

MEDIA AND THE PANDEMIC

Adapting to survive: Radio and digital media in Eastern Africa

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INTRODUCTION

As is the case with the rest of the world, the last few years have seen increasing conversations about the sustainability of Africa's media enterprises.

A report by the Center for International Media Assistance¹ (CIMA) describes these sustainability challenges as "an extinction event for independent media."

Media organisations need to have a firm financial footing to carry out their mandate. Economic constraints undoubtedly affect the social and political functions of the media. Lack of resources narrows the news agenda as it costs money to produce high-quality content. Where the state is the biggest advertiser – as is the case in many African countries – public officials can too easily close the "income tap" if they are faced with unfavourable coverage.

Before the Covid-19 pandemic, independent media outlets in Eastern Africa were already facing a complex financial crisis with the rise of digital media disrupting traditional business models. Now, a year into this pandemic, the media faces a catastrophic decline in advertising revenue.

Because vibrant and independent media are at the core of strong democracies, it is important to understand these challenges intimately to authoritatively suggest solutions to the benefit of the region's media and its democratic fabric.

This study sampled different radio and digital media outlets in Eastern Africa. It evaluated the current state of the industry to determine how to strengthen it and predict what sustainable media enterprises in the region will look like in the future.

The data shared in this report was collected through desktop research, quantitative and qualitative research methods.

Summary of findings

1. Radio, television and print media houses in Eastern Africa similar to their counterparts from elsewhere in the world have been facing financial challenges as a result of reduced advertisement expenditures. This to a large extent has been caused by shifting consumer preference to digital media. The Covid-19 pandemic has served to escalate the sustainability crisis.
2. Radio is still the region's most popular medium, especially in rural parts of the region where the majority of the population still live.

¹ 22nd December 2020, Donor Support for Independent Media During the Covid-19 Pandemic and Beyond: <https://www.cima.ned.org/blog/donor-support-to-independent-media-during-the-covid-19-pandemic-and-beyond/>

3. The little advertisement revenue that still goes to media houses in the region lies in the hands of very few media outlets with a national reach. Most of these are entertainment-focused commercial radio stations.
4. Most of the digital media revenue from advertisers go straight into the hands of big-tech corporations like Google, Facebook and Twitter. The little that remains is shared among social media influencers and fad bloggers.
5. Smaller radio stations and digital publications in the region have been forced to find alternative models to finance their operations. These include partnerships with development agencies, non-governmental organisations (NGOs) and religious institutions
6. There are numerous opportunities in the digital space than those in legacy media – or traditional media (such as print and analogue broadcast media) – can still take advantage of to achieve sustainability. Paywalls, a model introduced by Kenya’s leading newspapers the *Daily Nation* and *The Standard* on their digital publications can be replicated across the region.
7. The radio of the future will need to converge with digital media if it is to maintain its position as the most preferred medium.

ETHIOPIA

Ethiopia's media has suffered decades of repression, censorship and crackdowns. The Eastern African country which is home to approximately 112 million people (second largest in Africa), is expected to go to the polls in June 2021. This will be the first elections of members to the House of People's Representative since a new Prime Minister took over in 2018.

Even though the new government is largely seen to be reformist, there has been a continued crackdown on opposition politicians and media seen to be leaning towards the opposition.²

Various humanitarian organizations and international media have recently criticised the Ethiopian government for turning a blind eye to "possible genocide" in the Tigray region in the northern part of the country following a conflict that broke out in December 2020.³

Summary of Ethiopia's media landscape

For many years, Ethiopia would be found in the lowest regions of the RSF press freedom index. Journalists and bloggers were subjected to intense government pressure which resulted in unlawful arrests, detentions and attacks against the media. Freedom of speech was severely curtailed with only state-owned media left to operate according to government directives.

Prime Minister Abiy Ahmed Ali instituted what many have described as a "political shakeup" when he came into office three years ago. In his first 100 days at the helm, he lifted the state of emergency, released thousands of political prisoners (including journalists and bloggers from the Zone9 collective) and unbanned outlawed opposition groups.

These reforms resulted in Ethiopia jumping 40 places in the 2019 World Press Freedom Index compiled by RSF – from 150th to 110th out of 180 countries ranked. This was the largest leap by any country. In 2020, it advanced to 99th place in the index.⁴

TV, radio and digital media are the main media platforms in Ethiopia. Newspapers have minimal circulation. Radio is still the most consumed medium in the country, where up to 80 percent of the population live in rural areas.⁵

Ethiopia's independent media are not only small but also self-censor and steer clear of controversial political issues out of fear of harassment. The dominating media are the state-owned broadcasting stations and newspapers, and these tend to support the government's political positions and policies.

² Amnesty International; Ethiopia: Fears grow for thousands arrested after killing of Oromo singer: <https://www.amnesty.org.uk/press-releases/ethiopia-fears-grow-thousands-arrested-after-killing-oromo-singer>

³ BBC; 26th February 2021, Ethiopia's Tigray crisis: How a massacre in the sacred city of Aksum unfolded: <https://www.bbc.com/news/world-africa-56198469>

⁴ RSF; New freedoms to be consolidated: <https://rsf.org/en/ethiopia>

⁵ Pg 11 INFOASID; Ethiopia Media and Telecoms Landscape Guide(2011):

https://internews.org/sites/default/files/resources/ethiopia_media_and_telecoms_final_110112_19.12.12_0.pdf

A 2012 Advertising proclamation also prohibits advertising from firms whose capital is shared by foreign nationals. Ethiopian media is generally not strong on business models or integration of ICTs in its operations, a matter that needs attention in globally changing media structures.⁶

Radio in Ethiopia

Ethiopia has 25 publicly owned radio stations, some national and others regional. In addition, there are 10 radio stations owned by private entities. Several broadcasters have a regional presence. Thirty-one community radio stations are operational, out of a total of 51 stations registered by the Ethiopian Broadcasting Authority.⁷

The liberalization of the airwaves here is still a very recent development. The most popular radio stations in Ethiopia are mainly based in the capital, Addis Abeba. These include Sheger FM, Bisrat Radio, FBC (Fana), Zami FM and EBC FM Addis. Other stations on that list are Addis Radio, Abay FM and Afro Radio.

