

Strengthening Financial Stability of Media Outlets in Moldova – country report 2016



Prepared by **Date Inteligente SRL** for the:
**Independent Center for Journalism (Moldova),
Independent Association of Broadcasters
(Ukraine) within the project „Strengthening
Financial Stability of Media Outlets in Ukraine,
Moldova and Georgia Using the Experience of
V4 Countries”**

According to the selected criteria, there are 302 media outlets in Moldova, including 90 online media, 71 TV channels, 56 radio stations, 57 newspapers, and 28 magazines.

Most media sources are online portals (29.8% of total media outlets) and TV stations (23.5%). The share of magazines is the lowest (9.3%).

**SWOT analysis, based on 50 media
outlets which participated in the
iData survey**

1. Ownership and partnerships. This factor is neither a strength, nor a weakness for most media outlets. Regarding partnerships, respondents also see them as neither as a strength, nor a weakness. It seems that a mixed partnership (national and foreign private capital) could be a weakness (3.2).

1. Company's resources.

2.a Staff talent. There are some clear weaknesses here: business and marketing strategy (3.67), business plan (3.45), staff size (3.47), knowledgeable and experienced advertising sales persons (3.62), advertising sales persons' skills in ICT, new media, social media (3.66), staff motivation – financial (3.33), staff motivation – non-financial (3.7), continuous training of managers and of employees (3.67 each), and staff turnover (3.35). On the strength side, it is worth mentioning: editorial line (4.4), knowledgeable and experienced reporters (4.4), and knowledgeable and experienced editors (4.33). Thus, there are more weaknesses than strengths regarding staff.

2.b Time. All the results correspond to neither a weakness, nor a strength, but the extreme values were: database of advertisers continuously updated (3.84), and journalists meeting deadlines (4.19).

2.c Money. It's clearly the weakest factor; all of its 12 subcomponents have low values. The only one above 3.7 is project attractiveness for advertising (3.8), while the others are lower: availability of cash (2.54), guaranteed financial support (2.77), making money in non-traditional ways, such as events, sponsored content (2.9), availability of financial resources to cover investment and operating costs (2.96), monetizing content archives (3.02), production costs (3.09), monetizing content (3.14), etc. In general, media outlets have big financial problems, according to these results.

3. Technology equipment. Judging by the answers, this aspect is neither a strength, nor a weakness. In general, media outlets possess technology equipment but there is still room for improvement.

4. Financial goals (3.58). This is a factor of weakness. The earned money goes rather in the owners' pockets than being reinvested in the company development.

5. Social goals and ethical standards. There are some clear factors of strength here: media brand tradition/image (4.47), editorial independence of government (4.45), media brand credibility in community (4.39), editorial independence of political parties and political interests (4.37). No factors of weakness have been mentioned, however, the lowest score was registered for suppressing copyright breach and plagiarism (3.86).

6. Product and customer/audience needs and wants.

There is only one weakness – joint ventures to develop new products/businesses (3.4), while all other 16 aspects are neither a strength, nor a weakness. The highest score was registered for innovative and attractive content (4.24), regional and local coverage (4.22), and clearly defined target audience (4.2).

7. Production capabilities. There is one relatively high score – quality of broadcasting (4.24), whilst the others are weaknesses: newspaper/magazine paper (gloss text) quality (3.64), relationships with supplier of ready TV programs to assure reliable supplies (3.45), relationships with newsprint/magazine paper (gloss text) supplier to assure reliable supplies (3.57), full-color printing (3.36), and relationships with supplier of printing services to assure reliable supplies (3.64).

8. Value, price and the total cost for customer/audience to own the product. Some factors are not considered as weaknesses, including value delivered to the target audience (4.1), while some factors are clear weaknesses: bundles of products and services offered to each target audience segment (3.13), high cover price (3.19), low cover price (3.2), and special treatment of subscribers (3.49).

9. Promotion and communication. Communication is considered neither a strength nor a weakness, thus there is a room for improvement.

10. Place and convenience. One strength: products and services accessibility/convenience/usability (4.46); a weakness: outsourced distribution/signal transmission (3.52).

