**Course: Contemporary Mass Media**

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**GLOBAL MEDIA MARKETPLACE**

**Introduction**

International communication originated through governments of different countries which communicated with each other on the certain matters like trade, borders, taxes and so on. With the passage of time, the communication began to start on business, political, economic, cultural, military and social matters at international level. By the mid 1990s, deregulation and liberalization of international communication started, which became parallel with the media industry, thus tying knot with the new communication technologies such as satellite or cable. Consequently, this led to development of global marketplace of media products which dealt with how the media products are produced, how they are distributed and to which market and how they are consumed by different target audience. Therefore, the global marketplace became possible due to the convergence of media and technologies.

**Convergence**

Convergence means ‘coming together of two or more distinct entities or phenomena’. Each entity has its own distinct characteristics but on converging with others, a single unit is formed which has a unique blend of traits. Before globalization, most media corporations had their distinct areas of business. The corporations were responsible to carry out specific functions for which they were brought into existence. For instance, Disney dealt with cartoons and theme parks, Viacom was responsible for TV syndication and providing cable outfits, Time was concerned with the publishing business and News Corporation carried out its newspaper. But with the passage of time, globalization and privatization brought these corporations closer to each other. Even the new methods of delivering media and communication content helped in the process of convergence. These methods included cable, satellite and internet.

In the USA and Britain in particular, deregulation and relaxation in the cross media ownership started which led the media companies to look for their interests. This gave birth to acquisitions and mergers of media companies by the mid 1980s. A great example is of the merger of Viacom and Columbia Broadcasting System (CBS) which was later taken over by the megamerger of America On Line (AOL), Time Warner and Emirates Media Inc. (EMI) at the start of the new millennium, thus creating world’s fourth largest corporation (in 2002).

Therefore, the trend of media changed in the 21st century, as a result of which, the number of corporations reduced in number, which were responsible for controlling the content internationally. The major corporations owned multiple broadcast and cable networks and production facilities. Thus, this made convergence of the media industry easier.

Following are the main media in the world, which have gained popularity for communicating internationally through their distribution of the media content around the world.

1. **Time Warner**

Time Warner is known as the world’s largest entertainment and information company which produces, disseminates and controls its media contents through TV, movies, music, newspapers and much more. Its merger with AOL makes it most powerful media and entertainment corporation. It has its own Television channel/production by the name Turner Broadcasting and Warner Bros which includes the 24-hour global news channel, CNN, a movie channel, HBO, children entertainment channel, CN and so on. Its publishing wing, Time Inc. is responsible for publishing newspaper and magazines like Time, Sports Illustrated etc. Moreover, Warner Books heads the company’s publication of books such as Little Brown (L B). Apart from this, Time Music Group is ranked as the 2nd largest music company in the world, which came into existence by the merger of Time Warner and EMI and accounts for its 20% global market share. It has its famous record labels such as Elektra or Atlantic. Furthermore, Warner Brothers is regarded as the best-known film company evolving into global entertainment corporation. It has produced 5700 feature films, 32000 TV programs, 13500 animated titles till early 21st century. It has produced famous films like Harry Potter series, Sherlock Holmes series, Batman Vs Superman and much more. Moreover, Turner broadcasting System (TBS) Superstation claims to have the largest US audience of cable network, which has 10 channels and more than 34 million US subscribers in 1998.

1. **Bertelsmann**

The German media giant is considered as the world’s largest books and magazines publisher. The company deals with news, entertainment, and music etc and supply these services to 53 countries. It generates its major revenue from Europe i.e. 60% while its second largest market is the US which accounts for nearly 35% of its total revenue. In 1997, the merger of Bertelsmann UFA with Luxembourg broadcaster CLT created CLT-UFA. The CLT-UFA is responsible for the TV production. Moreover, Gruner and Jahr is a part of Bertelsmann which publishes newspaper and magazines. Apart from this, Random Berlin House deals with the book publication and it is recorded that in 1999, it shipped one million books a day. The Bertelsmann Music Group introduced new formats of DVD and the music group accounted for 30% of its total revenue. Sonopress is considered as the world’s 2nd largest manufacturer of CDs

