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## **2. An Analysis of Business Perspective of News Media and a Need to Include it in Media Education**

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### **Abstract**

*News stories have the power to change social realities, alter people perception and have an impact on society, politics, and individuals. Today's media studies curriculum places a strong emphasis on imparting students with the knowledge and abilities needed to work in the media and to comprehend the ethical ramifications of their actions. The majority of media studies curricula do not include the important commercial and management aspects of news media, which are crucial to the production and distribution of news products. The news media sector has a set of business interests, much like any other industry. The public perception of news is that it should be free of propaganda, opinions, or other taints, while in actuality, almost all news media outlets follow certain business models and serve "consumers" by producing news commodities. As financial interests of the stakeholders impact the production and distribution of the news media, this study aims to ascertain if 'news management practices' should be considered a mandatory component of media education. It is based on both primary and secondary data research. The findings clearly demonstrate that media business management ought to be taught in Indian media schools as it affects news output.*



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**Keywords:** Media Education, News Business, Media Industry Governance, Media Management Education

## 1. Introduction

For everyone who studies media, both specialists in the field and regular people, the word "news" has certain meanings attached to it. The definition of news media as a non-profit public benefit traditionally includes terms like ethics, values, and accountability. In actuality, the media is a multibillion dollar worldwide enterprise that operates for profit rather than for the public interest (Kumar 2014, Kung 2017, Khandekar 2020). A news organization's business interests are reflected in both its internal operations and its output. The news industry views news as a commodity to be provided to its target public at a profit, as several media experts have discovered (Kung 2017, Khandekar 2015). The custom dates back a long time. It is only now widespread in the globalised, market-driven world of today (Agrawal & Dey, 2021). The news media is under intense competition as a result of technological advancements, the penetration of digital media, the arrival of global players, and corporatization. As a result, the industry is obliged to find new ways to generate money in order to survive (Kung 2017). Industry is adapting to market demand by adopting new trade practices and business structures, as well as by identifying new market niches to serve with creative solutions (Dahiya, 2021). The use of paid news, sponsored content, advertorials, PR, and other unethical business tactics is at an all-time high. The introduction of new business models is driven solely by the desire to increase profits (Kung 2017). The magnitude of the shift is such that, rather than bolstering democracy, it frequently causes new issues. For this reason, media education has to cover these business strategies and the news industry's commercial viewpoint (Singh 2021). Students need to be made aware of this profit-driven strategy. The reason why specific media outlets' news items are biased towards particular social groups or ideologies may be explained by studying their financial models. Nowadays, when everyone is consuming news according to their own comfort and preference, understanding the business side of the news industry has become even more crucial (Agrawal & Dey 2022). Scholars and academics studying media have long been interested in understanding the evolving business model of the media and its nature, development, and organisation.



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The present research has been conducted with twin purposes. In the first place, it looks for the extent of the commercial practice and the ways in which it degrades news items. Secondly, it also analyses whether or not media studies curricula should cover it. The Frankfurt School of Social Research's critical theory served as the basis for the research's theoretical framework. The Theory essentially directs attention towards media professionals, the media itself, and the governmental and corporate entities that own and control it. The critical theorists were particularly interested in the political and economic environments in which the media operated. Additionally, they questioned the politicisation and commercialization of mass media, referring to it as the "cultural industries" or "consciousness" (Kumar, 2015).

Operationally, term "News" has been described in terms like media product, media content and media in the study. The media industry has been used as a synonymous term for 'news media' industry. The objectives of the study include:

- 1- To investigate the nature of affect of media business on its News content
- 2- To understand how media business is an integral part of media production.
- 3- To gauge the need to include it in the media studies syllabus.

## **2. Literature Review:**

Numerous academics have provided data and information regarding the developments and trends in the Indian media business. According to Thussu (2010), a new market for news organizations has been formed by the quick liberalisation, deregulation, and privatisation of India's media and culture sectors as well as the growing accessibility of digital delivery and distribution technology. Market-driven news ecosystem that complies with international media systems trends transforms news into a commodity that must be sold in a crowded and competitive news marketplace. Kumar (2015) made special reference to the Indian news trends industry. The BCCL group case study and its business methods have given rise to new, generally unethical and bad business patterns in the Indian news industry. According to Chadha (2017), the intense rivalry and rapid expansion of the Indian media have led to more concerning structural patterns that are increasingly defining the media environment in the nation. These include growing cross-media ownership and consolidation, commercialism, and the extension of political and corporate power over the media. The current developments in Indian media have a substantial and



detrimental impact on news creation and the standard of journalism in the nation as a whole. The fact that media globally are expanding under the influence of economics has been emphasised by media scholars, whose primary focus is on new developments in the media industry and media management techniques. (Kung, 2017). Scholarly examination of the media sector has mostly focused on economic ideas and concepts related to the media industry. However, a number of studies have discovered a disconnect between the growing significance of organisational change in routine media practice and the literature on media management that addresses it (Evens, 2018).

