

Trends in Strategic Media Management in Zambia: The Position of Editorial Credibility in
Newspapers

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Abstract

The liberalisation of the Zambian political and economic environment appeared to have transformed the media industry. For some time, the prospects of the media business looked bright but the government did not fully fulfil its liberalisation promises (Phiri, 1999). As a result, media organisations, especially newspapers in the country, continued facing many challenges related to financial sustainability. Newspaper organisations are battling for market and it has become extremely difficult to survive solely from producing and selling media products because the cost of production and distribution keeps increasing. The need to sustain themselves in the prevailing political and economic trends has forced newspaper organisations to pursue other strategic objectives by venturing into more profitable business portfolios. This also implies redefining management strategies in order to not only find their niche, but to also determine their very survival. This article argues that these 'extra' strategic objectives come at the expense of editorial quality, and negatively affect the credibility of newspapers. It integrates strategic management approaches into political economy of communication analysis to argue that editorial integrity and media credibility are core resources that can be exploited into a competitive advantage of a media firm.

Key words: *Zambia; newspapers; political economy; editorial; credibility*

I. Introduction: Challenges of the Newspaper Business

The performance of the Zambian newspaper market has greatly been influenced by the forces of liberalisation. This is mostly accompanied by growing audience fragmentation driven by an ever-widening range of choice in media content and sources on the Internet. The situation is proving fatal for some newspapers and could threaten the future of credible journalism in the country. Circulation statistics show that newspaper circulation has been declining since the 1990s. Generally, with the slump in circulation comes the decreasing advertising revenue (Picard, 2004). This means the less the circulation, the less the attractiveness of newspapers to major advertisers in the country. These challenges are compounded by the unstable national economy on which the newspaper advertising expenditure depends. It is worth noting that there

is no independent bureau of circulation in the country, therefore it is not possible to ascertain the accuracy of circulation figures, but those provided by the newspapers themselves present a depressing picture when sales of the past are compared with the present. Between 2000 and 2010, the *Zambia Daily Mail's* circulation fell by 10 percent. The current figure of 15 000 is a rise which results from the corrective moves in the marketing department. It would not be an exaggeration to state that back in the 1970s the daily circulation of the *Zambia Daily Mail* averaged 50 000 (Kasoma, 1986). Similarly, it would not be an overstatement that in the 1990s, *The Post* was regarded as the Holy Grail – the ‘gospel truth’ and key source of political information. Circulation figures hit the highs of 40 000. But between 2000 and 2010 the figures dropped by 15 percent, and currently lie at 20 000.

Therefore, it is not surprising that the relative share of total media advertising revenues for newspapers is gradually declining compared to other media such as television, radio and probably online media. Data is drawn for the Synovate (2009; 2014) studies that reviewed advertising trends in Zambia during the 2007-2009 and 2011-2014 periods and ranked the advertisers in newspapers. According to the Synovate (2014) review of media and advertising trends in Zambia, the lion’s share of media advertising has over time tended to be reserved for television. Newspapers took the second spot, but as shown in the graph below, in 2014 they lost their second position to radio, signifying diminishing returns.

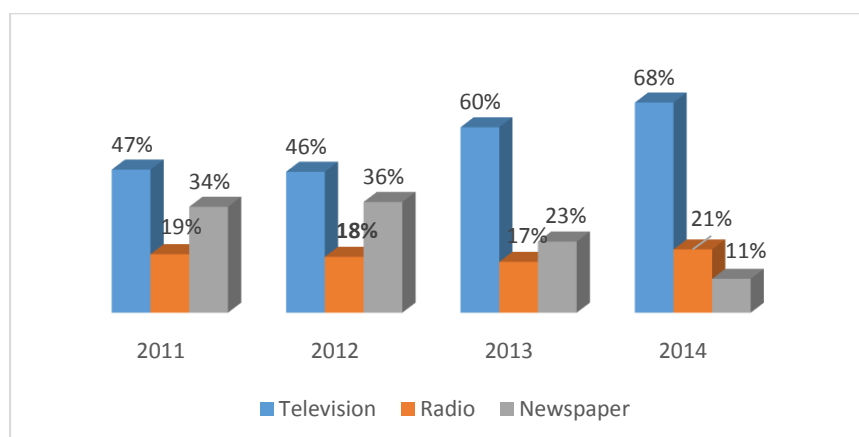


Figure 1: Comparisons in media ad spend in the last four years. From “Total Industry Media Exposure”, p. X. Copyright 2014 by Synovate.

