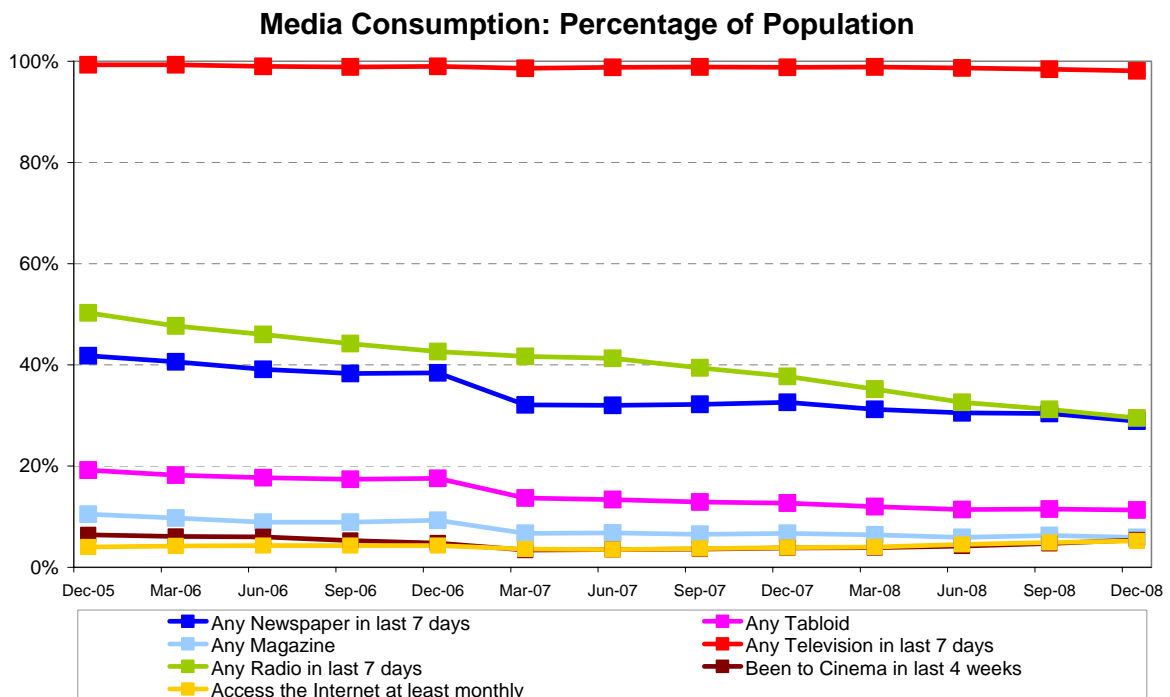


## Who says media consumption is becoming more complex?

As members of the global village, some of us are picking up information from around the world in real-time. Reports on the internet, visiting speakers and shiny new textbooks are spreading new business mantras around the world as quickly as they are created. Separating truth from fiction, gleaning the locally relevant from the nice-to-know becomes an added burden for those who aren't so easily convinced.

Take the media scene. While cable, the internet and GPS have made reaching the target consumer so much more precise today, the reality check of course is how many have access to these marvels of technology in Indonesia today. The answer, very few indeed. The proof lies in media consumption habits monitored by Roy Morgan Single Source, a syndicated survey with over 25,000 Indonesians 14 years and older interviewed each year. The results are updated every 90 days, and used by more marketers and advertising agencies than any other survey.

At the top of the media spectrum, television viewing continues to strengthen its grip on Indonesia, growing not only in the number of viewers but also in the number of hours viewed. In 2005, the average viewer spent 231 minutes watching the small screen on a weekday. That number is now more than 246 minutes nationally and 271 in urban centres. Most of these viewers are watching free-to-air television with penetration of cable still as low as 3 per cent of the population. On weekends, the number of minutes spent watching 'the idiot box' is more than double that of weekday viewing. As discretionary spending continues to be under intense pressure for the majority of the population, entertainment without charge provided by television becomes an even more relevant pastime.



This reality is having an adverse effect on just about every other medium in the country. Three years ago, 42 per cent of all people 14 years and older read a newspaper. Today, that number has declined to just 29 per cent, with the downward trend expected to continue. Among those who continue the daily reading habit, the amount of time spent reading the newspaper has not declined with 11 minutes being the national average on a weekday and 17 minutes among urban readers. In the West, the death of newspapers has now become almost a weekly phenomenon with old icons rolling down the shutters while many others are on the verge of bankruptcy. There, the internet is wreaking havoc on the daily habit, but in the East the reasons are not necessarily the same. In Indonesia, the decline of newspaper reading has less to do with the internet and much more to do with news updates on television and the continuing pressure on the household budget for the majority of homes.

It is for similar reasons that tabloids and magazines have also declined, now static for some time. At the top of the societal pyramid, the internet is showing steady growth but remains small in its reach with only 5 per cent of the population regularly using the medium even today. While these people are disproportionately important for several products and services, it's not exactly a medium that President Yudhoyono can use to reach his people the way President Obama does so effectively to reach his. Any industry association that claims that the reach of the internet in Indonesia is beyond 25 million people is living in a fictional world of their own. It is the same affluent group at the top that has recently given magazines and cinema a small boost upwards, with each medium hovering around the same share of regular users as the internet. The concentration of media reaching these privileged few is obvious. For the rest of the country, free-to-air television rules among measured media. Outdoor and other out-of-home media follow, but are difficult to measure.

Sadly, almost inexplicably, radio too is on the decline. It's steady downwards trajectory from over 50 per cent in 2005 to 30 per cent of the population listening in 2008 is a reflection of the power of television, yet again. Without adequate advertising support, many stations appear to have gone off the air as well. In contrast, the popular stations in the major cities continue to hold their audience with tailored programming. Quality and relevance will always remain key factors of success, making or breaking channels.

At a time when the advertising industry around the world is feeling the pinch of shrinking advertising dollars, Indonesia is much better off than many of its neighbours. One reason is that the country has a large domestic market, another is that it is less dependent on exports in comparison with say Singapore, South Korea or Japan. As an added bonus, this is an election year with the country's media and advertising industries cushioned by the campaign budgets now being spent on the two polls ahead of us, right through to July. Then, it will take a great deal of maturity on the part of advertisers, media owners and advertising agencies to weather the impending storms, together. Every effort to maintain the status quo, to hold prices and keep jobs will help ease the pain that looms ahead.

One way to do that is to use advertising budgets judiciously, supporting each medium as appropriate to each brand being marketed. The out-of-focus wastage today is phenomenal.

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