory to current ideas that have influenced our knowledge of the operation of the media industries.

The research focuses on issues including market concentration, ownership issues, and the impact of legislative choices as it explores the distinctive difficulties and traits that set media economics apart from other industries.

The study emphasises the multidisciplinary aspect of the area by looking at the techniques used in media economic research, such as trend analysis, financial assessments, econometrics, and case studies. In media economics, the interaction between microeconomics and macroeconomics is also investigated, stressing the importance of this connection in understanding the complexity of media markets. This article serves as a basic investigation of media economics' historical growth and continued importance in influencing the practises and policies of the media business.

KEYWORDS:

Business, Growth, Development, Economics, Media.

INTRODUCTION

Media economics is the study and application of economic theories and concepts to the media industry. Media economics includes both established media forms like print, radio, music, and cinema as well as new media forms like the Internet. Numerous topics are covered by media economics study, such as market concentration, media business practises and performance, policy and ownership concerns, and media political economy. The history of media economics, important ideas and paradigms in the subject, and the contributions of media economics to the broader area of communication science are all covered in this course.The phrase "media economics" refers to the financial and commercial dealings of companies that create and market content for different media industries. Economics covers themes such as what is produced, the technology and organisational structure of how it is produced, and for whom it is produced. Media economics is the study of how economic theories, concepts, and ideas are applied to the macro- and microeconomic components of mass media businesses. Common media mediums include print, radio, television, the internet, and social media.

Following the Government of India's initiative to relax foreign direct investment (FDI) pave the way for the MFN, there are 99,660 publications (Newspapers 13,761 and periodicals 85,899) registered with the Registrar of Newspapers for India (RNI)], according to the Ministry of Information and Broadcasting of India's 2014 records. There are 832 television channels (406 news & current affairs, 426 others), 245 FM (frequency modulation) radio stations, 179 community radio stations, Microeconomics, which includes supply and demand, consumer needs and desires, market structure, and corporate behaviour and behaviour, is examined in connection to laws and regulations at the international, national, and local levels[1], [2].

History of media economics development

The field of media economics was established thanks to the study of economics. The earliest economic thinking literature started to appear with the study of mercantilism in western Europe in the sixteenth century. The accumulation of priceless metals like gold and silver was associated by merchants with wealth. Even without mining, a nation may still import things via trade and commerce. Through tariffs and subsidies, this led to political market intervention, raising commercial interests to the level of national policy and tying economic activity to political objectives. The French physiocrats were among the first intellectuals to support a laissez-faire policy, or little government involvement in the market. They were a group of eighteenth-century thinkers who rejected mercantilism in favour of agriculture. One of the earliest organisations to see the economy as a constant flow of inputs and outputs was this one. The philosopher Adam Smith is credited with creating the first synthesis of economic theory with his vast body of work, which included the influential book The Wealth of Nations. Smith argues that the three most important factors in production and the main sources of a nation's prosperity are land, labour, and capital. The word "political economy" was first used by Smith to refer to the emerging field and subsequently was adopted as the name for the study of economics. Along with Adam Smith, David Ricardo, Thomas Malthus, and John Stuart Mill also contributed to the establishment of the classical school of political economics. The combination of economic considerations, market functioning, and manufacturing costs was the main emphasis of these writers' study.

The classical school would next face opposition from new ideas like Marxism and marginalist economics. While marginalists held that price was mostly determined by demand, classical academics thought that price was primarily determined by the cost of production. The fundamental analytical techniques of demand and supply, consumer utility, and the use of mathematics as an analytical tool were all developed by the marginalists and were precursors to the development of microeconomics. Additionally, marginalists argued that understanding the economic system in a free market economy required an understanding of the sources of production, particularly land, labour, and capital.The Marxist school, which was based on the writings of Karl Marx, identified labour as the means of production. Marx criticised a market system that allowed capitalists (owners of factories and machines) to exploit workers and deprive them of a fair share of the goods produced. Marx predicted the end of capitalism, believing that the disenfranchised working class will one day rise up, overthrow the capitalists, and take the means of production.

By the turn of the century, academic institutions had welcomed the field's expansion and had abandoned the adjective "political" in favour of the single term "economics," which was used to identify courses in both North America and Europe. The approach of economic analysis was changing from a classical to a neoclassical one, which was a more important change. Neo-classical economics was characterised by its use of analytical methods and mathematics (mostly calculus) to examine market behaviour and price setting. The development of demand theory was another important contribution of neoclassical economics, since most of classical economics tended to concentrate only on production and supply concepts. Many of the neoclassical era's concepts became the cornerstones of the field of microeconomics as a whole.

In the latter part of the 20th century, the study of economics was greatly improved by a number of notable individuals. Alfred Marshall developed into one of the most productive economists when he was a student at the University of Cambridge, influencing many graduate students. In addition to providing important contributions to the study of industrial supply, consumer surplus, demand elasticity, and resource allocation, Marshall is credited with improving many aspects of economic theory[3], [4].Around this time, Edward H. Chamberlin, a significant scholar, developed a novel kind of market structure known as monopolistic competition. Monopolistic competition is founded on the idea of product differentiation, which is relevant to a number of sectors where several suppliers provide marginally different goods. The imperfect competition theory was developed by Joan Robinson, and it examined both the labour market and price discrimination among monopolists. In the neoclassical period, she was one of the few female academics. Welfare economics, the study of how economics may be used to promote improved social policy, flourished throughout the neo-classical era.

Significant changes in twentieth-century economic thought were further realised with the advent of macroeconomics. The emphasis switched to aggregate economics, which encompasses all concepts related to money and markets. Macroeconomics increasingly influenced fiscal policy choices in both Western Europe and the United States throughout the 1950s and 1960s. John Maynard Keynes, a protégé of Alfred Marshall who later invented Keynesian economics, rose to prominence as the most prominent macroeconomist.Keynes' theories and studies would serve as the foundation for the use of taxes and expenditure by the government to stabilise the economy. Keynes thought that the government should increase spending and decrease taxes when private spending was inadequate and threatened a recession; conversely, he thought that the government should cut spending and raise taxes when private spending was excessive and threatened inflation. The core of contemporary macroeconomic analysis is now Keynes' emphasis on the factors that affect total expenditure.

Knut Wicksell (public preference), Irving Fisher (money, pricing, and statistical analysis), and A. Among the other researchers who had an impact on macroeconomics as a discipline (the study of economic policy and consumption) were C. Pigou (welfare economics) and Milton Friedman. Economic growth, employment, total production, consumption, inflation, and political economy are just a few of the topics covered by macroeconomics today. International economics, the development of applied economics methodology, and the adoption of more advanced analytical and statistical tools via econometrics, a subfield of economics, were other areas of study that took place during this time period.

Economic theory and theoretical economics are always growing and changing. The 1970s saw a rise in both inflation and productivity, which changed the course of economics and gave rise to monetarist theories that reemphasized the expansion of the money supply as a predictor of inflation. According to the concept, the market's capacity to predict governmental policy moves reduces their effectiveness.The study of supply-side economics revived an objection made in the classical school about the need of economic development for social advancement. In order for a nation's economy to flourish, supply-side economics underlines the need of offering incentives to consumers to save and invest, as well as the risk of eliminating such advantages via excessive taxes.

DISCUSSION

The development of media economics, from its early mercantilist beginnings to its current applications in the ever-changing media environment, demonstrates how crucial it is to comprehend the economic foundations of the media sector. The complexity of media economics and the necessity for comprehensive analytical methods are highlighted by its multidisciplinary character, which draws on disciplines including economics, communication, sociology, and policy studies. The development of neoclassical and Keynesian economics, as well as its impact on the study of media economics, may be seen as a result of the historical trajectory of economic theory. A thorough framework for analysing both specific media markets and the larger economic environment is provided by the combination of microeconomics and macroeconomics within the field of media economics.Conventional economic models may not be able to adequately handle the difficulties posed by the distinctive qualities of media goods and their creation, such as intangible cultural value and distinctive distribution techniques. The application of conventional economic theories is further complicated by the mixing of economic aims with creative and public service purposes. Nevertheless, media economics continues to be a dynamic discipline that responds to these difficulties by using a range of research techniques and ideas. Researchers are able to understand the complex interplay between market forces, consumer behaviour, policy choices, and industry practises because they place a strong emphasis on trends, financial analysis, econometrics, and case studies.

Media Economic Development

This summary of significant historical developments in economic theory is a prime example of the wide range of research and hypotheses that make up the subject. As the subject of economics got more refined, researchers started investigating a wide range of industries and markets, including the media. The increasing interest in this area would help media economics flourish.Some of the first research on media economics appeared in the 1950s and continued into the twenty-first century as a result of the rise of mass media. The media industries had all of the components required to examine the economic process. Consumers and advertising made constituted the demand side of the market, while suppliers were the companies who provided the information and entertainment. The Federal Communications Commission [FCC], the Federal Trade Commission, and other regulatory and policy organisations affected macroeconomic market circumstances, while supplier connections across sectors influenced microeconomic market conditions[5], [6].

The primary industries examined in the first media economics studiesnewspapers, radio, and televisionwere microeconomic difficulties. This early study is mostly descriptive in nature, including topics like ownership, advertising income, market structure, and rivalry with other media.Early on in the sector, ownership concentration was a contentious issue, and it is still so today. There is a considerable body of research on the issue that covers all facets of the media industries, and the concentration of the media has an influence on social and regulatory policies. The concept of ownership, which is also a subject of study in media economics, is identical with concentration. The connection between media management and media economics may be seen by looking at ownership studies through the lens of media management. In other studies, entrance hurdles for new enterprises, media competition, consumer spending and the relative constancy principle, advertising and ownership desire, and customer utility have all been examined.In 1988, the Journal of Media Economics made its debut, making a substantial contribution to the field of media economics. The Journal of Media Economics has made a name for itself as the premier journal for current scholarship in the field. In addition to writings in scholarly journals, a number of books and edited volumes have influenced the development of media economics.

Methods of Media Economic Research

The four methods recommended by the literature are trend studies, financial analysis, econometrics, and case studies.Trend analyses compare and contrast data from a time series. When analysing media concentration, academics often conduct ongoing research on concentration indices to ascertain the effects of certain legislative choices or other actions on media ownership. The network radio trend studies by Dimmick and McDonald (2001), the book publishing and mergers research by Greco (1999), and the pricing and subscription fee variations in newspaper studies by Lewis (1995) were also evaluated. Media financial analysis is a valuable tool in media economics. It makes use of a range of data types and formats. The use of various financial ratios is reviewed together with the information from financial statements. The statistical and mathematical models of econometrics are used to verify and create economic research topics, hypotheses, and theory. Media economists with a background in journalism or communication are not conversant with econometrics, which calls for mathematical expertise to build the econometric models used in general economic literature. Two examples of econometric analysis studies are Miller (1997) and Kennert and Uri Media Economics (2001).

Because they enable a researcher to employ a range of data and techniques, case studies are often used in media economic study. Case studies are often extremely specialist and narrowly focused assessments in media economics research. Several notable case studies include Gershon and Egen's (1999) investigation of retransmission consent in the US cable television market, Nye's (2000) assessment of litigation in music publishing, and McDowell and Sutherland's (2000) research of branding. Examples include policy analysis and historical investigation. Policy studies focus on how governmental regulations affect media marketplaces and enterprises. According to Wolfe and Kapoor (1996), historical research focuses on changes through time and may take a range of methodologies, including trend analyses, policy analyses, and case studies. This method is widely used in media management research since the organisation or company is typically the unit of investigation. The complexity of organizational phenomena contains the finest kind of data. A meticulous, multi-layered study is necessary while doing exploratory research, for example, when you want to discover more about aspects of organisationalbehaviour that haven't been well studied or recorded previously.

The three main areas of theoretical study that account for much of the information in the field of media economics are microeconomic theories, macroeconomic theories, and political economy, commonly known as critical theory. The historical literature base mostly focuses on microeconomic trends and issues since media economics study focuses on specific sectors and market conditions.By their very nature, macroeconomic studies include a far wider variety of topics, such as GDP, labour and capital markets, and policy and regulatory challenges. The literature based on macroeconomic ideas is substantially less extensive than that based on microeconomic theories. The political economy of the media is complex and multifaceted, and it developed in opposition to positivist interpretations of traditional economic theory. Researchers from a variety of disciplines, including political science, sociology, economics, and communications, rushed to the mass media as a logical topic of study for political economy research[7], [8].

Nature of Media Economics Research

No matter the field, effective research focuses as much on the significance of the question as it does on the solution. Here are some queries that list media economic concerns:Do media businesses provide the products and services that consumers want and need? Are they being provided in adequate quantities and under ideal circumstances? What connection exists between the success of media corporations and the marketplaces in which they operate? How can media executives make sure that the tools at their disposal are being used as effectively as possible to produce media products?What particular challenges does managing creative processes pose? What strategies will make sure that new media technologies are used to their fullest capacity in order to obtain a competitive edge?What role should the government play in making sure that media production is structured and distributed in a manner that satisfies societal needs? The purpose of the study is the next research question, and it is clear that it is being done for a client (a media organization. The two most popular research methods for acquiring data from media managers or other industry practitioners are interviews and questionnaires. Two other approaches that may be successful are focus groups and observation.

1) Documents and texts

Official data in the public domain is a very valuable resource for academics in our field. Essential economic media data is often available from industry authorities like the Telecom Regulation Authority of India, the Ministry of Information Broadcasting media wings, the Federation of Indian Chambers of Commerce (FICCI), or the Copyright Tribunal.

Monthly performance reviews, analyses of operating expenses, and the type of management information that would make it possible to examine a media company's operations in great depth are often not accessible to the public (or, appropriately, to competitors). A determined researcher can only get access to this kind of data by haggling or conversing with the gatekeepers.Numerous organisations' websites already provide a large portion of this official data. The Internet has developed into a highly useful research tool for those studying media management. In fact, the majority of the national and international sources of official media industry data have websites where you may discover information about studies and publications (and, in many instances, entire papers in downloadable form). Sales and audience statistics produced by companies like Nielsen or BARB are usually made accessible to the public, and additional information could be found on websites or in trade publications.

2) People

Of course, one of the most important sources of information on management strategies in the media sector is people. The two most popular research methods for acquiring data from media managers or other industry practitioners are interviews and questionnaires. Two other approaches that may be successful are focus groups and observation.

3) Quantitative and qualitative analyses

Existing studies in media management and economics show a diversity of quantitative and qualitative (and sometimes both) research approaches. The core of quantitative research is measurement.

Results of questionnaire surveys, meticulously planned interviews, and numerical and statistical data gathered from primary and secondary sources may all be subjected to quantitative analysis.In qualitative research, people's perceptions of their surroundings or the events that occur in them, as well as their own or other people's behaviour, are highlighted. Examining work practises, management styles, and doing organisational research are all excellent candidates for qualitative research. Consideration of details and contexts is made possible by the analysis and presentation of qualitative data.

Microand Macroeconomics

The two fundamental categories into which economics is divided are microeconomics and macroeconomics. Microeconomics is the study of particular marketplaces and economic divisions.

It looks at issues including firm theory, individual employment markets, and consumer behaviour. On the other hand, macroeconomics is the study of the overall economy. We look at aggregate elements including national production, inflation, and aggregate demand.

Macroeconomics

The study of a nation's economic development and activities is known as macroeconomics. It also encompasses the analysis of laws and other influencing elements that affect the economy broadly. A top-down approach underpins macroeconomics, which employs strategies such - A country's general economic growth Unemployment and inflation are likely to be impacted by the following variables.

1. Fiscal policy is likely to have an impact on interest rates, while globalisation and commerce also have an effect.
2. The causes of regional disparities in economic development.
3. The concern with aggregated growth and its economic connection is another aspect of macroeconomics.

Microeconomics

The choices people and companies make in reaction to the fluctuating costs of goods and services in an economy are the focus of microeconomics. Microeconomics covers a broad variety of subjects, such as:

Different markets have varying levels of supply and demand for goods. either individual or group consumer activity. Demand, individual labour markets, and criteria like an employee's salary all have an impact on service and labour demand. Microeconomics' emphasis on ad hoc situations in which a marketplace's current circumstances change is one of its most distinctive features. The economy requires a bottom-up approach to analysis[8], [9].

Microeconomics and macroeconomics

Microeconomics and macroeconomics are two distinct branches of economics that are not connected to one another.

The two words are closely related. To better comprehend micro and macroeconomic factors, all microeconomic research may be applied. Such research will support the creation of economic strategies and initiatives. As we all know, both local and large-scale factors that have the potential to influence or are already directly impacted by one another result in changes and processes in the economy. For instance, although the choice to raise taxes is a macroeconomic one, the effect on businesses' savings is a microeconomic one.

Another illustration: if we are aware of how the price of a commodity is determined and the roles that buyers and sellers play in the process, we will be better able to assess changes in the total level of price for all commodities in the economy. Macroeconomics is the study of the total level of prices in the economy, while microeconomics is the study of setting the price of a product and the involvement of buyers and sellers in this process. Similar to this, in order to ascertain the performance of an economy, we must first determine the performance of each sector of the economy. To do this, we must evaluate each sector's performance either individually or in groups. Macroeconomics research investigates all production units across all sectors, in contrast to a microeconomics study that only looks at one sector of a production unit or group. As a consequence, macroeconomics and microeconomics are two interrelated branches of economics. Therefore, a good comprehension of both terminologies is necessary for studying economics.

CONCLUSION

The evolution of media economics, from old forms to new digital platforms, is a reflection of the growth of the media industries itself, in conclusion. Media economics continues to be a crucial lens through which to comprehend and manage the economic aspects of this significant industry as media continues to affect societies and cultures. The continuous study of media economics has the potential to not only improve our understanding of media markets but also to make significant contributions to the fields of economics and communication science in general.

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CHAPTER 2

EXPLORING MEDIA ECONOMICS: INDUSTRIAL ORGANIZATION AND MARKET STRUCTURES

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ABSTRACT:

This study explores the complex connections between the media industries and economic theories of industrial organisation and market structures. The study looks at the use of economic theories to examine how media markets, including both conventional and new media, operate. This research sheds light on the distinctive dynamics that form media economics via an extensive analysis of market concentration, competitive tactics, entry obstacles, and the effects of regulatory restrictions. The article explores the many difficulties and possibilities given by emerging technology and consumer behaviours by examining several media industries, including print, broadcasting, digital platforms, and content production. The research covers the effects of shifting ownership patterns as well as the function of government involvement in affecting media economics. In the end, this investigation highlights how important economic theories are for comprehending the complexity of the media industries and their effects on communities and economies as a whole.

KEYWORDS:

Business, Economics, Market, Media, Organization.

INTRODUCTION

It is clear from the examination of media economics through the lenses of industrial organisation and market structures that economic theories contribute significantly to our understanding of the dynamics of the media industries. The complexity of media marketplaces, where both old and new media coexist and engage with intricate economic factors, has been shown by this analysis. The deep interaction between economic principles and the media environment has been made clear by the examination of market concentration, entry obstacles, competitive tactics, and regulatory restrictions.

It is also obvious that there are difficulties in applying economic theories to media economics because of the distinctive characteristics of media goods, such as their lack of rivalry and the fusion of cultural and commercial objectives. These unique traits call into question the widespread economic presumption of scarcity and need a complex understanding of media production and consumption. A more complete framework that recognises the hybrid character of the media business is required due to the sector's combination of creative, technical, and economic components.Media economics is still a vibrant area of study as media businesses develop in the digital era, which is marked by technical advancements and altering customer tastes. The industrial organisation model is a useful lens, but academics must be aware of the complexity that emergent technologies, merging markets, and changing audience behaviours provide. Additionally, a deeper investigation of media economics within the framework of social and political systems is required given the role that media plays in moulding societal attitudes and influencing public debate.

The most popular paradigm for researching media economics is the industrial organisation model, which was developed by a group of neo-classical economists. The approach offers a way to evaluate many of the abstract ideas used in market research in a methodical way.

Market structure, market conduct, and market performance serve as the foundation for the industrial organisation (IO) idea. The model, which is used to study media markets and enterprises, is hence also known as the SCP model[1], [2].

The IO or SCP model claims that understanding the market structure enables an explanation of predicted firm conduct and performance. Each of the three domains (structure, conduct, and performance) may be further defined and examined using the precise variables associated with each component of the model. Market structure is analysed often using factors including the number of sellers and customers, the degree of product variety, the entrance barriers for new competitors, cost and pricing structures, and the level of vertical and horizontal integration.The market is a great resource for studies in media economics. While some studies have focused on only one component of the model, such as market structure, others have taken a more thorough approach and looked at every component. The concept emphasises the connections between a market's structure and the behavioural and performance standards that follow. Media economics researchers have come under fire for allegedly relying too much on the IO model, which they contend does not adequately account for the complexity of emerging technologies and market convergence. However, the model is still very helpful to academics and is still one of the most important theoretical bases for the study of microeconomics.

The Firm's Theorem

In an attempt to understand market structure better, the theory of the company was created. The industrial organisation model's extension, the theory of the company, tries to provide a more thorough explanation of the four most common market structuresmonopoly, oligopoly, monopolistic competition, and perfect competition. The majority of media markets are dominated by oligopolistic and monopolistic competitive frameworks. Perfect competition is uncommon in the media sector (with the exception of internet), and monopolies are often restricted to industries like newspapers and cable television.

This approach is popular since it is straightforward and cost-effective. However, establishing a market structure has become increasingly challenging as a result of considerable concentration in the media industries and technological convergence. For instance, the radio industry isn't limited to broadcast radio; it also include Internet radio, satellite radio, high definition (HD) radio, and even podcasting.

These generalised and simplistic terms, in the opinion of many academics, inadequately represent market structure.Market structure in economics refers to how various sectors are categorized and identified depending on the intensity and kind of product and service competition. It is based on the characteristics that affect how firms behave and perform in a certain market. Market structure is influenced by a variety of factors, including the quantity of buyers and sellers, their propensity for bargaining, their level of market concentration, their degree of product diversification, and how easy or challenging it is to join and exit the market.

Market Organisation

Economics may get a thorough understanding of market structures by analysing a number of qualities or traits demonstrated by various actors. These markets are often distinguished by the following seven important characteristics.The industry's buyer structure, the number of repeat customers, the degree of product differentiation, the nature of input costs, the size of the market, the degree of vertical integration within the same sector, and the market share of the largest player are all factors.Comparing the aforementioned traits to one another will reveal similar qualities. As a consequence, it is simpler to classify and differentiate between firms in related sectors. Based on the traits mentioned above, economists have recognised four distinct kinds of market systems. Some of these include monopoly markets, oligopoly markets, monopolistic competition, and perfect competition[3], [4].

What are market structures and how do they work?

1. **Perfect Competition:**

Perfect competition happens when several small enterprises compete with one another. They provide the same items (are homogenous), have little influence on commodity prices, and are free to join and exit the market whenever they want. The clients in this kind of market completely comprehend the products being marketed. They are aware of both the accusations levelled against them and the branding of the products. Rarely does this kind of market system exist in its pure form in reality. However, it is helpful when comparing firms with comparable traits. These main problems make this market impractical. There is a natural temptation to speed up innovation when there is minimal rivalry and a company has a dominating market share in order to stay up with the competition and preserve the status quo. However, in a completely competitive market, the profit margin is fixed and vendors cannot increase prices without alienating customers. There are just a few barriers to entry: Any company may go to market and sell its goods. Incumbents must continue to be proactive if they want to maintain market share.

2. **Monopolistic Competition:**

A market that exhibits both monopolistic and competitive traits is said to be experiencing monopolistic competition. In order to stand out from the competition, sellers may distinguish their goods based on branding and quality. In this kind of competition, sellers look at their rivals' pricing without taking into account how their own prices affect them. When comparing short-term and long-term monopolistic competition, two key aspects of monopolistic competition may be seen. In the short term, the monopolistic company maximises profits and benefits from its position as a monopoly. The firm first produces a significant quantity of items due to the high demand. Therefore, its Marginal Revenue (MR) and Marginal Cost (MC) are identical. On the other hand, MR declines with time as new rivals with unique items join the market, impacting demand and lowering profit.

3. **Oligopoly:**

In an oligopoly market, a small number of major companies offer similar or differentiated goods. Only a few businesses compete in the market, therefore their divergent tactics overlap. For instance, if one of the players chooses to lower the price of its goods, the other actors will be compelled to do the same. On the other side, a price rise can convince some people to do nothing in the hopes that customers would still pick their products. Therefore, these players' strategic planning is crucial. When businesses are in direct competition with one another, they may decide to share the market by restricting output, which would lead to higher profits. If both sides respect the Nash equilibrium state and resist the temptation to engage in the prisoner's dilemma game, then this is true. Under such a contract, they are monopolies. The phrase "cartels" refers to cooperation.

4. **Monopoly:**

In a monopoly market, a single company represents the whole sector. There are no rivals and it is the lone product vendor in the market. The characteristics of this market include exclusive resource ownership rights, patent and copyright protection, government-issued licences, and high start-up expenses. It is difficult for other companies to join the market due to all of the following monopolistic characteristics. The company continues to be a lone vendor because it has the power to control the market and set pricing for its products.

Because media and other "cultural" output have distinctive characteristics that are not shared by other goods and services, applying economic theory and ideas to the setting of media presents a number of challenges. The media's production seems to go against the fundamental tenet of economic theoryscarcity. No matter how many times a movie, a song, or a news item is seen or heard, it still makes no difference. The aim of economics is to increase 'efficiency' in the distribution of resources. Goals and the idea of economic efficiency go hand in hand.

DISCUSSION

Media organisations have a variety of objectives. Many media firms follow the classic definition of a company and, like any other for-profit organisation, place a priority on maximising profits and gratifying stockholders. However, a sizeable portion seem to be driven by other things. For those who work in the public sector, achieving high standards of production and other 'public service'-related goals is a goal in and of itself. Some media businesses seem to balance the needs of shareholders and industry regulators by operating in both the market and non-market sectors. Any all-encompassing model based on conventional economic theory is difficult to use since the aims are hazy.

In free market economies, the pricing system is primarily used to decide how to allocate resources. Despite the rise of subscription-based channels, the link between price and resource allocation in the media is unusual, especially in broadcasting, where many of the services customers get still do not need a direct payment from the viewer. When there is no direct relationship between customers and manufacturers via price, the conventional approach of recording customer preferences with suppliers fails. In terms of economics, manufacturing processes are considered to be inefficient if resources may be readily reallocated to produce more of at least one commodity without producing less of another. However, this approach often fails when it comes to producing media content. For instance, a television company could be able to repurpose its resources to reach more people at the same cost while producing more content hours.

Welfare economics, a subfield of economic theory, covers these issues of allocation and production efficiency. The majority of the research on broadcasting economics and associated public policy issues done in the UK falls under this category, most notably by Alan Peacock and, more recently, by Gavyn Davies and others. This strategy is predicated on the idea that a "welfare function"a functional relation that reflects the greatest welfare that may be produced by various resource decisionscan be defined for society as a whole. Within such a conceptual framework, media economics may help to show how to reduce the welfare loss associated with any policy decisions about media supply[5], [6].

Key Media Economic Characteristics

To understand what makes media economics special, think about the characteristics of the media as a whole that set it apart from other sectors of economic activity. One such characteristic is the frequent simultaneous sale of items by media businesses in two different, separate marketplaces. Because they often engage in what Picard (1989: 17–19) refers to as a "dual product" market, the media industries are special in this regard.

The two commodities that media firms create are content (television programmes, newspaper articles, magazine articles, etc.) and viewers. The entertainment or news content that listeners, viewers, or readers "consume" is one sort of output that media organisations may sell. The audiences attracted by this material constitute a second valuable commodity inasmuch as access to audiences may be packaged, priced, and sold to marketers.Because audiences bring in advertising money, which is a significant source of income for commercial radio and television stations as well as newspapers and many magazines, as covered in subsequent chapters, many media companies appreciate audiences. The audiences of non-profit media outlets are also an issue. For instance, public service broadcasters must closely monitor their audience demographics and ratings because the utility or satisfaction of their audience is frequently at the centre of discussions about the amount of funding—public or private—that should be made available to them.

For instance, you may have seen that the other category of media output, content, has a number of distinguishing and distinctive qualities. It is usual to refer to media material as a "cultural" benefit. The cultural contributions made by motion pictures, television shows, literature, and music may be evaluated in addition to their worth as economic goods. The value of many cultural goods (such as the radio spectrum, CDs, etc.) is determined by the information or messages they convey, rather than the physical form in which they are delivered. Messages and meanings are intangible, of course. The marginal cost of providing a television or radio programme to an extra viewer or listener within one's broadcasting reach is often negligible, at least for terrestrial broadcasters. The marginal cost of providing an online magazine to one more Internet user is also negligible. A Research and Development (R&D) example is often used to emphasise the very high initial production costs and low reproduction costs that are typical of broadcasting and commodities (such a loaf of bread, jar of honey, or pint of other media).

The combination of Comcast and NBC is only one of the many business strategies used by media firms. The economic intricacies and distinctive models of television, print publishing, radio broadcasting, music, and cinema are all unique. But monopoly, oligopoly, and monopolistic competition are the three broad categories into which these business models may be divided.Monopoly is undoubtedly the most well-known of these three fundamental media business strategies. When someone has complete control over a product or service, such as in a small town with only one significant newspaper, a monopoly exists. Publishing often exhibits oligopoly, or the ownership of a product or service by only a few corporations; a small number of large publishers release the majority of best-selling books, and a sizable number of companies own many of the periodicals with the greatest circulation in the country. Similar circumstances apply to television, where the main broadcast networksNBC from Comcast and GE, ABC from Disney, CBS from National Amusements, and Fox from News Corporationacquire practically all broadcast and cable channels. Last but not least, monopolistic competition arises when several businesses provide basically the same product or service. For instance, Ticketmaster and Live Nation, which both essentially offered the same set of event-management services for the music and other live entertainment sectors, were longstanding rivals until they merged in 2010.

