Report

Printing, Distribution, Circulation and Marketing of the Grassroots Press in South Africa

Prepared for

The Media Development & Diversity Agency (MDDA)

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Editorial Assignments is a media and marketing strategy and research group. Our team includes journalists, brand managers, IT experts, and business consultants. We investigate media issues and devise solutions.

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Editorial Assignments

Overview

Printing, distribution, circulation and marketing are basic functions in any publishing operation, yet it is precisely these functions that are tripping up the small independent community press in South Africa, making it difficult for the publishers to survive. This study goes to the heart of what is wrong with, and should be put right in, the grassroots press. We aim to make a significant contribution to the restructuring of the sector. Once-off project funding on a piecemeal basis, designed to help individual publishers, is not on its own going to solve the problems of this sector. A much more wide-ranging strategy is required to guide interventions, and we suggest both that the sector pull itself together as a coherent, identifiable force in the economy, and that it go out to seek allies even amongst those it currently perceives as hostile to its interests – the corporate press and big business and even, to some extent, state media.

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We have taken a bold, innovative and strategic approach because nothing less is going to make much of a difference. What is most needed right now is a vision that can command consensus in currently scattered groupings. And flowing from this, an infrastructure needs to be built that will support the sector, from procuring printing, distribution and marketing services from emergent businesses, to carrying out thorough research, and dealing effectively with advertisers and sponsors.

What is the grassroots press? Knock and drop newspapers have been described abroad as the "local watchdog, but a toothless one" – a press without a strong social mission and lacking in editorial depth and commitment. But South Africa is different. It has a tradition of highly committed com-

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The fact that many grassroots papers are still involved in Struggle – this time the struggle to survive at all – is indicative of the lack of a coherent strategy to pull them together with an infrastructure that serves their needs.

munity publishing with impressive democratic credentials resting on a history of advocacy for the poor and socially excluded. Today some of the inheritors of this Struggle and Alternative tradition are the newspapers and magazines that exist in the townships, inner cities and certain rural areas of the country. These papers were champions of the anti-apartheid struggle but unfortunately have taken a knock from the withdrawal of funding following SA's multiparty settlement. Most have no option but to enter the marketplace, turning activism into entrepreneurship.

There are other elements of the grassroots that trace their origins to independent, non-corporate publishing in the suburbs and cities, towns and villages of the old South Africa. And since the 1990s, the country has seen the rise of more independent small commercial media as well as community-based publications. All these newspaperst today try to offer a mix of local reportage, features, advice, arts and entertainment, retail and classified advertising, and readers' letters.

Today all these publications may be considered a sector of the press, the grassroots. Debate surrounds whether the sector extends much further into publications run by civic and religious bodies, labour unions, mutual aid societies, sports and social clubs, donor-backed NGOs and foundations. If all of these are included in the grassroots press of South Africa, they represent a broad spectrum of the masses and the middle class in a fast-developing economy which should be able to support media diversity and development. Yet many of them work in isolation and are feeling the pressures of rising costs and suffering from the lack of infrastructure. They inhabit an increasingly competitive local press environment, with corporate and state newspapers pressing in on them. The fact that many are still involved in Struggle – this time the struggle to survive at all – is indicative of

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the lack of communication between them and failure to combine their resources. There is no coherent sector-wide strategy to pull them together and the service infrastructure that exists is largely in the hands of major companies.

The Media Development and Diversity Agency (MDDA), which commissioned this study, has a statutory mandate to create an enabling environment for community and small commercial media projects. Its mandate excludes the corporate commercial community media and state media. It has only so much funding to apply to the task, which has to go both to broadcasting and print media Together they make the community media in South Africa (with few Internet voices as yet).

Our Report stresses that the money available for print media development should be reallocated in ways that both support promising projects and go towards building the printing, distribution, research and marketing infrastructure needed for sector survival. There is room for synergies with community radio, as some of the contemplated infrastructure would serve broadcasters well – for example, an advertising procurement and syndication system. We have not costed our proposals in detail because the job of doing so should be put out to tender once the MDDA has chosen the course to follow and made the necessary policy and adminstrative decisions.

The perspectives and practical suggestions offered here may not go all the way towards solving sector difficulties but we are sure they would tip the balance from pure survivalism to sustainability for most participants in a truly struggling print media sector.

Graeme Addison
Clive Emdon

Money available for print media development should be reallocated in ways that both support promising projects and go towards building the printing, distribution, research and marketing infrastructure needed for sector survival and growth.

Executive Summary

THE formation of the MDDA and its initial forays into grassroots project funding have brought to light critical isssues in printing, distribution, circulation and marketing. Solutions to problems of operations, logistics and technology, research and auditing, readerships and advertising are proposed. We argue that specific publishing difficulties are symptomatic of widespread systemic problems that need to be addressed through a market development approach. Basically, this entails enabling the sector to grow by encouraging all stakeholders and surrounding organisations to free up resources and collaborate over common goals.