While most of these stations are also popular in Oromia, the largest and most populous of Ethiopia's ten regions, stations like Debu FM and Finfinne Radio also have considerable audiences there. This trend is replicated in the other eight regions of the country. Like you will see with the other countries in this report, the top radio stations with a national reach attract the biggest share of advertisement revenue.

Most of the advertisements on Ethiopia's radio stations are by government agencies and small local businesses. We were unable to find specific data showing advertisement revenue for radio stations in Ethiopia. The individual radio outlets we spoke to indicated suffering financial constraints during the pandemic.

Radio stations in Ethiopia generally avoid content that may seem to be politically controversial or critical of the government. Even though there is an active conflict in the Tigray region, where government-backed Eritrean soldiers have been accused of committing genocide, there is little or no reportage about the same on local radio. This is influenced by fear of losing government advertising or facing other forms of reprisals from the state.

Channels like Harar Community Radio, which broadcasts from the Harari Region in Eastern Ethiopia, rely primarily on donor funds for its running costs. Harar saw reduced incomes in 2020 as donors redirected their funding to support governments deal with the pandemic through critical areas like the provision of personal protective equipment for health workers.

According to Harar Community Radio's Amina Abdullah, this development came as a wake-up call. The station, she said, is now seeking ways to diversify its sources of income – especially to attract local revenue.⁸

⁶ Pg 14 International Media Support, Copenhagen; Ethiopia in transition: Hope amid challenges.

⁷ Pg 10 International Media Support, Copenhagen; Ethiopia in transition: Hope amid challenges.

⁸ Interview with Amina Abdulah, Station Manager, Harar Community Radio on 20th April 2021.

Digital media in Ethiopia

There are 24 million internet users in Ethiopia, of which 6.7 million are on various social media platforms, according to a report released in February 2021. That report pegs the country's Internet penetration at only 20.6 percent.⁹

Ethiopia's digital media landscape lags in comparison to those of the other countries in the region. Under the previous repressive regime, the government regularly blocked access to websites deemed critical of the administration.

The most popular digital media websites in Ethiopia are mainly owned by media houses. These include Addis Standard, Addis Fortune and Addis Maleda. Others are Ethiopian Reporter, Mareja Forum, Ezega, Zehabesha and ECADF Ethiopian News. Interestingly, none of these feature in the top 50 most visited websites in the country¹⁰.

Most publications that are critical of the government are run by Ethiopians in the diaspora. Like their radio counterparts, digital media publishers in the country still live fearing government reprisals against critical content. Zone9 was a popular digital news source that tackled human rights and governance issues. Six bloggers in the collective were detained at Meakelawi prison, in Addis Abeba, for 16 months. We were unable to find any data that shows earnings from Ethiopia's digital media.

⁹ 12th February 2021, Datareportal; Digital 2021: Ethiopia: <https://datareportal.com/reports/digital-2021-ethiopia?rq=Ethiopia>

¹⁰ Alexa; Top sites in Ethiopia: <https://www.alexa.com/topsites/countries/ET>

KENYA

Kenya seems to be always in a political mood. In the last polls held in 2017, the Supreme Court nullified the results of the presidential elections. It was the first time this was happening in an African country. The opposition would later boycott the court-ordered re-run between the two top contenders, plunging the country into a period of increased tension and street protests. At one time, Raila Odinga, the opposition candidate was even sworn in as “the people’s president.”

In a surprise turn of events, President Uhuru Kenyatta and his erstwhile nemesis Odinga, who led the opposition coalition, agreed to work together and in the process altering the country’s political landscape.

One of the most visible products of this partnership is an attempt by the two leaders to amend the country’s constitution through a popular push dubbed “the Building Bridges Initiative.” This drive which began in 2018 has continually heightened political temperatures in the country of 54 million people.¹¹

The referendum, initially expected in June 2021, has been pushed further due to a rise in Covid-19 infections. The country will also be going for a general election in August 2022. Kenyatta will not be eligible to run in that election.

Summary of Kenya’s media landscape

Kenya boasts of diverse and generally free media compared to her neighbours. Each of the most influential media houses in Kenya is privately owned. Newspaper publication is dominated by two media houses: Nation Media Group (NMG) and Standard Group Limited. Both media houses also have considerable interests in the broadcast sector.

The country has 158 licensed radio stations¹², over 80 licensed television broadcasters, of which seven are operationally prominent. These are KBC, KTN, NTV, Citizen, K24, Kiss TV and Inooro TV. Further, Kenya has six daily newspapers and over 19,000 online publications.

The media industry is regulated by the statutory Communications Authority of Kenya (CA). The Media Council of Kenya is an independent national institution created to set media standards and ensure compliance. The media industry has professional bodies like the Kenya Union of Journalists, Kenya Editors’ Guild, Association of Media Women in Kenya. Further, the list includes the Kenya Correspondents Association and Bloggers Association of Kenya and other organizations.

In theory, the freedom of the media is guaranteed in the Constitution of Kenya 2010 (Articles 33, 34 and 35). In practice, the media in Kenya is governed by various laws fragmented within different sections of the civil and criminal law making the constitutional guarantees inimical to freedom.¹³

¹¹ Macro Trends; Kenya Population Growth Rate 1950 -2021 (accessed on 4th April 2021):

<https://www.macrotrends.net/countries/KEN/kenya/population-growth-rate#:~:text=The%20current%20population%20of%20Kenya,a%202.26%25%20increase%20from%202020.>

¹² Communications Authority: https://ca.go.ke/wp-content/uploads/2018/02/The_National_Table_of_Frequency_Allocation_2017.pdf

