

HOW CAN PLAYERS IN THE MEDIA SECTOR MAKE MONEY WHILE MAKING A DIFFERENCE?

Data is vital to successful media systems. It can:

- Shape content based on audience preferences;
- Assess what those preferences and consumption habits are;
- Assess how different groups respond to different types of media exposure.

In emerging media markets, data has not been utilized to its full potential because poor infrastructure and remote locations make it more expensive; small margins in media make it unprofitable; and market failures in media such as state monopolies, trust issues in the industry, and low purchasing power of consumers – all discourage media players from investing in data.

There are several key actors in media, all of whom can benefit from better data. Namely:

- **Content producers** who want to shape content that will be popular and influential
- **Content platforms (Media channels)** who want to be able to sell access to their audience, and disseminate content that will engage existing and attract new audiences.
- **Commercial advertisers** who want to know when to advertise their products to access the highest number of people who are likely to buy them.
- **Researchers** who collect and sell data on audience preferences, reach and, potentially impact to content producers, content platforms, and commercial and non-commercial advertisers
- **And there are also non-commercial advertisers** (such as government) who want to know when and where they can have the greatest outreach and influence.

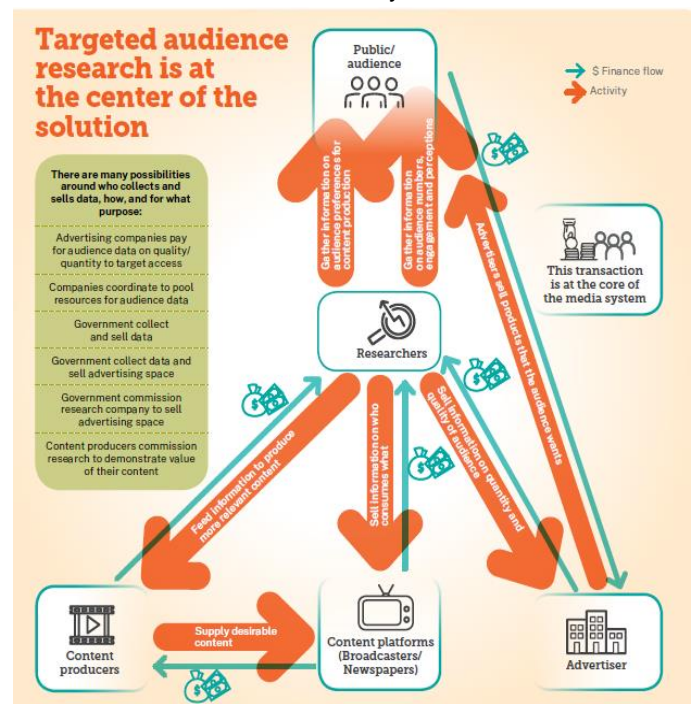


Figure 1: How data plays a role in the media sector's transactions

As a media actor, what can YOU do to facilitate and benefit from better data?

Here we discuss some key questions you can ask yourself and share ideas of how these challenges have been overcome as countries have improved the use of data in their media industries.

Note that the sophistication of and level of investment in data models will depend on the three types of consumer groups in Sub-Saharan Africa.

- Savvy consumer countries - their use of instant messages and social media is high and users access social media daily
- Selective consumer countries – have the largest and most diverse range of consumers that exist in various stages of development, from the lowest involved use of media to more involved.
- Basic consumer countries have the lowest involvement with media and the lowest GNP per capita, as is the case of Mozambique (See Figure 2)

