



**UNIVERSITY OF  
KWAZULU-NATAL**  

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**INYUVESI  
YAKWAZULU-NATALI**

**AN EXAMINATION OF MEDIA24'S STAFF RETRENCHMENT ACTION OF 2020  
IN LIGHT OF STRUCTURAL ADJUSTMENTS WITHIN THE NEWS INDUSTRY AND  
COVID-19**

**By**

**NOMASWAZI NTUTHUKO FLORIE-FORD KANYILE**

**219091772**

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**SUPERVISOR: PROFESSOR RUTH TEER-TOMASELLI**

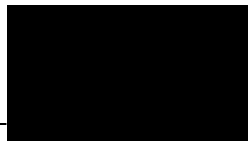
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## DEDICATION

After years of my mother literally nagging me to register for a master's degree "in anything" and I had agreed but never got to it, in 2019, I decided to fulfill this promise and pay my debt. I remember, she would show us the moves she'll make as my name get called out, lest I forget the day she went as far as buying me a lovely outfit I could only wear for the first time on the day, another promise I am proud to have kept.

Sadly, I lost her to the lord on my birthday – 30 October 2020 – I cannot find words to describe the loss and pain I feel. At the time of death, I was still on my literature review, it honestly felt wiser at the time to box every piece of research, close the chapter, and forget that I had ever registered. This thought ran for months of not even thinking about UKZN ...

Mom, this is to you nkosazane, you didn't die, instead, you handed over your wisdom, strength and courage as you left us to tour the other side. Thank you for believing in me mawami, lala ngoxolo MaMbonambi, Mabhodla, Mbuyazi, Ngiba kaMananga, wena owaya ngaphesheya kwezilwandle wabona abazindlebe zikhany'ilanga, Mabuya nomuntu abuye nenkunzi, Ndunakazi! How I wish you were here to witness this milestone!

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Penning under this heading can only mean, I'm done, oh my goodness, I really did it mom! Heavenly father, how can I thank you.

Examining this topic forced me to a space I had long disappeared from, the journalism world, the reading space, the world of informed opinions...my first love. The depth of this topic has however been a difficult one, it has been filled with both pain and loss as I burrowed deep into the research; journalists who lost their jobs, had salary cuts that impacted their families; loss of innocence by those who joined the looting or journalists and other who died in the line of duty trying to deliver the news of the Covid-19- pandemic to our homes. I too had my share of great loss and grief; I lost a brother to COVID-19, my aunt to cancer and my mom to complications after a hernia operation, six colleagues to COVID-19 complications, 2020 was just a mess but here I stand although wounded God's hand has not for one day left mine – Father God, thank you! I have many people to be grateful of and it's all because of you.

I wish to thank my 12-year-old daughter for learning to work around my frustrations as I tried to juggle between a role of a full-time employee travelling 90km to work and back every day, a grieving daughter, single mother, guardian to my late sister's kids and a disturbed student. Lest I forget becoming a home schoolteacher during the COVID-19 lockdown! This could have become the death of me, but she was the one person who gave me space, kept me sane and gave me a reason to look beyond my misfortunes. I love you baby; I owe you my life!

2020/1 broke me! At some point I could feel myself losing my mind as I struggled to adjust to the new normal which came with pangs of anguish, boundless grief and both physical and mental defeat. There was a time when I wrote a "break up letter" to UKZN, a letter Prof Ruth didn't acknowledge, instead she left me alone for weeks, and then sent me a polite email checking on me and of course, with new timelines... Prof, words are not enough, your faith in me has truly been amazing, my inconsistency was enough for any supervisor to say "I'm done with this idiot!" but you didn't, every chance you had to give me hope, you used it, you manage to put a smile on my face from your feedback such as: "Together we can, woman Power!" I still don't know how you found time to listen to my personal issues before every session – you were more than I ever imagined a supervisor to be – Thank you ma'am and Happy retirement!



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Sello Hatang, Nelson Mandela Foundation CEO - my mentor and friend; thank you for constantly checking on my progress, finding time to read my work despite your busy schedule, and of course, for making the impossible possible (like when no book shop had Glenda Daniels’ *Power And Loss In South African Journalism* and within two days, I had a hard copy in my hand), Rre Hatang, ke fellwa ke mantsewe a go go leboga.

My dearest sister, Gugu Kanyile, losing mom was the hardest thing for both of us especially, though it has visibly hit you harder, how you took over mom’s role over the kids truly gave me a bit of chance to “do me,” thank you my love for this and much more.

Finally, a big thank you to Hulamin, for funding my studies, giving me resources, allowing me time off and making this dream a reality.

## ABSTRACT

This study, situated within a media focused political economic framework, compares and contrasts the dominant narratives of Media24's 2020 retrenchments in light of structural adjustments and *Daily Maverick's* 2020 expansion and the launch of its print title, *DM168*, within the context of the transforming news industry and the socio-economic impact of the Covid-19 pandemic.

A qualitative approach was necessary and appropriate for this study, as the researcher was seeking to examine competing narratives (the dominant narrative of Media24's staff retrenchment and *Daily Maverick's* alternative narrative during the same time period), rather than any quantitative data or evidence.

The data gathered for this desktop study consisted of texts published during the period 1 July 2020 to 31 October 2020, thus covering Media24's title closures and retrenchments on 7 July, the launch of their digital subscription on 13 July, and *Daily Maverick's* launch of *DM168* on 26 September. These texts were selected by the researcher on the basis of their ability to address the research objective. The researcher therefore employed purposive sampling, a method frequently used in qualitative research to identify and select data-rich cases in order to make optimal use of limited resources. The researcher was conscious of the possibility of bias, and therefore aimed to collect all published information possible during the specified time period, only eliminating articles that were clear reproductions of Media24's press releases, with no significant additional information.

The findings were grouped into convergent narratives, diverging contrasting narratives, and unique narratives. Broadly convergent narratives were the long-standing financial crisis in the news industry, the theft of revenue by Google and Facebook, social media as being inherently bad for news, the necessity of new business models that generate revenue from readers, journalism as an institution and as a professional, skilled activity, and ambivalent conceptions of change.

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## LIST OF ACRONYMS AND APPREVIATIONS

ACCC	Australian Competition and Consumer Commission
ANC	African National Congress
BCCSA	Broadcasting Complaints Commission of South Africa
CEO	Chief Executive Officer
Covid-19	Coronavirus disease of 2019
<i>DM168</i>	<i>Daily Maverick 168</i>
ICASA	Independent Communications Authority of South Africa
IPDC	International Programme for the Development of Communication
SABC	South African Broadcasting Corporation
SANEF	South African National Editor's Forum
UNESCO	United Nations Educational, Scientific and Cultural
WHO	World Health Organization

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# CHAPTER ONE: INTRODUCTION

## 1.1 INTRODUCTION

This study, situated within a media focused political economic framework, compares and contrasts the dominant narratives of Media24<sup>1</sup>'s 2020 retrenchments in light of structural adjustments and *Daily Maverick*'s 2020 expansion and the launch of its print title, *DM168*, within the context of the transforming news industry and the socio-economic impact of the Covid-19 pandemic.

## 1.2 PROBLEM STATEMENT AND STUDY BACKGROUND

2020 was a turbulent year for South African news media publications. Associated Media Publishing closed down permanently in May 2020, Caxton closed ten magazine titles in the same month (Rumney 2020: 10), and on 7 July, Media24, Africa's largest print and digital news publisher, announced the closure of a number of titles and the retrenchment of over 500 members of staff.

At the time, and as shown in more detail in the analysis conducted in section 5.2.2, these title closures and retrenchments were generally explained in terms of a dual crisis narrative: the ongoing transformations within the global news media, and the more recent economic impact of the 2020 Covid-19 pandemic (Basson 2020; Media24 2020; Rabe 2020; Rumney 2020; SANEF 2020; Toyana 2020).

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<sup>1</sup> Throughout this thesis, *Daily Maverick* and *News24* are italicised as digital news publications, and *DM168* (*Daily Maverick 168*) as a print publication. Media24 is not italicised, as it is a company and not a publication.

### **1.2.1 A dual crisis Part One: Media24 as a casualty of transformations within global news media**

On the one hand, as discussed in more detail in section 2.2 of the literature review, there had already been a decades-long general crisis within the news media industry globally, in both its traditional print and newer digital forms, in the face of the rise of the Internet, which had facilitated the development of multiple forms of easily accessible and easily shared networks of production and consumption of digital knowledge, while at the same time diverting considerable amounts of available advertising spend onto non-traditional platforms, such as Google and Facebook. News publications were no longer a privileged hub of sources of news information to be curated and disseminated at their discretion and in their own time, nor were they certain of attracting the money of advertising wishing to publicised their products and services to the public.

### **1.2.2 A dual crisis Part Two: The impact of Covid-19 on the news media**

The World Health Organization (WHO) reported the initial outbreak of Covid-19 in Wuhan, China during December 2019 (WHO, 2020a: 1). On 11 March 2020, the WHO officially declared the Covid-19 outbreak a pandemic (WHO, 2020b: 1). The pandemic is ongoing, and the lockdown measures instituted to limit the spread of the virus have affected all countries and all sectors of the socio-economic structures within those countries, including the news media. These lockdowns have had serious and dramatic global economic and political effects.

The World Bank has described the economic damage resulting from the efforts to curb the spread of the virus and the death toll as “the largest economic shock the world has experienced in decades” (World Bank 2020:1), and has indicated that every region will be subject to substantial growth downgrades, with particularly serious implications for the recent gains made by developing countries:

East Asia and the Pacific will grow by a scant 0.5%. South Asia will contract by 2.7%, Sub-Saharan Africa by 2.8%, Middle East and North Africa by 4.2%, Europe and Central Asia by 4.7%, and Latin America by 7.2%. These downturns are expected to reverse years of progress toward development goals and tip tens of millions of people back into extreme poverty. (World Bank 2020:5)

The sudden and severe economic stress experienced by so many, and the scale of the threat to people's lives and livelihoods, has had an immediate effect on socio-political attitudes. Shane Harris and Missy Ryan (2020) note that in many countries the pandemic has elevated the importance of public health as a national security issue and as a national economic priority on a par with traditional national security concerns such as terrorism, cyberattacks, and the proliferation of weapons of mass destruction. Jackson *et al.* (2020), in discussing the pandemic-related economic and human costs, and the long-term repercussions for economies, note that the measures being taken to prevent financial collapse and sustain economic activity may also inadvertently be adding to income and wealth disparities: "Within some countries, the economic fallout is widening racial and socio-economic cleavages and increasing social unrest" (Jackson *et al.* 2020: 1).

The South African government's public health measures to combat the Covid-19 pandemic — which consisted primarily of very restrictive lockdowns that curtailed people's freedom of movement and freedom to trade — produced an economic and societal shock that was presented by these media houses as the final nail in the coffin, and the death knell for their business models.

### **1.2.3 The broad responses of Media24 and *Daily Maverick* to the dual crisis**

Media24, a multiplatform media division of Naspers, and Africa's largest print and digital news publisher, was of the most significant casualties of this dual crisis. *News24*, Media24's online news division, has been found to be the most trusted news brand in South Africa for the past three years, according to the annual Digital News Report compiled by the Reuters Institute (Newman 2019; Newman et al. 2020, 2021).

On 7 July 2020, Media24 announced the mass closure of a number of its regional and community publications (Media24 2020). In addition to shutting down or heavily rationalising most of its magazine titles, or converting them to digital only, Media24 closed *Son op Sondag*, *Sunday Sun*, the Eastern Cape edition of *Son*, and four community newspapers in KwaZulu-Natal: *Amanzimtoti Fever*, *East Griqualand Fever*, *Hillcrest Fever* and *Maritzburg Fever*. The *Theewaterskloof Gazette* was incorporated into the *Hermanus Times*, while *Noordkaap* and *Kalahari Bulletin* were consolidated into a single newspaper, *Noordkaap Bulletin*, and *Kroonnuus* and *Vrystaat Nuus* were consolidated into *Vrystaat Kroonnuus*. It was announced that *Volksblad* and *Die Burger Oos-Kaap* would be

published as weekday digital editions only, available in PDF format on *Netwerk24*. Finally, the decision was taken to accelerate the digital transition of *The Witness*.

The company proposed the retrenchment of at least 510 staff members out of its existing staff complement of 2 971 (Media24 2020). While the Covid-19 pandemic was cited as the rationale for doing so, these retrenchments followed what had been a pattern of intensive rationalisation and less publicised retrenchments within all its titles over the past decade, as evidenced by the reduction of its staff complement by nearly two thirds from 7 068 staff members in 2013 (Media24 2014) to 2 971 in 2020, about to be further reduced to 2 461.

Less than a week after the retrenchment announcements, *News24* announced on 13 July 2020 that it would be changing its business model dramatically and moving to a digital news subscription service (colloquially known as, a paywall) (Basson 2020). According to this new “freemium” model, breaking news would still be free to read. As part of the formal announcement in the form of a press release on 13 July 2020, *News24*’s editor-in-chief, Adriaan Basson, began to establish a narrative of print and digital news as entirely separate entities — a clear “us” (*News24*’s newsroom) versus “them” (the newsrooms of all the other print titles). The interests of “us” and “we” were paramount, as explained by Basson (2020: <https://www.news24.com/news24/columnists/adriaanbasson/adriaan-basson-a-new-era-for-news-as-news24-prepares-to-launch-digital-subscriptions-20200712>):

We have invested in journalism and grew our newsroom at a dark time for media companies and journalists. With the very sad and unfortunate decline of print publications, we need to ensure that we build a sustainable future for digital publications like *News24* to keep power to account and strengthen democracy.

Additional elements which began to emerge in Basson’s announcement, and in other press releases, were the active language of capital investment (“we have invested in journalism”), growth (“grew our newsroom”), sustainability (“build a sustainable future for digital publications”), and advocacy and democracy (“to keep power to account and strengthen democracy”), as counterpoints to the passive language of uncontrollable economic decline (“the very sad and unfortunate decline”) to which print publications were linked. Digital was clearly being linked to sustainability, to accountability and to democracy, and print to “a sad and unfortunate decline” over which it was impossible to exert any control. The processes of news creation and journalism were not

acknowledged in the language used, but were abstracted and made invisible to the discussion, and the technological dimensions of digital media were foregrounded instead.

*Daily Maverick's* launch of its print publication, *DM168* on 26 September emerged as a very clear counterpoint and alternative narrative to the dominant crisis narrative presented by Media24, and by many others in South African media. *Daily Maverick* is a South African daily online and print newspaper founded in 2009. (*Daily Maverick*, 2020a)

### **1.3 RESEARCH OBJECTIVES**

In the context of this dual crisis being experienced by the news media in South Africa during 2020, the researcher noted a contrasting response from two important players during the third quarter. On 7 July, 2020, one of the most powerful players in South African news media, Media24, announced the closure of a large number of regional news titles and mass retrenchments, followed less than a week later by the launch of *News24's* digital subscription on 13 July. This approach seemed to reflect certain dominant narratives of crisis and transformation within the news media, as discussed in section 2.2. However, a couple of months thereafter, on 26 September, the digital-first news publication, *Daily Maverick*, launched *DM168*, a weekly print version of its digital offering. While Media24 was dramatically reducing its staff component and its investment in print, in favour of consolidating a subscription-based digital news offering around a centralised newsroom, *Daily Maverick* was continuing to expand its staff component and its offering, by branching out into a weekly, high-quality print publication. This approach seemed to represent an alternative response, or even possibly a challenge to the dominant narratives of crisis and transformation within the news media.

The researcher therefore became interested in understanding how Media24 and *Daily Maverick* were framing and presenting such diametrically opposed approaches, while they were both being subjected to the forces of the dual crisis in the news media discussed in the previous section. Given the constraints on travel and on conducting face-to-face research during the Covid-19 lockdowns during 2020, the researcher opted to conduct a desktop study of texts that assisted with understanding Media24's and *Daily Maverick's* approaches during this period, and the narratives that were employed to represent them. The data gathered for this desktop study therefore

consisted of texts published during the period 1 July 2020 to 31 October 2020, in order to cover Media24's July announcements, and *Daily Maverick's* September launch, and the immediate responses to them. These texts included announcements and explanations from the publications themselves, as well as opinion and commentary from within the industry and academia.

The researcher therefore established the objectives of the study as follows:

- To identify and critically analyse the dominant narratives of Media24's 2020 staff retrenchment action and closure of print titles, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic.
- To identify and critically analyse the dominant narratives of *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic.
- To compare and contrast these narratives to identify points of divergence and convergence.

## **1.4 RESEARCH QUESTIONS**

The following research questions were formulated on the basis of the stated research objectives:

1. What were the dominant narratives of Media24's 2020 staff retrenchment action and closure of print titles, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic?
2. What were the dominant narratives of *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic?
3. In what ways did these narratives converge and diverge?

## **1.5 RESEARCH METHODOLOGY**

A qualitative approach was necessary and appropriate for this study, as the researcher was seeking to examine competing narratives (the dominant narrative of Media24's staff retrenchment and

*Daily Maverick's* alternative narrative during the same time period), rather than any quantitative data or evidence. The methodology used to analyse the data in this study was thematic analysis, which Virginia Braun and Victoria Clarke (2006) note is a purely qualitative, detailed, and nuanced account of data. This data can include “texts and visuals (e.g. newspapers, magazines, speech transcripts), media (e.g., films, television episodes, Internet sites) and/or material culture (e.g., artifacts, commercial products) to analyse their prominent manifest and latent meanings” (Saldaña 2011: 10).

## **1.6 CONCEPTUAL FRAMEWORK**

The conceptual framework employed for this study focuses on three key areas, which are presented below: the foundational perspective from which people in the news media environment view change — as a crisis or as an opportunity for innovation; the foundational perspective from which people view the social purpose of news publications; and an understanding of the economic characteristics of news publications, both past and present. This conceptual framework is essential for addressing the research questions, which interrogate the dominant narratives of Media24’s 2020 staff retrenchment action and closure of print titles, and *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic.

### **1.6.1 A crisis in journalism, or creative disruption and innovation?**

A key question that emerged from the background reading and the literature review, was the foundational perspective from which people viewed change within the news media environment: did they view change in terms of “crisis” — as a financial crisis, and a crisis in journalism — or did they view change as creative disruption and innovation, in line with Joseph Schumpeter’s (1950) explanation of the business cycle as “creative disruption”? The key elements of these two perspectives are discussed in more detail in Chapter Three, where it is shown that in spite of the repeated mantra within the industry that print is dead and newspapers/news publications are in crisis, and the large body of research that documents how news publications are under economic

and cultural threat, even in their digital form, there is in fact widespread disagreement about how to understand and interpret the transformation of news publications in the digital era — and about whether in fact it constitutes a crisis at all. During the thematic analysis the researcher was therefore alert to any concepts or expressions associated with the crisis narrative on the one hand, and creative disruption and innovation on the other.

### **1.6.2 The social purpose of news publications**

In the context of the normative theory that news publications, particularly local news publications, should facilitate participatory democracy, Jürgen Habermas's (1989) concept of the public sphere, with the acknowledgement and incorporation of the above criticisms and modifications, is useful for examining Media24's 2020 staff retrenchment and news title closures, *News24's* launch of a subscription paywall, and *Daily Maverick's* expansion of their membership model and launch of a print publication. As discussed in more detail in section 3.2.1, Habermas's public sphere has been frequently used for understanding the social purpose and importance of news publications, and has been critiqued and developed by, for example, Fraser (1990), Gitlin (1998), Hauser (1999), Squires (2001), and Zhang (2012). It remains a useful starting point for understanding the growing tension between news as a profit-generating commodity and news as a public good.

In addition, various normative conceptions of news media are also presented in Chapter Three, such as its function as a vital part of democratic culture that facilitates democratic participation. These normative conceptions are particularly relevant and powerful in post-apartheid South Africa, where, in the context of a developing democracy, media freedom and the relationship between journalism and democracy remain contested areas (e.g., Jacobs 2002; Tomaselli 2002; Tomaselli & Teer-Tomaselli 2008; Wasserman 2010, 2020; Chuma, Wasserman, Bosch & Pointer 2017; Krüger 2017). This point is discussed in greater detail in section 2.3.2.

### **1.6.3 The economic characteristics of news publications**

Understanding the contrasting actions and propositions of Media24 and *Daily Maverick* during 2020 requires some understanding of how the business models of news publications have traditionally worked, of how these are changing as technologies change, and of the characteristics of news media



as an economic product. Chapter Three therefore lays out a brief history of the traditional economic model of print newspapers, and then presents a discussion of the unique economic aspects of news media as a product, such as high first copy costs, non-rival consumption and the network effect, the difficulty of excluding non-payers, news as a public good, and news as a merit good that generates positive externalities. The newer business models that have emerged for the transformed digital news media are then discussed, focusing on various strategies for generating reader revenue.

These conceptual aspects are important for understanding the implications of Media24's print-first publications transitioning to largely digital products, and *Daily Maverick's* digital-first publication expanding to incorporate a print dimension.

## **1.7 STRUCTURE OF THE STUDY**

This study is divided into six chapters. The introductory chapter has attempted to present the background and rationale for this study, and the process and methodology to be followed by the researcher. The conceptual framework has been introduced, to orientate the reader prior to its detailed discussion in Chapter Three.

**Chapter Two** presents a review of the literature relevant to the broad economic, technological and social changes experienced within South African news publications in the context of the Covid-19 pandemic, in order to provide a context for the thematic analysis.

**Chapter Three** lays out a brief history of the traditional economic model of print newspapers, and then presents a discussion of the unique economic aspects of news media as a product, such as high first copy costs, non-rival consumption and the network effect, the difficulty of excluding non-payers, news as a public good, and news as a merit good that generates positive externalities. In addition, various normative conceptions of news media are also presented in this chapter, such as its function as a vital part of democratic culture that facilitates democratic participation. These normative conceptions are particularly relevant and powerful in post-apartheid South Africa, where, in the context of a developing democracy, media freedom and the relationship between journalism and democracy remain contested areas.

**Chapter Four** presents the research methodology employed in this study. The critical paradigm that informs this study is discussed, and the ontology, epistemology and methodology of this paradigm. The qualitative research approach is presented, after which the method of selecting the data for this desktop study is explained. The analysis of the data according to Braun and Clarke's (2006) process of thematic analysis is then outlined.

**Chapter Five** presents the findings from the thematic analysis, and discusses them in relation to the research questions, and in relation to the reviewed literature from Chapter Two and the conceptual framework from Chapter Three, where possible. The themes are clustered and presented in order to address the three research questions.

**Chapter Six** presents the initial research focus, preliminary research objectives and questions, potential limitations to the study, summary of findings and the scope for further research

## **1.8 CONCLUSION**

The next chapter outlines the reviewed literature to examine the dominant narratives of Media24's July 2020 staff retrenchment action, in light of structural adjustments within the news publication industry and the socio-economic impact of Covid-19. Secondly, it reviews literature to examine an alternative narrative, as represented by *Daily Maverick's* expansion and launch of a print publication, and expansion of their membership model, during this same period.

## CHAPTER TWO: LITERATURE REVIEW

### THE TRANSFORMATION OF SOUTH AFRICAN NEWS PUBLICATIONS IN THE CONTEXT OF THE COVID-19 PANDEMIC

#### 2.1 INTRODUCTION

This chapter presents an overview of the transformation of news publications in the digital age, and the recent additional impact of the Covid-19 pandemic on news publications. According to Creswell (2008: 88), a literature review “describes the past and current state of information, organises the literature into topics, and documents a need for a proposed study”. The overview presented in this chapter therefore attempts to present research on both global and local South African trends and dynamics in news publications, while acknowledging that only a very small portion of existing research focuses specifically on the South African news environment and publications.

The purpose of this literature review is to lay the groundwork for examining two things. The first focuses on the dominant narratives of Media24’s July 2020 staff retrenchment action and institution of a paywall for digital content, in light of structural adjustments within the news publication industry and the socio-economic impact of Covid-19. The second focuses on an alternative narrative, as represented by *Daily Maverick*’s expansion and launch of a print publication, and expansion of their membership model, during this same period.

The chapter begins by providing an overview of the transformation of news publications in the digital era, in which the broad economic, technological and social changes experienced within the news industry are presented. A discussion of the South African context in relation to these transformations follows. Finally, a brief discussion of the further intensification of the transformative pressures on news publications brought about by the Covid-19 pandemic is presented.

This chapter lays out these points in order to contextualise Chapter Five’s discussion of how *News24* and *Daily Maverick* have adopted very different approaches — within the same historical, political and economic landscape — to the same broad questions facing those in the news industry: *What is the purpose of news media today, globally and in South Africa? How is it produced? Who should pay*

*for it? What is the relationship between news producers and news consumers? Do they have any reciprocal responsibilities, and if so, what are they?*

It is important to note that this study confines its analysis to two primarily English-language news platforms in South Africa. While the study draws on the past and present context of news publications in general in South Africa, the overall limitations of scope do not allow for detailed discussions on the perhaps different ways in which non-English language South African news publications have evolved over time. Where possible, the researcher has tried to remain aware of these possible differences, without losing sight of the focus of this particular study.

## **2.2 THE TRANSFORMATION OF NEWS PUBLICATIONS IN THE DIGITAL ERA**

### **2.2.1 Broad economic, technological and social changes**

Eugenia Siapera and Andreas Veglis (2012: 1) date the launch of the first online journalism website to 1993, when the University of Florida's Journalism Department used Mosaic, the first web browser, to launch their own news site. In November 1994 — in the same year that South Africa held its first democratic elections — the United Kingdom's *Daily Telegraph* launched the *Electronic Telegraph*, a simple list of selected news articles that were posted once a day, following the publication rhythm of the print newspaper (Siapera & Veglis 2012: 1). The purpose of this online version, according to Derek Bishton (2001) was to explore the technological and commercial possibilities of this new medium, and to establish the scope for launching the *Telegraph* as an online brand. Siapera and Veglis (2012: 1) observe that the developments in the more than 25 years that have elapsed since then have been “both gradual, such as the slow adoption of the Internet's features of hyperlinking, interactivity, and multimediality, and radical, as witnessed by the shift toward the participatory web and social media”, ultimately leading to a situation where it is now “difficult to imagine an exclusively offline journalism”. Rasmus Nielsen (2015: 2) remarks that “this unfinished media revolution involves changes in how we communicate, share content, get informed, are advertised to, and entertain ourselves”.

## **2.2.2 The sources of the challenges facing news publications**

Ignacio Siles and Pablo Boczkowski (2012: 1377) identify three sets of interrelated sources of the challenges facing news publications in recent times: economic, technological and social. They emphasise that while these factors can be discussed separately for the purposes of analysis, they are in fact interrelated in complex ways. In order to discuss the multiple challenges facing news publishers, the researcher has used these three categories as a guiding principle, while acknowledging the overlaps.

### *2.2.2.1 Economic factors*

The particular economic characteristics of news as an economic product are discussed in detail in Chapter Three, which also discusses the traditional economic model of print newspapers, the ultimate economic failure of this model in the face of social and technological change, and the proposed new business models for the transformed digital news media. Some of the many different perspectives on these economic challenges facing news publications are discussed here.

Multiple economic factors have been identified as challenges to news publications. There is widespread criticism that news publishers (newspapers, and the news platforms they have evolved into) have remained committed to business models that are inadequate and inappropriate for the current social and technological context. Robert G. Picard, for example, pointed out a decade ago that the fundamental problem for media businesses is that “too many of them are trying to sell 19th and 20th century products in the 21st century [...] and in many cases are trying to do this without changing the value they provide, or the relationships within which they are provided” (Picard 2011: 8). Philip Meyer, referring to how mass media increasingly segments audiences and promotes cultural differentiation, advocates for “a different kind of journalism, backed by a different kind of financial support”, and proposes that “for our own social and political health, we need to understand enough about the business of journalism to try to preserve it in new platforms” (Meyer 2009: 10).

Hsiang Chyi and Ori Tenenboim (2019: 2114) explain how, as a consequence of news publishers’ inability to successfully match a new business model with the current social and technological

context, a “death narrative” has prevailed for over a decade. This death narrative has “fostered a sense of crisis and cast serious doubts on the sustainability of print newspapers”, contributing to an “anti-print, pro-digital” discourse that has led to continuous disinvestments in print operations and the gutting of newsrooms (Chyi & Tenenboim 2019: 2114). They observe that this death narrative has propelled operational decisions that have damaged newsrooms and the news as a product, thus turning the narrative into a self-fulfilling prophecy.

Specific areas of criticism are newspapers’ historical dependence on advertising as their primary source of revenue, and their inability to accurately understand the threats of new digital technologies to their advertising revenue. As Boczkowski (2010: 30) succinctly puts it:

[B]ecause of their failure to move in a significant manner at a time when there were no serious competitors — the 1980s and the early 1990s — the efforts of newspapers in online advertisement that were initiated in the mid-1990s have had mixed results. They have furthered the position of newspapers in the online world, but, at the same time, have been unable to contain the rise of new competitors that had no presence in the print world.

