

# Challenges faced by online publishers in South Africa

By Paul Scott

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Recent industry reports clearly show that online media platforms are growing rapidly more than traditional ones, but yet are not being taken seriously by advertisers and media buying agencies.

Some of the challenges faced by online platforms are that advertisers are spending even more than before on print advertising (platform that is not growing than online) and are using unfair measurements to determine the value of online. Online publishers have under-priced their inventory and advertisers are still not effectively leveraging online display as a brand-building platform.

Let's look at what some of the recent reports reveal:



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## Growth industry

Internet usage in South Africa has more than doubled in the last four years. According to recent State of the Newsroom SA 2013 study conducted by Wits Journalism, one in three adults in South Africa last year - 12.3-million people - was on the Internet and the figure will double by 2016.

Cisco's latest VNI report shows that South Africa is in for continued and substantial growth and Internet traffic will quadruple by 2017.

The Media Report, a recent study released by Ornico in partnership with The Media Online further states that digital has claimed its place in Africa's emerging economies.

There has been a steady decline in newspaper circulation over the past few years. The circulation of dailies has fallen by an average of 5.5% annually since 2008, according to the ABC. The ABC statistics released in February 2013 for the period October 2012 to December 2012 showed a continuation of the downward trend.

These trends clearly show that online media platforms are growing rapidly and reaching millions of users per day - more than what traditional platforms are currently reaching. Online platforms deliver reach, effective and cost-efficiency for advertisers who want to reach a mass audience.

## Online challenges

The outcomes of the recent first ever Annual Publisher Conference organised by DMMA (Digital Media and Marketing Association) further shows that measurement standards, a lack of transparency and accurate spend data at the media buying level are also some of the challenges faced by online publishers.

I recently had a look at print versus online values on Newsclip's Gate 5 and surprisingly, all print values were less than R9,000. The online values though ranged between R15,000 - R42,000. Whether this is accurate or not it gives a sense of the importance on online vs. traditional.

The combined readership figures of top newspapers such as Daily Sun, The Star, City Press, Beeld, Cape Argus, Mail and Guardian, Daily Sun and The New Age in South Africa is far less than the combined unique users of top sites such as Independent on Line, My Broadband, Times Live, Mzansi Life, Mail and Guardian, News24, Howzit MSN, Wheels Fanatic SA and more.

But yet, I still fail to understand why advertisers are spending money on platforms that are not growing and not giving much attention to growing ones - online.

I encourage advertisers to re-look their marketing approaches and strategies for 2014 and embrace digital as a cornerstone of these strategies.

## ABOUT PAUL SCOTT

Paul Scott is the editor and publisher of Mzansi Life. He previously held a number of senior positions at international based media such as Guardian Technology, Channel 4 News and IT Computer Weekly. In South Africa, Scott freelanced for a number of agencies including TSFR and Matigari Communications.

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