Financial viability of the Ghanaian media

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Abstract
This chapter examines the dynamics of financing in the Ghanaian media, focusing on revenue inflows, revenue strategies, and the factors impacting the financial health of the media. Ultimately, it makes a pronouncement on the financial health of the Ghanaian media. It is premised on the idea that the capacity of the media to deliver on their democratic and developmental mandates is directly linked to their finances and how that positions them to work independently. It used a mixed methods design combining content analysis and key informant interviews to gather evidence. The chapter reports that the overall financial health of the media is unstable and, at best, operating at break-even levels. The financial viability of the media is threatened by the poor Ghanaian economy, technology-driven pressures, industry saturation and the effects of the COVID-19 pandemic. The chapter also reports on the strategies by the media to expand their revenue sources and inflows. It concludes by recommending regulatory interest in sustainability planning by media organisations.

Key words: Media financing, advertising revenues, revenue strategies, financial challenges of the media

Introduction
Ghana's media is often hailed as an example of what a thriving media in a democracy should look like (Biney, 2019). Since its liberalisation in the 1990s, Ghana's media have grown exponentially. Presently, industry records show that Ghana's 32 million people are served by over 500 radio stations, over 150 TV stations and several newspapers and digital platforms. What gives Ghana's media the respected name goes beyond the extent of expansion, however. Arguably, it is the free public platforms for discourse the media offer for sharing divergent views, including those highly critical of power. As a developing country, Ghana requires an ecosystem that engenders critical public discourse (Luge, 2020). Thus, the business of media must remain sustainable.

However, across the globe, there is increasing evidence that the media's ability to support free expression is declining owing to a host of factors, including their financial independence. Many media organisations have been crippled by shrinking revenues from advertising (Schiffrin et al., 2020). The fall in revenue has been attributed to a myriad of factors including stern competition from digital giants (Kalombe & Phiri, 2019), dwindling public trust in the media, media capture and disinformation (Nielsen et al., 2019). The situation is exacerbated by effects of the COVID-19 pandemic.

Across Africa, an economic downturn in the media is apparent. The Reuters Institute reports that South African media lost between 40 and 100 percent of their advertising revenue by mid-March 2020 (*Reuters*, 2020). In Uganda, four regional local language newspapers had to be suspended because of revenue losses (Ntibinyane, 2020). Multiple outlets in Kenya also cut salaries and put staff on compulsory leave (*Business Today*, 2020).

The situation in Ghana is not much different. A 2020 documentary on the impact of the pandemic on the Ghanaian media showed devastating effects. These included cuts in advertising budgets and outright cancellation of advertising orders, increased operational costs and job losses (Koomson, 2020). In some cases, the media reported losses of up to a third of their revenue. As a result, media organisations have had to downsize, restructure production processes and, in some cases, even temporarily suspend production altogether (Koomson, 2020).

Yet, these challenges are not new, having already showed tell-tale signs in the period prior to the pandemic. While on paper, Ghana's media appears to be buoyant, questions have been raised about their financial prospects (MFWA, 2017). In this chapter, we explore the dynamics of the financial health of the Ghanaian media with a view to understanding:

- the patterns of revenue inflows in the media
- revenue generation strategies of media organisations
- factors impacting financial health of the media
- the state of the financial health of the Ghanaian media

Methods

The study design was based on the mixed methods approach. This critical realist stance enabled us to explore both the breadth and depth dimensions of the financial health of the media. To explore the patterns of revenue inflows, we employed quantitative content analysis of advertising content on morning shows of a selection of broadcast media across the country. This was complemented with interviews with media managers in which we explored revenue strategies, factors affecting financial viability of media, and perceptions about overall media viability.

We interviewed eleven managers in media organisations across the country. Interviewees were purposively selected using their position and access to information as inclusion criteria. They were assigned the codes below to anonymise their responses.

Code assigned	Description
INT1	Manager and Editor of a newspaper
INT2	Manager of a radio Station
INT3	Manager of a radio Station
INT4	Radio presenter
INT5	General Manager of a broadcasting group
INT6	Director of a broadcasting network
INT7	Head of Marketing of a newspaper group
INT8	Head of Marketing of a broadcasting group
INT9	Chief Operations Manager of a broadcasting group
INT 10	Commercial manager, TV station
INT11	Former editor-in-Chief of a digital news aggregator platform

For the quantitative data, we used the multi-stage sampling method. This enabled the evidence to have geographical spread. The first stage involved the selection of regions from which media were drawn for content analysis. Twelve out of the 16 regions of Ghana were randomly selected. This was deemed representative as it represents 75% of regions in Ghana. We then used convenience sampling to select, at least, two radio stations from each sampled region. In all, a total of 34 radio stations were sampled. Morning shows on these stations were used to assemble advertising content that we used to gauge revenue inflows. The decision to focus on morning shows was informed by GeoPoll's evidence that audience ratings for morning shows in Ghana are consistently higher than for other programmes (GeoPoll, 2019). For each selected morning show, the full complement of one edition was recorded live by trained field assistants. All commercial content found in the recordings were coded to discover patterns of revenue inflows.

Regarding television, a total of 17 television stations were selected randomly using the NCA's record. With most television stations based in the Greater Accra Region, television stations whose content were analysed were based in this region. Again, we focused on one morning show edition per station.

Interview data were recorded, transcribed verbatim, coded and thematically analysed, guided by Bryman's (2016) and Emerson, Fretz and Shaw's (2011) inductively driven taxonomy. The steps included open coding and initial memoing, thematic coding, as well as distillation and synthesis of the most important themes and subthemes.

