

The media Industry

The Media Industry

- **Institution of society**
- There are two main ways in which the media industries are perceived
- One way is to view media industries as organising bodies or structures of society
- So these institutions interconnect with other institutions such as family, education
- And they play a part in regulating the cultural values and beliefs in circulation in society
- The other way that media industries can be perceived are as industries or businesses which produce media commodities in a capitalist society
- **Media industries in economic contexts**
- The media products are commodities which have to make a profit
- They often have to compete with other media products to do this
- Even the BBC which is funded through the license fee – still has to compete in the broader marketplace
- So we need to look at the context of the media industry – the financial and economic contexts

Approaches to studying the media industries

- **Frankfurt School - debates about mass culture and role of cultural industries**
- Marcuse, Adorno and Horkheimer are the best known academics of what became known as the Frankfurt school
- They were influential on debates about mass culture and the role of the culture industries as producers of popular culture
- The Frankfurt school perceive the cultural industries and particularly the mass produced forms of culture – as acting in terms of control
- For example, the new technologies that are so much a part of our everyday lives – leaves us (they argue) open to being manipulated
- The cultural industries/media industries need to make a profit
- They perceive that mass produced popular films, magazines etc. function as instruments of capitalist manipulation
- Hence, the culture industries reproduce dominant ideologies
- **Structure approach**
 - This viewpoint looks at the structural factors that constrain corporate control

- This viewpoint may look at such things as who controls the market, whether there is competition in the market
- **Power approach**
 - This viewpoint analyses the individual or collective power of people who control an organisation
 - Some analysis looks at how owners can advance their own ideas and interests through their media output e.g. Murdoch

Media Institutions

- **Multinationals**
 - refers to the largest media companies that do business in different countries
 - They have links across national boundaries and distribute products across different countries
- **Conglomeration**
 - This is where businesses buy into similar businesses to meet competition and to also dominate the sector
 - A media conglomerate owns large numbers of companies in various mass media
 - For example, over the last few years, Granada has bought the controlling interest in Yorkshire, Tyne Tees and London Weekend Television companies
- **Vertical integration**
- This is where a company buys or sets up other companies which relate to the core business e.g. publishing
- Big media organisations tend to try and control production, distribution and exhibition/retailing
- **Lateral integration**
- This is a sideways move – buying across different media
- Conglomerates may do this as well as vertical integration.
- Walt Disney owns Miramax and Touchstone as well as Walt Disney Pictures. It also owns ABC network, as well as Buena Vista television and cable channels, ABC radio networks, Hyperion books – and newspapers and magazines (amongst others).
- **Diversification**
 - This refers to where a media company is bought by a business which has nothing to do with media
 - Or where a media company buys into a non related media business

Structures

- A monopoly is where a single firm tends to dominate the production and distribution in a particular industry
- So we could think of Microsoft which has been accused of being an monopoly
- Oligopoly – is where a few firms dominate an industry
- So the commercial sound recording businesses tend to be dominated by five or six players that control the production and distribution of 90% of that industry

The Film Industry

- It is suggested that there is no coherent British film industry
- There are instead, groups of companies which specialise in things like producing films or making trailers
- money comes from the US, from television, from Channel 4 (although it often depends as channel 4 sometimes pull out of financing films)
- Income from films is not really associated with the advertising around screening – this tends to go to the exhibitor
- So DVD sales and other merchandise are important (toys, music, games)
- As well as TV rights and rights to films from online companies.

The Television Industry

- TV often depends on co-production –
- So this could be with European networks as well as the US
- A lot of money is made from spin offs and programme sales
- There is also cross-media ownership where one medium helps finance another
- Such as newspapers advertising on television
- Or television financing some films
- Or films and TV creating a DVD market for a programme/film
- Spin off video games also pay a percentage to film producer
- There is also associated merchandise
- And of course the internet is changing the way the television industry organises itself.
- With films and programmes becoming more similar to video.

Media and Advertising

- There is a symbiotic relationship between the media and advertising
- For example, quality newspapers rely on advertising for around 2/3rd of their revenue
- Whereas tabloids rely on advertising for about 1/3rd of their revenue
- Magazine producers rely on advertising for approximately 50% of their income
- Broadcasters rely on advertising – except for spin offs and programme sales and the license fee (BBC)
- But the question is how far the media texts then represent the interests of the advertisers
- Whether they reinforce the dominant ideology of media owners
- And hence whether the dominant discourses that produce certain myths or norms about the world – are a result of the patterns of ownership and of the production practices of media owners
- And the internet has also changed the way that advertisers may approach advertising.

Global Contexts

- There are arguments that align globalisation with westernisation and cultural imperialism.
- Whilst others look at resistance to globalisation – and highlight the importance of the local in the context of the global (glocalisation).
- Despite this the organisation, distribution and consumption of media/cultural products are carried out on a global scale.
- Particularly for some of the things we have already mentioned such as film and television.
- But equally, music is particularly suited to this
- And the notion of global music industries and how they operate.