### **3. Research methodology**

The descriptive exploratory research study is based on primary and secondary data analysis. The understanding of the media business management and its effect on news production has been majorly built on the analysis of secondary data that includes a total of 20 interviews of the news industry professionals. These interviews were taken by the students of Delhi School of Journalism, University of Delhi, under the coursework field project for the subject “Media Industries & Governance” during 2019 (July- Dec 2019, odd semester) & 2020 (July-Dec 2020, odd semester). Besides, inferences have also been drawn from the two day international webinar on the topic “Accountability of Media” that was conducted by Delhi School of Journalism, university of Delhi on Nov 28 & 29’ 2020. The speakers of the webinar included media studies professor, international journalists, and media professionals & media activists. The findings of the secondary data divided in three major themes: 1- Business management in news organizations, 2- impact of business practices on news content & 3- Need to include it in media studies. A semi structured interview questionnaire was created on the basis of above themes and interviews of 6 media academicians were then taken to understand the need to include media business practices studies in media syllabi.

#### **3.1. Demography of the Primary Data Respondents**

- Total No of Respondents: 6 (all Academicians from Media studies stream)
- Professors - 2 (One serving and one retired)
- Associate Professors - 2
- Assistant Professors -2



### **3.2. Secondary data source: Interviews conducted by the Delhi School of Journalism students**

- Total number of Interviews that were analyzed- 20.
- 13 interviews were of editorial department professionals that include Journalists, News Producers & Political editors.
- 2 interviews were of veteran media professionals who have authored many books & also teach in colleges.
- 4 interviews were of Management & PR professionals from Media Industry
- One interview was of a Pulitzer Prize winner, international journalist Ms Ellan Barry who is working with New York Times.

### **4. Findings and Discussion**

As per the findings of secondary data analysis, all 20 media experts agree that news organisations throughout the world are using certain business models in order to make money, which has an impact on standards for news collection and delivery, journalistic ethics, content creation, and reputation. According to four experts in media management, the activity of producing news has been entirely commercialised, and media professionals now use popularity metrics like TRPs, readerships, hits, clicks, etc. as standard currency when purchasing ads. Every media expert acknowledged that employers' business interests do influence the final product in the media. Traditionally, news organisations mostly employ two sorts of revenue models: subscription and advertising. Digital media technology, which facilitated media convergence and the globalisation of news and news markets, intense rivalry, privatisation and corporatization, and a lack of media laws were cited as the primary causes of the growing commercialization. In today's news world, where the market drives news, paid and fake news are becoming commonplace. Media standards such as TAM, TRP, and so forth are crucial in the process of choosing media content. News media operations are based on the attention economy. Yellow journalism and corporate wars have led to a decline in journalism. The rise of journalism has coincided with a decline in news objectivity.



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The findings demonstrate how prevalent and pervasive it is for the news industry to exploit news goods for commercial purposes. In reality, the News Items are created to meet the needs of the readers. Every news organisation creates unique and customised news items in an attempt to grow its own clientele. Newsrooms display management pressure. It's now crucial for news organisations to attain high TV ratings. Media companies are displaying sensational, infotainment, or biased news, even if it's not their intention to do so in order to increase viewership ratios. There is a large and brutal competition for TRP. Even hard news is presented in a way that attracts sponsors and increases TRPs. Channels frequently air content that shows the audience's shown interest based on their empirical data and public feedback. While online intermediaries like Google and Facebook eat into the revenue of media organisations, news producers are forced to come up with new business models specifically for digital platforms. In newspapers and television, marketers interact directly with the media organisation. “ basically, higher the TRP, higher the number of advertisers approaching a news organization. Brands need viewership so they advertise their product where the viewership is the maximum to attract customers. Media organization need revenue to sustain as well as to grow in this competitive race.”- says a reporter from, BBC News.

“Yellow journalism has increased over the years. It is quite obvious that some media organizations do so for generating money as the competition has increased with coming up of dozen of news channels and new media organizations. Loud anchors, fiery graphics, exaggeration of facts are some of the ways to grab eye balls”- quotes a journalist from Asiaville.

“The cutthroat competition has created a rush. Now everybody wants to cover anything that can attract viewers. There is a huge degradation in the temperament of the media. Social media has also become a part of this rush. Also, another reason is that the government authorities responsible for monitoring news media, have also lost a part of their soul. Unlike earlier, today no channel receives any notice for showing irrelevant content on their platform. Channels are selling entertainment instead of news because they think it is an easier way to earn money”- Quotes Alok Kumar, ex political Editor of Ravivar Delhi & a visiting faculty in MCURVP, Bhopal.