Quantitative data from content analysis were analysed with the aid of the Statistical Package for Social Sciences (SPSS) data analysis software. Data were analysed using descriptive statistical tools.

Quantitative data profile

Altogether, morning show content of 51 stations were analysed for their commercial/advertising content. Ashanti and Greater Accra regions got the most representation, given the media concentration in these two regions. For television, apart from one station, all sampled stations were based in the Greater Accra Region. Majority of both television and radio stations included in the study were privately-owned, which is reflective of the Ghanaian media ecology. Out of a total of 1,371 morning show commercial/advertising content coded for analysis, 1,078 were coded for radio, while 293 were coded for television.

Table 1: Number of stations and adverts coded per region (Radio and TV)

Radio		
Region	**Number of stations**	**Number of commercials coded**
Greater Accra	6	200 (18.6%)
Ashanti	8	165 (15.3%)
Central	2	47 (4.4%)
Eastern	2	58 (5.4%)
Volta	2	84 (7.8%)
Western	2	60 (5.6%)
Northern	1	26 (2.4%)
Ahafo	2	123 (11.4%)
Bono	2	52 (4.8%)
Bono East	4	195 (18.1%)
Western North	2	45 (4.2%)
Oti	1	23 (2.1%)
Total	**34** **100%**	**1078 (100.0%)**
Television		
Greater Accra	16	261 (89.1%)
Ashanti	1	32 (10.9%)
Total	**17**	**293 ((100%)**

Who/what funds the media in Ghana?

This section explores who funds the media by examining types of advertisers (public/private), industries funding the media, among others. Commercial private businesses seem to be the main driver of the mainstream media economy in Ghana. An average of 95 percent of all advertising on the morning shows sampled came from commercial entities. This is consistent across locations. The public sector, not-for-profits, religious organisations and individuals make negligible contributions to media by way of advertising revenue contributions (just about 5% altogether).

Table 2: Profile of advertisers in the media

Funding source	**TV**	**Radio**
State/Public institutions	4 (1.4%)	26 (2.4%)
Commercial/Private businesses	284 (96.9%)	1001 (93.0%)
Development Agencies/NGOs	1 (0.3%)	6 (0.6%)
Religious organisations	1 (0.3%)	23 (2.1%)
Individual/family	1 (0.3%)	11 (1.0%)
Political parties	2 (0.7%)	1 (.1%)
Other	0 (0.0%)	8 (.7%)

Not Clear	0 (0.0%)	2 (.2%)
Total	**293 (100.0%)**	**1,078 (100.%)**

Contrary to anecdotal claims that the telecommunication, betting and banking institutions are the main drivers of the media economy, the study found that it is rather the pharmaceutical sector. About a third of advertising on TV (30.4) and radio (27.4) comes from the pharmaceutical sector. However, the main driver, it appears, is the herbal medicine sector which controls some 24 percent of advertising content in TV and 22 percent in radio respectively.

Table 3: Industries that fund the media

	TV (%)	**Radio (%)**
Telecoms	2.0	3.2
Betting	1.4	1.5
Consumer goods/FMCG	13.7	12.2
Banking/finance/Insurance	4.4	10.0
Herbal medicines	23.9	22.0
Conventional medicine/Pharmacy	6.5	5.4
Real estate/construction	6.5	7.6
Education	8.5	3.4
Transport/Petroleum	.3	3.1
Fashion (including fabrics, salon)	4.8	3.5
Events (awards, conferences, launch)	6.5	4.6
Electronics, tech and accessories (mobile phones, computers, etc.)	11.6	9.3
Other/Not clear	9.9	14.2
Total	**100**	**100**

Beyond the herbal medicine sector, both radio and television stations are mainly sponsored by fast-moving-consumer-goods (FMCGs) followed by the electronics and tech industry. TV tends to receive relatively more advertising from FMCGs, pharmaceuticals, education, fashion, events, and electronics and tech industries. In contrast, radio derives its advertising revenues from transport, telecoms, betting, banking and real estate sectors. Furthermore, TV gets its lowest advertising revenue from transport. For radio, it is the betting industry that recorded the lowest level of advertising.

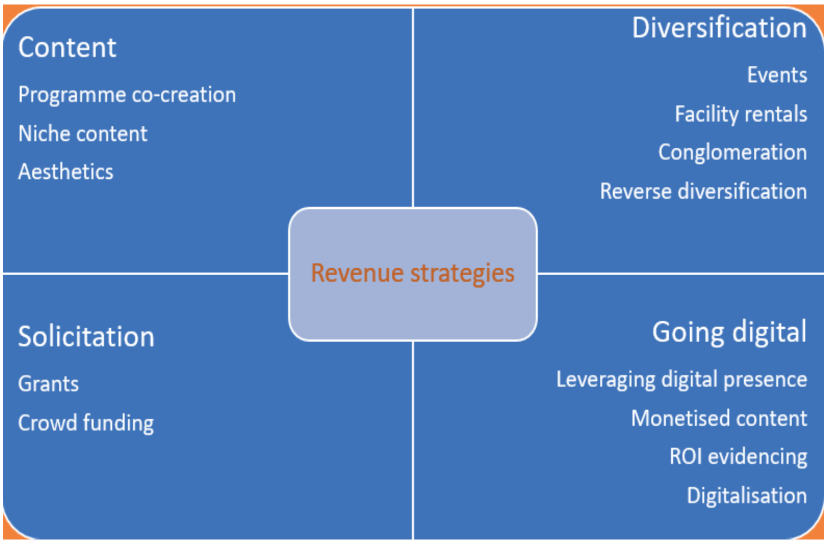
Beyond industries that fund the media, we also examined which media products fund the media. In other words, which of the variety of media advertising offerings attract revenue? As would be expected, spot advertising tops the chart, commanding more than half of advertising revenues. They are followed by live presenter mentions (LPMs) which control about a quarter of revenues. Obituaries represent the least contributor of revenue to radio stations while documentaries, obituary, and logo displays all attract the least revenue to support television stations.

