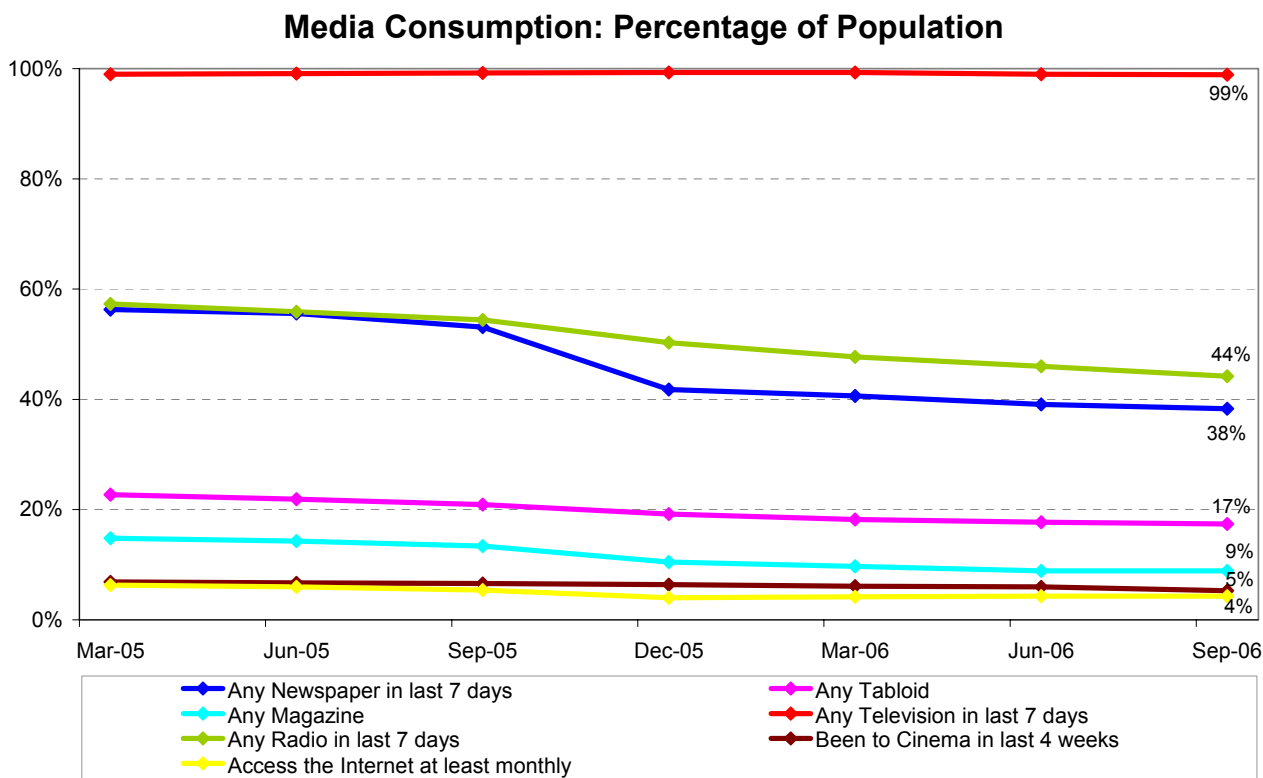


Is Free-to-air the remedy for all our ailments?

The after-effects of the two fuel price hikes are still being felt by several industries. New Cars is one of them, Media is another. When people are focussed on putting food on the table and keeping the kids in school, some sacrifices need to be made. When the news on TV becomes a substitute for buying a newspaper, when the life of the battery in the transistor –radio can be prolonged, it affects the way people use media. Almost everybody’s watching television as usual but just about every other medium has lost some patronage, some more than others. These conclusions are based on Roy Morgan Single Source, Indonesia’s largest syndicated survey with 25,000 respondents annually, covering 90% of the population over the age of 14.



Newspapers took the fall hardest, right after the second hike in September 2005. Since then some of the major titles like Jawa Pos and Kompas are leading the way to recovery. When almost 20 per cent of the reading public drop out of the newspaper reading habit, it will take a while for normalcy to return. Radio continues to slide gradually as an industry with some stations more affected than others. The same is true for tabloids and magazines, with the cheaper price of the tabloid cushioning the blow. That’s in sharp contrast with the much more expensive magazine. At the bottom of the media spectrum, the dip for cinema has been marginal while the cost of spending an hour at the warnet has had its impact on internet usage.

To state the obvious, any recovery across the board will work hand in hand with the further decline of inflation, and the consequent recovery in consumer spending. The reality is that while people may have more cash in hand in 2007, that cash isn't buying as much as it did in 2005. The best signs for the immediate future are the continuing upward curves in Consumer Confidence as well as that other indicator of economic buoyancy, ad spend. If that partnership between producers and consumers continues, it will pave the way for a quicker and fuller recovery. It's not chicken and egg. The onus lies on producers of products and services to stimulate and encourage the consumer to spend, to find ways of keeping her happy even if it means making some painful sacrifices in the immediate term.

