

Online publisher predicts bleak times for SA's print media

The takeover of the Independent group of newspapers by businessman Dr Iqbal Survé is likely to result in the demise of some really good brands, the publisher of the online publication The Daily Maverick predicted at the recent Cape Town Press Club event.



(Image: Garry Knight, via Wikimedia Commons)

Publisher Styli Charalambous told members of the Cape Town Press Club that the newspaper group under the ownership of the politically well-connected Dr Survé would probably make a lot of money out of government advertising in the next couple of years in the same way that the New Age - funded by the wealthy Gupta family - had done.

Dr Survé would also probably continue "meddling" in the editorial content of his newspapers, alienating the reading public in the process. The centralisation of the group's news operation would also probably result in job losses. "We are probably looking at the destruction of some really good brands," Charalambous said.

'Day of reckoning' coming

He was convinced a "day of reckoning" was coming for traditional newspaper publishers as they came under more economic pressure. Circulations were likely to continue falling, which would require major decisions, such as the possible closure of titles, retrenchments or titles moving to a "digital only" strategy.

"The next 12 to 24 months is going to see a major upheaval in the way that news publishing in SA is going to operate," Charalambous predicted.

This trend was already evident in the US, where newspapers were unable to make up in digital publishing what they lost in print.

Locally, traditional newspaper publishers had not invested sufficiently in their digital publications, he said.

He noted that digital publishing in SA had not yet attracted the same level of advertising as in the US and other large economies.

He hoped advertisers would begin to see the value of online advertising so that The Daily Maverick could rely on this revenue.

New ventures planned

Charalambous said the widely respected digital publication which started up on a shoestring in 2009 was periodically profitable but sometimes needed to rely on shareholders' financial support when advertising revenue fell short.

He said The Daily Maverick was not in favour of pay walls, which had generally failed to generate significant revenue and were erected to defend the print edition of newspapers.

The online publication, which produces about 300 feature articles a month, aims instead to grow its readership and become as influential as possible by providing quality and independent journalism, and in that way generate more advertising revenue.

It plans to expand into shorter breaking news stories and other new business ventures.

At its peak in December The Daily Maverick had about 500,000 readers. Currently 35% of all people accessing its website do so by mobile phones.

Source: Business Day, via I-Net Bridge

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