Media ownership has been more consolidated over the last several decades, enabling economies of scale that were previously impossible to obtain. Large corporations can now purchase wholesale advertising for any or all of their brands on a dozen different radio stations in a single media market that are all owned by a conglomerate like Clear Channel, as opposed to individual local radio stations competing for advertising revenue among a variety of local businesses. Mass media economics has evolved into a macroeconomic issue since GE now produces everything from cable news to jet engines. This has ramifications that transcend beyond marketing. Fears about corporate dominance of media message have grown since large businesses now dominate almost all media outlets.

These anxieties are, nevertheless, often used to fuel profitable endeavours. There is a persistent countercurrent in many media businesses that offers diversity not present in many corporate-owned models. Independent radio stations, such as those connected to universities and nonprofit organisations, provide a range of musical and entertainment programmes in addition to news and in-depth commentary that are unavailable on corporate stations. Similar to how tiny record firms have recently found success using digital platforms like the iTunes appliance programme or online CD sales to promote and distribute music. Reaching a surprisingly wide public is made simpler for filmmakers on YouTube, often outpacing even niche platforms like Hulu.

Increasing Sales

Companies use a wide range of strategies to generate income for their offerings, but they ultimately come down to one of two basic concepts: either customers or advertising provide the funding. In reality, many outlets mix the two to create a flexible revenue stream for themselves. Customers could also be prepared to pay a little bit more for fewer commercials or put up with more adverts in return for free content.

On one extremity of the scale are traditional book publishers, who essentially earn all of their money by selling their goods directly to customers. In some ways, cable providers follow a similar business strategy in which they offer a packaged package of television channels for subscription and delivery directly to customers. Cable channels, on the other hand, predominantly depend on a variety of media income streams, with money coming from both subscriber fees and advertising. Although print media have recently lost this significant source of income due to online classified advertising, magazines and newspapers may also fall into this middle-ground group. Because there are no membership fees for these channels, broadcast television is the most obvious example of money derived through advertising. In contrast to a cable channel with a more constrained and potentially more restricted viewership, networks may charge a higher price for their advertising time since the absence of direct fees expands the potential audience for the network.

Media in Print

The three main types of print media are books, newspapers, and magazines. The book publishing sector is essentially an oligopoly; in 2009, the top 10 trade publishers accounted for 72% of the market, with the top 5 accounting for 58% of this (Hyatt, 2010). Because there are often few local news sources, newspapers tend to be local monopolies and oligopolies. In the past, a significant amount of newspaper earnings came from classified advertising. However, the emergence of the Internet, especially free classified sites like Craigslist, has harmed the newspaper business by reducing the earnings from classified ads[7], [8].

Newspapers

A combination of initial, or first copy costs, and minimal marginal costs are also present in the newspaper sector. While the expenses of paper and delivery are generally modest, the costs of journalism and editing are comparatively expensive. Newspaper production's marginal costs were significantly decreased when contemporary electronic printing replaced the labor-intensive mechanical typesetting technique.

It is challenging to set a newspaper's price over the long term because to the cyclical ups and downs in the price of newsprint.

The overhead expenses for editing and administration continue to be the biggest expenses in publishing a paper. If a corporation owns more than one publication, back-office tasks like finance and administration may often be integrated. Print media hasn't been subject to the same ownership rules as broadcast media in the past, which restricted the number of stations that may be owned by one network. As a result, a firm like Gannett has acquired ownership of USA Today as well as a majority of the local newspapers in 33 states, Guam, and the United Kingdom (Columbia Journalism Review, 2008). Other businesses, like McClatchy, also operate their own wire services, in part to save the expenses associated with bringing national news to several local areas.

Magazines

Similar to newspapers, a small number of businesses control the majority of magazines. Many magazine franchises, unlike newspapers, are really controlled by much bigger media companies. Time Warner, which topped the 2003 list of media companies, is the owner of a number of publications, including Time, Fortune, and Sports Illustrated. Time Warner owns 20% of all magazine advertising in the US when all of its publications are taken into consideration. However, a lot of smaller publishers create publications that are specialised and don't aim for a larger audience. With a net loss of over 120 publications in 2009 alone, magazines seem to be going through a period of economic decline overall (Flamm, 2009).

The radio and television

Large media corporations control the majority of television networks, as was covered in this Chapter. However, stations like the Fox-owned WNYW in New York or the CBS-owned KCNC in Denver are able to blend local material with national reporting and programming, much as major newspaper businesses do. Conglomerates often control both national networks and local affiliates.One cable provider often controls the cable service market in a particular area. One cable provider, like Comcast, the biggest of the cable providers, is sometimes the only choice. However, satellite providers like Dish Network and DirecTV, which can reach any number of households with little local infrastructure, have boosted, though moderate, levels of competition over the last several years.

While cable is growing, radio has seen significant consolidation. Massive radio networks like Clear Channel Communications have been acquiring several local stations since the 1990s in an attempt to dominate every radio station in a certain media market. Although the FCC continues to conduct public hearings on frequency allocations, it has assigned the lower portion of the FM radio spectrum for noncommercial uses, including nonprofit programmes like educational, religious, or public radio stations. Due in large part to the fact that such stations are not funded by advertising, these practises assist in maintaining a certain amount of programming variety in the face of rising standardisation. Because they are supported by contributions or nonprofit organisations, these stations are better off financially by appealing to a smaller percentage of listeners who may provide the station financial support rather than a bigger majority who have alternative entertainment choices[9], [10].

Movies and Music

The music and film industries each operate on a different economic model from print or broadcast media due to the distinct financial possibilities and constraints they each confront. However, owing to consolidation, advancements in technology, and changes in consumer preferences in recent years, music and movies have also seen substantial changes, much like those other types of media.

CONCLUSION

In conclusion, investigating media economics through the prism of industrial organisation and market systems illuminates the complex interaction between economic principles and the media sector. This research emphasises the need of a well-rounded strategy that combines economic theories with knowledge of the distinctive characteristics of media goods and their social implications. As they work through these issues, media economics academics add to a discourse that is always developing and that affects both the field's own talks as well as more general ones regarding the function of media in modern society. The results highlight how crucial it is to appreciate market structures in order to fully comprehend media behaviour and performance. This investigation is guided by the industrial organisation concept, which places a focus on market behaviour and performance that derives from market structure. By using this model in media economics, researchers are able to analyse media companies in an organised manner and determine how market dynamics affect business behaviour.

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CHAPTER 3

EXPLORING THE ECONOMIES OF SCALE, SCOPE ANDCHANGING TECHNOLOGY

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ABSTRACT:

Economics and business strategy are based on the ideas of economies of scale, economies of scope, and evolving technology. Economies of scale are the cost benefits that develop when manufacturing volume rises, enabling higher productivity and lower average costs. On the other hand, economies of scope refer to the cost reductions gained while creating a range of items utilizing common resources. Both of these ideas have broad ramifications for a variety of businesses, notably the media and technology sectors as well as manufacturing and services. The influence of these economies is also further amplified by the dynamic environment of evolving technology. Technological developments continually transform sectors, challenge established business models, and open up new possibilities for growth and innovation. The interaction between economies of scale, economies of scope, and evolving technology is especially apparent in industries like media, telecommunications, and digital services that are known for their fast technical advancement. This essay explores the subtleties of economies of size and scope, explaining how they affect competitive tactics, industrial structure, and decision-making. It also looks at the mutually beneficial link between these economies and technological development, demonstrating how technical advancements may lead to efficiency benefits, open up new business options, and completely change sectors. The study emphasises the practical applications of these ideas and their entwined consequences on corporate success via case studies and empirical evidence.

KEYWORDS:

Business, Economics, Labour, Strategy, Technology.

INTRODUCTION

The concepts of economies of scope and scale help to explain why the expenses of bigger enterprises are typically cheaper. Scope economies are the study of average overall production costs of various goods. On the other hand, economies of scale are focused on the cost benefit that comes from a larger level of production for a single commodity. A business that has economies of scope has lower average expenses because costs are spread over more things. Instead of starting a new restaurant chain with the same new cuisine, it is much simpler for a restaurant chain to launch new meals.

The additional meals may be added simultaneously to other meals, and they can be prepared and served using the same tools and staff. Economy of scope works best when output and consumption are complementary.

On the other hand, a company that has economies of scale has a lower average cost since prices decline as production volume increases. A company could be able to make 100 million computer chips for less money per than one million chips, for example. The company must invest a certain sum in each chip's research and development (R&D), as well as cash to expand each production. When it is finished, it will be simpler to produce more chips for less money. Economies of scale work best when fixed costs are high[1], [2].

Economic Sizes

Adam Smith, an economist, believed that specialization and the division of labour were the two most effective strategies to raise return on investment. Using these two techniques, workers might concentrate on a single job and gradually develop the skills necessary to do it. The tasks might then be completed more swiftly and efficiently. Because of the enhanced efficiency, time and money may be saved as output levels grow. Just as there are scale economies, there are also scale diseconomies. When output is inadequate compared to inputs, something happens. This suggests that the business or sector suffers from internal inefficiencies, which contribute to rising average costs.

Economies At the External Scale

Alfred Marshall, an economist, distinguished between internal and external economies of scale. Internal economies of scale are generated when a company raises output while reducing costs. External economies of scale within an industry exist independent of a corporation. When an industry's operational range broadens as a consequence of outside advances, external economies of scale may occur. For instance, a company's expenses and those of its whole industry may go down as a consequence of the improvement of the transportation network. When external economies of scale are present, all businesses in the sector benefit.Inputs for economies of scale: In addition to specialisation and labour division, any firm may produce an item or service using a range of inputs.Reduced Input Prices: When a business purchases inputs or inventory in huge numbers, as the potatoes required to make french fries in a fast-food restaurant like McDonald's Corp.

Expensive Inputs

Some inputs, including R&D, marketing, managerial expertise, and skilled labour, are overpriced. It could be able to use these inputs more effectively, which would lower average production and sales costs. A company may benefit from economies of scale if it can divide the cost of such inputs across many manufacturing units.If the fast-food industry chooses to spend more money on technology in order to increase productivity by reducing the average cost of assembling a hamburger, it will need to increase the number of hamburgers it produces annually in order to make up for the increased technology expenditures.

Distinctive inputs

A corporation may hire more skilled people and equipment as its manufacturing scale increases, which boosts efficiency. This is because employees wouldn't have to spend time learning to accomplish something that is outside of their area of expertise and would be more equipped for a particular job. For instance, someone may focus only on making french fries rather than making hamburgers or taking orders from customers. For instance, a specialisedfrench fry maker could last longer since it isn't used improperly or excessively.

Techniques and Organisational Contributions

A company may better arrange its resources, develop a clear chain of command, and improve manufacturing and distribution processes with a larger scale of production. Additional industries might also develop, such specialist fast-food potato or cow breeding farms. If the industry shares technology, external economies of scale may also be obtained. For example, food franchises in the same city may benefit from lower shipping costs and a skilled labour force. A fast-food chain's counter staff may be separated into two groups: those who take internal orders and those who serve drive-thru customers, or managerial expertise to minimise expenses of, for example.

Sources of Learning: Similar to improved organisation and technique, the learning processes connected to manufacturing, marketing, and distribution may lead to greater efficiency over time.

Location and external scale economies

The location of the business allows for the creation of external economies of scale from the aforementioned inputs. Therefore, all quick inputs are pricey. It's possible that the spillover effect will lead to the emergence of industry standards[3], [4].

Scale Inequities

As was previously said, diseconomies may happen. External diseconomies of scale may be caused by ineffective management or labourpractises, excessive employment, or poor transportation networks, among other things. Additionally, if a business grows, it could need to deliver its products and services in increasingly remote locations. Scale inefficiencies may emerge as a consequence of rising average costs. Various efficiencies and inefficiencies vary depending on the area, whereas others do not. If a company has locations all over the nation, expensive inputs like advertising may help them all. However, efficiency and inefficiency may also result from a particular location, such as a good or bad agricultural environment.There is a widespread debate on the impacts of international commerce, economic globalisation, and bigger companies seeking economies of scale. As businesses get bigger, the relationship between supply and demand may change, putting the business out of touch with the needs of its clients. Additionally, there is growing worry that when significant firms combine, competition may totally disappear. As a consequence, monopolies that are more focused on profits than on serving customers may develop.

Final Reflections

knowledge scale economies and diseconomies requires a knowledge of how the sources vary. Instead of concentrating on a single source, a company must take into account how all of its actions will affect efficiency. While expanding a business's operational scale may lead to reduced average input costs (volume discounts), it may also have unfavourable scale effects. For instance, if little money is spent on transport vehicles, a company's expanded distribution network may not be effective. When deciding whether to grow strategically, businesses must weigh the consequences of several sources of economies of scale and diseconomies of scale in order to reduce the average cost of all choices made and increase overall efficiency. (For further details, see "Some of the Variables Involved in Economies of Scale".

Consequently, economies of scale are a typical feature of the media industry. It is crucial to comprehend what they mean since they will be mentioned and discussed several times throughout this book. Economies of scale are stated to occur in any industry when marginal costs are lower than average costs. When the cost of creating a new unit of a thing falls as production volume rises, economies of scale are present. Economies of scale are beneficial to many businesses, especially those in manufacturing (like the automotive industry), where longer production runs and automated assembly line processes lower average production costs. There may be a variety of reasons why economies of scale occur.

DISCUSSION

Larger organisations sometimes benefit from greater (bulk) discounts on necessary inputs than big enterprises. tiny businesses. Scale economies commonly occur. Economy of scale occurs as a result of the public-benefit characteristics of the media and the benefits of specialisation and labour division that are reachable within product. For a media corporation, marginal costs (MC) are the expenses associated with offering a product or service to an extra client. The audience, or the total number of people who watch, read, listen to, or consider economy of scope, is divided by the whole expenses of providing the product or service.

A straightforward method for illustrating scope economies is rail travel. A single train may convey both people and other cargo instead of using two separate trains, one for passengers and the other for freight. Freight is often more affordable due to low marginal costs. In most media industries, joint production is rare, if not nonexistent. Almost invariably, average costs are less expensive than marginal costs. As a consequence, the company's typical costs of delivering that product will decline as more viewers tune in or readers purchase copies of the magazine. If average manufacturing costs fall as the volume of the firm's goods being consumed grows, economies of scale will be obtained, leading to improved profits.

The idea of an economy of scope states that when a corporation produces a wider variety of goods, the average total cost of production decreases. Scope economies are gained when a company develops a wide range of complementary items while concentrating on its core competencies. The idea of an economy of scope is often misunderstood at first glance, particularly since it seems to conflict with the ideas of specialisation and scale economies. Imagine that sharing resources is more cost-effective for two commodities than having separate inputs for each of them. This straightforward strategy reduces overall input costs. This shows, economically speaking, that following product diversification, one input factor's net marginal advantage grows[5], [6].

For instance, Company ABC is the biggest producer of desktop computers in the sector. Company ABC wants to increase the number of items it offers, so it renovates its factory to create a variety of electronic goods, including laptops, tablets, and phones. The average total cost of production decreases when more products are produced at a lower operating cost for the manufacturing facility. It would be more costly to manufacture each electrical device in a separate structure than it would be to manufacture them all at one manufacturing site.Examples of economies of scope in the real world include mergers and acquisitions (M&A), newly found resource uses by goods, and when two producers agree to share the same elements of production.

Scale economies

Economic Sector

The economics of scope theory states that when a company's product range widens, the average total cost of production decreases. Scope economies are gained when a company develops a wide range of complementary items while concentrating on its core competencies. The idea of an economy of scope is often misunderstood at first glance, particularly since it seems to conflict with the ideas of specialisation and scale economies. Imagine that sharing resources is more cost-effective for two commodities than having separate inputs for each of them. This is a straightforward method of considering economy of scope.

A straightforward method for illustrating scope economies is rail travel. A single train may convey both people and freight for less money than two trains, one for passengers and the other for freight. In this case, joint manufacturing reduces overall input costs. This shows, economically speaking, that following product diversification, one input factor's net marginal advantage grows. For instance, Company ABC is the biggest producer of desktop computers in the sector. Company ABC wants to increase the number of items it offers, so it renovates its factory to create a variety of electronic goods, including laptops, tablets, and phones. The average total cost of production decreases when more products are produced at a lower operating cost for the manufacturing facility. It would be more costly to manufacture each electrical device in a separate structure than it would be to manufacture them all at one manufacturing site. Examples of economies of scope in the real world include mergers and acquisitions (M&A), newly found resource uses by goods, and when two producers agree to share the same elements of production. Economies of scope are also about making savings and increasing efficiency when more of a firm's product is consumed. However, in this case, savings may be achieved by altering the nature or extent of the company's production. Due to the public-benefit nature of media output, media corporations are renowned for their economies of scope, which are achieved via multiproduct manufacturing[5], [7].

Businesses big enough to participate efficiently in multi-product production and accompanying wide-scale distribution, advertising, and purchasing are eligible for economies of scope. They happen when producing and selling two or more related things together rather than separately is more affordable due to pooled overhead costs or other efficiency advantages. Cost savings may be gained if specialised inputs purchased for one product can be utilised in another. Economies of scope are common in the media because of how media output is designed to enable products intended for one market to be redesigned and promoted via another. The same television material may be repackaged into other products. For instance, an interview with a politician that is filmed for broadcast in a documentary may be edited for use in other news programmes, whether on television or radio. Additionally, scope economies come from the reformatting of a product designed for one audience into a "new" one designed for a second audience.

If economies of scale exist, diversification is a financially favourable strategy since the overall cost of the diversified firm is low when them separately. A simple comparison of the two is shown below using the example of a train: A single train may convey both people and freight for less money than two separate trains, one for passengers and the other for freight. This is in contrast to a group of companies that specialise in one particular commodity. A single train with vehicles assigned to both outputs. Because there are so many opportunities for economies of scale, media corporations are using diversification methods more often.

An economy of scope occurs when the production of one thing lowers the cost of producing a related one. Economies of scope occur when a business can create a wider range of products or services for less money than it would have to if it produced fewer products or each one individually. Long-run average and marginal costs of a firm, organization, or economy decrease as a result of the development of complementary products and services. In this circumstance, economies of scope are defined by efficiencies categories is much more cost-effective and may also lead to cheaper ticket or tonnage costs for the passengers of the train.

Co-Products

Scope economies might be produced via co-production connections between finished goods. In economic jargon, these goods are referred to as complements in manufacturing. This happens when the manufacturing process automatically produces another good as a byproduct of the development of one good. Even though a product is a byproduct of another, it might still be valuable to the manufacturer or to consumers. While economies of scale are meant to reduce waste and expenses while also boosting defined by volume, finding a purpose for the co-products may aid formed by diversity. The latter has to do with decreasing income. decreasing the marginal cost of manufacturing by increasing,for instance, dairy producers separate raw milk from units. For instance, economies of scale helped drive business expansion in the 20th century via the use of assembly lines.

Compared to turning cows into whey and curds, which are then turned into cheese, economies of scope are economic factors that make producing numerous goods simultaneously more affordable. They also get a significant amount of whey from the process, which they can use to produce high-protein animal feed that will reduce their total feed costs or sell to weightlifters and fitness enthusiasts as a healthy supplement to make extra money. Another example is the 'black liquid' produced during the paper pulping process[8], [9].Black spirits may be used to power and heat the plant, saving money on other fuels, or it can be transformed into more sophisticated biofuels for use on-site or for sale, preventing it from becoming a waste product that would be expensive to dispose of. Black spirits production and consumption lowers the price of paper manufacturing.

Cooperative Production Processes

Scope economies may also be produced through the direct interaction of two or more industrial processes. Native Americans previously grew the "Three Sisters" crops, which are a well-known example of companion planting in agriculture. Through the simultaneous planting of maize, pole beans and ground trailing squash, the Three Sisters method increases the yield of each crop while simultaneously enhancing the soil.Beans fertilize corn and squash by fixing nitrogen in the soil, while squash with its wide leaves shades out weeds amid the crops. Bean vines may grow up long corn stalks. The farmer may produce more harvests for less money when all three plants are cultivated together. An example from the contemporary era is a collaborative training scheme between an aircraft manufacturer and an engineering school, in which engineering students work at the firm on a part-time basis or as interns. The manufacturing may reduce total costs by gaining low-cost access to competent people, while the engineering school can reduce costs by effectively outsourcing some teaching time to the firm's training managers. Even while the final products (planes and engineering degrees) may not seem to have many inputs in common or to be a direct complement, manufacturing them together reduces the cost of both.

Shared entrance data

Because productive inputs (including land, labour, and capital) are regularly employed for a variety of tasks, economies of scale may frequently be attained by employing the same resources to generate two or more distinct commodities. at instance, a restaurant may manufacture both chicken fingers and French fries at less money on average than two independent companies could if they produced them individually. This is so that during manufacturing, fried potatoes and chicken fingers might utilise the same fryers, cooks, and cold storage facilities.

Proctor & Gamble is a prime example of a company that successfully achieves economies of scope from common inputs since it produces hundreds of hygiene-related products, from toothpaste to razors.

The business can afford to engage expensive graphic designers and marketing experts who can improve each of the company's product lines by applying their knowledge to them. If these team members are paid, their labour on more products reduces the average cost per unit, boosting the company's economies of scale.

Examples of the economics of scope in action include mergers and acquisitions (M&A), newly found uses of resources by goods (such crude petroleum), and when two producers agree to share the same inputs of production. Any major organisation needs scope economies, and there are many ways a business might attain them. The primary and most widely accepted theory is that efficiency may be increased by broadening the scope of linked operations.

By merging goods that share inputs or have complementary manufacturing techniques, diversification creates a huge possibility for economies of scale. A horizontal merger or acquisition with another business is another way to achieve economies of scale. For instance, two regional retail chains may combine in order to combine different product lines and reduce typical warehousing costs. Because it may share identical inputs, this kind of product is perfect for creating economies of scale via horizontal acquisitions[8], [9].

Scope economies example

Suppose that company The industry's biggest producer of desktop computers is ABC. Company ABC wants to increase the number of items it offers, so it renovates its factory to create a variety of electronic goods, including laptops, tablets, and phones. Because the cost of running the manufacturing facility is dispersed over a number of different expenses, the average total cost of production decreases. The cost of making several products in a single production facility would be lower than producing each electrical device in a separate building.

Economy of scope and economy of scale are two different strategies for lowering a company's expenses. While economies of scale are concerned with the cost advantage that results from producing a single commodity at a higher volume, economies of scope are focused on the average total cost of production of a broad variety of commodities.The idea of an economy of scope states that when a corporation produces a wider variety of goods, the average total cost of production decreases. A company has a cost advantage when it produces a range of complementary items while concentrating on its core competencies. Since it seems to conflict with the ideas of specialisation and scale economies, the notion of economy of scope is often misinterpreted. Imagine that sharing resources is more cost-effective for two commodities than having separate inputs for each of them. This is a straightforward method of considering economy of scope.

A straightforward strategy for illustrating scope economy is rail travel. A single train may convey both people and freight for less money than two trains, one for passengers and the other for freight. In this case, joint manufacturing reduces overall input costs. (In economic words, this indicates that the net marginal advantage of one input element grows as a result of product diversification.For instance, Company ABC is the biggest producer of desktop computers in the sector. In order to produce a wider range of electronic goods, including laptops, tablets, and phones, Company ABC renovates its production plant. Because the cost of running the manufacturing facility is dispersed over a number of different expenses, the average total cost of production decreases. The cost of making several products in a single production facility would be lower than producing each electrical device in a separate building. Examples of the economics of scope in action include mergers and acquisitions (M&A), recently found applications of resource byproducts (such as crude petroleum), and when two companies agree to share the same elements of production. When many individuals labour together, a sort of economy known as "scale economies" develops.

On the other side, an economy of scale is a company's cost advantage brought on by expanding the production of an item or service. A corporation's fixed expenses per unit and the amount of products and services produced have the opposite relationship. Assume that company ABC, a supplier of computer processors, is thinking about buying CPUs in large quantities. A price of $10,000 for 100 processors is provided by the company DEF, which manufactures computer processors. A price of $37,500 is given by the producer if company ABC buys 500 computer processors. If ABC chooses to purchase 100 CPUs from DEF, the price per unit will be $100 for ABC. However, if ABC purchases 500 processors, the price per unit is $75.

In this instance, the manufacturer is transferring to company ABC the financial benefits of producing a greater quantity of computer chips. This financial benefit results from the fact that producing 100 or 500 processors results in the same fixed cost of production. The marginal cost of manufacturing for each additional computer processor tends to decrease after fixed expenditures are paid. Higher profit margins at lower marginal costs result from more units sold. It enables companies to reduce prices as required, enhancing the competitiveness of their product. Major warehouse-style retailers like Costco and Sam's Club package and sell huge items in bulk due to achieved economies of scale[10], [11].Even while a company's economies of scale can seem helpful, it has substantial drawbacks. Marginal costs never permanently decrease. Operations eventually get too large to take advantage of economies of scale. This pushes companies to either innovate, increase working capital, or maintain their existing level of optimum output. For instance, if a business that manufactures computer processors achieves its

CONCLUSION

The ideas of economies of scale, economies of scope, and growing technology stand as essential drivers of innovation, efficiency, and industrial change in the dynamic world of economics and business. A key tactic for attaining competitiveness and sustainability is the pursuit of cost efficiency via economies of scale, which enables organisations to produce more at lower average costs. Similar to economies of scale, economies of scope allow businesses to diversify their product lines and use shared resources to save costs, therefore increasing their market reach and flexibility.A interesting interplay is created by the interaction of different economies with the dynamic force of evolving technology. Technological developments have the ability to increase the advantages of economies of scale and scope, allowing firms to optimise their operations, investigate new market niches, and quickly respond to evolving customer needs. On the other hand, pursuing economies of scale and scope may work as stimuli for technical advancement, advancing industries and encouraging a culture of continual development.Important factors that affect how industries operate and develop include economies of scale and scope as well as the impact of evolving technology. Businesses are better able to handle complexity, take opportunities, and maintain resilience in a world that is changing quickly when they are aware of the subtleties of these ideas and how they are linked. Successful company strategies continue to focus on efficiency, diversification, and innovation, and a grasp of economies of scale, economies of scope, and evolving technology serves as a compass for navigating this dynamic environment with foresight and adaptation.

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CHAPTER 4

EXPLORING CONVERGENCE: UNITING MEDIA AND TECHNOLOGY, UNDERSTANDING MULTIMEDIA PLATFORMS AND VERTICAL SUPPLY CHAINS

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ABSTRACT:

In the context of the modern media environment, this article explores the dynamic interactions between convergence, multimedia platforms, and the vertical supply chain. In the context of how multiple media and technological forms cross and interact, transforming communication paradigms, the idea of convergence is examined. The conversation then switches to a look at multimedia platforms, explaining how these adaptable technologies make it possible to combine various media aspects to produce interesting and powerful content. The study then explores the idea of the vertical supply chain, analysing its relevance as a tactical method for controlling the whole manufacturing process. This research aims to shed light on the complex links between these notions and their consequences for contemporary media environments via a thorough examination. The concepts of convergence, multimedia platforms, and the vertical supply chain have emerged as crucial change agents in the media business in a period marked by fast technical breakthroughs and shifting consumer tastes. The transition from separate media channels to their fusion, made possible by convergence, has changed how we interact with and consume material. With the ability to combine text, graphics, music, and video, multimedia platforms have given communication a new dimension and improved viewers' entire experience. Parallel to this, the vertical supply chain has grown in popularity as a strategic tool that enables businesses to exercise more control over their manufacturing processes and quickly respond to market conditions.

KEYWORDS:

Convergence, Media, Multimedia, Supply Chain, Technology.

INTRODUCTION

Media convergence is the blending of mass communication channels including print, radio, television, the Internet, and mobile and interactive technologies via different digital media platforms. Because of media convergence, journalists may utilise a variety of media to write stories, provide information, and provide entertainment. With the range of storytelling techniques available via converged communication, consumers may pick their level of involvement while keeping content distribution under control. Technological convergence is the tendency of several technical systems to accomplish comparable tasks. Voice, data, and video were formerly separate technologies, but today they collaborate and share resources.

Through the same wired, wireless, or fiber-optic lines, media companies may now disseminate text, audio, and video material. This is possible because of the development of digital communication in the late twentieth century. It also spurred other news firms to explore the use of multimedia in information communication. Researcher Roger Fidler used the word "Mediamorphosis" to characterise the unique digital convergence of news media in his 1997 book of the same name. We now live in a multi-level convergent media environment where all forms of information and communication are continually altering to meet the ever-evolving demands of technology, "changing the way we produce, consume, learn, and engage with one another[1], [2]."

As computing and other information technologies, media content, and individual consumers become more intertwined, they engage in social interaction with one another and use a variety of media platforms to produce new experiences, media, and content that socially connect us not only to other consumers but also to corporate media producers in ways that were previously unattainable. Technology advancements make it possible for technological communication networks to emerge as a result of convergence, which, according to Rheingold, can change the evolution and popularisation of the Internet and have "social-side impacts" by "colliding, integrating, as well as the activities, products, and services that have emerged in the digital media space," in this case. Since all facets of institutional activity and social life, including business, government, art, journalism, health, and education, are increasingly carried out in these digital media spaces across an expanding network of information and communication technology devices, many experts believe that this is just the beginning.

The fusion of traditional and contemporary media is referred to as convergence. Jenkins describes the coordination of the virtual, social, and physical worlds as "the movement of content across numerous media platforms, the cooperation between multiple media businesses, and the migratory tendency of media audiences." It was predicted in the 1990s that new media will replace traditional media as a result of a digital revolution. Broadcasting is gradually being replaced by the Internet, which enables users worldwide to access their preferred media material more rapidly and at a quicker pace than ever before. The idea behind Web 2.0 is to leverage the Internet's network as a platform for collaboration, user-centered design, interoperability, and information exchange. Users may take part in and work together to create user-generated content in a virtual community that was created for social media.

On a Web 2.0 website, media convergence is more than simply a technological trend. Web 2.0 sites allow users to actively seek out new information, in contrast to websites that only allow users to passively consume material according to passive industrial, cultural, and social paradigms. Convergence, in a nutshell, is the process through which social networking sites, blogs, wikis, video sharing sites, hosted services, online apps, mashups, and folksonomies all come together.