The sad reality is that agencies and advertisers alike throw money at television as if it's going out of fashion, across the products and services spectrum. Many marketers use television much the same way (and for the same reason) you'd use a shotgun and not a rifle. Not surprisingly, the awareness of many brands are at unnecessarily high levels even among audiences that are irrelevant to its future. What good all that awareness is doing is another question altogether. If you're promoting real estate or financial services, holidays or airline tickets, high-end appliances or electronics, high-end cosmetics or apparel, cars or other big-ticket toys, you'd be wasting an embarrassing percentage of your money if you threw it at television. In contrast, the focussed audience of a newspaper or a magazine, the sensory feel and gravitas of paper itself, the time and attention devoted to the written word, are all immeasurable contributors to the power of the printed medium. Its ability to convince, not just shout, is incalculable. Innovative inserts with application forms and the humble supermarket catalogue work harder with thousands of readers than a 30-second commercial does with millions of viewers.

No.	Top 10 TV Programs	Viewership ('000)	Top 10 Newspapers	Readership ('000)	Top 10 Tabloids	Readership ('000)	Top 10 Magazines	Readership ('000)
1	TRANS: Extravaganza	20,970	Kompas	1,694	Bola	2,432	Hidayah	1,162
2	TPI: Rahasia Ilahi	19,106	Jawa Pos	1,493	Nova	1,704	Gadis	583
3	TRANS: Bajaj Bajuri	17,288	Suara Merdeka	1,081	Tabloid Gaul	1,245	Aneka Yess!	436
4	RCTI: Uang Kaget	15,986	Pos Kota	1,078	Tabloid Soccer	756	Kawanku	387
5	SCTV: Kiamat Sudah Dekat	14,524	Pikiran Rakyat	763	Nyata	666	Sabili	301
6	RCTI: Who Wants To Be A Millionaire	14,469	Kedaulatan Rakyat	649	Pulsa	564	Femina	298
7	TRANS: Hidayah	14,081	Bali Pos	501	Ponsel	481	Tempo	242
8	RCTI: Pintu Hidayah	14,071	Kaltim Post	416	Otomotif	431	Mobil Motor	228
9	RCTI: Bedah Rumah	13,726	Warta Kota	354	Motorplus	422	Kartini	220
10	RCTI: Lontin	13,716	Lampu Merah	341	Cek & Ricek	384	Hai	216

As citizens, not charlatans, we all have a role to play in the greater good of society as a whole. If a nation stops reading, it will 'dumb down' over time. Fortunately for Indonesia, the book-reading habit hasn't diminished for that loyal 10 per cent of the population, despite the hard economic times. Around the world, the book industry continues to flourish. Legions of pundits had forecast the demise of the newspaper by the turn of the century, all have been proven wrong thus far. But the signs of change are noticeable, witness the changing mode of readership as experienced by The Sydney Morning Herald. The number of readers who read the 'dotcom version only' are up 53 per cent, the number of the 'paper version only' readers are down 7 per cent, readers who read 'both formats' are up 23 per cent, with the Herald as a whole adding 13 per cent more readers in 2006 than it had in 2003. The 'medium' is indeed changing.

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Old fashioned publishers will have a hard time accepting this change, forgetting the reality that the only constant is in fact Change itself. Add to the changing milieu this month's announcement by Plastic Logic, a British manufacturer who has successfully produced the plastic version of the electronic chip. With chips as cheap as potato chips, the plastic newspaper the size of an A4 sheet can become a reality. It can be tailored to your wants, it will be interactive, and it can all become a reality in your mailbox every morning. I don't have the courage to say when that's going to happen, but I'd have to be a dinosaur to ridicule the possibility. More people will want more news, some of it delivered by V-mail to mobile phones or via podcasts to their shiny new Macs. And while paper might become plastic, silicon may become a hologram, the news-reading habit isn't about to die any day soon. That's because analysis and opinion are always going to be valued, well beyond the sound byte, the reality show, the movie or the 'blue' movie. That opinion requires the weight of the written word and the static picture, the ability to revisit both, at leisure. Now imagine that combined power working for your brand.

If you haven't got an intelligent reason to be on free-to-air television, save the money for your shareholders. Just because everybody's watching isn't a good reason to be there. It maybe fashionable to be on TV, but tread carefully, it can also be a mark of professional incompetence. If I appear to be anti-television, let me confess that I'm a couch potato myself. What I'm advocating is appropriate use of media, with good reason. The 'magic shot' for Sunsilk, the 'appetite appeal' for Indomie, the 'ringtone world' of Nokia, or Zwitsal's 'mother and child' are best presented by the moving picture. All of these products, to name but a few, are aimed at the tens of millions across the country and the reason for using free-to-air television is obvious. But ignoring radio's ability to inexpensively remind, the reassurance and the gravitas of print, or the sheer impact of the big screen can all be opportunities lost even for these brands. None of these choices need to be made by guesswork or assumptions anymore. Target groups can be sharply defined and media vehicles directly chosen to reach them. Target definitions need not be demographic, any longer. For example, there are 1.4 million "pregnant women", 800,000 "credit card intenders", 168,000 "new car buyers", 41 million "main grocery buyers", currently. Their preferences across the product and media spectrum are straight-line connections, not dotted-line assumptions. Post-buy analysis of media expenditure is almost a perfect science now, based on 360-degree research data updated every ninety days.

Conventional media like broadcast and print are competing, increasingly, with an ever-growing number of electronic media: in the home, out-of-home, on-the-desk and in-the-pocket. But more about the fascinating world of Information Technology, next Tuesday.

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