An additional factor that is pinpointed in the literature is the excessive profit motive of newspaper companies, given the nature of the unique characteristics of news as an economic product discussed in Chapter Three. Citing Robert McChesney and John Nichols (2010), Brüggemann et al. (2016) state that this excessive profit motive has increasingly come at the expense of the quality of the news content, and has therefore reduced reader loyalty and engagement. They also point to the high profit margins that the newspaper industry enjoyed and came to expect in the late twentieth century — “huge profits, 25 percent, 30 percent or even 35 percent profits on an annual basis” — which are no longer realistic (Stanistreet 2012, in Brüggemann et al. 2016: 541). To further complicate the issue of a profit motive, several economic downturns (most notably the global financial crisis of 2008, and its impact on local economic conditions around the world) have compounded and exacerbated the economic difficulties faced by the news business, forcing them to focus even more intensely on profits and losses at the expense of journalism and their news product, thus further alienating readers (Nielsen & Levy 2010).

Hsiang Chyi (2015) sums up the contradictory and difficult situation faced by most news publishers:

Most newspapers are stuck between an unsuccessful experiment (for their digital product) and a shrinking market (for their print product). Even more embarrassing is the fact that the (supposedly dying) print edition still outperforms the (supposedly hopeful) digital product

by almost every standard, be it readership, engagement, advertising revenue, or paying intent.

#### 2.2.2.2 *Technological factors*

The *technological* factors that have posed challenges to the traditional operations of news publications have been largely attributed to the rise of the Internet and the associated digitalisation of information consumption, which, according to Siles and Boczkowski (2012: 1378) has had three primary effects: “(a) the alteration of traditional news production practices and values; (b) the transformation of the news consumption ecology; and (c) the reduction of advertising revenues for print newspapers”. Siles and Boczkowski (2012) outline how the Internet has significantly changed traditional values and practices in news production, drawing on Boczkowski’s (2010: 26) observation that by 2005 it was clear that “newspapers had done far worse in conquering the digital landscape than other competitors in the information industries”. Boczkowski argues that while newspapers have made changes and innovated, “they have moved in more conservative and less successful ways than new competitors — hence the lower level of innovation and market success” (2010: 26). He sums up his criticism of newspapers’ responses to technological change as follows:

[T]hese disparities arose partly from newspapers’ culture of innovation, marked by three traits: it has been reactive, defensive, and pragmatic. First, even though they tinkered with several new electronic and online publishing options before some competitors even existed, newspapers have tended to react to events, following trends rather than proactively setting them. Second, when they did act, newspapers have often focused more on maintaining their position and values in the print world rather than on experimenting with radically new ways of doing things. Third, when they have pursued new initiatives, they have been more concerned about short-term results than long-term horizons that are riskier but can have much bigger payoffs. (Boczkowski 2010: 26)

In support of his assessment, Boczkowski provides a range of specific examples. For example, the Associated Press ran a technically successful two-year experiment with videotex in the 1980s, which involved the subscribers of twelve newspapers getting access to the newspaper content through the online system provider CompuServe. The newspapers did not believe that the mechanism would be sufficiently commercially appealing, leading Lawrence Blasko, the director of information technology for the Associated Press, to conclude that “there is no clear and present danger to newspapers from electronic delivery of information to the home” (Boczkowski 2010: 28).

In terms of news production, Boczkowski (2004, 2010) strongly argues that certain traditional journalistic values and practices associated with print culture hinder newsrooms' capacity to adapt to a changing technological environment. Boczkowski argues that "a culture of innovation marked by defensive and reactive traits illuminates key dynamics that have shaped this trajectory" of newspapers over the past three decades (Boczkowski 2010: 32). Newspapers were reactive in the sense that they took action to innovate "only after it seemed evident to key decision makers that relevant technical and social developments had reasonable chance of taking hold, rather than more proactively trying to take advantage of them earlier in the game" (Boczkowski 2004: 48).

A defensive culture of innovation is observed in how they tended to be more concerned with "finding out what the new technologies meant for the print enterprise than in more offensively developing new technical, communication, and organizational capabilities" (Boczkowski 2004: 49). Boczkowski (2010: 33) concludes that "a critical focus of the first quarter century of innovation in electronic and online publishing was to defend the editorial and advertising spaces occupied by print rather than to conquer new territories in the digital domain". The third trait identified by Boczkowski, a culture of pragmatism, suggests that with their digital innovations, newspapers have been "more interested in the short-term health of their core print businesses than, more idealistically, in projects that seemed more promising with comparatively higher payoffs that could only pan out in the longer term" (Boczkowski 2004: 49). Boczkowski's summation of newsroom culture points to a dualism:

On the one hand, because they have tried to react, defend, and be pragmatic, they have not stood still at all [...] On the other hand, because they have evolved in a reactive, defensive, and pragmatic way, they have moved more slowly and more conservatively than their competitors [...] Therefore, they have lost the commanding position that they once held in the world of news and information.

However, it is the deeper implications of this newsroom culture, specifically in relation to technological change and innovation, that led Boczkowski to a final conclusion that is not often reflected in the discourse from news publishers themselves, who often choose to displace many of the reasons for their losses onto overwhelming external challenges that force them to make particular business, staffing and content decisions. Boczkowski points to the resilience of the defensive culture of innovation in newspapers as "preventing newspapers from dealing with innovation in a less conservative fashion", and suggests that the major challenge to the viability of the newspaper industry is "not exogenous but endogenous" (Boczkowski 2010: 35). The key



challenge, therefore, is not imposed on the industry by outside forces, such as “unforeseen technological developments, unanticipated consumer choices, or creative strategies of competitors”. Boczkowski makes the critical point that, instead,

that challenge comes from the industry’s very core: the set of beliefs, values, and norms that guide its members to make sense of their world and act upon it. This culture, in the end, may prove more difficult to deal with than technological, social, and market forces. (Boczkowski 2010: 35)

In addition to changes in news production discussed so far, the rise of the Internet has radically transformed patterns of news consumption, introducing a range of new formats and media, most notably news aggregators, blogs and social media platforms (Siles & Boczkowski 2012: 1378). These new formats and media are able to provide news that is free, specialised, customised and up to date and in real time. This was in contrast with the slower and more expensive delivery of traditional newspapers (Águila-Obra et al. 2007; Downie & Schudson, 2009). As a consequence, the new media technologies have challenged the privileged position of newspapers as news providers, by challenging the authority of journalists (Starr 2009), by heavily eroding the revenues of print newspapers (Kaye & Quinn 2010; Starr 2009), and by discouraging users from paying for online content, thus reducing the value of advertising space (Thurman & Myllylahti 2009).

### 2.2.2.3 *Social factors*

Finally, a number of *social transformations* have posed immense challenges to traditional news publishers, most notably the loss of trust in newspapers and in journalism (Knight Commission on Trust, Media and Democracy (KCMTD) 2019; Lewis 2019; Schudson 2019). The Knight Commission on Trust, Media and Democracy lists six reasons for the decline in public trust:

1. *The proliferation of news sources*, which the majority of the respondents in their survey felt actually made it more difficult for them to be well informed;
2. *Media disintermediation*, or the disruption/bypassing of traditional media flows of information between recognisable, trusted sources of content and the user/reader, with social media platforms often becoming the crucial link;

3. *Confusion between news and opinion*, as a result of the rise of commentary and opinion, and the breakdown of the clear distinction between news reporting and opinion, leading to perceptions of bias;
4. *The spread of misinformation, disinformation and malinformation* by bad political actors, with misinformation being “when false information is shared, but no harm is meant”, disinformation being “when false information is knowingly shared to cause harm”, and malinformation being “when genuine information is shared to cause harm, often by moving information designed to stay private into the public sphere” (KCTMD 2019: 65–66);
5. *The decline of local news*, which results in people’s levels of mistrust of the media growing as the distance between them and those who create the media they consume grows; and
6. *Politicised criticism of the media*, with people being more critical of “the media” in general than “their media” sources that they have selected to trust. (KCTMD 2019: 60–68)

### **2.2.3 The ways in which these changes have manifested**

Research on the broad economic, technological and social changes affecting news publications in the digital era has emphasised key ways in which the changes have manifested: 1) in the decline of readership (Nielsen 2015; Chyi & Tenenboim 2019; Abernathy 2020; Grieco 2020a, 2020c); 2) in the reduction of staff and resources (Abernathy 2020; Grieco 2020b); and 3) in the transformation of the content of news publications (Wilding et al. 2018).

In a comprehensive 2020 study titled “News deserts and ghost newspapers: Will local news survive?”, Penelope Abernathy (2020: 21) finds that in the United States,

half of newspaper readers and journalists have vanished over the past 15 years. Total circulation decreased by 55 million between 2004 and 2019. During the same period, newspapers lost 36,000 journalists. [...] Total weekday circulation — including both dailies and weeklies — declined 45 percent, from more than 122 million to 68 million. Daily papers lost 22 million print readers. Only 39 dailies had a circulation of more than 100,000 in 2019, compared with 104 in 2004.

Abernathy attributes the loss of readers and journalists to “the collapse of the for-profit business model that sustained newspapers in the 20th century” (2020: 21), as does Nielsen (2015), both of whom observe that local news has been particularly devastated financially by the downward spiral

of falling readership and falling advertising, which mutually negatively reinforce each other. Nielsen (2015: 3) observes that “the business models that local newspapers have been based on are under tremendous pressure today as readership is eroding, advertising declining, and overall revenues plummeting”.

Abernathy’s assessments are confirmed by Joy Jenkins and Lucas Graves (2019), and similar observations and conclusions have been made for the news publishing industries in many other countries, for example in the United Kingdom (Newman 2019; Firmstone 2020), Australia (Fisher 2019), Germany (Hölig & Hasebrink 2019; Thomaß & Horz 2020), Norway (Østbye 2020), Nigeria (Kolawole & Umejei 2020), Spain (Salaverría & Baceiredo 2020), the Netherlands (Bakker 2020), Argentina (Mitchelstein & Boczkowski 2019), Chile (Medina & Núñez-Mussa 2019), Canada (Brin 2019), and Japan (Sawa 2019). Even in countries like China that have experienced growth in circulation and advertising for the past 25 years, the negative effects of digital media are starting to take hold (Sparks et al. 2016). South Africa has been equally seriously negatively impacted (Roper 2019), and the specific South African context in relation to this research study is discussed in more detail in section 2.3.

The reduction of staff and resources, combined with attempts to find a business model that re-engages readers and advertisers, has inevitably led to changes in the way that news is produced, and a transformation of content. Wilding et al. have observed that “within the news industry, there remains a deep-set fear that the price of survival in a landscape dominated by non-journalistic platforms, citizen-journalists and journalists seeking the approval of citizens is a lowering of standards and a de-professionalisation of the industry” (Wilding et al. 2018: 24). The specific requirement for speed within the online digital news environment, which has to compete with the real-time communication and unmediated information sharing that characterises social media, has also meant an erosion in the time available for traditional journalistic practices and processes. Clay Shirky has argued that

‘news’ has decisively moved away from the notion of newsworthiness and ‘events covered by the press’, to stories that are produced and sustained by the actions of online users. In other words, the editorial practice of filtering information has been severely undermined and perhaps even made irrelevant. (Shirky 2008: 640)

This is sometimes referred to as “churnalism”, a term credited to Nick Davies which refers to “content that is produced quickly and without care, often recycled from other news content, or

lifted straight from press releases” (Wilding et al. 2018: 24). Davies argued that “if truth is the object and checking is the function then the primary working asset of all journalists, always and everywhere, is time. Take away time and you take away truth” (Davies 2008: 63, in Wilding et al. 2018: 24).

#### **2.2.4 The implications of these changes**

Siles and Boczkowski comment that “the significance of the crisis of newspapers has been the subject of much deliberation but little empirical study”, but conclude that despite the lack of empirical evidence to support claims about its social and political consequences, “there is general agreement that the crisis has had negative implications for democracy because it undermines the watchdog role traditionally played by the press and its significance as a vehicle for free speech” (Siles and Boczkowski 2012: 1380).

Michael Schudson (2010), for example, argues that the Internet has rendered obsolete or fundamentally changed many of the educational, investigative, and analytical functions that newspapers used to perform (while also acknowledging the potential of various online mechanisms to strengthen these functions in ways that the press historically could not). The serious political implications of the closures of newspapers and the transformation of newspaper content, have also been noted. For example, Sam Schulhofer-Wohl and Miguel Garrido (2009) showed that the closure of the *Cincinnati Post* had a measurable and significant impact on public life, in terms of voter turnout and political participation: fewer candidates ran for municipal office, and the incumbents became more likely to win re-election. Similarly, Rachel Howells (2015: i) found that with the closure of the Port Talbot’s local newspaper, “newsgathering [became] more distant and [was] more likely to use press releases and high status or official sources, and less local and less likely to be witnessed by a journalist”. As a consequence, the community became increasingly “under-informed, under-represented, and unable to access timely local information or gain adequate access to scrutiny” (Howells 2015: i). Voter turnout in particular declined, and overall Howell’s findings suggested damage to the local public sphere in the town.

The political implications of weakening newspapers have been made more sharply apparent in recent times, with the rise of ‘fake news’, an “insidious form of post-truth rhetoric” that Rosa

Scardigno and Guiseppe Mininni (2019: 81) describe as “a new weapon for anti-politics”, and which Lees describes as a catchphrase that can “plant mistrust in the media, stop stories being published, and even imprison journalists” (2018: 88). In an effort to address the problem, UNESCO has produced a handbook for journalists titled *Journalism, fake news and disinformation: Handbook for journalism education and training* (UNESCO 2018). However, the Covid-19 pandemic has highlighted the growing problems of misinformation, disinformation and malinformation, which have produced what the World Health Organization has termed an “infodemic” (WHO 2020c: 2), as well as the problem of political polarisation. These social and political effects of weakened newspapers and news publications are discussed in more detail in section 2.4.

Siles and Boczkowski (2012: 1380) point to how “news organizations are abandoning their public service orientation because of financial pressures, a development with potentially vital implications for the health of the democratic process”. Paul Starr sums up these implications:

As of now [...] no source in any medium seems willing and able to pay for the general-interest reporting that newspapers are abandoning. One danger of reduced news coverage is to the integrity of government. It is not just a speculative proposition that corruption is more likely to flourish when those in power have less reason to fear exposure. (2009: 29)

In Starr’s opinion, therefore, the weakening of the system of news publication produces an environment in which corruption can flourish.

## **2.3 THE SOUTH AFRICAN CONTEXT**

Because of South Africa’s socio-political history, and the role played by the press within that space, the overwhelming majority of academic study on South African newspapers and news media has been ideologically orientated, focusing on democratisation, media ethics, and political economies, while the tools (the specific technologies and business models) that in the end must produce the necessary financial economy of the news as a product have not received much focused attention in themselves. This academic blind spot — while understandable, given the South African socio-political environment — perhaps has resonance with the defensive and reactive culture of South African newsrooms and news organisations in relation to technological innovation. This culture has limited innovation by not being able to recognise, acknowledge, understand, value and usefully

adopt the new technologies that have been emerging, other than as a necessary defensive, “catch-up” strategy that is often very late in emerging.

This culture of South African newsrooms and the academic orientation towards the South African news industry mirrors Boczkowski’s general global assessment of newspapers’ (lack of a) culture of innovation, which, as discussed above, he characterises as “reactive, defensive, and pragmatic” (Boczkowski 2010: 26). However, I argue in the sections below that the situation has been exacerbated for South African newspapers and news publications by the political structure of the newspaper industry prior to 1994, by its political restructuring after 1994, by the late arrival of various associated news technologies (television, cable/encrypted signal television) which slowed the process of media convergence, by the slow rollout of Internet access, and by the necessary compulsion to focus on the narratives of socio-political change to a far greater extent than on technological innovation or on economically sustainable business models that demonstrated an understanding of the necessity to innovate.

### **2.3.1 The history of newspapers in South Africa prior to 1994**

Keyan Tomaselli (2002) has pointed out the often poor nature of postgraduate scholarship on South African media, noting that this may have been a consequence of the institutional discouragement of critical discussion on communications scholarship under National Party rule, particularly during the 1970s (Tomaselli 2002: 112).

The general history of South African news publications prior to 1994 can be characterised by three main strands, according to Tomaselli (2002). The first is an English-language, largely libertarian press that dates back to Thomas Pringle’s introduction of *The South African Commercial Advertiser* in 1824 in the Cape Colony, after the British took over the Cape of Good Hope from the Dutch. This was South Africa’s first independent newspaper, and courted controversy from the outset, as the ruling British authorities were against the notion of a free press (Tomaselli 2002: 112–113). This strand of South African news publications prior to 1994 was largely characterised by a resistance to political control by the state, a generally critical stance towards the state (including Afrikaner Nationalism after the 1930s and black nationalism by the mid-1990s), and a social-responsibility ethic (Tomaselli 2002: 113).

The second strand of pre-1994 news publication in South Africa consisted of a press aimed at black readers. Les Switzer (1984: 460) describes how printing presses were acquired by several mission societies in the Cape Colony between the 1820s and the 1870s, and how the Wesleyan Methodist Missionary Society produced the first black newspaper, *Umshumayeli Wendaba*, in 1837. Tomaselli (2002: 114) describes how “this base provided the roots for the ‘progressive’ and alternative presses of the 1980s which confronted the Nationalist hegemony in particular, and monopoly capital in general”. After the early, mission-controlled origins, Tim Couzens (1984) identifies two further eras to the pre-1994 black South African press: a period between 1884 and 1932, when “black newspapers were largely independent though often struggling to survive”, and a period from 1932 onwards, “when whites exert increasing influence on the black newspapers” (Couzens 1984: 1). Couzens, however, cautions that the designations “black press” and “white press” are fairly arbitrary ones in the South African historical context, and are “blurred at the edges”, as “despite numerous efforts of segregationists, both black and white, in South Africa, social activity has never been completely racially exclusive” (Couzens 1984: 1).

The third strand of news publication in South Africa prior to 1994 was the politically strategic role of Afrikaner-owned newspapers and publishers, which, according to Tomaselli (2002: 115) “played a significant role in the [National Party’s] rise to power in 1948, in the development of apartheid, and in South Africa’s withdrawal from the British Commonwealth in the 1960s”. Tomaselli also notes, however, the role of the Afrikaans press in preparing its readers for the shift to democracy in South Africa in the 1990s (Tomaselli 2002: 115).

Adrian Hadland (2007: 10) describes the press in South Africa prior to 1994 as white-dominated, tightly structured, restricted in its political content, and dominated by a few large organisations, who ensured extremely high barriers to entry for newcomers:

Apartheid isolation ensured no substantial foreign investment in the mainstream print sector until 1993, leaving largely undisturbed a language- and race-based oligopolistic division of the spoils between two major Afrikaans newspaper companies, Nasionale Pers and Perskor, and two English ones, Times Media Limited (previously South African Associated Newspapers) and the Argus Publishing and Printing Company. (Hadland 2007: 10–11)

The late arrival of television in the mid-1970s meant that there was little opportunity for media convergence or amalgamations of print and broadcast media companies, as had been occurring globally.

In their study on the role of print media during the apartheid era — which involved a thematic analysis of 1 800 English and Afrikaans articles that focused on the week of the Soweto uprising in June 1976 and the week of the National Union of Mineworkers' strike in 1987 — Edward Bird and Zureida Garda (1997: 2) focus on five key areas in which both the English and Afrikaans press legitimated the apartheid system (while also acknowledging differences in their roles and attitudes). During the apartheid era, the press often

1. Represented black people and white people unequally and unfairly in its reporting, thus contributing to the entrenchment of racist perspectives and ideologies.
2. Either supported, or did not adequately oppose, the criminalisation of extra-parliamentary and oppositional political activity legislated by the apartheid state.
3. Depoliticised the political content and implications of the news.
4. Either supported or failed to adequately challenge and oppose human rights violations.
5. Limited the political arena, by inscribing apartheid discourse in news reporting or failing to adequately challenge it.

Bird and Garda (1997: 7) conclude that in general the South African press “wittingly or unwittingly, often played a role in legitimising and centralising the system of apartheid”, but they make careful distinctions between the Afrikaans press, the English press, and the alternative press, and they acknowledge the evolution of attitudes and strategies within the South African press as the country progressed towards a democratic transition. Their analysis led them to conclude that, by and large, the Afrikaans press “was supportive of the state, faithfully reporting news in a manner and discourse which overtly supported apartheid”, and largely demonstrated a “faithful regurgitation of government propaganda” (Bird & Garda 1997: 8). By contrast, the English press “was frequently at odds with the government over its racial policies, challenging them both editorially and in news reports” (Bird & Garda 1997: 8), but still frequently reported uncritically and demonised the political struggle. While acknowledging that the English press attempted to provide more balanced and informative coverage, Bird and Garda (1997) note how they unwittingly supported the structures of apartheid discourse and ideology:

Despite their good intentions and their opposition to the government's racial policies, our research revealed that because this opposition was framed within the political discourse of the apartheid system, it legitimated it. It provided the system with a carefully controlled and limited opposition, vociferous at times, yet always defined within a discourse which did not



recognise, and deliberately excluded, the political and human rights of the majority of South Africans.

Bird and Garda (1997) note that “the real achievements in the media were those reached by the alternative press. With considerably less funding, and greater restrictions, banning orders and harassment from the state these papers managed to provide news and information which the mainstream commercial press could not”.

Bird and Garda’s assessments need to be understood against the long history of repressive legislation that ensured severe restrictions on the South African media prior to 1994. Among the numerous detailed laws governing the press and other media were the Official Secrets Act (No. 16 of 1956), which made it an offence to communicate anything relating to military, police or security that could be considered prejudicial to the safety of the interests of South Africa; the Publications Act (No. 42 of 1974), which established a censorship board that reviewed books, magazines and newspapers and determined what was fit for print; and the State of Emergency declarations in 1960 and 1985, which intensified the aforementioned laws, and included prohibitions on the print publication, or radio or television broadcast, of any information related to detainees, on the filming, recording, publishing and broadcasting of material concerning public disturbances, and on the dissemination of photographs, drawings and sound recordings (South African History Online 2021: <https://www.sahistory.org.za/article/state-emergency-1985>).

The South African news prior to 1994, as an economic product, functioned as a public good, and a merit good, for only a small racial minority, and did not generate positive externalities for the broader population, or facilitate an inclusive public sphere. As argued by Jane Duncan (2014), after 1994 it therefore became critical to re-constitute South Africa’s mediated public sphere (or constitute it for the first time). It was therefore important to try to reposition the South African news media as a public good, and as a merit good, in order to formulate and strengthen a coherent South African public sphere (as discussed). However, as discussed in the following section, because of the simultaneous global shifts in information and communication technologies, and the rise of the Internet and digital media, a tension began to arise almost immediately between news as a public good and news as a commodity, as the traditional technological mechanisms and business models for producing news began to be displaced.

### **2.3.2 Economic, technological and social changes affecting news production in South Africa post 1994**

South Africa's political transition coincided with the start of a fast-moving and radical shift in information and communication technologies globally, as it was in the early 1990s that the Internet began to be extensively used for information dissemination. These web-based digital technologies produced a global shift in people's relationship with knowledge and information, which was no longer mediated by only a few authoritarian institutions and channels. In addition, the volume and depth of information, and the time scales involved with accessing it, changed the nature of what could be considered news.

The changes experienced by South African news publications have therefore been multiple and profound, and have been characterised by radical local and global shifts. As mentioned at the beginning of this section, because of South Africa's socio-political history, and the role played by the press within that space, the overwhelming majority of academic studies on post-apartheid South Africa's newspapers and news media have been ideologically orientated, focusing on democratisation, media ethics, and political economies, while the evolution of the tools (the specific new technologies and business models) that in the end must produce the necessary financial economy of the news as a product have not received much focused attention.

#### *2.3.2.1 Democratisation of the media*

In democratic, post-apartheid South Africa, most of the repressive legislation mentioned in the previous section has been repealed, and press freedom is enshrined in Section 16 of the Constitution, which states: "Everyone has the right to freedom of expression, which includes freedom of the press and other media" (Republic of South Africa 1996). This constitutional shift has had an undeniably more positive impact on media freedom. South Africa currently ranks 31<sup>st</sup> in Reporters Without Borders' World Press Freedom Index (2020: n.p.), but Herman Wasserman (2020: 455) warns that press freedom in South Africa should not be overstated or assumed:

Although the situation is clearly much improved, and the South African media is now much freer to act as a robust watchdog of political power, the relationship between the media and government has often shown signs of strain. There are increasing examples of politicians'

intolerance for media criticism, but also of political interference and attempts at capturing the media agenda for political gain. The intolerance for criticism can be seen to be especially directed at the print media, which continues to be associated with elite views and is therefore an obvious target for attacks.

In addition to overall democratisation and increased independence, Wasserman (2020) sees the South African media post 1994 as characterised by a number of political-economic and regulatory shifts, such as the restructuring of the public broadcaster (the SABC), increased support for community media, facilitating the entry of black ownership into the media market, the improvement and extension of telecommunications, and the establishment of regulatory bodies (the Independent Communications Authority (ICASA), the Press Council of South Africa, and the Broadcasting Complaints Commission of South Africa (BCCSA)). In addition, Wasserman (2020: 461) identifies four key normative debates that have been ongoing in the development and strengthening of the media in post-apartheid South Africa:

- What role should the South African media play in a young, African democracy?
- What responsibility, if any, does the South African media have to contribute to development and the eradication of social inequalities in South Africa?
- What, if any, are the limits to the freedom of speech enshrined in the Constitution, and how should that freedom be balanced with the Constitutional value of human dignity?
- How can the public's participation in media regulation be encouraged and ensured?

### *2.3.2.2 Power, capital and political expectations of the South African media*

Sean Jacobs argued in 2002 that the media had emerged as “autonomous power centres in competition with other power centres” (Jacobs 2002: 279). Reading Jacobs’ overview of post-apartheid South African media nearly 20 years after he wrote it, reveals his quite specific normative understanding of the role of the media in South Africa, and his particular political expectation of the role of the media. It can be argued that this understanding continues to be shared by many South African academics. Jacobs understands the media exclusively in terms of its potential to exert power. While it is out of the scope of this study to pursue this line of thought, the researcher wonders whether the tradition of criticising “capital” by left-wing South African academics and journalists, whose role has traditionally been an activist and advocacy role on behalf of the

powerless (those without access to capital), has limited the possibilities for recognising, considering, understanding and discussing the importance of discarding irrelevant media business models and evolving new ones. If capital is an evil, it is still a necessary one for news media to function at all, and not finding value or interest in how publications are financed in fact threatens the normative role of news media.

Harry Dugmore's (2018) assessment of the South African media landscape makes similar observations to that of Jacobs (2002), focusing on four key conceptions for understanding the South African media industry: the concentration of ownership and influence, media capture of key parts of the news infrastructure by state and non-state actors, the contradictions and complexities of the dual markets that the news media operates in (with business models generating revenue from both paying audiences and advertisers), and the contingent and precarious nature of news media journalism (Dugmore 2018: 14–15). However, he does examine the possible funding models being developed, as discussed in section 2.3.2.5.

#### *2.3.2.3 A drop in readership and a deficit of journalistic skills and professionalism*

Hadland (2007) notes two key developments in the print newspaper industry that occurred almost immediately after the first democratic elections in South Africa in 1994: a dramatic fall in the quantity of newspapers sold, and in the quality of the newspapers themselves. Newspapers began to experience a sudden drop in readership (total daily newspaper circulation fell by 11% between June 1994 and December 1995), and a dramatic deficit in journalistic skills and professionalism became apparent in the wake of the South African National Editor's Forum's (SANEF) skills audit in 2002 (Hadland 2007: 11).

#### *2.3.2.4 Slow initial uptake of Internet technologies by news producers and consumers*

News media in post-apartheid South Africa seems to have struggled with the same defensive culture of innovation identified by Boczkowski (2010: 33), both on the part of producers and consumers. It is telling that the key innovation in the South African newspaper industry that Hadland described in his 2007 study was not the sea change in the technologies used globally over the previous decade

to access, package and distribute the news. Instead, Hadland focuses on a change to the existing broadsheet format and content — the rise of the tabloid *Daily Sun* in 2003, followed by the *Sunday Sun* and *Son*, all owned by Naspers, which had consolidated its print titles in 2000 to become Media24. Thirteen years after the *Daily Telegraph* had begun its online, digital experiments, Hadland's (2007) comprehensive study on the first decade of South African print media after 1994 did not identify or discuss the emergence of the Internet and online information. His study mentions the Internet only four times (once in relation to proposed legislation that would empower the government to monitor and intervene in online activities, once in relation to Naspers's efforts to cut costs by restricting reporters' access to the Internet, once (ironically) in relation to Naspers's investment in Tencent, a Chinese Internet platform, and once in a quote that linked the Internet with uncertainty about the future). Hadland (2007) mentions "online" only once (referring to the ANC's online mouthpiece, *ANC Today*), and does not use the word digital at all. In an entire chapter on the media market in South Africa, the technological shift to using online, digital information is not mentioned.

As recently as 2013, Libby Lloyd wrote in her report to the Centre for International Media Assistance that "because of the high cost of bandwidth, readership of news on the Internet is not yet a significant factor in South Africa's media landscape" (Lloyd 2013: 10). This perspective focuses only on news consumption (readership), and not on how news is sourced and produced. However, in terms of simple consumption, digital penetration has grown significantly in recent years, and currently, given that South Africa's population is estimated at 60 million, the country has 38,19 million Internet users (and 100,6 million mobile connections), putting Internet penetration at around 64% (Kemp 2021: n.p).