1. **The Walt Disney Company**

It is the 2nd largest media corporation after Time Warner, which has strong foundations in international media. Its Disney channels and Walt Disney TV supply contents not only within the US, but also around the world. ESPN, a famous sports channel, is broadcast in many countries like Spain, UK in their own languages. Apart from this, its publishing arm produces more than 20 magazines including ESPN magazine. Walt Disney Book Publishing, Hyperion, Miramax is responsible for printing books and supplies them around the world. The Walt Disney Records, Buena Vista Music Group and Hollywood Records produces famous sound tracks which take over the global market. Moreover, Walt Disney Pictures, Miramax Pictures, and Touchstone Pictures presents various popular films which includes Cinderella, Snow White and the Seven Dwarfs etc. In recent times, the famous Disney picture, Frozen, earned $400.7 million in North America, and an estimated $873.5 million in other countries, for a worldwide total of $1.274 billion. Its theme parks such as Walt Disney World in the US, Paris, Tokyo contributes to 14% of its total revenue.

1. **Viacom**

Viacom is one of the world’s largest entertainment and information company merged with CBS. It has played a great role in contributing to global media marketplace. Its Paramount Television production and TV channels like MTV and Nickelodeon has a reach of 314 million households in 83 countries and 135 million households in 100 countries respectively. Simon and Schuster own the book publication of the group and possess 34 imprints. Apart from it, Paramount Pictures contributes in the production and distribution of films among which the famous films have been Mission Impossible, Iron Man and Titanic. The Paramount Parks feature characters from the films, which are visited by more than 13 million people from around the world each year. It is said about Viacom that it is a ‘Cradle to grave advertising depot’ which means catering to toddlers with children’s channel such as Nickelodeon, to youth, by way of MTV and to the older generation through CBS.

1. **Sony**

Sony is a Tokyo based consumer electronics and multimedia entertainment giant which is the global producer of communication hardware. It has biggest market in Europe from where it generates 72% of its total revenue. It has more than 25 TV channels including Sony Entertainment Television. Columbia Tri-Star Int. TV is a major production arm of the global media conglomerate. Sony Music has also contributed to popular music like Rickey Martin’s La Copa de la Vida of 1998 World Cup France in 30 countries. Most importantly, Sony has played a pivotal role in designing electronics which has enabled it to dominate the global game market.

**Synergies**

It means a process by which one company subsidiary is used to complement and promote another. The use of synergies has helped the media conglomerates to control the global transmission of information. The companies develop, produce and distribute its contents to the global audience through its subsidiaries. Synergies enable the media outlets to cross sell the media products and cross promote them through its various wings. They make money by charging for the rights to use the characters, titles or other such things. For example, CNN promotes the TNT Films (Turner Networking Television), MTV Music uses its media power to sell the MTV books and Disney uses its stores and outlets to sell its characters.

**Global Trade in Media Products**

The US is the leading exporter of cultural products. Its entertainment industry is one of its largest export earners. The media content is its largest entertainment industry, which disseminates the culture and values of America around the globe. Resultantly, this leads the US to become the supreme power of media content. It uses different media to spread its messages to the global target audience. Following are as under:

1. **Television**

The world’s entertainment output is transmitted by TV. In USA, several media companies generate the major part of their revenue from their TV content. It uses advanced satellite technology which cuts across the borders of the country in order to create international global audiences. Apart from this, the programs are also broadcast in other languages so that every segment is equally grabbed and influenced by the US media. The active role of the US has tagged it as the ‘World Provider’ of TV programs. It initiates the production of certain contents which are adopted by other nations which further mould them according to the demand of their target audience. Examples include Master Chef Series, Idol Series and much more. However in Television, the US is master in producing different contents which grabs the attention of both national and international audience. Drama serials and shows like Baywatch, Friends, and The Vampire Diaries have ruled over the hearts of millions of people around the world. Wildlife programs like Dual survival, which are translated to other languages, attracts the people through Discovery channel. Religious contents through Catholic Broadcasting Networking, Sports through ESPN and music through MTV music dominates the international society.

