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Mr. Aldrin Fernandes (CEO)

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NEWS UPDATE

DUBAI PRESS CLUB SELECTS THREE STUDENTS FOR ARAB MEDIA FORUM 2008

Dubai Press Club (DPC) announced it has selected three students to be trained in organizing the Arab Media Forum and Arab Journalism Awards to be held in April 2008 in Dubai.

The three students were chosen on the basis of their outstanding performance when they visited the DPC-sponsored the Media Talent Zone during the Media and Marketing Show (MMS) 2007.

The training will include event management and coordination, researching potential topics for the forum and video production.



The three students were chosen on the basis of their outstanding performance when they visited the DPC-sponsored the Media Talent Zone during the Media and Marketing Show (MMS) 2007. A huge number of students studying communications and journalism visited the Zone which featured exclusive sessions on TV news production, feature-story writing and photography.

Maryam Bin Fahad, Executive Director, DPC, said: 'We believe the training will enable the students to understand the key requirements in organizing high profile forums such as the Arab Media Forum and Arab Journalism Awards. This experience will also provide them with the knowledge about the industry, and will motivate them to pursue careers in media.'

Students who were not recruited but visited the Media Training Zone will also be offered an opportunity for training with DPC.

In addition, Dubai Media Incorporated (DMI), which was also part of the Media Talent Zone at the MMS 2007, will provide training for five students.

Organised by the Dubai Press Club, the Arab Media Forum 2007 was attended by over 600 regional and international delegates, including editors-in-chief of major print and the broadcast media, as well as leading journalists, columnists, academics, analysts, commentators and senior government officials.

Source : AMEINFO

ACTIVITIES AND OTHER UPDATES



Expo Centre Sharjah

Sharjah World Book Fair, 5 - 14 December 2007, Sharjah Expo Center

Face to face with Purnendu Sen



An Ifra workshop for newspapers

For more information, please email to infoindia@ifra.com

Date: 14 to 15 December 2007

Location: Mumbai, India

Language(s): English

RESEARCH ARTICLE

ARAB MEDIA OUTLOOK 2007-2011

MEDIA VS. ECONOMY IN ARAB MEDIA GROWTH



According to the Arab Media Outlook 2007-2011 that was issued two weeks ago by Dubai Press Club (DPC), the industry will be driven by several factors led by economy and demographics.

The outcomes of this report indicate that both economy and demographics, in addition to other factors will play a leading role in the growth of the media in the Arab region.

Is it economy?

Lebanon and Egypt are the top Arab countries when it comes to media, both countries have the highest viewed/read and most known media channels in the Arab world whether TV or print, and yet they are not beating gulf countries in terms of economy.

Despite the late entrance, Gulf countries joined the media battle and started to compete with Lebanon and Egypt and managed to gain popularity and reach through TV stations such as AlJazeera and MBC Group, in addition to publications such as Asharq AlAwsat, but the question is: What is the reason behind this delay?

Is it demographics?

Demographics give you a mixed indicator, the population in Egypt exceeds 70 million while in Lebanon it's less than 4 million. The Lebanese mosaic consists of many religious parties with power and authority, and each needs its own media to represent its views and carry its voice!

A similar example is Iraq, there are so many Iraqi TV and radio stations, new websites and publications have been rolled-out but this activity started once the previous regime ended.

So is it politics?

Media is largely attached to politics in the Arab world. The majority of media organizations are a governmental 'interface', this affects factors like credibility and reach, and has resulted in a limited number of mediums.

Arab countries vary in terms of liberalization of media; in some countries private media doesn't even exist, but in countries that offer private media opportunities, you can find a variety of media vehicles.

In addition to limiting quantity of media vehicles, political balances limit freedom of speech and result in the closure of media and the arrests of several journalists and bloggers.

The report concludes that Arab media's performance is poor, and whether the reason is politics, demographics or economy, or a composite of them all, the media in the Arab world is required to lead a social/economic revolution in the Arab World. For this goal to be achieved, independent media must be allowed to flourish.

Source: MEDIAME.COM

SELECTED TOPIC

What is Revenue?

Simple. The money we get from circulation, the advertising revenue, the squillions that are now pouring in from the Internet, and of course all added value services and products we launched on the back of our brand.

Easy that's Revenue.

And costs?

Well there's newsprint. Always too expensive. Production costs - a noun, verb and conclusion all in one sentence. Labour - 10% below last year. Editorial - subject to witchcraft. Marketing - Never enough. And overheads, which none of us are allowed to question because this is code for the accounts department..

Add them up. Subtract them from the Revenue. And that leaves profit. And everyone knows that running a good business is about keeping the costs below the revenues, and these days keeping your job, is about keeping the revenues growing while the costs are falling.