Table 1. Types of media outlets in Moldova (2016)

Based on 302 media outlets

Media type	Number of outlets
Magazines	28
Monthly	27
Weekly	1
Newspapers	57
Daily	1
Non-dailies	5
Weekly	51
Internet	90
Pure online players	67
Traditional media	23
online	
Radio	56
Private	53
Public	3
TV	71
Private	68
Public	3
Total	302

Figure 1. Types of media outlets in Moldova (% , 2016)

Based on 302 media outlets

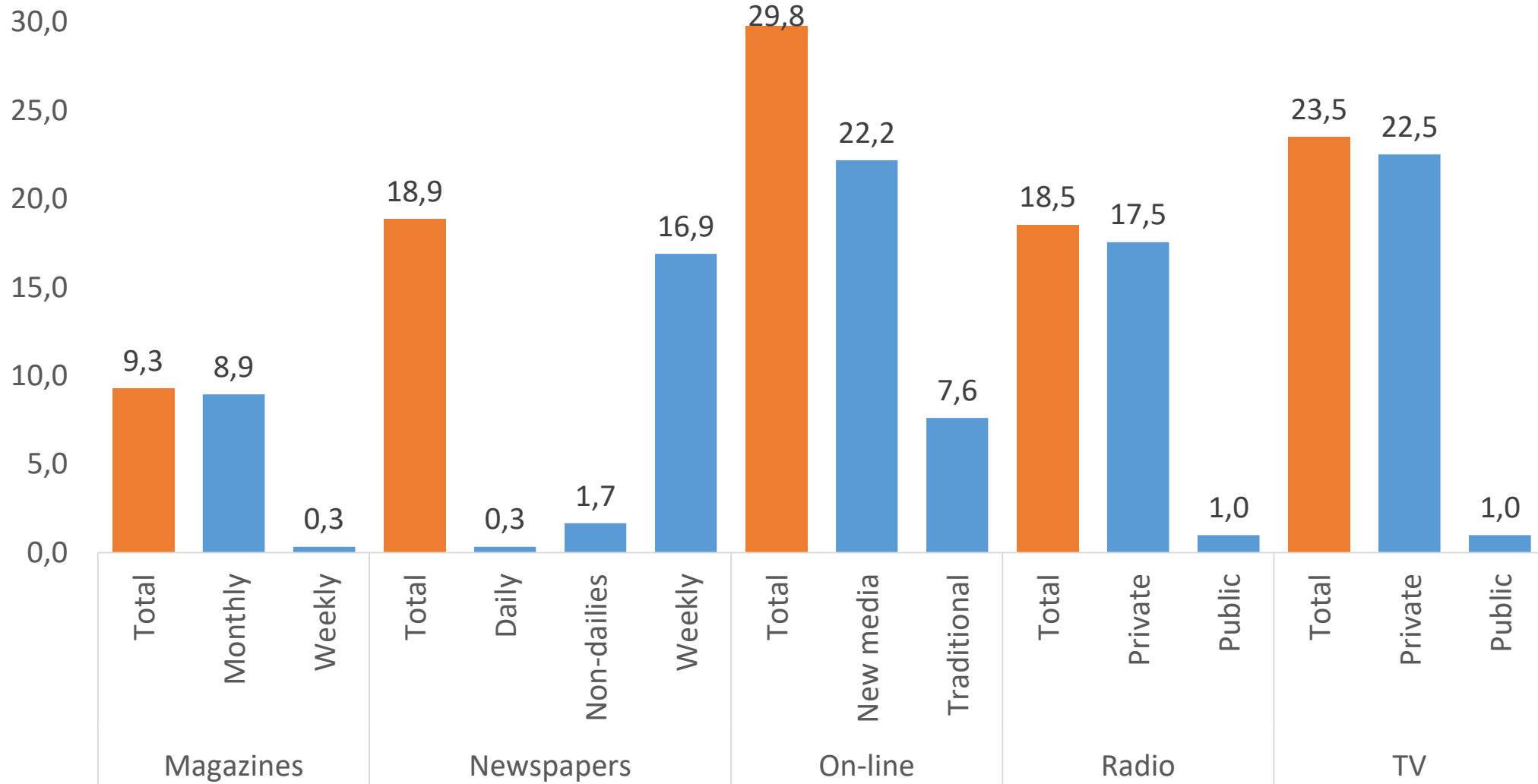


Table 3. Market shares of top print media outlets in Moldova (2016)