**Case study of ESPN**

ESPN has gained the reputation of the world leader in televising sports globally. The main reason behind its popularity is its ability to transmit live sports events across national and cultural boundaries. The live coverage of any sports event around the world is watched by majority of the people around the world. Almost all sorts of sports at each level are covered by ESPN. For example, football coverage of FIFA, the international world cup, or of clubs during Barclay’s Premier League at national level is broadcast through the channel. Therefore, this has paved to attract sponsors and advertisers. For instance, Fly Emirates sponsors the football club Arsenal as it knows that its brand is being promoted across the world. Moreover, different advertisers also promote their product by relating their products to world cup such as Messi promoting Pepsi during FIFA World Cup 2014. Apart from this, ESPN provides different services like ESPN Radio, ESPN Magazine and ESPN Real and Online Shops. Thus, such role of ESPN has increased commercialization and ‘media-ization’ of sports.

**European Market Television**

On the top, BBC is Europe’s largest exporter of TV programs. In 1997, it licensed 27000 hours of programming to 554 broadcasting organizations in 67 countries. Through BBC Worldwide, it entered into competitive world media market. BBC World, BBC Entertainment, BBC Animal Zone, BBC Urdu etc are television channels owned by BBC. Each channel has its own market and grabs its own audience. Next to this is KirchGrupp, which is leading European program exporter of Films and TV libraries. However, it does not exist anymore due to the nonpayment of debts. Bertelsmann’s CLT-UFA is Europe’s biggest broadcasting corporation which has 18 radio stations in ten countries. It has its channels like RTL in Netherlands, Poland, Britain and other countries. Moreover, Canal France International is the exporter of French programs which broadcasts programs to Africa and Eastern Europe.

1. **International Film Industry**

According to 1999 statistics, it is quite evident that Bollywood has produced more films than Hollywood. India has given 787 films while USA follows it by producing 591 films. But even then, Hollywood films are shown in more than 150 countries and generate more revenue as compared to the Indian cinema. In the 20th century, internationalization defined Hollywood as a result of which producers planned marketing strategies by keeping in view the international audience. Several distributions networks facilitated the film industry to distribute the films around the world. A prominent example is of Viacom, which uses its synergies to promote the films. Moreover, its Paramount Pictures distributes its films to over 60 territories in Europe, Asia and Africa. Therefore, the market of Hollywood is extended over large number of countries and this only become possible due to the structural links between the producers, and distributors of films with and their further knots with other countries, where the films are to be shown. Thus, this gives the US to maintain its image in the global media market.

1. **International Book Publishing**

The reach of the publishing giants is global through networks of local affiliates, their books and journals which are sold in virtually every country in the world. USA leads the world’s book export market. For instance Readers Digest Association acquires an international market where it is sold to the audience of different fields like cooking, health, gardening etc. Britain secures 2nd position in the list of book exporters. British based Miller Freeman grabs its international audience of 49 countries. Apart from this, McGraw-Hill published from Latin America is distributed in 32 countries including Canada, Spain, Africa, Australia, India, and countries of Middle East, Asia Pacific.

1. **International Print Media**

The US-UK ‘duopoly’ seems to dominate global newspaper and magazine markets. The market dominance by the two has helped them to maintain themselves as the major powers in international print media. International Herald Tribune, owned by New York Times and Washington Post is distributed to 186 countries. Moreover, the two American news weeklies Newsweek and Time play a major role in global journalism. Apart from this, The Economist is used more overseas than within its own country. It helps the policy-makers to make decisions on significant issues. Furthermore, the Wall Street Journal is typically for business elites, which highlight the current business trends in the world.