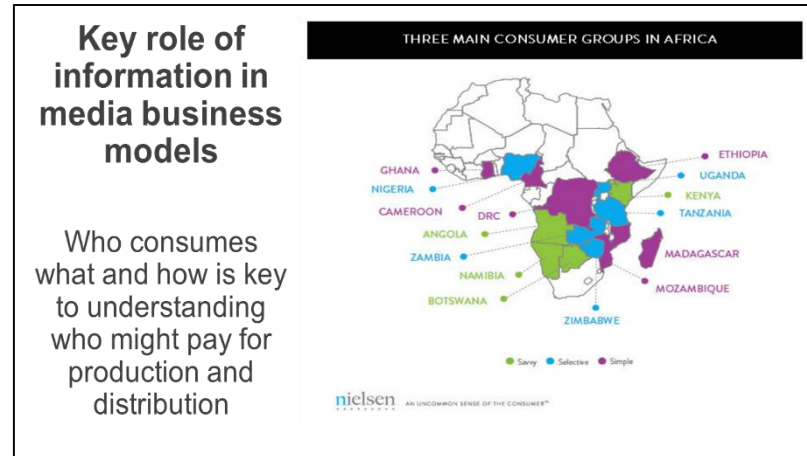


Figure 2: Three main customer groups in Sub-Saharan Africa

For Content producers

- Do you know who consumes the content of each of your programs?
- Do you know how they respond to that content?
- Do you have a marketing strategy based on data around the size, make-up and behaviours of your audience?

Potential model: Content producers pay for data on a case by case basis

In some cases, content producers might invest in research to demonstrate the efficacy or popularity of their content. With digital media (social media, SMS, IVR), websites, blogs and more), much of this data is readily available. A You tuber can very quickly use tools to analyse their audience, demographics and engagement including advertising click-throughs. All of this helps to justify the value of their content to potential private and public advertisers who might seek to use, imitate or buy their content.

In the analogue media landscape that still dominates in poorer communities, deliberate data collection remains important, however it is expensive. The Women IN Business program (WIN) in Mozambique partnered with the research company Ipsos and tried a variety of data collection models to bring down the cost. As it required rural surveying to assess reach and impact of a media programs on agriculture – which is usually rare and expensive – WIN and Ipsos combined the rural survey, layering it with peri-urban/urban surveys that are already partly paid for, which made it more affordable. WIN also added impact questions to the audience surveys that are already being done on a monthly basis, maximizing existing resources. For panel surveys, Ipsos also introduced surveys via telephone. The value of the data was clear as it supported partners to obtain more funding and sponsoring opportunities, as well as assessed the impact of these different models on women beneficiaries, as is shown in WIN's Media [Case Study](#).

For Media platforms (media channels)

- Do you know who consumes your content and when?
- Do you have a marketing strategy and fee structure based on audience?
- Do you know the financial costs of obtaining better data or the potential benefits?
- Could you share the costs of data collection with a competitor or industry body?

Potential model: Media channels commission audience research to increase advertising revenue

While this model is very common in sophisticated media markets it is much less common in Africa. In Uganda, this model has operated well within radio which is a very competitive space. Here, the majority of national radio stations now know audience figures by time slot and have helped to shape content.

In a less sophisticated market such as Mozambique, it is very rare for some of the reasons outlined above. However, in Mozambique, one market leader has a competitive advantage in that content production costs are lower owing to a global structure, which allows them to conduct audience research for its own outputs. This model works for that company, but advertisers suffer as they don't have comparison or independence in data and consumers suffer as they are only gaining the advantages of a single media outlet using their data. This potentially shows the case for media channels to pool resources and commission audience research together, since research companies are already collecting the data.

For commercial advertisers & agencies

- Do you know what media your target customers consume and when?
- Do you know which type of media content is more likely to make them buy your product or change their behaviour?
- Do you know the costs of obtaining better data and the benefits you might see as a result?

Potential model 1: Advertisers commission researchers to discover consumption habits to tailor advertising

In some very immature markets, bespoke individual data collection is conducted on behalf of advertisers. In Mozambique, for example, Coca-Cola commissioned research on media consumption in order to know where to advertise. However, so immature is the market in Mozambique that Coca-Cola is often taking that data to content platforms (TV stations, radio etc) and telling them exactly what they want to broadcast and when. In such cases, platforms are losing potential revenue by not being able to price according to value when it comes to content or advertising. There are also few positive externalities from this model – it may benefit the single entity that pays for the research, but that research is not then used by others who may be able to improve their business model or their impact using the data.