The advertising and circulation problem is compounded by other economic factors such as the high cost of production and distribution. Newspaper production material such as newsprint, printing ink, chemicals, films, plates and other requisites are imported from other countries such as South Africa and attract a very high Value Added Tax (VAT) rate of 17.5 percent. In addition, these newspapers are not only advertising-financed, but also rely on cover price. However, distribution networks in Zambia tend to be street-based, with very low office and home deliveries. Street vendors rove along traffic-heavy spots to attract readers. Distribution to remote areas tends to be very costly and lacks business sense, though the newspapers can still be accessed through their online platforms.

This has left newspaper businesses in a very precarious state. To sustain themselves in such prevailing political and economic forces, newspaper executives need to be nimble in adopting management strategies that create and retain value in their products. Some newspaper organisations have already responded by adopting strategic objectives that venture into more profitable business portfolios. They have diversified and extended into different strategic business units in various industries such as agriculture, construction, transportation and printing. The type of diversification strategy an organisation may adopt depends on its specificity within a particular industry (Chan-Olmsted and Chang, 2003; Chatterjee and Wernerfelt, 1991). However, this article adopts the resource-based view (RBV) that emphasises relatedness and resources alignment as attributes of diversification strategies that influence performance (McGahan and Porter, 1997). The RBV helps to “provide more insight into explaining the differential performance between individual media firms or various clusters

of media firms” (Chan-Olmsted, 2006, p. 165). It stresses the critical value of internal resources of a company and its capabilities to manage them (Wernerfelt, 1984).

According to Hitt, Ireland, & Hoskisson (2001), RBV follows a process of identifying and assessing a company’s resources and capabilities; locating an attractive industry in which the company’s resources and capabilities can be exploited; and, finally, selecting a strategy that best exploits the company’s resources and capabilities in relation to opportunities in that industry. As such, a company’s strategic choices are usually determined by an organisation’s mission statement and vision and what Chatterjee and Wernerfelt (1991, p. 34) describe as the *specificity with a particular industry*. It must, therefore, be taken into consideration that newspaper organisations and their products are quite different from the typical focus of many diversification studies, which mostly examine manufacturing and service firms. Newspapers are “subject to the cultural preferences and existing communication infrastructure of each geographic market/country and are often subject to more regulatory control from the host market because of how pervasive their impact is on individual societies” (Chan-Olmsted, 2006, p. 173). In addition, there are questions regarding how these management strategies into new and uncertain values are contributing to sustaining the core mission of a newspaper as a public trust that serves the public interest. Therefore, this article argues that these ‘extra’ strategic objectives come at the expense of editorial quality and negatively affect the credibility of newspapers. It proves that the position of editorial is likely to be compromised when newspapers’ focus shifts to new business investments.

This article is a case study of two *Zambian* daily newspaper organisations: the *Zambia Daily Mail Limited*, the publisher of the *Zambia Daily Mail* and *The Post Newspapers’ Limited*, the publisher of *The Post*. Using interviews and desk research, the article systematically examines the strategic behaviour of the *Zambia Daily Mail Limited* and *The Post Newspapers’ Limited* and explores their management structures to understand the patterns

and determinants of diversification strategies in the media industry. It integrates strategic management approaches such as the resource based strategy into political economy of communication analysis to argue that editorial integrity and media credibility are core resources that can be exploited into a competitive advantage of a media organisation. In so doing, it critically evaluates the business portfolios adopted by newspaper organisations and ranks their positions in relation to market share and growth rate. It proposes that editorial remains the core business and prescribes that along with other investments, editorial credibility is a strategic resource that can be turned into a cash cow.

II. Evaluating the Position of Editorial in Newspaper Management Structures

Historically, newspapers are change-averse. They mostly respond to existing market pressure than generating new market demands, and anticipate problems only when problems arise. Similarly, both *The Post* and *Zambia Daily Mail* have traditionally been editorial-oriented, and have only recently undergone transitions and management changes as a response to economic challenges. They both have experienced shifts in management structures and business portfolios. For example, in the Zambia Daily Mail Limited's 2013-2015 strategic plan, together with other changes, the position of managing editor was amended to managing director (Zambia Daily Mail Limited, 2013). This meant the newspaper was not only going to focus on the editorial side, but would be managed on general business principles.