1. **International Advertising**

Advertising supports global expansion of media products. Without advertising it is difficult to produce media content and disseminate it around the world.  In 2015, more than 180 billion U.S. dollars were spent in advertising in the United States. This figure is more than double the amount spent in advertising in China, the second largest ad market in the world. The large conglomerates use transnational marketing services to grab the international audience. They use global strategies, national strategies and company’s strategies to rule over the international market. Other ways of increasing the sales is to use integrated marketing communication which is a set of all types of communication including public relations, advertising, marketing, media services, promotion etc. These are the reasons that the US uses to dominate the market. According to recent statistics, US contain the top advertiser i.e. Procter and Gamble and Unilever, followed by other countries advertisers such as Loreal, Coca Cola, Toyota, Volkswagen etc.

**News Agency**

News agency is an organization which sells news to different media organizations of the world. Theses news organizations are subscribed with the news agencies which supply them with bulk of information. In recent times, it has been deduced that the news agencies do not only distribute news or photographs to the media outlets but they also facilitate the organizations by providing them video newsfeed and financial databases. The global news agencies play a pivotal role in setting the international news agenda. Any news that comes through the big and famous news agencies of the world is considered credible and accurate. Therefore, the news agencies have significantly contributed to the globalization and ‘commodification’ of information and news as every subscribed media outlet has access to it and can treat it the way it like. However, the prominent global news is as under:

1. **Associated Press**

The American based news agency is world’s largest is world’s largest news gathering organization. It serves more than 15000 media houses with news, information and other relevant material. It has a digital photo network which supplies 85,000 international subscribers. AP’s services are available in many languages such as English, French, and Dutch etc which are also translated into other languages when needed. Apart from this, its online service, The Wire, facilitates many media organizations around the world. It also supplies packaged news to non-members like governments etc.

1. **Reuters**

The second major actor is based in UK, which supplies news, news, graphics, news video and news pictures to its subscribers. The famous news agency, owned by Reuter Holdings, deals with the ‘business of information’, which means that it generates most of its profit by transmitting real time financial data and collective investment data to the financial markets. In 1999, Reuters was accessed by 519,000 people worldwide.

1. **Agence France Presse**

AFP is regarded as third global news agency which is not only subscribed by the media organizations but also by the banks, businesses and governments of various countries. It assures that it provides ‘accurate, speedy, quality reporting’ of the events taking place in the world. The agency provides its services in various languages such as French, English, and Spanish etc. It also supplies news and information through its email service i.e. la carte news. However, it is seen that it provides strong coverage through MENA network (Middle East and North Africa Network). Recently, AFP has also opened its regional office in Qatar to cover the stories of the Gulf at a faster rate.

**Financial News Services**

In order to boost up the businesses, gain profits and strengthen the economic market, financial news services have paved way to achieve this goal easily. The services have provided access to the business man to get 24 hour trend of the global economic markets. Emergence of televised financial news markets have proved beneficial for the business and economic growth. An important financial news service is Reuters which is more an international electronic data company, than a mere news agency. It supplies financial information in order to highlight the market trends, share rates, and rate of economic growth. Hence, it generates 64% of its revenue from the financial service while the remaining comes from the media products and other material. On the other hand, Bloomberg operates as a real time financial information network. It works 24 hours, thus providing analysis of the financial markets. It provides many services such as Bloomberg News, Bloomberg Television, Bloomberg Radio, monthlies like Bloomberg Personal Finance and Bloomberg Money and other such services.

**International Television News**

It is not only the news agency that controls the audio-visual flow of news and information but the international television also play a major role in controlling the news material. In television, the US and UK dominate the screens of international news. Both CNN and BBC tend to provide information to the world which is considered credible by the media outlets of the world. A short case study of CNN will help explain how the international news television rule over other news channels of the world.