This Report is written in a non-formal way to make it accessible and prompt debate about the composition of the sector, its goals, and the best ways forward. Thought-provoking cases are highlighted, strong quotes used from publishers who feel strongly about what they perceive as threats to their very existence, and our recommendations shirk nothing.

The time is ripe for grassroots publishers across the spectrum to collaborate, sharing ideas and generating new business through co-operative structures.

Summary

We refer to many local case studies and to a wide and growing literature on grassroots publishing in both advanced and developing countries.

To guide long-term thinking, three workshopped scenarios are spelt out nicknamed Scatterlings, Pack of Tricks, and Energiser. The preferred scenario is the last which stresses sector-wide strategies, voluntary affiliation, innovation for empowerment, and public-private partnerships. Three essential strategies flow from the energiser idea:

- Aggregation: The time is ripe for grassroots publishers across the spectrum to collaborate, sharing ideas and generating new business through co-operative structures.
- Synergies: "Co-opetition" between grassroots publishers and the wider media industry is vital to build up the human and material resources that a diverse media system needs.
- Networking is the term used for both human communication and technological connections to equip the grassroots press for successful publishing in the information age.

The role of the MDDA is conceived of as an energiser of the grassroots sector. This implies a partnering approach between the MDDA and grassroots press representatives, major industry players, big business, government (local, provincial, national), civics, auditing and management consulting firms, and State agencies that have the funding, expertise and legal know-how to support and supervise development efforts.

Modelling has been done on the basis of both local and international experience in community publishing. We refer to many local case studies and to a wide and growing literature on grassroots publishing in both advanced and developing countries. We also make use of the body of knowledge on low-cost technologies and convergence across media platforms.

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S-Curve tool

Considerable effort has been spent on developing a model for the assessment of individual publications in terms of their position in the "life-cycle" of small businesses. The Report recommends that this type of model be applied when reviewing the potential and viability of those making application for support. Business advisors are needed by the MDDA to carry out detailed analysis, and they may of course choose techniques other than S-Curve analysis. But the model is a useful rule of thumb and should help non-specialists to understand that publishing businesses change as they develop from start-up to maturity.

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Levels of analysis

The functional problems of printing, distribution, circulation and marketing are examined in terms of three levels of analysis: the micro, or enterprise level; the meso, or grassroots sector level; and the macro or national and even international level. At each of these levels, interventions by the MDDA and its institutional partners can make a difference as to how publishers are able to deal with practical challenges. The levels overlap and blur into each other, but once again the distinctions are useful as a rule of thumb.

Summary

Major recommendations

GAPS

It is absolutely vital to get the grassroots equipped for networked communications – that is, with countrywide connectivity that will enable publishers to interact, gain economies of scale, and access co-operative resources.

A General Agency for Publishing Services (GAPS) should be created – as a self-sustaining non-profit business – to provide procurement and advisory services for small publishers and to put them in touch with service providers. The agency would operate best with regional branches (RAPS) to make direct contact with clients. The goal of GAPS/RAPS would be to provide professional advice, facilitate contracts, improve credit and obtain payments, and help to lower the cost structures of smaller publishers through collective buying (for example newsprint and inks). In many respects the agency and its branches could help to professionalise grassroots publishing, especially in the start-up phases.

Connectivity a priority

Competitive upgrading requires networking. It is absolutely vital to get the grassroots equipped for networked communications to gain access to all the cross-sector operational functions with which this report is concerned. Maximum effort should be put into raising sponsorship for countrywide computer installations and maintenance, including support for emergent businesses. Advice and support for the running of networks should come from agencies like Sita, the State ICTs enterprise, and the Shuttleworth Foundation.

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iPop

An Internet Portal for the grassroots Press ("iPop") should be created under GAPS. It would be a showpiece for the sector, aiming to raise its profile and credibility; an interactive "spine" to connect publishers with each other and the Internet highway; a procurement exchange to locate service providers and connect them with grassroots clients; a trading floor with ecommerce capabilities to syndicate news sales from the community press and relay advertising from clients; a resource containing training materials and templates, and a list of expert mentors; a forum for discussion and a news primer to spread information about developments. The portal should carry advertising to gain revenue.

A black empowerment programme under the Printing Industries Federation could facilitate the development of emergent printers to serve the grassroots.

Printing

The much talked-about purchase of an MDDA press is not recommended. Instead, it is suggested that the MDDA work with the Printing Industries Federation of South Africa (PIFSA) which has a black empowerment programme and could facilitate the development of emergent printers. Those "progressive" printers who already exist should be used where possible, although it is up to publishers themselves to select printers in terms of price and convenience. The possibility of using low-cost small-run digital technolgies in local publisher hubs should also be further explored where the situation merits it.

Summary

A range of models is proposed for grassroots distribution, and it is suggested also that a distribution network be considered, having carrier and point-of-sale functions.