This also implied that henceforth, the company would not limit the qualifications of persons to be appointed as managing director only to those with editorial credentials. Parenthetically, the newspaper subsequently elevated its finance director to the position of managing director, confirming its focus is on the money, and automatically relegating editorial. This puts strategic focus on the commercial and business development aspects of the company and clearly indicates the power of the bottom line over editorial integrity.

The Post, which set out as an investigative newspaper, has a dualistic management approach comprising the corporate approach and the NGO-type approach (Banda, 2004). The corporate approach is strictly business focused and motivated by profit maximisation, whereas the NGO-type encourages staff participation in engaging with wide societal debates about press freedom, freedom of expression and human rights. Thus, within the structures of *The Post* management is the Press Freedom Committee currently headed by the senior general manager and ombudsman. The dual management strategy gives *The Post* a competitive edge over newspapers such as the *Zambia Daily Mail* and the *Times of Zambia*. Engagement and participation with society is an incentive for creativity amongst the staff to produce marketable content.

The Post has, however, not been immune to the poor market conditions and the economic instability that have over the years rocked the sustainability of newspapers in the country. As a private newspaper aggressively performing the watchdog role, government and some companies in the private sector have refused to advertise in the paper because it was perceived to be anti-government. Traditionally the newspaper used to survive on the newspaper sales, and for a long time it had enjoyed the lions' share of the market being the most widely circulated publication (between 25,000 and 30,000) in the 1990s. Its cash flow suffered whenever sales went down, in the process affecting employee payroll schedules.

III. Towards Commercial Sustainability: Strategic Responses

Despite what seems to be progressive strides in liberalising the media in Zambia, it is very evident that the financial struggles of newspapers, resulting from the prohibitive market conditions discussed earlier, continue to retard the development of newspapers. Nevertheless, some newspapers have adopted various business strategies depending on the respective challenges they are facing. Strategic management literature instructs that the first step of determining a company's strategic direction is to undertake comprehensive scientific market

research (Kotler, 2011). Generally, this requires scanning the market, identifying a competitive advantage and developing a corporate strategy. This would determine how a newspaper company scientifically understands the dynamics governing the market and uses them to its advantage. However, there appears to be no record showing that either *The Post* or the *Zambia Daily Mail* has ever undertaken any form of market research to establish their respective corporate image and market share. Even as these responses may seem to have been haphazard, they were informed by survival dispositions.

The newspapers therefore decided to build strategic alliances and greenfield ventures in other industries. Diversification seems to be the most preferred strategic direction. The main reasons for diversification, according to Andrade, Mitchell & Stafford (2001), are reinforcing market power, responding to financial or managerial goals, and obtaining some efficiency gains. As such, the newspapers did not only attempt to improve their regular sources of revenue such as advertising and circulation, but also diversified into other strategic business portfolios including courier/ transport, printing press, construction, farming, Internet service and broadcasting.

IV. Advertising and Circulation

It is typical of newspapers, when faced with financial problems, to plan to increase circulation and advertising. Thus, in an attempt to respond to financial challenges, the Zambia Daily Mail Limited strategy was to begin with increasing news coverage and circulation to the entire national market. This, however, had been one of the major challenges the company has been facing for a long period. Historically, readership and circulation problems started when the government assumed ownership of the paper, subsequently making it susceptible to negative public perception and potentially undermining its competitiveness. According to Chirambo (2011), this earned the newspaper an undesirable tag of ‘government gazette’, with a negative connotation of a channel for government propaganda. The *Zambia Daily Mail’s*

management apparently concedes that thenceforth, the paper's circulation figures were on a descending spiral (I. Chipampe, personal communication, December 9, 2013). Thus the 2013-2015 strategic response to create new distribution networks and expand its readership market is timely.

The newspaper hit one of its lowest circulation slumps ever in 2007. In fact the 2008 Times Printpak readership survey found that it was lower than both the *Times* and *The Post*. This had an effect on advertisers' perceptions of the newspaper seeing that its advertising revenue showed some decline (Tailoka et al., 2008). Managements believed in this positive correlation between circulation and advertising.

Nonetheless, despite the fact that liberalisation has taken route in the country the state still greatly influences media activity in Zambia. The state structure consists of various government ministries, departments and parastatals that remain a bigger part of the advertising market. Thus, as part of this structure, the *Zambia Daily Mail* draws big amounts of advertising revenue from government. This is because, as already shown, the government exerts a substantial amount of control on the economy and, therefore, remains the major advertiser in the media industry.