Consequences of convergence

The switch from analogue to digital data transmission has made it possible to transport vast volumes of data with less resources. Both the source and the result of advances in communication technology are convergence. The term convergence is currently in flux. We must choose a definition in order to further our understanding. Grant examines a range of preexisting definitions. Combining these ideas leads to the conclusion that convergence is a sort of digital transmission technology-based intertextual information delivery. This idea places more focus on content distribution than communication since it places so much importance on mass media. We must narrow our attention on convergence journalism in order to better understand how these changes are influencing mass communication professionals. It is defined by Criado and Kraeplin in a very useful approach. They describe convergence journalism as the formation of partnerships across print, broadcast, and internet newsrooms in which journalists work together and distribute content across many platforms. Media firms have tried to use these strategies in an effort to increase effectiveness and audience reach.

Television stations seem to have done a worse job of putting these concepts into practise than newspapers. It would seem that newspapers would benefit more from convergence journalism. Newspapers have a definite disadvantage in terms of conventional delivery as compared to television networks. Newspapers must be sought for, while free over-the-air television channels are delivered to a person's house. It's not difficult to see how partnering with a television station and moving to the Internet may significantly affect newspapers. Due to greater efficiency in content creation and distribution, convergence has had the positive effect of enabling consumers to know more. Television stations may generate more in-depth coverage as a result of partnerships with newspapers. Complete multimedia coverage of events may be distributed online by newspapers and television networks[3], [4].

Convergence journalism has the drawback of allowing fewer interests to influence the information provided to the broader audience. Media This restriction on the number of voices is known as consolidation. A torrent of criticism has been directed towards the ensuing media behemoths. Fortunately, media consumers are increasingly assuming the job of a journalist as they grow more digitally savvy. Kolodzy claims that anybody with a mobile phone or camera may capture and post pictures or videos of a news event or newsmaker online. Information sharing has thus become more democratic. The old gatekeepers' complete control over the information that is permitted to reach a significant number of people is steadily eroding. There is really a contemporary trend in this way. Grant believes it is risky to analyse a trend that is still developing.

DISCUSSION

Negroponte: Ithiel de Sola Pool, who examined the connections between various media and wrote the book "Technologies of Freedom," was the first media scholar to define convergence. The phrase "media convergence" may have originally appeared in media studies when Nicholas Negroponte created a convergence model based on three intersecting circles in 1979. The rings signify the union of three distinct media sectors into a single entity. In these groups, the conversation about media convergence has persisted. Over the years, the term convergence has been employed as an endpoint rather than a process to characterise anything from organisational structures to new high-tech breakthroughs to mergers of media businesses.

Flynn Convergence Model

Flynn lists three places where the digital world is converging. The three parts that make up the Internet of Things are devices, networks, and content. Device convergence, according to Flynn, happens when two gadgets are integrated. Whether or if consumers will utilise these merged gadgets is the real issue.Flynn contends that consumer adoption of the resultant hybrid is necessary for convergence to take place. Network convergence was a result of the debate over and development of the once well-known idea of a "electronic information superhighway," which referred to a broadband-switched network architecture.

Because of his belief that technology limitations still hinder the usage of the same sort of information across all publishing sources, Flynn believes that content convergence is limited. Flynn argues that the advantages of the potential introduction of "write-once, run-anywhere" content are exaggerated by the conventional notion of convergence and instead suggests a fourth kind of convergence: consumer convergence. Flynn seems to have adopted a philosophic view of device convergence, contending that it cannot exist unless users are eager to make use of the new technologies. However, device convergence must have already place if the devices are present. Regardless of whether customers are ready to utilize it for the creation of the new gadget

The Convergence Model of Gordon

The five forms of convergence defined by Gordon are ownership, tactical, structural, information collecting, and narrative convergence. A merger of companies might be compared to convergence of ownership. While structural convergence occurs inside editing divisions and drives editors to become more multimedia editors, tactical convergence is a sort of cross promotion. Gordon claims that the best way to describe the information-gathering convergence is as a sort of backpacking journalism, in which reporters travel with all of their equipment and create material for every conceivable publishing channel. Gordon defines narrative convergence as the use of creative techniques to spread information throughout diverse publication platforms[5], [6].

DDS convergence model

The 'Convergence Continuum' was put out by Dailey, Demo, and Spillman as a model of convergence. The model was created by the authors because they felt there was a need for a uniform, behavior-based definition of convergence and a standard method for identifying convergence effects. In order to make it simpler for academics worldwide to compare findings, they therefore suggest a paradigm for newsroom content sharing convergence. The model consists of five partly overlapping zones, or five Cs of convergence. The seven 'observations' of convergence listed by Lawson-Borders all start with the letter C: communication, commitment, collaboration, compensation, culture, competitiveness, and customer. These seven issues have certain similarities and may be utilised as a concept and a method for convergence.

The Henry Jenkins Convergence Model

Jenkins takes a more technical approach to several sorts of convergence rather than aiming to embrace creativity like the Convergence Continuum does. According to her, convergence is the union of technology and computer technology-based content dissemination. He says that since people use the phrase in so many different contexts, it is difficult to define convergence. He classifies convergence into five categories: economic, social or biological, cultural, global, and technological. Technological convergence refers to the digitization of all media material, economic convergence to the merger of the entertainment industry, and social or organic convergence to consumers' multitasking strategies for navigating the new information environment.

Different Media Platforms

Multimedia refers to any material that incorporates several content types as text, audio, images, animations, video, and interactive information. Multimedia material may be recorded and played, as well as shown, interacted with, and accessed by information content processing devices such computerized and electronic devices. These materials may be created, shared, and viewed on multimedia platforms. As a consequence, corporate audiences have access to a variety of communication and instructional applications thanks to multimedia platforms. Business presentations, blogs, wikis, and podcasts are all excellent examples of how information may be conveyed via multimedia platforms.

One of the most common applications of multimedia platforms in today's society is the creation and delivery of effective business presentations. Despite their continued usage, paper handouts, flip charts, and props have a variety of drawbacks. Handouts often come with two major limitations and are printed on paper. First of all, they often cause the presenter, who likes to read rather than listen, to lose the audience's attention. Second, giveaways carry the danger of ending up in the hands of rivals or unauthorized personnel. There are many problems with flip-charts. To begin with, in order to produce a top-notch flip-chart picture, skill is needed in addition to expert equipment and resources. Second, they are difficult to relocate and their application is outdated. The use of props in corporate presentations nowadays is sometimes seen as cliched and outdated.

Presentations

You may build engaging presentations using multimedia slides created using PowerPoint, Keynote, Adobe Presenter, and Prezi. These applications provide professional colour, graphic, and font capabilities that help the presenter's ideas be better expressed. They may include audio, video, and connections into the presentation, providing the ideal framework for a productive meeting[7], [8].

Different individuals process information in different ways. The same information may be shared with both customers and staff. Blogs may be used by consumers for customer outreach, public relations, market research, and feedback gathering. Here are two great instances of creative uses of multimedia platforms. A mix of text, pictures, and music to emphasise your point and draw viewers' attention at different points during the presentation will help you stand out. See: Using customer service blogs: a Starbucks customer. A customer testimonial video that is included into the presentation may support the idea of great service while also giving the speaker access to additional service blogs and a Coca-Cola customer service blog.

Wikis

A wiki is a platform for storing information on the internet. Wikis are repositories of authority. If used judiciously, special effects, such automatic text information generated by an online community of underlining or highlighting on a presentation, may help break up wordy slides. Even while multimedia presentations may provide a stunning experience, their effectiveness still depends on how well the presenter knows their audience and how to frame subjects that will be significant contributors. In a professional environment, private intranets are utilised to keep wikis within the corporate firewall since they house confidential company processes and activities. All company locations, including remote employee offices, have easy access to information like their own internal HR regulations and forms, travel expense policies, and other related topics. You may be acquainted with the "Death by Contact Directory, Previous Quarter's Financial PowerPoint" scenario, in which an unending sequence of slides immobilises the audience. Multimedia business presentations will be covered in more detail in Module 8: Developing and Delivering Business Presentations.

Blogs

Another multi-media platform for effectively connecting with corporate audiences is the blog. A blog is a website that publishes entries in the form of journal entries on a range of subjects in an effort to enlighten readers and solicit response. Blogs are used for news releases, etc., in company.

Podcasts

In addition to presentations, blogs, and wikis, podcasts are another multimedia technology used for efficient corporate communication. All of the ideas we've discussed so far in this session can be applied to podcasts, although they are mostly audio and video-based. Podcasts may be listened to later after being recorded or broadcast live.Social media network use for business communication may be divided into internal and external uses.

External Relevance

To engage with sizable online public groups, businesses employ well-known social media platforms like Facebook, Twitter, Pinterest, and LinkedIn. Millions of people participate in these communities, so it's not surprising that companies find them intriguing for a range of marketing strategies.

Internal usage of social media is the second sort of social media used for business communications. Numerous big firms have staff-only internal social media platforms. Many businesses companies use the Facebook model and depend on the Salesforce, Yammer, and Jive software platforms. This is a crucial application of social media since it enables large businesses to quickly connect workers across several sites and keep them updated on important information in a way that is simple to understand[9], [10].

The Critical Role of Multimedia Platforms

The phrase "multimedia" combines the terms "multi" and "media". The word "media" is used to describe a variety of storage technologies, including discs, CDs, tapes, semiconductor memories, and others. The second is the transmission of information carriers like numbers, text, audio, pictures, and so on. Multimedia, which essentially means that the media is compounded by a single medium, is the equivalent term as a consequence. Anything you listen to or view is regarded as multimedia. It consists of several aspects, such as text, audio, and graphics. Electronic and computerised equipment that process information often record and play, display, or access this. The term "multimedia" refers to the blending of image, sound, text, animation, graphic, and other media to create an organic whole that serves a particular purpose.

The media is one of the two components that all modern technologies have. It is made up of both hardware and software, or a mix of devices and ideas. Information and control systems are within the categories of multimedia technology. Multimedia The main medium for storing and sharing data is the CD-ROM. Without such a handy CD-ROM, the computer industry cannot offer hundreds of gigabytes of multimedia packages for audio, visual, and text data. When it comes to multimedia, we are no longer just passive viewers; we can now influence, engage with, and customise it to our needs. Regardless matter how worthless the material is, we can easily get the most important details in a report. The news stories and images collected from all across the globe could also be interesting. Numerous methods may be used to store, transmit, display, and interpret multimedia.

To put it another way, it is a useful tool for communication. Because everything in today's society must keep up with the times, multimedia serves an essential role. Because technology makes it easy to communicate and comprehend what others are saying, multimedia is an effective form of communication. Multimedia is another category that incorporates animation, music, video, and other elements. You may enhance your visual talents with the use of technologies like video, images, and flash memory, but they also provide consumers extra advantages. This makes it simple to get attention from others. This is what you're saying when you suggest that multimedia can be utilised online. The interest in hearing and seeing what you have to say when you advertise a product has also increased. You may communicate your message more effectively by using multimedia. If people can't comprehend what you say, they can see what you do in multimedia. Multimedia makes things simpler so that people may comprehend them more quickly.

Radio, the internet, multi-media programming, and universality were all utilised in this. You've now got the opportunity to contribute to the development of new multimedia websites as well as the interests of those websites' visitors. But it will help you draw more links to your website, which will help you raise your rating. Consequently, more than simply writing proficiency and a higher degree of knowledge are required to create a multimedia project or a website. It is necessary to have good organisational and business abilities.

People will be unable to read that dull book since it has animation, music, and movement Vertical Supply. Is the media being produced by the city within our control, allowing us to utilise our creativity to create dynamic multimedia? We can't only depend on words while presenting a presentation. The visitors will become bored since the sauce will take them in directions they don't want to go.

As a consequence, we cannot simply increase the number of animators, musicians, or videographers when we do a briefing. Additionally, we can design a dynamic point font that will intrigue your visitors. Supply chain integration is a subject that is covered in great detail in the literature on supply chain management. In order to grow, and sometimes even to survive, businesses must decide on acceptable governance models for effective supply chains. This covers open spot markets, hybrid business arrangements including partnerships, alliances, and joint ventures, contracting, and complete vertical integration. Scholars from a range of disciplines have taken an interest in vertical integration, and specialists in strategic management and organisational economics have made substantial contributions to our knowledge of the concept. In the SCM literature, vertical integration is seen as either one extreme of vertical supply chain coordination or as a precursor to supply chain integration. Concentration in the strategic supply chain is a serious issue for businesses in the industrial sector. Vertical integration describes how certain businesses, like the Spanish apparel retailer Zara, effectively control the whole supply chain, from design and manufacturing through distribution and transportation to retail locations all over the globe. Competitors of Zara in the retail clothing market including Benetton, The Gap, and Hennes & Mauritz continue to depend heavily or entirely on foreign manufacturing partners.

According to various scholars, integration is usually recognised as the most important component of successful supply chains. Cross-company integration is crucial because of the increased use of outsourcing, which has driven many supply chains to become more specialist. Even some theorists assert that outsourcing may increase the effectiveness of the supply chain. Although outsourcing is widespread in particular sectors and industries, it has been argued that various technology and economic conditions call for alternate supply chain governance solutions. In actuality, the vertical integration that results from the outsourcing strategy of the client may be seen as the downstream vertical integration of the providing business[11], [12].

There are several advantages to downstream integration for manufacturing businesses. First, in markets with high levels of uncertainty, it may help businesses secure product distribution channels. Second, it may provide a way to manage cost reductions and increases in supply chain efficiency. Third, downstream markets may provide important advantages in addition to large new income sources. To capture value downstream, manufacturers must rethink the idea of vertical integration and move their focus from operational excellence to customer loyalty. A company may simplify operations by using vertical integration to fully manage different phases of the production process rather than relying on outside suppliers or contractors. An organisation may achieve vertical integration without outsourcing if it buys or establishes its own manufacturers, distributors, suppliers, or retail stores. One disadvantage of vertical integration is the significant initial capital investment needed.

CONCLUSION

The complicated interaction of these ideas emphasises how important it is for media professionals and companies to continue to be flexible and adaptable. The vertical supply chain provides a method for controlling complexity and guaranteeing quality as convergence blurs the lines between conventional and digital media and multimedia platforms increase interaction. This triad of convergence, multimedia platforms, and the vertical supply chain has changed how information is produced, shared, and consumed; to succeed in the always changing media ecosystem, one must have a thorough awareness of these dynamics. As we explore the connections between these ideas, it becomes evident that realising their full potential is essential for engaging audiences successfully and maintaining an edge in the fast-moving world of contemporary media.

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CHAPTER 5

EVOLUTION OF MARKET FRAMEWORK AND LIMITS IN THE AGE OF DIGITAL CONVERGENCE

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ABSTRACT:

In the context of digital convergence, this article explores the transformational landscape of shifting market structures and limits. There have been substantial changes in markets and sectors as a result of the notion of digital convergence, which involves combining different technology systems to carry out comparable activities. This research looks at how the phenomena of digital convergence affects shifting market borders and structures. It examines how conventional industry boundaries have become fuzzier, resulting in new business strategies, partnerships, and difficulties. This study clarifies the complex effects of digital convergence on market dynamics by examining real-world examples and theoretical frameworks. The fusion of multiple media platforms, technology, and channels emphasises how crucial it is for firms to have adaptable strategies. Industries that were formerly independent are increasingly merging, giving rise to hybrid business structures and a variety of income sources. The market structures must be strategically reimagined in light of this changing environment if businesses are to take advantage of the synergies that digital convergence provides. However, the shifting market environment also brings with it difficulties, such as complicated regulations and more competition. Companies must overcome these challenges while seizing the opportunities offered by digital convergence. Organisations must develop agility, creativity, and adaptation to survive in the digital era as market borders continue to shift.

KEYWORDS:

Business, Convergence, Digital, Market, Media.

INTRODUCTION

The market structure demonstrates how businesses are grouped according to the kind of products they offer. Based on how they function and how external events impact them, businesses are distinguished. The two product categories that are offered on the market, homogeneous and heterogeneous, impact and distinguish the businesses. Before we explore how the media market structure is evolving, let's first define what it is. There is no such thing as an uncrowded market. The existence and dominance of monopolistic rivals, monopolists, oligopolists, and duopolists define the market's structure.

When there are many sellers and buyers in the market, there is monopolistic competition. However, the market has shown product difference in terms of both price and quality. Among others, television shows on various channels. The services, the objective, and the product are all the same. However, the idea of quality competition isn't as transparent as genuine, unrestrained market rivalry. across channels varies. Oligopoly is a market structure where programming across networks have developed as an only a limited number of enterprises operate together as a consequence of globalisation. It refers to the variety of web series. The bulk of the market share is controlled by Netflix, Amazon Prime, and others. Zee5 is one illustration. Similar products and services are offered by these networks and suppliers, but at varying costs and levels of quality. The broadcast networks that control almost all broadcast and cable channels are Comcast, NBC, Disney's ABC, CBS, and FOX.

In Duopoly or twinstick, there is only one vendor, which is the case in television or the market as a whole. The biggest barrier to entry for radio broadcasting in a monopolistic market is two or more stations. A monopolistic market is the most challenging to join in the same city or town. when a single vendor entirely dominates the market. Additionally, he is in responsible of setting the cost. An example would be a tiny town with only one radio station or news channel. Customers will swarm to the lone competitor in the market. Any newcomer would thus face ferocious hostility[1], [2].Despite the fact that discussions in the commercial media commonly utilise the word "monopoly." This phrase is widely used by critics to criticise major media companies like Disney and Time Warner. However, this term does not suit in the media. the same manner that ownership dominates the media market.

Media market structure

Technology advancements have significantly changed every area of media. Thus, a defence of the anticipated social advantages of media diversity is necessary. Media is divided into many different categories, including humour, drama, news, gaming, movies, and online content. Each of them makes a contribution to the media industry's market structure. The media economy is based on the functioning of several media outlets. These media sources now generate material in the form of a product, and because there are only a few participants in this market, it is known as an oligopoly. Oligopolistic companies compete with both other large companies and smaller companies while also increasing their efficiency to a significant degree. Limited competition or standardised tactics are frequently used to define oligopolistic alliances. An example would be a TV show that was created and then launched on the market with originality included into each episode.

Scale economies in the media industry

The cost benefits that a business obtains by changing the levels of its manufacturing processes are known as economies of scale. The inverse connection between per unit fixed cost and amount produced allows the firm to benefit from economies of scale. The per unit fixed cost of the product will increase as the amount of production decreases. The cost of film production is the finest illustration of economies of scale in the media. Once a movie has been made, its production costs are set, and the size of the audience has no effect on them. The television programme is an independent variable and has a set cost of production. Because it has no bearing on how many people will watch it. However, once a programme is broadcast, a change in the audience size may have an impact on both the supply and demand for the programme.

Let's examine how the different media organisations function. Network executives may think about developing a new product, like a new programme, to run at a specified time period when a show's popularity starts to decline. In order to arrange the episodes of the series they think will succeed, they will build a few pilots, test the pilots with an audience panel, and urge producers and writers to submit programme ideas that they think would appeal to the general public.In a similar vein, music business executives are always on the search for fresh talent. They think a performer in a certain genreclassical, western, or hip-hop, for examplewill be more well-liked than a well-known jazz player. The whole film industry has a special position in the economy of the nation. It also has a key place in the media sector due to its high revenue. The movie business encourages individuals to earn money on various platforms in addition to generating revenue at the box office. For instance, DVDs were quite popular at one point. The DVD has been mostly replaced by the Internet and other websites and application[3], [4].

The current media market is changing significantly because to the internet. It has evolved into a forum for communication between ordinary people and major companies. The new media market has been formed by any sector that engages with consumers via digital and social media channels. To satisfy people's aspirations, current marketing must be exceedingly inventive. The internet is a huge platform for lucrative engagement and production, but it also requires a significant investment of time and resources. As a result, it contributes significantly to the media market's income generation and competitive landscape. The fastest-growing channel for ads is the internet. The Internet is rapidly expanding on a global scale. Since the industry has come to an agreement on how to gather, aggregate, and use particular metrics and is able to offer them, it has become notably highly essential.

DISCUSSION

The public's appreciation and adulation of the Lumiere Brothers' work led to the commercialization of motion pictures. In this way, photography and the arts cleared the way for fresh endeavours all across the globe. Roadside performers and fairs, which drew a large number of musicians, wandering showmen, and clowns, provided entertainment for the public in the 18th century.The entertainment industry, on the other hand, saw a deregulation throughout the 19th century. They were urged to do so by several market newcomers. The United States was crucial in enticing new market players to make investments and grow their companies. After deregulation, the creative market drew a rush of new participants eager to invest and increase the productivity of the international cinema industry. The United States, along with a few other nations, dominated the film business during the first few years it was in operation. Despite the fact that these nations continue to play a crucial role in the global film business, a large number of newcomers from other nations are now significantly profiting from the film market in the media industry.

The coin-operated innovation of Edison Kinematography was a common sight at fairs and amusement parks in the 1880s. Viewers had to insert a cent into a slot and put on their glasses in order to see the movie. Later, cinematograph was used in favour of the term kinematograph. Lumière travelled the globe with a crew of operators who carried a cinematograph and a projector to project the movie. A sizable audience saw the first projection, which was quite promising for Lumière and his colleagues. A film at the time was made up only of individual pictures and image sequences. After a few years, films started to appear often in the humorous and theatrical programming. At the same time, gipsy cinema emerged, with theatres and tent-based theatres that toured the nation.

Then, as an intermediate product, films were promoted and hunted for international distributors. Around the globe, many cinemas have been constructed to screen films. The amount of rent paid varied according on perceived quality, overall supply and demand, and the cost of the ticket. It was greatest in first-run theatres in the city centre and lowest in neighbourhood theatres. Cinemas employed films to engage patrons for hours.Film studios turned their films into branded goods in order to make sure that profits were greater than theatre fixed expenses. With the advent of the feature film, they started shelling out significant amounts of money for the rights to well-known plays and books, as well as for actors, actresses, and directors. Many individuals are still interested in this intriguing area of the film business today. On the other hand, the enormous amounts spent on famous people and stories are not as random and arbitrary as they seem. Actually, they could be just as 'logical' and provide a quantifiable return as direct marketing and promotion investment.

Media economics has significantly increased since liberalisation. A booming media sector is the consequence of the rising number of television channels and greater internet use. Due to consumer demand, conventional media has transformed and evolved into new media.

Moreover, the media business is growing as a result of new technology. Due to the development of new technologies, digitization has changed the market structure of media as well as the source of revenue. An increase in the demand for video and digital content is driving the industry. And it will keep embracing the future of the media sector[5], [6].

The market structure, such as theatrical attendance, has changed significantly as a result of catastrophes like the coronavirus epidemic. Production, distribution, post-production services, movie theatres, and other related film and video businesses are all included in the film and video market. The biggest sector of the film and video industry by type, the market for film and video production accounted for 63.8 percent of the total in 2017, according to the news website businesswire.com.From 2017 through 2018, post-production services are predicted to rise at an average annual pace of 8.2%, making them the fastest-growing segment of the film and video business. The action, horror, comedy, documentary, drama, and other genres are available on the video and film markets. Drama was the most popular genre category in the movie and video industry in 2017, making for 24.8% of the total. With a CAGR of 9.3% between 2017 and 2018, the others market is anticipated to grow the fastest in the film and video industry when segmented by genre.

In 2017, 40.5 percent of the global film and video market was accounted for by North America. Western Europe, the Asia-Pacific region, and the rest of the globe followed. Future growth rates for the film and video market will be fastest in South America and Africa, with CAGRs of 11.7 and 9.9 percent, respectively. The Middle East and Asia Pacific are expected to follow, with respective CAGRs of 9.6% and 8.4%.

Newspaper

According to official estimates, the daily newspaper circulation in 2000 was over 50 million, making print media a significant contributor to India's GDP. The number of infected people fell below 40 million in 2016 and continued to decline. Following their research of the print media sector, publishers started concentrating on customer-centric business tactics. for the purpose of the business being able to make money. The publisher's attention has shifted to the internet business as a result of the rising number of internet users.

The print media industry has declined ever since customers started turning to the internet. As a consequence, internet material started to catch the attention of both consumers and publishers. The problem had a big effect on the economy and on many facets of the media. In October 2003, many newspaper advertisers, companies, event planners for Dish TV-owned Zed on 2nd, and the film industry were all negatively impacted. India is the country with the biggest DTH market.

DTH

DTH service was a subscriber-based service in India. There are now 4 paid DTH providers in the nation. DTH users' dish antennas receive digital TV channel signals from satellites, which are then sent to their televisions using a set top box. According to a news source, the live mint DTH market offer generates a persistent demand for OTT services and continues to be compelling in the medium to long term despite the influx of imitative OTT STBs. Despite the current market structure and streaming services, it is still prospering. It affects the organisation of the OTT market. the number of rivals, the concentration of the market, the products and services

In a 2017 research, Airtel noted that the 5 lakh customers in the DTH television industry are the key determinants that define the OTT market, along with market entrance hurdles. It is the second-largest participant in the DTH market. India's linear OTT licences, content suppliers, operators, and television pricing structure are extremely affordable when compared to the rest of the market. Paying manufacturers and counterfeit set-top boxes a pittance to get channel access is a no-brainer because to the way that Internet firms, smart TVs, and box pricing structures are set up[7], [8].

OTT

The killer app for broadband providers is OTT video, which gives viewers interactive TV and value-added services online. The conventional cable, satellite, and terrestrial television markets were significantly impacted. A 30% decline in subscribers occurred as a consequence of OTT video quickly engulfing and destabilising traditional television. The OTT box smartly and easily implements multi-screen interaction, value-added apps, home network sharing, smart medical, and smart education, among other things, which is why users appreciate and need OTT services. The primary OTT rivals right now are manufacturers. Product differentiation is one of the most crucial facets of the market structure. Businesses draw customers by providing unique items, cultivating client preferences, loyalty, and a competitive edge.

The most significant areas of difference between OTT goods and services are in content, marketing, user experience, and value-added services. The OTT market is oligopolistic. It still has a high barrier to entry and requires significant market expenditures. A great example of the streaming business is Netflix. Even though it does not control the network, it is nonetheless a highly successful virtual operator. However, the key barriers to entry for the new player in the industry are licencing, content control, and product differentiation.

India will have 504 million active Internet users by 2017, according to Times of India. Of the overall number of people using the Internet, 433 million are older than 12 years old, and 71 million use family members' gadgets to access the web. In urban India, 90% of users access the Internet at least once every week. Compared to March 2017, 30 million more people in rural India now regularly use the internet. Up to $537.4 billion of India's GDP in 2017 came from the Internet economy, $270.9 billion of which came from apps. Approximately 70% of mobile traffic was attributed to apps.

According to World Bank research, each 10% increase in broadband coverage enhances GDP growth in developing nations by 1.38%. The media economy has been impacted by the internet in many different ways, including media piracy, cheaper distribution costs, and media synergy. Therefore, all media outlets give a variety of materials that customers are used to accessing via other media platforms. For instance, almost all news portals provide customers with both textual and video information. The internet has also had an impact on the advertising sector. The businesses don't simply look for big news portals to position their advertising; they also do so on any respectable website that functions well and has relevant material. For instance, you might post a clothes advertisement on any website for fashion. Media convergence is greatly influenced by the Internet, which links information and communication technologies. Although new Internet media have certain similarities to traditional media, they also have some distinctive qualities. On the content side, user-generated content and aggregation by third parties without an editorial stance have grown in importance. On the advertiser's side, several social networks and Internet media enable precise ad targeting and customization depending on specific user traits. We see additional user choices for time-shifting, multi-homing, and active search. These changes have been accompanied by the entry of new players into the media space, such as search engines and Internet service providers. Some of these businesses have to cope with brand-new strategic challenges, such how to communicate search results. The search engine firm Google is crucial in helping these advertising companies reach their target customers[9], [10].

The India Market

An EY analysis estimates that the Indian media would produce 19 billion US dollars in income in 2017, with the United States coming in second with 25 billion US dollars. According to IBEF projections, the Indian mobile gaming market is predicted to reach a value of $7 billion by 2018. Additionally, the advertising-based video on demand market, which is predicted to generate US$2.6 billion by 2018, seems to strengthen the media industry. Prior to the outbreak, it was revealed that Hollywood and regional films produced in India had a significant role in the film industry's growth in 2016 and 2017. India produces approximately twice as many films every yearbetween 1500 and 2000in more than 20 different languages. India has the highest global movie attendance, exceeding the combined numbers of the US, China, and Japan, with an average ticket price of US$0.81. With millions of copies sold each day, India is one of the greatest marketplaces in the world for newspaper sales. Despite the fact that the global newspaper sector is in decline, one of India's biggest media-related sectors is digital media, which also includes filmed entertainment, radio, and music.

Despite this, the newspaper industry is booming thanks to the continued creation of newspapers. Despite publishing in regional languages and the fact that the country's socioeconomic situation presents the newspaper business with various obstacles, it is nonetheless able to compete in the market. It could be because of its standing as a trustworthy resource for information, as well as its creativity and expertise. The newspaper business is the best at self-promotion and marketing. India still maintains a strong newspaper business compared to many other nations, like the US and Japan, despite losing its position as a media powerhouse. According to Times of India, the magazine business in India made close to Rs. 10 billion in revenue in fiscal year 2017, while the newspaper sector earned over Rs. 295 billion. Sector promotes the glory, culture, and values of India throughout the fiscal year. In order to reach a broad audience, it also makes use of the ongoing popularity of digital platforms like e-books in local languages. It goes without saying that India's publishing sector has a bright future.

Convergence Of Media

Media convergence refers to a platform's openness to various media materials. Mobile phones are now compatible with television and newspapers thanks to technical advancements. Because of digital convergence, news consumers may now read the news on their smartphones.