“Yes, it happens and it’s happening more than ever now in the news industry. This is linked to larger questions of media ownership and alignment with powers. It is a global process where the



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corporates and big media players have found ways to enter in a symbiotic relationship” – retorts a senior Reporter, Down to Earth.

The four business experts all agreed that the media has turned into a commodity. According to PR professional Ms. Garima Sharma, news is becoming a product that can be purchased. Because news media has become so commoditized, branding has become crucial. Advertorials are among the most often utilised tools. Prime-time anchors have turned into brands, and a number of well-known columnists have taken on the role of branded spokespersons for particular agendas and topics. Such branding is essential to the media since it promotes the channel, newspaper, or magazine, which is the path to survival in the field. “Just like entertainment media, News media has also started to look for new avenues to enter and new audience to serve with the kind of news products they are searching. You have to identify your target audience and have to figure out how your audience interacts or behaves on social media. Which platforms they are more active on, and what kind of language are they like to use, what SEC they come from. And then based on how your audience is placed, you come up with the marketing strategy.”- says Rahul Roushan, CEO, Opindia. Ashish Kaul, a famous media veteran quotes-“Media Houses never go against the interests of investors. Whenever a viewer is looking at a news channel s/he is actually looking through the prism of that investor group, whether it is a political party or it is a capitalist investor group. So, we are conditioned to receive the image of that capitalist or that political group.”

The same conclusions were drawn from webinar inferences, where presenters recommended that news content be redefined since the distinction between entertainment and news has become more hazy as a result of news organisations becoming more commercialised. The analysis of the information found on the websites of BARC (<https://www.barcindia.co.in>) and MURC (<https://mruc.net/about>) also leads to an intriguing conclusion. The two organisations were established to support media companies in efficiently operating their businesses. MRUC introduction reads “The Council is committed towards producing research studies that help organizations build credible business models. It conducts research/ Surveys for readership, viewership and listenership of various media for advertising.” They both are media rating agencies. All the major news houses are the members of these organizations & they avail



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services of these agencies for business purposes. It is evident that news organisations' commercial interests dominate the stimulation of the news sector. The commercial interests of the news stakeholders are to blame for the decline in news quality and the rise in the instances of false news, sponsored news, sensationalism, etc. The widespread practice has had a significant influence on the news business, particularly on value-based and ethical journalism. The results unequivocally demonstrate how crucial it is to incorporate the commercial side of news media in media studies curricula as it influences editorial outcomes.

Following the presentation and discussion of the conclusion derived from the secondary sources with the academicians, it was agreed upon that the inclusion of the economic and business realities of the media in media education would improve the comprehension of media academics. However, the academics also noted that the main reason this has not yet been included in the studies conducted by the majority of media institutes is the lack of media management research in India and the shortage of such literature. They also want more in-depth studies in the area to have a deeper comprehension of the media sector. The interview analysis's findings are in line with earlier researchers' results, as noted by Khandekar (2020) and Kung (2017).

Primary data respondents consider media management to be a very important area of research. Although it is a crucial component of media studies, very few academic institutions have included it in their curricula. It is taught under the media studies department at the Delhi School of Journalism, University of Delhi and Jamia Milia Islamia. In most other colleges, it is taught under the management or commerce disciplines. Actually, multidisciplinary research makes up the majority of this field's study. There is a dearth of study on the business practices of news media by media and communication researchers, particularly in India.

## **5. Conclusion**

The study concludes that, as media experts have previously remarked, the news media sector employs certain business models to profit from the commoditization of news globally (Khuntia, 2021, Rao, 2019, Khandekar, 2021, Agrawal & Dey, 2022). Traditional journalistic ethics and ideals have been badly damaged by these commercial interests. The practice of news makers using biases, favouritism, fake news stories, and informational advertorials has become





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commonplace. News organisations produce news with the sole intention of attracting audiences' attention, which results in high ratings and TRPs that help generating high revenue from advertisers. Economic interests of the media owners are reshaping the news industry that has political, social & personal implications. It is crucial to incorporate the practice into media studies as it is starting to significantly alter the working methods and final results of news items. We must obtain and critically evaluate the news goods that are now available. Additionally, presenting this viewpoint will inspire students to come up with workable alternatives to resolve this issue. Solutions won't exist if the issue isn't identified and acknowledged. Students' general knowledge of news media will be improved, and case studies of these malpractices on a large scale will aid in the development of a critical perspective and useful methodology. The viewers will neither emotionally identify with a channel nor mindlessly believe news goods. They will attempt to consider all sides of an issue once they realise that the news they are viewing is a result of economic interest as well. We need to add a dedicated chapter or course on the commercial practices of the news industry.

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