Table 5: Media products that fund the media

Radio	
Commercial/advert type	**Frequency/ Percent**
Spot ads	567 (52.6)
LPM	266 (24.7)
Sponsorship/branded programme	73 (6.8)
Announcement	157 (14.6)
Obituary	3 (.3)
Studio interview	10 (.9)
Not clear	2 (.2)
Total	**1078 (100.0)**
Television	
Commercial/ advert type	**Frequency**
Spot ad	143 (48.8)
LPM	78 (26.6)
Sponsorship/branded programme	2 (0.7)
Obituary	1 (0.3)
Crawler	48 (16.4)
Logo display	1 (0.3)
Product display	2 (0.7)
Squeeze back	7 (2.4)
Documentary	1 (0.3)
Studio appearance	10 (3.4)
Total	**293 (100.0)**

Revenue strategies in the media

While advertising remains a dominant model of financing in media, it is becoming, increasingly, important for media to diversify their revenue sources. In this section, we explore the strategies deployed by the Ghanaian media. Irrespective of their type [radio, TV, print, digital; public or private], location [urban or rural] etc. media organisations are revising the script for financing their work using four broad strategies - diversification, content upgrade and audience cultivation, innovative solicitation and digitisation.



Content-based strategies: In the first instance, media organisations continue to rely on the traditional model of using content to attract audiences as leverage for advertising. With the coming of the digital, audiences of traditional media outlets have dwindled as they continue to move online for on-demand content. In response, media organisations are seeking to create and nurture niche audiences by the content they produce.

> *So, as far as you are a generator of content there is an opportunity for you to make money. As to how relevant your content is, how well you understand your target for that kind of content, how you package and ensure that they find it a preferred option. … you need to stand out. (**INT 7**: Head of Marketing, newspaper group).*

> *We have to go back to do research, trace history so that you make yourself relevant. We'll have to say oh, January was this… So, we do a graph so that when you pick it you know it is a graph. So, this is different… (**INT 1**: Manager/Editor, newspaper).*

It appears that media are also co-creating content with their audiences to assure that such content suits their tastes.

> *What we do is we reach out to the people. Sometimes, we ask our audience what they want, anything new that they want. You see they tell us, why don't you add this program? Why don't you bring this or that? So, when this happens, we don't drag our feet. We just put on new programs when we see the merits that it gives. (**INT 5:** General Manager, TV and radio group).*

Diversification of revenue streams: Media organisations are consciously expanding their offerings having realised a "… need to diversify" as "traditional media, normal media will not be the way to go" (**INT 1**: Manager/Editor, newspaper). A visible trend in this direction is the turn towards conglomeration where media brands acquire more platforms to provide a "one stop shop for the client" (**INT 10).**

> *We have as many as 12 registered and active radio stations, springing up in the regions. And so, when their clients come to our office, our marketing department, for example, we are able to take advantage of how vast our reach is and then tell them that okay, 'if you do business with us, even though we are in Accra, people can patronize your goods or service in other regions'. (**INT 5:** General Manager, TV and radio group).*

> *With [organisation name] in mind, you know we are in a very competitive media landscape where we have various media groups of companies. For example, the likes of Multimedia that has Adom, Joy and the rest And Media General that has TV3, Onua and Global Media Alliance that have ETV, YFM. So, a lot of media groups. So, these days there are more of group, conglomerate approach than just one company with one platform (**INT 9**: Chief Operations Manager for a broadcasting group).*

There is also a turn towards events marketing as media organisations attempt to diversify their means of revenue mobilisation. Media organisations have added to their bouquet of offerings a plethora of events – entertainment, thought leadership, charity, trade etc. to rake in revenues from gate proceeds, exhibitor fees and sponsorships. Examples include Joy FM's *Easter Soup Kitchen*, Citi FM/TV's *Heritage Caravan* and the Business and Financial Times' *The Money Summit*.

> *You have to start doing events, run events around because events give you money because events are very important and very lucrative, it is a very lucrative thing when you do it very well (***INT 1:** *Manager/Editor, newspaper).*

> *… and also organizing events, events, like I have a programme I do. And lots of people come into support, I also have the [Station name] Concert, where I bring in all musicians that people thought are out of the system. People really want to listen to such people. So, when you see them, a lot of people want to come in as entertainment, they come to pay the gate fee, and the money goes to the radio station (***INT 2***: Manager, radio Station).*

> *So, you'll realize that, here at [newspaper name], we seem to be doing a lot more events now. We seem to be doing a lot more activations, we are driving a number of partnerships (***INT 7***: Head of Marketing, newspaper group).*

Finally, the diversification also manifests as venturing into totally non-media ventures. For instance, a media house has expanded and opened up its "internal [staff] clinic to the public and the community around" (**INT 7**: Head of Marketing, newspaper group). Other media organisations have resorted to rental of their facilities:

> *We also have something we call co-location… we have land and towers… where other companies, they could be internet service providers, they could be FM transmission, they could be other TV stations. They also want to hang their equipment on top of the mast on the tower. We rent out space (***INT 6:** *Director, broadcasting network).*