¹³ Pg 6, Internews; Kenya Media Assessment Report 2021

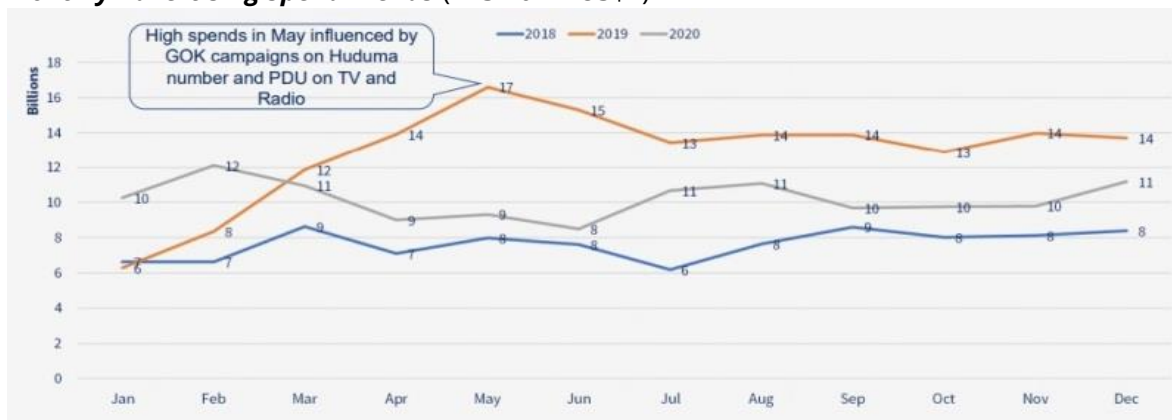
The sustainability challenges of Kenya’s media are as diverse as the industry itself— legal threats, economic challenges, fluid audience behaviour and the Covid-19 pandemic.

As the economic effects of the pandemic hit Kenya’s economy, advertising revenues dwindled, with companies pausing or scaling back ad spending. Media owners announced austerity measures, including mass layoffs and pay cuts of up to 50 percent. The country’s biggest media houses NMG and SGL reported losses of US\$3 million¹⁴ and US\$4 million¹⁵ respectively in the first half of 2020.

Advertising expenditure in 2020 was on the rise between January and February 2020, with industry spend consistent with projections. However, when Covid-19 hit home in March 2020, a drop in advertising was noted. There was a significant drop in commercial ads by corporate clients; media spaces being dominated by Covid19 sensitization awareness campaigns.

Figure 1

Monthly Advertising Spend Trends (KES 107 = US\$1)



Source: Reelanalytics/Marketing Society of Kenya; 2020 advertising spends report

Broadly, Kenyan media groups have, since the past few years, actively pushed for income diversification. In a KAS Media Africa publication on entrepreneurial journalism in Africa, veteran editor Joseph Odindo explains how businesses have identified under-served customers “to develop totally new revenue streams”. This is in reference to media companies venturing into businesses that are only remotely related to this industry, writes Odindo. For one, NMG in 2018 launched Lit360, an entertainment promotion programme as a new income earner leveraging on the company’s existing assets. Further, SGL started a campaign to recruit small and medium businesses, who make up the majority of enterprises in Kenya, into multimedia advertising by introducing friendlier rates.¹⁶

¹⁴ Kenyan Wallstreet; Nation Media Group Plunges into KSh375.2 Million Net Loss in H1 2020: <https://kenyanwallstreet.com/nation-plunges-into-ksh-375m-net-loss-in-h1/amp/>

¹⁵ Kenyan Wallstreet; Standard Group Reports KSh 484 Million Loss: <https://kenyanwallstreet.com/standard-media-makes-ksh-484-million-loss/amp/>

¹⁶ KAS Media Africa; Entrepreneurial Journalism in Africa: Opportunities, challenges and risks for media in the digital age: <https://www.kas.de/en/web/medien-afrika/einzeltitel/detail/-/content/entrepreneurial-journalism-in-africa>

The story of diversification is a global one, to cite observations by Francis Mdlongwa, another media expert and academic. In the same publication, the former correspondent, now serving as the head of Rhodes University's Sol Plaatje Institute, cites the efforts of leading media players like *The New York Times* of staging social events such as “cross-Atlantic luxury cruises and others to the Middle East, that attract some rich members of its audiences for a price as a way of generating income”.¹⁷

Radio in Kenya

The industry regulator; CA categorises radio licenses into public broadcasting services, community broadcasting services, private broadcasting services, commercial broadcasting services and subscription broadcasting services.¹⁸

Most of Kenya's radio stations are concentrated in major urban centres. However, there is a significant reach in rural areas through 54 private vernacular radio stations broadcasting in 19 different languages.¹⁹ Most of these are ill-equipped, poorly staffed and often owned by politicians or their associates.

According to a 2020 GeoPoll Audience Measurement, which collects daily data on TV and radio ratings in Kenya, the leading radio stations in terms of listenership are Radio Citizen, Radio Maisha, Milele FM, Radio Jambo and Classic 105 (see Figure 2). Also making it to the Top 10 are Kiss FM, Inooro, Kameme, Ramogi FM, and Hot 96. The stations are owned by four big media houses that also have interests in TV and print.

¹⁷ KAS Media Africa; Entrepreneurial Journalism in Africa: Opportunities, challenges and risks for media in the digital age: <https://www.kas.de/en/web/medien-afrika/einzeltitel/detail/-/content/entrepreneurial-journalism-in-africa>

¹⁸ CA; Broadcasting: <http://www.ca.go.ke/index.php/broadcasting>

¹⁹ Internews; Kenya Media Assessment Report 2021

Figure 2

Kenya Radio Ratings 2020

Kenya Radio Ratings—March 2020

Rank	Radio Stations	March 1-14	March 16-29	Growth
1	Radio Citizen	1,269,000	1,384,000	115,000
2	Radio Maisha	1,123,000	1,070,000	-53,000
3	Milele FM	985,000	950,000	-35,000
4	Jambo	971,000	952,000	-19,000
5	Classic 105	689,000	663,000	-26,000
6	Kiss FM	641,000	620,000	-21,000
7	Inooro	348,000	348,000	0
8	Kameme	341,000	330,000	-11,000
9	Ramogi FM	314,000	313,000	-1,000
10	Hot 96	273,000	263,000	-10,000

Source: GeoPoll 2020 Year End Report - How those in six African nations have adapted to a year like no other and their predictions for the future.