#### 2.3.2.5 *The problem of a suitable business model for digital news publications in South Africa*

Harry Dugmore's (2018) assessment of the sustainability of the news industry and journalism in South Africa illustrates how South Africa's news industry has encountered the same problems in establishing a viable business model for digital news as those in other countries. Dugmore (2018: 100) points out how "digital migration and a lethargic local economy mean that print circulation is dropping rapidly [...] while the move to online is proving difficult to monetize". He also observes

how newsrooms are shrinking, how specialist journalists are becoming rare, and how, as news companies increasingly lose revenue, “they will increasingly be unable to devote the kind of resources that bring about real, ground-breaking journalism that ‘speaks truth to power’ – and provide the public with the information needed for them to fully exercise their rights in a healthy democracy” (Dugmore 2018: 100).

Dugmore also observes the difficulties of establishing secure and viable funding models for the digital news media in South Africa, and “how reliance on advertising has not yet been replaced by reader, listener or viewer revenue – except on pay-TV” (Dugmore 2018: 102).

## **2.4 THE IMPACT OF COVID-19 ON THE NEWS MEDIA GLOBALLY**

### **2.4.1 The global socio-economic impact of the pandemic**

The World Health Organization (WHO) reported the initial outbreak of Covid-19 in Wuhan, China during December 2019 (WHO, 2020a: 1). In the early months of 2020, the virus spread quickly around the world, in both developed and developing countries, and on 11 March 2020 the WHO officially declared the Covid-19 outbreak a pandemic (WHO, 2020b: 1). The pandemic is ongoing, and the lockdown measures instituted to limit the spread of the virus have affected all countries and all sectors of the socio-economic structures within those countries, including the news media. These lockdowns have had serious and dramatic global economic and political effects.

The World Bank has described the economic damage resulting from the efforts to curb the spread of the virus and the death toll as “the largest economic shock the world has experienced in decades” (World Bank 2020:1), and has indicated that every region will be subject to substantial growth downgrades, with particularly serious implications for the recent gains made by developing countries:

East Asia and the Pacific will grow by a scant 0.5%. South Asia will contract by 2.7%, Sub-Saharan Africa by 2.8%, Middle East and North Africa by 4.2%, Europe and Central Asia by 4.7%, and Latin America by 7.2%. These downturns are expected to reverse years of progress toward development goals and tip tens of millions of people back into extreme poverty. (World Bank 2020:5)

The sudden and severe economic stress experienced by so many, and the scale of the threat to people's lives and livelihoods, has had an immediate effect on socio-political attitudes. Shane Harris and Missy Ryan (2020) note that in many countries the pandemic has elevated the importance of public health as a national security issue and as a national economic priority on a par with traditional national security concerns such as terrorism, cyberattacks, and the proliferation of weapons of mass destruction. Jackson et al. (2020), in discussing the pandemic-related economic and human costs, and the long-term repercussions for economies, note that the measures being taken to prevent financial collapse and sustain economic activity may also inadvertently be adding to income and wealth disparities: "Within some countries, the economic fallout is widening racial and socio-economic cleavages and increasing social unrest" (Jackson et al. 2020: 1).

#### **2.4.2 COVID-19 and the media landscape**

In March 2020, when the United States began to experience a surge in Covid-19 infections and deaths in New York, online news *BuzzFeed's* Craig Silverman noted that "a cruel irony of the pandemic [...] is that while journalists may be performing an essential business, the business of journalism is facing an extinction-level threat" (Silverman 2020: par. 2). While his apocalyptic assessment has been echoed widely (Abernathy 2020; Ahmed 2020), some disagree (Jaishankar 2020; Mayhew 2020a; Newman et al. 2020). Rasmus Klein Nielsen, director of the Reuters Institute for the Study of Journalism observed that "the crisis is very likely to accelerate long-term structural changes towards a more digital, more mobile, and more platform-dominated media environment" (Nielsen, in Newman et al. 2020: 5).

Nic Newman, a senior research associate at the Reuters Institute for the Study of Journalism, has described the financial impact of the pandemic as a "catalyst for change" in the news industry that is forcing publishers to do things they have been putting off, and that they are being required to do so at an accelerated pace. In June 2020 Nielsen proved correct in his opinion that while there would be closures of titles, "a lot of it will be around consolidation, and cost-cutting, reorganising and rethinking what a news organisation needs to do going forward if not in an all-digital way [then] in a way in which digital is genuinely leading the charge" (Newman in Mayhew 2020a).

There are clearly multiple pressures on the news media, many of which pre-date the pandemic. Two primary factors, however, stand out at this time: the economic effects of Covid-19 on both legacy media and traditional media institutions that largely underpin and generate trusted and verified mainstream news; and the collapse of the traditional news order, which has nurtured the conditions for increased disinformation in relation to Covid-19, or an “infodemic” (WHO 2020f: 2).

### **2.4.3 Economic effects of COVID-19 on news media institutions**

In a comprehensive examination of the loss of local news in the United States and the implications for democracy, Penelope Abernathy situates the current impact of the Covid-19 pandemic on news media institutions against the background of two decades of “successive technological and economic assaults [that] have destroyed the for-profit business model that sustained local journalism for two centuries” (Abernathy 2020: 8). Abernathy describes how over just the past two years in the United States, 300 newspapers have closed, 6 000 journalists have been retrenched, and print newspaper circulation has declined by five million (Abernathy 2020: 8). In addition, consolidation has also increased, with the largest chains, backed by private equity firms and hedge funds, racing to merge with the last surviving publicly traded companies to form mega-chains with hundreds of newspapers, and management focused on shareholder return over journalism’s civic duty (Abernathy 2020: 8).

Prior to Covid-19, the United State was already seeing the rise of “news deserts”, as a result of the disappearance of newspapers, readers and journalists; according to the Pew Research Center, overall newsroom employment (digital native and broadcast media included) has fallen by a quarter since 2008. In the United States, newspapers have suffered the most, losing half of their newsroom staff over that period (Grieco 2020a, b). However, the pandemic has “turbo-charged the decline” (Abernathy 2020: 8), with at least 30 newspapers closing in April and May 2020, others moving to online-only delivery of news, and thousands of journalists being furloughed or retrenched. By July 2020, over 50 local newsrooms across the United States had permanently closed since the pandemic began (Hare 2020).

Similar trends have been evident in the news media in the United Kingdom, where by April 2020 more than 2 000 newspaper staff had been furloughed or retrenched (Mayhew & Turvill 2020), and



where it was predicted that 5 000 news journalists could lose their jobs without state subsidies (Arlidge 2020). India's news industry, which prior to the pandemic was one of the few thriving examples — has also seen a wave of job losses, salary cuts and titles closing, particularly in the print news media (Dutta 2020).

At the beginning of April 2020, News Corp in Australia announced the suspension of the print editions of 60 local newspaper titles (Meade 2020a), and at the end of May announced the closure of the print editions of 112 regional and local newspapers, 36 of which were being closed down completely and the remainder converted to digital editions only (Meade 2020b; Zhou 2020).

As others have done, in June 2020 Abernathy explained this decline in news media as being partly self-inflicted and partly inevitable. On the one hand, she ascribed the decline to “an initial lethargy, or arrogance, at many newspapers [which] hindered innovation and a quick response to a rapidly shifting environment” (Abernathy 2020: 9). She also faulted news publications for “prioritizing bottom-line performance over journalism's civic mission, dooming hundreds of news organizations to irrelevance” (Abernathy 2020: 9). On the other hand, she described the decline as inevitable, due to the collapse in the traditional news business model, the failure to identify a viable substitute digital model, and the rise of the Internet. Abernathy subscribes to the theory that the Internet is responsible for the demise of the newspaper industry, citing “the intrusive, always-on internet [which] swiftly siphoned off readers, advertisers and *profits*”. In addition, she supports the often repeated theft narrative, blaming Facebook and Google for “capturing the vast majority of digital revenue”, resulting in “traditional news organizations, as well as online outlets [being] reduced to fighting over the digital scraps” (Abernathy 2020: 9).

Since the start of the pandemic, there have been many paradoxical observations that point to fundamental problems in the business model associated with news media. A sharp rise in online readership and subscriptions has been reported globally during the Covid-19 pandemic, as shown by Mayhew (2020b), Schwab (2020) and Silverman (2020), and in South Africa by *News24's* CEO Adriaan Basson, who stated: “Since the coronavirus hit our shores in early March, our audience has almost doubled. On any given day we now have around 1.5 million unique users reading *News24's* journalism” (Basson 2020). However, advertising revenues have not increased. Silverman notes that the increased revenue from subscriptions does not make up for the near total collapse of local

advertising as businesses are forced to shutter during lockdowns, and that “it is unclear if or when they will return to pre-pandemic levels” (Silverman 2020: par. 4).

One explanation is that while the pandemic is stimulating readership as people seek news and information, the nature of the content about the pandemic, which tends to stimulate fear, anxiety, or denial, is seen by many marketers as unfavourable for advertising, and they choose not to have their products and services appear alongside it. Silverman describes how some advertisers stopped their online spending altogether, while others turned to keyword blocking to prevent their adverts from appearing next to articles about the coronavirus. “As a consequence, publishers can’t turn the surging traffic into revenue as easily, and when they do, advert rates are lower than would be otherwise expected” (Silverman 2020). Many major newspapers opted to remove the paywalls on their digital editions for Covid-19 stories as an act of public service; however, Saltz (2020) observes that given the disappearance of advertising associated with these stories, this may have been less of a noble gesture and more of a pragmatic public-relations exercise (Saltz 2020).

## **2.5 THE IMPACT OF COVID-19 ON SOUTH AFRICAN NEWS MEDIA PUBLICATIONS**

No in-depth quantitative studies that provide an overview of the nature and scale of the decline of the South African news media on a par with Abernathy’s project have been conducted. There is therefore currently no mechanism for accurately establishing an overview of South African news media that takes into account quantitative industry statistics along with qualitative assessments.

The closest we have is the *State of the Newsroom* report published by Wits Journalism (the most recent edition being 2019/2020), which presents opinion and commentary on retrenchments and employment practices in South African newsrooms, and on the relationship between the news media and the political establishment. It includes a brief report on print newspaper circulation statistics provided by the Audit Bureau of Circulations of South Africa, showing that the circulation of daily, weekly, and weekend print newspapers dropped by 29%, 26%, and 31% respectively between 2016 and 2019, and local newspapers by 20%, but statistics on digital news media consumption are not available.

The *Reuters Institute Digital News Report* (e.g. Newman et al. 2020) conducts an annual overview of country brands, sources of news, devices for news and so on, and the South African contribution is provided by Code 4 Africa's Chris Roper. However, this does not include circulation statistics or quantitative analyses that state the scale or detail of the decline in South African news media.

Much of the information that exists on the Covid-19 pandemic is therefore opinion that is being formed as the pandemic unfolds, and that is largely informed by the pre-existing conditions that South African news publications faced. The 2019/2020 *State of the Newsroom* report did not have much specific detailed information on the impact of the Covid-19 pandemic on South African news publications, but it did include a transcript of a webinar hosted by Wits Journalism's Franz Krüger, in which one of the guests, Khadija Patel (former editor of the *Mail & Guardian*), summed up the zeitgeist of the time:

I don't think anyone can be optimistic right now. [...] I am optimistic that journalism is going to survive, because it is integral to our understanding of each other and the world. But the business of journalism will have to evolve radically, and I think that in the coming months we may have very difficult conversations with ourselves within organisations about how we run news businesses and what the object of a news business ultimately is. (Finlay 2020: 42)

The crisis point of mid-2020 was reached with a spate of media closures, which were loosely quantified at the time by Reg Rumney as follows: the potential loss of 250–300 editorial staff as a result of Caxton closing 10 of its 12 magazine titles; the loss of 97 jobs with the closure of Associated Media Publishing; and the loss of 300–400 journalist jobs with the closure of many independent black-owned small newspapers, with a further 700 jobs lost in their value chain (Rumney 2020: 9–10).

The general consensus about the rash of title closures and retrenchments in 2020 runs contrary to the stated explanations of the media owners, as articulated by Gasant Abarder in response to the permanent shutdown of Associated Media Publishing:

Covid-19 has made the struggle to survive all the more difficult. The lockdown has seen newspaper sales drop sharply in an industry that can ill afford such disruption. But it was perhaps the first time the owners were paying attention to the disruption. Their response: pay cuts, forced leave and threats of job losses after barely three weeks of the lockdown. How did this multi-billion-rand industry arrive here? To blame Covid-19 would be naïve. (Abarder 2020: n.p.)

Finally, cartoonist Bethuel Mangena succinctly captured the prevailing opinion in the cartoon below, which illustrates the media as a sinking ship, apparently “hard hit by Covid-19” according to the media owners, but in fact sunk by falling revenues, readership and circulation long before it has even reached the Covid-19 iceberg.

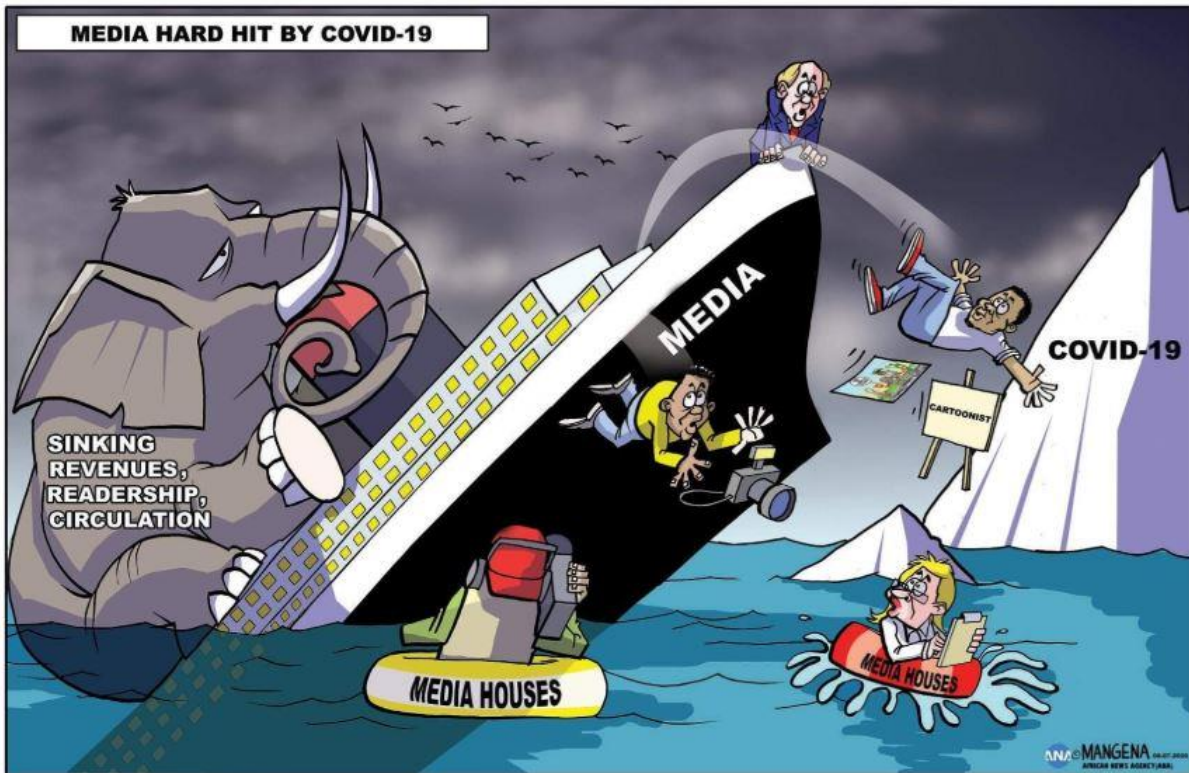


Figure 1: “Media hard hit by Covid-19” (Mangena 2020).

# CHAPTER THREE: CONCEPTUAL FRAMEWORK

## THE ECONOMIC CHARACTERISTICS AND SOCIAL PURPOSE OF NEWS PUBLICATIONS

### 3.1 INTRODUCTION

The broad economic, technological and social changes experienced within the news industry were discussed in Chapter Two, and two dominant responses to and interpretations of these changes are discussed here — many of those who work within the news publication industry frame these changes as a “crisis of journalism”; however, there are those who view the changes in terms of “creative disruption and innovation”.

In spite of the repeated mantra within the industry that print is dead and news publications are in crisis, and the large body of research that documents how news publications, even in their digital form, are under economic and cultural threat, there is in fact widespread disagreement about how to understand and interpret the transformation of news publications in the digital era — and about whether in fact it constitutes a crisis at all.

Siles and Boczkowski point out that “crisis is both a rich and a slippery concept” (2012: 1376), as shown in the evolution of the meaning of the word, which “today means indecision [...] the moment when, in tandem with a disruption, uncertainties arise”, but which in its original Greek form, *krisis*, “meant decision: it is the decisive moment, in the evolution of an uncertain process, that allows a diagnosis” (2012: 1376). Brüggeman et al. explain that “the notion of ‘crisis’ is not neutral, objective or universally applicable”, and that “discourses of a newspaper ‘crisis’ should not be regarded simply as descriptions of the actual state of the press but also as a means by which strategic actors frame the situation” (Brüggeman et al. 2015: 533). They distinguish between a “crisis in journalism” frame and a “disruptive innovation” frame, and demonstrate that debates on the newspaper “crisis” are only partly influenced by economic realities and media policy traditions. They also reflect the strategic motives of powerful actors, who instrumentalise the crisis discourse even when the economic situation is a lot better for them. “Crisis” is therefore a contested concept, and a powerful one.

Schlesinger and Doyle (2015) elect to nuance the discussion of the transformation of news publications in the digital era by understanding it through the lens of Joseph Schumpeter's "creative destruction" explanation of how business cycles operate:

The fundamental impulse that sets and keeps the capitalist engine in motion comes from the new consumers' goods, the new methods of production or transportation, the new markets, the new forms of industrial organization that capitalist enterprise creates. The same process of industrial mutation [...] incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one. This process of Creative Destruction is the essential fact about capitalism. It is what capitalism consists in and what every capitalist concern has got to live in. (Schumpeter 1950: 83, in Schlesinger & Doyle 2015: 305)

Schumpeter's "creative destruction" focuses on technological change and innovation, and how this can force existing businesses to adapt or die. Schlesinger and Doyle describe the relevance of Schumpeter's thinking to the transformations within the newspaper industry, where technological developments both within and outside of the industry have brought opportunities while also resulting in existing products and services being eroded:

While advances in digital technology and associated changes in news consumption and advertising patterns have opened up the opportunity for some new players [...] many market incumbents have suffered significant upheaval. (Schlesinger & Doyle 2015: 308)

In the context of this study, the added dimension of the Covid-19 pandemic added a further layer to the crisis narrative. As discussed, this aspect of the crisis narrative of news publishers is open to interrogation. As expressed by Abarder (2020), pay cuts, forced leave and threats of job losses emerged after barely three weeks of lockdown, raising important questions about using the Covid-19 crisis narrative to facilitate aggressive restructuring through mass closures of unprofitable print titles.

These two broad conceptualisations of a "crisis of journalism" on the one hand, and "creative disruption and innovation" on the other, were useful for framing the researcher's responses to the research questions: an exploration of the dominant narratives of Media24's staff retrenchment action and closure of print titles, the dominant narratives of *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, and the ways in which these narratives converged and diverged. However, an adequate understanding of the concepts of crisis and creative opportunity, in order to examine the various areas in which Media24 and *Daily Maverick* chose to adopt either a crisis

narrative or a “creative destruction” narrative (or elements of both), required the researcher to understand three conceptual aspects: 1) the social purpose of news publications, in order to understand the ways in which news publications are deemed essential to society; 2) the traditional economic aspects of news publications, in order to understand how news publications have traditionally been sustained economically; and 3) the evolving economic characteristics of transformed news publications in the digital era, in order to understand the changes, and concomitant challenges and opportunities faced by news publications.

## **3.2 THE SOCIAL PURPOSE OF NEWS PUBLICATIONS**

### **3.2.1 The public sphere and news media**

In *The structural transformation of the public sphere*, published in German in 1962 and in English in 1989, Habermas describes the public sphere as a specifically public domain, as opposed to the private domain. It is an arena of public debate, in which people are able to form and express their views on issues of common concern. By taking part in a public process of rational debate and deliberation, people are able to exert influence on political decisions. However, this requires “specific means for transmitting information and influencing those who receive it” (Habermas, 1989: 49). The media are therefore an essential mechanism for helping to inform people, for providing alternative perspectives, and for communicating the general consensus of opinion of the majority to those in power (Howells 2015: 46).

It is important to note that Habermas’s theory has been criticised and challenged in a number of important ways, and over the years he has responded to these challenges to extend or clarify the concept of the public sphere. For example, one of the most important criticisms is Habermas’s formulation of the public sphere as a single, bourgeois sphere, a perspective which a number of critics (Fraser 1990; Gitlin 1998; Hauser 1999; Squires 2001; Susen 2011) have argued does not take into account the possibility that “different communities, audiences, sections of society, or geographically delineated communities might operate within distinct, smaller, public spheres that could be different, or discrete, from the main public sphere” (Howells 2015:47–48). Issues of diversity, race, gender and social justice were not as prominent in 1962, and these critics have seen the value of expanding and updating Habermas’s approach. Susen notes that Habermas presents a

“universalistic conception of public interests, thereby neglecting the fact that advanced societies are composed of a multiplicity of competing, and often counter-hegemonic, public spheres” (Susen 2011:58–59).

A number of scholars have rejected the idea of a single public sphere and have proposed alternative spheres. For example, Fraser (1990) and Squires (2001) put forward the notion of counterpublics or subaltern publics, who challenge and strengthen the public sphere, and Gitlin (1998) proposed the concept of public “sphericules” — alternative, segmented and scattered niche communities which he proposes have shattered the perceived integrity of Habermas’s public sphere. Habermas himself later acknowledged the existence of counterpublics but viewed them as being a part of the single public sphere he originally envisaged. For him, they exist within the public sphere and are part of “this open and rational discursive space, which can ‘absorb’ others without colonizing them” (Zhang, 2012:147). Finally, Hauser (1999) proposed the rhetorical public sphere, consisting of multiple publics, or a network of connected publics that form opinion in multiple arenas. These public spheres form around an ongoing dialogue on public issues, rather than the identity of the group engaged in the discourse. Hauser conceives of the public sphere as

a discursive space in which strangers discuss issues they perceive to be of consequence for them and their group. Its rhetorical exchanges are the bases for shared awareness of common issues, shared interests, tendencies of extent and strength of difference and agreement, and self-constitution as a public whose opinions bear on the organization of society. (Hauser 1999: 64)

In describing the formation of the public sphere, Habermas describes the historical evolution of news media in Europe and the West in detail, and how its “decisive mark was the published word” (Habermas 1989:16). He also explains how “the traffic in news that developed alongside the traffic in commodities showed a similar pattern”, both requiring “more frequent and more exact information about distant events” (Habermas 1989: 16). The historical roots of mass news communications as a necessary component of and companion to the traffic in commodities foreground how news is necessarily both a public good and a commodity, with these two aspects supporting and facilitating each other.

In the context of the normative idea that newspapers, particularly local newspapers, should facilitate participatory democracy, Habermas’s concept of the public sphere, with the acknowledgement and incorporation of the above criticisms and modifications, is useful for



examining Media24's 2020 staff retrenchment and news title closures, *News24's* launch of a subscription paywall, and *Daily Maverick's* expansion of their membership model and launch of a print publication. The public sphere is a useful foundation for understanding news as a commodity and a public good.

Alongside Habermas's concept of the public sphere, various perspectives on the role of media and journalism within democracy inform this study. The current normative approach to journalism underlines its function as a vital part of democratic culture that facilitates democratic participation. The ideas of freedom of expression and press freedom are reinforced by, for example, Article 19 of the Universal Declaration of Human Rights, and by the United Nations Plan of Action on the Safety of Journalists championed by UNESCO, the United Nations General Assembly, the Human Rights Council, and the European Union. The United Nations Plan was initiated through the International Programme for the Development of Communication (IPDC), created in 1980, which is committed to "promoting media independence, pluralism and contributing to sustainable development, democracy and good governance by strengthening the capacities of free and independent media, as well as the development of media" (UNESCO n.d.).

In the context of South Africa as a developing democracy, media freedom and the relationship between journalism and democracy remain contested areas. Wasserman (2010:240) notes that "ongoing clashes between the media, politicians and the government have made it clear that there is no consensus about what media freedom and responsibility mean in the context of a new democracy". The recent dramatic erosion of the news media economy globally and locally, of which the Media24's 2020 retrenchment action constitutes a serious example, has important implications for democratic discourse in South Africa, where, as suggested by Tomaselli and Teer-Tomaselli (2008:175), the press forms the internal opposition to the ruling party, representing a form of "endogenous democracy". To examine the unstable relationship between journalism and democracy in South Africa, I will draw on the work of Wasserman (2010, 2020), Tomaselli and Teer-Tomaselli (2008), and Chuma, Wasserman, Bosch and Pointer (2017). I will also draw on Franz Krüger's (2017) "*What should journalism do in a new democracy*", which takes a Habermasian approach to the particular circumstances of South African journalism in a young democracy.

It can be argued that anyone who has seriously considered the possibilities of democracy, however defined, in the contemporary world has realized that the media, and in particular newspapers, have an indispensable role in political life. The nature and character of

newspapers, their degree of freedom, their availability and their content, are central to the citizen's level of knowledge about the world of politics and economics. This aspect of newspapers I call their "public enlightenment function." Changes to newspapers are also changes to democracy. (Sparks, 1996, p. 43)

Sparks argues that online versions of newspapers cannot provide the same "public enlightenment function" as print media because of accessibility gaps between classes and differences in the content media offer.

As shown in Chapter Five — in both Media24's and *Daily Maverick's* conceptualisations of themselves as news media companies and platforms/publications, and in external commentators' observations of the importance of Media24's titles and of *Daily Maverick* as a publication — conceptions of the social purpose of news publications are key to framing various types of change as either losses/crises or as gains/creative opportunities. For example, framing the social purpose of news publications in terms of their contribution to the public sphere is a key aspect of both Media24's and *Daily Maverick's* narratives about their purpose and function in South African society. In section 5.2.6, various commentators decry Media24's title closures and retrenchments as a crisis or loss, in terms of the detrimental effects that this will have on participation and spaces for expression in South Africa's democratic political life. In section 5.3.2, *Daily Maverick's* conceptualising of its publication platform as a cause rather than a product is shown to be a critical component of its innovative business model, which relies on driving strategic, cause-driven membership that emphasizes reader participation and activism that supports journalistic activism in the public sphere. This is framed as a more creative approach to the destructive forces that threaten the function of news media within the public sphere, and therefore as a gain.

### **3.3 THE TRADITIONAL ECONOMIC CHARACTERISTICS OF NEWS PUBLICATIONS**

An understanding of the traditional economic characteristics of news publications is essential for understanding the unprecedented changes that have been taking place in the economic structuring of the news industry as it shifts away from print and towards digital. This section establishes how the economic characteristics of news publications have traditionally been defined, until recent decades. This establishes a clear foundation for section 3.4's discussion of how the transforming economic model of news publications in the digital era has presented the various crises and

opportunities faced by Media24 and *Daily Maverick*, within the context of the transforming news industry and the socio-economic impact of the Covid-19 pandemic.

### **3.3.1 The history and traditional economic model of print newspapers**

The history of printed newspapers has been traced back to the handwritten papers on military, government and public affairs that were posted throughout Rome during the rule of Julius Caesar in the first century BC (Collis, Olson and Furey, 2010: 1) Gutenberg's invention of the printing press in 1477, roughly 1 500 years later, enabled the mass production of the news — a significant step in the evolution of regularly distributed information, which saw many parts of Europe with a weekly newspaper by the seventeenth century (Collis et al. 2010: 2). The next important step in the evolution of print news media was the industrial revolution in the nineteenth century, which brought two game-changing technologies that enabled news reporting and distribution for mass audiences: the telegraph, which provided faster access to breaking news, and the railroad, which enabled the delivery of newspapers to a larger, more dispersed audience (Collis et al. 2010: 2). This combination

created the newspaper as it existed for nearly 150 years — the daily source of local, national and international news made available by early morning to homes nationwide and paid for primarily by revenue from advertisers attracted by access to a mass audience. (Collis et al. 2010: 2)

In the mid-twentieth century, newspapers lost their monopoly on the news, and had to start competing with the real-time formats of radio and television, which steadily began to attract a larger audience and therefore a larger share of advertising revenue. From 1980 onwards, they also had to compete with the rise of cable news, which was able to report breaking news in real time and deliver it in easily digestible sound bites, repeated in a cycle throughout the day (Collis et al. 2010: 2). From the early 1990s, with the introduction of the World Wide Web and Internet technologies, the traditional media landscape began to rupture in dramatic ways, which are discussed in more detail further down.