The interactive digital revolution has made it feasible for broadcast media and telecommunications to combine. In the US, the print industry stopped offering broadcast services in 2017. Generally speaking, media increased over the prior fiscal year by over 8%. According to the publication, Indian publishing is a confluence or fusion of several media channels. According to a news website called exchange4media, the media is an essential tool for education, lifelong learning, the promotion of Indian culture, values, and excellence, and recreation. It was created in collaboration with the Association of Publishers in India. In 1983, it outnumbered print media. By 1923, it had decreased to 29. By the late 1990s, just 10 significant media corporations dominated the industry, down from 23 at the beginning of the decade.

A few examples of huge firms are Warner, Walt Disney, News Corporation, Viacom, Vivendi, Sony, AT&T, Liberty Media, and General Electric. Traditional media sources have been forced to reinvent themselves as digital media has become more and more popular in order to remain competitive. Media mergers and acquisitions were the outcome of the desire to reinvent oneself. There are, however, a number of other reasons that have benefited mergers and acquisitions. For instance, private equity investors with a lot of wealth are highly interested in the steady cash flow produced by media firms. However, the twentieth century saw the final breakup of all the firms that had joined forces with other businesses, including Viacom. Since they had the most shares, they sold their equivalents. The media and entertainment business is undergoing a significant change as a result of the complex M&A activity in media companies. The media and entertainment industries have remained silent for the last several years. Zed, on the other hand, is now collaborating with Sony. According to news sources, this merger will be the most successful of all. Zed is a fictitious content producer with a significant local following. Sony, on the other hand, dominates the non-fiction entertainment sector. If Zee-Sony combined their 25% broadcast market share, they would be valued at $2 billion. The M&E sector is going through three significant shifts, according to Karan Taurani, SVP - Research Analyst at Elara Capital. This entails three things: a) a move to digital; b) a convergence of ad growth; and c) broadcast tariff control. Consolidation is necessary "to maintain the growth rate and have a say in the market." Everyone loses since everyone will end up paying more for content if the market stays fragmented, even if there are only 5 or 6 competitors. In order to get the best of the market, consolidation is necessary, which leads to a scenario in which two or three bigger enterprises dominate a significant piece of the industry.

Distribution of media across several media channels is referred to as media convergence. One may use a PC to access Adele's music album or an iPod or iPhone to listen to it. Media convergence causes the distinctions between diverse media types to become hazier, giving rise to new media services and products. The business structure and ethos of the media sector have also changed as a result. It has been noted that consumer behaviour has been impacted by media convergence in addition to market trends. The way that consumers see media items and content has changed. The convergence has also eliminated the distinction between the economic and culture. Considerations should be given to production and consumption as well as a passive and active audience. The news content from social media is the finest illustration of this.

News still has the same purpose and substance, but it is now distributed simultaneously across many channels to better serve the public. The distinction between a producer and a client has become hazier as a result of convergence as more market competitors are impacted by digitization.

It motivates conventional media to reinvent themselves, which has direct effects on production techniques. Convergence has resulted in a fundamental change in the media sector's market structure. Currently, monopolistic competition is common in the media sector. A select few media proprietors continue to control the market, nevertheless.

CONCLUSION

Market structures and borders have undergone a significant transformation as a result of the emergence of digital convergence. Due to the integration of technology and services, the once independent industries are now intertwined and reliant on one another. Companies are forced to reevaluate their strategy, adjust to changing customer behaviours, and investigate cutting-edge collaborations as old boundaries dissolve.In conclusion, the interaction between shifting market structures and digital convergence reshapes sectors and necessitates that stakeholders comprehend and take advantage of these dynamics in order to remain relevant and competitive. Those who can successfully manage the changing environment and use digital convergence to redefine markets and develop new value propositions are the ones who will succeed in the future.

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CHAPTER 6

TRANSFORMATION OF MARKET CONFIGURATION AND LIMITS IN THE ERA OF DIGITAL CONVERGENCE

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ABSTRACT:

Significant changes in market structure and limits have been sparked by the phenomena of digital convergence across a variety of sectors. This abstract explores the complex interactions between market dynamics and digital convergence. Due to the melding of formerly separate platforms and sectors brought about by digital convergence, a byproduct of technology development, the competitive environment has changed. This essay examines how old market distinctions are eroded by digital convergence, how new partnerships are fostered, and how existing business models are put to the test. The abstract also emphasises how consumer behaviour, industrial competitiveness, and strategic decision-making are affected by shifting market arrangements. It offers insights into the complex implications of digital convergence on market dynamics by examining real-world examples from industries including media, telecommunications, and technology.

KEYWORDS:

Convergence, Development, Digital, Market, Transformation.

INTRODUCTION

Technology development and media innovation have a notable influence on people's lives, society, and the economy. Beginning in the first decade of the twenty-first century, new media technologies like the internet progressively began to replace traditional media. The development of communication technology has influenced both the media industry's future and people's daily lives. The new interactive media business has seen expansion and commercialization since print media arrived. All media companies understood the value of innovation, but many of them lacked the confidence to lead the way because they were risk-averse. Companies who don't accept new technologies don't get the advantages either. On the other hand, businesses that embraced new technologies also failed to reap the rewards. Eg. Sony, a producer of electronic goods, revolutionised music listening when it created the Walkman. The Walkman was a necessary adolescent accessory. However, Walkman sales began to decline as MP3 players entered the market. MP3 players destroyed the legendary Walkman, and smartphones then killed them. Sony failed to adjust to technical advancements including digitization, the move towards software, and the rise of internet music that may be downloaded illegally. Sony has the technology to introduce a device that was superior to the iPod, but it never did. Because they believed it would jeopardise their compatibility with the market, the corporation was too hesitant to try anything new. The development of the internet and digitalization has decreased costs or increased income; it also has the potential to alter market norms[1], [2].

New technology adoption framework

The process of creative destruction, which is accomplished by businesspeople who consistently reinvent goods and manufacturing methods to increase utility for customers and spur economic growth, is the key factor driving economic progress. It has become essential to commercialising companies for success and economic growth. The organisational structure is impacted by innovation as well. For instance, the introduction of new technology often modifies the current value chain in an industry, prompting businesses to either figure out how to add value by integrating the new technology into the old system or try to increase value using the conventional system. The financial value and level of advancement brought about by the presentation of new media should be evident from how digital TV altered the format and substance of TV programming and how the Internet is unsettling the distribution of musical works.

Commercial strategy

How an organization's management responds to innovation is a crucial prerequisite for adoption and deployment of new technologies. Regardless of size, management attitudes, beliefs, values, and attitudes towards innovation are crucial in every organisation. Adopting new technology would assist media companies in innovating their product or service, exploring new market opportunities, and meeting the needs of a new line of clients. Three particular facilitators of firm-level entrepreneurial behaviour were put forward by Barringer and Bluedorn: opportunity recognition, organisational flexibility, and the capacity to assess, promote, and reward creative and risk-taking behaviour.

Organization's Perspective on Innovation

A number of factors may be used to evaluate an organization's approach to innovation:

Strategic approach

Only if resources are employed as effectively as possible will an organisation be able to take full advantage of opportunities.

Willingness to seize opportunity

If a company has an action-oriented strategy, it will quickly cash in on incoming. Opportunities when a company with an analysis-oriented strategy will be more circumspect before seizing one.

Responsibly using resources

A specific company adheres to the principle of fully using all resources to take advantage of possibilities whilesome businesses favour efficient resource use while saving some for the future.Modern media companies believe in having a flattened management structure so that decisions can be made quickly, workers can be held accountable for their work, and employees may be paid based on performance. While conventional organisations continue to adhere to a vertical structure, which slows down decision-making and increases reliance on elders.

Growth propensity

An inventive company prioritises rapid expansion and recognises the risk involved with growth potential, while a corporation with a conservative strategy favours steady, safe growth.

Organisational culture

While conservative firms restrict the evolution of their thinking and fail to see opportunities, contemporary organisations concentrate on idea generation, innovation, and opportunity identification.

Ambiguous environment, management, and business size

Regardless of size, management viewpoints are crucial for all media companies. Large organisations place greater emphasis on their long-term sustainability in this competitive climate. High-tech technology has an impact on the new media era, transforming the social landscape for media consumers and the contribution of social media to the uptake of new media. Pricing aspect. Consumer media consumption is influenced by elements including product originality, market competitiveness, price, and social media influencers[3], [4].

Uniqueness of media products

The organisational choice is heavily influenced by how effective small businesses can be in prospecting for new markets and seizing new possibilities. Technology innovation benefits from the confusing environment. Media tools have changed as a result of the internet and digitalization.

DISCUSSION

Media companies nowadays base their searches on the resources that are available in a certain media business. In order to differentiate their product or service from rivals, media and non-media companies often build strategic networks.

Eg. A media company with a core product could collaborate with a non-media company to aid with distribution, marketing, content processing, and other tasks, therefore enhancing the total offering.

Adoption of new media by media companies on a horizontal and vertical scale. Organisations may take advantage of new technology, investigate new prospects, pool resources, and share market risk thanks to network links. smaller businesses offering cutting-edge services or goods.

Firm characteristics

Just as consumer personal attributes play a role in how consumers accept new media, so too do organisational features play a role in how businesses overcome obstacles to entrance, distribution systems, new markets, and other issues.

Firm media strategy

Based on the premise that organisations with diverse organisational beliefs would have varied organisational strategic choices, Miles and Snow devised a framework for demonstrating organisational attitude towards new product creation, structure, and process.According to Miles and Snow's taxonomy, there are four types of organisations.

Prospectors are the ones who are always eager to seize chances presented by new goods and markets.

To strengthen a consistent lineup of goods and services, Protector concentrates on luring certain market niches.Between prospector and protector, the reviewer closely monitors and supports the prospector while also reviewing and defending a stable group of goods and services. catalysts that respond to competition with a short-term emphasis but lack a consistent product or market direction.

Management Viewpoint

The managerial viewpoint is another element that affects how new technologies are received. The management must be capable, independent, and willing. capacity to take risks. Because the adoption of new media technologies often takes the shape of investments that need a bigger size and breadth as well as higher coordination, the capacity for taking risks may be a stronger indicator of a media company's management skills. The adoption of new media is influenced by an organization's historical experience and the evolving role of new media technologies.

Competitive Repertoires

By competitive repertoires, we mean media companies' plans for luring, satisfying, and retaining clients in a certain market niche. Regarding media products, repertoires are impacted by the market segment that a media company works in. The majority of media businesses operate in an oligopoly market, which limits the number of enterprises with competing repertoires[5], [6].

Current new media holdings and previous performance

The media that organisations presently own also provide a clue about the possibility that the decision-making procedure will be used in the future. The earlier experiences of an organisation also provide insight into the resources that are available for commercialising new media technologies. Companies quickly embrace the new technology with an aggressive attitude and alter their marketing. In an innovative world, size may be a problem. A major company may be too busy serving the market's immediate needs to devote enough resources to the new technology. as opposed to a modest plan. Additionally, these businesses are effective in outpacing other large corporations in the market. Eg. A little company called America Online was one at the time the internet dial-up service was launched. What steps a media company has to take to successfully promote these services in place of technology. reputable media companies.

Strong age:

Even the firm's age has an effect on how quickly technology is adopted, similar to how big a media company is. In general, a company's resources and market experience increase with age. But sometimes, businesses miss out on chances, adjust their business plans, and even show a lack of risk-taking inclination. Businesses with regard to media goods, particularly those with branded content Loyalty and established customer connections, may be better positioned to evaluate consumer demands and capitalise on the market potential of new media technologies, either alone or via strategic networks.

Just consider how a pandemic might develop in the absence of OTT platforms. Earlier people used to rent DVDs or CDs to watch their favourite films, but now you can watch any movie from any time on OTT platform. On the one hand, the development of the OTT platform has entertained many youths, and on the other hand, it has also helped many producers to release their films or web series on various OTT channels like Amazon prime, Disney Hotstar, Netflix, etc. The OTT platform's existence is an illustration of creative destruction. Joseph Schumpeter, a renowned economist, coined the phrase "creative destruction" in the 1940s. Schumpeter used the phrase to describe the "process of industrial mutation that incessantly revolutionises the economic structure from within, incessantly destroying the old one, incessantly creating a new one." Adopting new technology is the only way for economies to advance. An organisation that always aspires to outperform its competitors often reacts favourably to the adoption of new technologies. By offering customers better goods and services, cutting costs, effectively utilising resources, etc., creative destruction aids businesses in gaining market dominance.

CREATIVE Destruction's Function in Free Enterprise

Free market economists reject the government's attempt to regulate the process of decline and see creative destruction as an inevitable and essential component of economic growth. Free market economists claimed that if a company is losing market share, it should close down so that resources might be directed to a more successful company. Market volatility encourages businesses to keep improving their goods and services while limiting expenses. While change may sometimes lead to job losses due to Creative Destruction, it can also open up long-term career chances in new fields that are often overlooked by workers. Increased job prospects are a consequence of a developing economy, which is shown by growth in the service sector. A significant technical shift in the music industry led to the rise and demise of several businesses. For instance, CDs replaced cassettes, which were then replaced by digital music services like Spotify, etc[7], [8].The negative aspect of creative destruction is:

Structural unemployment

Because of changes in industry standards, workers may not have the skills necessary to get better employment possibilities. Permanent structural unemployment is a possibility. One of the causes of structural unemployment may be technological development. The business sector might provide outside advantages that affect societal efficiency. For instance, the Beeching report recommended in the 1960s that the UK replace its railways with roads because it believed the automobile to be a more efficient mode of transportation. However, as congestion and pollution increased, the government was eventually forced to reconsider its recommendation to close the railways.

Regional unemployment

Regional immobility might extend the "phrase of destruction" in an economy that is changing. Large closures and the loss of several employment may be challenging for the neighbourhood. New jobs may be created by the economy, but not in places with significant unemployment. Long-term poor growth and large local unemployment may result from this. Not a Pareto improvement: A Pareto improvement is one in which economic activity has no negative effects on any person. While some individuals may benefit from creative destruction, others may suffer as a result.

The Creative Destruction Claim

Adopting new technology is the only way for economies to advance. An organisation that always aspires to outperform its competitors often reacts favourably to the adoption of new technologies. If companies can successfully replace outdated technologies with new ones, they will assist organisations dominate the market by offering customers better goods and services, cutting costs, effectively using resources, etc. The GDP of the country will also start to rise. Critical resources like time and money may be saved by using creative destruction, which improves employee productivity and raises wealth and living standards. By producing products or services at a reduced cost and reaping a better profit, organisations may make the greatest use of their resources. If management correctly manages the process of creative destruction, businesses may dominate the market. Many workers' employment may be saved by giving them the right training and insights into the new system, preserving the company's reputation in the process.

Creative Destruction's Importance for Capitalism

We examine the long-term effects of capitalism and estimate its efficacy in terms of economic development and higher living standards rather than gauging it by where the business cycle is at any one moment in time. This is so because the capitalist economic cycle's instability both signals and facilitates the creative destruction process. While the majority of policy research focuses on redistributing funds across the current income distribution, e. g. stealing from Amazon. Schumpeter argues that the emphasis should instead be on whether the income distribution itself changes, whether a new distribution can be established, or if an existing distribution can be destroyed. He makes this argument by taking a dollar from CEO Jeff Bezos and giving it to a McDonald's employee. Can a lower-class employee of McDonald's succeed Jeff Bezos and become the CEO of Amazon?

The largest challenge to many businesses comes from smaller, more nimble entrants with disruptive technologies that pose a threat to market dominance, not from well-established rivals in their industry. There are several instances of current businesses and technology being threatened with extinction by the never-ending wave of creative destruction. Uber and taxis, Netflix and Blockbuster, Amazon and Wal-Mart. According to Schumpeter, a creative destruction process may be started by five different sorts of inventions. establishing new markets, finding new markets, offering new items or product attributes, and introducing new manufacturing techniques. sources and mergers that occur during industry restructuring

International commerce is another significant factor in creative destruction. The five sources of innovation identified by Schumpeter do not obstruct global commerce. The only difference between introducing foreign goods, technology, or industrial organisation techniques into the home market and indigenous innovation is that the latter now faces international competition.Startups are mostly run by the founders of a startup in the burgeoning technology sector with its headquarters in a garage. While established businesses with sizable, well-equipped R&D laboratories for doing expensive research make up the majority of current players. Established businesses are too scared to take significant risks, complacent, and stuck in the past. The innovation will circle around lethargic existing corporations until the wobbling dinosaurs fall under their own weight. In contrast, smaller, more nimble entrepreneurs are eager to challenge the established quo.

By bridging the resource gap between established and up-and-coming firms, access to finance empowers the latter to introduce innovation to the market. Government collaborations, grants, or existing entrepreneurs and R & D laboratories are supported by policymakers because of the crucial role that both new entrepreneurs and established enterprises play in fostering innovation. We have made an effort to encourage innovation via various programmes.The effects of economic development on society and politics, particularly unemployment. An obvious and typical example is when a small town experiences disruptionwhether as a result of global commerce or changes in the market brought on by innovationand loses its principal employer. Unemployment and hopelessness are caused by creative destruction. The young guy leaves the city in search of a brighter view, hollowing out the city while the elderly man remains behind and weakens bonds within the community. These urban migrants often look for low-paying work in the locations where they have just been employed. Residents in the city complain about industry, and local politics is heading in a nasty path[9], [10].

Innovation itself also has a direct cultural influence, however this transformation has not yet permeated the field of economics. The introduction of the printing press to Europe by Johannes Gutenberg is maybe the greatest illustration. The press didn't only produce a new printer of the highest quality. The printing press illustration is comparable to modern social media. Because we are categorised as information silos and each of us is sheltering in our own unique flow of information, public spaces have collapsed and the ultimate social and political consequence hasn't yet been fully felt. has not yet been established. Therefore, policymakers have been attempting to maximise the advantages of the creative destruction process while minimising the burden on individuals who are ejected by innovation, with a range of results. The old must be eliminated in order to reap the rewards of creation. Innovation would not be able to influence capitalism's result otherwise.

The impact of creative destruction on the entertainment business during the Covid period.This claim is not brand-new. This move has often been described as inevitable due to the abundance of affordable streaming services that take advantage of India's 4G boom. It has accelerated the process as filmmakers are scrambling to release straight on OTT, avoiding the theatre release, and the move has obviously incensed the exhibition industry given the significant investments at risk and the lack of any indication that movie halls would open anytime soon. In a perfect world, both coexist and traditional cannot be replaced by a digital creation. Producers won't be afraid to release their material on OTT platforms until we have a clear concept of what "ideal" is for the entertainment sector.

Traditional media outlets owned by media organisations are still transforming into multi-platform media businesses in the twenty-first century. For many years, material was only distributed via a single medium, such as a newspaper, radio, or another. Nowadays, media companies that are technology-driven distribute their content on a variety of channels, including both classic and new media platforms. For instance, social media sites like Facebook and YouTube also broadcast television programmes, and extra material is shared on OTT services and mobile devices. Instead of restricting their content distribution to only one channel, media organisations now use a 360-degree strategy. However, a media organisation must also consider the utility and accessibility of the media platform before using this strategy. Cost efficacy and the viability of the platform chosen to support the programme. Examining multiplatform organisations within the perspective of the economy. Public goods are those things that aren't consumed very much throughout the consuming process and whose cost to add a new user is similarly extremely little, for example, adding more television viewers would rarely incur any extra costs for the broadcaster. Some economists hold the opinion that media commodities are non-rival, such as television and radio, where a large number of simultaneous viewers or listeners won't degrade the quality. While some have claimed that media items are non-executable, non-executable commodities include Netflix and Amazon since subscribers may view content that runs on these platforms.

Business strategy

The media company's approach for generating income is called its business model. Model advertising comes in three flavours, subscription, pay per usage.

1. Media firms get money from advertisements via the use of platforms like Facebook, YouTube, etc.

2. The subscription model generates income by charging consumers a monthly charge, such as Disney Hotstar.

3. The consumer receives limitless access, but they are only paid for the services they really use, such as just subscribing to a sports channel during the cricket world cup.

Supplementary And Alternative

One product becomes a replacement for another when the price of another product rises, for example. If a movie is expensive at Cinpolis and inexpensive at Inox, Inox will take the place of Cinpolis. When complementary products are eaten together, customers get a richer experience. When the demand for one product declines as the price of another one increases, the two products are complimentary. For instance, a spike in internet costs might impact the demand for OTT services. The marginal cost of manufacturing reduces as output rises. This is so that the expense of manufacturing is spread out as output rises. The output generated and the fixed cost of production are inversely related. Because of its qualities as a provider of public goods, the media sector benefits from economies of scale. For instance, when the quantity of viewers or readers grows, the average cost of delivering a product decreases.

The variety of tasks that a media outlet does, from content creation to ultimate consumer delivery. It entails planning, producing, promoting, distributing, and providing after-sales support to the final consumer. A single firm may do this, or if the company is small, many businesses may handle it. A link is made in order to enhance a product before it is delivered to the final consumer. The cost of manufacturing lowers as product diversity among related items increases. It becomes more cost-effective to sell when certain expenses are shared by two or more items. The broad availability of several distribution options is reflected in the fact that many organisations choose to engage in mergers and acquisitions.

CONCLUSION

In conclusion, a revolutionary wave that has been sparked by digital convergence is still reshaping market structures and borders. This essay emphasizes the complex interplay between technical development and paradigmatic upheavals in business. Companies must adjust to these shifting dynamics in order to be competitive and relevant as industries grow increasingly integrated and interdependent. Traditional sector borders are thinning, which is encouraging the development of new ecosystems and alliances. This research highlights the necessity for proactive approaches that take use of digital convergence's prospects while minimizing its possible drawbacks. Businesses must constantly reevaluate their strategy to handle the shifting terrain of changing market structures and limits as digital technologies advance and customer tastes change.

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CHAPTER 7

INTEGRATION OF DIGITAL TECHNOLOGY WITH MEDIA CONTENT

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ABSTRACT:

In recent decades, the media landscape has seen a significant upheaval as a result of the quick development of digital technology. Information creation, distribution, and consumption across a variety of media platforms have all been significantly altered by digitization, the act of transforming analogue information into digital format. This transition has had a profound impact on audience engagement, economic strategies, and social communication patterns in addition to changing how media material is generated and distributed. A revolutionary paradigm in information consumption and distribution has emerged as a result of the confluence of media and digitalization. This essay examines the complex effects of digitalization on several media platforms, such as print, broadcast, and internet ones. Content is converted into binary code during the digitization process, allowing for easy storage, transport, and modification. This essay examines the effects of digitalization on media firms, content producers, and consumers, taking into account both potential benefits and drawbacks. It also looks at how audience engagement and interaction have changed in the digital age. This research illuminates the changing media environment caused by digitalization by examining case studies and market trends.

KEYWORDS:

Content, DigitalTechnology, MediaPlatforms,Media Landscape.

INTRODUCTION

Digitization is the process of transferring information into a digital format. The information is arranged in this case into discrete bits that may each be addressed separately. Computers and other devices with processing power process this binary data. Information has become more easier to store, access, and exchange globally thanks to digitization. The adoption of digitization has had a favourable influence on every industry, and the media and entertainment sectors are no exception. The digital revolution has completely transformed the M & E sector, shattering old boundaries and fostering more intense rivalry. The government has actively participated in this. supporting the media and entertainment sector, particularly with the use of numerous policies designed to do so increased digitalization, which includes the creation of digital communication infrastructure. Television technology has made significant advancements. Thanks to the advent of digital transmission, users now have a broad variety of options when it comes to receiving television signals. You may also play or stream movies in a variety of resolutions. Digital signals provide a better degree of efficiency when it comes to visual quality. In actuality, high-definition displays may only be used to show digital data.

Print media: At one time, news actually came straight off the presses; actual newspapers were widely available, mass-produced, and distributed across cities for anybody to pick up, flip through, and read every word. News is now easily accessible with just one click. Additionally, distribution may be done by email or a mobile app. No longer do readers of the news have to wait until the next day to read the news; they now get all news updates instantly.

images: The days of waiting for printed images to arrive have long since passed. Photography that has been digitised has improved preservation, can be shared widely, and can be taken again if the first shot wasn't good enough. Even digitalization makes it possible to scan old photographs, save them for a longer time, and preserve the memories[1], [2].

Music industry

As a consequence of digitization, the music business has undergone considerable changes. Digitization removed raw materials like CDs and LPs and moved conventional distribution channels to the internet, which led to major cost savings in supply chain management. Digital audition methods made it simple for anyone to enter the market, which increased the number of vendors, authors, and performers.

Theories of Media Firm Management

In order to explain managers' behaviour and the effects of that behaviour on their organisations and the overall economy, managerial theories of the business lay a strong focus on a variety of incentive systems. Traditional ideas suggest that the business is owned by its owners, who want to maximise short-term earnings. Modern management theories of the business look at the idea that the company is run by its managers rather than its owners and that it does not seek to maximise profits. Although profit is still a key component of these ideas, it is no longer seen as the company's primary or defining objective. Growth or maximisation of sales income are further potential objectives.

The media economy

The three management theories of the media company are as follows: First, consider Baumol's Theory of Sales Revenue Maximisation. The sales maximisation aim, according to Baumol, states that managers of businesses attempt to maximise their sales income subject to the restriction of making a respectable profit. According to the description given above, once earnings have reached a level that the shareholders deem adequate, the management of a media company focus their efforts on increasing revenue rather than on maximising profits by promoting sales. It's crucial to keep in mind that businesses take profit into consideration. They do want to generate a sizable profit. However, when companies have achieved a respectable level of profit, they start concentrating on increasing sales rather than profits. The following justifications are offered in favour of raising the sales goal:

More Realistic

A more practical objective is to boost sales. In actuality, media companies prioritise growing sales above growing profits. This is due to the fact that total revenues are often used to gauge a company's performance. According to Ferguson and Krupps, "Baumoul's thesis has a tremendous benefit among the various possibilities advancedit raises the other models in the direction of realism and believability while still allowing a rather comprehensive theoretical analysis.The revenue maximisation idea put forward by Baumol is more reasonable. This is so because raising income aims to boost production, which in turn causes prices to go down. As a consequence, consumer welfare is promoted. They support the businesses' goals as well.

Maximum Sales

A company's maximum sales serve as a representation of its strongest position in the market. Only if customers enjoy a company's goods, it has greater competitive strength, and it has been growing can it have large sales. All of these traits point to the success of the business.A further advantage for the management is that it is in their best interests for the business to pursue maximum sales. Their market reputation thus increases. The ability of the managers is determined by the maximum sales. Their compensation benefits as a result. The business can afford to give its employees raises. Relationships between employers and employees so become better. After establishing a given amount of profit, the managers' continual goal is to increase the company's sales[3], [4].

Model For Maximizing Growth in Marris

According to marris, owners desire profits and market share, but managers seek greater pay, employment security, and career advancement. These two goals may be achieved by maximising the firm's balanced growth, which is defined by the growth rate of both the firm's capital supply and the demand for its goods in the digitization and media sector. The demand for the media company's product and capital supply must rise at the same pace in order for the growth rate to be balanced. In order to maximise balanced development, businesses must consider two limits, which are described below.

Management difficulties

Marris stressed the importance of human resources in achieving the objectives of media organisations as one of the management problems. The abilities, knowledge, effectiveness, and honesty of media house managers are crucial to the development of the business. Media companies with significant levels of expansion could encounter a talent limit among current workers due to a shortage of management skill sets in the necessary size. Although new employees lack the expertise to make swift decisions, this might be another barrier. New hires may be used to increase the management pool with the necessary skills.

Financial Constraint

Adequate maintenance of the three primary financial ratios is required for prudent financial policy.

Present Ratio

The liquidity ratio is the ratio of liquid assets to total assets. Lack of funds increases the risk of insolvency.

Leverage/Debt

Itis the ratio of debt to total assets, sometimes referred to as the debt-equity ratio. A high debt-to-equity ratio increases the likelihood that the business may fail.

Retention of profits:

Retention of profits increases reserves, which aids in capital expansion.

The company will be financially constrained if all of the aforementioned factors are combined into a single parameter. The following policy factors are included in Marris' balanced growth model. The media company is free to pick its financial strategy since it independently calculates the three financial measures of liquidity, leverage/debt, and retention. The media may choose to choose how quickly it diversifies by expanding its product line or just modifying the design of its current product line. Alternately, it may put both policies into effect simultaneously. The firm's pricing is not a factor in the policy. It is a movable. The oligopolistic nature of the market determines the pricing. Production costs are also a given. The media company has total control over the amount of money it spends on advertising and R&D. A higher investment in marketing and R&D will result in a lower profit margin given the pricing and manufacturing expenses, and vice versa.

DISCUSSION

Berle-Means-Managerial Utility Maximization is a theory that was developed independently by Galbralth and Williamson. An alternative term for it is managerial discretion theory. The thesis is based on the notion that the shareholders and management of the company are two separate groups. The owners or shareholders are interested because they want substantial dividends. On the other hand, when it comes to maximising profits, managers have goals other than profit maximisation. after the executives have achieved a profit level that enables them to provide fair dividends to shareholders while still enabling the business to expand. They are free to increase their own pay, the number of employees they have, and the amount they spend on them. Williamson asserts that "the manager, consequently, has discretion to pursue purposes other than profits" because capital market pressure and product market competition are "imperfect." Berle and Means added that "the lack of corporate democracy leaves owners or shareholders with little or no capacity to modify corporation policy.Following rules that optimise the following elements of his utility function is required of the media manager.

Addition of personnel

The management wants to increase both the number and calibre of the workers that work for him. The remuneration of the personnel will increase as a consequence of this. Greater workers are desired since they increase the boss's revenue, status, and security.Managerial salaries have increased. The value of a manager may be altered by compensation as well. It includes perks like an allowance for amusement, a luxurious office, a staff vehicle, a corporate phone, etc. This kind of spending mostly reflects the manager's rank, authority, and prestige.

Media investment and digitization Discretionary Power

The manager's ability to make investments outside of those necessary for daily operations is a prerequisite for managerial utility. The management has the resources to invest in cutting-edge equipment and contemporary facilities. These expenditures could or might not be economical. The management could make these investments for their personal satisfaction.According to the idea, shareholders and management are two separate groups in a corporation. The company seeks to maximise its return on investment and profits, while managers want to maximise their profits while doing rewarding jobs. The utility function of a manager is shown by Williamson's managerial discretion theory. According to this idea, the manager would aim for maximum efficiency while the business will aim for greatest returns or profit[5], [6].

