

# Lecture 2

## Role of media

# Scope and nature of mass media

- It is impossible to deny that an enormous portion of our lives is spent in interaction with mass media.
- Americans spend more on entertainment media than they do on clothes and health care combined.
- Despite pervasiveness of mass media in our lives, many of us are dissatisfied with or critical of the media industries' performance and much of content provided.

# The role of technology

- To some thinkers, it is machines and their development that drive economic and cultural change.
- It is referred to as technological determinism.
- E.g. the way television has changed family lifestyle – eating dinner while watching TV.

- Technology's influence is ultimately determined by how much power it is given by the people and cultures that use it.
- We can utilise them responsibly and thoughtfully to construct and maintain whatever kind of culture we want.

# The role of money

- The first newspapers were financially supported by their readers.
- Publishers began selling their papers for a penny – much less than it cost to produce and distribute them.
- The new type of publication changed the nature of mass communication – it was to sell readers to third participants, i.e., advertisers.

- We live in a capitalist economic system and media industries are businesses.
- Our task is to understand the constraints placed by media industries by their economics and then demand, as they try to perform ethically and responsibly.
- We can do this by being thoughtful, critical consumers of the media.

# Concentration of ownership and conglomeration

- Through mergers, acquisitions, buyouts and hostile takeovers, a very small number of large conglomerates are coming to own more and more of the world's media outlets.
- Conglomeration – the increase in the ownership of media outlets by larger, nonmedia companies.
- E.g. AOL Time Warner, 20<sup>th</sup> Century Fox.

- Concentration and conglomeration has to do with economies of scale; the bigger the better because the relative cost of an operation's output declines as the size of the endeavour grows.
- Oligopoly – a concentration of media industries in an ever smaller number of companies.

# Globalisation

- Some observers feel that the pursuit of profit will force these corporations to respect the values and customs of the nations and cultures in which they operate.
- Need to reach a fragmented and widespread audience.
- Growing economic clouts of democracy and intertwining of the world's economies are necessary for the survival of media businesses.

# Audience fragmentation

- The audience is becoming more fragmented – its segment more narrowly defined.
- This phenomenon is known as narrowcasting, niche marketing or targeting.
- Television audience has been fragmented – to attract advertisers, each channel must now find more specific group of people to make up its viewership.

- E.g. Nickelodeon targets kids, CNBC targets business corporatist.

# Hypercommercialism

- Selling more advertising on existing and new media and identifying additional ways to combine content and commercials.
- E.g. Cover Girl cosmetics in America's Next Top Model.

- Critics see damage to the integrity of the media themselves and a disservice to their audience.
- Defenders of hypercommercialism argue that it is simply the economic reality of today's media world.

# Erosion of distinctions among media: Convergence

- Mobile phones not only allow users to talk to other people, but it also includes digital camcorders, digital camera as well and MP3 storage and tuning in to radio stations.

- If a company owns newspapers, an online service, television stations, book publishers, a magazine or two, and a film company, it has a strong incentive to get greatest use from its content through as many channels of delivery as possible.
- It is also known as synergy.

- A mass communicator who finds difficulty to reach the whole audience can reach its component parts through various media.
- We are becoming more increasingly comfortable receiving information and entertainment from a variety of sources.