An aspect of this diversification is what appears to be a trend towards reverse diversification into media. Here, organisations operating other business concerns set up media outlets to avert the huge capital flight that their advertising budgets bring. Organisations such as Tobinco, a pharmaceutical company sets up Atinka Media which besides attracting other revenue, is an avenue to advertise Tobinco's products at lower cost. Angel Broadcasting Services came from Angel Group of Companies, an umbrella for Angel Transport and Trading Limited, Angel Estate and Construction Limited, Angel Natural Mineral Water and Adonko Bitters Limited. The strategy behind this is explained by an interviewee,

> *Organisations that used to have a large media budget have now decided to create their own TV stations… A lot of churches which were great spenders in the media market have withdrawn and they are now creating their own TV channels so, that they'll convey their messages… Another type of the same model has to do with for example, businesses that are not into like churches or other things but that are into selling of certain products, they use their stations to add value to the product and the margins that they get, plough back to the media. Let's say for example, you developed a new bottled water and it will go for say GH₵1.00, nobody knows it, you can use your TV station to hype it and increase it by 50 per cent so, the addition is actually the media cost (***INT 6***: Director, broadcasting network).*

Digitisation: The third block of income generation strategies focuses on digital. We find that media organisations are actively leveraging opportunities in the digital space to expand their revenue sources as demonstrated in this quote:

> *The digital, we were doing online as if we were joking. So now we've created, it is now a department on its own. There is an online editor, there's digital data, video editor. So, we are now doing things on YouTube and stuff like that. So, create interviews and put on our online channels for people to watch and we generate revenue from that point (***INT 1:** *A manager/editor of a local newspaper).*

They do this through two primary modes – creating and leveraging digital presence, and monetising content. All media interviewed had online presence for their various platforms. Such online presence took the forms of websites, social media pages and digital apps which media organisations are using to actively expand their access to audiences as leverage for advertising as demonstrated below**:**

> *I sit on [radio morning show] and I'm able to tell you that over a three- or four-hour period on Facebook, on YouTube … that every morning, I can give you close to a million people and its proven… If you go out there and put it on Facebook, it's good, you will get some attention, but I can give you more traction if you put it on my show because I am in that space too, as well as the regular radio space (***INT4***: Radio presenter).*

> *We sell our online platforms and like I said, the online platforms are a separate entity. So now we've positioned our digital space as a different entity as part of the [entity name] group. So, they also sell the online platforms like banners, stickers and all that to generate revenue (***INT 10***: Commercial manager, TV station).*

Besides the expanded access to audiences, digital presence also guarantees opportunity to prove their impact using analytics of audience engagement.

> *With digital, you cannot lie, I can tell you I've printed 20,000 but with the digital, you can't lie. The man would go behind and see you don't have that numbers, so with that if you have the eyeball with advertising, you get results and you are good to go (***INT 1:*** A manager/editor of a local newspaper).*

> *And remember, the digital space is much easier to sell because everybody can access the analytics around it and you know, advertising or marketing communications is now just not advertising for the sake of advertising but placing where you will get the optimum value. So, if you come and you realize that I have 10 million people following me and in that 10 million people, about 25%, 30% of them are within your core target in terms of an addressable market for you as a business, then you can come on board* **(INT 7***: Head of marketing for a newspaper group).*

Organisations within the local media space are also monetising their digital content as a means of revenue generation. Through subscriptions and monetised streaming platforms (e.g., on YouTube and radio apps), media organisations are able to supplement their incomes to cover operational costs.

> *We know in media content is king. So if you have a very compelling content you could use OTT[1] platforms, you could use video-on-demand. There are so many ways to monetise the kind of content you have. Instead of waiting for you to be playing it on a normal TV, you could find other ways that people could download, you could have a YouTube channel that when people stream on YouTube you are able to get revenue or get numbers that ultimately give you some revenue (***INT 10***: Chief Operations Manager for a broadcasting group).*

> *The [digital app] has our publications, the e-version of our publications, so you'll subscribe to it. Now, subscription comes at a certain fee which is some kind of revenue for us. Also, if you're able to aggregate a lot more subscribers on it, then advertisers will see an opportunity there to also advertise on the app (***INT 7***: Head of marketing for a newspaper group).*

> *One thing is that the audiences that go there [app], we get something out of it... So, for example, if I just go in and click on Radio [station name], at the end of the month, they have a system to check, how many people listen to Radio [station name] through the Upper West radio app. They can be able to detect that in the month of May, we have about 500 or 600 people listening via the Upper West radio app with Radio [station name]. So with that, we have a percentage that we take (***INT 3***: Manager of a radio Station).*

For online media platforms, (news websites, blogs etc.) revenue also comes from Google and other search engines that annex their news as part of their content. As **INT 11** explained, as much as 90 percent of revenues of such news platforms may come from this source. The challenge here is that the fees paid to these online news platforms are unfairly low compared to those paid to their counterparts abroad. The same could be said of YouTube and other tech platforms.

Solicitation: Finally, there appears to be the use of innovative solicitation strategies to rake in revenues. In what appears to mimic funding approaches in other sectors (e.g., NGO sector), there is a nascent trend towards crowd funding. This is demonstrated in the quote below, as well as the screen shot taken from TV3's Facebook page in which the station is encouraging viewers to support the programme by sending them digital stars.