Reverse Integration

Vertical integration occurs when media firms control several businesses along their own supply chain. The media company is in charge of every element, including the production and delivery of the material, and reaps the financial rewards of both businesses. As the profit component that is engaged at each level is removed, vertical integration lowers the price of the product or service until it reaches the ultimate consumer. Additionally, vertical integration enables media businesses to set themselves apart from rivals. For instance, the fox firm owns movie theatres, TV networks, and DVD rental stores.

Many forms of vertical integration

Backward integration is the process by which a media firm integrates with another business that is at a lower level in the supply chain. For instance, a movie distributor merged with a movie producer. a publishing firm for a newspaper or magazine collaborating with a business that makes wheels. Such integration will assist publishing companies for newspapers and magazines in maintaining paper quality and cutting costs.Forward integration is the process by which a media firm integrates with another business that is at a later stage in the supply chain. For instance, a manufacturer of cameras will integrate with a firm that makes software for processing photos. Owner and coordinator of a gathering in many locations Ticketmaster, a company that sells tickets for different events, was bought by Live Station.

Through communication, cooperation, and innovationall of which are reliant on technologyour global future is evolving. The Internet today offers a wide range of chances to not just learn about the world, but also engage with it. It serves as a worldwide marketplace, a global workplace, and a global gathering place.However, according to experts like Henry Jenkins from MIT, the digital divide in the US is today better described as a "participation gap". The divide between adolescents who have access to technology and the Internet and are given the support and chances to engage in rich digital media experiences and those who do not have these possibilities to access, contribute to, and participate in the global digital media culture is widening.

For educators, a Global and Digital Opportunity

Digital media literacy in the global era allows for easy participation in the sophisticated global experiences and networks that our wired world offers, in addition to using technology to perform tasks that were previously performed by hand, such as data or word processing, information retrieval, knowledge presentation, and one-to-one communication.The promise of a technology-rich approach to education has been the subject of much research over the last 10 years. The American Recovery and Reinvestment Act (ARRA), which allocates funding for classroom technology and associated professional development, acknowledges this. Educators may take advantage of this opportunity to combine digital media and technology with global learning for the 21st century in order to genuinely improve teaching and learning for the global era.

How to Use Digital Technology and Media for Global Learning

Promote international media literacy. assist students in locating, analysing, and evaluating foreign news sources that are accessible in both their native tongues and in English translation. Investigate further to promote knowledge of how and why various occasions, individuals, groups, and cultures are portrayed in the global mass media, as well as how this influences intercultural communication.Just a small sample of international headlines following President Obama's recent visit to Turkey demonstrates how the media frequently shapes how an event is viewed in various nations. "Arabs hail Obama overture to Muslims" (Agence France-Presse), "Good but not enough" (Daily Star, Lebanon), "Turkish leader criticises Obama" (AP), and "American public did not understand this visit" (Hürriyet, Turkey).When doing research, instruct students to consult a variety of international media sources. As part of their conclusions, instruct them to examine the rationale behind why various sources adopt various perspectives. Make sure to include this in the evaluation criteria.Learn the viewpoints of individuals behind global concerns. Increase students' exposure to viewpoints from other nations via the use of personal digital content including podcasts, videos, blog postings, and comment boards as well as a variety of collaborative technological tools.

In order to create a greater awareness of the range of Islamic voices within the heterogeneous communities of Asia, Asia Society has launched a project called Creative Voices of Islam. High school students in the U.S. and Indonesia began this year to produce digital audio slideshows on the history, customs, and traditions of respective communities, which they then share and debate on the website of the Asia Society. Students produce collaborative productions and show the media projects in their communities using the fresh insights they learned from internet communication.Search the Internet for "citizen journalist" writers. They often provide commentary or breaking news regarding current global issues. Ask your pupils to analyses how these opinions vary from media reporting and/or how they are similar, as well as the significance of individual voices in a global conversation. Help students express their own thoughts via a variety of youth-to-youth international websites.

Access the world's information networks. Through international networks where information is gathered and analysed, assist students in realising the potential of "collective intelligence." By participating in these networks, students may gain cross-cultural awareness while solving global concerns, combining knowledge from other cultures, and working in international teams to ethically contribute to and create new knowledge.Leading the way are several scientific collaborations that are conducted online. Youth, educators, community people, and scientists are all involved in the GLOBE programme (Global Learning and Observations to Benefit the Environment), which is run by NASA and the National Science Foundation in 110 nations. It encourages data collection and worldwide data exchange on important environmental problems[7], [8].

Make contact with organisations that let students collaborate on initiatives and concerns throughout the world. They provide entertaining programmes for kids as well as educational assistance for teachers.Reach a worldwide audience by publishing online. These days, students should use technology to not only share their research and ideas inside the confines of the classroom or school, but also to share their learning with a global audience via websites and online publishing platforms.The student publication International Insider from the College of Staten Island High School for International Studies (CSI) in New York City is one example. Students from CSI communicate regularly with student reporters in other nations, including Bahrain, Belarus, Egypt, Poland, and Syria, using a free blogging programme, to cover themes ranging from global warming to the violence in Iraq. Through the PEARL globe Youth News Service, a collaboration between iEARN and the Daniel Pearl Foundation that serves as an international wire service for distributing youth-produced news pieces online and in student newspapers worldwide, they have also contributed to student newspapers all around the globe.

Starting a free blog using Blogger, WordPress, or another comparable programme is as simple as publishing. Take into account the Oracle Foundation's ThinkQuest competition for students for a more organizedand sophisticatedoption. Integrated global teams address global challenges and disseminate research and suggestions for improvement.Use virtual simulation to its full potential to comprehend the complexity of the world and develop solutions. Students may test out global ideas while immersing themselves in the target topic by using virtual reality, games, and modelling tools that imitate real-world experiences via technology.A New York City after-school programme called Global Kids has included game creation into its online leadership curriculum for teenagers. A group of high school students developed "Ayiti: The Cost of Life," a game in which players take on the virtual responsibility of a fictional family in Haiti and make decisions regarding when to send children to school versus work and how to allocate limited resources. The game was developed in collaboration with Global Kids staff and a game design company.

A long way in terms of quickly and affordably providing the greatest content, from conventional broadcasters to Internet content providers. Newspapers, radio, and television were major players in the mass diffusion of material at the period. Therefore, it's essential to rethink the old techniques using a contemporary strategy as we see an exponential rise in content consumption - coronavirus pandemic-induced social isolation has given individuals more and more time to kill. Let's move on to Trends for the Broadcast Industry.Since practically everyone is confined to their homes, TV networks and OTT platforms have taken over as the main sources of entertainment. Technologically knowledgeable consumers continue to satisfy their curiosity while watching and learning from digital broadcasting examples like Netflix, Inshorts, Amazon Prime, and YouTube. This demonstrates how viewers are watching TV programming on mobile phones and OTT platforms in addition to conventional cable. Because digital technology keeps people captivated to their screens, it has a significant influence on the media and entertainment industries. The use of digital technology in media has risen more than ever as a consequence of broadcast media technology. According to eMarketer projections, conventional TV viewers increased by 8.3 million to 287.3 million in 2018. Similar to this, according to Statista's statistics, local news programmes had a rise in their percentage of total gross quarter hours watched across major broadcast television channels from 25.7 to 30.4%.

Consumers want hand-selected, customised, and human-curated information in this digital age. Broadcast and media technology service providers are using cutting-edge technology to streamline the process and give what people want as they grow more and more tech-savvy. Netflix used artificial intelligence to provide content recommendations to consumers based on their watching habits. Additionally, this leads to the supply of video and the possibility of automating operations. By using the capabilities of artificial intelligence and algorithms, better, more focused suggestions and a better user experience would be provided. In addition to AI, businesses are working hard to create blockchain-based business models, bearing in mind the latest developments in blockchain technology, in order to address possible problems with security, payments, and maintaining digital rights[9], [10].

The world is evolving. Additionally, the changeover has been felt more strongly as a result of the pandemic-induced frenzy caused by the coronavirus. Compared to earlier generations, Gen Z and Millenials consume data and material in unique ways. They were born and reared in an era where rich data was readily available through conventional and online media. However, it is more probable that this generation will not be impacted by traditional broadcasting. More than ever, they depend on their gadgets to keep them entertained and informed. Les Binet, Group Head of Effectiveness, claims that various age groups now have highly diverse patterns of media consumption, and that this is likely to continue. Media companies should therefore research how different age groups consume media and their behaviour patterns in order to engage a captive audience by sharing interactive, dynamic, and data-driven content, especially content that caters to a variety of age groups.

Wanting to switch the TV station yet being too lazy to leave bed - Voice-activated technology is simplifying and easing people's lives. Voice assistants have become quite popular in our daily lives. Additionally, according to a recent VoiceLabs research, 30% of respondents cited smart home devices as their main motivation for purchasing an Amazon Echo or Google Home. Beyond 2018, voice-controlled searches will continue to grow in popularity as one of the advantages of the digital transition. To help consumers navigate their vast video libraries, well-known streaming services like Netflix and Amazon Prime Video need sophisticated search techniques. It has been shown that voice-controlled searches improves user comfort and the customer experience.

CONCLUSION

In summary, the process of digitization and its fusion with media has fundamentally changed how we create, access, and interact with information. Content producers and distributors must negotiate this rapidly changing environment as the distinctions between conventional and digital media become hazier. While digitization brings issues with data privacy, information authenticity, and media literacy, it also provides unequalled accessibility, interaction, and convenience. Media companies must modify their strategy to take full use of digitization's benefits while tackling these difficulties. In the end, the mutually beneficial interaction between media and digitization continues to influence how we communicate, learn, and view the world around us, ushering in a new age of dynamic and interconnected media experiences.

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CHAPTER 8

ANALYZING THE DEVELOPING MEDIA ECONOMIC LANDSCAPES

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ABSTRACT:

Over the years, media economicsthe application of economic theory to the media industrieshas seen a surprising amount of development. Due to the constantly shifting dynamics of media platforms, technical breakthroughs, and consumer behaviour, the study of and implementation of economic theories within the media sector, often known as media economics, has attracted considerable interest. Media economics has developed to handle the difficulties of the contemporary media ecosystem from its historical foundations in classical economics to the current digital age. This essay seeks to illuminate the development of media economics by emphasising its theoretical underpinnings, methodological techniques, and the need of adapting to new media developments. This essay offers a thorough examination of the theoretical underpinnings, research methodology, and historical history of media economics. The paper explores how media economics came to be recognised as a separate subject, tracing its genesis to the foundations of economic theory and emphasising the key theoretical perspectives that have influenced its development. It looks at how microeconomics and macroeconomics interact with the media industry, taking into account ideas like market structure, concentration, competition, and relative stability. The research also highlights the difficulties brought on by shifting media environments, technological convergence, and changing customer behaviour, necessitating a reevaluation of conventional market definitions. Additionally, it emphasises how important it is to broaden study into the industries and new media platforms that have flourished in the digital age.

KEYWORDS:

DevelopingEconomic, Media, Market, Policy.

INTRODUCTION

The study and application of economic ideas and concepts to the media industries is known as media economics. All media are included in the field of media economics, including new media platforms like the Internet as well as conventional media like print, radio, music, and cinema. Scholarly research on media economics covers a wide range of themes, including political economy of the media, market concentration, policy and ownership concerns, and practises and performance of media companies. The history of media economics, the major ideas and research paradigms in the field, and the contributions of media economics to the larger field of communication science.

Historical Media Economics Development

The study of economics itself served as the foundation for the growth of the area of media economics. The study of mercantilism in sixteenth-century western Europe marked the beginning of the development of the first literature on economic thinking. Mercantilists believed that amassing valuable metals like gold and silver constituted riches. Nations might buy goods via trade and commerce if they lacked mines. As a result, political interests were tied to economic activity via the use of tariffs and subsidies, raising commercial interests to the level of national policy. The French Physiocrats were a group of thinkers who advocated for agriculture over mercantilism in the eighteenth century. They were among the first to advocate for a laissez-faire policy, or minimum government intervention in the market. This group was among the first to recognise that there is an ongoing flow of inputs and outputs in the economy. With a substantial body of publications that eventually came together to form the foundational book The wealth of nations, the philosopher Adam Smith is recognised with offering the earliest synthesises of economic thinking. Smith cited land, labour, and capital as the three most significant production variables and the main sources of a country's prosperity. The term "political economy," which Smith used to describe the developing field, later came to be used to refer to the study of economics[1], [2]. The so-called classical school of political economics was founded by Smith, David Ricardo, Thomas Malthus, and John Stuart Mill. These writers' research focused on how economic forces interact, how markets function, and how much something costs.

Marxism and marginalist economics would subsequently pose challenges to the classical school. The marginalists associated prices with demand, contrary to the classical academics who thought that price was largely influenced by the cost of production. The marginalists made contributions to the establishment of the field of economics known as microeconomics, including the fundamental analytical tools of demand and supply, consumer utility, and the use of mathematics. A free market economy, according to marginalists, made the elements of productionprimarily land, labour, and capitalimportant to understanding the economy.Labour was seen as the source of production by the Marxist school, which was founded on the writings of Karl Marx. Marx opposed the concept of a market economy because it would have permitted capitaliststhe owners of companies and industrial equipmentto oppress the working class and deny them a fair portion of the products produced. Marx foresaw the demise of capitalism because he believed that the disenfranchised labour class would eventually rise up, overturn the capitalists, and take the means of production.

The term "political" was abandoned by universities at the start of the twentieth century in favour of the single word "economics," which was used to describe academic programmes in both North America and Europe. The transition from a classical to a neo-classical strategy in economic study, however, was a more significant one. Neo-classical economics distinguished itself by examining market behaviour and price setting using both analytical techniques and mathematics (mainly calculus). Neo-classical economics also improved demand theory, which was crucial since most of classical economics tended to concentrate exclusively on the ideas of production and supply. Numerous concepts created during the neo-classical period served as the foundation for the more comprehensive study of microeconomics.

A number of significant contributions helped to further advance the study of economics in the second half of the 20th century. During his time at the University of Cambridge, Alfred Marshall emerged as one of the most productive economists, having an enormous impact on a great number of graduate students. Marshall is recognised with improving several facets of economic theory and with making significant contributions to the fields of industry supply, consumer surplus, demand elasticity, and resource allocation.During this time, monopolistic competition was a novel kind of market structure that was theorised by Edward H. Chamberlin, another important researcher. Monopolistic competition was based on the idea of product differentiation and applied to several marketplaces where numerous providers provide items that are marginally different from one another. One of the few female professors of the neo-classical period, Joan Robinson created the imperfect competition theory, which looked at labour markets and price discrimination among monopolists. During the neo-classical era, welfare economicsthe study of how economics might be used to advance better social policyalso developed.

With the advent of macroeconomics, significant shifts in twentieth-century economic philosophy were further realised. At this point, the emphasis turned to aggregate economics, which includes all monetary and market ideas. During the 1950s and 1960s, macroeconomics had a significant role in the formulation of a number of fiscal policy choices in both western Europe and the United States. The most well-known macroeconomics researcher was John Maynard Keynes, an Alfred Marshall pupil who later founded Keynesian economics[3], [4].The justification for the use of government spending and taxes to stabilise the economy would come from Keynes' theories and research. According to Keynes, when private spending was inadequate and risked a recession, the government should increase spending and lower taxes; when private spending was excessive and threatened inflation, the government should cut expenditure and raise taxes. The mainstay of contemporary macroeconomic analysis continues to be Keynes' emphasis on the variables that affect total expenditure.

Irving Fisher (money, pricing, and statistical analysis), Knut Wicksell (public choice), A., and other researchers also had an impact on macroeconomics as a field of study. Milton Friedman (economic policy and consumption) and C. Pigou (welfare economics). Today, a wide range of issues are covered in the study of macroeconomics, including political economy, employment, aggregate output, consumption, and economic growth. The advancement of applied economics methodologies, the adoption of more potent analytical and statistical tools via another sub-field known as econometrics, and the creation of international economics were all fields of study that took place during this time.

Economic theories and ideas are developing and changing all the time. By the 1970s, rising inflation and changes in productivity had changed the field of economics, leading to theories like monetarist ones that once again placed emphasis on the expansion of the money supply as a factor in inflation. The idea contends that the market's capacity to foresee government policy actions limits their efficacy. Rational expectations anticipate government involvement.The study of supply-side economics brought back a concern from the classical school about the need of economic expansion as a precondition for raising social welfare. In order for a country's economy to grow, supply-side economics emphasises the need for incentives to boost consumer savings and investment as well as the risk of negating such incentives via heavy taxes.

DISCUSSION

This overview of the most significant historical advancements in economic theory demonstrates the wide range of economics studies and ideas. As the science of economics developed, researchers looked at a wide range of marketplaces and businesses, applying economic theories and principles to other industries, including the media. Media economics would emerge as a result of the interest in this field.The development of the mass media opened the door for the study of media economics, which flourished during the twentieth and twenty-first centuries, with some of the first studies appearing in the 1950s. All of the components required to understand the economic process were present in the media industry. Consumers and advertising made constituted the demand side of the market, while content providers who offered information and entertainment represented the supply. Microeconomic market circumstances were produced by the interactions between suppliers in different sectors, while macroeconomic market conditions were influenced by regulatory and policy organisations such as the Federal Communications Commission (FCC), Federal Trade Commission, and other institutions.

The principal sectors examined in the early studies of media economics were newspapers, radio, and television. Many of these studies focused on microeconomic ideas. A large portion of this preliminary study is descriptive in nature, going through issues like ownership, advertising income, market structure, and rivalry with other media.Early on in the profession, ownership concentration became a crucial issue, and it still is. There is a sizable corpus of research on media concentration that is accessible on all facets of the media industries. Media concentration affects both regulatory and social policies. Ownership and concentration go hand in hand, which is another issue for media economics study. The relationship between media management and media economics may be shown by looking at ownership studies from a media management viewpoint. Other studies have looked at customer utility, advertising and ownership demand, hurdles to entry for new businesses, consumer spending, and the idea of relative consistency.The Journal of Media Economics made its debut in 1988, significantly establishing the discipline of media economics. The Journal of Media Economics has established itself as the leading publication for cutting-edge studies in the subject throughout time. The growth of media economics has been aided by books and edited volumes in addition to academic journal articles[5], [6].

Dimensions of Media Economics Theory

Different theoretical stances are used in media economics study. Microeconomic theories, macroeconomic theories, and political economywhich is sometimes known as critical theoryare the three main areas that make up the field's theoretical development and account for the majority of the knowledge in media economics. Since media economics study is focused on particular market and industry situations, a large portion of the historical literature base deals with microeconomic trends and challenges.By their very nature, macroeconomic studies have a considerably larger emphasis, looking at issues like the GDP, the labour and capital markets, as well as policy and regulatory issues. The body of literature based on macroeconomic ideas is far less extensive than that based on microeconomic theories.

The media's political economy is inherently vast and varied, and it has developed as a reaction to positivist perspectives in conventional economic theory. Political economy study began to naturally focus on the mass media, attracting academics from a variety of disciplines, including political science, sociology, economics, and communications. The macro- and microeconomic theories utilised in media economics study are the main topic of this portion of the article.

The Industrial Organisation (IO) Model of Microeconomics

The industrial organisation model, created by many neo-classical economists, is the most popular framework for the study of media economics. The approach provides a methodical way to analyse many of the abstract ideas discovered when researching a particular industry. Three key elements make up the industrial organisation (IO) model: market structure, market behaviour, and market performance. As a result, the model is also known as the SCP model and is utilised as an analytical tool for researching media marketplaces and businesses.In its most basic version, the IO or SCP model holds that if the market's structure is understood, it is possible to explain how businesses would likely behave and perform. By taking into account the particular factors connected with each component of the model, it is possible to further define and analyse each of the three categories (structure, conduct, and performance). For instance, when analysing market structure, factors such as the number of sellers and buyers, the degree of product differentiation, the barriers to entry for new competitors, cost and pricing structures, and the level of vertical and horizontal integration are frequently taken into account.

The market has a lot to offer media economics research. While some academics have concentrated on only one component of the model, such as market structure, others have examined the whole model as a whole. The model acknowledges the interdependencies between the market's structure and the ensuing expectations for behaviour and performance.

The IO model has come under fire for being overused by media economics researchers and for failing to adequately account for the complexities of emerging technologies and market convergence. Nevertheless, the model continues to be very helpful for academics and one of the fundamental theoretical pillars of microeconomics study.

The Firm's Theory

The idea of the corporation was created as a result of attempts to better comprehend market structure. The industrial organisation model is expanded upon in the theory of the company in order to provide a more detailed explanation of the four most prevalent market structure types: monopoly, oligopoly, monopolistic competition, and perfect competition. The majority of media marketplaces typically have oligopolistic and monopolistic competitive arrangements. The media industries seldom exhibit perfect competition (the exception being internet), and monopoly is often restricted to businesses like newspapers and cable television.The simplicity and economy of this strategy make it appealing. However, owing to the rapid concentration of the media industries and the convergence of technologies, establishing a market structure has become more challenging. For instance, the radio industry might be seen as only the broadcast radio industry, or it can be defined much more broadly to include high definition (HD) and satellite radio, Internet radio, and even podcasting. Many academics contend that these imprecise and simple terminology cannot adequately describe market structure[7], [8].

Concentration of Media

Media concentration is another area of theoretical advancement with substantial ramifications for both public and social policy. Antitrust laws are contentious since they are intended to encourage competition and restrict concentration in the United States. One of two approaches is often used to analyse media concentration. When measuring the level of concentration using various methodological tools like concentration ratios or other indices, researchers compile current data on company or industry income. The other strategy is to monitor ownership concentration within the media sectors. Regardless of the methodology, research has amply shown that the media industries are consolidating, with several aspects attaining "highly concentrated" status, which denotes that a small number of companies dominate a market's ownership or income. A worldwide oligopoly of media companies controls the bulk of what people throughout the globe see, hear, or read, and the globalisation of the media industries has led to media concentration. Research on media concentration may be examined at various granularities of study, from regional to worldwide markets.

Media Rivalry

Scholars of media economics are also interested in the study of how the media compete with one another. This literature makes extensive use of niche theory, which has its roots in biology and the study of ecosystems. Competition inside an existing sector or competition among media industries are the two main categories of competition research. In this field of study, a variety of indicators are used to assess the breadth, overlap, and superiority of one media type over another.

Relative Stability

Understanding the connection between consumer expenditure and media consumption was the goal of the relative constancy principle. First published in the 1970s, this study emphasised that, on average, families spend around 3% of their discretionary income on media services and goods over the course of a year. Over the next several years, a few other research on relative constancy were carried out, but it has been a while since the subject was covered again.

Media Economics Macroeconomic Theories

In the topic of media economics, there is a significantly smaller corpus of work that deals with macroeconomic analysis. The majority of macroeconomic research focuses on policy and regulatory analysis, which is often done at the national level. The goal of policy studies is often to examine how decisions and regulatory actions affect current markets and sectors.Another topic of research that is often handled from a macroeconomic viewpoint is labour and employment patterns, particularly in the media sectors. This study often focuses on the broadcast (television and radio) or print (newspaper) sectors.

The costs and profits of advertising are a different area of concentration. To calculate their economic effect, these studies often rely on aggregate data from certain nations and areas of the globe. For instance, several studies in this field regularly demonstrate that the triad—the geographic areas of North America, western Europe, Japan, and the Pacific Rim countries—represents the regions of the globe where the majority of advertising spending is concentrated. Researchers in media economics are interested in the monitoring and tracking of advertising data because of the proliferation of trade agreements and the growth of the World Trade Organisation (WTO).Much of the early studies in media economics was classified as theoretical. This critique was fair since many of the early research had any theoretical underpinning. However, since the 1970s, the discipline has seen a significant growth and development of theory, while there is still need for further extension and improvement of theory.

Media Economics

To address research problems and test hypotheses, media economics study uses a wide range of methodologies. But the majority of the research that is already published often uses one of the following four techniques: trend studies, financial analysis, econometrics, and case studies.Data throughout a time series may be compared and contrasted using trend studies. Scholars often use concentration indices across time to determine the effects of governmental choices or other key acts on media ownership when examining media concentration. Annual data are often used as the unit of analysis in trend analyses. Trend studies are useful for analysing media firm and industry performance because of their descriptive character and simplicity of presentation. Trend analyses may be used in almost any media business.

Another often utilised approach in media economics study is financial analysis. Financial analysis may be done in a variety of ways and with various sorts of data. The most typical data comes from financial ratios and information generated from corporate financial filings. All publicly listed corporations in the United States are required to submit financial statements to the Securities and Exchange Commission (SEC). Financial statements are included in annual reports that are sent to shareholders by individual corporations. For academics, the Internet has emerged as a significant source of financial data, making the collection and analysis of financial data simpler. Research on privately owned businesses, which are not compelled to publish any financial information, as well as businesses with headquarters outside of the US, where accounting standards and currency exchange rates differ, makes financial analysis considerably more difficult.By directly borrowing from economics, econometric analysis use mathematical and statistical models to validate and advance economic research topics, hypotheses, and theory. Because most media economics scholars come from communication or journalism backgrounds and lack the mathematical knowledge required for econometric modelling, econometrics is more common in general economic literature[9], [10].

Another very helpful approach in media economics research is case studies. They are well-liked by researchers since they accept many sorts of data and analytical techniques. A case study of a certain firm, for instance, may include in-depth interviews, financial data, and analysis of company reports over a number of years. Case studies in media economics study often include extremely specialised and narrowly focused analyses. They can look at things like management styles, marketing and branding tactics, and customer behaviour; they are not only confined to looking at businesses and industries.These are not the only methodologies utilised in media economics study. Researchers may also look at regulatory activity on media businesses, markets, and sectors using policy analysis. In certain cases, historical research is discussed in the literature together with other methods like trend studies.

Media economics has been criticised for having a narrow range of methodological techniques and for mostly being descriptive in character. There are also criticisms that scholars often devote too much effort to analysing just the largest corporations and that conventional media sectors like newspapers and television have received too much attention at the expense of new media platforms and businesses.

Future Directions for Media Economics Theory, Methodologies, and Research

In order to further expand and influence the subject of media economics in terms of research, theory, and techniques, there are a number of actions that academics and researchers need to take. Given the quick speed of change and development taking place across the media sectors, each of these areas has an equal emphasis.

Research on Media Economics

Rethinking and defining what makes up a market and deepening our grasp of the crucial variable of market structure are two of the most urgent research questions in the area of media economics. Given the convergence and consolidation occurring throughout the media sectors, media economics research must address the changing notion of what constitutes a media market. Market definitions are no longer precise. Media firms compete with other suppliers by offering goods in a wide range of markets and submarkets. However, policymakers and scholars still have a propensity to categorise markets under conventional headings like television, newspapers, or films. This method might result in incorrect assumptions about which companies control a certain market since it ignores the reality of the media business. In actuality, both the content and the way that these media are transmitted are going through tremendous change. It is becoming more common for media corporations to operate as multimedia businesses. While television stations provide streaming material and connections to affiliated newspapers and print items, newspapers have websites with video and audio samples "podcasting".

Instead of concentrating just on the end result, one solution to this conundrum is to take into account a company's roles. It may be easier to understand what Disney is all about and how it aspires to be a leader in a variety of markets, such as network television, programme syndication, cable networks, radio, and feature films, if Disney is seen as a company with multiple brands involved in content creation and distribution. This method takes into account all media activities and gives researchers a more realistic picture.

Media economics has to be expanded into new areas in addition to defining and improving core ideas. There are new areas that need investigation, but studies on television, newspapers, and other conventional media will undoubtedly continue to be done. Online phenomena like blogging and podcasting, as well as research into newly developing sectors like satellite and HD radio, online video distribution, and the use of search engines to disseminate media content, are a few examples of areas that demand fresh knowledge and analysis.It's also time to review how consumer spending and the media are related. The earlier-mentioned relative constancy concept is all that is known about this subject. It is necessary to do more research to expand on this idea and ascertain if or how much the early patterns of consumer purchasing have altered.

CONCLUSION

From its roots in classical economic theory, media economics has developed into a vibrant discipline that examines the complex connections between media, technology, and economics. The macroeconomic and microeconomic theoretical frameworks have shed light on the structure, dynamics, and rivalry of the media market. Traditional definitions of the media markets are put to the test by the quick speed of technological convergence and the emergence of new media platforms, which calls for new viewpoints. The future of media economics depends on its capacity to adopt novel approaches, adjust to changing consumer trends, and delve into new waters in the world of digital media. The study of media economics is still essential for comprehending the interaction between media and the larger socio-economic environment as media continues to influence and be affected by economic factors.

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CHAPTER 9

EXPLORING MEDIA ECONOMICS: MARKETS, TECHNOLOGY, REGULATION AND SOCIOCULTURAL CHANGES

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ABSTRACT:

The study of media economics dives into the complex web of commercial and financial forces that permeate the print, radio, television, internet, and social media sectors of the media industry. This essay explores the complex world of media economics, including issues like production, distribution, market trends, societal changes, regulatory impacts, and technology breakthroughs. Analysis of economic theories applied to the macroeconomic and microeconomic facets of media firms forms the basis of the study of media economics. The four key external factors examined in this research are technology, legislation, globalisation, and sociocultural shifts. Media creation, distribution, and participation have undergone radical change as a result of technological advancement, the shift from analogue to digital material, and the growth of the internet. Regulations, such as regulations governing cross-media ownership, have an effect on market dynamics and rivalry. Understanding accounting procedures and legal frameworks in several nations is difficult due to the globalisation of media content, which is being pushed by conglomerates with a worldwide presence. Additionally, audience choices are influenced by the shifting sociocultural environment, which results in changes in media content and forms. It highlights the significance of branding in creating media firms' identities and building relationships with viewers. Conglomerates with varied portfolios across numerous platforms have been produced as a result of mergers, acquisitions, and consolidation in the media sectors. This article emphasises the value of media economics in understanding the complex operations of media companies in a continually changing environment. As media economics develops, it provides insights into how markets, technology, regulation, and sociocultural influences interact, helping us to fully comprehend the function of the media sector in society.