Nr.	Type	Frequency	Media name	Number of readers per month (000)	Market share * (%)
1	Newspaper	Daily	Комсомольская правда	196.4	28.5
2	Newspaper	Non-daily	Маклер	76.2	11.1
3	Newspaper	Non- daily	Коммунист/ Comunistul	53.6	7.8
4	Newspaper	Weekly	Аргументы и факты	45.3	6.6
5	Magazine	Monthly	Alunelul	44.1	6.4
6	Newspaper	Non-daily	Молдавские ведомости	40.1	5.8
7	Magazine	Monthly	Business Class	23.5	3.4
8	Magazine	Weekly	Антенна	22.4	3.3
9	Magazine	Monthly	Amic	22.1	3.2
10	Newspaper	Weekly	Unghiul	18.8	2.7
11	Newspaper	Weekly	Jurnal de Chisinau	18.4	2.7

Table 4. Market shares of top online media outlets in Moldova (2016)

No.	Media Type	Domain/name	Unique visitors per month (000s)	Market share * (%)
1	New media	point.md	572.9	38.2
2	Traditional	protv.md	449.0	22.4
3	New media	unimedia.md	298.8	14.9
4	New media	independent.md	199.6	13.3
5	New media	diez.md	196.7	13.1
6	New media	noi.md	195.9	13.1
7	Traditional	jurnal.md	179.9	12.0
8	New media	culinar.md	130.8	8.7
9	Traditional	kp.md	129.6	8.6
10	New media	agora.md	127.0	8.5

Table 7. Strengths and weaknesses analysis, by media types, average scores per groups of questions

Group of indicators	TV	Radio	Newspaper	Magazine	Internet
1. Ownership and partnership	4.04	3.43	3.79	4.58	4.00
2.a Company's resources. Staff talent	3.42	3.57	3.99	4.39	4.08
2.b Company's resources. Time	3.67	3.80	4.11	4.58	4.16
2.c Company's resources. Money	2.59	2.89	2.78	3.63	3.31
3. Technology equipment	3.38	3.92	4.36	5.00	4.38
4. Financial goals	2.71	3.33	3.11	4.50	4.00
5. Social goals and ethical standards	3.46	4.04	4.21	4.75	4.46
6. Product and customer/audience needs and wants	3.26	3.42	4.14	4.53	4.12
7. Production capabilities	3.06	2.00	4.12	4.38	3.67
8. Value, price and the total cost for customer/audience to own the product	3.31	3.48	3.43	4.13	4.02
9. Promotion and communication	3.57	4.07	3.93	4.17	4.11
10. Place and convenience	3.57	3.43	3.97	4.55	4.19
Average	3.34	3.45	3.83	4.43	4.04

List of the main internal factors of financial instability of media companies

- **Target group**
- **Good salaries for qualified personnel**
- **Fundraising**
- **Human resources**
- **High operating expenses**

List of the main external factors of financial instability of media companies

- **Unfair competition**
- **The economic crisis**
- **Limited access to governmental information.**
- **Social media**
- **Investigative journalism**
- **Advertising**

Common challenges of financial instability in all media categories (TV, radio, print, internet)

- **Political independence**
- **Competition from online**
- **Russian media in regions are likely to disappear**
- **Local TV stations might close soon**
- **There is a trade-off between quality and payment**

Recommendations by media categories

Print

- Partnerships with press agencies/centers and other national organizations that encourage press, like the **Independent Journalism Center (IJC)**, and the **Association of Independent Press (API)**, a non-governmental organization established to support non-political mass media. These associations contribute to the development of independent press in Moldova by training journalists, enhancing the quality and viability of independent media. They are highly appreciated for media campaigns in various public interest sectors, including advocacy activities for mass-media development, defense of the freedom of expression, access to information, promotion of journalistic self-regulation, etc.
- Ensuring a continuous process of training and uplifting the professional background of media employees;
- Improving the press distribution system;
- Attracting and efficiently making use of donations, sponsorship, other sources of financing with a view to promote, develop and build independent press;
- Initiating and supporting initiatives to make the media more accountable by complying with deontological norms;
- Elaboration of articles in minority languages, including Russian and Gagauz;
- Extending the online products, such as online articles, paid subscription, tablet version, video and audio content, etc.