This pattern has virtually remained unchanged for over five years. NMG, which was once a major player in the radio industry and despite its financial muscle, had to halt its active radio operations in 2016 after several attempts of gaining a profitable foothold failed.

Compared to the previous year when radio was the most utilized medium, 2020 saw a decline of activity. This is attributed to a shift in media consumption as a result of the effects of Covid-19. As of March 2020, ad activity on the Platform could not match the previous year’s leading to a cumulative decline of 39%.²⁰

A total of US\$438.64 million was spent on radio ads in 2020 compared to US\$727.95 million spent the previous year.²¹ Swahili and vernacular stations took the lion’s share of this revenue due to their extensive reach.

Finance, communications (mainly Safaricom) and FMCG sector players were the top spenders on radio with the choice of media outlet being informed by the target audience.

Despite the impact of the pandemic and pressure from digital media options, radio revenue has generally been rising. Ben Ogombe is the CEO of Urban Radio in the city of Kisumu on the shores of Lake Victoria. Outside Nairobi, Urban is the country’s premier English language radio station.

When Ogombe first set up Urban with his partners in 2014, he was looking to tap into a part of the Lake Region’s 15 million population that he felt did not identify with the vernacular radio stations the region was synonymous with and were underserved by the content from Nairobi-based English language radio stations which they could not relate with.

²⁰ Pg 19 MSK/Reel Analytics Limited; 2020 Advertising Spends Report

²¹ Pg 21 MSK/Reel Analytics Limited; 2020 Advertising Spends Report

“The towns in this region are cosmopolitan and media houses and media buying agencies did not appreciate that. The few English radio stations that broadcast to this region do not relate with the audience. Their content is Nairobi-centric – when they talk about traffic, it’s about Nairobi roads. I wanted to change that,” Ogombe says in an interview²².

Over the last seven years of its existence, the station has shut down twice. In September 2020, right in the middle of the pandemic, Ogombe decided to give it another stab.

“The forecast was that we will have flattened the curve by November 2020, I was hoping that by December business would have gone back to normal and all the marketing money that companies were holding back to will be thrown to us (as the industry). That did not happen and we are at a worse place economically,” explains the former radio salesman at Radio Africa Group.

Ogombe’s strategy this time was simple: ‘go for the audience, the advertisers will come.’ He says he created a different radio station from what currently exists in the Kenyan market, focusing on providing his audiences with an escape from the daily pressures of life. The content is thin on editorial programming and focuses on creating fun out of the day-to-day issues their listeners face. Urban operates with a lean newsroom of only three people, keeping staff expenses minimal with most of the station’s wage bill allocated to programming personnel. The response from the audience, Ogombe says, has been great and a few advertisers have come on board even though the numbers are not as he would wish. Their focus now is to keep the lights on through the pandemic.

Ogombe sees the radio of the future not competing against digital media but rather being complemented by the platforms. He sees YouTube and Facebook as platforms that, when used well together with on-air assets, are tools that can help radio stations restore credibility to their content – especially with gaming elements where listeners often feel that stations don’t run genuine listener reward schemes.

Digital media in Kenya

According to a report released in February 2021, there are 21.8 million internet users in Kenya – an internet penetration of 40 percent. Of these users, 11 million were on various social media platforms.

Kenya has a young population with a median age of 20.1, which is driving the use of digital media, especially social media. The country boasts of thousands of blogs covering virtually everything, from finance to food to fads. Political blogging is still dominant.

James Wamathai, the Director of Partnerships at the Bloggers Association of Kenya attributes the digital shift to the high penetration of fast and affordable internet. This coupled with access to smartphones, he says, is the main driving force behind the boom in Kenya’s digital media landscape²³.

²² Interview with Ben Ogombe; 26th April 2021.

²³ Interview with James Wamathai, Director Partnerships at BAKE on 9th April 2021

Big corporations from the communications, financial and retail sectors have taken advantage of this trend and now directly advertise on platforms like YouTube, Facebook and Google. There is also an increase in the use of influencers, with many followers on social media, to endorse products and services.

Most of the legacy media outfits – in Kenya now have digital platforms. Others like NMG and SGL realized that their digital platforms that provided free news content was cannibalizing their revenue from newspaper sales.

In January 2021, NMG introduced a paywall on its news website, nation.africa. SGL followed suit soon after. To access news on NMG's website, you have to pay either a daily, weekly, monthly or annual subscription. Monthly subscriptions cost US\$1.5 while the annual subscription costs US\$7.5.

“Traditionally, people have been happy with someone selling their eyeballs in exchange for content. So you watched the ads on TV or viewed them in a newspaper, somebody paid the newspaper company and thereby subsidised the content,” explained NMG Group Editorial Director, Mutuma Mathieu in an opinion piece published on 29th January 2021.

“The trouble is that people are spending more time on their phones than they do on TV or newspapers. They want to catch up with the news on those devices and they do not necessarily want to be bothered with advertising,” he wrote.

“Besides, when an advertiser wants to show you something, they don't come to *Nation*, even though it is from our site that you reading or watching the news. They go to internet giants such as Google and Facebook.” Other than providing an additional source of revenue to the media house, NMG is working on a model that will see journalists earn additional bonuses based on the number of views their articles get²⁴.

While legacy media houses are adapting to even become bigger players in the digital market, newer platforms that are exclusively digital are giving them a run for their money. NMG and SGL for instance, have significantly dropped from positions they previously held, appearing at number 23 and 19 respectively on Alexa's rankings. Newcomers Tuko.co.ke and Kenyans.co.ke rank third and fifth of the most visited websites respectively.