KEYWORDS:

Economics, Media, Markets, Technology, Sociocultural.

INTRODUCTION

The term "media economics" is used to describe the commercial and financial dealings of the companies that produce and distribute content for the different media sectors. Economics looks at what is produced, how it is produced, for whom it is produced, and how it is organised. Studying the application of economic theories, ideas, and principles to the macro and microeconomic elements of media enterprises is known as media economics. Media platforms that are widely used include print, radio, television, the Internet, and social media. According to the Ministry of Information and Broadcasting of India, there are 832 television channels, 245 FM radio stations, 179 community radio stations, and 99,660 publications registered with the Registrar of Newspaper for India as a result of a government initiative to relax foreign direct investment restrictions, which has helped the media industry in India grow. There is a vast amount of room to study media economic aspects in relation to content, sources, media firm managing pattern, media products, influence of media regulations, polices, changing consumer taste & technology, cross media ownership, media man power hiring pattern, and global, national, and local competition in media firms.Micro economic aspects which study at global, national, local media market in relation to polices &

regulations, where as micro economic covers small-scale aspects of the economy, such as the supply-side model, where there is The four methodologies most often mentioned in the literature are trend studies, financial analysis, econometrics, and case studies. Trend studies compare and contrast data collected over a period of time. For instance, when evaluating media concentration, academics often track concentration indices through time to examine how certain political choices or other decisions have affected media ownership[1], [2].

The financial analysis of media is another helpful instrument in media economics. Dimmick and McDonald's trend analyses of network radio, Greco's investigation of book publishing, mergers, and Lewis' research of variations in newspaper pricing and subscription fees are a few examples. It employs several formats and data kinds. The information gathered from financial statements and the use of different financial ratios are examined. Economic research questions, hypotheses, and theory are validated and developed using the econometrics tool, which employs statistical and mathematical models. Media economics academics with backgrounds in journalism or communication are unfamiliar with econometrics, which are utilised in general economic literature but need mathematical skills to develop. Research utilising econometric analysis is represented by studies by Kennert, Uri, and Miller. Case studies are common in media economic research because they let a researcher use a variety of data sources and research techniques. Case studies in media economics study often include extremely specialised and narrowly focused analyses. A few examples of case studies include the branding analysis by McDowell and Sutherland, the lawsuit review by Nye in the music publishing business, and the retransmission consent case study by Gershon and Egen in the U.S. cable television sector.

Policy analysis and historical research are two that need mentioning. The effects of governmental regulatory policy and its impact on the media markets and sectors are examined in policy analysis. Historical research often looks at changes through time and may include many viewpoints including trend studies, policy analyses, or case studies. Because the organisation or corporation is often the unit of study, this method is frequently used in media management research. The best kind of data may be obtained from the complexity of organisational phenomena. In performing exploratory research, when the goal is to learn more about, for example, aspects of organisational activity that are not yet well recorded or understood and that can only be revealed by extensive, in-depth, and multi-layered examination, it is also helpful. The nature of research in media economicsGood quality research relies as much on the importance of the topic addressed as it does on finding a solution to it, regardless of the subject. Here are a few inquiries involving media economic concerns: Do media companies create the kinds of products and services that customers need and want? Are they delivered in the appropriate amounts and under ideal efficiency-promoting conditions? What relationship exists between the markets that media companies serve and their operational results? How can managers of media companies make sure that the tools at their disposal are being utilised as efficiently as possible to produce media products? What unique difficulties do the management of creative processes present?

Which tactics will guarantee the best competitive use of new media technologies? What role should the government play in ensuring that the structure and availability of media content meet social needs? The next research question concerns the customer for whom the study is being conducted, which is obvious. The two most often utilised research techniques to collect data from media managers or other industry practitioners are interviews and questionnaires. Documents and textsOfficial data that is in the public domain is a very great resource for researchers in our discipline. Other possible approaches include observation and focus groups. Essential economic media data is typically accessible, for instance, from industry regulators like the Telecom Regulation Authority of India, Ministry of Information

Broadcasting media wings, the Federation of Indian Chambers of Commerce, or the Copyright Tribunal. However, monthly performance reviews, operating cost breakdowns, and other types of management data that would enable a media company's operations to be examined in depth are typically not made public. Only by negotiating with or speaking to the gatekeepers of this kind of material can the determined researcher get access to it. Nowadays, a lot of this official data is made accessible on the websites of the different authorities. For media management scholars, the Internet has developed into a highly valuable research resource. In fact, the majority of the sources of official data for the media business, whether they are public or trade organisations, national or worldwide, have websites where details regarding reports and publications are easily accessible[3], [4].

PeopleOne of the most crucial sources of information about management practises in the media industry is, of course, people. Sales and audience figures generated by firms like Nielsen or BARB are regularly made available to the public, and more information may be found at websites or reproduced in industry journals. The two most often utilised research techniques to collect data from media managers or other industry practitioners are interviews and questionnaires.Quantitative and qualitative analysisExisting research works in media management and economics exhibit a variety of investigative tactics, both quantitative and qualitative. Other potentially valuable techniques include observation and focus groups. The main focus of quantitative research is measurement. Quantitative analysis is equally applicable to the findings of questionnaire surveys, highly organised interviews, and data collected from primary or secondary sources for numerical and statistical information.

When doing qualitative research, it is common for participants to interpret their own behaviour or the behaviour of others, as well as the milieu in which they live and the events that take place there. Investigating work practises, examining management approaches, and doing organisational research are all good candidates for qualitative research. It is possible to include subtleties and circumstances via analysis and presentation of qualitative findings.Four external influences continue to shape the media industries and have opened the way for the development of the field of media economics, as far as the media business is concerned. Technology, regulation, globalisation, and sociocultural changes in society are the four main causes. The development of computing technology led to improved worker efficiency in many areas and significantly reduced the need for paperwork storage in addition to increasing opportunities for communication and other software applications. Media industries are primarily dependent on technology for the creation, distribution, and exhibition of various forms of media content, and changes in technology affect economic processes between and within the media industries. The changeover from analogue to digital content is the second. Because of the computer's increased capability, it was possible to transform text and pictures into digital audio and video files. Print media was the first to transition to the digital age, followed by electronic media. Numerous media businesses saw the value of the internet and began to create websites to draw users and advertising.

DISCUSSION

The complicated interaction of markets, technology, legislation, and societal changes emerges as a challenging but fascinating subject of research in the always changing field of media economics. Having explored this dynamic sector, it is clear that media economics may be used as a critical lens to understand the complex relationships that are influencing the media industry's present and future.It is clear that technology has had a significant impact on media industries, changing patterns of production, distribution, and consumption. How media material is made, disseminated, and experienced has been completely reimagined as a result of the shift from analogue to digital content and the internet's widespread accessibility. A thorough grasp of media economics is crucial to navigating this shifting landscape as media organisations wrestle with the benefits and difficulties brought about by technology breakthroughs.Regulation also appears as a key factor, determining market structure and competitive dynamics. The legislative frameworks governing cross-media ownership and content management have a significant impact on the strategy and operational reach of media firms.

With media giants operating across continents, the global environment is changing, necessitating a detailed awareness of the legal complexities in many countries.The necessity for international media economics study is highlighted by globalisation, which is characterised by the transmission of media material across national boundaries. Internationally active media enterprises must manage a variety of economic, cultural, and legal situations. Finding insights that take into account the global interconnection of media industries creates a difficulty for academics as a result.Equally significant are sociocultural changes, which influence changes in audience choices and media consumption habits. Understanding the economic ramifications of catering to different audience requirements becomes essential as media content changes to reflect shifting society realities. Understanding these changes is made easier by media economics, which also directs media corporations in successfully modifying their tactics to reflect changing sociocultural trends.The subtleties of media goods and branding are more important as media conglomerates diversify their product lines and conglomerate structures transform the sector. A strategic technique for developing identity, connecting with consumers, and creating a distinct niche in an environment that is becoming more competitive is effective branding.

Internet offers media companies an easier means to engage with audiences and advertisers to grow and promote brands. Regulations: In any nation, regulatory measures often have an impact on competitive market dynamics, and media industries are no different. Companies operating in one field might now compete in others thanks to the legalisation of cross-media ownership. Today, the media sector may join the cable industry, provide telephone service, and provide cable-like services via telephone companies. The establishment of multi-media-based businesses that provide content and advertising across several mediums would be facilitated by the cross-ownership laws, which would provide publishing corporations the chance to purchase broadcast stations, radio stations, and cable systems in the areas they serve. To limit cross-media ownership and vertical integration of broadcasters and distributors, the TRAI made a few recommendations.

Cross-media ownership, according to the TRAI, may result in control and influence over media content. A separate division was established under the Indian Ministry of Information and Broadcasting to oversee channel programming. The Telecom Disputes Settlement and Appellate Tribunal was the venue for many disputes between broadcasters and cable operators alleging content denial by other service providers, according to the TRAI Report of February 25, 2009, which recommended that broadcasters not hold stakes in more than one DTH operator or a cable operator at a time. Globalisation: The first forms of globalisation of media content were films and magazines, which later spread to other forms of media. For instance, Rupert Murdock created a global media empire that spans four continents and is comprised of platforms for broadcast, print, and online media. 80 million homes across the globe were reached when Aljazeera English first aired. Zed Entertainment Enterprises Limited India, one of the Indian entertainment television channels group, has its strong presence worldwide, ZEEL entertains over 959 million viewers across 169 countries. Globalisation made media economics researchers challenging as accounting practises and regulatory structures vary from country to country[5], [6]. By early 2012, that number was closer to 250 million households, putting its distribution in close reach of CNN and the BBC.

There aren't many trustworthy sources of information on media-related worldwide finances. It will be crucial for academics to understand that media organisations compete and work in both local and international markets for audience share and advertising revenues.

Any societal changes also have an impact on the media sectors and, ultimately, the media economy. Consumer likes and preferences are important in determining audience requirements and desires since media material is often produced with the intention of reaching audiences throughout the world. Occasionally, audience preferences will shift. For instance, during Doordarshan's early years, the network broadcast Buniyad, Nukkad, Bharat EkKhoj and epic tales like the Ramayan, Mahabaratham, and Sword of Tipu Sultan. Later, soap operas that focused on family and social issues took their place. Today, reality and comedy shows predominate on television. Even in print media, a distinct regional/local tabloid version was developed in order to meet local audience/reader demands and emphasise regionally significant problems. There are now more than 900 channels in India, catering to different audiences with programming in the areas of sports, entertainment, news, children's programming, adventure, comedy, music, etc.

Media ProductsMedia goods may be categorised into categories of information, news-related material, and entertainment. Media content can take the shape of books, periodicals, newspapers, television programmes, movies, sound, and video recordings. Massive media industry consolidation has given birth to vertically integrated conglomerates like India Today Group and Times Group, among others, that have control over many elements of production, distribution, and display. Many media businesses operate in a dual-product market. Media companies often use this in an effort to arrange their material for the most possible prospective income. The goal of media executives and managers is to raise their company's worth by generating positive cash flow, which they define as higher revenues with less costs. The core idea of media economics is branding. Media firms often use branding as a means of raising awareness and developing an identity that is tied to their content. The majority of media businesses pay billions of dollars to establish and acquire various brands, and audiences and advertisers often recognise brands.

Once a media product is generated, it must transit through the dual-product market place, which functions at the distribution and exhibition levels. There is competition in the market for creative concepts, skilled producers, directors, and editors, and there is a need for the top talent on the market. The advertising income in 2014 increased by 14.2% over 2013 to reach Rs. 414 billion, with print accounting for 43% of the total and television accounting for 37%. The functioning of media companies at many locations illustrates the cost effectiveness of size and breadth of economies. As more items are created, manufacturing costs decrease. To reach the audience, a single platform distributed versions in print, on television, and online. With an expanding number of editions, journalists must operate across several media, including television, print, and the online. Here, businesses cut production costs for content for several platforms. The actors in the print media are moving towards an integrated newsroom paradigm where print and digital media coexist as an integrated response across many media channels, including the internet.

Zed News and DNA consolidated their broadcasting operations in 2013. In order to unify its TV, radio, print, and internet platforms, India moved to a new facility today. India's cross-media ownership presence provides opportunity to operate on several platforms. India Today, ABP group, Times group, Eenadu group, DainikJagran, SUN Zed Group, etc. are the biggest groups that control both print publications and television stations in India. Acquisitions and MergersReliance Industries Limited now owns Network18 and media investment Ltd. and its subsidiary TV18 broadcast Ltd., allowing RIL JioInfocomm to access broadcast, digital, and e-commerce content for its 4G mobile data service. There are many reasons why the Rs. 2100 crore transactions between Reliance Industries Limited and Network 18/TV18 are important. Because of the RIL agreement, Network 18/TV18, which owns seven TV channels, including news and business channels, will now have authority over Eenadu TV, which has a significant audience thanks to its 12 regional language channels and a presence in at least ten states. Having a television station, a newspaper, and various publications, Eenadu was challenged by Sakshi. With its newspaper, television, and certain periodicals, the ABN Andhra Jyothi group is another important actor.

Regionally, Star Plus acquires MAA TV for Rs. 2500 crore. Due to mergers and acquisitions across several market sectors, the makeup of the media industries has experienced a significant transformation. Star TV India, Sun TV Network Ltd, Zed group, and other News Corps entities secured DTH and cable distribution. Television, the internet, radio, mobile entertainment, and home video all fall under Star's cross-media business in India. Fourteen TV channels, cable assets, four magazines, radio stations, and two newspapers are all owned by Sun Network[7], [8]. Telegraph, Anand Bazar Patrika, both part of the ABP group, and the Star News, Times of India, Pratidin, and Vartaman are the dominant media outlets in Kolkata. The Times of India, DNA, Free Press Journal, and Marathi newspapers are available in Mumbai. According to The Times of India, Zed TV, which owns seven regional channels, six Hindi channels, three English channels, two music channels and a niche channel, has reached an agreement to sell its 80% stake in Hyderabad-based Associated Broadcasting Company, which operates the TV9 chain of regional news channels. The deal is expected to be worth over Rs. 500 crore. The NDTV group operates 4 national networks, more than 40 channels in 7 languages, and 12 periodicals in addition to sports programmes on Star TV. The BBC world wide purchased a 20% stake in Midday Multimedia, CNN has a joint venture with IBN/TV18, and Doordarshan channel has 33 channels in its boutique. The Times of India group owns five dailies, two lead magazines, twenty nine niche magazines, one television channel, and thirty two radio stations.

Development of Media Economics Theory

Microeconomic theories and ideas, the majority of which are based on the industrial organisation model, have been frequently used in media economics research. While this focus has aided in clarifying the connections between different microeconomic analysis principles, it has also constrained the field's growth. Other economic theories, particularly those found in macroeconomics, that may apply to the media sectors have been disregarded. We may better comprehend topics like the causes and trends of global media market consolidation by using macroeconomic methodologies. Just three potential areas of interest include how global consolidation would affect issues like employment, economic development, and inflation.

Scholars of media economics should think about new theoretical investigations that might rely on various research methodologies in addition to the variety of current economic theory. An exceptional potential for researchers to develop original ideas and hypotheses is provided by the interaction of commercial structures, governmental regulation, new technology, and social policy consequences throughout the media sectors. Researchers must be prepared to take chances, stray beyond just explaining the structure and operations of certain organisations, and generate more analytical and forensic study.Redefining the theory of the corporation is necessary in addition to better understanding the market notion. Monopoly, oligopoly, and monopolistic competition have been the three business models that media economists have worked predominantly under. However, several industry sectors are developing new kinds of structures. The two-firm arrangement known as a duopoly is becoming increasingly prevalent in media areas, such as multichannel video (between cable and satellite providers) and satellite radio (between rivals XM and Sirius).

What we really have in many media sectors is a two-tiered market structure, with a small number of oligopolies (between three and seven businesses) holding between 75 and 90 percent of the revenue/market share and smaller firms fighting for the remaining market share on the other tier. The motion picture, recording, television network, radio, consumer book publishing, and magazine publishing industries serve as examples of this sort of hybrid organisation. In the realm of media economics, investigation of the parameters describing these novel and developing market systems is urgently required.

Enhancing Methodological Instruments

The media market and market structure must be redefined and conceptualised in order to improve theory development, and methodologies and methodological tools must also be improved. Measures used to evaluate competitiveness and focus require the most attention.The Herfindahl-Hirschman Index (HHI), employed by the US Department of Justice, and descriptive concentration ratios are the two main techniques used to measure competition and concentration. By considering either the top four or top eight companies in a market, concentration ratios provide a condensed method of measuring concentration. The market is said to be "highly concentrated" if the top four companies control at least 50% of the market revenue or more, or if the top eight companies control at least 75% of the revenue. Although the metric is helpful, it does not take into account any potential market share inequalities. Using a four-firm ratio as an example, one may find a dominant business with 40% of the market's sales while the other three companies possess a combined 10%. The market in question would be seen as being extremely concentrated, although the leading company clearly dominates. The HHI index is stricter. Each firm's market share is squared before adding together the results from all the companies. To compute the index, researchers require information about each company in the market. Many times, university researchers may not have access to data from all businesses, particularly privately owned ones. Additionally, calculating the index might be cumbersome[9], [10].

However, what makes both of these metrics more problematic is that they are only intended to quantify concentration within a certain market group. Although some scholars have made an effort to provide some answers, there are currently no widely acknowledged metrics for evaluating concentration across marketplaces. There are no metrics available to quantify the aggregate effect of Time Warner, News Corporation, Sony Corporation, Disney, Viacom, and other media behemoths across markets. These companies may only have a small market share inside their respective market categories. Measures must be devised to evaluate within-industry concentration and competition given the large number of multi-product enterprises operating concurrently in several media sectors.

Understanding the operations and roles of media businesses as economic organisations is made possible by the ideas and tools provided by media economics. Our entire comprehension of the place and function of the media in society is improved by having a solid grasp of media economics. Theoretically, media economics adds significant aspects to current communication theory on the composition, operation, and performance of media enterprises and industries, the interaction of economics, policy, and regulation, and audience preferences and behaviours. Research in media economics will continue to develop as it strives to understand and assess the complex and dynamic environment in which the mass media industry's function.

CONCLUSION

In conclusion, investigating media economics is more than simply a scholarly endeavour; it is a voyage into comprehending the basic foundation of contemporary communication. It clarifies how media corporations function in a time of perpetual change, engage in competition, and benefit society. Media economics gives us the knowledge we need to handle the possibilities and difficulties that lie ahead in the rapidly changing media landscape by examining markets, technology, regulation, and societal shifts. In the end, this discipline acts as a compass, directing media professionals, academics, and decision-makers towards educated choices that mould the industry's course and its significant effect on the global community.

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CHAPTER 10

ANALYZING THE IMPORTANCE OF MEDIA COMMERCIALIZATION

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ABSTRACT:

Modern communication landscapes are distinguished by the commercialization of the media. This abstract explores the complex interaction between media and business, showing the many ways that commercialization affects society dynamics, content development, and dissemination. This investigation offers insight on the economic imperatives that influence the media industries by exploring the historical trajectory that resulted in the prominence of advertising-driven models and the commercialization of media goods. The abstract also highlights the precarious balance between business interests and journalistic ethics, calling attention to moral questions that come up when media outlets compete for viewers and sponsors. The abstract also explores how the emergence of online platforms and digitization have increased the commercial aspect of media, creating new possibilities and difficulties for both existing and up-and-coming businesses. This analysis's main focus point throughout is the intricate interaction between commercial interests, media content, and audience involvement, which leads to a comprehensive understanding of the changing media environment.

KEYWORDS:

Corporate, Commercialization, Media, Public, Society.

INTRODUCTION

One of the main trends of the contemporary period has been the commercialization of the media. In-depth historical analysis is provided in this review article, which charts the transition from public service models to profit-driven businesses. Advertising, corporate ownership, and changing audience tastes are some of the factors that are discussed as the driving forces behind media commercialization.

Editorial Integrity and Content Creation

Conflicts between business interests and journalistic ethics often result in discussions over sensationalism, bias, and the accuracy of reporting. This section looks at how media organisations balance the need to draw viewers with upholding objectivity in their reporting. The impact of corporate sponsors and advertising on content choices is studied, along with the difficulties of maintaining editorial independence in a more commercialized environment.Digital platforms' growth and technological advancements have expedited the commercialization of media and brought forth new paradigms for the distribution and consumption of information. This section examines how user experiences and content engagement are shaped by algorithms and data-driven suggestions. In the chase of advertising money, it also discusses the commercialization of user data and the moral ramifications of privacy violations.

Societal Implications and Cultural Influence

Media commercialization has an impact on social norms, public discourse, and even political processes in addition to content production. This section looks at the significant influence that media companies have as information gatekeepers. The study examines case studies of the media's impact on society values, public opinion, and even election results[1], [2].

Ethical Issues and Media Literacy

The prioritisation of money above journalistic integrity by commercialization generates ethical questions. This section explores topics including clickbait, false information, and the decline of media credibility. The value of media literacy as a tool for identifying reliable sources and engaging critically with commercialised information is also emphasised.

Keeping social values and commercial interests in check

How can a compromise be found between economic imperatives and the media's democratic function? is a dilemma that comes up when media consumers, producers, and regulators struggle with the effects of commercialization. This section examines possible remedies, such as the development of independent media, long-term commercial strategies, and legal frameworks that support journalistic integrity.

The term "commerce" has long been used to describe business as it is practised in capitalist society. It refers to both the imaginary landscapes created by market economies as well as its structures and practises. Commercial systems are distinguished by two factors.Organizationally, they are based on the presumptions that markets should be allowed to function with the least amount of government involvement and regulation and that competition between privately held businesses is the most efficient approach to maximise the variety and choice of goods on offer. They imaginatively portray consuming as a special area of individual freedom where people may realise their goals and affirm their sense of self via the items and services they choose to own.At its foundation, consumerism is an ideology that equates "being" with "having," giving advanced capitalism its central meta-ideology. The media play a unique role in maintaining this system, portraying themselves as a system that can "deliver the goods." They not only provide a vast range of consumer-friendly communications products and services, from movie tickets to iPods, but they also serve as the main distribution channel for the advertising that promotes the consumer goods produced by every other sector of the economy.

However, the development of the nation-state as the primary political structure of modernity and a civic ethos that demanded widespread involvement in political elections occurred at the same time as the commercialization of modern media. Additionally, a new kind of civil society that consisted of several organisations that individuals used to promote their causes and express their common identities began to emerge. These two additional nodes of power and mobilisation aided cultural and communication endeavours that took place outside of the market. States provided funding for initiatives they believed would promote a culture of responsible citizenship and national cohesion. A variety of activities that benefited from volunteer work were backed by civil society organisations. Some were committed to keeping the group's momentum going. Others attempted to win over fresh recruits or raise cash from benevolent backers. The history of modern commercialization is a history of the shifting relationships between capital, state, and civil society as well as of private corporations' persistent attempts to expand their sphere of influence through institutional and creative means and seize the assets and social allegiances amassed by the other two centres of power.

Press freedom at the individual level to media companies

Early nineteenth-century European observers of the communications environment tended to see markets as ensuring increased freedom of speech. Government licencing and censorship limited the press, which was the dominant medium at the period, everywhere. The Rheinische Zeitung, which young Karl Marx edited in his first job after graduation, was shut down in

Cologne by the censors for criticising the Russian Tsar. Every piece of paper used to produce a newspaper in London had to be inscribed with an official government stamp. Commercialization promised to shift power from governments to the people by exposing arguments and ideas to the game of demand[3], [4]. A press that represented the whole spectrum of political viewpoints and social interests was promised by a free market. This market-driven notion of a "free press" eventually won out after a number of protracted and bloody struggles, and newspapers started to evolve as contemporary enterprises run by professionals. However, as this change gained speed, it became more and more obvious that limits on expression were not going away; rather, they had merely changed. The censorship of money had taken the role of government control.

Newspaper printing has become an increasingly costly endeavour by the late 20th century. New printing and manufacturing equipment had to be heavily invested in, and new telegraphic "wire" services that disseminated breaking news had to be subscribed to. According to the free market theory, anybody who saw a gap in the existing supply might join the market and provide their ideas for the readers' consideration. Then, in the Darwinian battle that ensued, the excellent ideas would survive and grow. Bad concepts would disappear, much like poorly suited creatures. Launching a big title was really becoming a luxury reserved for the wealthy and well-supported.

By the turn of the century, a new class of owner who controlled chains of titles in many markets had come to dominate the press industry. The inventive estates of these new "press barons" were personified by the British businessman Alfred Harmsworth (later elevated to the title of Lord Northcliffe), who owned The Times as well as the Daily Mail and Daily Mirror, two of the most popular "tabloid" publications in the nation. Small classified ads had long occupied The Times' front page, a practise that persisted well into the second half of the 20th century, but the Daily Mail and its rival tabloids had begun to play a significant role in display advertising for the new branded products that were quickly replacing unlabeled generic goods, such as Lipton's tea, Pear's soap and Colman's mustard. As a result, the press's financial underpinning began to change from reader purchases to advertising earnings.

DISCUSSION

The distinction between journalism's ethical standards and sensationalism has sometimes become hazy in the quest of advertising income and corporate support. Maintaining balanced reporting while satisfying the needs of advertisers and viewers is a challenge for media organisations. Concerns regarding the impartiality and veracity of news and information grow when media material turns into a commodity to grab consumers' attention.Online platforms now dominate the media landscape as a result of the new monetization paradigms brought about by the digital age. User experiences are being shaped by social media algorithms and personalised content suggestions, which often reinforce preexisting opinions and preferences. The commercialization of user data has brought up moral concerns about privacy and how much people are treated like commodities in the sake of business.

Furthermore, the media's commercialization has had a significant impact on society. It impacts social norms, the direction of public debate, and even political procedures. As information gatekeepers, media corporations have significant influence to shape public opinion and possibly sway political processes.Nevertheless, we media consumers have some influence over how the sector develops. We can shape the media's agenda by advocating for independent journalism and high-quality, morally sound material. Additionally, media literacy is essential for distinguishing between sensational sources and those with ulterior goals for profit.

Early worries over media commercialization

Concern about chain ownership and advertising money grew. Observers were concerned that the new owners, as Northcliffe often did, would exclude or unjustly disparage opposing viewpoints by mobilising the publications they controlled behind the political stances and causes they especially favoured. The potential harm to free speech and expression diversity increases with the readership and prominence of their publications. There were worries that the need to increase advertising income by attracting as many readers as possible was skewing popular titles away from objective information and logical discussion on public problems and towards entertainment and sensation.

These changes occurred at the same time as the expansion of the franchise and the shift towards widespread involvement in the universal voting-based political system. Given the entrenched identification of a free press with a free market, there was little they could do to change the newspaper business other than impose limits on the number of titles any one owner could command and offer modest subsidies to support minority publications. Commentators committed to advancing this ideal by fostering a democratic culture rooted in informed deliberation perceived these trends as "market failures." However, they saw an additional chance to challenge the censorship of capitalism when radio became a widely used mass media after the conclusion of World War I[5], [6].

The provision of public cultural amenities has long been seen by governments in Europe as a crucial tool in attempts to build the country as an ideal society with a shared history and to encourage reasoned relaxation and self-improvement. The resultant variety of free public libraries, museums, and galleries stood apart from the books, theatre seats, and periodicals created by the for-profit cultural industries in two important ways: they were intended for communal use rather than private ownership. They eventually came to be viewed as public goods, not just in the technical sense that multiple users could enjoy them concurrently without interfering with one another, but also in the broader sense that they improved the quality of daily life in addition to the enjoyment and education of individual users.

Publicly supported cultural institutions were considered by their supporters as essential contributions to the common good, in contrast to commercial media, which were founded in the private interests of producers and consumers. Due to the dominance of this viewpoint in European broadcasting discussions, radio was established as a public service, supported by tax dollars, and focused on delivering the cultural materials believed necessary for a culture of citizenship and national cohesion. It was the perfect example of a typical public good since it offered the same programmes concurrently throughout the country and could be enjoyed by everyone equally, free from the resource constraints imposed by a gallery's small location or the rivalry for loans from public libraries. In contrast, broadcasting in the US followed the predominant pattern of the pre-existing cultural industries and became a commercial business, operated by privately owned companies, and financed by assembling and selling audiences to advertisers, despite a vigorous campaign for public service waged by universities and community organisations.

However, the nature of advertising was evolving. Advertising set attempted to solidify the ties between preferences and brands as real incomes increased and a wider segment of the audience started shifting from preserving basic living conditions to making consumption decisions that indicated lifestyle goals. Manufacturers paid to have their items displayed and utilised in feature films, and Hollywood started to embrace product placement by creating tie-in promotions at nearby shops. Broadcasters accepted programme sponsorship in addition to spot advertising, enabling manufacturers to put the name of the business or brand in the program's title. Consumerism was becoming more and more embedded into media artefacts, rather than only existing in the voids between them. Advocates for broadcasting as a vital medium of democratic life responded by subjecting the radio industry to regulations limiting the number of stations any one owner could command and insisting on a bare minimum of diversity of output and opinion in response to this consolidation of commercialism at the level of both institutions and imagination.

Television commercialization

Following World War II, television became the primary popular medium, and the same fundamental split of operational philosophies was replicated. A majority of their former colonies followed the main European countries in extending the public service ideals to the new media, mobilising broadcasting in support of the dual goals of modernization and nation-building. The UK was the only country in Europe to launch advertising-supported television services in the middle of the 1950s, however the new commercial (ITV) businesses were subject to stringent public interest regulations. Since the BBC continued to receive the whole of the public budget granted by the licence fee and the ITV operators maintained exclusive rights to advertising in their franchise zones, competition was limited to audiences and talent. This practical split of the spoils allowed both sectors to carry out their public service mandates by ensuring relative financial stability for each; this arrangement was derided as a "comfortable duopoly" by proponents of increased competition[7], [8].