On the other hand, the birth of *The Post* was in itself its first response to liberalisation. It has since its early days enjoyed high circulation, as it was seen as the solution (other than the *National Mirror*) to an information gap. The OSISA survey found that *The Post* has over a long period of time, and since inception, enjoyed relatively higher circulation. Its watchdog approach to journalism made its content very appealing to the public, and had a positive consequence on circulation (Africa Media Ventures, 2008). In line with *The Post* mission to "be fully aware of the competing demands on financial and other resources and the commercial consequences of our actions" (The Post Newspapers' Limited, 1991b), coupled with the realisation that the cover price was not enough to finance its operations, the paper had to create

value and attract more advertising. Hence it attempted to strategise for a vigorous marketing and advertising concept that included its famous classified section known as *Sangwapo*. Not only has *Sangwapo* proven to be very lucrative, it is also believed to have increased the visibility of the newspaper and enhanced its awareness in communities. It generates between 10 and 15 percent of the advertising income. Currently, out of the total number of 120 staff at *The Post*, over 60 are in marketing and advertising, compared to less than 20 on the editorial side. This is a testament to the paper's aggression in advertising.

With its anti-government stand in the 1990s and early 2000s, the paper has published a number of investigative stories. This results in the government at various times using both legal and economic means to harass the paper with lawsuits and advertising sanctions. Be that as it may, generally in markets and periods of economic and technological uncertainty, media firms are faced with an increasing need to be less reliant on traditional advertising revenues and to develop additional revenue opportunities (Chan-Olmsted and Chang, 2003).

V. Distribution and Courier

The *Zambia Daily Mail* reaches almost all the 72 districts of the country, whereas *The Post* only covers 50 districts. The two newspapers have a distribution system that consists of three hierarchical levels. The first level involves company vehicles transporting the papers from the production plant to the district bureaus. At the second level the papers are distributed to vendors who take them onto the streets. It is common practice in Zambia for newspaper vendors to engage in other revenue generating activities such as selling cellular phone airtime as well as other newspaper titles. However, *The Post* has employed vendors who concentrate on selling only its product as the company believes this strategy maximises efficiency and results in more sales. The third level involves vehicles delivering copies to subscribers' homes or offices. The *Zambia Daily Mail* finds itself in many government offices as it is a deep-rooted tradition for government departments around the country to subscribe to state-owned newspapers.

Subscriptions are very important especially to increasing the *Zambia Daily Mail's* circulation figures. Street sales, however, account for over 60 percent of newspaper distribution for both publications.

The process of distributing has not been without challenges. Vehicles are expensive to manage; some areas are too remote and challenging for the newspapers to service. For example, both companies acknowledge that it does not make business sense to deliver very few newspapers to remote and underdeveloped districts. As an act of restitution, public transport is used to deliver to far-flung areas. However, this too is faced with logistical challenges. Apparently this mode of newspaper distribution is different from many affluent societies where different companies are specifically established to distribute newspapers.

Nonetheless, as a result, the two companies turned their challenges into business opportunities by establishing courier business units. The commercial logic was that *The Post* and *Zambia Daily Mail* courier divisions would not only distribute newspapers, but also deliver individual and business goods using the same vehicles. "The whole process of distributing newspapers is very cumbersome: vehicles wear off and break down frequently, and in most cases the van would be half empty and return completely empty. So it is better to carry goods for people and businesses. This way we can recover some money for motor vehicle maintenance" (I. Chipampe, personal communication, December 9, 2013).

After 2013, the *Zambia Daily Mail* invested about USD 200 000 in delivery and courier vans as part of the capital for its courier business, which is currently in its introductory stage. The Post Courier on the other hand, was The Post Newspapers' Limited major strategic business development focus for 2013, and is now a fully-fledged portfolio overseen by the company's production department. Similar business logic as Zambia Daily Mail Limited established The Post Courier. With a huge capital investment, The Post Courier division has about 55 vehicles including haulage trucks, transporting copper and other trading goods to and

from other Southern African countries. Since some production equipment such as newsprint is bought from South Africa, the trucks ferry these on the return journey. Thus, with about 20 big trucks (international) and 35 other vehicles, the company has a fleet that now competes with many other courier and transport companies in the transport and haulage business.