The past few years have also seen veteran journalists who plied their trade in the legacy media environment set up smaller digital outfits to tackle investigative journalism. The most notable ones are [Africa Uncensored](http://AfricaUncensored.com) by award-winning investigative journalist, John-Allan Namu, and [Debunk Media](http://DebunkMedia.com) founded by Asha Mwilu, erstwhile African journalist of the year and former special projects editor at Royal Media Services' Citizen TV. Both outfits are funded through grants from partners that allow them to cover special interest stories. Debunk Media began operation in 2020, right at the heart of the pandemic, telling Covid-19 related stories in multimedia formats.

²⁴ Focus group interview with journalists in Kisumu, Kenya on 20th April 2021.

TANZANIA

Tanzania is a country in transition following the death of then-President John Pombe Magufuli in March 2021. Consequently, Vice President Samia Suluhu Hassan has since been sworn in to complete the remaining four years of Magufuli's term.

Since 2016, Tanzania has fallen a record 53 places in the RSF World Press Freedom Index (to 124 of 180 countries). None of the other countries ranked in the index has suffered such a precipitous decline in recent years.²⁵ In April 2020, the then-president decided to stop publishing details about Covid-19 infections in the country while deriding the pandemic in his speeches as a "Western plot".²⁶

Media practitioners were subjected to harassment and censorship during Magufuli's reign. Arbitrary arrests and detention of journalists, suspension of licenses and hefty fines imposed on media owners to curtail freedom of expression was the order of the day.

Magufuli's authoritarianism was also seen in how his administration handled opposition politicians and civil rights groups. He was intolerant to criticism of himself and his policies. Political foes were on numerous occasions arrested for voicing opinions critical of the government and the ruling CCM party.

Hassan has given the impression of a leader who is out to shake things up a bit. In April, she formed a committee to review the country's position on Covid-19, saying: "we cannot isolate ourselves as an island while the world is moving in a different direction."

Summary of Tanzania's media landscape

Both legacy and digital media in Tanzania have exhibited growth in recent years with official reports showing that there are 183 radio stations (from 98 in 2014), 43 broadcasting services (versus 36 in 2014), and 229 newspapers and magazines (from 216 in 2018). However, industry players point to several political, legal, and regulatory challenges that impact their ability to work freely.

Fifty to seventy percent of privately-owned media's revenues come from government advertising, newspaper supplements and coverage of special events. As a result, privately-owned media have consistently worked to offer more value and to gain favour with the government.²⁷

Policies enacted since Magufuli took power in 2015 led to a reduction in advertising spend on private media, leaving these organizations cash-strapped and vulnerable to political and financial influences in the interest of survival.

²⁵ RSF; "Bulldozing" the media: <https://rsf.org/en/tanzania>

²⁶ BBC; 18th June 2020, Tanzania's John Magufuli - the man vowing to defeat coronavirus and imperialism: <https://www.bbc.com/news/world-africa-52983563>

²⁷ 25th January 2021, Joy Chelagat, Internews; The Impact of Digital Media Regulation – an East African Case Study: <https://internews.org/story/impact-digital-media-regulation-east-african-case-study>

Radio in Tanzania

Radio is by far the most popular media across the whole country. Almost half of the population use it as a daily news source. Four out of five Tanzanians use radio at least monthly to get the latest information. Radio stations that air their programmes in Swahili enjoy the highest listenership²⁸.

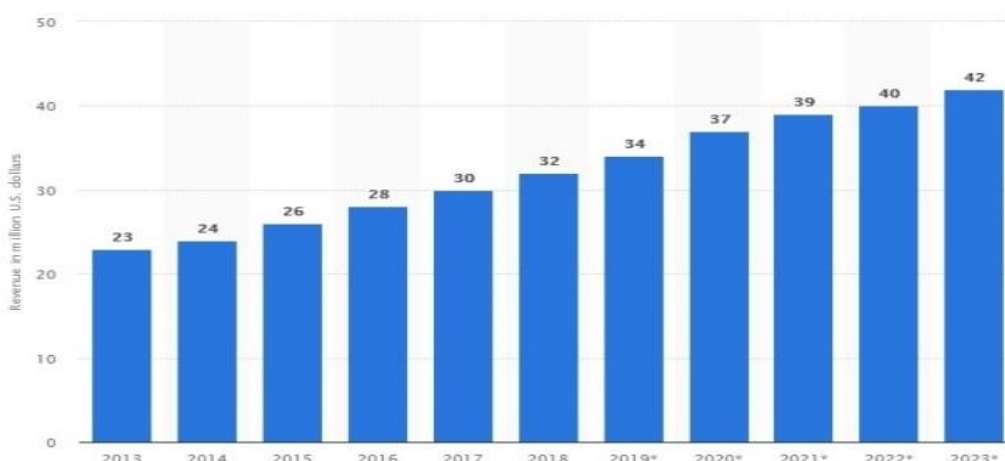
The radio market compared to print and TV is more diverse but still shows a medium to high audience concentration among the top four media houses. Clouds FM (Cloud Entertainment Ltd), Radio One (IPP Media Ltd), the state-run TBC Taifa (Tanzanian Broadcasting Corporation) and Kiss FM (Sahara Media Group Limited) are the country's most listened to radio stations. Other popular radio stations include East Africa Radio and Capital FM, both owned by IPP Media Limited, Wasafi Radio owned by Wasafi Music Group and Radio Free Africa owned by Sahara Media Group Limited.

Unlike her neighbours, Tanzania did not impose lockdowns to contain the spread of Covid-19. Businesses continued to operate normally in 2020 with no reported cuts in advertisement revenue.

According to data from the global business data platform Statista, radio revenue in Tanzania is expected to grow from US\$32 million in 2018 to US\$42 million in 2023. The bulk of this revenue is however still concentrated among the top 10 radio stations, which leaves more than 170 others to compete for the crumbs. Communications companies (Tigo and Vodacom), government (Ministry of Health), beverage giants (Pepsi), and Sports betting firms (SportPesa) are some of the top advertisers in radio.

Figure 3

Radio advertising revenue in Tanzania from 2013 to 2023 (in US\$)



Source: Statista

Even among the top stations that have both audience and revenue concentration there is increasing diversification of income sources. Wasafi FM and Clouds Radio are increasingly integrating events into their programming as sources of alternative revenue.