Traditionally, print newspaper revenues were derived primarily from circulation (street sales and home delivery) and advertising. Van der Wurff (2012: 232) describes the traditional business models of print newspapers as “ingenious solutions to deal with the particular challenges of providing news

as a profitable product”, but states that “they relied on a specific set of conditions that started to crumble some 30 years ago and which rapidly disappeared with the development of the Internet into a mass communication network”. According to Van der Wurff (2012), the traditional news value chain consisted of five distinct activities, as shown in Figure 1 below.



**Figure 2: The traditional news value chain (Van der Wurff 2012: 232)**

As applied to traditional newspaper production, the first activity, *creation*, involves journalists and other authors creating news stories through a process of “selecting stories, accessing sources, obtaining information, determining its significance and reliability, and converting it into eloquent stories” (Van der Wurff 2012: 232). The second activity, content *packaging*, involves editors “selecting and aggregating news stories, possibly also with other content (including advertising), into the master copy of the print paper” (Van der Wurff 2012: 233). The third activity, *reproduction*, and the fourth activity, *distribution*, require specialised technical print and logistical departments. The final activity involves the *marketing and sales* of newspapers to readers, and the marketing and sales of advertising slots to advertisers (Van der Wurff 2012: 233).

In the past, a newspaper company was vertically integrated, meaning that it would take care of all five of these activities. However, Van der Wurff (2012: 233) outlines how the modern news industry tends towards *vertical disintegration*, with different stakeholders performing different functions:

Take online news. A range of players is involved in providing the necessary fixed and mobile network infrastructures, transporting and routing services, user access and payment services, and other soft- and hardware necessary for online reproduction and distribution. News agencies and freelance journalists specialize in news production; news aggregators in news packaging. Aggregators and search engine providers play a role in distribution, too, and use that position to attract part of the marketing and sales activities (and revenues). Users, finally, may participate in news production, packaging, and distribution — for example via their social networks. (Van der Wurff 2012: 233)

Vertical disintegration results in a news industry characterised by complexity, and by multiple specialist role players who compete with each other for access to audiences and a share of the profits, thus reducing “opportunities for firms to invest long-term in the provision of quality news to all — which is still the industry’s most important social responsibility” (Van der Wurff 2012: 233). Vertical disintegration therefore poses a challenge to the traditional ways in which newspapers/news platforms have ensured their financial viability, and thus to their ability to perform their traditional social and political functions.

### **3.3.2 The unique characteristics of news as an economic product**

While news has important social functions that are considered essential for the maintenance of modern Western democracies (Anderson 1991; Habermas 1993), and which will be discussed in this further in this chapter, Van der Wurff (2012) outlines how news has specific economic characteristics that make it different from other economic products. These are in specifically economic terms, it has high first copy costs; it is non-rival in consumption; it is difficult to exclude those who consume the news product without paying; it is a public good; and it is a merit good, that generates positive externalities. These aspects are explained in the sections that follow.

#### *3.3.2.1 High first copy costs*

Van der Wurff (2012: 234) explains how producing news is initially an expensive exercise that requires “skilled human labor”, and whose “costs do not depend on the number of people that use a news product”. However, once a news organisation has been set up and developed to its desired level, its production costs remain largely fixed, as the first copy cost remains unaffected by the number of subsequent copies and users of the news product. Van der Wurff (2012: 234) explains how, because of the high first copy costs, news organisations can take advantage of economies of scale: “The higher the number of customers, the lower the average costs of producing news — because the first copy costs are covered by more people”. Potential new entrants to the market therefore face significant market entry barriers, as their high first copy costs dramatically reduce their economic competitiveness against established players in the market, who are already able to

leverage economies of scale. The high first copy costs, economies of scale, and market entry barriers explain why “in practice, we witness a considerable degree of editorial cooperation in the news industry (e.g. via news agencies), and for a long time saw many smaller news outlets disappear but few new players enter” (Van der Wurff 2012: 234).

#### 3.3.2.2 *The difficulty of excluding non-payers*

Because news cannot get used up, and because the number of people using it does not affect its costs, users can easily share or pass on a news product or item, whether it is a print newspaper or news clipping being read by multiple people, or a digital news story being reposted and shared by people across multiple platforms. Van der Wurff (2012: 234) explains that while “the actual degree of non-excludability varies historically with the technical characteristics of a medium”, the important implication is that it is very difficult for commercial news providers to ensure payment from all users, and their opportunities to sell their news products are therefore limited.

#### 3.3.2.3 *Non-rival consumption and the network effect*

Van der Wurff (2012: 234) explains how news is non-rival in consumption: “Using news does not finish it; after consumption, someone else can use the same news. This means that news, once produced, is not scarce”. Multiple people can therefore access a news product at the same time, without diminishing its value, and without affecting its production. In fact, with all news, but with digital news in particular, the network effect is demonstrated: the more people who access a news story, the more the value of that story increases, benefiting both advertisers in terms of circulation and exposure, and consumers, “who benefit from the investment in journalism that can be made from the additional revenue” (Wilding, Fray, Molitorisz & McKewon 2018: 28).

#### 3.3.2.4 *News as a public good*

Van der Wurff (2012: 235) notes that “perfect non-rivalry in consumption and perfect non-excludability of non-paying customers are the defining characteristics of a pure public good”. (The

economic qualities of news as a “public good” — a product or service that can be bought and sold — should not be confused with the value judgement that news is “good for the public”, or a merit good, as discussed in the following section.) Once a public good has been produced or created, non-paying users cannot be prevented from using it, and its usefulness does not change according to how many people use it. Even more importantly, actually expending effort and resources to exclude non-paying users is counterproductive for everyone involved: the number of people benefiting from the good would be reduced, without any associated reduction in the production costs (which are largely fixed), thus reducing total welfare for no reason. However, this does introduce the problem of free riders, or people who intend to use the public good without ever paying for it. Van der Wurff (2012: 235) observes that it is for this reason that public goods, such as national defence, are generally not left to the market, but are funded by government, and concludes that “since news shares characteristics of a public good, the question arises whether it should not be provided as a public service by government, too”.

### 3.3.2.5 *News as a merit good that generates positive externalities*

Two other economic arguments for government support of news production are that news is a merit good (something that is good for you, even if you are not aware of its true value, and even if you don't necessarily like it), and that it generates positive externalities. Positive externalities are benefits enjoyed by society/third parties rather than by the users themselves, for example when other members of society benefit in the future from the informed educational, environmental or investment decisions made by a person based on information derived from news products (Van der Wurff 2012: 235). The problem is that the user is not immediately rewarded, and is often not the one who is directly rewarded, and this prevents him or her from truly understanding and appreciating the benefit of buying that news, and accurately weighing that against the cost. As stated by Van der Wurff (2012: 235), “the undesirable outcome is that citizens buy less news than when the externalities were internalized and users would personally enjoy all benefits that follow from their purchase”. Possible ways for governments to ensure the continuation of the positive externalities generated by news would be to compensate the buyers by subsidising news prices for buyers, and subsidising news producers through, for example, VAT exemption.

The above points reveal some of the economic characteristics of news as a product that make it difficult for users to understand its true value, and be willing to pay for it accordingly. From the user point of view, news is a merit good, with positive externalities that you do not always realise yourself. From the producer point of view, news is not scarce, it has high initial costs, and you cannot make everyone who uses it pay for it. It is therefore difficult to produce news as a commercial product for profit (Van der Wurff 2012).

The inherent peculiarities of news as an economic product have been compounded by the transformations of the past 30 years, which has seen a radical transformation within the news industry as a result of a number of broad economic, technological and social changes, spearheaded by the advent of the World Wide Web and the age of digital connection. These changes have seen traditional news publishers/newspapers transform almost completely from dominant content producers who mediated information for mass audiences through privileged and scarce distribution channels, in a vertical knowledge and information hierarchy, to participants in a highly diverse, highly competitive industry characterised by disintermediation and a flattened knowledge and information hierarchy.

### **3.4 THE EVOLVING ECONOMIC CHARACTERISTICS OF TRANSFORMING NEWS PUBLICATIONS**

The first two research questions interrogate the dominant narratives of Media24's 2020 staff retrenchment action and closure of print titles, and *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic. It is therefore important to establish an overview of the evolving economic characteristics of transforming news publications, to assist in situating Media24 and Daily Maverick's approaches to their editorial and business operations, and their business models for revenue generation.



### 3.4.1 The re-integration of editorial and business operations

The separation or “wall” between the editorial and business activities of news organisations has long been considered a central norm of the journalistic profession and used to be an unquestioned assumption. This is shifting, however, and understanding this shift (or resistance to it) is relevant for understanding the choices that Media24 and *Daily Maverick* have made to sustain their particular brands of news journalism.

Alessio Cornia, Annika Sehl and Rasmus Kleis Nielsen (2020: 173) describe how journalists have traditionally considered the separation between the commercial and editorial activities of news publications as both “an ethical principle and an organisational solution to preserve their professional autonomy and isolate their newsrooms from profit-driven pressures exerted by advertising, sales and marketing departments”. Michael Coddington describes the news-business separation as a “cultural and occupational assumption” that is “fundamental to the self-understanding of professional journalism” and is reinforced by newsrooms, journalism schools and textbooks (Coddington 2015: 67). Drew and Thomas define this separation as a “key tenet of journalistic identity”, and emphasise its central role in journalists’ conceptions of their professional autonomy (Drew & Thomas 2017: 2).

However, this accepted norm, and its associated ideal of editorial independence, was not always the case, and in fact developed as a consequence of the autonomy provided by newspapers’ growing commercial viability in the 19<sup>th</sup> century. Ira Basen (2012) points out that there has always been “a strong whiff of mythology about the separation between the business office and the newsroom”. He reminds us, using the history of newspapers in the United States as an example, that in the early 19<sup>th</sup> century, “newspapers were essentially house organs of political parties or commercial interests, when editors and publishers knew which side their bread was buttered on” (Basen 2020). This only changed when publishers realised that there was more money to be made from selling advertising than from accepting subsidies from commercial or political sponsors. Basen points out that “in 1870, only 13% of daily newspapers in the 50 biggest U.S. cities identified themselves as ‘independent’. By 1900, 47% of them did. By then, advertising revenue made up 55% of total newspaper revenue” (Basen 2012). It was this secure business model that freed newspapers from a small number of controlling patrons and allowed the notion of editorial independence to be realistically practised in the first place.

It could be argued that the slow engagement of news publishers with developing technologies and the resulting commercial pressures on news publications reveal an unacknowledged and forgotten economic “privilege” inherent in the ideal of editorial and journalistic independence and autonomy. The mechanisms that produced economically viable publications were taken for granted, leaving the changes in these mechanisms similarly unacknowledged and unexamined. However, these assumptions and constructs are now shifting out of necessity in response to structural changes in the media environment. In South Africa, the academic orientation towards a critique of capital has no doubt exacerbated this, as it encourages a suspicion and inherent ideological opposition to capital and profit, rather than an appreciation of financial models and resources.

Cornia et al. examine how this traditional norm of separation has been challenged in recent times, “as private sector legacy news organisations respond to structural changes in the media environment in part by increasingly integrating editorial and business operations” (Cornia et al. 2020: 173), in productive ways that work to strengthen professional journalistic autonomy. They find that the wall no longer plays the central role that it used to, and that the metaphor of the wall, implying separation, was used by their business manager and journalist study participants almost exclusively to refer to the past (Cornia et al. 2020: 180). The past separation of editorial and business was constructed by their participants in terms of “isolation”, working in a “vacuum” or a “closed” environment, and a lack of comprehension of the roles of others, while the current more integrated and collaborative approach was constructed in terms of “openness”, “sensitivity”, “understanding”, “dialogue”, “evolution” and “adaptation” (Cornia et al. 2020: 181). The authors found that business managers and editors increasingly understand the need to adopt “more efficient and integrated organizational solutions”, that a new co-operative norm (“the norm of integration”) has emerged, and that this integration does not automatically mean “the assimilation of editorial concerns into purely commercial ones”, but rather a collaborative pooling of ideas, technologies and resources to engage readers in a manner that produces revenue (Cornia et al. 2020: 173). These findings were consistent across roles, types of news organisations (newspaper or broadcasting), and countries.

Similarly, Katie Artemas, Tim Vos and Margaret Duffy (2018) examine how the institutional norm of the wall is embedded in the symbol systems and rhetoric of journalistic institutions, and how, “given the shifting economic model of journalism, the norm of a wall of separation between editorial and business functions, or between the news and advertising sides of a journalistic organization, seems

ripe for renegotiation” (Artemas et al. 2018: 1004). They cite in particular the 2014 *New York Times* internal document on innovation that was leaked to the public, which stated that:

The very first step [...] should be a deliberate push to abandon our current metaphors of choice — “The Wall” and “Church and State” — which project an enduring need for division. Increased collaboration, done right, does not present any threat to our values of journalistic independence. (*New York Times* 2014: 61)

Artemas et al. found that the metaphor of the wall lingered in the moral imaginations of their study participants as they tried to reconceptualise the relationship between editorial and advertising (Artemas et al. 2020: 1013). They tried to modify the wall metaphor by describing it as a ‘short’, ‘soft’ or ‘porous’ wall, but ran up against the fundamentally fixed and divisive nature of a wall, and ultimately employed three new sets of metaphors to describe the new directions that news publications were taking: ecological metaphors, war metaphors, and religious metaphors.

The ecological perspective offered metaphors associated with “the changing landscape, the needs of business, adaptation, and evolution” (Artemas et al. 2020: 1013), and viewed the news publisher as an ecological system where the different organisms that share the environment need to establish an appropriate equilibrium for the system to survive: “If the equilibrium is disturbed by exogenous factors, organisms need to adapt to their new environment or face extinction and possible ecological collapse” (Artemas et al. 2020: 1014). Those in both advertising and editorial spoke frequently of “the changing business climate” and “the shifting landscape”, with change to the news publishing environment construed as a force of nature and a “forced evolution” that was beyond their control, concluding that “the interconnection of the ecological system requires adaptation, experimentation creativity, and, ultimately, evolution” (Artemas et al. 2020: 1014). Artemas et al. (2020: 1015) describe this ecological perspective as “a naturalizing rhetoric”, that “legitimizes the reconfiguration of the relationship between editorial and business functions”:

The forces of change are natural and so the response is natural. The power of this metaphor is that the reconfiguration of newspapers’ editorial and business functions is cast in natural, and hence amoral, terms. The metaphor not only legitimizes new practices, but also simultaneously removes the reconfiguration of the relationship from the realm of normative consideration. (Artemas et al. 2020: 1015)

The metaphor of war makes survival contingent on fighting back against human attack. This idea of attack and battle is a way of framing the competition as the enemy and uniting the troops in response to hostile conditions and a shared threat, creating a “band of brothers” united by an urgent

sense of purpose that transcends the former separation of editorial and advertising (Artemas et al. 2020: 1016). Similarly, religious metaphors construct the normative function of news reporting as a higher calling, higher purpose, or “civil religion”, reinforcing the “monastic-like removal of journalists from full engagement with the secular—business—realities of worldly existence” (Artemas et al. 2020: 1016).

### **3.4.2 Business models for the transformed digital news media**

Siles and Boczkowski point out the important distinction between saving newspapers and preserving the democratic functions traditionally fulfilled by newspapers: “Whereas some analysts have proposed ways of specifically saving the newspaper industry, others have sought to create conditions for attaining the democratic potential of the press, either through newspapers or other actors, media, and initiatives” (2012: 1381).

Various measures have been proposed and implemented to attempt to respond to the changes discussed above, and the threats, challenges and opportunities that they represent to the newspaper industry. Collis et al. (2010) mention consolidation, cost cutting, price increases, segmentation, free newspapers, and developing an online strategy as unsustainable business strategies for newspapers in the long term, and ultimately support Swensen and Schmidt’s (2009) proposal that newspapers should turn into non-profit, endowed institutions: “Information is now a public service as much as it’s a commodity. It should be thought of the same way as education and healthcare. It’s one of those things you need to operate a civil society, and the market isn’t doing it very well”.

The use of public resources for rebuilding journalism has therefore been proposed consistently over the past two decades. Leonard Downie and Michael Schudson (2009), for example, advocate for non-profit status and tax exemptions for independent news organisations. Amanda Oye (2014: 2) calls for public funding “to pay for necessary journalism that commercial organizations will not undertake”, and Steve Waldman (2020) makes a similar call for public funding for local journalism, provided that the funding remains content neutral and does not influence or corrupt journalism. In a report for the Australian Competition and Consumer Commission (ACCC), Robin Foster and Mark Bunting (2019: 2) advocate for three different types of public support for news producers: indirect

support (such as tax exemptions for both news producers and news purchasers), direct support (such as direct grants to support news production) and public encouragement of philanthropic support (such as government incentives for private donations that support news production). Mark Rispoli and Craig Aaron (2019) examine how public funding for journalism is becoming increasingly common, citing Canada's injection of \$600 million into their country's journalism, Britain's redirection of \$10 million of BBC funding into local journalism, and Australia's provision of significant tax incentives to organisations that produce quality news. Victor Pickard, Associate Professor at the University of Pennsylvania's Annenberg School for Communication, proposes that journalism be completely unhooked from commercial funding models, arguing that systematic market failure leaves news organisations with no choice but to radically reform news and information systems through non-market mechanisms (Flueckiger 2020). This aspect will be discussed in more detail in the discussion of non-profit media organisations, in relation to the ideal function and purpose of journalism in the public sphere.

It has been widely recognised that there is a need to move away from the traditional dependency on advertising revenues (Boczkowski 2004, 2010; Kaye & Qui 2010; Picard 2001, 2010, 2011; Van der Wurff 2012; Chatterjee 2014; Hansen & Goglioski 2018; Jaishankar 2020). However, there is a difference between adding additional revenue streams to an existing business model and developing new business models entirely. A range of new business models have been proposed over the past two decades, among them subscription models and paywalls (partial/metered or full), sponsorship from individuals and foundations, microfunding and micropayments (otherwise known as crowd-sourcing), collaborations between professional and citizen journalists, family ownerships and trusts, niche content ventures, and partnerships between various institutions. More recent ideas have focused on business models that incorporate multiple revenue streams and that generate revenue from audiences in a variety of ways, and on the possibility of non-profit media organisations. These are explored in more detail in the literature review section.

Business models can be described as simply "stories that explain how enterprises work" (Magretta, 2002: 4). In the context of the dramatic economic, technological and social changes in the news publication business over the past three decades, and given that these businesses are desperately seeking viable business models to sustain themselves, and to continue to perform their critical

function in society, it is important to understand the range of possible business model innovations being proposed. Kolo (2016) emphasises this point when he states that:

Newspaper publishing is not just an attractive business: by ensuring access to information and giving diverse opinions a platform for public discourse, it is also a cornerstone of democracy. In this respect, a potential newspaper crisis is not only a business issue, it affects our societies as well as our national economies. Hence, financing quality news journalism is a matter of utmost political concern [and] the fate of the newspaper business model is an urgent issue of academic as well as practical relevance.

Evens, Raats and von Rimscha (2018: 167) concur with Kolo (2016), and observe that “as digital subscriptions still have to prove themselves as a viable long-term solution, fundamental shifts in the external environment urge the need for nothing less than a transformation of organisations’ business models and the reorganisation of the news media industry as a whole”.

A considerable amount of recent research has therefore focused on how news media organisations can develop new revenue models for digital news, and secure funding for high-quality journalism. A diverse range of possible income streams has been explored by news media organisations in recent years, and Chatterjee (2014: 71–72) lists some of them as part of the “new revenue model mosaic” as follows: “subscription, paid content, micro-payments, production services, endowments, events and conferences, archives, grants, content networks, cross-media advertising, crowdfunding, reader donations, new products, database mining, cooperatives, ‘advergaming’ and product placement”.

However, simply adding these elements to legacy media does not demonstrate an ability to innovate. Evens et al. (2018) explain that in order to expand business horizons as part of a digital transformation process, it is important that these innovative elements are “accompanied by a process of fundamental business renewal and organisational transformation” (2018: 168).

#### *3.4.2.1 Audience revenue generation*

Hansen and Goglioski’s (2018: 13) recent study on audience revenue and engagement (supported by the Tow Centre for Digital Journalism at Columbia University) explains why news publishers are increasingly turning to the concept of “audience revenue”. There are two primary reasons. Firstly, publisher revenues from digital advertising are dwindling, as, with the enormous amount of digital content available for consumers, it is increasingly difficult to attract their attention — and when

publishers are able to, the increasing popularity of ad blockers means that their small revenue stream shrinks further (Hansen & Goglioski 2018: 33). Secondly, Google and Facebook's ability to attract and retain audience attention, and to gather data on this audience with which they can target advertising to them in a very refined and sophisticated way, means that they dominate advertising revenue share and audience attention. As a result, "for many publishers, control over their coverage, monetization through advertising, and a direct relationship with audiences are increasingly slipping away", making it an increasingly attractive idea to build "direct audience revenue programs (whether donation, subscription, or members) [...] as a way to both cultivate loyalty and bring in dollars" (Hansen & Goglioski 2018: 33).

There are three primary models of audience revenue generation — the donation model, the subscription model, and the membership model — and it is important to differentiate properly between those terms. Hansen and Goglioski (2018: 34) note that the terms "donation/donor", "subscription/subscriber" and "membership/member" are often used interchangeably and incorrectly. While the terms are not mutually exclusive, they can sometimes be conflated inaccurately, and Hansen and Goglioski (2018: 34) argue for more precise and consistent usage, defining them as follows:

**Subscription:** A transactional relationship in which subscribers pay money and get access to a news product.

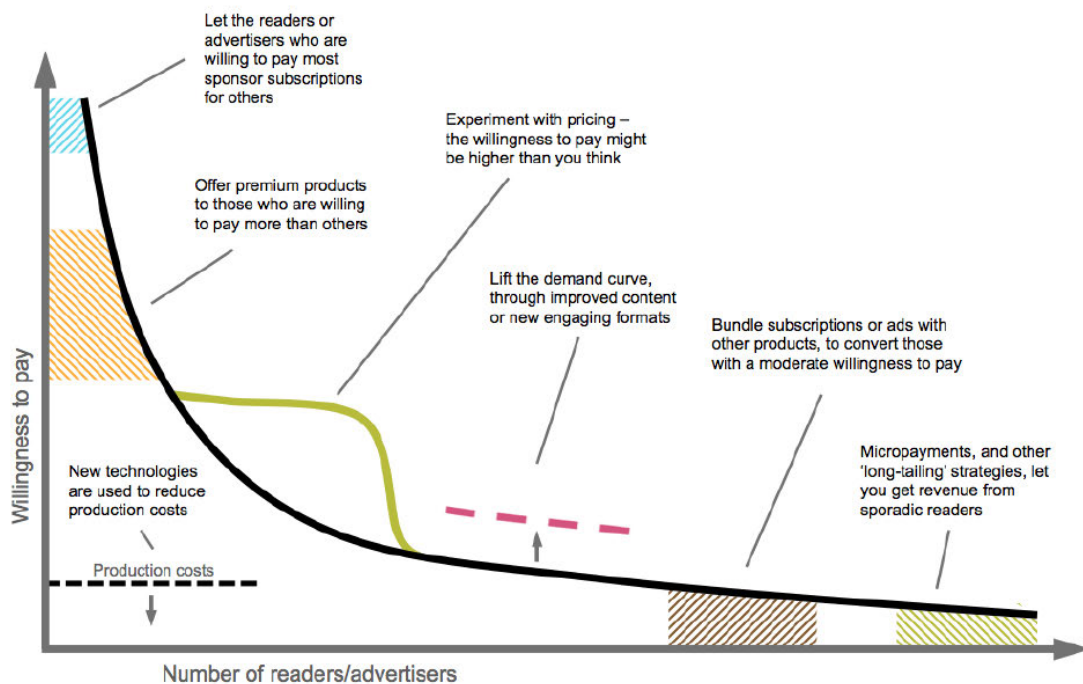
**Donation:** A charitable relationship in which donors give their time or money to an institution in support of a common cause or values.

**Membership:** A more committed relationship in which members give their time, money, connections, professional expertise, and/or ideas to support a cause they believe in. Membership in its "thick" version represents two-way knowledge exchange between journalists and members to benefit the operation and its journalism. (Hansen & Goglioski 2018: 19–20)

The primary difference between subscription on the one hand, and donation and membership on the other, is the level and type of access to the news product. News publishers who adopt subscription models tend to limit user access to their news products, or prohibit access completely, unless the user commits to paying a recurring user fee. However, news publishers who adopt donation and membership models tend to allow unrestricted access to anyone who wants to access

their journalism. They accept and take into account the fact that free riders are inherently associated with the news as a public good, and to fund their operations, they rely on a subset of users to contribute money to support the publication’s operations.

Audience revenue relies on the number of readers who are willing to pay, and in this respect Hansen and Goglioski’s breakdown resonates with a 2017 report commissioned by the Media Industry Research Foundation of Finland, with the aim of identifying and describing new business models in the news industry. Kairos Future reports seven underlying principles of business models reported by industry insiders and experts, as shown in Figure 2 below.



**Figure 3: Kairos Future’s seven underlying principles of business models reported by industry insiders and experts (Kairos Future 2017: 28)**

These three different models are discussed in detail in the sections below.



### 3.4.2.2 *Subscription model*

A subscription model is effectively the same as a paywall, which Hansen and Goglioski (2018: 20) define in relation to newspapers as “restrictions on digital coverage based on payment”. Metered paywalls allow visitors [...] to access only a certain number of articles per month. Stricter paywalls grant little or no access until someone is a paying subscriber”. A subscription model is suitable for publications “with highly differentiated journalism and a strong audience base in their coverage areas”, or with “strong institutional audiences in specific industries” whose employers cover the cost of subscription because of the relevance of the content to their work (Hansen & Goglioski 2018: 39).

Hansen and Goglioski (2018) observe that instituting a subscription or paywall requires cultivating an audience who values the news product enough to be willing to pay for it. This can be very difficult to achieve, as there is an enormous amount of free news coverage and information online, and there is not a strong culture of readers paying for access to digital news. Subscriptions/paywalls are therefore not suited to every publication. Hansen and Goglioski conclude that “to earn a share of consumers’ valuable attention and money, paid news products must be invaluable in terms of use to the subscriber and/or represent an editorial mandate they support (ideally both)” (2018: 39).

However, subscription models have struggled. From as early as 2005, in a study that randomly sampled Hong Kong residents, Chyi (2005) found that there was very little evidence to suggest that users were prepared to pay for online news, then or in the future. Chyi concluded that “online news publishers may find it difficult to rely on the subscription model to achieve economic viability” and that “no one can rule out the possibility that online newspapers simply cannot serve as a profit center as their print counterparts” (2005: 141).

Cook and Attari’s (2012) study of how the *New York Times* implemented its paywall found that “participants exhibited strong psychological reactance” to paying for content that was previously free:

Participants generally did not plan to purchase a digital subscription and were remarkably consistent in their subsequent behavior. They decreased their visits, devalued the NYT, and frequently planned to exploit loopholes to bypass the paywall or switch providers altogether. (Cook & Attari 2012: 4–5)

The study showed that the way in which the paywall was communicated and justified made a difference in how it was perceived. When the paywall was framed in terms of financial necessity, there was a moderate increase in the participants' willingness to pay, but when it was framed in terms of a profit motive, the participants' willingness to pay decreased sharply (Cook & Attari 2012: 1).

### 3.4.2.3 *Donation model*

Newman (2018) notes that selling subscriptions is often more difficult for countries or people from poorer socio-economic groups, and for "particular types of content that are democratically important or less commercially valued" (par. 1). In these cases, donations can be useful for funding existing news organisations or new ones. The Reuters Institute's 2018 survey found that just 1% of people in the United Kingdom and 3% of people in the United States donate to news organisations, but that 22% of people across the eight countries surveyed would consider donating to a news organisation in the future (Newman 2018, par. 3). The donations tended to come from the younger portion of the population ("millennials"), who were generally more confident about paying for online services and giving to online charities (Newman 2018, par. 4).

Newman found that

donations are also politically driven, with the vast majority coming from the centre or the left. In part this is a reflection of historical ideological battles, when many left-wing newspapers were funded by co-operatives or unions as a counter to a capitalist-funded press. (2018, par. 5)

While funding from ethically compromised donors is a common occurrence for many non-profit organisations (Wright, Scott & Bunce 2019: 675), it can pose serious ethical problems for journalism that is funded by such ethically compromised donors, and as recently as 2016 the American Press Institute admitted that the ethics related to donor-funded journalism were "still evolving" (Rosenstiel, Buzenberg, Connelly & Loker 2016). Rosenstiel et al. (2016) observe that few donor-funded publications have written ethical guidelines, and that ethical debates in industry circles have tended to be restricted to issues of transparency and editorial independence. There is seldom discussion about the circumstances in which journalists should (or should not) accept money from foundations (Rosenstiel et al. 2016), which can cause a problem, as Koehn and Ueng (2010: 1) find

that business executives accused of misconduct are amongst the most generous philanthropic donors, as this “moral window-dressing” helps them to repair damage to their reputations.

