

## Some sure bets for the media industry in 2013



19 Feb 2013

Here I am going to highlight some certainties for the media industry in 2013 - and I am ready to bet my house on them.

The year 2012 is now history and we move on swiftly, and one expects an article regarding the 2013 prospects, changes, forecast, winners and losers. So here it is, with a little twist! I'm thinking in terms of things that are guarantees for 2013. If you were offered better money than evens, to then put your house on. I've come up with a couple of sure bets on the industry in general, a couple in the media sectors, and one or two on specific media owners.

**Guarantee #1:** The current trend for pitches to grow into tasks of Herculean proportion will continue. As it stands one has to supply DNA, sperm and blood samples for the most basic of pitches or tenders. Add to that your mother's maiden name, and her most recent birth certificate. This is followed by a written submission of 1,000 pages, a two-day presentation involving a cast of thousands, as well as a choice of naked pictures of your wife or at least your grandparents' ashes being crucial to the presentation. Well, 2013 will call for more due diligence, a more rigorous process and greater all-round scrutiny before you are awarded any business. Seriously!

**Guarantee #2:** The only bullish comments on circulation and print revenue will come from... The New Age. Despite the fact that there will certainly be no ABC certificate in sight, you will be reassured that circulation continues to scream ahead (almost uncontrollably) and that it is massively ahead of expectations. Indeed, when one day it really arrives on your desk, the ABC will far exceed the forecasts of the naysayers (maybe 15,000 at best? That would obviously exclude bulk drops...). In addition, revenue could not be better - millions and millions of rands are committed, coming, about to be spent. So rush now, before you miss a massive advertising opportunity!

Guarantee #3: TopTV is in for a massive shake-up, probably a takeover (though the public relations spin will certainly be different). TopTV is claiming currently to be in "its strongest position since inception". But at the same time, it has gone into "business rescue" under the Companies Act. The till is empty. Stations are bailing; creditors have been informed it cannot pay its debts for the next six months. Makes me wonder: if this is the best position it's been in, God help us! Suitors? Perhaps one free-to-air competitor? Nope, not SABC... Honestly, I see the street fighting approach of e.tv as ideal, that is, if the company is to have any turnaround prospects. You see, you need an infrastructure, skills and experience and they are in short supply in SA, which brings me to...

**Guarantee #4:** Media owners will continue to send completely unprepared and unqualified representatives to us. People who do an excellent job of someone whose IQ is equal to the distance of The MediaShop from their office. And I grant every media owner the fact that, more often than not, they are met with indifference, arrogance and a request for whatever free gift they are handing out that week. C'mon guys, let's have some pride, let's do it better. Forget the bullshit structures in

place - start again from scratch and do meaningful things that really make a difference. There are many of us who would get involved in any serious attempt to raise the bar.

Guarantee #5: Because it is dark in the doldrums, the print sector is going to show the most action! And things will be tougher in 2013 for sure. The rand will dip below its usual 10% against the dollar, so all input costs will escalate - paper price, ink price and petrol price. Labour will certainly push the envelope, so all-in-all, a really hard environment in which to flourish. But Caxton and Times Media Group will probably forge ahead, leaving the rest to try and work out how to make money with shrinking revenues and rising costs. So expect some action. Plus, Independent Newspapers' titles will have brave new owners, and it will be very interesting to see how they envisage getting a return on their investment.

Guarantee #6: Luckily, not all is doom and gloom for 2013. On a personal level, I expect yet again to grow my annual income - and by a very handsome margin. Thanks to the generous folks at Microsoft, The National Lotteries of the UK, USA and SA, The United Nations, Yahoo and SARS refunds, I made US\$40,450,000,000 in 2012. This has set me up for life. And 2013 should be even better!

But enough of the nonsense: 2013 is here. It's going to be tough, but as they say when the going gets tough, start drinking.

## ABOUT HARRY HERBER

Harry Herber has a passion for delivering on promises and an attitude that demands that The MediaShop 'goes the extra mile'. With a BA in Classics and Anthropology behind him. Harry plunged into the media industry in 1975. Under Harry's leadership, The MediaShop has earned numerous client awards. He believes in added value for clients. Contact details: email: harry.herber@mediashop.co.za.

Are we on the same planet? - 21 Aug 2014

Buckle up for the media ride of your life! - 24 May 2014

In short supply - 7 May 2013

Some things I didn't know about the media industry - 15 Apr 2013

Just another day in La-La Land... - 12 Mar 2013

View my profile and articles...

For more, visit: https://www.bizcommunity.com