**Case study of CNN**

Cable News Network (CNN) operates as a global news network that shapes the international communication. Started by Ted Turner in 1980, it launched its international service in 1985. By using advanced satellite technology, it was able to transmit its news content to various countries of the world. With the help of such technologies, it played a significant role to ‘blanket the globe’ thus, becoming the world news leader. In becoming an international news media player, coverage of live events helped it to move from national boundaries to international ones. Apart from this, it integrated the media systems of former socialists and covered them into their western styles. For example, in 1993, it launched TV 6, in collaboration with China. It was the first private network in Russia that distributed the western contents. Moreover, it monitored news events and disseminated timely information to the international audience. As the Chinese students protest outside Beijing’s Tinamann Square, was properly covered by CNN. However, the cameras were switched off before the Chinese politicians’ crackdown on the students.

CNN’s biggest market is Europe where the transmission is done to 37 countries. Almost every household consumes CNN to get alerts on the contemporary issues of the world. In terms of overall international market, the audience of CNN is not that much but the ones who consume it are regarded as ‘influentials’ as they are the governments, bureaucrats, policy makers etc.

Therefore, ‘CNNization’ of television news has become a model for expanding ‘American news values around the world’. CNN tends to transmit its own style of news through its news contents. Resultantly, its unique news values help it to retain the highest position in providing news to the global audience. Thus, AOL-Time Warner merger makes CNN the part of world’s biggest media and entertainment conglomerate and helps it to dominate over BBC Sky News, Star News, and Fox News.

**Global Radio**

Radio has dominated the world during certain events of the world. It has helped in communicating messages of states to each other, thus paving way to international communication. Though, in recent times, radio does not hold the similar position or dominance which it had during the World Wars, but still it is considered one of the effective sources of information for some audience. Following are the major global radios:

1. **Voice of America**

Voice of America is regarded as the mouthpiece of the US, promoting its values. VOA broadcasting to 15 million listeners weekly in 19 countries has helped it to gain a bulk of international audience. It broadcasts programs to different countries such as France and Africa and China through French to Africa Service broadcaster and VOA Mandarin Service respectively. Therefore, through VOA, the US tends to promote its soft image in front of the global audience.

1. **World Radio Network**

WRN, formed in 1992, claims to provide ‘the global perspective on the world news’. It provides 24 hours live audio newscasts through international satellite network broadcasting. It distributes its news contents to Europe, Middle East, Africa and the Asia Pacific.

1. **Voice of Russia**

Radio Moscow, which was later termed as Voice of Russia, broadcasts in 77 languages. It provides 24 hours English broadcasting to all the continents. The French service covers Europe, Africa, the Middle East and North America. Apart from this, it provides services in 32 languages.

1. **Deutsche Welle**

A German based radio which broadcasts its content in 35 languages. It reaches the global audience via satellite networks. During the Cold War, it merged with Radio Berlin International to cover the Eastern bloc of the world.

1. **Radio France International**

The French radio station provides 24 hours services to global audience. After taking over Radio Monte Carlo, its reach to international audience increased, thus catering the needs of the Middle East.

1. **Radio Beijing**

It is the first international service that began in China. It broadcasts the words of china, thus covering the events happening all over the world. Moreover, it has more than 43 languages in which it supplies information to different countries 24 hours a day.

**Setting the Global Agenda**

The global agenda, regarding any event, is set by the one who possess the strongest media. It is evident that the US has always dominated the world in every aspect. As far as media is concerned, the US enjoys its position for being the world leader and occupying the greatest market for its media products. It dominates in television through CNN, in news agency through AP, in cinema through Hollywood, in Radio through VOA etc. Through these media products, the US promotes the western way of life in the globalized world. Its control over media has led it to shape the agendas at international level when communicating an event. The global media creates its own market which does not only benefits the media organization but also provide advantage to the Trans-National Corporations (TNCs). With the help of advertising, media organizations gain a huge amount of money where as TNCs become successful in promoting their products at international level. In order to get more advertisements, the media become the mouthpiece of these global corporations and their supporters in the government. It is because of the business that the TNCs give them through advertisements.

**Conclusion**

Therefore, the preceding information gives an overview of media working that how it operates and provides news to the audience. Moreover, it highlights the trade that is being done through media products such as TV, radio, etc. Apart from this, it also explains that how and who sets the global agenda through news and information. Thus, this is how the market of global media operates by communicating messages at international level.