However, as Schiffrin (2017) points out,

[C]overage of health, education, and development and even government accountability is happening in many countries largely because foundations are paying for it [but] by using journalism to promote coverage of health or governance or corruption or elections or criminal justice, donors are making decisions about what problems the public should know about and even pressure governments to fix. That involvement in agenda-setting and public policy affects everyone, and so it matters that donors and journalists work together. (2017, par. 4)

Economist Julia Cagé has therefore proposed the concept of non-profit media organisations (NMOs), on the basis that news, like education, is a public good. Cagé advocates for media organisations to be “granted a favorable legal and tax status in recognition of their contribution to democracy — a status comparable to that long enjoyed by many other participants in the knowledge economy”, such as universities (Cagé 2016: par. 2).

#### 3.4.2.4 *Membership model*

Donation and membership are sometimes conflated, because they both involve voluntary financial contributions. However, Hansen and Goglioski (2018) distinguish between them carefully:

In its ideal form, we define membership as a two-way relationship between readers and a publication that often involves monetary exchange (and, in many cases, non-monetary contributions such as time and expertise). While a donation can represent an expression of support for a particular cause or value, membership signifies a higher degree of participation and engagement between audiences and a publication. (Hansen & Goglioski 2018: 45)

Hansen and Goglioski state that a relationship with members “goes well beyond the traditional approach of publications talking at readers [post-publication] to talking with them”, in order to tap into their ideas earlier in the production cycle, thus “increasing the level of audience engagement and participation — from an arms-length relationship to an ongoing, two-way knowledge exchange between audience and publication” (2018: 35).

The membership model clearly articulates a “cause” (the development of the publication’s journalism), which members typically want to make freely accessible to everyone. Hansen and Goglioski find that

members of news sites tell us they are committed to news being a public resource, not an exclusive preserve with a gate around it. They recognize that they are helping to underwrite news that others access for free, and this is a point of pride for many. We hear members of news organizations say that they want news and information to be accessible to more members of the public, not fewer. (Hansen & Goglioski 2018: 45–46)

#### 3.4.2.5 *The importance of revenue diversification*

Van der Wurff argues that while many business models and revenue strategies have been proposed and tested for digital news media, “a clear and commonly shared business model that supports the continued production and large-scale sales of quality news by commercial firms — like the business models of newspapers and television news — has not been discovered” (2012: 248). However, a more recent assessment by Hansen and Goglioski (2018: 35–36) finds that “digitally native publications are relying on a mix of revenue approaches—including advertising, corporate underwriting, foundation funding, article syndication, events, affiliate programs, merchandise, and book sales—in addition to or instead of direct revenue from audiences”. Diversifying revenue while establishing a clearer sense of the rapidly evolving new media business environment may be essential for maintaining the value of news as a public good. As Van der Wurff observes,

the biggest challenge [...] is to maintain inclusive quality news services, which serve those members of society who are neither particularly interested in news nor willing to pay for it. Charitable and public support remain necessary here to overcome the problems caused by the merit good character and positive externalities of news consumption. The change in distribution of news from printed paper and airwaves to digital networks does not change that. (2012: 248)

### **3.5 CONCLUSION**

This chapter has broadly discussed the economic characteristics, the social purpose of news publications in relation to Habermas’s concept of the public sphere, the normative conceptions of news media, as well as explaining the traditional economic characteristics of news as a product. The

next chapter discusses the research methodology employed in order to analyse the data for discussion in Chapter Five.

## CHAPTER FOUR: METHODOLOGY

### 4.1 INTRODUCTION

The following sections discuss the general worldview and orientation that informed this study, the overall research design, and the specific processes and methodology followed by the researcher in collecting and analysing the data.

### 4.2 RESEARCH PARADIGM

Egon Guba and Yvonna Lincoln describe a paradigm as

a set of basic beliefs (or metaphysics) that deals with ultimates or first principles. It represents a worldview that defines, for its holder, the nature of the 'world,' the individual's place in it, and the range of possible relationships to that world and its parts [...] The beliefs are basic in the sense that they must be accepted simply on faith [...]; there is no way to establish their ultimate truthfulness. (1994: 107)

The four paradigms that guide inquiry, especially qualitative inquiry, are "positivism, postpositivism, critical theory and related ideological positions, and constructivism" (Guba & Lincoln 1994: 105). A critical paradigm informed this study, and the ontology, epistemology and methodology of this paradigm are presented here.

The ontological question, according to Guba and Lincoln (1994: 108), is "What is the form and nature of reality and, therefore, what is there that can be known about it?" The ontology associated with the critical paradigm is constructionism, which Guba and Lincoln describe as a reality that "is assumed to be apprehendable" but that has been shaped by a range of "social, political, cultural, economic, ethnic, and gender factors, and then crystallized (reified) into a series of structures that are now (inappropriately) taken as 'real,' that is, natural and immutable" (Guba & Lincoln 1994: 110). In this study, for example, the researcher was struck by how certain "immutable" and generally accepted ideas about digital and print news media were being instrumentalised by Media24 to justify its staff retrenchment action and closure of regional and local titles, but were also being challenged by *Daily Maverick's* membership model and expansion into print.

The epistemological question is “What is the nature of the relationship between the knower or would-be knower and what can be known?” (Guba & Lincoln 1994: 108). The critical paradigm is associated with a transactional and subjectivist epistemology, which assumes that “the investigator and the investigated object are [...] interactively linked, with the values of the investigator (and of situated ‘others’) inevitably influencing the inquiry. Findings are therefore value mediated” (Guba & Lincoln 1994:110). In the context of this study, the researcher understood “the investigated object” to be the subject at hand (the narratives that emerged in relation to Media24’s and *Daily Maverick*’s decisions during the period under study). The researcher understood potential “situated others” to be existing influential voices within the media and within media studies, particularly in South Africa, as they tend to drive dominant interpretations and understandings of the subject at hand. The researcher also understood the need to mediate one’s findings through a dialogue between one’s own values as a researcher and the values of these potential situated others.

The researcher was as self-conscious as possible about the values she was bringing to the study. Amongst these values was a strong belief in the value of digital technology and innovation for facilitating information exchange, and for opening up an information landscape that is able to be more participatory and democratic, and less centrally mediated on the one hand, while also more effectively curated and vetted on the other. The researcher believes in testing assumptions in this regard about digital information and the media. For example, using Wikipedia as a source is still decried by many in the media and in academia (the “situated others”), on the basis that its crowdsourced content is not reliable. However, this assumption is based on remembered observations of the platform during its early years, and over 20 years of refinements and improvements have taken place. The Poynter Institute states that “as trust in the media wanes and news organizations struggle to engage with readers, Wikipedia has emerged as a leader in transparency and user growth — and it can offer some important lessons to journalists and fact-checkers” (Iannucci 2017). While the researcher did not use Wikipedia as a source for this research, she does value emergent technologies and ways of curating knowledge.

The methodological question, according to Guba and Lincoln (1994: 108), is “How can the inquirer (would-be knower) go about finding out whatever he or she believes can be known?” The methodology associated with the critical paradigm is dialogic and dialectical (Guba & Lincoln 1994: 110). Guba and Lincoln explain that the transactional epistemology involves a dialogue between the

investigator and the subjects of an inquiry, and that the dialogue must be “dialectical in nature to transform ignorance and misapprehensions (accepting historically mediated structures as immutable) into more informed consciousness (seeing how the structures might be changed and comprehending the actions required to effect change)” (Guba & Lincoln 1994: 110). While a direct and explicit dialogical relationship with the subjects of inquiry was not selected, as this was a desktop study conducted under the practical constraints of the Covid-19 pandemic, the researcher tried as far as possible to allow the questions raised by the dialectical relationship between the two different approaches and perspectives being compared to challenge and counteract her own ignorance and misapprehensions as far as possible.

Working within the Enlightenment tradition, critical theorists aim for emancipation, as explained by Mats Alvesson and Hugh Wilmott (1992: 435), who state that

social science can and should contribute to the liberation of people from unnecessarily restrictive traditions, ideologies, assumptions, power relations, identity formations, and so forth, that inhibit or distort opportunities for autonomy, clarification of genuine needs and wants, and thus greater and lasting satisfaction.

The critical paradigm, as Henry Giroux (1988: 213) similarly puts it, characterises the worldview of “transformative intellectuals, [who] uncover and excavate those forms of historical and subjugated knowledges that point to experiences of suffering, conflict, and collective struggle [and who] link the notion of historical understanding to elements of critique and hope”. While the researcher would not presume to be a “transformative” intellectual in any way, it was her hope that this study would in some small way open up some new spaces and new scope for thinking about how news publications and platforms operate.

### **4.3 RESEARCH APPROACH**

This study employed a qualitative research approach, which John Creswell (2008: 4) describes as

a means for exploring and understanding the meaning individuals or groups ascribe to a social or human problem; this process involves emerging questions and procedures, data typically collected in the participant’s setting, data analysis inductively building from particulars to general themes, and the researcher making interpretations of the meaning of the data.



Johnny Saldaña (2011) states that qualitative research is “an umbrella term for a wide variety of approaches to and methods for the study of natural social life” and notes that the data collected and analysed is primarily non-quantitative, consisting of “textual materials such as interview transcripts, fieldnotes, and documents, and/or visual materials such as artefacts, photographs, video recordings and Internet sites, that document human experiences about others and/or one’s self in social action and reflexive states” (Saldaña 2011: 3–4). Saldaña states that the goals of qualitative research are multiple, that it is conducted within and across multiple disciplines, and that there are multiple genres, elements and styles.

Qualitative research involves a subjective approach (Hussey & Hussey 1997), and is often inductive, as researchers don’t usually know precisely where their analysis will lead to when they begin a project (Neuman 2006). A qualitative approach also reflects a view of social reality as a constantly shifting and emergent property of individuals’ creation (Bryman 2004).

#### **4.4 DATA COLLECTION**

The data gathered for this desktop study consisted of texts published during the period 1 July 2020 to 31 October 2020, thus covering Media24’s title closures and retrenchments on 7 July, the launch of their digital subscription on 13 July, and *Daily Maverick*’s launch of *DM168* on 26 September. These texts consist of the following:

- 14 articles on the launch of *DM168*, from a variety of sources, including *Daily Maverick* itself (from Styli Charalambous), explaining their decision and process.
- 4 articles from September 2020 that constitute a detailed case study of *Daily Maverick*’s membership programme, by Jessica Best and Ariel Zirulnick from the Membership Puzzle Project.
- 19 articles on the Media24 retrenchments, from a variety of sources, including Media24’s own media releases.
- 6 articles from Media24 and *News24*, explaining *News24*’s digital subscription launch.
- 1 case study from October 2020 on how *News24* prepared for their subscriber acquisition.

These texts were selected directly from the internet using a 'snowball' sampling technique on the basis of their ability to address the research objective. Whilst a number of articles were freely available, there was also a struggle as the researcher had to go through a paywall or subscription. The researcher therefore employed purposive sampling, a method frequently used in qualitative research to identify and select data-rich cases in order to make optimal use of limited resources (Patton 2002: 230). When employing purposive sampling, a researcher depends on his or her own judgment when selecting the appropriate sources of information for an investigation (Bernard 2000: 176).

The researcher was conscious of the possibility of bias, and therefore aimed to collect all published information possible during the specified time period, only eliminating articles that were clear reproductions of Media24's press releases, with no significant additional information. There were a number of such articles that did not add anything to the information already gathered. The imbalance between the number of articles related to Media24/*News24*, and the number of articles related to *DM168*, was simply a result of the number of available relevant articles that were published during this time period. The selected articles and texts are listed in detail in Appendix 1.

#### **4.5 DATA ANALYSIS**

Thematic analysis was used to analyse the texts that had been gathered, according to the six phases described by Braun and Clarke (2006) (see Table 1 below). Themes and sub-themes that represented the dominant Media24 narrative were compared and contrasted with themes and sub-themes that represented the alternative narrative offered by *Daily Maverick*.

**Table 1: Phases of thematic analysis (Braun & Clarke 2006: 87)**

Phase	Description of the process
1. Familiarising yourself with your data	Transcribing data (if necessary), reading and re-reading the data, noting down initial ideas.
2. Generating initial codes	Coding interesting features of the data in a systematic fashion across the entire data set, collating data relevant to each code.
3. Searching for themes	Collating codes into potential themes, gathering all data relevant to each potential theme.
4. Reviewing themes	Checking if the themes work in relation to the coded extracts (Level 1) and the entire data set (Level 2), generating a thematic 'map' of the analysis.
5. Defining and naming themes	Ongoing analysis to refine the specifics of each theme, and the overall story the analysis tells, generating clear definitions and names for each theme.
6. Producing the report	The final opportunity for analysis. Selection of vivid, compelling extract examples, final analysis of selected extracts, relating back of the analysis to the research question and literature, producing a scholarly report of the analysis.

Thematic analysis was deemed appropriate for this study because, as stated by Braun and Clarke, it is “a foundational method for qualitative analysis” which is “essentially independent of theory and epistemology, and can be applied across a range of theoretical and epistemological approaches” (2006: 78). Braun and Clarke note that “through its theoretical freedom, thematic analysis provides a flexible and useful research tool, which can potentially provide a rich and detailed, yet complex, account of data” (2006: 78).

Given that this study was informed by a critical paradigm, the type of thematic analysis employed was primarily deductive. Braun and Clarke (2006: 84) note that researchers cannot always “free themselves of their theoretical and epistemological commitments, and data are not coded in an epistemological vacuum”. A more ‘theoretical’, deductive thematic analysis is therefore “driven by the researcher’s theoretical or analytic interest in the area and is thus more explicitly analyst driven” (Braun & Clarke, 2006: 84). This approach requires that the literature be engaged with prior to the data analysis (Braun & Clarke, 2006: 86). Inductive thematic analysis, on the other hand, is “a process of coding the data without trying to fit it into a pre-existing coding frame, or the researcher’s analytic preconceptions” and is primarily data-driven (Braun & Clarke, 2006: 84). However, while the thematic analysis was primarily deductive, the researcher remained alert to unanticipated connections that could be found inductively in the data, and that could challenge the theoretical assumptions that drove the deductive thematic analysis.

Braun and Clarke’s (2006) checklist of 15 criteria for performing a good thematic analysis was adhered to as much as possible. An important aspect that they emphasise is that the researcher must position him or herself as active in the process of identifying patterns and themes, and must avoid passively constructing themes as “emerging” from the data. They cite Ely et al. (1997), who state that the language of ‘themes emerging’

can be misinterpreted to mean that themes ‘reside’ in the data, and if we just look hard enough, they will ‘emerge’ like Venus on the half shell. If themes ‘reside’ anywhere, they reside in our heads from our thinking about our data and creating links as we understand them. (Ely et al. 1997: 205–6, in Braun & Clarke 2006: 80)

Accordingly, the researcher’s prior knowledge of the various elements of the conceptual framework discussed in Chapter Three (the social purpose of news publications, the traditional economic characteristics of news publications, and the evolving economic characteristics of transformed news publications), informed the researcher’s active identification of the relevant patterns and themes that would assist in addressing the defined research objectives:

- To identify and critically analyse the dominant narratives of Media24’s 2020 staff retrenchment action and closure of print titles, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic.

- To identify and critically analyse the dominant narratives of *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic.
- To compare and contrast these narratives to identify points of divergence and convergence.

## **4.6 CONCLUSION**

This chapter has discussed the research methodology employed, the ontology, epistemology and methodology of this paradigm, the qualitative research approach, and the method of selecting the data for this desktop study. The researcher is now going to deploy the method explored in this chapter, analyse the list of texts for data collection according to convergent narratives, diverging narratives and unique narratives.

## CHAPTER FIVE: ANALYSIS AND FINDINGS

### 5.1 INTRODUCTION

The previous chapter discussed the overall research methodology employed in this qualitative study. This chapter presents the findings from the thematic analysis, and discusses them in relation to the research questions, and in relation to the reviewed literature from Chapter Two and the conceptual framework from Chapter Three, where possible. After a brief recap of the research objectives and research questions, and the basic data collection and analysis, the themes are clustered and presented in order to address the research question.

#### 5.1.1 Research objectives

The objectives of this study were as follows:

- To identify and critically analyse the dominant narratives of Media24's 2020 staff retrenchment action and closure of print titles, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic.
- To identify and critically analyse the dominant narratives of *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic.
- To compare and contrast these narratives to identify points of divergence and convergence.

#### 5.1.2 Research questions

The following research questions were formulated on the basis of the stated research objectives:

1. What were the dominant narratives of Media24's 2020 staff retrenchment action and closure of print titles, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic?

2. What were the dominant narratives of *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic?
3. In what ways did these narratives converge and diverge?

The data gathered for this qualitative desktop study consisted of texts published during the period 1 July 2020 to 31 October 2020, thus covering Media24's title closures and retrenchments on 7 July, the launch of their digital subscription on 13 July, and *Daily Maverick's* launch of *DM168* on 26 September. These texts consisted of the following:

- 14 articles on the launch of *DM168*, from a variety of sources, including *Daily Maverick* itself (from Styli Charalambous), explaining their decision and process.
- 4 articles from September 2020 that constitute a detailed case study of *Daily Maverick's* membership programme, by Jessica Best and Ariel Zirulnick from the Membership Puzzle Project.
- 19 articles on the Media24 retrenchments, from a variety of sources, including Media24's own media releases.
- 6 articles from Media24 and *News24*, explaining *News24's* digital subscription launch.
- 1 case study from October 2020 on how *News24* prepared for their subscriber acquisition.

This qualitative study used thematic analysis, as described by Virginia Braun and Victoria Clarke (2006), who note that it is a purely qualitative, detailed, and nuanced account of data.

## **5.2 THE DOMINANT NARRATIVES OF MEDIA24'S 2020 STAFF RETRENCHMENT ACTION AND CLOSURE OF PRINT TITLES**

This section presents and discusses the findings in relation to the first research question: What were the dominant narratives of Media24's 2020 staff retrenchment action and closure of print titles, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic?

The findings are presented in relation to the themes that emerged from the analysis.

### 5.2.1 Media24's dominant industry status

In Media24's 7 July 2020 formal press release announcing the structural adjustments that saw mass staff retrenchments and a dramatic rationalisation of its print titles, CEO of Media24 Ishmet Davidson spends time emphasising the success and dominant status of the company's *News24/Netwerk24* digital news platforms, describing them as "digital news destinations of choice for South Africans", and citing the impressive growth they enjoyed during the pandemic months, "in a very competitive landscape that includes major international brands" (Media24, 2020, 7 July). In a press release announcing the demise of print titles, Davidson emphasises the digital growth of *News24*, which "averaged 1.6m daily unique users for the year to date, 63% growth on the 2019 average", and *Netwerk24*, which "by the end of June [...] had almost 67 000 subscribers, up 36.5% on June 2019" (Media24 2020, 7 July). Davidson offsets the closure of the company's print titles by emphasising the success of the digital platforms, and spends more time in the announcement citing statistics on the success of the digital platforms than on directly mentioning or acknowledging the staff or readership communities affected by the structural adjustments. It could be argued, therefore, that the closure of the print titles and the announcement of a digital paywall, were not individual crisis responses to Covid-19, but were linked phases of a carefully planned strategy instrumentalising the notion of crisis and Covid-19.

In an interview with Glenda Nevill of *The Media Online*, on the same day, Ishmet Davidson manages to very quickly morph the company's staff retrenchments (or what would ordinarily be understood as a failure) into a statement on Media24's market leadership (or success):

These proposed changes mark one of the most difficult chapters in not only our own history, but also that of the South African media industry at large. The approximately 510 people potentially affected, together with every title that faces possible closure or a change in frequency and format, have contributed over years — even many decades — to building Media24 into a market leader and renowned home of journalistic, publishing and service excellence. (Nevill 2020, 7 July)

Davidson masterfully abstracts and absorbs the traumatic experience of the affected staff members, cutting them loose while disembodimenting their experience and appropriating their trauma as



belonging to the company and the industry, as “one of the most difficult chapters in not only our own history, but also that of the South African media industry at large”. He only describes the staff members directly as “potentially affected”. Davidson thus somehow divorces the experience of the affected staff members from the effects of the changes, and then goes on to gesture towards their contributions over the years before quickly appropriating and absorbing these contributions to land finally on a description and emphasis of Media24 as “a market leader and renowned home of journalistic, publishing and service excellence” (Nevill 2020, 7 July).

Media24’s dominant industry status therefore emerged as a dominant narrative, and formed a deliberate inflection to the announcement of the staff retrenchment action, which diverted attention from and displaced the experience of the staff and consequences for reader communities. A cynical person would observe how only one week before this announcement, it was announced in parent company Naspers’s annual report that Naspers CEO Bob van Dijk had received R276-million in annual remuneration (McLeod 2020, 30 June).

It could be argued that the focus on the success of Media24’s digital platforms in the announcement of the staff retrenchment action on 7 July was groundwork being laid for the announcement of the launch of *News24*’s digital subscription less than a week later. In this announcement the narrative of the company’s dominant industry status continues, although “the company” is now strictly referred to as Media24’s digital division, *News24*, no doubt to deflect criticisms and questions around the recently announced Media24 retrenchment action. In the July 13 announcement, Adriaan Basson emphasises *News24*’s “coming of age” in turning 21, and specifically the notion of trust. He states that “we have established ourselves as the most trusted source for breaking news, sport, business and lifestyle content in South Africa”, and follows up by addressing the reader directly: “You have come to love and trust us for breaking the news. We want to strengthen the trust relationship we have with you” (Basson 2020, 13 July). Basson then goes on to underline the dominant industry status of *News24*/Media24, by cynically claiming significant and emotive global and South African events for the company, not least the death of Nelson Mandela:

On 9/11 in 2000, we told you that two passenger airlines had crashed into the World Trade Centre in New York, changing the course of history. In February 2004, we sent you a breaking news alert when Charlize Theron became the first South African to win the Oscar for best actress. And on 5 December 2013, we cried with you as the news broke that former president Nelson Mandela had died. (Basson 2020, 13 July)

Basson continues to underline *News24*'s dominant industry status by stating that "We take great pride in the fact that we are South Africa's largest website", and citing "more than 13 million unique users" each month (Basson 2020, 13 July). In addition, Basson describes Covid-19 as having in fact had a positive impact on *News24*: "Since the coronavirus hit our shores in early March, our audience has almost doubled. On any given day, we now have around 1.5 million unique users reading *News24*'s journalism" (Basson 2020, 13 July).

Finally, Basson returns to the issue of trust in describing *News24*'s industry dominance, mentioning how, for the second year in a row, the Reuters Institute at Oxford University had confirmed that "*News24* was the most trusted source of news in South Africa" (Basson 2020, 13 July).

*Media24*'s dominant industry status was therefore an important narrative in the company's clear pivot away from print (signified by the mass title closures and retrenchments) and towards digital (signified by the launch of the digital subscription). The focus on *Media24/News24*'s dominant industry status was simultaneously a damage-control measure for the staff retrenchment action and a marketing strategy for the digital subscriptions. It was carefully nuanced, however, to demonstrate clearly that, for the purpose of retrenching over 500 staff members and closing multiple titles, and launching and marketing a digital subscription service for *News24* while trumpeting the success of the digital platform — all in the same week — *Media24* and *News24* had to be carefully portrayed as somehow utterly separate entities, with *News24* presented as a successful independent company, rather than as a division of *Media24*, as it has hitherto been understood.

### **5.2.2 The crisis narrative of news publications**

Many of the themes that emerged were sub-themes of a general crisis narrative in news publications, in South Africa and globally. These various themes are presented below, after which the notion of crisis is critically assessed.

### 5.2.2.1 *The financial crisis of newspapers*

The financial crisis within the news media emerged strongly as a theme from the Media24 content surveyed, for obvious reasons given the company's retrenchment of over 500 staff members and their closure of a number of titles. When announcing Media24's structural adjustment, CEO Ishmet Davidson linked it directly and immediately to the Covid-19 pandemic, stating that "the pandemic has accelerated the pre-existing and long-term structural decline in print media" (Media24 2020, 7 July).

In its response to Media24's announcement, SANEF placed it within a wider context of financial crisis in the media, which had escalated to such an extent that SANEF had recently had to launch a relief fund for journalists who had lost their livelihoods as a direct result of the Covid-19 national disaster. SANEF stated:

In April alone we saw the closure of two magazine publishers and 80 small print publications operating across the country, leading to the loss of over 700 jobs for journalists. We appeal to South African corporates to spend their advertising budgets with South African media consciously, and that the public should take up subscriptions and continue to buy local papers.(SANEF 2020, 7 July)

Mfuneko Toyana, reporting for Reuters, focused on Naspers as the parent company, stating that "South African media and e-commerce group Naspers plans to lay off more than 500 employees and close a number of newspapers and magazines, including its leading weekly tabloid the Sunday Sun, its print division Media24 said on Tuesday." Toyana underlines that "Media24 is Africa's largest publisher, printer and distributor of magazines and books, and is also the continent's largest newspaper publisher with around 3 000 employees across eight divisions" (Toyana 2020, 7 July), and he locates the retrenchments in relation to "planned job cuts at public broadcaster the South African Broadcasting Corporation (SABC), and similar moves at other members of the country's "big four" print publishers — Arena Holdings, Caxton and Independent News" (Toyana 2020, 7 July). Toyana also notes that since the start of the pandemic, print publications have taken a hit of between 40% and 100% to advertising and sales revenue, forcing many to migrate online where they earn a fraction of their former ad sales (Toyana 2020, 7 July).

Toyana quotes Dinesh Balliah, a media studies lecturer at Wits University, who stated that "the writing's been on the wall for the global print media industry for years", with newspapers struggling

to monetise online content. According to Toyana, South Africa had managed to buck the trend for a while given its “high data costs, which made good quality news sites difficult to access while newspapers remained relatively cost-effective”, but that the situation was no longer looking good (Toyana 2020, 7 July). Toyana contextualises Media24’s move by reporting how Britain’s *Daily Mirror* “announced it would cut about 550 jobs, or 12% of its workforce, after the Covid-19 pandemic hit circulation and advertising at its national and regional newspapers” (Toyana 2020, 7 July).

To place the financial crisis in a local context, Rabe states that “Media24 is the third media company to announce its print media can no longer withstand the pressures of our time” (Rabe 2020, 11 July), and Mahlaka confirms that “[Media24] joins a growing list of publishing companies that have either permanently closed their entire operations or hived off media titles, including Associated Media Publishing and Caxton, which recently withdrew from magazine publishing and associated businesses” (Mahlaka 2020, 7 July). Mahlaka comments on the publishing industry’s long value chain (as mentioned in Chapter Three’s discussion of the traditional news value chain as a vertically integrated model (Van der Wurff (2012: 232)) that incorporates the production, printing and distribution of publications, and observes that “Media24's division that includes the production and distribution of magazines and newspapers is big, as it contributed 60% to the company's total group revenue for its financial year ended 31 March 2020” (Mahlaka 2020, 7 July).

Ishmet Davidson presents the idea of online advertising alone as no longer sustainable, and Cronje reports him as saying that “he doesn't see online advertising alone sustaining journalism any longer, as tech titans Facebook and Google continue to gobble up the lion's share of online ad spending” (Cronje 2020, 30 July). Cronje himself states that “if anybody thinks that advertising is going to save the day, I really don't think it's going to,” citing an assertion by Dele Olojede, the chairperson of AFAR Media and the founder of Africa in the World, that the traditional model of news, which saw advertising contributing 80–85% of revenue, was finished (Cronje 2020, 30 July). As shown in Chapter Three, Van der Wurff (2012: 233) explains how online advertising challenges and disrupts the vertically integrated model of how newspapers have traditionally ensured their financial viability, and thus their ability to perform their traditional social and political functions.

The content surveyed, however, provided very few clear descriptions of the exact nature of the multifaceted financial problems besetting Media24 and the news publishing industry in general, and the partial factors that were mentioned, such as the changing nature of advertising and the Covid-

19 pandemic (discussed in the following section), were presented as external, endogenous factors that assailed Media24 from the outside.

#### 5.2.2.2 *The Covid-19 crisis and newspapers*

In addition, the Covid-19 pandemic was constructed in the content surveyed as an additional crisis, layered on top of the pre-existing financial crisis, which obliterated any chance of many news publications recovering from the financial crisis. The Media24 content surveyed positioned the Covid-19 pandemic as an abstracted, exogenous actor that had intensified the pre-existing financial crisis to an unsustainable level. The first words of the title of Media24's press release announcing the title closures and staff retrenchments on 7 July 2020 were "Covid-19 hits Media24 hard", thus prefacing the announcement with an immediate and irrefutable justifying context for the company's actions (Media24, 2020a). Media24 CEO Ishmet Davidson's elaboration situated the pandemic as the final straw for news media publications that had been under pressure for some time, as he described how the pandemic had "accelerated the pre-existing and long-term structural decline in print media, resulting in a devastating impact on our own already fragile print media operations with significant declines in both circulation and advertising since April" (Media24, 2020a).

Media24's pandemic justification for its retrenchment action and title closures was uncritically accepted and repeated by the reporting and commentary at the time. Glenda Nevill of *The Media Online* reported that "The devastating impact of Covid-19 has heralded sweeping changes to Media24 titles" (Nevill, 2020), while *Daily Maverick's* Ray Mahlaka commented that "South Africa's magazine and newspaper publishing industry has become another casualty of Covid-19, with the crippling pandemic pushing several well-loved and iconic titles into extinction" (Mahlaka, 2020). SANEF was equally uncritical of the pandemic explanation, reporting simply that "The South African National Editors Forum (SANEF) is dismayed to learn that one of the country's biggest multiplatform media companies will be retrenching hundreds of journalists, due to the negative impact of Covid-19" (SANEF, 2020).