Potential model 2: Business membership organisation coordinate to commission shared research

In emergent markets, individual investments can be seen as too high and too risky for individual advertisers or content platforms, while for research companies, collecting the data without any anchor buyers for that data can be prohibitively expensive.

According to Geopoll, approximately \$6,500 monthly investment will get a baseline audience measurement done and this can be collected on behalf of several potential buyers. This isn't the norm because of the absence of a strong collaborative nature within private sector firms in the majority of African markets. However, there are important successful cases.

Kenya Audience Research Foundation (KARF) is a not-for-profit institution which acts as an intermediary procuring and providing data on behalf of its users (see figure 2). This overcomes the barrier of prohibitive initial costs and mitigates the challenges of competitive pressures due to the independence of the organisation.

A similar role is played by the Broadcast Research Council (BRC) of South Africa. The BRC operates in a more sophisticated media market place but have been able to place a wide range of complex data provision services for its members overcoming some of the above challenges.

Listen to the full Geopoll interview [here!](#)

For Non-commercial advertisers/ Government:

- Do you know the make-up of media audiences?
- Do you collect data on these audiences?
- Have you considered collecting or commissioning data to improve communication strategies and increase revenues for government?

Potential model: Government commissions, uses and sells research

In Nigeria, the Communications Authority commissions regular large-scale audience research. It uses this research to design various policies as well as its own communications strategies. However, it also sells this data to various advertising agencies, content platforms and content providers. Under this model, the problem of low capacity to pay for research and perceived competitive pressures are overcome by the government acting as a single entity funding data collection. If the government sees a public interest argument, it is also, in this case, entitled to sell the data at different rates depending on the value that the use of that data might have – for example, it may sell the data to healthcare providers at a lower rate than to sellers of tobacco. Research companies also state that this model leads to the highest quality of data collection as the increased leverage of other datasets and larger sample sizes that results from government buy-in.

For data providers/data research companies:

- What are the barriers to offering services in this market?
- Have you considered all of these different income streams (e.g. Would you be willing to sell data to a consortium of companies? Would you be willing to collect data on your own and then sell it?)
- Would you be prepared to pilot new products based on the opportunities presented?

Potential model: Data providers collect data and license curated datasets through subscription models

In Kenya, Ghana and other slightly more advanced media markets, Geopoll as well as other audience research companies collect data on their own account which is then packaged through a range of products which are sold to media companies and advertising agencies. It is clear that a market has to reach a certain potential size in order to cause research companies to invest in the data collection without guaranteed revenues. However, once this has begun, the potential disadvantages for media companies and advertisers become competitive dangers of not participating – if other platforms or sellers of competing products are able to sell advertising space on the basis of data, then your competitive position will be severely compromised if you do not make that investment.

In the Ivory Coast and Kenya, Kasi Insights collects data at their own cost and begins providing it to advertisers and media companies for free so that they can begin to develop and refine their business models based on the data and see the value in continuing to fund collection longer term. Such a market penetration strategy is likely necessary in emergent markets where such behaviours have not previously been prevalent.

Listen to the full interview with Kasi Insights [here!](#)

What next?

If you are a media channel, content producer, advertiser or data research company interested in exploring more impactful and sustainable models for media in Mozambique and reach new segments, please reach out to the Women IN Business (WIN) Program. We want to hear from you!

WIN has been working in this space specifically to support media actors try new funding mechanisms to create engaging and informative programs for women and men in Mozambique. WIN organised a convening of key media actors in October 22 which showcased how companies gain exposure by being associated with programs that appeal to women as an underutilised audience with purchasing power.

To contact our team, please visit [our site](#). If you are interested in learning more about WIN's media initiatives and learnings, please click [here](#) to access the Case Study on *How can gender-responsive media effectively increase women's economic empowerment?* and [here](#) to learn more about *How to drive Impact and ensure Sustainability in the Media Sector*.