Or something like that.

I was reminded of this recently when talking to a colleague whose bosses - the big corporate bosses I mean, not the local branch management - had asked him to cut the cost of the advertising department. Since his only costs were sales staff, the axe had to fall. We need the money went the argument, and in a swing of the scalpel so went any chances of a Nobel Prize in economics.

I rarely visit a newspaper that has enough sales staff.

The problem is that these architects of profit and loss simply don't understand the business. Revenue. Costs. Revenue. Costs. Revenue. Costs. Revenue. Costs.

It's gibberish?

What matters is the cost of the revenue, and after deducting that cost, what remains pays for the rest of the business.

A practice, that I learned from the Swedes, is to structure the P&L in such a way, that sales costs are removed to produce a net revenue figure. So in the case of circulation, we deduct distribution, marketing, commissions and the cost of circulation staff. In advertising we deduct sales costs, bonuses, marketing costs, creative costs.

Benchmarks show that on average newspapers are left with around a third of their circulation revenue after costs are deducted. In the case of subscription newspapers, this figure is around 18%. In many newspapers, particularly in the USA, where churn levels are high and circulation prices are low, the costs are greater than the revenues.

This is acceptable because, advertising off-takes are so high, but it begs the question whether an alternative possibly free distribution model would be more effective.

Since newspapers are also relatively price elastic, changes in price have an impact on circulation (the rule is a 2% rise causes a 1% decline), so if the circulation costs are largely fixed the revenue benefit of a rise is quickly dissipates.

In advertising the general rule is that 85% of revenues are retained after costs are removed. It is the advertising that pays the wages. I have a saying that circulation is vanity and advertising sanity. The editor may be very proud of a good circulation figure, but his Mercedes is paid for by the advertising department.

Commercial managers are generally charged with achieving some basic numbers advertising revenue, or circulation volume. They are rarely charged with delivering gross profitability from their activities. In other industries managers have more leeway to decide on the most appropriate way to maximise their contribution to the company. This often includes decisions on staffing levels. We have become so obsessed with head counts, labour contingent, FTEs (full time equivalents - notice how they're never called people!!!), that we often are cutting effectiveness in the name of efficiency and economy.

Restructuring the P&L to track net contribution over time, makes for a far more strategic overview of the business, that enables managers to make better decisions, and for their managers to realise the impact of broad strategies.

It also enables more interesting analyses of cause and effect. A very common belief is that because the impact on circulation downwards is half that of pricing upwards, then an increase in pricing must bring in more money. This is hilariously naive. In many markets a major reason for newspapers losing share of advertising is that their circulations are declining. There is a strong, direct correlation between falling sale and falling share. Very often (I won't say always), the revenues gained from a cover price increase are more than lost in the consequential loss in advertising share. But few newspapers are armed with the means to track such consequences, within their statistics. So prices keep going up, and advertising share keeps falling.

Such an approach to management reporting works across other areas of the business as well. At risk of starting a maelstrom of hatred, I would argue that such an approach can be equally applied to the newsroom (Don't shoot me. Don't shoot me). Every argument with the editor about efficiency is seen as an attack on quality. If I was to concede on this point, I would have to admit that every editorial department on earth is understaffed and that the only route to true perfection in the newsroom is through the employment of every literate person on earth as a journalist, with the illiterate ones working on the sports desk!!

The problem is lack of evidence. Faced with only subjective opinions about costs, and quality, it is inevitable that arguments ensue. Editors are absolutely correct to fight their corner for quality and resources. I wouldn't respect an editor who didn't. And since few publishers actually track the relative benefits of one work flow method over another they are not armed with objective rationales re resources.

The point about this is that the means to track, and react to performance measurements, in terms of economy, efficiency and effectiveness are before us. But we need to be clear about whether what we are measuring is appropriate to steer the business forward. That we choose the wrong measures in the commercial areas, and choose not to measure at all in editorial is a choice. It is not that it can't be done.

There's an old joke about not letting facts get in the way of an argument, but I would argue that armed with more facts we will all argue a lot less, and achieve a lot more.

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Jim Chisholm has spent more than three decades in the world of publishing, as an analyst, manager, executive, and advisor. With an unrivalled knowledge of the industry, he is widely held to be the industry's leading expert on corporate and business development strategy. Chisholm began his career as an analyst at The Guardian newspaper in London. He spent his early years in research and strategy before moving into general management with the Thomson, Mirror Group and Bonnier newspaper companies. From 2001 to 2006, Chisholm was strategy advisor to the World Association of Newspapers, where he directed the Shaping the Future of the Newspaper programme.

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