### 5.2.2.3 *The impact of Media24's title closures on staff*

Media24's structural adjustments, which involved mass retrenchments and title closures, saw many members of staff losing their jobs and suffering negative financial and emotional effects. The narratives that emerged in relation to this came primarily from external reporters and commentators.

The few mentions made in Media24's own announcement tended to abstract, depersonalise and dehumanise the affected employees, suggesting a pragmatic corporate attitude to them as dispensable "human resources". In Media24's formal announcement of the structural adjustments, Davidson directly refers to the employees only twice: once to briefly state how the company had tried to protect their jobs during the Covid-19 pandemic, and then again to quantify them. Before providing figures for the numbers of retrenchments (510 staff members out of 2971), Davidson stated:

From the earliest days of the pandemic in South Africa, everything we've done focused on two main priorities. Firstly, the health and safety of our people, and secondly, business continuity — by implication also protecting employment for as long as possible. (Media24 2020, 7 July)

It was left to those affected and to outside observers to explain what the impact of these retrenchments was, on the staff who were leaving and on those who would remain. In *The Media Online*, Glenda Nevill explained that Media24 editors would become "outsourced contractors", that Media24 would outsource content production on the remaining monthly magazines, that the advertising sales teams were being restructured to use freelance sales people, and that roughly 660 positions would in fact be lost (Nevill 2020, 7 July).

Ray Mahlaka made the important observation that the restructuring of Media24's titles and distribution would have a spillover effect on staff at other companies, in particular "Caxton and Novus, the main printers of the company's media titles. Caxton and Novus will print fewer volumes of magazines and newspapers due to the potential closures, charging Media24 far less than previously" (Mahlaka 2020, 7 July).

Lizette Rabe also pointed out that in fact 660 positions would be lost, and placed this in the context of the 700 positions that had already been lost at other media houses during April and May, and the possible retrenchment of 600 people looming at the SABC (Rabe 2020, 11 July).

The emotional impact of the retrenchments can best be observed up in the following section, which provides an overview of the death narrative that prevailed at the time in the reporting and description of Media24's restructuring.

#### 5.2.2.4 *The death narrative employed in describing Media24's restructuring*

As discussed earlier, Media24 itself was very neutral and unemotional in its announcement of its mass retrenchments, and it was independent commentators who expressed the mood of the reaction. This came primarily in the form of death metaphors, some of them laced with Covid-19 metaphors or references. Glenda Nevill titled her piece "Media24 swings the scythe in massive shake-up of print titles" (Nevill 2020, 7 July), portraying Media24 as the grim reaper delivering death to the titles and the staff positions. Similarly, Ray Mahlaka titled his piece, "End of an era as Media24 plans cull of iconic titles" (Mahlaka 2020, 7 July), invoking the idea of the necessary killing of the titles.

Lizette Rabe reported that one of her former colleagues who worked in a newsroom at a Media24 publication wrote to her, "It's blood on the walls", suggesting a murder or a massacre (Rabe 2020, 11 July). Rabe suggested that any journalist who worked for Media24, or had ever worked for Media24, was hearing the "death bell" as a result of the scale of the retrenchments, and was feeling a sense of impending career death. She stated that "we, who once worked in Media24 Centre (also known as the Mothership), feel as if the death bell has been ringing for us too" (Rabe 2020, 11 July). Rabe's interpretation of the situation was that "the crisis due to the coronavirus was only the last nail in the coffin; the patient was already in intensive care", suggesting that while in some ways this was a sudden death, in others it had been coming for quite some time, as everyone knew. Rabe also invoked the need to cope psychologically with death, and then move on, stating that "it is a time to mourn. That's how it should be. But then the time must also come, and soon, for us to come up with innovative and entrepreneurial digital media models" (Rabe 2020, 11 July).

Like Rabe, Malaika Mahlatsi used the image of a sick and dying patient to describe the decline and death of Media24's print titles, overtly linking the decline to the pandemic: "Over the years there has been a significant decline in both circulation and advertising. Print media has been comatose; the pandemic simply switched off the oxygen" (Mahlatsi 2020, 8 July). Mahlatsi also describes the

deep impact and deep mourning experienced not just by fellow journalists, but by readers too. She states: "While I recognise that the world is changing, that how people consume media is evolving, I cannot help but feel absolutely devastated by the death of print media. It has such a profound history in our country, and for some of us, it defines our childhood" (Mahlatsi 2020, 8 July). Mahlatsi recalls huddling over shared reading matter — iconic newspapers and magazines — with groups of friends, and how such shared reading experiences were an important social activity and means of forging relationships and bonds:

I appreciate social media but perhaps at the heart of my pain about the closure of newspapers and magazines is mourning for a time when relationships and conversations were genuine, personal, warm. I am mourning for a lost era, for a simpler time. How I wish we could hold onto it for a little while longer. (Mahlatsi 2020, 8 July)

This death narrative, albeit largely from the perspective of staff members negatively affected by Media24's structural adjustments, supports Chyi and Tenenboim's (2019: 2114) discussion of the "death narrative" that has prevailed for over a decade in relation to news publications. This death narrative has "fostered a sense of crisis and cast serious doubts on the sustainability of print newspapers", contributing to an "anti-print, pro-digital" discourse that has led to continuous disinvestments in print operations and the gutting of newsrooms (Chyi & Tenenboim 2019: 2114).

Linked to this death narrative is a narrative of change, which like the death narrative has a dual aspect: on the one hand, it is perceived as sudden and forced, and on the other, as part of a long trajectory of necessary change.

#### 5.2.2.5 *Narratives of change in Media24's restructuring*

Media24's announcement of its retrenchments is described by Glenda Nevill as "a shock announcement" (Nevill 2020, 7 July), and Lizette Rabe suggests that 7 July 2020 should be "known as Black Tuesday in terms of shock value, following 1977's Black Wednesday when newspapers were closed under the censorship of the apartheid government" (Rabe 2020, 11 July). Rabe notes, however, that the difference was that it was not the apartheid government doing damage, but "the digital revolution, plus Covid-19, that caused the shock wave in media circles" (Rabe 2020, 11 July). Rabe describes the emotional effects of this shock, describing how "the distress, sadness, and yes,



tears, rippled wave after wave across my computer screen” and how it was "heartbreaking to hear how many titles, and some heritage titles, are affected" (Rabe 2020, 11 July).

However, similar to the patient being in intensive care, in decline, and comatose, rather than dying a sudden death, as discussed in the previous section, the narratives of change also contained a sense of a long trajectory of necessary or inevitable change, in addition to the sudden shock. Rabe notes that the sweeping change was “not because of the past few Covid-19 months” but had “been on its way since the digital revolution began" (Rabe 2020, 11 July). She states that "the crisis due to the coronavirus was only the last nail in the coffin; the patient was already in intensive care" and that “it was just unrealistic to expect 'business as usual'; it was only a matter of time" (Rabe 2020, 11 July).

Similarly, the perceptions of Covid-19 in relation to industry change also had a dual aspect. On the one hand, the Covid-19 pandemic was viewed as a crisis, and as the sudden reason for Media24’s structural adjustments, as expressed by the South African National Editors Forum (SANEF), who were “dismayed to learn that one of the country's biggest multiplatform media companies will be retrenching hundreds of journalists, due to the negative impact of Covid-19" (SANEF 2020, 7 July). Ray Mahlaka commented that "South Africa's magazine and newspaper publishing industry has become another casualty of Covid-19, with the crippling pandemic pushing several well-loved and iconic titles into extinction" (Mahlaka 2020, 7 July).

The Covid-19 pandemic was seen as simply the culmination of a process of inevitable change. Lizette Rabe invokes the German concepts of Angst, Zeitgeist and Zeitwende to describe what she sees as the “primal existential crisis” posed by the decline of print media and news media (Rabe 2020, 11 July). She states that

Angst is just so much more frightening than anxiety. And Zeitgeist so much more impressive than just the spirit of our time. And now: Zeitwende. A revolution in time — that we are, in fact, experiencing a turning point in modern history.

While Rabe expresses great anxiety that “South Africa's largest media company [...] could not withstand the pressures of our time”, she also acknowledges that “the question was not if, but when, that announcement would come” (Rabe 2020, 11 July). She concludes:

No wonder it feels as if Angst, Zeitgeist and Zeitwende have all been mixed together and that concoction is dragging us down in a maelstrom; that we are experiencing an existential crisis

of unimaginable magnitude. What next, if even that rock on the horizon, Media24, capitulated? (Rabe 2020, 11 July)

#### 5.2.2.6 *Theft of revenue by Google and Facebook*

Theft of revenue by Google and Facebook emerged as a theme from the Media24 content surveyed. Although Google is a search engine and Facebook is a social media platform, the two companies were routinely mentioned in the same breath as greedy entities that at best are consuming more than their fair share, and at worst actively stealing revenue that does not belong to them. Media24 CEO Ishmet Davidson positioned Google and Facebook as squarely responsible for Media24's losses in online advertising revenue. In a report on the *News24* Future of News Summit on 30 July 2020, Jan Cronje quotes Davidson as saying that "he doesn't see online advertising alone sustaining journalism any longer, as tech titans Facebook and Google continue to gobble up the lion's share of online ad spending" (Cronje, 2020). Davidson repeats the metaphor of greed, emphasising that "Google and Facebook gobble up somewhere between 85% and 90% of online advertising in the country" and commenting that "I may seem a bit bitter about it, and that is probably because I am" (Cronje, 2020). Davidson continues by stating that "fighting Facebook and Google at their own advertising game in the hope that revenue will pick up is not going to be successful".

*News24's* editor-in-chief Adriaan Basson states that a sustainable model of quality, digital journalism cannot be produced through advertising revenue alone, and concludes that "although we will continue to ask South African corporates to send their marketing rands to local publishers, rather than the technology behemoths in Silicon Valley and Ireland, a new model simply has to include some form of reader revenue" (Basson, 2020). Invoking one of the metaphors of war discussed in section 4.3.5, Basson states that "these companies have sophisticated software, and an army of developers and engineers that ensure that advertisers can target their audience in a highly sophisticated way" (Planting, 2020). In an article on the launch of *News24's* subscription service, *Daily Maverick's* Sasha Planting agrees that "the problem is the rise of 'Big Tech' — companies like Google and Facebook, which now account for about 60% of all digital advertising spend" (Planting, 2020).

Conceptualising the emergence of new digital communications technologies and networked information sharing as a “problem” and as “theft”, raises questions of power and dominance in relation to the role of traditional media. The construction of digital communications technologies as a negative “threat” in the sources reviewed in relation to Media24’s restructuring, raises important questions about the perceived role of traditional media in the public sphere. If public participation in a process of rational debate and deliberation, in order to exert influence on political decisions, requires “specific means for transmitting information and influencing those who receive it” (Habermas, 1989: 49), then Media24, and many commentators, seem to assume that control of the mechanism for doing so is their birthright, and that alternatives that emerge constitute a “theft” of their dominant position. The constructions of theft suggest a perception of ownership of the mechanism “for communicating the general consensus of opinion of the majority to those in power” (Howells 2015: 46), with technologically newer alternatives, particularly social media (as discussed below), perceived as constituting an attack on this position.

#### 5.2.2.7 *The need for new business models*

In the formal announcement of *News24*’s digital subscription, Adriaan Basson addresses readers directly, and addresses the necessity of reader revenue directly, stating: "To continue and expand our probing journalism even further, we need your investment" and “I invite you to enter this new era for *News24* with us” (Basson 2020, 13 July). Basson states that "the traditional media business model is all but broken”, referring to how “just last week, Media24 announced the possible retrenchment of 500 employees. This follows similar announcements by other media houses, including the SABC” (Basson 2020, 13 July). Basson describes the traditional media business model in simple and personal terms:

When I started my career as a crime reporter in Johannesburg in 2003, the model was simple. We wrote stories for our newspaper. In-between our stories, businesses paid to advertise their products and services. On top of that, you, the reader, paid us a small amount to read the news. The company had two income streams: advertising and circulation. The model was sustainable and delivered some of the best journalism the country and the world had seen. Newsrooms were full and journalism thrived [...] But all of this has changed. Print media has all but reached the end of its glorious lifespan, but we cannot let quality journalism die with paper and ink. We need to build a sustainable model for quality, digital journalism. (Basson 2020, 13 July)

Basson underlines repeatedly that “a new model simply has to include some form of reader revenue”, and states that *News24* has opted for the “freemium” model, which is “a mixture of free and premium journalism in one hub” (Basson 2020, 13 July). In support of this decision, Basson refers to a number of prominent overseas newspapers that have had success with digital subscriptions, citing the *New York Times*, the *Boston Globe*, *Dagbladet* in Norway, *Folha de San Paulo* in Brazil, *Expressen* in Sweden, *Le Monde* in France, the *Financial Times*, the *Daily Telegraph*, *Bild* in Germany, *Gazeta Wyborcza* in Poland, the *Globe and Mail* in Canada, and the *Washington Post*. In particular, Basson cites how the *New York Times* silence its sceptics by building its subscriber base to over 5 million people in less than ten years (Basson 2020, 13 July). Media24 CEO Ishmet Davidson agreed that “advertising alone cannot sustain journalism any longer” (Cronje 2020, 30 July).

In his commentary on the digital subscription announcement, Chris Moerdyk notes that “one of the biggest mistakes that newspapers made right at the start of the digital revolution was to give their content away for free”, calling this “a stupid error of judgement for which a very hefty price was paid because readers got used to getting things for free and really did not take kindly to have to suddenly start paying for their daily news fare” (Moerdyk 2020, 6 August).

Sasha Planting quotes Kirstine Stewart, head of Shaping the Future of Media, Entertainment and Culture at the World Economic Forum, who states that “the current coronavirus challenge only emphasises the indispensable role that media play in society today” (Planting 2020, 19 August). Stewart states that the news publishing industry needs financial models that equip them to fulfil their normative social functions, noting that this may require “the involvement of regulators, to find solutions that balance innovation, consumer welfare and corporate responsibility of every stakeholder in the media industry” (Planting 2020, 19 August).

However, the reality of what Davidson, Basson and *News24* communicated during the announcement of Media24’s staff retrenchment action and the launch of the digital subscription had less to do with a consideration of multiple stakeholders than a simple linear relationship between the company as the creator of a product, and the reader as a customer or user of that product, and as a source of revenue, as discussed below. Their approach suggests a desire to regain, strengthen and consolidate their influence and dominance, while consolidating the reader as a customer (discussed further in the sections below), and seems to align with Boczkowski’s

description of newspapers' responses to change as "reactive, defensive, and pragmatic" (Boczkowski 2010: 26).

#### 5.2.2.8 *The cultural crisis of news publications: social media and misinformation/ disinformation*

At the July 13, 2020 event at which the announcement of *News24's* digital subscription took place, Adriaan Basson deprecates and minimises the role of social media by stating: "Our journalists don't report from the sidelines of social media; we get our hands dirty and run into places where others flee from" (Basson, 2020). Basson suggests that social media content is not real news, but is marginal content from the sidelines, produced by people who are not real journalists but are perhaps cowardly or lazy, as unlike journalists they don't get their hands dirty and "flee" from difficult places or physical scenarios. At the same *News24* event, Duncan Alfreds reports that Earl Wilkinson, Executive Director and CEO of the International News Media Association (INMA) stated, in the context of the Covid-19 pandemic, that "loyalty and trust have become dual currencies for publishers. When the chips were down, readers turned to the publishers they know and trust. They flirted on Facebook when things didn't matter, but turned to you when things did matter" (Alfreds 2020). As Basson did, Wilkinson minimises the importance and trustworthiness of Facebook, by reducing its user engagement to a "flirtation" rather than a serious trust relationship.

A similarly oversimplified perspective is offered by Malaika Mahlatsi in her piece mourning *Media24's* closure of print titles and staff retrenchment action, where she contrasts sharing a link on social media with sharing a newspaper, and constructs social media sharing as "impersonal", as opposed to the in-person sharing of a newspaper, which she describes as "genuine", "personal", and "warm" and as a facilitator of a "sense of community" (Mahlatsi 2020). However, Mahlatsi also constructs such a personal sharing of newspapers and content as part of a "lost era", a "simpler time" that she wishes she "could hold on to for a little while longer" (Mahlatsi, 2020).

Commenting on the *Media24* retrenchment action, and lamenting the title closures, Lizette Rabe emphasises the need for quality journalism during the Covid-19 pandemic, by highlighting the prevalence of fake news. She states that "in a time of the virus, and especially in a time of fake news,

we need the news media more than ever before”, and cautions that “the news media is especially needed at a time when fake news is thriving” (Rabe, 2020).

Section C discusses more carefully this sense of anxiety about, and antagonism towards, the person in the street mediating their own information, and a desire to retain the position of gatekeepers of information for journalists and editors. This emerges as a point of convergence between the Media24/News24 and *Daily Maverick* content surveyed.

#### 5.2.2.9 *Assessing the notion of crisis*

The surveyed content was unanimous in presenting Media24’s structural adjustments as part of an ongoing and dramatically escalating financial crisis, which, in the context of the upheaval created by the response to the Covid-19 pandemic, seems to have been a logical, reasonable, and even apparently patriotic stance (in the sense that it supports rather than challenges the construction of the pandemic by local and global authorities as an overwhelming crisis that requires the suspension of all previous modes of operation). However, it is important to return to Siles and Boczkowski’s (2012) point that in spite of the repeated mantra within the industry that print is dead and newspapers/news publications are in crisis, and the large body of research that documents how news publications, even in their digital form, are under economic and cultural threat, there is in fact widespread disagreement about how to understand and interpret the transformation of news publications in the digital era — and about whether in fact it constitutes a crisis at all.

Siles and Boczkowski describe crisis as “both a rich and a slippery concept” (2012: 1376), and point to the evolution of its meaning. While today crisis means “indecision [...] the moment when, in tandem with a disruption, uncertainties arise”, in its original Greek form, *krisis*, it “meant decision: it is the decisive moment, in the evolution of an uncertain process, that allows a diagnosis” (2012: 1376). Brüggeman et al. (2012) explain that “the notion of ‘crisis’ is not neutral, objective or universally applicable”, and that “discourses of a newspaper ‘crisis’ should not be regarded simply as descriptions of the actual state of the press but also as a means by which strategic actors frame the situation” (Brüggeman et al. 2015: 533). They distinguish between a “crisis in journalism” frame and a “disruptive innovation” frame, and demonstrate that debates on the newspaper “crisis” are only partly influenced by economic realities and media policy traditions — they also reflect the

strategic motives of powerful actors, who instrumentalise the crisis discourse even when the economic situation is a lot better for them. “Crisis” is therefore a contested concept, and a powerful one.

Given the multiple possibilities for instrumentalising a crisis to achieve a wide range of strategies, the statements from Media24 themselves, and even the commentary from others on their structural adjustments during the period surveyed, should not simply be taken at face value. It could be argued that the closure of the print titles and the announcement of a digital paywall were not individual crisis responses to Covid-19, but were linked phases of a carefully planned strategy of restructuring that instrumentalised the notion of crisis and Covid-19 to conduct mass retrenchments and title closures with as few consequences as possible. While it is not possible within the scope of this thesis to speculate further on why “strategic actors” would choose to frame Media24’s structural adjustment solely in terms of crisis, it has been possible to at least indicate how. Perhaps a deeper dive into the motives for doing so could be undertaken in future research, once the general state of constant media crisis and upheaval around Covid-19 has settled.

### **5.2.3 Media24’s anti-print, pro-digital discourse**

The desire to dispense with Media24’s less profitable print divisions by disinvesting in print, and to grow the digital division (*News24*) by launching digital subscriptions, could also account for what emerged as an anti-print, pro-digital discourse in the period under examination, which saw print and the print publications being frequently “othered”.

In the announcement of the staff retrenchment action on 7 July 2020, Ishmet Davidson emphasises “the pre-existing and long-term structural decline in print media”, the “already fragile print media operations” and the “significant declines in both circulation and advertising”, as well as the lack of profitability or “structural decline” of the print titles, concluding that “they” (and significantly not “we”) have “run out of options” (Media24 2020, 7 July).

When Adriaan Basson elaborated later that month on the launch of the digital subscription, he clearly underlined the distance between “us” (*News24* and its digital offering) and “them” (the failed print publications): “We [*News24*] have invested in journalism and grew our newsroom at a dark

time for media companies and journalists" (*News24* 2020, 30 July). This othering of print is seen as justified, in order to preserve journalism and democracy from print's inevitable failure (its "very sad and unfortunate decline"). In order to "keep power to account and strengthen democracy", according to Basson, the focus has to shift to "us" (*News24* and its digital subscription offering), to "ensure that we build a sustainable future for digital publications like *News24*" (*News24* 2020, 30 July).

It is interesting to note that at the launch of *News24*'s subscription service at *News24*'s Future of News Summit, Ishmet Davidson, CEO of Media24, speaks as a voice of *News24*, yet the company had been at pains in its formal press releases to create some sort of distinction between Media24 as a print endeavour and *News24* as a separate online digital platform, even though *News24* falls under the umbrella of Media24 (Cronje 2020, 30 July).

The literature notes that an "anti-print, pro-digital" discourse ultimately leads to continuous disinvestments in print operations and the gutting of newsrooms (Chyi & Tenenboim 2019: 2114), as the "death narrative" around print propels and provides a justification for operational decisions that have damaged newsrooms and the news as a product, thus turning the narrative into a self-fulfilling prophecy.

#### **5.2.4 *News24*'s decision to adopt a digital subscription model (paywall)**

Announcing the launch of the digital subscription model, Adriaan Basson announced the introduction of a "freemium paywall", in terms of which, he explained, "most of our breaking news will remain free-to-read, but premium content will only be available to paying subscribers" (Basson 2020, 13 July). *News24*'s decision to adopt a digital subscription model (a paywall, in other words) reveals a cluster of narratives coming together: the failure of traditional advertising model; the need for a new business model; the idea of an industry-wide shift in financing news media; and Covid-19 as a (potentially cynical) opportunity to engineer change in customer habits.

At *News24*'s announcement of their decision during the digital Future of News Summit, Ishmet Davidson stated categorically: "If anybody thinks that advertising is going to save the day, I really don't think it is going to" (Cronje 2020, 30 July). In an analysis piece on *News24*'s decision to adopt



a digital subscription model, Duncan Alfreds refers to how most local and international media institutions are in agreement that the advertising model to fund news media has failed (Alfreds 2020, 31 July). Alfreds reports that at *News24*'s announcement, venture capitalist Michael Jordaan stated that it's time to "burn the ships" and start afresh. Jordan was referring to Spanish commander Hernán Cortés, who instructed his crew to burn their ships when they reached the Mexico in order to force themselves to survive in the New World (Alfreds 2020, 31 July). In this context, the new world is the media rich, information rich, hyperconnected digital age.

Establishing a suitable new business model is no easy matter, however. As Alfreds notes, for some time the difficult question has been:

What do we establish in the place of the old model, which used advertising income to subsidise quality journalism for the reader? And, in a world where a news story is a dime a dozen, do we dare charge readers money for journalism if they can read the news elsewhere for free? (Alfreds 2020, 31 July)

In a *Daily Maverick* article reacting to the announcement, Sasha Planting relates the frequently quoted analogy offered by Peter Vandermeersch, publisher at Independent News & Media, which produces *The Irish Times*, who said:

"Think about it. We're bakers and we make croissants, and if you come to one door, our print door, you pay for the croissants [...] But if you come to the back door, the digital door, we give them away for free. This enticing, yet unsustainable bakery deal is over. From now on, also at the back door, we'll ask the €2.50 a week for the croissants there. (Planting 2020, 19 August)

Basson described *News24*'s decision as being in line with an industry-wide shift ("Like many of our peers internationally, we will be introducing a freemium paywall" (Basson 2020, 13 July). He also stated that "there has been a sea-change in user understanding and behaviour over the past few years [...] People accept that good journalism is worth paying for" (Basson 2020, 13 July). Similarly, reporting on the announcement event, Alfreds quotes Cheryl Ireton, executive director of the World Editors Forum, who stated at the event: "There has to be a way to pay for journalism if news organisations are to meet their mandate. Subscriptions are an obvious route. *News24* was a digital pioneer – focusing on growing a big audience and attracting digital advertising. Now it has to find a way to monetise its content" (Alfreds 2020, 31 July). Alfreds' own opinion was that "news brands who went the subscription route years ago, withstood the shock of Covid-19 far better than anyone else and are now better placed for the next few years" (Alfreds 2020, 31 July).

In her analysis of *News24*'s decision, Sasha Planting draws parallels between the local South African media context and what other countries are doing, noting *News24*'s decision is in line with the practice of the *Washington Post*, the *Wall Street Journal*, the *New York Times*, and the *Financial Times*, as well as South Africa's *BDLive*, *Mail & Guardian* and *Biznews* publications (Planting 2020, 19 August). Planting observes that "three or four years ago, virtually no media house charged for online news, with perhaps the exception of the *New York Times*, *Financial Times* and *Wall Street Journal*. Now, the majority of online sites do – in one form or another", with free-to-read sites like *Moneyweb* requiring membership to access archived content (Planting 2020, 19 August).

While Basson described this launch as the end point of a long two-year process of building "a sustainable model for quality journalism" (Basson 2020, 13 July), Covid-19 featured strongly in his explanation that

the impetus for the decision has of course been highlighted by mass retrenchments and salary cuts at almost all major local media companies due to the impact of Covid-19. With consumers feeling the pinch of the national lockdown, advertising revenue has dropped and sales have declined, kicking the search for a new business model for news into the next gear. (Basson 2020, 13 July)

Similarly, Alfreds quotes Nic Newman, the Reuters Institute's senior research associate, who at the event stated: "Of course timing matters, and now may be as good a time as ever to start charging for online news [...] Journalism matters and is in demand again." Newman added: "The massive audience growth seen by publishers during Covid-19 is proof that when people absolutely have to have credible information, they know where trusted news publishers are." Finally, as a conclusion to her discussion of Peter Vandermeersch's croissant analogy, Sasha Planting states that "the year 2020 has seen people increasingly willing to pay for croissants made from real butter, rather than lard, a far from satisfactory alternative" (Planting 2020, 19 August).

It could therefore be argued that the Covid-19 pandemic provided an opportunity, and a potentially cynical one, for *Media24/News24* to engineer changes in reader habits during a period of fear, uncertainty and confusion, rather than fundamental changes in news production. They did this by removing a number of print options, and instituting a digital subscription model. The researcher would argue that *News24*'s digital subscription strategy or paywall is a simple re-engineering of reader habits through force, rather than technological innovation. This aligns with Boczkowski's observation that while newspapers have made changes and innovated, "they have moved in more

conservative and less successful ways than new competitors — hence the lower level of innovation and market success” (2010: 26). This change in *News24*’s business model was not a new idea, and had been clearly evident for many years in the examples set by renowned newspapers: the *Washington Post* instituted its paywall in 2013 (Cillizza 2013), the *New York Times* in 2011 (Salmon 2011), and the *Wall Street Journal* a full 25 years ago in 1996 at the dawn of online news reporting (Wang 2016). *News24*’s belated strategy suggests, in accordance with Boczkowski, that they took action to innovate “only after it seemed evident to key decision makers that relevant technical and social developments had reasonable chance of taking hold, rather than more proactively trying to take advantage of them earlier in the game” (Boczkowski 2004: 48). It also aligns with Boczkowski’s (2010: 26) argument that newspapers’ culture of innovation has been marked by three traits: “it has been reactive, defensive, and pragmatic”. *News24* has “reacted to events, following trends rather than proactively setting them”, and in doing so was “focused on maintaining their position and values in the print world rather than on experimenting with radically new ways of doing things” (Boczkowski 2010: 26). It could be argued, in line with Boczkowski’s (2010: 26) criticisms, that *Media24/News24* remain “more concerned about short-term results than long-term horizons that are riskier but can have much bigger payoffs” (Boczkowski 2010: 26).

The current “freemium” model that *News24* has embraced raises issues in relation to how news functions as a public good (as opposed to simply “good for the public”). Instituting even a partial paywall erodes the concept of news as a public good, which non-paying users cannot be prevented from using, and whose usefulness is not modified by how many people use it (Van der Wurff 2012: 35). Van der Wurff notes that “actually expending effort and resources to exclude non-paying users is counterproductive for everyone involved: the number of people benefiting from the good would be reduced, without any associated reduction in the production costs (which are largely fixed), thus reducing total welfare for no reason” (Van der Wurff 2012: 35). However, as noted too by Van der Wurff, this raises the issue of free riders, or “people who intend to use the public good without ever paying for it” (Van der Wurff 2012: 35).