For both companies the courier business appeared to be the solution to newspaper distribution problems. The approach makes business sense, more so because it supports the goals of newspapers by enabling the increase in newspaper circulation. Porter (1987) expounds that a strategic business unit is supposed to directly support the objectives in the strategic plan of the company. He stresses that the justification is that such strategic investments must compliment original functions and facilitate the achievement of the goals of the core business. The idea is that the magnitude and complexity of the strategic investment should not overshadow the main newspaper business. Therefore, The Post Courier's degree of penetration into the international market at such a large scale may raise questions regarding whether it's a strategic business that helps build the core newspaper business. On the other hand, considering the challenges posed by the market conditions of a newspaper business in the country, The Post Courier is the company's strategic cash cow.

VI. Commercial Printing Press

According to the Zambia Daily Mail Limited's strategic plan, commercial printing is projected to be the company's cash cow. Other than printing the *Zambia Daily Mail* publication, the company prints other titles. With the printing portfolio, the company boasts of the best printing press in the country. In 2014 the *Zambia Daily Mail* changed its design format from a broadsheet to a Berliner design in an attempt to improve its quality. The company, whose main client is government, hopes to expand its base and extend its services to printing books, magazines, fliers, brochures, newsletters and many other forms of print publications for individuals, NGOs and business organisations. This introduces the Zambia Daily Mail Limited

into a new venture, but relatively old industry comprised of competitors such as New Horizon Printing Press, Aquila Printers Limited, Zambia Printing Company and Printech Limited. The Post Newspapers' Limited's printing press, however, is restricted to printing its publication.

The business practice of newspapers diversifying into the printing and publishing business such as Zambia Daily Mail Limited is a global trend aimed at resources alignment to reduce costs of production. In fact, media industries are creating synergies between print and audiovisual production in order to control content and improve economic performance (Chan-Olmsted, 2006).

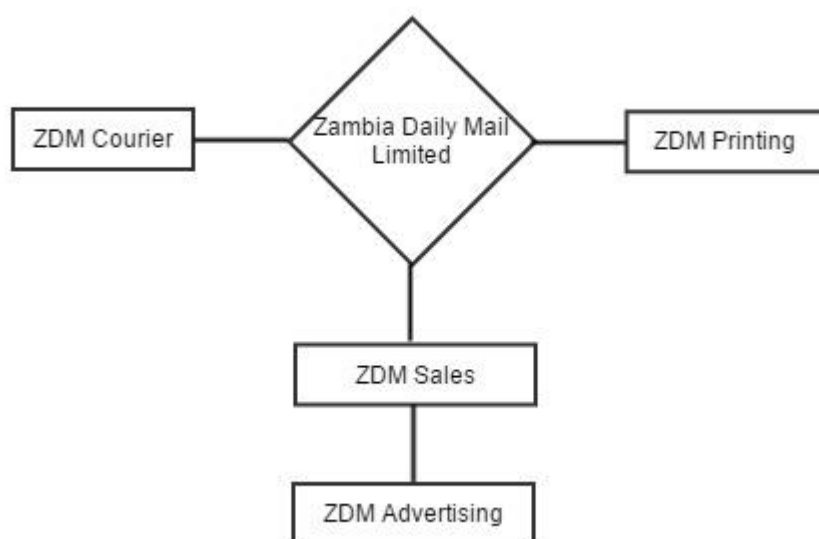


Figure 2: Zambia Daily Mail Limited business structure.

VII. Internet Service Provision

In 2008, The Post Newspapers' Limited launched the Internet Service Provision (ISP) business. In fact, in 1996, *The Post* was the first newspaper in Africa to go online. The purpose was to easily disseminate information and further widen its accessibility to readers (Africa Media Ventures, 2008). The period after 2000 saw an increase in the use of the Internet from 0.1 percent in 2000 to six percent in 2010 and 18 percent in 2015 (Internet Society, 2012). With this growth rate in the ISP business, *The Post* identified and penetrated the niche. The company built a tower and established the ISP division house in the same building of its editorial offices.

The Post Newspapers’ Limited has further diversified into farming and construction businesses, and has established The Post Farms and The Post Construction respectively. The company owns farm lands and cattle ranches, whereas The Post Construction was born out of the need to reduce the cost of building bureaus in districts around the country. Furthermore, The Post Newspapers’ Limited, whose previous application for radio transmission had been rejected in 2004 for the reason that “cross ownership” was not allowed, was again in the process of getting a license for a Radio and TV station. It is noteworthy that contrary to the government’s response, there is no law preventing media firms from converging in this manner. However, as in other counties, the government retains the privilege to issue such licenses. The Post Newspapers’ Limited management was, not unnaturally, concerned that one had to be in good standing with the ruling political elite to be issued a license (S. Chifuwe, personal communication, December 10, 2013).