²⁸ Geopoll; Tanzania TV and Radio analysis Q2 2018

Community stations that form the bulk of licensed broadcasters in Tanzania are also adopting alternative sources of revenue because they rarely attract advertisement from the big corporations. Boresha Habari, a program funded by USAID and implemented by Internews has helped over 20 Tanzanian community radio stations to improve their content and achieve financial sustainability.

Internews and its partners have been able to deliver eye-opening marketing training to community stations on how they can survive when the traditional on-air ads are not coming their way. One of the strategies taught to the stations was bartering services.

ICE FM is a station in Makambako, in the south-western highlands of Tanzania, serving a community of mainly small traders and farmers, engaged in producing mostly food crops. They produce just enough to feed themselves and have some left over to sell to meet family cash needs. ICE would at times suffer day-long power outages and be forced to run on diesel power generators for long intervals, which was very costly. After some scouting work, ICE management found a businessman who agreed to provide and install an Uninterruptible Power Supply system in exchange for airtime.

At first, ICE FM was not keen on implementing the idea, worrying about the long period it would take to air all their partner's adverts and programmes. The training opened their eyes when they were asked to think about the songs they play in a day for free and how that time could be used in exchange for our various needs.

ICE FM now has a backup power supply and 10 batteries at the transmission site as well as in its studio. Putting all this together would have cost as much as US\$4,000, but the airtime the station spent playing music has enabled them to overcome their biggest challenge²⁹.

Digital media in Tanzania

According to a report released in February 2021, Tanzania is home to 15.2 million internet users. Of these, 5.4 million users are on various social media platforms.³⁰

Recent regulations in Tanzania have curbed the growth of digital news channels. In April 2018, the government signed into law the Electronic and Postal Communications (online content) Regulations. The law requires that all online publishers register with the state communication authority, TCRA.

A recent report from the TCRA shows that by August 2020, there were 104 online blogs, 19 online radio broadcasters, and 324 licensed online TV stations. TCRA licenses cost about US\$920 – prohibitive in a country whose per capita income is only US\$1,130. The regulations apply to a wide range of players including bloggers, internet cafés, online content hosts, online forums, online radio or TV, social media subscribers and users of online sources and any other related content.

²⁹ Interview with Joy Chelagat, Internews' Media Business Advisor for Africa 18th March 2021

³⁰ 12th February 2021, Datareportal; Digital 2021: Tanzania: <https://datareportal.com/reports/digital-2021-tanzania>

Of particular note is regulation 16 which imposes a fine of US\$2,152 for social media users and generators of online content found with material deemed indecent, obscene, hate speech, extreme violence or material that will offend or incite others, cause annoyance, threaten harm or evil, encourage or incite crime or lead to public disorder.

According to the Human Rights Watch 2019 World Report³¹, several journalists and media organizations have been charged under these laws. For example, in April 2020, the TCRA banned *Mwananchi*, Tanzania's biggest daily newspaper by circulation, from publishing online for six months and fined the outlet US\$2,152 for allegedly publishing false news.

In July 2020, the TCRA Content Committee suspended Kwanza Online TV for 11 months for allegedly generating and disseminating biased, misleading and disruptive content. In September 2019, journalist Sebastian Atilio was arrested for allegedly spreading false news on WhatsApp.

These developments have stifled industry growth. Several blogs and other online platforms either shut down, moved outside Tanzania or were sold off to foreign entities before the advent of the new rules.

An example is Udadisi.Org, a blog founded by Tanzanian scholar Dr Chambi Chachage³² and later changed ownership to Zimbabwean journalist Takura Zhangazha. It still covers Tanzanian politics and social issues, mostly authored by Tanzanians in the diaspora. The platform does not benefit from any kind of advertising and is sustained by the owner and authors.

JamiiForums is the most popular locally-owned website³³. Interestingly it is visited more times than Facebook, Yahoo and SportPesa – a top sports betting platform. The platform was founded by Maxence Mello 17 years ago to expose corruption and push for political accountability. JamiiForums filled a void in an environment where the mainstream media was heavily censored. In the past three years alone, Mello has been to court 137 times. In 2018, the platform was shut down for 21 days over non-compliance with government regulations. Adapting to the changing legal environment, the platform has reviewed its editorial policies, hired more editors and lawyers to assist with legal challenges.

"We have a team of 18 lawyers. We had to rethink, re-strategize, we had to welcome the University of Stanford to review our strategies and advise on better ways of doing our work," he said in an interview with BBC in 2020³⁴. The platform funds its operations through partnerships and advertisements.

Despite the harsh legal environment, Statista projects that Tanzania's digital advertising spends will grow to US\$20 million in 2023 from US\$12 million in 2018. What's not clear is how much of this revenue will fall into the hands of tech giants like Google, Facebook and Yahoo, and what will be left for local digital media outlets.

³¹ HRW; Tanzania, events of 2018: <https://www.hrw.org/world-report/2019/country-chapters/tanzania-and-zanzibar#>

³² Princeton University; Princeton African Humanities Colloquium – Chambi Chachage (PhD): <https://pah.princeton.edu/people/chambi-chachage>

³³ Alexa; Top sites in Tanzania: <https://www.alexa.com/topsites/countries/TZ> (accessed on 26th April 2021).

³⁴ BBC; Maxence Mello's Jamii Forums: Tanzania's 'accidental journalist': <https://www.bbc.com/news/world-africa-50973409>

UGANDA

Yoweri Kaguta Museveni has been president of the landlocked Eastern Africa country since January 1986 when his National Resistance Movement soldiers overthrew the government of President Milton Obote.

In January 2021, he was re-elected to serve a sixth term in a poll that was marred with pre-election violence and allegations of vote-rigging. His main challenger in that election was Robert Kyagulanyi Ssemanttu (popularly known as Bobi Wine) of the National Union Party. Wine was only four years old when Museveni first took power. The press covering opposition activities were also often assaulted by authorities³⁵. Uganda's Inspector General of Police Martin Ochola is on record justifying police attack on journalists claiming they were "beating journalists to restrain them from going where there was danger."