In relation to this issue, Basson expressed an awareness that many readers, particularly those in lower income brackets, may not be able to afford a news subscription, or may be resistant to paying for something that they had been getting for free. This is why, he said, *News24* would always provide breaking news for free, while charging for what he called “extra stuff”: “the in-depth stories, the

investigative journalism, the follow-up stories, some of the podcasts ... it will be aimed at people who want to read more, want the world explained and analysed" (Nevill 2020, July 13). In-depth news, according to *News24's* new model, is therefore now a commodity to be paid for. However, it is important to note that *News24* has not set its subscription model in stone. Basson stated that given that the news media industry is in flux, and is searching for a new and more sustainable model for generating revenue, "we will not be afraid to change our model or offer new features as we go" (Planting 2020, 19 August). Glenda Nevill reported Basson stating that future sustainability could be based on "subscription models incorporating reader and ad revenue, as well as membership models like that of the *Daily Maverick*" (Nevill 2020, July 13).

The idea of news as a commodity has implications for how *Media24/News24* conceptualise their readers, as discussed in the following section.

### **5.2.5 Reader revenue: the role of readers and the public as customers, users, or investors**

In their formal announcements and statements during the period under study, *Media24* and *News24* did not focus in much detail on the position or experience of the reader, other than as a "customer", a "user", a "subscriber", or an "investor" who is only directly appealed to when payment is being solicited from them. The vast majority of the time devoted to communicating with the public focuses on the company, not the readers.

In the formal announcement of *Media24's* restricting, where Ishmet Davidson quotes figures on the success of the *News24/Netwerk24* digital platforms, he describes readers as "users" (*Media24* 2020, 7 July), and Jan Cronje similarly observes that "Ishmet Davidson says he is a firm believer in the need for users to pay for online journalism" (Cronje 2020, 30 July). Basson underlines that "like many of our peers internationally [...] premium content will only be available to paying subscribers" (Basson 2020, 13 July). He also constructs the readers as investors, stating that "we believe there has never been a more important time to invest in quality journalism" and that "to continue and expand our probing journalism even further, we need your investment" (Basson 2020, 13 July). Basson also states that "SA Inc. has a responsibility to support local media, to hold power to account" and "contribute to the survival of good journalism" (Basson 2020, 13 July).

Lizette Rabe provides a somewhat confusing summation of the staff retrenchment action, one which underlines the position of reader as customer, and which employs a dubious shift in voice. She begins by positioning herself as a journalist who observes that "the public has grown used to receiving their news for free" and who underlines that "you do not get free services elsewhere. You cannot go to a doctor without paying; nor walk out of a supermarket with a free basket of goods. The same should be applied for quality journalism". She then shifts her voice to align with the reader/customer as a member of the public, when she states that "now we, as the public, must also do our part and support professional digital news media with subscriptions" and "we, as the public, should also realise quality news does not come for free and be prepared to make a contribution to ensure that quality news can thrive" (Rabe 2020, 11 July). She concludes that "you and I, as the public, can make a contribution to ensure the lifeblood of a democracy can be sustained" (Rabe 2020, 11 July).

While the conceptualisation of readers as customers, users or investors underlines the importance of generating reader revenue to sustain traditional news gathering operations, it also constructs the transactional nature of news as a product, and thus undermines the notion of news as a public good. This conceptualisation of readers and of news as a product, also limits access to the public sphere constituted by traditional news media, making participation conditional on payment. Not only does this pose potential problems for equal participation in this sphere, making it a conditional space, but it potentially undoes or removes some of the potential benefits of the unique characteristics of news as an economic product, and even the unique characteristics of news as a digital product.

Constructing news primarily as an economic product to be transacted by instituting a paywall strengthens the characteristic of non-rival consumption, where "using news does not finish it; after consumption, someone else can use the same news. This means that news, once produced, is not scarce" (Van der Wurff 2012: 234). However, paywalls strengthen non-rival consumption to work purely in favour of the news producer, and not at all in favour of the news consumer, because limiting access to digital news to a direct, paid, one-on-one relationship tied to an individual's specific device or devices, removes its digital "shareability". Multiple people can still technically access the news product at the same time, without diminishing its value, and without affecting its production, but the network effect is destroyed, as these people must be able to overcome the barrier of payment before sharing.

While it was very clear in the articles reviewed that Media24/News24 devoted very minimal attention to the impact of their structural adjustments on their readers, it was similarly clear that they also devoted minimal attention to the effects of these changes on their staff members, as discussed in the following section.

### **5.2.6 Normative conceptions of news media and the crisis of democracy**

In her piece on the Media24 retrenchments, Lizette Rabe revisits certain foundational documents and normative principles regarding the role of the news media and news journalists (Rabe, 2020).

Rabe refers to the Windhoek Declaration on media freedom, which formed the basis for UNESCO's declaration of 3 May as World Press Freedom Day, and which highlights a diversity and plurality of voices:

Simply put: the more voices are heard on issues of the day, the better for a democracy. Plus: without a free media, there is no democracy. There may still be corruption, but a diverse media sector will shed light on all the cracks in our society. Indeed, it is precisely because of investigative journalism that we are not deeper in the swamp of state capture than we are. (Rabe, 2020)

Rabe also revisits Nelson Mandela's speech at the opening of the International Press Institute's conference in Cape Town in February 1994:

A critical, independent and investigative press is the lifeblood of any democracy ... It must enjoy the protection of the Constitution so that it can protect our rights as citizens. It is only such a free press that can temper the appetite of any government to amass power at the expense of the citizen ... It is only such a free press that can have the capacity to relentlessly expose excesses and corruption on the part of the government, state officials and other institutions that hold power. (Nelson Mandela, in Rabe 2020)

Rabe concludes that journalism is the lifeblood of a democracy, and calls on Media24, with its heritage, to "do everything in its power to fulfil the social contract with the South African public".

SANEF stated that it was "concerned that the continuing closure of media houses will have a detrimental effect on our democracy as it limits the number of sources of information for the public, leads to regression in media diversity and multiplicity of voices" (SANEF 2020, 7 July). Ray Mahlaka

argued that “any closure of a media title is bad, as it means the reader will have fewer choices and there will be less diversity of views in SA's publishing industry" (Mahlaka 2020, 7 July).

### **5.2.7 The impact of Media24's title closures on staff**

Media24's structural adjustments, which involved mass retrenchments and title closures, saw many members of staff losing their jobs and suffering negative financial and emotional effects. The narratives that emerged in relation to this came primarily from external reporters and commentators.

The few mentions made in Media24's own announcement tended to abstract, depersonalise and dehumanise the affected employees, suggesting a pragmatic corporate attitude to them as dispensable “human resources”. In Media24's formal announcement of the structural adjustments, Davidson directly refers to the employees only twice: once to briefly state how the company had tried to protect their jobs during the Covid-19 pandemic, and then again to quantify them. Before providing figures for the numbers of retrenchments (510 staff members out of 2971), Davidson stated:

From the earliest days of the pandemic in South Africa, everything we've done focused on two main priorities. Firstly, the health and safety of our people, and secondly, business continuity — by implication also protecting employment for as long as possible. (Media24 2020, 7 July)

It was left to those affected and to outside observers to explain what the impact of these retrenchments was, on the staff who were leaving and on those who would remain. In The Media Online, Glenda Nevill explained that Media24 editors would become “outsourced contractors”, that Media24 would outsource content production on the remaining monthly magazines, that the advertising sales teams were being restructured to use freelance sales people, and that roughly 660 positions would in fact be lost (Nevill 2020, 7 July).

Ray Mahlaka made the important observation that the restructuring of Media24's titles and distribution would have a spillover effect on staff at other companies, in particular "Caxton and Novus, the main printers of the company's media titles. Caxton and Novus will print fewer volumes

of magazines and newspapers due to the potential closures, charging Media24 far less than previously" (Mahlaka 2020, 7 July).

Lizette Rabe also pointed out that in fact 660 positions would be lost, and placed this in the context of the 700 positions that had already been lost at other media houses during April and May, and the possible retrenchment of 600 people looming at the SABC (Rabe 2020, 11 July).

The emotional impact of the retrenchments can best be observed up in the following section, which provides an overview of the death narrative that prevailed at the time in the reporting and description of Media24's restructuring.

### **5.2.8 Social media as bad for the news**

Both the Media24 and the *Daily Maverick* sources suggested that not only are social media platforms like Facebook damaging to the traditional advertising-based business model of the news, but they are bad for the news content itself. Both the Media24 and the *Daily Maverick* sources of content for the period under study construct social media as inherently bad for the news. At the July 13, 2020 event at which the announcement of *News24*'s digital subscription took place, Adriaan Basson deprecates and minimises the role of social media by stating "Our journalists don't report from the sidelines of social media; we get our hands dirty and run into places where others flee from" (Basson, 2020). Basson suggests that social media content is not real news, but is marginal content from the sidelines, produced by people who are not real journalists but are perhaps cowardly or lazy, as unlike journalists they don't get their hands dirty and "flee" from difficult places or physical scenarios. At the same *News24* event, Duncan Alfreds reports that Earl Wilkinson, Executive Director and CEO of the International News Media Association (INMA) stated, in the context of the Covid-19 pandemic, that "loyalty and trust have become dual currencies for publishers. When the chips were down, readers turned to the publishers they know and trust. They flirted on Facebook when things didn't matter, but turned to you when things did matter" (Alfreds 2020). As Basson did, Wilkinson minimises the importance and trustworthiness of Facebook, by reducing its user engagement to a "flirtation" rather than a serious trust relationship.



A similarly oversimplified perspective is offered by Malaika Mahlatsi in her piece mourning Media24's closure of print titles and staff retrenchment action, where she contrasts sharing a link on social media with sharing a newspaper, and constructs social media sharing as "impersonal", as opposed to the in-person sharing of a newspaper, which she describes as "genuine", "personal", and "warm" and as a facilitator of a "sense of community" (Mahlatsi 2020). However, Mahlatsi also constructs such a personal sharing of newspapers and content as part of a "lost era", a "simpler time" that she wishes she "could hold on to for a little while longer" (Mahlatsi, 2020).

### **5.2.9 Misinformation and disinformation**

Commenting on the Media24 retrenchment action, and lamenting the title closures, Lizette Rabe emphasises the need for quality journalism during the Covid-19 pandemic, by highlighting the prevalence of fake news. She states that "in a time of the virus, and especially in a time of fake news, we need the news media more than ever before", and cautions that "the news media is especially needed at a time when fake news is thriving" (Rabe, 2020).

### **5.2.10 The changing nature and legacy of journalism**

In their 7 July, 2020 report on Media24's staff retrenchment and title closures, SANEF alludes to the changing nature of journalism, highlighting the increase in personal danger for journalists since the start of the Covid-19 pandemic, and the fact that journalists are more necessary than ever:

Since Covid-19 the process of news gathering has transformed completely, and this element of personal danger is one of the most troubling changes for journalists. SANEF believes that the risks facing journalists remain unacceptably high for most, and tragically it has claimed the lives of some. And yet, most journalists remain resolved to fight to keep the principles of unwavering dedication to the pursuit of truth and making it available to all. And, we are convinced that the world needs journalists, now more than ever. (SANEF, 2020)

SANEF highlights journalists' "unwavering dedication to the pursuit of truth" here, as does Rabe, who states that news media journalists are "especially needed at a time when fake news is thriving" (Rabe, 2020). Rabe describes journalists as "specialists who collect information, who know how to do it independently, without fear or favour, verify it, and ensure that it complies with the ethical

guidelines of the South African press code” (Rabe, 2020). Rabe alludes to the consequences of these core, traditional journalistic skills being lost on such a great scale as a result of the Media24 retrenchments, pointing out that “all those journalists now retrenched should know that they are such information specialists”, and that this information “empowers a public, in whatever way, whether with information on the corona crisis, or corruption” (Rabe, 2020). Rabe also points to the camaraderie of journalism, and concludes that, with their work, journalists deepen a healthy democracy. It was ironic, therefore, that one week after the announcement of the Media24 retrenchment action, Adriaan Basson stated that “we believe there has never been a more important time to invest in quality journalism” (Basson, 2020).

Many of the perspectives on journalism were centred on normative conceptions of news media in the sources under review, as discussed in the following section.

### **5.3 SECTION B: THE DOMINANT NARRATIVES OF *DAILY MAVERICK’S* 2020 EXPANSION AND LAUNCH OF ITS PRINT TITLE, *DM168***

This section presents and discusses the findings in relation to the second research question: What were the dominant narratives of *Daily Maverick’s* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic?

The findings are presented in relation to the themes that emerged from the analysis.

#### **5.3.1 The crisis narrative of news publications**

In the period under review for this study, *Daily Maverick* itself and those commenting on its expansion and the launch of its print title, *DM168*, did not spend as much time lamenting the general financial crisis in news media as those speaking from within the Media24 context did. There are obvious reasons for this: *Daily Maverick* was seemingly on an upward spiral, building on its (modest) successes in sustaining a viable model for its digital-first publication, and had thus already made a great deal of progress, in comparison with Media24, in testing and developing solutions to the

various predicaments faced by news publications that until fairly recently had relied on print advertising. Where Media24 was still at the point of claiming that solutions needed to be found, and testing some of them (such as the digital subscription), *Daily Maverick* had been road testing various solutions for a decade. The general orientation of the *Daily Maverick* content reviewed was therefore generally far more optimistic, in spite of the Covid-19 restrictions on business. The topics that emerged as “crisis” topics were the theft of revenue by Google and Facebook, and the negative impact of social media on the news.

#### 5.3.1.1 *Theft of revenue by Google and Facebook*

The theme of the theft of revenue by Google and Facebook emerged from the content surveyed from the *Daily Maverick* publications, as illustrated in a *Daily Maverick* editorial from 17 August 2020, which states that

no one anticipated the disruption of digital advertising that came with Google and Facebook and the duopoly they soon established. The resultant decade was one of hardship for news media, with many publishers being pushed to the edge. (*Daily Maverick* 2020b)

*DM168* editor Heather Robertson invokes similar notions of greed and unfairness when she states that “Five years before, I had walked away from a job as a newspaper editor and the stress of trying my best to serve readers with quality information while Google and Facebook chowed up the advertising that subsidised the news” (Robertson, 2020).

The “unfair” theft of revenue by the “greedy” Google and Facebook is a familiar trope in media analyses. However, as discussed previously in section 2.3.2.3, it is not an accurate one. Matthew Gentzkow’s (2014) three false premises and Google’s 2021 Accenture report place the responsibility for newspapers’ loss of classifieds revenue (nearly half of their previous revenue) on “pure play” sites and not Google, and show that 64% of the growth of online advertising has come from new growth rather than from displacing the markets of traditional advertising. An awareness or acknowledgement of these factors on the part of Media24 and *Daily Maverick* was not shown in any of the content surveyed, and suggests that both the spokespeople for the organisations and the commentators have settled into certain assumptions and tropes about social media and search engines, rather than engaging with empirical data.

### 5.3.1.2 Social media (the non-traditional mediation of information) as bad for the news

On the About Us page of *Daily Maverick's* website, under the heading "Faith. Trust. Belief", the publication overtly presents itself as fighting a war against social media. While acknowledging that "the proliferation of social networks has brought never-before-seen public participation into the information universe", *Daily Maverick* states that "this internet-fuelled revolution also brought the blood on the streets — the blood of truth, trust and accuracy in this now omnipresent landscape of data that passes as news these days" (*Daily Maverick* n.d. About Us). Furthermore, *Daily Maverick* refers to the "fake news hurricane" that has "enveloped most of the planet [and] threatens to undermine the fundamentals of what we assumed was a developed, open, global democratic establishment based on values of honesty and decency" (*Daily Maverick* n.d. About Us). Finally, *Daily Maverick* presents itself as the solution: "We have but only one way to fight this onslaught which, in its essence, is an attack on our civilisation: high impact, independent public service journalism" (*Daily Maverick* n.d. About Us).

In these claims, it is important to note how the problem is abstracted into disembodied concepts — "social networks", "a fake news hurricane", and an "omnipresent landscape of data" — which constitute a threat to values and an "onslaught" and "attack" on our civilisation". But if one considers these abstractions of the "problem" properly, one realises that they in fact refer to the individual communications of ordinary people, or of other non-traditional groups of mediators, in the process of mediating and sharing information independently. The fact that *Daily Maverick* overtly positions itself as being at war with these abstractions (these ordinary people and groups) is therefore of some concern. It's also not clear exactly who the shifting "we", "our" and "us" is that *Daily Maverick* is referring to. Is this a way of suggesting that *Daily Maverick* readers and supporters are not as problematic as ordinary people mediating their own information?

An unsigned *Daily Maverick* editorial from 17 August 2020 is scathing about information on social media, stating that

When a journalist's job is lost, it leaves a vacuum that is filled by the Karens from Facebook and the Kevins from Twitter who spout their (sometimes insane) opinions as facts on subjects that nobody but the experts should really comment on. (*Daily Maverick*, 2020b)

News journalists and publications are constructed here as “expert”, while social media posts are simply “sometimes insane” opinions crafted by less than reputable Karens and Kevins. In other words, social media (or people’s individual mediation and communication of information) is constructed primarily as misinformation, in contrast with the credible mediation provided by journalists.

The same editorial links the opinions of ordinary people to “dangerous misinformation” during the Covid-19 pandemic, contrasting these dangerous opinions with “real journalism”, which is the “truth”, as it involves “real journalists going to the real experts for the hard facts that reflect reality” (*Daily Maverick* 2020b). The Covid-19 pandemic is invoked in emotive terms in order to underline the authority of journalists and to negate the circulation of information by ordinary people: “Lives are lost when the truth has to battle for position against Karen’s opinion, fake news and disinformation” (*Daily Maverick* 2020b).

As discussed more fully in section 5.4, a point of convergence between the *Media24/News24* and *Daily Maverick* content surveyed was this sense of anxiety about, and antagonism towards, the person in the street mediating their own information, and a desire to retain the position of gatekeepers of information for journalists and editors. In order to do this, notions of “fake news” (misinformation and disinformation) can be instrumentalised in order to establish or defend hegemony and authority defined by control over the circulation and interpretation of information.

### **5.3.2 The company as a cause**

An examination of the dominant narratives of *Daily Maverick’s* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic, reveals that *Daily Maverick* conceptualises and presents itself strongly as a cause in four interwoven ways: to generally promote cause-driven, quality journalism; to combat misinformation and disinformation, particularly currently around the Covid-19 pandemic; to address the crisis of South African democracy; and to drive strategic cause-driven membership. *Daily Maverick’s* conceptualisation of itself as a cause runs very deeply. It has played an important role in its identity since it was founded, and has been an overt and integral part of its business model since 2018.

*Daily Maverick* aligns itself quite specifically with cause-driven journalism, and the focus on the nature and legacy of journalism in the sources that were reviewed was mainly on the role of journalists in preventing fake news and misinformation. The unsigned *Daily Maverick* editorial from 17 August 2020 highlights the danger of misinformation during the Covid-19 pandemic, stating that

This pandemic has underscored just how dangerous misinformation is. Real journalism has real journalists going to the real experts for the hard facts that reflect reality. It may not fit into one's preferred bias, and on occasion it may be tough to read, but it's the truth. Lives are lost when the truth has to battle for position against Karen's opinion, fake news and disinformation. To make matters worse, in these tough economic times some media houses are erecting paywalls that further prevent the South African public from accessing formal, verifiable news sources at this critical time. (*Daily Maverick*, 2020b)

A stark and over-simplified contrast is suggested here between "real" journalism created by "real" experts who reflect "reality" and "truth" on the one hand, and "bias", "opinion", "fake news" and "disinformation" on the other, which it is suggested can lead to loss of life.

*Daily Maverick*, in particular, highlighted the danger of misinformation during a pandemic, "at a time when journalism and the truth are under attack everywhere" (*Daily Maverick*, 2020c) and emphasised their role in using "real" journalism to defend truth and counter fake news. In an unsigned editorial piece from 25 September 2020, *Daily Maverick* highlights the importance of truthful, accessible journalism, stating that "in a time when misinformation and lies get halfway around the world before the truth has had breakfast, it was important for us that we view this as an opportunity to make our journalism accessible to even more people" (*Daily Maverick*, 2020c).

In September 2019 *Daily Maverick* launched Maverick Citizen, their civil society journalism arm, which they state provides them with access to the specialised knowledge of health experts who have assisted them in providing "world-class" Covid-19 coverage: "Maverick Citizen has also been able to shine a light on desperate situations, from hospitals without oxygen tanks to healthcare workers in dire need of PPE" (*Daily Maverick* 2020, 17 August). Significantly, *Daily Maverick* credits this Covid coverage for its readership figures increasing from 1.7 million unique browsers per month during 2019, to 3.5 million unique browsers during 2020, stating: "When the public needs factual information, they know they can trust *Daily Maverick* to deliver it" (*Daily Maverick* 2020, 17 August).

In an unsigned editorial, *Daily Maverick* states that

Maverick Insider is about innovation, driven by disaster and underpinned by courage: it's all those things that the cynics don't want you to believe in: hope, community, courage and resilience. Our members signed up to help us achieve what we set out to do: Defend Truth. So here's our message to our readers: come join the membership that's making a real difference to South Africa. (*Daily Maverick* 2020, 17 August)

Addressing state capture and the crisis in South Africa's democracy has always been an integral part of *Daily Maverick's* focus and identity, which it ties very closely to its appeals to readers for revenue and support, and to drive membership of Maverick Insiders (*Daily Maverick* 2020, 17 August). *Daily Maverick* frequently appeals to its readers directly to recognise the value of its investigative journalism, and to demonstrate their financial support in return. For example, during the period under review for this study, *Daily Maverick* stated:

In the last 12 months, the impact of our work, and the groundbreaking investigations by our investigative arm, Scorpio, also helped in the Gupta brothers and Salim Essa being sanctioned under the Magnitsky Act, nine people being arrested in relation to the VBS bank looting and the exposure of PPE fraud at the highest levels. This is the work Maverick Insiders are paying for. (*Daily Maverick* 2020, 17 August)

In describing the success of Maverick insiders, *Daily Maverick* again speaks overtly and directly to its readers, linking their membership participation and support with strengthening the role of the news media in a country in democratic crisis:

It turns out all we needed was You, our readers. You understood so well how crucial the role of the news media is in a society as troubled as South Africa. You saw the importance of *Daily Maverick* for our democracy. And You stepped up to the plate on that day when Maverick Insider, the *Daily Maverick* membership programme, was launched. (*Daily Maverick* 2020, 17 August)

However, conceptualising its publication platform as a cause rather than a product is a critical component of *Daily Maverick's* business model, which relies on driving strategic, cause-driven membership. *Daily Maverick* are highly aware of the practical and strategic financial benefits of cause-driven membership. In Ariel Zirulnick's case studies of *Daily Maverick's* membership programme, she found that they did not need to implement a paywall as an incentive for people to support their work, as their cause alone was "enough to motivate readers to support them financially" (Zirulnick 2020a). Zirulnick found that a sense of community leads to the strongest returns, and that "cause-driven membership appeals have been found to resonate more strongly than membership appeals tied to perks, particularly those oriented around keeping the journalism freely accessible" (Zirulnick 2020a). Again, this supports the benefits of causes over products.

Zirulnick describes how *Daily Maverick* “sought to frame joining as charitable support for a free press and equal access to information”, and how their pay-what-you-can model “helps put their membership in a different category than subscriptions, addressing the issue of subscription fatigue” (Zirulnick 2020b). She cites CEO Styli Charalambous’s understanding that this model “taps into a different part of the brain — and budget” (Charalambous in Zirulnick 2020b). Charalambous explains that even wealthy households have a limited budget for subscriptions, and that causes need to resonate with people intellectually and emotionally. He states: “We wanted to convey our cause that was worthy of support alongside the Society for the Protection of Animals, National Sea Rescue Institute, or educational development programmes” (Charalambous in Zirulnick 2020b).

Zirulnick found that as a result, 50% of *Daily Maverick*’s members were willing to give more than the prescribed minimum amount to qualify for membership. Charalambous clarifies carefully that apart from a single Uber incentive, the company was “careful not to be pulled into the discount offer space”. “We made this single exception and it worked, but we have not offered any other membership benefits that don’t relate to the [*Daily Maverick*] experience in some way. We are not a corporate rewards programme, we are a cause, and the membership programme should reflect that” (Zirulnick 2020b).

### **5.3.3 The reintegration of editorial and business operations**

The content surveyed showed that because *Daily Maverick*’s business model overtly and openly unites its editorial decisions to engage in cause-driven investigative reporting with its business model and revenue generation, there is a natural disintegration of the traditional separation of editorial activities and business activities.

*Daily Maverick* are much more transparent about their workflow and internal processes than Media24/News24, and there was consequently a great deal more information about their conscious decisions to work in particular ways, in contrast with Media24, which seems to function as a closed book. It is clear that *Daily Maverick*’s editorial and business operations work very closely together, breaking the traditional concept of the “wall” that used to exist between editorial and advertising.



The development and launch of *DM168* clearly illustrated a collaboration between business and editorial, as Charalambous explains:

We hired our commercial and project manager in January to help advance our newspaper ambitions and brought in our managing editor during the hard lockdown period of April. Together, we continued to design, debate and drive the idea forward while working remotely, never wavering from the intention to launch in 2020. (*Daily Maverick* 2020, 25 September)

Heather Robertson, the Editor of *DM168*, foregrounds a similar synergy between the business and editorial staff, emphasising that the harmonious relationship between aspects of membership and reader engagement in the *DM168* newsroom:

Where our journalists interrogate, our members collaborate. When we show the worst of our country and its leaders, our readers show us the best in active citizenship. So the good news story isn't only that *Maverick Insider* is growing and helping us become sustainable; it's that there are nearly 13,000 South Africans out there who will pay for something that's free so that those who can't afford to pay for it can still read it. Faith in humanity restored. (*Daily Maverick* 2020, 17 August)

In a case study of *Daily Maverick's* *Maverick Insiders* membership programme, Jessica Best describes how editorial and business managers worked together to implement it:

Prior to the launch of *Maverick Insiders*, there were two people working on getting the programme off the ground. Publisher Styli Charalambous led the planning of the programme, acted as product manager, and secured buy-in throughout the company, while former head of product Brett Lensvelt considered how technology, editorial, and business, would all work together to implement the program. (Best 2020)

Publisher Styli Charalambous, and Editor-in-Chief Branko Brikic meet weekly to discuss upcoming projects and challenges, and Charalambous states that membership unites all the business operations: "membership touches every part of the business, every part of the business needs to be represented there, editorial, business, product and tech, finance might drop in, maybe account managers. We buy into the fact that membership is such an integral part of the organization's effort/mission" (Best 2020).

However, when considered together, the increasing difficulty of generating revenue from advertising and the reintegration of editorial and business functions raises the question of complete editorial and journalistic independence. As argued by Basen (2012) in Chapter Three, it was the secure business model provided by a diverse range of advertising revenues that freed newspapers

from their early dependence on subsidies from political and commercial interests, allowing the notion of editorial independence to develop. While *Daily Maverick* markets itself energetically and consistently as a cause-driven publication that operates according to the highest journalistic principles with the motto “Defend truth”, it is unclear how much editorial independence it in fact has, given that as a private company it is not required to publicly reveal all of its donors, and we are required to accept its own claims about its funding. As Basen (2012) points out, there has always been “a strong whiff of mythology about the separation between the business office and the newsroom”.

#### **5.3.4 Innovative business models**

In contrast with Media24/News24’s statements about the need to find/create new business models, *Daily Maverick* have been very busy doing so already for a decade, focusing on three main areas: the decision to source reader revenue through a hybrid revenue model that focuses on a membership programme; the decision to specifically reject a paywall of any kind; and the decision to embrace print.

It could be argued that these three main areas of innovation and exploration provide a counterpoint to the crisis narratives of news publications discussed in relation to Media24/News24, and can be loosely assigned to Schumpeter’s idea of “creative destruction” as described in relation to the newspaper industry by Schlesinger and Doyle (2015). Schumpeter’s “creative destruction” focuses on technological change and innovation, and how this can force existing businesses to adapt or die. Schlesinger and Doyle describe how “many market incumbents have suffered significant upheaval”, but how “advances in digital technology and associated changes in news consumption and advertising patterns have opened up the opportunity for some new players” (Schlesinger & Doyle 2015: 308). As a relatively new player in the news market, *Daily Maverick* launched as a digital-first, digital-only news publication in 2009, giving it a major advantage over established print newspapers only starting to try to pivot to accommodate the growing digital nature of communication. As a new, lean insurgent into the news publication market, *Daily Maverick* was able to engage with the “destruction” part of “creative destruction” a lot more easily, and thus let go of outmoded and incompatible ways of doing the news, in favour of more creative and innovative approaches.

#### 5.3.4.1 A hybrid revenue model that focuses on membership

Branko Brkic explains how it took *Daily Maverick* ten years to become profitable, during a time when Facebook and Google were growing, and the print market was still dwarfing the online market in terms of revenue in South Africa. He states: “We quickly realized that we had no chance. If we do an advertising model, we’re just going to close down” (Bienaimé 2020, 1 September). He describes how they limped along thanks to small investors, but then as they grew and their stories began to influence the political agenda of the country, “people started realizing that we need to be around [...] And we started attracting the attention of foundations, [which] helped us breach those terrible periods. We realized that we must develop multiple channels of income” (Bienaimé 2020, 1 September). *Daily Maverick* developed a hybrid revenue model involving philanthropic support, commercial efforts and a membership programme, resulting in it managing to achieve “what few media organisations around the world were able to” at the time: growth, and a doubling of their newsroom and entire staff team” (Charalambous 2020, 6 August).