Broadcasting maintained a public service monopoly in other parts of Europe. In response to this, the US pursued the fundamental business model that had already been established for radio and established television as a commercially operated medium with minimal public interest regulations. This strategy was widely adopted in the important Latin American nations that were under US influence for a long time. This dual system persisted until the middle of the 1970s, when the ethos of public service and public cultural institutions were gradually undercut by a confluence of technical advancements and changing political beliefs. As a consequence, commercialism was to achieve extraordinary geographic and cultural reach over the course of the next two decades.

The introduction of commercial cable and satellite services, often transmitted from "offshore," disrupted the ancient monopoly of public service broadcasting in a number of nations, from Norway to India, and paved the way for further competition and commercialism. Alongside the proliferation of pay-TV services, new terrestrial channels with advertising backing appeared. People from cultures used to the high-quality food offered by public stations were suddenly confronted with the full power of consumerism. With their bravado and glitz, imported series like Dynasty provided a view into a society where one's appearance and possessions spoke volumes about who they were and what they desired. A fundamental change in political and public opinion has already created the ground for this style of thinking.

New Marketization-related Drive

The election of Margaret Thatcher in the UK and Ronald Reagan in the US signalled the start of a quick shift away from public enterprise, public subsidy, and state management in favour of a renewed reliance on entrepreneurship, markets, and competition as the main drivers of economic growth. It was an international movement. The three major economies that had been largely or entirely uncoupled from the global capitalist system for most of the postwar period all embraced market-led solutions: the Soviet Union collapsed, China introduced a market form of economic organisation, and India moved away from self-sufficiency. Not only was there growing disillusionment with welfare capitalism across Europe and an evaporation of trust in state-managed development in emerging economies.

Three factors made the communications sectors essential to this change. The telecommunications and data processing industries supplied the crucial infrastructure that made it possible for companies to conduct real-time operations across widely separated action fields. Popular commercial media served as the primary venues for marketing and product promotion. The creative and information industries were also given a key role in the development of the next stage of advanced capitalism, based on commerce in ideas and expressive forms rather than manufactured things, as key components in the broader variety of high-technology sectors. Due to their strategic location, they were the top targets for legislation intended to broaden the market sector and provide businesses the most operational flexibility. A variety of interventions were used in various combinations to further this push towards marketization. Assets related to public communications were sold to private investors. Markets that had been monopolised by one or two providers were liberalised to allow for competition. Old state-run post, telegraph, and telephone monopolies in Europe had to fight for consumers with new entrants after being broken up. Institutionally, regulatory regimes loosened the prior ownership and acquisition requirements, allowing for the emergence of bigger, more diverse media and the acceptance of more advertising by broadcasters in more adaptable formats (such product placement).

From an ideological standpoint, they shifted from upholding the public interest to enforcing competition laws and consumer rights, giving priority to audience entitlements as customers rather than citizens. At the same time, corporatizationthe process of forcing media organisations still operating in the public sector to behave like private corporationsbegan to take place. The main state-owned broadcaster CCTV in China was forced to rely on advertising sales rather than official subsidies to survive. In New Zealand, the public broadcaster was reestablished as a state-owned corporation with the primary responsibility of generating profits that could be returned to the Treasury to supplement the general tax revenue. The BBC was pressured to look for co-productions with commercial players in the US and other major markets, sell off its transmission network, commission a portion of its programming from independent producers, and maximise the value of its assets by aggressively pursuing the merchandising opportunities provided by programmes and selling programme formats across as many markets as possible.

However, new types of communication were emerging on the Internet at the same time as old media sectors were being rebuilt around commercialization principles. The fight for the future of Internet services has grown into a significant arena of conflict between opposing ideologies due to the rapid expansion of computing power, the growing speed and capacity of broadband networks, the mobility provided by WiFi connectivity, and the migration of the internet to mobile phones.Self-organized communities were crucial to the early growth of the Internet. These grassroots projects are rooted on an attitude of reciprocity and collaborative creation, in contrast to the way that commerce depends on pricing or advertising subsidies and public goods are paid for via taxes. The free software movement, which has developed a variety of reliable alternatives to the commercial software provided by Microsoft via the pooling of skills, is the first and, in many respects, still the most striking example of this new gift economy in work. This same fundamental idea has been used again and time again for a variety of purposes. These include the wiki movement, which enables posts to be edited and expanded upon by other participants, such as Wikipedia pages, and the many recommendation websites where customers of hotels, airlines, and other establishments share their insights and advice[9], [10]. These changes have positive and negative effects on business. One way is that illegal posts and piracy are cutting into earnings. On the other side, consumers' fervour and passion for P2P platforms creates new markets and marketing possibilities. The big media have seized this opportunity quickly, purchasing websites, creating corporate presences on websites like Second Life, and developing cutting-edge viral marketing strategies. Public cultural institutions are also using the web to broaden their audience, make their archives and resources more accessible, and create new interactive relationships with viewers.

CONCLUSION

In conclusion, the current way we consume news, entertainment, and information has changed as a result of the media's commercialization. The complex interaction between media and business has brought up both amazing breakthroughs and enormous hurdles for the sector. The development, distribution, and audience interaction of media have been revolutionised as a result of the transition from public service models to profit-driven businesses. This change has had certain disadvantages, however.In essence, the media's commercialization is a journey that offers both chances and difficulties. As we negotiate this environment, all parties involved—whether they are media companies, marketers, or consumers—must work to strike a balance between financial concerns and the critical function of the media in promoting an educated, involved, and enlightened society. We can assure the beneficial effects of commercialization while preserving the values of truth, openness, and accountability by making deliberate decisions and having a critical grasp of the media ecosystem.

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CHAPTER 11

ROLE OF SCALE ECONOMIES IN THE MEDIA MARKETS

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ABSTRACT:

The idea of scale economies has big consequences for the dynamic media market environment. This abstract explores the complex interplay between scale economies and the media industries, examining how better resource management and higher output levels might result in cost savings and competitive positioning. This abstract examines how scale economies affect several media sectors, such as print, radio, digital media, and content delivery, and illuminates the tactics used by media companies to streamline their operations. Additionally, the abstract illustrates how the dynamics of scale economies within the media industry are being shaped by technology breakthroughs, globalisation, and changing consumer behaviours. In the conclusion, the abstract highlights the need of more study to fully understand the complex interactions between scale economies, media business models, and the changing media environment.

KEYWORDS:

Development, Economies, Markets, Media.

INTRODUCTION

Since Samuelson, the economic literature has argued that large fixed costs and economies of scale are characteristics of media industry production. For instance, although producing a TV show has substantial expenses, physically distributing it to a new user has very little, if any, extra cost. Therefore, there should be significant economies of scale in broadcast television.When a proportional rise in each input by a certain percentage result in an increase in output by a larger percentage, we say that a business is experiencing economies of scale. According to a more flexible definition, economies of scale exist when a firm's average cost of generating output drops as production rises. The ratio of average cost to marginal cost is the final definition for the degree of scale economies for a particular level of production. With this final formulation, if the degree of scale economies is strictly larger than 1, there are growing returns to scale.

Due to their high fixed costs and low marginal costs, the media sectors exhibit substantially larger levels of scale economies than 1. A fixed cost is one that cannot be avoided by stopping production and does not change according to the volume of output. The generation of content generates the majority of the fixed costs in the media industries, which results in a first-copy fixed cost. Additionally, some people think of promotion expenditures as set, meaning they don't rely on how many units are really sold or how big an audience is. For instance, it is sometimes said that producers in the music business carry out some early marketing, which results in first sales and encourages word-of-mouth among music enthusiasts. The distinction between a sunk cost and a fixed cost is that the former cannot be avoided by ceasing production, hence the cost of content and the cost of marketing are more accurately referred to as sunk costs.

The production and distribution of copies of the material to final consumers generate variable costs in the media industry. The marginal costs of copies, however, are often quite modest, especially when compared to the original fixed expenses. Moreover, marginal costs of copies are nearly nil because to the continuous digitisation of material. In actuality, the majority of the expenses associated with content distribution might be categorised as fixed; as an example, the fixed costs associated with broadcast networks for free-to-air TV[1], [2].

Take the music business as an example of this cost structure, which consists of high fixed expenses and low variable costs. Vogel claims that famous albums' production costs may exceed $125,000 and their marketing expenses can top $100,000. The marginal cost of a copy, which is between $2 and $3, must be contrasted with the total sunk cost for those records. In the film business, the average theatre expenses for member companies of the Motion Picture Association of America in 2005 were $60 million for negative charges, $32.4 million for advertising, and $3.8 million for copies; hence, variable costs of copies made up just 4% of overall expenditures.

Programming Costs and Expected Audience

Empirical research have revealed that, typically, the more expensive a TV show or movie was, the more successful it was. The economic literature also acknowledges a connection between audience size and production costs. Spence & Owen believe that in order to garner greater viewers for television, it could be essential to boost production expenses. According to Owen & Wildman, a program's production expenses may have an impact on the audience that finally watches it: "The cost of producing a television programme is independent of the number of people who will eventually see it." Anecdotal data suggests that small-scale operation is conceivable in many media sectors in general.

How can the concept of economies of scale be reconciled with the data showing that higher content expenditures result in greater audiences? The theory is that even while there are economies of scale in terms of the actual audience or the quantity of copies sold, the fixed cost of a movie or music album may increase if the producer aims to meet a greater demand. In other words, after the content has been created, the cost cannot be determined by the quantity of users, but the fixed cost of creation might rise ex ante with the desired demand. As a result, we could see, for example, that films with higher budgets tend to attract larger audiences than ones with lower budgets.

Through two separate mechanisms, a greater fixed cost of manufacturing might raise the target audience. Demand may first be influenced by the content's quality characteristics; when quality is improved, demand increases. For instance, having more journalists on staff may enhance the calibre of the information a newspaper offers, just as having more cameras can enhance the visual quality of a film. Second, certain inputs may be able to draw in a sizable audience.A possible cause of the relationship between production expenses and the intended audience is "talent" inputs, in particular. As an instance, to generate films in the film business, talent inputs are combined with production work and financial inputs. The quality of the material is greatly influenced by these "talents." However, they also have an effect on the demand-guiding information processes. Since the majority of media products are experience items, their quality can only be determined after use. "Talents" are able to draw demand since customers can recognise them beyond the producing process[3], [4].

As a result, the idea of skill is not only associated with the "artistic" nature of contributions. Due to the fact that customers are not immediately aware of them, there are also creative inputs that contribute in a manner similar to that of conventional job inputs. For instance, designers in the luxury sector are paid regardless of how well the items they define do since they are unknown to the broader population. Similar to how few actors qualify as "stars," most performers don't affect viewers in a way that can be quantified scientifically. For instance, De Vany & Walls found that from 1984 to 1996, there were just 19 stars among all North American performers and film producers. Stars may impose forms of compensation that represent a sharing of produced value rather than money for a job well done inasmuch as they actively contribute to the development of demand after obtaining a certain level of autonomy. The film business has clearly seen this tendency, which is now noticeable in the television sector.In the case of film, it seems that stars have gradually been able to seize the majority of the excess they produce. Ravid showed in a study of 180 films chosen at random and published between 1991 and 1993 that although stars raise box office receipts, they also keep the money made as a result and ultimately have no impact on a film's financial success. In the instance of US broadcast television, Woodbury et al. examined a sample of 99 shows that were shown on ABC, CBS, and NBC between the years 1977 and 1978. These writers demonstrated how the "popularity" of the programmes these producers had produced affected their compensation. For instance, if a programme attracted more viewers than anticipated, the network would give the producer a portion of the extra money. For Woodbury et al., the network made an effort to keep excellent ties with these producers in order to acquire new programmes, and it gave up some of the excess to make sure they delivered on their promises.

DISCUSSION

The variety of media industries, such as print, broadcasting, digital media, and content distribution, highlights the necessity for customised strategies to take advantage of scale.Opportunities and difficulties have been brought about by the digital era, which has changed how people think about size. Online platforms now make it possible to reach a worldwide audience without the same physical limitations. However, in order to reach economies of scale, creative strategies are required due to the enormous amount of digital material and the complexity of data administration. Additionally, the globalised character of the media industry necessitates a thorough comprehension of regional variances in consumer tastes and legal systems.The efficient use of scale economies may provide media firms a competitive advantage as they battle for viewers and ad revenue. But it's critical to understand that scale is not a one-size-fits-all approach; rather, it necessitates adaptation to changing customer expectations and technological developments. Since reaching and maintaining scale economies requires constant adaptability to changing industry trends, the dynamic nature of the media markets necessitates this.

Economies of Scale and Their Economic Consequences

The existence of robust economies of scale has significant effects on price and market competitiveness. It is improbable that competition will develop in a market with significant economies of scale. In fact, price-driven competition would result in marginal costs, which would result in significant losses for businesses since they couldn't recoup their fixed expenses. Therefore, there are only two sorts of market structures that may develop over the medium or long term: either the market is controlled by a single business, or companies differentiate and focus on several market sectors. The media sectors, whose customers seek diversity, fit well with the latter trend. Pricing is another area in which economies of scale have an impact. Since media services and products have large fixed costs and low marginal costs, cost-based pricing would result in losses for businesses. Different pricing or commercialization tactics are available if a corporation has market power, which is what we can anticipate.

First, the company has the option to price discriminate, which entails offering the same product at several price points depending on the amount sold, the qualities of the buyer, or numerous sale terms. The selling of books in various forms is an everyday illustration of price discrimination in the media industry. Versioning is a kind of price discrimination that entails making various versions of an item and convincing each set of customers to choose the version that was meant for them using the proper pricing strategy. For a DVD, for instance, a collector's edition may be marketed alongside the ordinary version to appeal to customers with a high level of interest[5], [6].

Unreliable axioms

Three dubious, often unstated assumptions form the foundation of the majority of research on the influence of mass media. The design of effects studies, the applicability of theories for the explanation of media impacts, and the perception of the societal significance of effects research findings are all significantly influenced by these axioms.This axiom states that newsworthy occurrences occur without the involvement of the media. The truthfulness of this premise, however, is called into question since a lot of the events covered by the media have already been covered before. Additionally, during wars and crises, individuals and groups about whom the media reports alter their actions as a consequence of the coverage. For instance, politicians may alter their tactics, parties may drop certain items from their platform, governments may reconsider enforcing new laws, and businesses may discontinue or otherwise alter their goods in response to negative media coverage. Strictly speaking, media coverage often discusses the results of prior coverage when they follow up and report on these actions. The fact that many of the events that are the subject of media reports would not occur or occur in the manner in which they do if the actors had not anticipated media attention is another reason why the first premise is untrue. In addition to all press conferences, this rule also applies to scheduled media-focused events like athletic competitions and party conventions.

The three sorts of occurrences that may be differentiated are as follows. First, certain eventssuch as true occurrences like terrorist attacks, natural catastrophes, and accidentsoccur without the involvement of the media. Second, although certain occurrences would occur regardless of media attention, these "mediated events" have different characteristics as a result. Third, there are occasions when something happens only to attract media attention, such press conferences. After spectacular occurrences, a substantial amount of the news attention is not given to the important events that had first sparked it. As a result of the reciprocal impacts of the mass media, media coverage often concentrates on staged and mediated events that are thematically connected. In other words, people who are the topic of media stories regularly change how they act to suit the requirements of an effective depiction in the media. There are just a few persons who get publicity, yet the majority of them are powerful figures. Thus, judgements impacted by news broadcasts may indirectly have an impact on a large number of additional individuals[7], [8].

No change without impact is the second axiom. This implies that media coverage cannot be considered to have an impact on the reinforcement of preexisting ideas, views, attitudes, and behaviours. There are only two situations in which the axiom is valid. First off, these traits and features would exist even if the media did not reinforce the audience's preexisting views, opinions, attitudes, and behaviours. This presumption only really holds true for attitudes and behaviours; it isn't true for the majority of ideas and views. As an example, examine how people see the nation's most pressing issues: if the media covers a certain topic less often than it formerly did, less people will view it as a concern.The second need for the axiom's validity is that the relevant attitudes, beliefs, and behaviours have grown independently of earlier media consumption. However, this presumption also only partially holds true. There are two different types of effects while digesting TV news, as an example. First, when viewers don't have any prior awareness of the events or people being covered, TV coverage at least partially results in new information and viewpoints. Second, viewers' knowledge and views are often based on past media reporting when they are familiar with the events or people being covered and have an opinion about them. Therefore, the background for the understanding of the news on current events is largely established by the mass media, which then serves to support and add to the context.

Due to a static and hence unhistorical viewpoint, reinforcement is only interpreted as proof that there are no media impacts. Such an approach does not accurately reflect the real contribution of the media to the growth of people and civilizations. In actuality, the status quo often derives from earlier media influences. From these theoretical presumptions, it follows that current attitudes, beliefs, and behaviours may also be seen as a result of prior media coverage. Therefore, reinforcement must be seen as a core and significant influence of media coverage inasmuch as these ideas, views, attitudes, and behaviours would disappear without constant media coverage.

No effect without touch is the third axiom. This axiom is valid if at least one of the two following conditions holds true: first, preexisting beliefs and ties to the peer group largely prevent the reception of dissonant information; second, dissonant information obtained from the media will be reinterpreted to fit preexisting beliefs. The views and attitudes of media consumers are an effective barrier against the dissemination of discordant information to others if one or both of the requirements are met. In this situation, the conveyors must be held accountable for any impacts suggested by the transmission of information from the media. Conveyors only begin to function as filters that significantly reduce the impact of media on third parties after then. However, the consequences should be at least partially ascribed to the media when discordant information is also used and spread by conveyors or opinion leaders.

The presumption that individuals only consume consonant media information and only transmit consonant media information to other parties is irreconcilable with the results of empirical study for a number of reasons. One is that the majority of mass media, notably TV newscasts, which are the most significant and widely used information source, are used with little or no regard to attitudes. The fact that media consumers do not utilise bad information about persons and organisations that they respect in a selective manner is another, related argument. Additionally, journalistic methods of design may be used to combat the propensity for the selective use of positive information. Big or eye-catching headlines, lengthy pieces that are strategically positioned, and ostentatiously illustrated reports are a few examples.

For these reasons, no degree of selection presents an impenetrable barrier for discordant information notwithstanding the preference for harmonious information. Such choices could lessen the impacts of the media, but they most definitely do not eradicate them. Predispositions and selective exposure do not, however, provide an effective barrier to the assimilation of discordant information. The no effect without touch axiom is false as a result. Instead of limiting the effects of media reporting, opinion leaders and other interlocutors instead expand them in novel ways to others who do not have direct access to the same media coverage.

The interpretation of multilevel effects processes is affected by the notion of indirect media impacts. This first relates to research that has shown the impact of interlocutors on other people's views and opinions. The impacts must be attributed to the media if there are no theoretical justifications or empirical evidence that the interlocutor relied on sources other than the media. Second, it also includes research on the dissemination of knowledge and innovation as well as the evolution of societal standards and values. Low distribution levels of opinion-forming media may change minority groups' views, which may subsequently be accepted by media with high distribution levels, influencing the majority's opinions. Third, the concept of indirect media impacts has implications for current research on how the media influenced historical processes. This mostly covers concerns about whether and how opinion-forming media influence public opinion, limit the range of decision-makers, or define in advance what kind of actions are regarded proper and legitimate[9], [10].

The indirect media effects model provides a framework for talking about how the media might act as a catalyst, amplifier, and modulator of complicated dynamic processes that, up until now, have not been of interest to recipient-fixed effect research. It also draws parallels with issues and theories from other fields, including political science, sociology, and economics. The more open-ended the questions, the further the causesnamely, media coverageare from the effectsnamely, the decisions made by politicians as a result of media coverageand the more intervening factorssuch as opinion leaders who derive their opinions from the media and might influence decision-makersthat must be taken into account. The unavoidable drop in the amount of evidence is one of these studies' downsides, but what matters is that one of their benefits is a realistic assessment of the media's function in contemporary society.

In the midst of contentious discussions about the New World Information and Communication Order, UNESCO studies from the 1970s and 1980s suggested that there was typically a one-way flow of entertainment-focused programming from the major western exporting nations to the rest of the world, leading to a global imbalance in the media.It has been stated that in the age of globalisation, as non-Western media content providers have developed to serve an ever-expanding geocultural market, the one-way vertical flow has given way to various and horizontal flows. However, it would be wise to exercise care. The large media flows from countries like India, Brazil, and Qatar may provide the false impression that media worldwide has grown more democratic and diversified. A thorough examination of the realities of international media flows would reveal a more complicated procedure.

The earnings of non-western media organizations, with the exception of Japanese animation, are generally tiny despite the rising tendency towards contraflow, and their worldwide effect is limited to geocultural markets or, at most, to a few isolated pockets of regional transnational customers. The cult following of Friends or Sex and the City has nothing on any Latin American telenovelas, and despite the increasing popularity of Indian films outside of India, their contribution to the $200 billion worldwide cinema market was insignificant.

Trade statistics show that the circulation of US media goods still serves to define what is "global". American film and television exports increased by four times between 1992 and 2004from $2.5 billion to $10.4 billion. This was a consequence of the privatization and expansion of television channels as well as the rising glocalization of US media productions. The vast reach of US media, advertising, and telecommunications networks adds to the flow of consumerist messages around the world, enabling the US to deploy its "soft power" to advance its economic and political objectives on a national level.

Critical theorists have maintained that multinational corporations indirectly rule emerging nations by controlling markets, resources, production, and labour with the cooperation of their respective governments. In the process, they compromise the cultural independence of the developing nations and foster a reliance on both the media's hardware and software. One eminent academic called this phenomenon "transnational corporate cultural domination. However, in this examination of global media flows, the audience and media content were generally disregarded.

It was disregarded that various audiences may perceive the information differently and that southern nations could be able to innovate and improvise on western goods. While some have argued that rather than a globally homogenised culture, the interaction between the global, national, and local levels is creating "heterogeneous disjunctures", others have championed the idea of cultural hybridity, which is created when western media genres are modified to fit local cultural norms.

This media hybridization develops within a larger new-liberal ideological framework. One may argue that globalized media are promoting a society that values liberal democracy and the dominance of the market as seen by the west. The fact that the message is being delivered in local languages could actually be a more powerful approach to support the values of a free market system, which favours the private sector and undercuts public media.

CONCLUSION

The investigation of scale economies in the media sector, in summary, reveals a complex interaction between market dynamics, technology development, and consumer behaviour. The idea of scale economies emerges as a critical factor of media organizations' performance as they work to manage the complexity of cost-efficient production, distribution, and content development. Further study is necessary to dive more deeply into the processes behind scale economies in different media industries in light of these difficulties. A more complete knowledge of how media organisations might prosper in a fast-changing environment can also be gained by looking at the synergy between size and other aspects like innovation, content quality, and regulatory compliance. In the end, research on scale economies in the media industry provides useful information for media organisations, decision-makers, and academics attempting to strike the delicate balance between economic effectiveness and artistic greatness.

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CHAPTER 12

IMPACT OF MEDIA IN ECONOMICS: A COMPREHENSIVE REVIEW

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ABSTRACT:

Traditional business structures and advertising tactics have been changed by media's capacity to influence customer preferences and market trends. Due to the democratisation of information access brought about by the development of digital platforms and social media, customers can now make educated choices, and companies can now customise their offers to match changing customer expectations. However, this also raises issues with regard to data security, privacy, and the spread of false information, necessitating the creation of regulatory frameworks that strike a balance between innovation and responsibility. It is impossible to overstate the influence that the media has on monetary policy. Public impressions, feelings, and stories regarding economic situations are communicated to the public via the media. This effect on public discourse highlights the potential that media wields in influencing economic results beyond basic reporting and may affect policy agendas and government choices. Additionally, media influence cuts beyond national boundaries and aids in the globalisation of markets. Unrestricted information movement across boundaries promotes international business, investment, and cultural interaction. This interconnection exposes economies to international trends and competition while also giving firms the chance to expand their clientele and build international networks.

KEYWORDS:

Business, Economics, Government, Media, Traditional.

INTRODUCTION

The word "mass media" refers to a wide range of print media, including newspapers, magazines, and books, as well as electronic media, including radio, television, and the Internet. Daily and weekly newspapers are included under the term "newspaper," as well as "magazines" that include periodicals like news magazines, fashion magazines, sports magazines, etc. All forms of mass communication provide many aspects, such as news analysis, news, editorials, and commercial messages, and cover a wide range of subjects, such as local and international politics, the economics, the arts, and sports. Only audio information is presented by certain mass media, only visual information is presented by others, and all types of information is presented by some.

The phrase "effects of mass media" may also refer to a variety of signals, including verbal and nonverbal cues, coverage techniques, represented behaviour, such as violence, sex, and pornography, and coverage of many subjects, such as politics, the economy, and sports. Therefore, when we talk about the impacts of mass media, we're interested in the particular effects, such those of news on certain issues, entertainment programmes, visuals, etc.

Media Effects Types

There is a wide range of consequences that the media may have. There are a variety of consequences, including ones on the body, beliefs, attitudes and values, emotions, social behaviour, public opinion, and the reputation of those who are the subject of media coverage. These impacts could be the results of media usage, but they might also be the outcome of encounters with others who have previously used the media and been affected by that exposure. Alternately, the media may amplify or alter current attitudes, ideas, or beliefs. The influence of media may also be seen in how people learn or behave when they copy what they see in the media. In certain cases, the conclusions that media consumers take from media messages may be influenced by the mass media as well and may even be more accurate than the facts provided[1], [2].

After only one interaction with an item, media impacts could be noticeable and might happen quickly. Alternately, apparent impacts of media exposure could also be the consequence of repeated exposure to a variety of relevant items and might not manifest right away. The impacts of mass media may in some circumstances fade away quickly or may last for a very long period. Additionally, media impacts are often correlated with the volume or frequency of media exposure. As a result, impacts may already be noticeable after only a few articles or may take time to manifest after extensive media coverage of a topic.

There may be interdependencies between different impacts of mass media or the effects of mass media may be restricted to certain characteristics like beliefs or emotions. As an example, media reports may elicit feelings that raise the trustworthiness of reliable information. However, generalisations about the impacts of the media are impossible due to the wide range of potential causes and consequences. The specific production methods and consuming circumstances affect the kind and potency of media impacts.

Media effects research's past

Numerous scholars who have made significant contributions have studied the impacts of the media and continue to do so. Some of them, including Albert Bandura, Steven H. Chaffee, Leon Festinger, George Gerbner, Carl I. Hovland, Elihu Katz, and Elisabeth Noelle-Neumann, are exceptional and deserving of particular attention. The history of media effects research has often been split into three eras as a result of the work of these pioneers: the strong media effects phase, the weak media effects phase, and the intermediate media effects phase.Case studies based on exceptional occurrences make up the first phase. The panicked responses to Orson Welles' radio drama War of the Worlds and Kate Smith's radio campaign to sell war bonds that generated US$39 million in only 15 hours are two of the most noteworthy examples. Hovland and his colleagues did the best job of properly documenting the powerful media impacts that persisted even after the initial phase was over. However, the findings of their laboratory tests, where there was no potential of selective exposure and unrealistically high levels of attention among individuals, had little external validity.

The research by Lazarsfeld et al. on the United States presidential election of 1940 marked the beginning of the second phase. The coverage of the election was less spectacular and the results were far less dramatic since it was a regularly occurring routine affair. The authors provided a variety of interpretations for the outcome, which at the time seemed unexpected. The two-step communication paradigm, the power of opinion leaders, and the need of selective media usage were most notably presented.The studies "The agenda-setting function of mass media" by McCombs & Shaw and "Return to the concept of powerful mass media" by Noelle-Neumann, published in 1972 and 1973, respectively, marked the beginning of the third phase. McCombs & Shaw directed scholars' focus away from media's influence on attitudes and views and towards its influence on beliefs. The consonance of the media, their cumulative effects, and their impact on the climate of thought were three revolutionary ideas that Noelle-Neumann proposed. The spiral of silence hypothesis was founded on these ideas. A rising number of long-term studies built on content analyses of media coverage and representative surveys followed the field's theoretical reorientation. This allowed for the statistical categorization and analysis of the evolution of public opinion and media coverage[3], [4].

The disparities in the consequences in the three periods were less significant than they had previously seemed from today's perspective. Assuming that such discrepancies genuinely occurred, they might be attributed to novel research theories and methodologies as well as the nature of the events covered. The impacts in situations of noteworthy occurrences are at least as potent now as they were in the early stages of the study of media effects. For instance, two weeks after the September 11, 2001 attacks on the World Trade Centre, American celebrities held a benefit concert that was carried on TV and radio and raised US$116 million for the victims in only two hours. The impacts roughly match what was discovered in the second stage of media effects study for everyday occurrences. That is, when facts and views are repeatedly thematized, a significant portion of the populace adopts the media's tone as their own.

DISCUSSION

Models and theories may be used to describe and explain the impacts of mass media. Learning theories and cognitive theories are the two broad categories into which theories on the influence of mass media may be loosely divided.There is one significant divergence between the two theoretical grounds despite many similarities. Divergences between beliefs and the information supplied by the media are consequently seen as learning deficiencies that may also be read as a lack of media impacts since learning theory methods specifically deal with the accurate replication of information. Contrarily, cognitive models see impairments as the product of receivers' predicted contributions as they digest the information given, rather than as the result of a lack of media effects. The two ideas are thus considered independently despite having some similarities due to this fundamental divergence.

Theories of learning approaches

Generally Assumed

The connection of stimuli and responses is the foundation of learning, according to learning theory. Operant conditioning is especially important in this situation. The accidental co-occurrence of a stimulus and a response is described here, and if the reaction is rewarded, they become established as a unit. In the field of media impacts, the reward can, for instance, take the form of social acknowledgment from friends and peers for political information gained from a news programme that was accidentally viewed. These procedures presumably serve as significant inducements for people to increase their media consumption.

The idea of observational learning, a variant on learning theory, is primarily used to explain how aggressive behaviour is acquired. As a result, viewers pick up violent behaviour patterns from the media that they subsequently use in specific situations. The important factors objective contents and subjective comprehension, attention and effects, cognitive and emotional components of the impact, and others are not distinguished and documented independently in the majority of effects research focused on learning theories. This is due to the fact that the necessary data are often absent from studies that are currently accessible for secondary analysis, and assessing them all at once in primary research would be too laborious and costly.