> *We have a religious programme that we are running at the station, which is free, we have the given airtime free to those religious leaders... We have an airtime for the Islamic communities, and we have an airtime for the Christian communities. So, we have these churches that are coming in to preach, after preaching, what they do is that, they ask the general public that this is an airtime that has been given free of charge but if they have any support, that they would also support the radio station to also be able to operate, if you*

1 Over-the-top- provision of broadcast content online to be accessed on demand

*have a token of one cedi, you can come to the radio station, you are registered, the name is written, we take the one cedi. So, at the end of the day, at the end of the month, we get something (**INT 3**: Manager of a radio Station).*

Fig. 1: Screenshot of TV3 Facebook page during a live broadcast

Factors impacting financial health of media

Because media organisations do not exist in a vacuum, the success of their revenue strategies may be tempered by environmental factors. This section presents three factors affecting the financial viability of media - COVID-19 and the post-COVID economic down-turn, structure of the media industry and technological evolution.

COVD-19 pandemic and the post COVID economy

It appears the COVID-19 pandemic has presented a double-edged sword to media organisations, helping to facilitate financial viability in some instances but also challenging it in others. In the first instance, the pandemic introduced new logics of doing business that have increased efficiency and savings. For instance, the pandemic revealed operational inefficiencies and ushered in flexible work systems that save costs on transportation, utility etc.

*COVID came as a blessing, because those times we would all be here, we would argue plenty and nothing. But now do you, don't come, stay wherever you are between the two of us, your story is giving five stories a week. If you can give me the stories on Monday, and you go and sleep, that I don't have a problem with you. That's how it has shaped us (**INT 1:** A manager/editor of a local newspaper).*

*For example, when COVID came, we told all non-essential staff to go home and not come to work but they'll be paid. Some of us stayed home for four, five, six months and they got frightened that there is now evidence that they are not needed and if they don't show up at work very soon, when there is redundancy, they will be the first to go... What it taught us is that [organisation name] current staff size of about 1,300, we probably need about 400 or 500 to work, we don't need the rest (**INT 6:** Director, broadcasting network).*

*Instead of you having all your guests driving to your studio, you can do Zoom. So, we were using Zoom, we were using Skype, we were using Google hangouts to be able to just get participations and discussions that are live on the platform.... And all these you could say have cut down cost of production and then fuelling and all that. Apart from that too because people are also working from home you reduce the cost of usage of stationary, electricity and power, AC [air conditioning] and all that (**INT 10**: Chief Operations Manager for a broadcasting group).*

The pandemic has also led to revisions in income generating activities of media. Media organisations are experimenting with newer forms of content and different platforms for content sharing while also imbibing the idea of monetising content on digital platforms to augment their income flows.

*These were not all things that we were doing. Like digital and new media has come so intense during COVID-19, because we were taking them for granted... During COVID, business was slow and therefore the advertisements were not coming in anymore; some businesses ran out of production and supply. And so, they couldn't have come in to continue to advertise... So, the COVID really pushed some of us to come to understand that we need to do more beyond the normal advertisement (**INT 2:** Manager, radio Station).*

> *COVID has enhanced the use of digital and streaming. The reason being that during the lock down a lot of people were at their homes so the likes of Netflix had very high subscription rates… And so, streaming became or has become now one of the things that we have gotten used to due to COVID (***INT 10***: Chief Operations Manager for a broadcasting group).*

While these are positive outcomes from the pandemic, there are also downsides. First, it led to significant losses in revenue as businesses revised advertising budgets as part of austerity measures. This posed significant challenges, the effects of which media organisations are still reeling from.

> *Covid killed everything. It didn't just change it, it killed everything. You know, we rely on the big spenders to take care of the big bills. So, if you are lucky and AirtelTigo or a bank or, in those days, a brewery decides we want [advertising for] one year. Now, trust me, that one year can take care of your salaries for the whole year. Just that one client. They can take care of your salaries for a year. And so, if you get about three or four of those. You know your salaries have been paid, your running costs have been paid, your utilities, your fuel and you can cream off a little profit (***INT4***: Radio presenter).*

Secondly, there is the significant loss of revenue due to the lockdowns and bans on public meetings during the heat of the pandemic, as the government strived to curb the spread of the virus. Besides advertisements from business organisations, events and announcements about them represent a major revenue source for media organisations. The ban on physical, public gatherings truncated this income source and has brought a lot of hardship on the media, even after its expiry.

> *But the biggest one for us was "petty cash" as we call it. We get it from the walk-ins. Funeral announcements, event organizing's, someone advertising for two days three days, one week. Most of them are walk-ins and those ones, you can do your little tips here and there, do lunch for the staff, tip the group that stays late overnight and say "'chale, obiaa mm□ gye 200 bi' for the weekend" [everyone, come for some 200 for the weekend] kind of thing. And then COVID came. No events, no funerals, nobody is going anywhere; nothing is happening anywhere and all of that just dried out. So, you probably are looking at some one-week petty cash of some thirty, thirty-five thousand, forty thousand cedis to about eight hundred cedis and then you'll know that COVID has really messed people up and it continued for months, some staff had to be laid off, some had to go home, COVID was a killer (***INT4***: Radio presenter).*

There are also the hikes in operational costs arising out of the economic downturn ushered in by the pandemic and other factors.

> *Operationally, like I said, if we are to pay 100 per cent of our electricity bill across the country, we are going to be spending about 60 per cent of our revenue but in business management, you are required to spend not above 20 per cent of your revenue on utilities. That means that we are not operating as a viable business, we are just postponing the problem, accumulating debt (***INT 6:*** Director, broadcasting network).*

In the particular case of the newspaper sector, COVID-19 has brought a special challenge to their financial viability. Subscription of newsprints have been badly hit due to fears of contracting the virus.