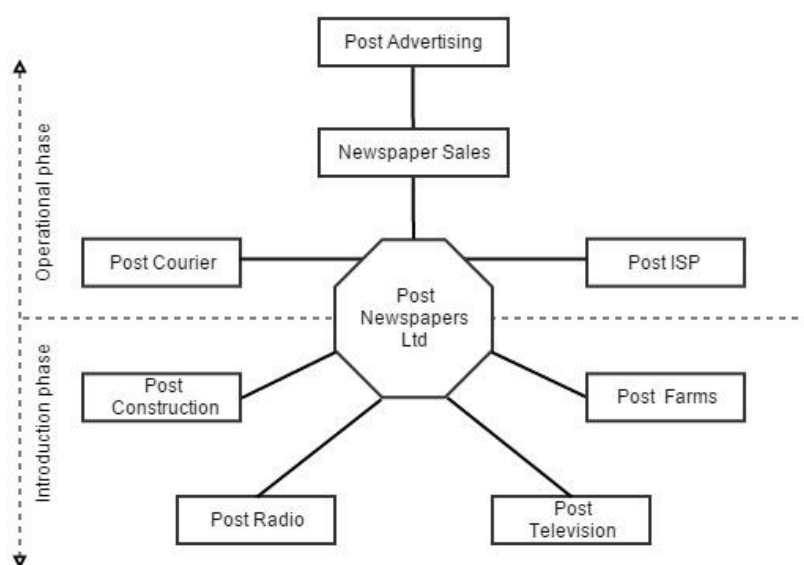


Figure 3: Business structure of The Post Newspapers’ Limited.

VIII. Comparing the Strategic Behaviours of Zambia Daily Mail Limited and The Post Newspapers’ Limited

Scholars such as Chan-Olmsted and Chang (2003), Hollifield (2001) and McQuail (2010) suggest that the development of media diversification and conglomeration is part of the global political economic wave driven by liberalisation, deregulation, convergence and the decreasing digital divide. It is clear that signs of these global trends are evident in Zambia. The basic need for financial stability and survival caused the challenges in the media market, and have driven newspapers to behave the way they do. Thus, the pursuit for market control and financial sustainability has led to the 'inevitable' evolution of the two newspapers' management strategies. The newspapers are not only creating synergies with media platforms, but also breaking down barriers and penetrating non-media spaces. To support their core editorial business, the newspapers saw fit to build new capabilities and businesses that would enable renewal and enhance profits and growth in the market. To a great extent, it is safe to describe this strategic direction as product and market diversification. However, the degree to which the two newspapers diversified into non-media business varies, as does their aggressiveness. The Post Newspapers' Limited is more diverse in that it has more business units than The Zambia Daily Mail Limited. Newspapers, especially *The Post*, are capitalising on the potential for growth by spreading their investments as widely as possible. It may be true that exploiting international courier resources lowers the cost of accessing newsprint and other production equipment, thereby giving the company a competitive advantage. A careful examination of the newspapers' extent of diversification and their revenue contributions in 2014 revealed that The Post Courier is the cash-cow for The Post Newspapers' Limited, accounting for 40 percent of the total revenue, whereas 27 percent comes from advertising and sales. The Post ISP and The Post Online together bring in 15 percent. The Post Farm and The Post Construction are still in the introductory stages and, therefore, still attracting investments.

On the other hand, the *Zambia Daily Mail* through advertising and sales generates 51 percent of the Zambia Daily Mail Limited revenue. Printing and publishing accounts for nine

percent; the courier business accounts for 40 percent. Existing approaches to portfolio analysis stress the relatedness or interrelation between the core business and other businesses. However, much as it is claimed that this strategy is expected to generate greater economic efficiency (Andrade, Mitchell & Stafford, 2001; Chan-Olmsted and Chang, 2003), diversification reduces a newspaper company's focus on the editorial side of business. Overall, considering its media sector presence and revenue contribution, the study reveals that Zambia Daily Mail Limited is the most diversified company in the Zambian market when only media related businesses are considered.

Policy documents for both companies emphasise the significance of upholding the core business of publishing their respective newspapers. However, while Zambia Daily Mail Limited decided to restructure and diversify by maintaining the same pool of staff, The Post Newspapers Limited employed more personnel to manage new investments. With this strategic direction, sourcing for investment funds and recapitalisation were top on the list of priorities.