More than 50 people were killed by the police during the campaign period, most of them opposition supporters. Several others were abducted and detained in military barracks.

Uganda's January elections happened as the country was easing restrictions put in place to contain the Covid-19 pandemic. These restrictions resulted in increased consumption of radio, TV and digital publications as more people sought to catch up with news about the pandemic during the lockdown³⁶. This increase in the audience numbers did not however result in revenue growth for many media outlets.

Summary of Uganda's media landscape

Uganda has the most diverse media landscape of the four countries sampled in this study. It boasts of nearly 300 licensed radio stations and over 80 free-to-air TV stations, serving a population estimated at 44 million. Radio is a more popular medium compared to TV, newspapers and digital media mainly due to lack of access to electricity and poor internet connectivity in rural areas.

The country also has more than nine registered newspapers, three of which are daily publications with national circulation.

International reports on media freedom are mixed. On the surface, the media in Uganda may seem vibrant and flourishing. In 2017 Freedom House reported that the government and the media have settled into a predictable relationship³⁷. In moments of stress, authorities lash out but such heavyhanded actions tend not to permanently disrupt operations.

Uganda is ranked 125th by RSF in the 2020 World Press Freedom Index³⁸. The report says "acts of intimidation and violence against reporters are an almost daily occurrence in Uganda. The security services, which are the leading press freedom violators, often target journalists and detain them arbitrarily."

³⁵ AfricaBlogging; Election Update: Uganda's date with destiny: <https://blogging.africa/elections/election-update-ugandas-date-with-destiny/>

³⁶ 27th May 2020 Geopoll; Coronavirus in Uganda: Impact on Media Consumption: <https://www.geopoll.com/blog/coronavirus-uganda-media/>

³⁷ Freedom House; Freedom of the Press 2017, Uganda Profile: <https://freedomhouse.org/report/freedom-press/2017/uganda>

³⁸ RSF; Uganda: Attacks on the media: <https://rsf.org/en/uganda>

According to the Uganda Media Landscape 2019 report by Ipsos, there has been a population shift – these days the youth consume a lot of digital media. This has created a reposition in advertising revenue seen by a decline in traditional media spend (radio, print, TV).

Radio in Uganda

Uganda is ethnologically diverse, with at least 40 dialects in usage according to Ethnologue³⁹. Even though English and Luganda are the most used languages by the national media, the lack of a dominant language means there are stations popular in some regions but not all over the country.

Kampala remains a centre of operations for a majority of radio stations with big audiences. These include Capital FM which enjoys the widest reach of all the music stations. It is owned by the Radio Africa Group which also operates in Kenya. Other notable stations in the city are, CBS, KFM (owned by Nairobi-based NMG) and Sanyu FM, which broadcasts in English and Luganda.

If you go further to the western parts of the country, you will find Kachwekano FM, Radio West, UBC West (owned by Uganda Broadcasting Corporation), Roots FM and Freedom Radio as some of the most popular stations in the Kabale region⁴⁰.

A majority of Uganda's radio audiences listen to one radio station throughout the week. More radio stations are now embracing a two-way engagement strategy that allows listeners to be part of the programming.

The period 2011 to 2017 saw an increase in ad expenditure due to aggressive awareness of product innovations in the banking and beverage sectors. However, since 2017 there has been a dip in ad spend⁴¹. The pandemic has even made the situation worse for Uganda's radio.

The January polls provided an opportunity for Uganda's media to cash in on election advertisement spending. Now that this boost in revenue is gone yet the pandemic still here, the situation is getting uglier.

This is the situation that Spice FM, which broadcasts from Hoima in Mid-Western Uganda, found itself in⁴². To keep the station on air, management reduced the number of staff and imposed a pay cut of between 15 and 25 percent on the remaining personnel.

Most of Spice FM's advertisers are businesses from the Hoima region. Hotels, colleges, and other midsized enterprises that were the station's clients stopped advertising when they had to close their establishments because of the Covid-19 containment measures imposed by the government.

Spice FM also engaged in partnerships with media development organizations like Internews that advised the station on alternative ways of attracting income during these times. A model that worked for the station was producing programmes on specific topics sponsored by NGOs such as World Vision.

³⁹ Ethnologue, Languages of the world, Uganda: <https://www.ethnologue.com/country/UG/maps>

⁴⁰ Pg 6 BBC Media Action; Uganda Media Landscape Report 2019.

⁴¹ Ipsos; National Audience Measurement Survey (Uganda) 2019

⁴² Interview with Leilah Bbaale, Managing Editor, Spice FM Hoima on 16th April 2021

The station has also upgraded its digital platforms as it seeks to evolve and adapt to emerging industry trends. In line with trends in Ethiopia, Kenya and Tanzania, most of the Uganda advertisement revenue goes to very few radio stations with a national outlook. This calls for smaller stations - mostly based outside Kampala, to consistently innovate and find new ways of attracting the revenues they require to keep their lights on.

Digital media in Uganda

There are 12.2 million internet users in Uganda, representing an internet penetration of 26.2 percent. Of these 3.4 million are on various social media platforms⁴³.

In May 2018, Parliament passed into law a 'social media tax' requiring citizens to pay US\$0.5 a day to access nearly 60 online platforms, including top social media networks like Facebook, WhatsApp and Twitter.

The government is also known to regularly shut social media sites and the internet, especially during elections. The most recent shutdown was in January 2021⁴⁴.

Several regulations threaten freedom of expression in the digital landscape. The Communications Act of 2013 requires all online publishers to apply for authorization from Uganda Communications Commission, failure to which internet service providers can be directed to block access to the sites. Uganda's Computer Misuse Act of 2011 is yet another law that is an affront to digital rights. Of particular concern is Article 25 of the act which outlines sanction against "offensive communication."