Keeping in mind Media Content

Nobody has the capacity to recall all of the news stories they have read, heard, or seen. Two relevant questions are raised by this. First, what proportion of news about current events is remembered? Second, what proportion of current event knowledge is derived from media reports? According to studies, people recall an average of two to three of the fifteen news articles they saw on television thereafter. From these and related findings, it may be inferred that a single account of an event often has little influence on memory. Only repeated reports work, and there is a critical number of repetitions required[5], [6]. It may be inferred from the little recall of individual stories that media coverage typically has little influence on public perceptions of current events. But this presumption is incorrect. According to data, media accounts account for around two thirds of what the general public knows about current events. The abundance and regularity of media coverage of all significant events, which shapes the general public's predominate beliefs, is the cause of the seeming contradiction.Public perceptions of the importance of social issues and the urgent need for their solution are influenced by current affairs reporting in the media. The idea that the media have little or no impact on what the receivers believe but a lot of influence on what they think about forms the theoretical foundation of the agenda-setting hypothesis. In agenda framing research, there are two primary study designs that have been created. The first compares all of the topics on the public's agenda with those on the media's agenda for a short period of time, like a few weeks. The second looks at a comparison between the evolution of media coverage of specific problems and the evolution of public opinion over a longer period of time, such as several years or more.

The unstated assumption in the original formulation of the agenda-setting hypothesis is that public opinion fluctuates in response to the media's attention on various problems. However, this presumption is not always true. For instance, even after there have been fewer news about major tragedies, the populace often continues to be alarmed. In these situations, there is no direct correlation between public opinion and media coverage. Paradoxically, the findings show small impacts if correlations are assessed on the assumption that variables are linear. Several nonlinear models have been proposed to prevent this issue.

Influence on Risk Assessment

People typically use sound judgement when determining the relative frequency of different causes of mortality. They are aware of the reasons of death that are more and less likely to occur. However, they often make two errors by exaggerating the frequency of uncommon deaths and underestimating the frequency of common causes of death. How this relates to media coverage is explained by the availability heuristic idea. Rare causes of death like tornadoes, poisons, lightning strikes, etc. get extensive media coverage because extraordinary occurrences have great news value, yet regular causes of mortality including heart attacks, lung cancer, diabetes, and other prevalent life-threatening disorders receive very infrequent coverage.People pay greater attention to the emphasis in the most recent media coverage than the actual frequency of causes of mortality.

As a result, rather than following the growth of the actual quantity and magnitude of losses, the population's views about chances and hazards are based on the portrayal of improbable but conceivable harms.

Influence on Beliefs About Opinion and Behaviour Distribution

Information on the distribution of views and the relative frequency of behaviours may be found in two different ways in media reporting. Quantitative data, such that used in reporting polls where a certain proportion of respondents share an opinion, is one sort of information that is often utilised in media coverage.

Reports about people who embody certain attitudes and behaviours are the other kind. Quantitative statements don't have as much of an impact on assumptions about majority viewpoints as individual presentations do. Even when the same report includes quantitative comments about the real majority view, many receivers will mistakenly believe that the minority is the majority if, for instance, a report purposefully overrepresents members of the minority[7], [8].

Influence on Effects Suggestions

The majority of individuals believe that the impacts of unfavourable media are more detrimental to others than to oneself. By Davison, the idea of third-person effects was first presented. Numerous studies and tests that proved the effect to be real also discovered that the strength of third-person effects rises with the social distance between alter and ego. When the comparison groups are larger in size, third-person effects are likewise strengthened.The third-person effect may be caused by an exaggeration of the impacts of media on other people, an underestimating of one's own affects, or a mix of both. The third-person effect probably has significant ramifications, although they are yet largely unexplored. Evidence suggests that it lessens the tendency to voice one's own ideas in public issues. Additionally, it has been shown that third-person thinking encourages calls for the outlawing of media material like pornography that is seen to have negative impacts.

Influence on How Knowledge Is Distributed in Society

The relationship between education and the utilisation of information supplied by the media was widely understood in the 1940s. Simply said, those with greater education utilise the information provided by the media more effectively. In spite of this, social scientists in the 1950s continued to believe that the spread of the media would increase public awareness. With the identification of the knowledge gap by Tichenor et al., this upbeat assumption was questioned. This approach recognised the widening knowledge gap between groups with higher and lower levels of education that results from coverage of certain events or problems over time.

The cultivation theory, created by Gerbner and his associates, is predicated on the idea that media, particularly TV, have a significant role in cultural and political socialisation. TV transmits views about the status of the society in which people live via both knowledge and enjoyment.

The effect of TV's portrayal of reality becomes greater the more often and passionately viewers tune in. The impacts of the knowledge and entertainment provided on TV overlap; thus they must be taken into consideration together.On a personal level, excessive TV viewing results in false perceptions of the prevalence of violent crimes in society. The cultural homogeneity of thoughts and perspectives on contemporary topics has been attributed to widespread intense usage.

The cultivation hypothesis deals with longer time spans and broad beliefs, views, and attitudes as opposed to the substantially more constrained knowledge-gap hypothesis, which focused on shorter time spans and specific topics.

Using Cognitive Theory

Cognitive theories often focus on how individuals see themselves and their surroundings, how they understand it rationally, and how they emotionally feel it. These theories focus on how people digest information and the triggers that might occur, which can include media displays. As a result, beliefs, views, attitudes, emotions, and behaviours are seen as integral aspects of a system. The two underlying presumptions on which cognitive theories are mostly founded were originally proposed by Fritz Heider in the 1940s but initially garnered little attention in research.

Consistency theories' initial assumption was that humans view the world around them as prestructured units rather than as a collection of discrete pieces. The second presumption, which eventually served as the cornerstone of theories of attribution, is that individuals naturally assign causes to events. Cognitive theories contend that thoughts and attitudes are more than simply copies of media presentations; most plainly, they are founded on and go beyond the presentations. Differences between media portrayals and popular opinion don't point to a lack of impacts, but rather to predictable information processing brought on by media reporting[9], [10].

Influence on Information Processing Undertaken by Schemas

Schema theory is founded on the premise that people who consume media regularly interpret information according to a preconceived schema rather than absorbing discrete bits of information independently of one another and deriving meaning from them. Graber brought schema theory to effects research. Media reports that depict events from a certain angle may be used to manipulate schema-induced information processing.For instance, variously framing crime news promotes public perceptions that are appropriate to the particular frame. As a result, information that supports the news frame personally is kept better than material that does not. Additionally, even when such information was not included in the reports, readers, listeners, or viewers often assume they have gotten information consistent with the frame.

Influence on the Relevance of Politicians' Personal Qualities

The premise of priming theory is that certain feelings, ideas, and memories may be regarded of as knots in a network that are more or less related to one another. Information activates network components and makes them sensitive to comparable information. As a result, the information that follows will be taken in and analysed more carefully.Iyengar and Kinder brought the idea into the study of media impacts in 1986, and it had a number of important presumptions. Citizens' opinions of politicians and voting intentions are influenced, in part, by their perceptions of their abilities. Receivers become more aware of certain difficulties after hearing about them often, and the urgency of finding answers increases. As a result, the perception of a politician's capacity to address the problems becomes more important and influences whether that perception is favourable or unfavourable. As a result, although attitudes about the general public and voting intentions may change, opinions about the particular traits of politicians may not.

Influence on how emotions and cognition interact

Emotional arousal theory and attribution theory are combined in appraisal theory . Media stories about significant damages generate a lot of interest and excitement, which is the environment in which appraisal theory functions.Events described in detail elicit predictable feelings. The occurrence inspires grief when the harm is ascribed to uncontrolled natural forces, but rage when the harm is ascribed to a human acting in a controlled manner. The combination of emotions and cognitions increases or decreases the intensity of responses. As a result, emotions are both causes and effects of media coverage, and vice versa.

Impact on Popular Opinion

People dread social isolation because they rely on other people's societies, according to Aristotle. Noelle-Neumann, who proposed that individuals continually monitor their surroundings to remain abreast of the majority opinion in order to avoid social isolation, brought the fundamental concepts of this approach into media impacts study.As a result, people often rely on their interactions with others, their own observations, and media presentations.

Each of these sources has the potential to inadvertently inspire accurate or inaccurate theories about the distribution of views. However, over time, most individuals will be more affected by media representations than by their own observations. People who believe they are in the minority often keep their ideas to themselves in public. By doing this, the presumptive majority view is unnecessarily exaggerated, which puts more pressure on the real or purported minority.

Influence in Public Controversies on Opinion Formation

Rosenberg's affective cognitive consistency theory is included into the theory of cognitive affective media impacts, which then uses these ideas to analyse public conflicts. All disputes have elements that favour one side over the other, according to the authors of the cognitive affective media effects hypothesis. In this regard, the events have an instrumental nature, with adversaries emphasising information and favourable media coverage marginalising opposing assertions.Although there is a lot of contradicting information, readers, listeners, and viewers choose the material that supports their own viewpoint. Opinions on the adversaries are influenced by information that supports one side or is against the other. This in turn broadens or narrows the acceptable behaviour range and lessens the opponents' chances of success.

Effects of the Fact

Studies based on learning and cognitive theories identify the information given by the media and examine the information processing methods. Since the pertinent information is often supplied as part of a combination of accurate and false claims of facts, presumptions, and views, this approach is predicated on a large reduction in the complexity of coverage. Additionally, receivers of mediated reports may be affected in a variety of ways. For instance, people may create their ideas by reading editorials from publications and other sources, but they can also do so by reading material that is neutral in nature. As a result, a wide range of sources that are practically ever separated in the flow of media information and that combine to provide a more or less consistent image of reality may have an impact on the beliefs and attitudes of receivers. These are known as "de facto effects," also known as the trap effect.

When opinion is formed based on media tenor, de facto consequences may always be expected. Even if they can't be linked to a single cause or be described by a particular theory, influences of media coverage must be considered in these situations. Examples of de facto consequences include the emergence of viewpoints about the condition of political parties or the likelihood that parties and candidates would succeed in elections. Other examples include the formation of opinions regarding prominent figures like German Chancellor Helmut Kohl or American President George Bush, as well as topics like the state of the economy and environmental problems. Studies on the cultivation theory must also be taken into account in this situation.

CONCLUSION

As a result, the media's influence on economics is a dynamic and diverse phenomenon that has altered how we see, engage with, and participate in the economic environment. Media has become a powerful force that cannot be disregarded in economic analysis, impacting everything from consumer behaviour and market dynamics to forming policy and supporting globalisation. Because of the symbiotic link between media and economics, interdisciplinary study is essential to understanding the intricate systems that power contemporary economies.Industries across the board have seen disruptions and changes as a result of the media's quick pace of technological innovation. Media has pushed the development of company models, challenged conventional economic assumptions and generated new opportunities for growth, from e-commerce and online streaming to the sharing economy.Researchers, politicians, and companies must work together to negotiate the consequences of the changing role of media in economics. Making educated choices that support sustainable economic growth requires a comprehensive knowledge of how media affects economic behaviours, structures, and consequences. Despite the possibilities and difficulties that come with media impact, its importance cannot be understated, and thorough study efforts are necessary to unlock its potential for the benefit of economies and society throughout the globe.

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CHAPTER 13

MEDIA COVERAGE OF LABOR UNIONS AND MEDIA CORPORATIONS

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ABSTRACT:

There has been a great deal of scholarly interest and public concern on the connection between media companies and how labour unions are covered in the media. This summary gives a broad review of the factors influencing how labour unions are portrayed in the media, especially in light of the impact of media companies. When it comes to fighting for employees' rights, just pay, and better working conditions, labour unions are essential. Public opinion and support for their causes may be significantly influenced by the volume and kind of media attention they get. Media firms have the capacity to magnify certain viewpoints and construct narratives since they are powerful organisations with vested interests. The depiction and influence aspects are the two main points of this abstract. It first explores the breadth of friendly, encouraging, and antagonistic media coverage of labour unions. Editorial position, ownership ties, ideological preferences, and larger political and economic settings are among the variables affecting this representation. Second, the abstract examines the effect that media firms have on labour unions, including how they frame problems, set the agenda, and even ignore certain labor-related concerns. The breadth and tone of coverage may be affected by corporate links, financial interests, and control over media outlets.

KEYWORDS:

Business, Corporations, Labour, Media, Organization, Unions.

INTRODUCTION

Perhaps more than any other topic, labour in the news industry exposes the contradictions that exist between the practise of journalism and the business of media on an economic, political, and professional level. The issue with the news media's coverage of organisedlabour is that they serve as both capitalist organisations created to make money for their corporate executives and investors, as well as social organisations tasked with promoting democratic communication. According to the literature, news organisations often fail to report on labour issues independently and instead align their reporting with the largely anti-labor goals of multinational businesses, many of whom are also news organisations themselves and their advertising.

However, news media organisations run the danger of weakening their most valuable resource: the public's confidence. The primary allegiance of journalism, according to Kovach and Rosenstiel's normative argument, is to the public, not media proprietors. The way news organisations cover labour has long drawn criticism for the legitimacy and institutional allegiance of the media because of the high stakes involved for companies, labour, and people.The attitude of the corporate news media towards labour unions is often seen in their own labourpractises. For instance, a number of the most well-known international news media companies in the US, such as News Corporation, Time Warner Inc., Disney, Gannett, the Tribune Company, the Washington Post Company, and the New York Times Company, have a history of anti-labor activities, such as attempting to dissolve their labour unions and prevent the formation of new ones. Additionally, media employees are being viewed as disposable objects and are vulnerable to the same outsourcing practises and economic instability as other workers worldwide[1], [2]. According to capitalism's reasoning, news organisations would not report onor would try to avoid reporting ontopics like labour that may hurt their profit line. The mainstream media not only serves to benefit itself in this way, but they also act as an expression and supporter of the prevailing social, political, and economic order. Therefore, the mass media's pro-capitalist agenda must unavoidably include anti-labor attitude since organisedlabour interferes with capital's ability to make decisions and may reduce capital's profit margins. The mainstream media, according to Herman and Chomsky, is a system of propaganda, but one that is covered up by a free market arrangement of private ownership and regular exposes of corporate and governmental wrongdoing in the name of free speech and public interest. Of course, the news media sometimes discusses labour, sometimes even favourably. For the capitalist mass media to attract an audience, secure the journalistic commitment of professionals, and preserve public support for a free press, they need to have some degree of credibility.

The Press's Labour Bias

There are several studies that claim the news media is biassed against business, but none that claim the news media is biassed in favour of labour. The political right in the US often complains that the news media only represents the viewpoints of a liberal elite. According to Lichter et al., the overall tone of America's national news coverage is heavily influenced by an elite, liberal east-coast media. This elite group typically supports liberal social ideas, which contrasts with the views of corporate executives. The writers draw the conclusion that the media are unfair to business. However, the authors' conclusion that there is a bias against business is problematic, especially when it comes to labour, since they also discover that the media elite is mostly in favour of ideas and policies that promote the US capitalist system. The top news employees overwhelmingly agreed that "people with greater ability should earn more," "private enterprise is fair to workers," and "less regulation of business is good for the U.S." in their responses. Therefore, it seems that the liberalism of the top media professionals does not include labour issues.

When it found that the press was to the right of the public's views on a wide range of economic issues, including the expansion of NAFTA, taxing the wealthy, concern over corporate concentration of power, and government-guaranteed medical care, the news watchdog organisation Fairness and Accuracy in Reporting came to a similar conclusion in 1998. Even on America's ostensibly left-leaning, nonprofit, government-supported National Public Radio, which has a lot of programmes and features concentrating on business and finance, a strong bias against labour coverage was discovered by media critic Eric Alterman in his exhaustive study of bias in the news.

Representations in media

The study of labour in the media places a lot of attention on representation. For more than a century, observers of the US labour movement have criticised how the news media reports on strikes and other labor-related events.At least as early as the 1870s, when English-language daily in Chicago were often antagonistic to picketing, strikes, and class-based activities, anti-labor prejudice could be seen in the US press. It was difficult to locate accurate journalistic coverage of labour and strikes; the majority of these media portrayed unions as violent radicals in the absence of any supporting data. The execution of the accused Haymarket conspirators, four working-class radicals who were found guilty in 1886 of bombing a demonstration in Haymarket Square, was particularly praised in Chicago's English-language daily newspapers.

Upton Sinclair, a Progressive Era muckraker, documented decades of dishonest media reporting intended to delegitimize labour unions and portray them as anarchists and terrorists in his 1920 book The brass check. The Associated news wire service, which dominated the US news, received special scorn from Sinclair. He pointed out that "Capitalist Journalism" only covers violent strikes, while nonviolent strikes are not reported on by wire services[3], [4].

Even while media representations of striking workers as violent thugs have changed as labour disputes have gotten more formalised, stereotypes about them still exist. For instance, the Glasgow University Media Group's three large studies on British television's coverage of industrial news revealed inadequate coverage of labour concerns. The Media Group discovered that incidents that had a negative impact on management, including workplace accidents, were routinely underreported, but the grounds for strikes by workers were reported inconsistently or not at all.

The British research also shown that, in contrast to management, the legitimacy of labor's stance was consistently questioned in the journalistic discourse of industrial confrontations. In contrast, the press presented labor's words as demands while portraying management's statements favourably as offers. Parenti compiled examples of comparable media depictions of labour. Puette discovered disparaging depictions of labour in the news media, as well as in movies, television shows, and newspaper cartoons.

DISCUSSION

Recent studies have focused on the strategies adopted by news organisations to preserve their credibility while operating under the political and financial constraints of the corporate mass media. First, by framing coverage on labour relations from a consumer viewpoint, journalists may avoid coming out as biassed in favour of labour or management perspectives.

For instance, headlines regarding transit strikes often ignore labor-management concerns in favour of the swift restoration of service to consumers and instead concentrate on the issues faced by those who are left stranded. This consumer point of view on labour stories serves as a "objective" position because it seems to be impassive towards labour and management positions, but it ultimately serves capital by elevating consumer issues and a myth of class-free social relations while burying civic engagement, political participation, and class relations.

Second, news organisations may cut down on labour news by simply not assigning reporters to cover the labour beat. When specific beats are understaffed, regular coverage of that subject is reduced because beat assignments aid the news-gathering bureaucracy in defining what constitutes news. National commercial broadcast and cable news networks, for instance, don't have regular labour beats in the United States or Canada.

As editors reduced labour reporting while boosting corporate coverage, the labour beat in print media has almost vanished in recent years. In the US and Canada, workplace reporters and columnists have taken the place of labour reporters, who typically cover unions and worker associations, the labour movement, and issues like job equity and discrimination. These reporters and columnists' focus is more on lifestyle issues, such as getting along with bosses, telecommuting, or the morality of workplace romances.

Since the 1980s, newspapers have generally shifted their viewership away from working-class news consumers and towards wealthier readers, which is related to the fall in the labour beat. This is a change that distances media from its commitment to all people in order to appeal to a niche market, encourage interest from advertisers, and boost revenue for news organisations. It is clear that journalism is being geared towards "upscale" consumer audiences. For instance, wealthy young people are the primary audience for European-based Metro International, which distributes the free Metro commuter newspaper in major cities across the globe and has grown to be the biggest worldwide daily.

Labor-related News Media

It is hardly surprising that labour activists have often taken matters into their own hands by launching labor-focused newspapers given the limitations of the mainstream media's coverage of labour.The US labour movement published hundreds of local, regional, and national labour newspapers at the start of the 20th century, in several languages. Both commercial media and partisan periodicals with pro-union content were widely read. For instance, the socialist publication Appeal to Reason had the greatest weekly readership in the US by 1913, when it peaked at more than 760,000 copies. The Communist Party newspaper, the Daily Worker, had a 100,000 readership during the Great Depression. Even with government-led antiradical measures that included preventing certain journals from being sent, destroying presses, and deporting editors, the high circulation of these weeklies was tough to maintain. Local, independent working-class newspapers in the US had mostly disappeared by the turn of the 20th century. The few people who do read the surviving union-sponsored newspapers often use them as undemocratic shills for union bosses. The International Association of Machinists has suggested a labour satellite/cable television station, while the International Labour Communications Association has asked for the opening up of labour periodicals to criticism[5], [6].

London-based LabourStart.org provides the most comprehensive global labour news on the Internet. These publications are independent labour monthlies in the US like Labour Notes, websites like Workday Minnesota, public affairs magazines of the left, radio news programmes like Democracy Now, the syndicated radio service Workers Independent News, and satellite/cable channels like Free Speech TV and Link TV. These news outlets provide the most reliable and thorough coverage of the labour movement because they are not constrained by the economic interests of the corporate news media.

For over 200 years, labour unions have been a constant presence in the media landscape of the globe. They have trained and disciplined members of the craft, certified the abilities of content creators and production staff, bargained collectively for wages and benefits, fought with employers and the government over freedom of expression, workplace health and safety, intellectual property protection, and access to information, depending on the time period and the location. They have, on the whole, received little academic study. Nevertheless, they have significantly influenced the media organisations and the cultures in which they function.

It is nearly hard to determine the total number of media professionals who are members of unions worldwide. That is due in part to the fact that the definition of what the media is still changing. In the meanwhile, a lot of unions have changed into communications unions that cover the whole industry, not only media employees. Finally, several criteria are used by statistics authorities to define and count media work. Union density, or the percentage of employees who are organised into trade unions, was estimated by the International LabourOrganisation to be slightly under 20% globally, however it varied greatly from country to country. The union density in the media likewise varies greatly. It is greater than among other industrial employees in the private sector in various parts of Europe and North America. Additionally, it often exceeds that of commercial broadcasting networks and stations at national public broadcasters. In 2006, 1.5 million persons were employed as journalists, according to the International Federation of Journalists, a federation of national journalists' unions and professional groups in more than 100 countries. The remaining 500,000 were made up of IFJ members. The majority of IFJ members were located in Europe, where the organisation had over 230,000 members. Media employees who are members of unions include journalists, entertainers, and other content creators in addition to technical and production staff. Media unions' actions have an influence on people well beyond their direct membership. For instance, wages and working conditions obtained in unionised newspapers often serve as a model for nonunion workplaces. Similar to this, the Screen Actors Guild mandates that producers operating outside of the US sign its contracts in order to utilise SAG members, a policy that has repercussions for the actors' unions in other nations. National media workers' unions are active participants in national labour federations, and many of them are also engaged in international organisations like the International Federation of Musicians, the International Federation of Actors, the IFJ, and the Union Network International. Since media unions engage in a variety of activities, their impact in the workplace and on policy is often far larger than union density would imply[7], [8].

Growth of Media Unions

Printers' unions, which first appeared in Europe and North America in the eighteenth century, were the forerunners of trade unionism in the media. The first knowledge workers were printers, who produced ideas and discussion rather than just tangible commodities. At a period when few employees were literate or highly competent, they were both. Over the course of the late eighteenth and early nineteenth centuries, printers' unions underwent a transformation from mutual assistance organisations to local unions, then to national unions. These were the only national media workers' unions in the majority of nations for long of the nineteenth century. That altered in the second part of the nineteenth century with the rapid growth of the periodical press. For the purpose of representing the numerous publishing trades, new unions emerged, sometimes by severing ties with the original printers' unions.

As many as eight or nine unions might represent different groups of industrial employees in the same newspaper by the middle of the 20th century. The strongest unions were often those representing printers.Although there were some efforts to organise newspaper reporters in the nineteenth century, stable journalists' unions were mostly a twentieth-century development. For instance, the American Newspaper Guild first arose in the 1930s, while the British National Union of Journalists was established in 1907. The mission of the International Federation of Journalists, which was established in 1926 and reinstituted in 1952, is to advance press freedom, professional advancement, and the acceptance of trade unionism.

In many nations, journalists' unions combine professionalism and trade unionism. These unions serve as professional certification bodies by issuing national press cards, establishing industry-wide codes of ethics, and actively supporting journalist education. roughly a quarter of journalists in Europe and roughly half of those in Central and South America belong to freelance unions. Contrarily, in North America, unions serve primarily as the representatives of permanent workers in collective bargaining. Journalists' unions have also been used as a tool in authoritarian nations to regulate both the journalists themselves and the flow of information. However, practically all journalist unions historically and now see focusing on professional problems like free speech, copyright, and training as a part of their mission.

The 1920s, 1930s, and beyond saw the emergence of unions that represented individuals working in the cinema and broadcast sectors. In addition to unions for performers and broadcast journalists, they also featured unions for technicians. It is common for broadcast unions to form independently of print unions for journalists. In the US, radio artists as a whole formed a union that included broadcast journalists. Meanwhile, the actors in films formed their own union. A number of nations, notably Canada, the UK, and Australia, have unions that cover both print and broadcast journalists as a consequence of union mergers or consolidations.

Digital technology started to undermine conventional union domains in many facets of the media in the 1960s. The hollowing out of the manufacturing process by technology, which would jeopardise the viability of multiple unions and result in large job losses for technical and production personnel, was evident very quickly. The unions reacted in various ways, such as by engaging in disputes over jurisdiction with employers and other unions, merging with other trade unions, and attempting to exchange lifelong job guarantees for agreeing to the employers' plans for technological transformation. throughout a number of nations throughout the 1960s, 1970s, and 1980s, protracted newspaper strikes over new technology happened. When Rupert Murdoch covertly relocated his London newspaper company to a fortress-like factory in Wapping in 1986, it may have been the start of the era's most significant labour conflict. This action sparked a protracted, acrimonious, and ultimately fruitless printers' strike. Similar decreases in the number of broadcast production personnel were brought about by the advent of smaller, lighter video cameras and nonlinear editing technologies. Technological development in broadcasting often led to fewer high-profile strikes than in newspapers because broadcast technicians' unions were, in general, less firmly established than printers' unions[9], [10].

Media unions had further difficulties in the 1990s as a result of media ownership concentration, which has become a key aspect of media systems across the globe. Many businesses started exploring convergence strategies, integrating their diverse media assets using digital technologies. As a result, several unions adopted their own convergent strategies to create bigger, more inclusive unions that represent a variety of communication employees. The most notable example of this sort of union is likely the Communications Workers of America, which has 700,000 members. It started out as a union for telephone workers but has since expanded to encompass editorial and production staff in newspapers, television journalists, telecommunications staff, and employees in high-tech fields that are challenging to organise. This reconfiguration is somewhat defensive, but it also shows an effort by media workers' unions to benefit from synergies created by increasing convergence in their line of work. These unions perceive better chances for organising and bargaining because they represent employees who are more often engaged in producing for a convergent electronic information services or knowledge arena. The ILO stated in 2004 that national union mergers in the media, culture, and graphics industries were frequent.

Trends And Problems

Unions still face difficulties in the twenty-first century as a result of media structural changes that took off in the final part of the twentieth century. One of them is the concentration of media ownership, which has an effect both within and outside of national boundaries. Through a practise known as outsourcing, employers have sped up the process of moving work from higher-paid places to lower-cost locales. In addition, many media companies have worked to replace permanent employees in their core businesses with contingent workforces made up of freelancers or contract employees as well as to build nonunion workforces in their newly acquired media businesses.

The unions have reacted by engaging in a variety of initiatives aimed at preserving or maybe even boosting labour power. These include efforts to expand organising to new areas and to new classes of workers, as well as new union federations being formed. For instance, the Hollywood-based entertainment unions have joined forces to resist the problem known as "runaway production," which is the practise of shooting tales meant for a home audience in less expensive foreign locations. Their main area of engagement has been advocating for film subsidies with the US federal and state governments. However, they made a significant effort to collaborate with the film unions in those "runaway" locations in order to improve pay and working conditions. Despite the prevalence of informal alliances, there have also been advancements at the national and worldwide federation levels. In 2006, 15.5 million members in 900 unions from more than 140 countries were represented by the Union Network International, which was founded in 2000 as a result of the merger of the Media and Entertainment International, the International Graphical Federation, the Communications International, and the White-Collar and Services Federation FIET. The convergent media, communications, and information industries, which together are playing an increasingly important role in the global economy, were covered by five of its twelve sectors. The AFL-CIO, the largest labourorganisation in North America, established an industry coordination committee in 2005 that includes 10 unions in the telecommunications, media, entertainment, and arts sectors. The committee wants to give these industry employees greater authority in the face of growing media consolidation and significant technological change.

Media unions are still fighting for the right to regulate the wide range of new media goods and services that define the information economy. Additionally, they are working harder to organise new information industry worker organisations. The establishment of worker organisations has been a key factor in the emergence of social movement unionism among knowledge worker professions in the twenty-first century. In the US, the Washington Alliance of Technology employees has emerged as the primary voice against outsourcing information technology employment to the developing world. The organisation was initially founded to unite temporary employees at Microsoft. In the meanwhile, a walkout by French film employees in 2003 sparked a movement that brought attention to problems with sporadic or insecure employment in other parts of the economy as well as the media. For media unions, hopeful factors include the growth of worker movements and the convergence of labour. However, given that the fundamental nature of media employment is being called into question, these are dangerous times for the unions. For instance, the emergence of so-called citizen journalism has prompted debate within journalist unions over what constitutes journalism and what role the unions should have in approving credentials or settling pay scales. Meanwhile, unions representing production and content workers grapple with the ever-growing selection of digital goods. At the same time, they continue to struggle with significant, established issues like how to advance free speech, workplace safety, and autonomous trade unions.

CONCLUSION

There are many ways in which media coverage of labour unions might be influenced. On the one hand, media businesses have the authority to highlight or downplay labour union activity, which may damage their public standing and negotiating position. On the other side, unions often seek media attention to build support from the public and put more pressure on employers during talks. This abstract clarifies the intricate interactions between these players while highlighting the need of media literacy and the critical consumption of labor-related news.A complex and diverse topic, media coverage of labour unions falls within the purview of media companies. Public view of labour unions may be strongly influenced by how they are portrayed in the media, and media companies have a big effect on how labor-related problems are framed and made visible. Understanding these processes is essential for knowing the larger picture of media power, labour relations, and their confluence in contemporary society.

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