> *There are people who since 2020 have refused to hold a paper because they say they are scared of COVID. So yes, that is how bad it is. So, there are people who used to be subscribers but they are no longer subscribing because they said they are scared that by touching the paper they might be infected (***INT 7***: Head of Marketing, newspaper group).*

Technological evolution

Technological evolutions have significantly changed the way people consume information and interact with media, as well as how media gather, package and share content. These changes, among other factors, are impacting the financial health of media organisations in the country. In the first instance, the pace of technological innovations means that media organisations must frequently invest substantial sums to keep their equipment up to date.

> *A digital archival system; how you are able to save and store all your old data information. You know when it comes to content it never expires. There will be some time that you need some old content to depict an advocacy or a campaign or even an informative campaign. That reference, if you don't have the ability to store it well, you can lose it. So, re-equipment, retooling is one key area (***INT 10***: Chief Operations Manager for a broadcasting group).*

> *You have to look for the money, even when the government takes care of your salary, you have to buy cars, your studio equipment is breaking down, you need to replace them (**INT 6:** Director, broadcasting network).*

Technological evolution has also changed the information habits of the Ghanaian media consumers who continue to throng digital platforms, moving with them the already limited advertising budget. However, rather than suffering the revenue losses that come with this, it appears media organisations are rather leveraging digital platforms to expand their revenue sources.

Structure of the media industry

Another critical issue impacting the financial health of media in Ghana is the local media industry itself, and the extent of saturation in it. National Communications Authority (NCA) data shows that there are 513 radio stations and 113 TV stations in operation. This means that averagely, about every 47 thousand Ghanaians have a broadcast station to serve them. Nigeria, with a population about seven times that of Ghana, has 652 radio and TV stations (Adegboyega, 2021), representing an average of over 320 thousand people per station in an economy more than five times that of Ghana. One can see, clearly, that the media space is over-supplied. Indeed, in a 2020 directive from the NCA to the Ghana Broadcasting Corporation, the regulator alluded to saturation in the digital terrestrial platform as reason for seeking to reduce the latter's channels (Akwa, 2020).

This presents real challenges to the financial health of the local media. There are too many players competing for the same limited and dwindling advertising pot. As one interviewee declared, "the pot of money available for radio and TV Advertising is dwindling in favour of online, at the same time that the number of TV and radio stations are increasing" (INT 6: Director of a broadcasting network).

> *It is bad because NCA has licensed all these numerous radio stations. And a radio station that runs cannot generate 40,000 Ghana cedis, you ask that radio station to come and renew these certificates for 11,000 GHS. At the end of five years, you ask the person to pay 60 to 70,000 GHS to renew the person's frequency. Where would the person get the money from? (**INT 2:** Manager, radio Station).*

> *Yes, you can google NCA and see. Uh huh. So, you go to Jirapa there are two radio stations, if you go to Tumu there are three radio stations. Go to Pelu there is a radio station, go to Peguri, there is a radio station, go to Laura, Nyandum, there is a radio station. So, if you come to Upper West, you can get 17 to 18 to 20 radio stations in Upper West. And the market in Upper West is small (**INT 2:** Manager, radio Station).*

> *So sometimes, you go out there to source for revenue and then the customer will tell you that, this, your colleague radio station came, they collected this amount, so why are you also charging me this amount? (**INT 3**: Manager of a radio Station).*

Saturation also means unprofessional practice as media organisations strive to outdo each other to attract attention and audiences to leverage for advertising.

> *So, you realize that it's good for us to broaden the media horizon but you realize that the media horizon that has been brought in is now creating a lot of unethical issues. Instead of educating the people we are rather un-educating the people because qualified people are not recruited to work in these radio stations.*
>
> *So unhealthy competition will come in because I need to create traffic and I need to generate traffic to my media house, so instead of people listening to genuine work, how many people would like to listen to my genuine work? (**INT 2:** Manager, radio Station).*
>
> *There are so many stations there, like, what's all this about? I think we've gone from plurality to, I don't know what word to use. It's become an all play, all field and so standards are lowered. Because there's nobody checking and if there was anybody checking, it is difficult to check, and everybody wants to be the first to "break the news". So, lack of ethics, the person sitting behind the microphone or in front of the camera will lack basic native wisdom, 'efie nyansa' (**INT4**: Radio presenter).*

> *Generally, I think the media landscape is becoming tricky and trickier. People are still buying radio license and TV license. When there is too much of everything, sometimes when you're not careful, people even start*

> *stealing other people's content and then copyright issues start coming in and I think that we are in to compete (***INT 10***: Chief Operations Manager for a broadcasting group).*

Working in close concert with this negative effect of saturation is the political capture of the local media. While figures on media ownership are hard to come by, anecdotal evidence suggests a high level of political interest, pushing media to pander to the political lineages of owners. The result, it appears, presents a challenge to the credibility and professional practice of media organisations, ultimately limiting their viability.