This is the law under which human rights activist and scholar Dr Stella Nyanzi was detained by law enforcement officers and charged for reportedly insulting President Museveni and the First Lady, Janet Museveni, on her Facebook page. Nyanzi was found guilty but her conviction was overturned on appeal.

Just like in the other countries that are part of this study, brands in Uganda have also identified social media and other digital platforms such as blogs as alternative ways of reaching the younger, tech-savvy audience. Popular blogs cover topics like travel, entertainment, food, sports and even science. There are however very few political blogs in Uganda.

Celebrities such as musicians, actors, sportsmen (and women) and media personalities are often used by brands to endorse products and services. We were unable to find data showing how much brands are spending on digital media.

Legacy media houses in the major cities are continuing to invest in digital media platforms like websites to follow the younger audiences where they are and to complement their on-air and print productions. There is no evidence yet of any of these independently monetizing their digital platforms to complement their traditional income sources.

⁴³ Datareportal; Digital 2021 :Uganda: <https://datareportal.com/reports/digital-2021-uganda>

⁴⁴ 12th January 2021, DW; Uganda bans social media ahead of election: <https://www.dw.com/en/uganda-bans-social-media-ahead-of-election/a-56204121>

It however might just be a matter of time before we see leading media houses in Uganda also introducing paywalls for some of their publications, especially those with links to Kenyan companies like NMG-owned *Daily Monitor*. The publication's website is currently 13th on Alexa's ranking of the most visited websites in Uganda. The only other news websites on the top 50 list are United Kingdom's *Daily Mail* and BBC⁴⁵.

⁴⁵ Alexa; Top sites in Uganda: <https://www.alexa.com/topsites/countries/UG> (accessed on 27th April 2021)

Opportunities for growth

Radio and digital media in the region are surmounted by economic pressure, shifts in consumer behaviour, hostile political environments, and now a pandemic whose end nobody can predict. Even in these circumstances, Eastern Africa's media is proving resilient. Media houses are constantly innovating and adapting to the changes in their operating environment.

Among the changes is a shift by brands to include digital media entities and social media influencers in their advertising campaigns. This is majorly driven by changing consumer trends, desire for increased customer engagement and cost-saving. However, there are opportunities in this area that could be tapped by media enterprises.

To deal with their budgetary pressures, smaller media organizations in the region are turning to international donors for funding. These entities include development agencies, NGOs and religious institutions. While this helps to fund reportage and investigative stories in critical areas, often neglected because of lack of capacity, donor-funded journalism has the potential to compromise media independence.

Smaller players, for instance, can form consortia and engage in joint marketing, sales and even editorial activities. A case in point is the Grand Wave Consortium which consists of 12 small radio stations scattered across Kenya. They were brought together through an initiative of DW Akademie, a media development organization affiliated with the German public broadcaster. By joining forces, they can use their collective numbers as a bargaining chip to win advertisers, and their budgets. In addition, the consortium allows members to engage in collective sales and marketing, share editorial content and in some cases share broadcast equipment⁴⁶.

Further, regional media houses should invest in digital platforms that do not only regurgitate what they have on their legacy or traditional platforms. These would include content that is tailor-made for digital audiences. This will not only provide them with new audiences but also with an opportunity to sell these platforms separately⁴⁷.

Media organizations in the region are at different levels of development. While countries like Kenya and Uganda have vibrant media enterprises, their counterparts in Tanzania and Ethiopia are lagging due to restrictive legal and political environments. What is however common when it comes to advertisement revenue share, is that a few media outlets with national reach, especially in the radio sector get most of the advertisement revenue. To deal with budgetary pressures, smaller media companies in the region are turning to international donors for funding. These entities include development agencies, NGOs and religious institutions. While this helps to fund reportage and investigative stories in critical areas, often neglected because of lack of capacity, donor-funded journalism has the potential to compromise media independence.

Thankfully, with entrepreneurial journalism taking shape, the storyline will soon change from survival to growth. For one, the introduction of paywalls by Kenyan giants NMG and SGL has provided the pair with new income streams. The promise that paywalls offer should inspire regional groups. While economic realities vary between and within countries, the likes of *Addis Fortune*, *Addis Standard*, Tanzania's *The Citizen*, *Daily Monitor* (Uganda), and

⁴⁶ Interview with Fredrick Mariwa, Project Manager DW Akademie, Kenya on 28th April 2021.

⁴⁷ Interview with Andrew Endovo, former IMC Manager for Coca-Cola Central, East & West Africa on 28th April 2021.

others could consider paywalls. Given the reality that is social networks, traditional media groups should refine their strategies to claim a share in the social media space.

Additionally, media houses can also diversify their sources of income, as Kenyan veteran journalist Odindo asserts. “With the business environment changing, media has to be innovative and willing to diversify in order to generate new revenue streams.” He cautions against overreliance on one source of income such as government adspend – a norm in some economies. However, a shift “demands imagination on the part of media and willingness to push the boundaries of our business practices.”⁴⁸

Media houses can also look beyond the region for best practices. For instance, in 2018, South Africa’s *Daily Maverick* introduced a membership-based model. It rejected “the idea of putting its content behind a paywall believing that the truth shouldn’t be something only for people who can afford it”. So, alongside philanthropic grant funding, events, sponsorships and display advertising, they developed a membership model where readers contribute whatever amount they choose each month to be ‘Maverick Insiders’, with access to additional content, newsletters and perks like Uber vouchers for contributions of US\$ 10 or more. Since its launch, the model has proved relatively successful – with an engaged community of almost 14 000 members or regular contributors – which generates 25% of the title’s revenues.⁴⁹

⁴⁸ KAS Media Africa; Entrepreneurial Journalism in Africa: Opportunities, challenges and risks for media in the digital age: <https://www.kas.de/en/web/medien-afrika/einzeltitel/detail/-/content/entrepreneurial-journalism-in-africa>

⁴⁹ KAS Media Africa; Adapt or die: innovating in what’s left of the South African media industry: <https://www.kas.de/en/web/medien-afrika/einzeltitel/detail/-/content/adapt-or-die>