There is clear relatedness between content and distribution in both newspapers. They both have media content and distribution businesses. The courier business, which is a feature in both newspapers, not only demonstrates resource alignment, but also complements as a distribution system for newspapers. The Internet/online holdings provide a natural outlet for their online content. For the Zambia Daily Mail Limited, the printing and publishing unit again presents an example of resource alignment. This applies to the planned broadcasting outlets for *The Post*, including the fact that they will also complement its content distribution. Currently, *The Post* management is concerned about the large volumes of news collected by reporters on a daily basis most of which does not get published due to lack of space in the newspaper. Using the same resources, The Post Radio and The Post TV, including The Post Online, would be ideal outlets. As such, "financial resources, physical resources, human resources, technological resources, reputation", and organisational resources, as classified by Hofer & Schendel (1978)

are strategically integrated and exploited to produce economies of scale by reducing production costs, thereby giving the company a sustainable competitive advantage. In a sense, this symbiotic relationship between content and these multiple distribution outlets increases the revenue potential for the company. Clearly, new entrants are bound to struggle to rise and compete at this level.

From the prevailing situation, conjecture would project a growing trend on newspaper companies diversifying and competing in a series of unrelated markets. Some reasons for diversification are not as apparent as others, for example, that The Post Farms was inspired by the available market for crop products in South Africa (S. Chifuwe, personal communication, December 10, 2013). In essence, the establishment of The Post Farms and The Post Construction as part of The Post Newspapers' Limited business portfolio shows how the company was least concerned with product and market relatedness. Neither are there indications in common objectives between the new business units and the core business. In as much as they may generate revenue which may be redirected to the financial sustenance of the newspaper, strategic management theory suggests that such strategies attract substantial risks and often cause management complexities which may eventually prove to be a hindrance to the goals of the newspaper (Slater and Olson, 2001). It is also argued that diversifying in a related business is important for management resources, utilisation of core skills, know-how, and reducing uncertainties (Qian, 1997).

The Post Newspapers' Limited's diversification strategy has not always been smooth, as at one time it spread its investment into the airline business where it owned shares in the now defunct Zambian Airways. The struggle to rescue Zambian Airways in 2008 almost drove The Post Newspapers' Limited under after putting itself up as a guarantor for Zambian Airways' debts. For example, in 2008, The Post Newspapers' Limited contributed K1 billion (USD 108,019,000) of its money to try and help clear Zambian Airways' liabilities. This,

however, led to employees having to endure delayed payment of salaries as the entire financial system was negatively affected.

On the other hand, Zambia Daily Mail Limited is much more conservative in the extent of its diversification. Perhaps it is because it already belongs to the range of government parastatals, including sister companies such as the Times Printpak, Zambia National Broadcasting Corporation (ZNBC) television and its radio channels. Thus, just like advertising, the parastatals provide a ready market for courier, printing and publishing services.

Chan-Olmsted and Chang (2003) created an analytical framework for understanding factors influencing global media conglomerates' diversification strategies. In this case, they suggest that diversification strategy is determined by firm characteristics, industry environment and general environment of a target country. For instance, contrary to developed societies, where alliances, joint ventures, mergers and acquisitions have been a staple strategy in media industries (Chan-Olmsted, 2006), the Zambian case shows that newspapers diversify by developing new products for new markets, including non-media industries.

IX. Editorial Integrity as a Strategic Resource

The influence of commercial interests on the editorial integrity of *The Post* and *Zambia Daily Mail* has lent these newspapers to much speculative analysis over the past years. Be it for private or state owned media, strategic management approaches have not been emphasised at all in discourses on editorial integrity in Zambia. Some senior journalists and editors in Zambia hold the view that editorial considerations are the very core of a newspaper business and must therefore be always at the centre of management decisions. Oliver Kanene, a media educator and chairperson of the editorial and business development committee of the *Zambia Daily Mail* board, cautions that when venturing into other businesses, management must always be cognisant of the impact of their decisions on the integrity of editorial and, subsequently, the credibility of the newspaper (O. Kanene, personal communication,

November 5, 2014). In addition, Isaac Chipampe, former Managing Director of the *Zambia Daily Mail* and Sheik Chifuwe, the General Manager for *The Post* suggest that editorial content is the main driver for the success of a newspaper's business. They re-affirm that good journalism increases circulation, which in turn attracts more advertisers. Like his counterparts, Godfrey Malama, who also served as Editor-In-Chief of the *Zambia Daily Mail* from 1999 to 2006, agrees that editorial and commercial interest should move together.