> *Most of these official radio stations, particularly those stations have affiliation to political parties and what have you, their aim is not to come to do business, probably they just want to push the agenda of their political party and so, even the set-up of the radio station does not involve business-minded people (***INT 2***: General Manager of a radio station).*

> *But when the National Communication Authority was granting licenses for both television and radio and when the social media space also opened up, I don't think they thought through. Any John Thomas could get a frequency, as long as they were politically connected enough. And so, it was dished out as they say 'la confetti' to friends, family, political cronies and we are where we are today. In my opinion, too many radio stations that we don't need. How do you crawl back without being seen as tramping down on somebodies' legitimate business? From the get-go, we should have been more circumspect. But, unfortunately, the environment in which we operate is so politically polarized that if it is Abena in charge, and her husband is Kwame and Kwame's sister is Theodora and Theodora's friend is Kwaku and Kwaku belongs to party 'A' or party 'C', Kwaku alone may get 5 frequencies. '□de y□ de□n' [what is he using them for?]. (***INT 4***: Radio presenter).*

Finally, the local media market is heavily concentrated on the capital city from where most economic activities in the country emanate. Most large businesses are headquartered in Accra from where decisions about advertising spend and strategy are made. Often, this means uneven distribution of advertising budgets across the country, which limits the financial prospects of media operating in communities with smaller economies.

> *Whenever I try to find out a reason or two from why they are not able to stand on their feet in terms of revenue generation, they will tell us like other competing media houses have been telling me, that clients choose the media houses that are located mostly in the regional capitals and for that matter, more importantly, the capital of the country here in Accra specifically. And so, on some number of cases they can even rely on us. Sometimes at the end of the month, we have to send them our surplus of the generation (***INT 5:*** General Manager of TV and radio media group).*

> *With radio outside the city, to tell you the truth, that is what it has been over the years. Because the business is mainly from Accra. Even if you look at our operations, the golden triangle [Accra, Kumasi and Takoradi] is contributing over 70% of all the revenues we are able to generate. So, seriously speaking, even if it is just 2 to 3 areas that are contributing then the other 12 regions have nothing much coming from there and you can imagine the cost daily (***INT 7***: Group Marketing Head for media group).*

> *I am privileged to be producing radio and TV commercials. And if I tell you the number of times you know, managers from other media houses come to me asking me to help them solicit for advertisement on to their platforms. It's amazing. It's quite overwhelming. So based on that from a distance, I can tell you, yes. Other media houses have more challenging moments in terms of revenue generation for that matter to stay in the business (***INT 5:*** General Manager of TV and radio media group).*

Is the Ghanaian media financially viable?

This chapter set out to explore the financial viability of the Ghanaian media. To do this, it has attempted a picture of the revenue inflows into media, revenue generation strategies as well as factors impacting the financial health of media in the country. Ultimately, however, the chapter seeks a pronouncement on whether the Ghanaian media is viable.

The simple answer, it appears, is 'no'. The media industry is too heavily plagued by saturation, the cost of doing business in Ghana, dwindling advertising budgets [including capital flight onto social media platforms], the after-effects of the COVID-19 pandemic and fast-evolving technological changes to be considered financially healthy. Too often, media owners are having to step in and rescue their ventures because the latter cannot cover their costs.

> *Sometimes the salary and other things even have to come from the owner. But they're also doing their best but you realize that, probably, there are several things they are not doing properly. But the serious ones today though they are not making profit they are still able to break even (**INT 2:** General Manager of a radio station).*

But, perhaps, the more appropriate answer is that while the industry has a lot of prospects, it is derailed by the problems so far highlighted. Industry players describe it more appropriately as, at best, a 'break-even' industry.

> *From where I sit, I should say that the media is at the state of break-even. My point is that, every media house today is hard-hit about rising cost of things, particularly electricity, data, logistics like radio equipment and what have you. As compared to our revenue inflows you realise that, you are unable to break even so you are not well satisfied, you're not well pleased to say that we are really making profit so the media is really viable (**INT 2:** General Manager of a radio station).*

> *If you look at the Ghanaian media landscape, one cannot say entirely that it is viable and one cannot also say entirely that it is not viable. It is just in-between, because if you look critically at the media landscape as we speak…, you could see that the media is thriving so much, but sometimes, most of them cannot even break even (**INT 3:** General Manager of radio station).*

Discussion

This study shows that the financial health of the local media is patchy, at best. While there are clear signs of healthy indicators of financial potential, there are equally pressing challenges to viability. Factors situated within the structure of the local media scene, the COVID-19 pandemic, the state of the local economy and the fast pace of technological evolutions both hurt the financial health of the media in Ghana.

The media is not helpless to the challenges they face, however. They are resorting to innovative revenue strategies to turn the tide. Indeed, they are resorting to four strategies to augment their revenues derived from non-advertising sources. The strategies relate to content innovations, digitisation, diversification and innovative solicitation. This is an encouraging trend as it means that media are actively diversifying their income portfolios to make them resilient to factors affecting their financial health.

As the media actively innovate revenue strategies, it portends good tidings by expanding their income streams. Yet, the benefits of these creative revenue strategies are hampered by the intense saturation in the broadcasting space. Given the size of the troubled Ghanaian economy and the implications for advertising budgets, there is just too little advertising money to go round. This has the potential to increase the risk of media capture and its attendant unprofessional practices.

There is also the challenge posed by the growing audience taste (particularly among the youth) for news and discourse on global digital platforms such as Facebook, Twitter, TikTok, YouTube and Instagram. The flight of audiences onto digital platforms is accompanied by advertising revenue flight and resulting financial distress for traditional media organisations. Even though media organisations are making efforts to monetise their presence on such platforms, it appears the challenges posed by audience and capital flight are more compelling.

The media's efforts to stay financially viable are also countered by the cost of doing business in Ghana's post COVID-19 economy. Like all businesses in the country, media organisations are finding themselves at the mercy of forex rate-induced rising fuel, utility and retooling costs which have become a constant drain on incomes. As these and other costs increase, the capacity for media to adequately resource and remunerate employees to engender professional practice reduces. The high cost of doing business also has implications for content diversity. Indeed, as we find, it costs more to generate local content than to import and do voice translation sound inserts. This explains the increasing levels of imported Asian and Southern American telenovelas which are gradually weaning local audience tastes off local films and drama. The long-term implications for financial viability are dire.