Finance, banking and credit

Payment for printing is a burning issue at the grassroots. The support of the financial sector in the economy is urgently required to work out how to provide finance, extend credit, and manage the cash flows of grassroots publishers. We offer various models for credit extension and propose certain types of agency which could be administered by auditors.

Distribution

Currently, most grassroots publishers face an unenviable choice between using distribution agencies owned by their major competitors or undertaking distribution themselves, with slim resources for doing so. A range of models is examined, from which publishers can draw inspiration and ideas for the development of their own systems. The MDDA should hold discussions on the shape and functions of a possible distribution network, having carrier and point-of-sale functions. The Distribution Net would not be owned by the MDDA but by emergent businesses, to service the transport and merchandising needs of publishers.

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Circulation data and readership research

Unless circulation data can be collected and presented in digestible formats, advertisers will continue to shun the grassroots press. A major push is required to assemble audited figures on circulation. We recommend that the grassroots sector follow a two-pronged strategy: those publishers who qualify, and who wish to, should accept the offer from the Audit Bureau of Circulation in Southern Africa (ABC) to go onstream with their system. And, as soon as possible, an Independent Circulation Audit of the Grassroots (ICAG) should be set up and put into effect. This could compliment the ABC because publishers would learn to collect and present relevant data to auditors. To add qualitative information, reader surveys should be conducted too.

Publishers should take advantage of the offer to join the ABC system. As some may not wish to or may not qualify, an MDDA-endorsed system for circulation audits should be designed and put into operation as soon as possible.

Marketing & advertising

Some grassroots publishers have cracked the ad-sales conundrum are are selling space to local, regional and national advertisers; but many others are crippled by lack of credibility, not knowing how to sell, and having no procurement of advertising on their behalf. Proactive strategies – which the MDDA has already embarked upon by running seminars with the marketing industry (AMASA and AMF) – should be pursued, as should contacts with Capro (a procurement agency) and with government advertisers who are supposed to be backing media diversity. A prospectus promoting advertising in the grassroots press should be published by the MDDA.

Summary

Small businesses equipped to offer distribution, marketing & promotions, and research services at economical rates, with an understanding of the grassroots, are desperately needed.

National Community Publishers Forum

In parallel with the National Community Radio Forum, which has proved its value over the years, a similar body needs to be convened representing grassroots commercial, not-for-profit, civic, NGO, labour and religious publications. The sector needs a debating floor, and the MDDA needs a consultative forum where ideas can be aired and discussed. Although the Association of Independent Publishers (AIP) is doing an excellent job of representing its members, there are issues with the scoping of the whole sector which we address in the Report and which have led us to this recommendation.

Infrastructure

It is not the MDDA's role to empower printers and other service providers for the media, but it is proposed that through partnerships with relevant agencies and organisations, the MDDA should try to ensure that infrastructure is built to serve the grassroots press. Small businesses equipped to offer distribution, marketing & promotions, and research services at economical rates, with an understanding of the grassroots, are desperately needed. Their emergence would also benefit community radio and have spin-offs for all media. There are simply not enough emergent service providers to work with the grassroots press, and sector transformation is lagging.

Comprehensive training, mentoring and advice

Training needs to be put on a more comprehensive footing with the assistance of educators and the sector education and training authorities. The sector needs sets of manuals and a plan for training the trainers, identifying expert mentors, and scheduling modular courses. Internships to recruit and employ tertiary trainees in journalism, management, marketing and related disciplines will go a long way towards cementing better relationships between the grassroots press and mainstream newspapers. Internships should be institutionalised through a three-way partnership between the MDDA, the mainstream media, and tertiary educational establishments.

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Templates and franchising

Templates need to be written up as standard operating procedures (SOPs). These would cover all aspects of publishing from preparing business plans and taking specs for printing, to setting out advertising pitches for special supplements. The templates could ultimately become a kind of newspaper in a box although being able to take a fully operational newspaper off the shelf is unlikely. However, the MDDA could consider a kind of public-interest franchising scheme for the template system, making funding available provided the procedures are implemented in a businesslike manner.

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Peer mentoring

Very promising signs of successful grassroots mentoring, with experienced publishers helping strugglers, should be followed up. Some of the mentoring has involved the development of sophisticated software and adminstrative systems which could become available to the wider grassroots. The MDDA should regularise and extend these contacts, as well as fund both sides of the mentoring relationship while maintaining a close watch on progress.

The Report is designed for easy reading, as margin summaries allow the reader to skip through it.

How to read the report

The reader may skip through this report from end to end. Throughout, summaries of key points appear in the margins. The Chapters explain the approach discursively and raise issues surrounding the recommendations. Chapters 4 (Printing) and 5 (Distribution, Circulation and Marketing) contain the major findings. The Appendices are worth scanning because they list key organisations with which the MDDA would need to open talks if the broad strategies of this Report were to be accepted. A website, www.pressroots.co.za, is going online to encourage feedback.

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