The Post boasts a resourceful management team with competent journalists on one side and very business minded executives on the other. It is in the same vein that Kanene rationalises that commercial decisions must be made in tandem with editorial objectives. Notwithstanding, for the first time, the *Zambia Daily Mail* Board made the very strategic decision of elevating a chartered accountant to the helm of the organisation, motivated by the need for financial sustainability, but concurrently relegating editorial functions. Further, more concern can be raised in relation to the place of editorial in both newspapers' management systems considering the amount of attention the other business units command.

The Post has a long-standing editorial policy (The Post Newspapers' Limited, 1991a) that management claims has never changed since 1991, and that it religiously abides by. *Zambia Daily Mail* Limited, on the other hand, launched its first editorial policy in 2013. This means that the *Zambia Daily Mail*, since its existence in the 1960s, did not have rubrics to guide its editorial decisions until 2013. Malama confirms: "the *Daily Mail* has been more servile of the government than any other media" (personal communication, December 16, 2013). Even Chipampe, the former managing director, concedes that the *Zambia Daily Mail* suffered from a lack of editorial credibility. It is surprising, then, that its substantive strategic plan's SWOT analysis identifies 'improved editorial content' as one of its strengths (*Zambia Daily Mail* Limited, 2013, p. 15). In addition, among its eight-point list of strategic objectives, the editorial

focus is missing (ibid, p. 22). The company appears to put more focus on activities perceived to be ‘direct’ sources of revenue.

On the other hand, *The Post* staff members are resolute in their position that they never compromise on their editorial policy. However, a former editor who served *The Post* from 2002 to 2009 vehemently disagrees, and observes that editorial considerations are usually determined by the managing director, who is the sole proprietor; and the editorial policy is only followed to the extent that he allows (personal communication, December 17, 2014)¹. In this regard, editors do not freely perform their professional responsibilities, but are influenced by the agenda of the owners. Curran (2002, p. 224) resonates with that when he argues that “the political culture of liberal democracies is very alert to the threat posed by governments to the freedom of public media, but is much less concerned about the threat posed by shareholders to the freedom of the private media. Government ministers are attacked if they seek to dictate the contents of public television, yet proprietors are not exposed to equivalent criticism if they seek to determine the editorial line of their media properties.”

Traditionally, *The Post* newspaper used to survive on the newspaper sales, as for a long time it enjoyed the lions’ share of the market, being the most widely circulated publication. Its uncompromising stand on spearheading struggles such as against corruption and fearlessly standing up to those in authority earned it a strong reputation as a credible publication. Chipampe recalls that *The Post* in the 1990s operated on a very good model both professionally and commercially. It created a conducive environment for journalists to perform to the best of their abilities. He also recollects how some reporters who had moved from the *Zambia Daily Mail* and the *Times of Zambia* to *The Post* “suddenly knew how to write” (I. Chipampe, personal communication, December 9, 2013). In relation to this, Banda (2004, p. 53) asserts

¹ What is interesting to note is the adamant claim by journalists who are currently working for *The Post* about the paper’s uncompromising stand on editorial, whereas the journalist who has left the newspaper states the complete opposite.

that “the viability of a newspaper has much to do with motivated staff as it has to do with business strategy”. In a sense, a motivated pool of journalists was an advantage for *The Post* as it came as reinforcement to the knowledge-based resources at the newspaper’s disposal. On the other hand, lack of motivation also demonstrates how a very controlled environment inhibits journalistic creativity.

Just as the Media Institute of Southern Africa (MISA) boss put it: “good journalism is good business”². Many veteran journalists agree that good editorial content attracts readers, increases circulation and, consequently, appeals to advertisers. Therefore, while the market has been precarious, it is certain that *The Post* performed well, and its editorial stand was its greatest asset. Hence, this study makes a proposition that, alongside the business units they are diversifying into, newspaper companies should maintain and continue investing in their core editorial businesses. In sum – although organisational constraints and the pursuit for survival may, in most cases, preclude professional principles – good journalism is still good business.

² MISA Regional Director, Zoe Titus, during her presentation at the Media Project conference on Media, Development, Press Freedom and Ethics held in Cresta Golfview Hotel in Lusaka, Zambia from 31 October to 2 November, 2014.

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