Radio and TV

- Create partnership between radio and TV media sources.
- Defending broadcasters' legitimate interests;
- Promoting professional standards, universally recognized, in broadcasting and monitoring the mode in which the legal provisions and the ethical norms are respected;
- Drafting proposals to improve the legal frame in the broadcasting sector in order to insure the good work of the Moldovan broadcasting;
- Fighting undesirable phenomena in the mass-media, promoting freedom of media and of speech;
- Organizing training courses and workshops for employees;
- Monitoring enforcement of the broadcasting laws, including by compiling case studies for concrete situations;
- Establishing partnerships with international TV and radio broadcasters;
- Solidarity campaigns with professionals from free and independent media;
- Improving skills in ICT, new media, social media;
- Attracting and efficiently making use of donations, sponsorship, other sources of financing with a view to promote, develop and build independent radio and TV channels.

Internet

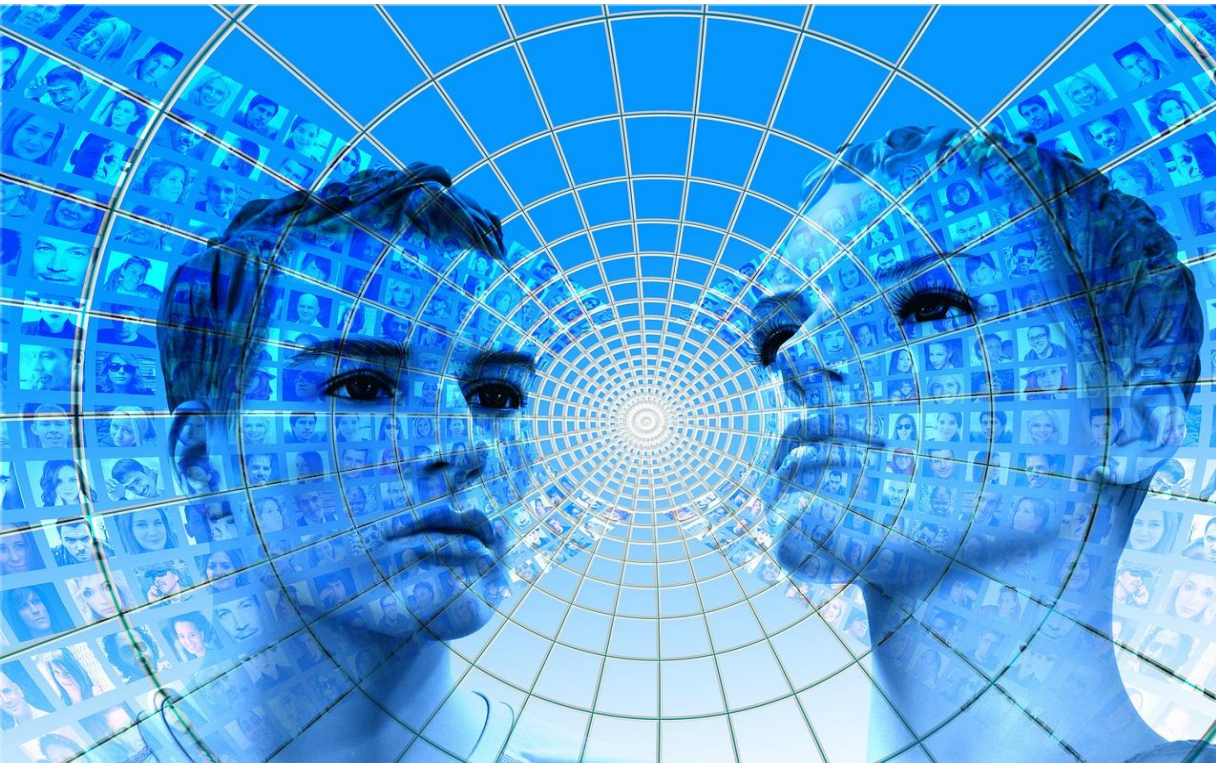
- Increasing the population's trust in online payments;
- Developing paid content;
- Using innovation to create new products based on the developing technology;
- Attracting and efficiently making use of donations, sponsorship, other sources of financing with a view to promote, develop and build independent online media.

Overall recommendations

- Improve and diversify the content of media publications.
- Conducting a marketing study on media audience for each media category: TV, radio, print, internet. The study would allow media companies to:
 - clearly define a target audience;
 - know media preferences of their target consumer by gender, age, education, income etc.
 - know the level of awareness about media sources, from customers;
 - know the breakdown by demographic groups and preferences for media information;
 - satisfy target audience needs;
 - satisfy target audience wants;
 - help to solve target audience problems.
- Media companies need to review the structure of their sales departments, namely for investing in their staff, who in the nearest future can bring a stable income.



Thank you for your attention!



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