Closely related to this is the challenge that financial constraints pose to professional practice, and content richness and diversity. As resource and work conditions of media personnel worsen as a result of dwindling revenues, the industry will increasingly become vulnerable to co-optation and other forms of unprofessional practice. Already, due to poor conditions of service, a culture of gift-giving in journalism popularly called 'soli' has grown to define journalistic practice in Ghana. The practice, which media personnel consider to be a legitimate supplement to their low incomes (Alhassan &Abdulai, 2019), is known to bias media content and as a result is the cause of some angst among scholars and industry leaders (Alhassan &Abdulai, 2019). Ultimately, this should erode the financial prospects of the media. Stale, biased and unprofessional reporting practices lead to distrust in media and turn audiences [and with them advertising revenues] to sources perceived to be more credible.

It is also important to note the implications of our findings regarding the patterns of revenue inflows into the media. On the one hand, it is encouraging to note that advertising revenue in the media is sourced from a rich mix of mostly private entities. This means that no single entity, including government, is uniquely positioned to control media using advertising spend as bait. The preponderance of commercial entities in holding the purse strings of media is to be expected as it replicates a common model for media financing (Sehl, Cornia & Nielsen, 2021). However, it does also signal a challenge to media viability in circumstances where economic hardships force commercial organisations to cut advertising budgets.

That said, it is insightful to note the potential influence of the herbal medicine sector over the Ghanaian media. Its unique position as the biggest spender can translate into power that may have negative repercussions for regulatory control of the sector using media as allies.

Recommendations

Despite the significant effort that media organizations are making to ensure their continued existence, there is a need to pay close attention to the sustainability of the sector, given its close links to Ghana's democracy and progress. While there is a strong case to be made that the Ghanaian media scene is not financially viable, the sector has shown itself to be adaptable, particularly, by its use of alternative funding approaches. Below, some suggestions are offered, considering the study's findings, towards enhancing the financial health of the Ghanaian media.

… for media development organisations

- It is imperative that the opportunity to expand revenue inflows is given impetus. We recommend capacity building to enable media organisations, particularly smaller, rural-based ones, to diversify revenue sources and strategies. Media development organisations, the sector ministries and industry associations must lead the way in such capacity building efforts.
- We also recommend that media development organisations provide training to enable media managers to introduce efficient work systems and processes to cut costs. Efficiency measures forced by the COVID-19 pandemic deserve further exploitation by more media organisations.

… for government and regulators

- As media creatively attempt to expand their revenue inflows to, at least, break even, it is imperative to target systemic development support to the sector. Elsewhere [Denmark, Australia etc.], public interventions such as tax breaks [for retooling and employment] as well as tax incentives [for focusing on some content foci] are used to support media sector development. We recommend the Ministries of Information, and Communications and Digitalization to consider advocating for such support to bring relief to the sector and facilitate its resilience capacity.
- As part of requirements for licensing, regulators must introduce and insist on sustainability plans by media organisations seeking licensing. The sustainability plan must address strategies for enabling the organisation to generate enough income to be self-sustaining and viable.
- Given their growing influence and the implications for the financial viability of local media, platforms such as Facebook, YouTube and Instagram must be engaged to contribute some of their revenues to support the local media. Australia's quest to force big tech companies to share their advertising revenues with local media firms comes to mind. We encourage the government to join forces with other African governments to pursue this to have the tech giants give back to their markets in Africa in a manner that ensures the sustainability of offline information access and quality.
- Local media contribute to the nation's development through taxes, employment etc. It is imperative that they be protected and helped to sustain themselves. African governments must lead the charge in negotiating around the capital flight to the global tech giants.
- African governments must also join forces to negotiate better and fair rates for content generated by African media and annexed by the global tech platforms.

- The NCA should, as a matter of urgency, consider freezing the issuance of more broadcast licenses and take steps to audit and restructure the broadcasting space to reduce the glut and improve financial prospects of media organizations.

... for media organisations

- The efficiency innovations ushered in by the pressures of the COVID-19 pandemic have proven to have bottom-line implications for such media. Such cost-cutting measures as working from home [with savings in utility consumption and transport budgets] deserve larger scale adoption by media organisations to reduce their costs and increase their financial viability.
- Media organisations must also continue to innovate new revenue strategies to reduce their heavy reliance on advertising revenues, a model that is increasingly threatened by the influence of global social media giants.
- An important way to ensure a viable media is trust and credibility. Work that is rooted in the principles of good journalism serves as the foundation for media trust and credibility. Without concern for quality, media organizations that want social media clout (because that is where advertising is being diverted to) are likely to cultivate a negative reputation as clickbait peddlers. Media organisations must guard their credibility. High editorial standards must be maintained to avoid the risk of serious media evolving into tabloids in their effort to garner attention that generates income.
- As long as it is beneficial, the media must keep looking to the digital. Media organisations must transform with the times and take advantage of the affordances of the digital. The study's findings demonstrate that media organizations are increasingly turning to financial options other than the paradigm of advertising revenue. This is a fantastic trend that can help media organisations.

... for academic institutions

- The foregoing demonstrates the need for further research into the media sector to enable insights and solutions around:
    - Effectiveness of different revenue strategies
    - Efficiency measures towards reducing operational costs
    - Extent of, and opportunities for new media adoption for revenue generation and expansion

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