Charalambous states:

As with all new ventures, there is a risk/reward equation that founders, creators and investors need to weigh up in pursuing their continued efforts in the space. How long will you need to carry investments before projects break even, and how can you generate value beyond traditional advertising? Although these business puzzles are difficult to solve, with patience, technique and a lot of practice it can be done. We just need to learn new skills, unlearn some bad habits and study at the feet of those who have made it work. The same digital medium that brought our disruption also offers us access and the means to acquire these skills, if we know where to look. And listen. (Charalambous 2020, 13 October)

On 15 August 2018, *Daily Maverick* CEO Styli Charalambous addressed The Media Gathering in Cape Town and did something which the company itself described as an “audacious” and “counterintuitive” move: he admitted the fallibility of the digital news model, and asked the readers to help, by appealing to their understanding of “the crucial role of the news media is in a society as troubled as South Africa” and “the importance of *Daily Maverick* for [the country’s] democracy”. In that way, *Maverick Insider*, the *Daily Maverick* membership programme, was launched (*Daily Maverick* 2020, 17 August).

Zirulnick (2020b) reports that *Daily Maverick* had two goals when it launched its membership programme, *Maverick Insider*: “to make membership as inclusive as possible, and make it easy for those who could provide financial support to do so”. They therefore implemented a “pay-what-you-can” model, which offered one key incentive to persuade those who could afford to contribute more, to do so (Zirulnick 2020b).

*Daily Maverick* states that its *Maverick Insider* membership programme has allowed it to pursue its purpose as a quality news product in spite of the financial constraints under which the South African and the global media industry are suffering:

The minute the financial outcome becomes the key driver in this game, the quality of the news product diminishes. In order to defeat the corrupt and the criminal, we need to be better, to rise above but also to have the humility to ask for help. (*Daily Maverick* 2020, 17 August)

*Daily Maverick* stated that *Maverick Insider* had 13 000 members in 2020 (*Daily Maverick* 2020, 17 August), a figure which has now risen to over 17 000 members (*The Media Online* 2021, October 21), and that these members currently cover almost 40% of the publication’s staff salaries. As a result, the publication has been able to grow by 85% year-on-year over two years: “Knowing that we have recurring revenue has given us the stability and courage to expand” (*Daily Maverick* 2020, 17 August).

As explained by Ariel Zirulnick (2020a), to develop its *Maverick Insider* membership programme, *Daily Maverick* created an initial minimum viable product (MVP) and used a rigorous process of A/B testing to test its assumptions about a multitude of aspects associated with membership. Zirulnick states that this is “a low-investment, accessible way to test some of your assumptions before committing to a high-stakes launch”, and she created a case study of *Maverick Insider* for the Membership Puzzle Project (MPP) in order to share *Daily Maverick*’s approach, as “it doesn’t require any skills or tech beyond what most newsrooms already have” (Zirulnick 2020a). Some of the aspects that were A/B tested were the various types and formats of calls for donation, including exactly where to place calls to action, and they were able to ascertain some very specific and detailed information:

Button placement and coloring would have some impact on sign-ups. They experimented with a few arrangements, and found that adding a bold background and pre-selecting their

most desired contribution amount (R150) helped swing recurring contributions from an average of R75 to R150. (Zirulnick 2020a)

*Daily Maverick* also conducted a detailed survey of its initial donors, and the 645 responses they received told them four important things: firstly, that “mission-aligned benefits”, such as opportunities to participate in events and meet journalists, and a members-only newsletter, were considered far more attractive to the donors than special offers and discounts; secondly, that the great majority of the donations were motivated by *Daily Maverick*’s investigative reporting; thirdly, they were able to identify clearly which journalists had the most loyal following; and lastly, a definitive 92% of respondents said that receiving incentive items upon sign-up, such as bags or mugs, would not in fact motivate them to join (Zirulnick 2020a).

Zirulnick (2020b) also reports that *Daily Maverick*’s testing phase disproved the assumption that people would contribute the bare minimum they had to in order to participate in a membership programme, as they found that “at least 50 percent of the *Daily Maverick*’s early members [...] opted for the suggested R150, rather than the minimum R75” (Zirulnick 2020b).

CEO Styli Charalambous stated: “We’re completely invested in membership as a particularly attractive and potentially successful solution to the sustainability problem that media news around the world have” (Pilane 2020, 17 September). He also emphasised that membership “touches every part of the business” — editorial, business, product development and technology, finance, account managers — and “is such an integral part of the organization’s effort/mission” (Best 2020).

The most important finding from these initial empirical studies was that *Daily Maverick*’s cause alone was enough of a driving factor to motivate readers to offer monetary support, even if they received nothing in return. This led them to believe that “if more than 300 people were willing to become recurring supporters without receiving anything in return, offering benefits and a sense of community via a membership program would lead to even stronger returns” (Zirulnick 2020a). Most importantly, this finding showed *Daily Maverick* that they did not need to implement a paywall to incentivise people to support them. However, a “pay-what-you-can” model was a viable option, as it could make membership financially accessible to wider number of readers.

*Daily Maverick's* efforts to diversify its revenue stream by creating a hybrid revenue model align with Philip Meyer's call for "a different kind of journalism, backed by a different kind of financial support" (2009: 10).

#### 5.3.4.2 *Decision to specifically reject a paywall*

*Daily Maverick's* decision to specifically reject a paywall, was based on three main factors. The first, as discussed in the previous section, was that their research showed that they did not need to use a paywall to incentivise support, as their supporters were motivated primarily by their cause. The second reason for rejecting a paywall was that the organisation's philosophy was that their content should be accessible to all South Africans. Finally, the specific context of the Covid-19 pandemic underlined for them the ethical necessity of keeping their journalism freely available to all. The second and third factors are discussed below.

*Daily Maverick* CEO Styli Charalambous states: "It's our philosophy that the kind of journalism we produce should be accessible to all South Africans" (Charalambous 2020, 6 August). He also explains that in a poor country such as South Africa, people will be impoverished further without access to quality journalism, and asks: "How could we keep our journalism behind a paywall in the face of such a historic challenge?" (*Daily Maverick* 2020, 17 August). Charalambous also describes *Maverick Insider* membership as "a social contract that has allowed us total autonomy. We owe nothing to anybody other than our readers. We can be as fearless as ever in our pursuit of the truth" (*Daily Maverick* 2020, 17 August).

*Daily Maverick's* founder and Editor-in-chief, Branko Brckic, observes that "our competitors went behind paywalls, and they didn't have a good experience", and explains carefully why, even though paywalls and digital subscriptions may be on the rise, he believes that South Africa presents a special case:

When you have a paywall, what do you say to your reader? You are my customer, this is the product. It costs you this much. The customer on the other side says 'can I afford it? Do I want it? Do I have time to use it?' It's a very rational decision, a left-brain decision. What we say with *Maverick Insider* is 'help us actually make this possible for people who cannot pay. Be part of something bigger, be part of something really beautiful. It's an emotional decision.' And it works out really well for us. (Bienaimé 2020, 1 September)

Charalambous explains how the context of the Covid-19 pandemic has highlighted the dangers of misinformation, and how important it is for “real journalism [with] real journalists going to the real experts for the hard facts that reflect reality”. Charalambous explains how lives can be lost when the truth is lost, and rejects how “in these tough economic times some media houses are erecting paywalls that further prevent the SA public from accessing formal, verifiable news sources at this critical time ” (*Daily Maverick* 2020, 17 August). Elsewhere he argues that, in a context where people need credible information, “it raises ethical questions about whether public service journalism, which is essential for healthy, democratic societies, should not be free for everyone to access” (Bienaimé 2020, 1 September).

#### 5.3.4.3 *Decision to embrace print: DM168 – digital to print*

*Daily Maverick’s* decision to launch a print publication, during a period when so many print titles had been closed due to a lack of financial viability, certainly raised some eyebrows. Charalambous acknowledged the inversion that was taking place:

For those many titles withdrawing from publishing, it was the challenges of digital transformation that tripped them up. A playground rife with bullies, but one that we hustled through for a decade. Our Achilles’ heel of being digital-only for so long had now prepared us to take a swan dive into print — when many others were retreating in the other direction. (*Daily Maverick* 2020, 25 September)

One of the reasons he offered for *Daily Maverick’s* launch of a print publication was people’s desire for a non-digital, long form of journalism that would enable them to escape “the immediacy of digital” that hijacked people’s dopamine receptors by jabbing us with an intravenous drip of news with high-sugar and low nutrition, coupled with an endless feed of tweets and posts” (Charalambous 2020, 6 August). Another reason for launching a print publication was that the results of *Daily Maverick’s* member surveys showed that “even the most ardent *Daily Maverick* reader struggles to consume even just 5% of all the great stories we publish, which is these days up to 250 full features a week”, and that the doubling of screen time experience by most people during the pandemic had created a desire to escape from digital (Charalambous 2020, 6 August). Paradoxically, *Daily Maverick*, as a digital-first platform, is leveraging the problems of digital technology to create a print version of its product. This is underlined in the implicit criticism of the transience of digital media

that was also evident in Charalambous's statement that "[...] we'll be putting together a news experience that we're hoping will live in your homes for weeks and months after publishing, with articles and visuals that will seem as relevant and useful as the day they were printed" (Charalambous 2020, 6 August).

From a practical perspective, Charalambous stated that being able to cover their expenses had given them the confidence to employ more journalists and experiment with innovative products such as *DM168* (*Daily Maverick* 2020, 17 August). *DM168*'s editor Heather Robertson described how the company was using existing systems and resources to produce the print publication: "We're not re-inventing the wheel. We're going to use our existing resources and exact same staff to provide the content for the newspaper [...] newspapers are designed on different programs and need to be laid out, but we're leveraging existing systems" (Pilane 2020, 17 September).

In terms of innovation, Chris Moerdyk comments that "contrary to the concept of using online to promote print, a strategy which newspapers still use, *Daily Maverick* is using print to promote its online offering" (Moerdyk 2020, 3 September). Furthermore, *DM 168*'s initial business model involved an innovative distribution method, which saw it available for free to anyone who swiped a Pick n Pay Smart Shopper card (*Daily Maverick* 2020, 25 September). Charalambous stated that "with *Daily Maverick 168* we're going back to the future. As digital-first publishers, we're taking a technologically driven approach to distributing, refining and marketing this newspaper" (Charalambous 2020, 6 August).

Pontsho Pilane observed that while the future of print media continues to be debated among industry leaders and academics, "*Daily Maverick* is willing to take a chance that few are willing to — or can afford to" with its launch into print. Pilane noted that this experiment is possible because of *Daily Maverick*'s many years of effort put into building a community of loyal members "willing to invest in the organization and its journalism". Pilane concludes that "whether *Maverick 168* is a success or a failure, it offers the industry new insights that could in the future unlock a viable revenue stream for media producers" (Pilane 2020, 17 September).



### 5.3.5 Improving the product — focusing on journalistic quality over profit

In a *Daily Maverick* article titled, *The golden rule when building a business is that it's about people, not profit*, Styli Charalambous states that "like any service business, the ones that stand out are the ones that attain levels of quality that just blow the competition out of the water — even when this means sacrificing short-term monetary gains" (Charalambous 2020, 13 October). He continues:

Profit is such a lame reason to start a business and quickly gets old, even if you're making a ton of money. Building a business is about people and people want to work in a place that has purpose and operates with integrity. The profit is the byproduct, not the inspiration. (Charalambous 2020, 13 October)

Heather Robertson, *DM168*'s editor, related her decision to leave a newspaper editor job after trying to produce quality journalism while "Google and Facebook chowed up the advertising that subsidised the news". She continued:

I had had enough of media owners squeezing the last drop of profit, fighting fake media wars on their front pages, while dedicated and committed journalists, friends and warriors for truth and justice, lost their jobs and livelihoods as newsrooms shrunk like a very bad wash at the laundry. (Robertson 2020, 31 August)

For both *Daily Maverick* and *DM168*, Charalambous relates the inspirations that generated the ideas and defined the publications, both of which related to trustworthy, quality journalism and meaning. For *Daily Maverick* he referred to a "*Field of Dreams* moment: build it and they will come. Build the quality product: trustworthy, respected, impeccable journalism with great and meaningful advertising space, and the readers and advertisers will come. And so *Daily Maverick* was born" (*Daily Maverick* 2020, 17 August). On launching *DM168*, Charalambous stated that the point of the project was not "a financial calculus", but to "create a curated journalism experience for those of our readers who want to break free from the digital deluge and recapture some time for themselves. So that readers can know more, and know better" (*Daily Maverick* 2020, 25 September).

*Daily Maverick*'s decision to prioritise journalistic quality over profit shows a development on McChesney and Nichols (2010) and Brüggemann et al.'s (2016) findings that the newspaper industry's excessive profit motive has increasingly come at the expense of the quality of news content, and has therefore reduced reader loyalty and engagement. It also contradicts Nielsen and Levy's (2010) caution that economic downturns (such as the one being experienced right now due to Covid-19) have compounded and exacerbated the economic difficulties faced by the news

business, forcing them to focus even more intensely on profits and losses at the expense of journalism and their news product, and thus further alienating readers (Nielsen & Levy 2010).

### 5.3.6 Narratives of change in *Daily Maverick's* expansion

An examination of the dominant narratives of *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic, reveals two main narratives associated with change. The first relates to their constructive response to the impact of Covid-19 on the news media industry, and the second focuses on a perception of *Daily Maverick's* staff members as critical active participants in change and innovation.

On the challenges of launching a print publication during the Covid-19 pandemic, Charalambous stated that "our editorial ambitions are to grow and reach new audiences with every new product we deliver — and this is no different" (Bienaimé 2020, 1 September). He described how change and uncertainty were embraced constructively, with key staff for *DM168*, including the managing editor, being brought in during the hard lockdown period of April 2020, during which time they "continued to design, debate and drive the idea forward while working remotely, never wavering from the intention to launch in 2020" (Bienaimé 2020, 1 September). During that time, they had to plan for unknown and unpredictable scenarios, with the only comfort that journalism had been declared an essential service. "With that," said Charalambous, "we kept the faith that our hunches; our interpretation of the market and our readers' needs, would bring us to this point where we can bring hope to an industry in crisis, in a time of global despair" (Bienaimé 2020, 1 September). Charalambous's positive and constructive position was that "the post-Covid-19 world will require more builders than ever before, whether it be one-woman operations, SMEs or corporate giants. Only builders will create the jobs we need to survive" (Charalambous 2020, 13 October).

The texts that were analysed showed that *Daily Maverick's* staff numbers grew, and their staff members were actively prioritised, taken into consideration, involved, and developed by management, who saw them as critical active participants in change and innovation. Pontsho Pilane reports that *Daily Maverick's* newsroom has almost doubled in size over the last two years, which he interprets as "another uncommon trend in the media industry, with most of the country's

newsrooms shrinking and even the most popular print titles feeling the pinch" (Pilane 2020, 17 September). Siobhan Cassidy, a *Daily Maverick* staff member, confirms this, stating that "thanks in part to our hybrid revenue model of philanthropic support, commercial efforts and our incredible membership programme, our newsroom and entire team doubled in the last 24 months" (Cassidy 2020, 28 August).

## **5.4 SECTION C: IN WHAT WAYS DID THESE NARRATIVES CONVERGE AND DIVERGE?**

This section presents and discusses the findings in relation to the third research question: *In what ways did these narratives converge and diverge?*

The findings are presented in three categories: converging narratives; diverging/contrasting narratives; and unique narratives.

### **5.4.1 Converging narratives**

In terms of the crisis narrative of news publications, both *Media24/News24* and *Daily Maverick* acknowledged and emphasised the long-standing financial crisis in news publications, the notion of the theft of their revenue by Google and Facebook, and the problem of social media. However, they appeared to be at different stages of understanding and addressing the financial crisis. While *Media24/News24* focused on what they needed to do to address the crisis, and emphasised the necessity of discovering new financial models, *Daily Maverick* had been experimenting with innovative products and models for generating revenue for a decade already, and were able to discuss and reflect on what they had already done and were currently doing.

The idea of the "theft" of revenue by the "greedy" Google and Facebook emerged from both the *Media24/News24* and the *Daily Maverick* sources, and reflected a familiar but inaccurate trope in media analyses. As discussed previously, Matthew Gentzkow's (2014) three false premises and Google's 2021 Accenture report place the responsibility for newspapers' loss of classifieds revenue

(nearly half of their previous revenue) on “pure play” sites and not Google, and show that 64% of the growth of online advertising has come from new growth rather than from displacing the markets of traditional advertising. An awareness or acknowledgement of these factors on the part of Media24 and *Daily Maverick* was not shown in any of the content surveyed, and suggests that both the spokespeople for the organisations and the commentators have settled into certain assumptions and tropes about social media and search engines, rather than engaging with empirical data.

In addition, both the Media24/*News24* and the *Daily Maverick* sources of content for the period under study constructed social media as inherently bad for the news. They suggested that not only are social media platforms like Facebook and Twitter damaging to the traditional advertising-based business model of the news industry, but to the quality of news content itself (by creating “fake news”, or misinformation/disinformation), and thus to people’s political and social safety, and medical safety in the context of Covid-19. Both Media24/*News24* and *Daily Maverick* presented “social media” and “social networks” as abstractions to be fought against, without acknowledging that when one refers to social media or social networks, one is referring to communications between people who are mediating and sharing information independently. It could be argued, however, that *Daily Maverick* was perhaps more vociferous in its criticism of social media — possibly because they had been competing directly with it in the same digital space for a decade.

It is interesting to note the battle being waged for the control of information and for gatekeeping authority. When the abstractions are removed, it seems as if the battle is being waged against non-journalists mediating their own information. Farkas and Schou (2018) discuss how the concept of “fake news” has become an important aspect of contemporary political struggles, and is used strategically to discredit, attack and delegitimise political opponents. They argue that the term has increasingly become “a ‘floating signifier’: a signifier lodged in-between different hegemonic projects seeking to provide an image of how society is and ought to be structured” (Farkas & Schou 2018: 298).

The sources from both Media24/*News24* and *Daily Maverick* both indicated the necessity of new business models, and on generating revenue from readers, but emphasised different methods for achieving this. As discussed in section 5.4.2, Media24/*News24* rejected print to a large degree, and

opted to launch a digital subscription through an application, while *Daily Maverick* returned to print with the launch of *DM168*, and strengthened and developed its membership programme.

In the sources reviewed, both *Media24/News24* and *Daily Maverick* foregrounded journalism as an institution and a professional, skilled activity, and emphasised its important watchdog role in democratic societies, and its role in addressing South Africa's crisis of democracy as a result of corruption and state capture. Both therefore operated within a normative conception of the purpose of news media.

Finally, both the *Media24/News24* and *Daily Maverick* sources reviewed presented ambivalent conceptions of change, which was sometimes perceived to be a shock or very sudden, and sometimes as having a much longer trajectory. However, because of *Media24's* restructuring, expressions of shock and suddenness dominated the sources related to it, for obvious reasons.

#### **5.4.2 Diverging, contrasting narratives**

While the surveyed content for both *Media24/News24* and *Daily Maverick* acknowledged and emphasised the long-standing financial crisis in the news industry, differing conceptions emerged in relation to the Covid-19 pandemic. The content related to *Media24/News24* constructed the Covid-19 pandemic purely in crisis terms, while the content related to *Daily Maverick* positioned it as a crisis, but also as a driver of innovation. In addition, *Media24/News24* demonstrated an external focus on a generalised struggle, while *Daily Maverick* demonstrated more of a preoccupation on an internal focus on specific details of problem solving, innovation, and product creation.

One of the most obvious points on which the sources surveyed diverged was in the specific business models employed to generate revenue. While both *Media24/News24* and *Daily Maverick* agreed on the importance of generating revenue from readers, they employed very different approaches to achieve this. While the sources emphasised *News24's* decision to launch a "freemium" digital subscription service (in other words, a paywall on the bulk of its content) and its conceptualisation of its readers as "customers", "users" or "investors", they focused on the expansion of *Daily Maverick's* existing membership model and its conceptualisation of its readers as "members".

*Daily Maverick's* decision to launch a print publication in the form of *DM168* emerged as a contrast to Media24/*News24's* anti-print, pro-digital discourse. *Daily Maverick*, as a digital-first publication, seemed to in fact be far more critical of digital news media, and was eager to regain and recapture some of the benefits of print publications.

There was a great deal of divergence in the narratives that emerged on the treatment of staff. The few references made to staff in Media24's announcement of structural adjustments tended to abstract, depersonalise and dehumanise the affected employees, suggesting a pragmatic corporate attitude to them as dispensable "human resources". In contrast, the sources that were analysed showed that *Daily Maverick's* staff numbers grew, and that their staff members were actively prioritised, taken into consideration, involved, and developed by management, who saw them as critical active participants in change and innovation.

On the whole, the analysis of the sources revealed that Media24/*News24* conceptualised change in terms of a crisis narrative, while *Daily Maverick* conceptualised it as a combination of crisis and creative destruction. This was also reflected in a recurring death narrative in the Media24/*News24* sources, as opposed to the recurring examples of optimism and innovation that emerged in the *Daily Maverick* sources.

### **5.4.3 Unique narratives**

A unique narrative that emerged in relation to Media24/*News24* was its dominant status in the news industry. Media24's dominant industry status emerged as a unique narrative, and formed a deliberate inflection to the announcement of the staff retrenchment action, which diverted attention from and displaced the experience of the staff and consequences for reader communities. Media24's dominant industry status was therefore an important narrative in the company's clear pivot away from print (signified by the mass title closures and retrenchments) and towards digital (signified by the launch of the digital subscription). The focus on Media24/*News24's* dominant industry status was simultaneously a damage-control measure for the staff retrenchment action and a marketing strategy for the digital subscriptions to be launched during the same week.

A unique narrative that emerged in relation to *Daily Maverick* was the company as a cause. The analysis of the sources revealed that *Daily Maverick* conceptualised itself strongly as a cause in four interwoven ways: to generally promote cause-driven, quality journalism; to combat misinformation and disinformation, particularly currently around the Covid-19 pandemic; to address the crisis of South African democracy; and to drive strategic cause-driven membership. *Daily Maverick's* conceptualisation of itself as a cause runs very deeply. It has played an important role in its identity since it was founded, and has been an overt and integral part of its business model since 2018. *Daily Maverick* aligns itself quite specifically with cause-driven journalism, and the focus on the nature and legacy of journalism in the sources that were reviewed was mainly on the role of journalists in preventing fake news and misinformation. Conceptualising its publication platform as a cause rather than a product is a critical component of *Daily Maverick's* business model, which relies on driving strategic, cause-driven membership. *Daily Maverick* are highly aware of the practical and strategic financial benefits of cause-driven membership.

Another unique narrative that emerged in relation to *Daily Maverick* was innovative business models. In contrast with Media24/News24's statements about the need to find/create new business models, *Daily Maverick* have been very busy doing so already for a decade, focusing on three main areas: the decision to source reader revenue through a hybrid revenue model that focuses on a membership programme; the decision to specifically reject a paywall of any kind; and the decision to embrace print. *Daily Maverick's* membership programme was found to influence every aspect of their business. Findings from *Daily Maverick's* own empirical studies indicated that cause alone was enough of a driving factor to motivate readers to offer monetary support, even if they received nothing in return, and that *Daily Maverick* did not need to implement a paywall to incentivise people to support them. However, a "pay-what-you-can" model was a viable option, as it could make membership financially accessible to wider number of readers. *Daily Maverick's* decision to reject a paywall was based on three main factors: their research showed that they did not need to use a paywall to incentivise support, as their supporters were motivated primarily by their cause; the organisation's philosophy was that their content should be accessible to all South Africans; and the specific context of the Covid-19 pandemic underlined for them the ethical necessity of keeping their journalism freely available to all. Furthermore, *Daily Maverick's* decisions to launch a print publication in the form of *DM168* stemmed from a desire to "escape from print" — from the "immediacy of digital" and from the overwhelming quantity of available content to digest.

A final unique theme in relation to *Daily Maverick* was the overt and conscious reintegration of the editorial and business aspects of the publication. The content surveyed showed that because *Daily Maverick's* business model overtly and openly unites its editorial decisions to engage in cause-driven investigative reporting with its business model and revenue generation, there is a natural disintegration of the traditional separation of editorial activities and business activities. *Daily Maverick* are much more transparent about their workflow and internal processes than Media24/News24, and there was consequently a great deal more information about their conscious decisions to work in particular ways, in contrast with Media24, which seems to function as a closed book. It is clear that *Daily Maverick's* editorial and business operations work very closely together, breaking the traditional concept of the “wall” that used to exist between editorial and advertising. This could have potential implications for editorial independence.

## **5.5 SUMMARY OF FINDINGS**

A summary of the themes is presented in Table 2 below.



Table 2: Summary of themes

CONVERGENT THEMES (possibly with different emphases)	
The crisis narrative of news publications	
Financial crisis in news media (crisis)	
Theft of revenue by Facebook and Google – an incorrect assumption held by both (crisis)	
Social media as bad for news	
Misinformation/disinformation (crisis)	
The necessity of new financial models (crisis and creative disruption)	
The nature of journalism (institution, profession, legacy) (crisis)	
Crisis of democracy: Role as a watchdog (crisis)	
The importance of generating revenue from readers	
Ambivalent attitude towards digital technology	
DIVERGENT THEMES	
Media24/News24	<i>Daily Maverick</i>
Covid-19 pandemic as a crisis	Covid-19 pandemic as a crisis and a driver of innovation
An external focus on a generalized struggle	An internal focus on problem solving, innovation, and product creation
Decision to adopt a digital subscription model (paywall) for generating revenue	Decision to reject a paywall, and adopt a hybrid revenue model with multiple strands, focusing heavily on membership
Readers as customers/users/investors	Readers as members
“Freemium”	No limits on access to content
Anti-print, pro-digital discourse	Critical of digital media, turn towards print
Decision to abandon print (crisis)	Decision to embrace print (creative disruption)
Pragmatic corporate attitude towards staff as dispensable	Staff members as critical active participants in change and innovation
Impact of decisions: staff numbers reduced and staff abstracted (crisis response)	Impact of decisions: staff numbers increased and staff actively foregrounded (creative disruption)
Pessimism: death narrative & metaphors (crisis)	Optimism: novelty, innovation, experimentation, growth (creative disruption)
UNIQUE THEMES	
Media24’s dominant status	The publication/company as a cause
	Re-integration of editorial and business operations
	Innovative business models

## **5.6 CONCLUSION**

This chapter has presented the findings from the thematic analysis, and discussed them in relation to the research questions, the reviewed literature from Chapter Two, and the conceptual framework from Chapter Three. The themes were clustered and presented in order to address the research questions. The following chapter presents the conclusion to this research study.

## CHAPTER SIX: CONCLUSION

### 6.1 THE INITIAL RESEARCH FOCUS

At the time of Media24's title closures and retrenchments, the researcher observed that a dominant narrative was emerging — from Media24 itself and from most media commentators — which rationalised Media24's June 2020 staff retrenchment action in the light of structural adjustments within the news industry on the one hand, and the consequences of the Covid-19 pandemic on the other. Such a dominant narrative was to be expected, given the undisputed market share and news media hegemony of Media24/News24 in South Africa, and given the constraints faced by newsrooms all over South Africa, which reduce the resources, motivation and opportunities for critical, in-depth reporting.

The initial purpose of this research study was to examine this dominant narrative, and the rationale for doing so was that Media24's staff retrenchment action, and the pattern of corporate behaviour within the news industry that it perpetuated, was cause for concern — because of the hegemony of Media24 in the South African news landscape, and because of the closures of local titles in particular, and the consequences for local news. The researcher was interested in the possible negative implications for the ongoing unstable relationship between journalism and democracy in South Africa, and for the generation and dissemination of accurate and unbiased information in the context of what seemed to be a global trend towards politically motivated disinformation during the Covid-19 pandemic. The initial purpose of this study, therefore, was to critically analyse this emerging dominant narrative by examining the messaging disseminated by Media24 itself on how and why its restructuring was taking place.

As part of this process, however, the researcher believed that it was important to identify alternative voices to the dominant narrative, in the form of alternative opinions and commentary, and possible alternative business models.

The research objectives and research questions were therefore initially formulated as follows.

## **6.2 PRELIMINARY RESEARCH OBJECTIVES**

The preliminary objectives of this study were the following:

- To identify and critically analyse the dominant narrative/s of Media24's 2020 staff retrenchment action circulated by Media24's news dissemination ecosystem, in light of structural adjustments within the news industry and the socio-economic impact of Covid-19.
- To identify and critically analyse alternative narratives to Media24's 2020 staff retrenchment action that have emerged from independent sources of research, analysis, opinion and commentary, in light of structural adjustments within the news industry and the socio-economic impact of Covid-19.

## **6.3 PRELIMINARY RESEARCH QUESTIONS**

The following preliminary research questions were formulated on the basis of the stated research objectives:

- 1 (a) What are the dominant narrative/s of Media24's 2020 staff retrenchment action circulated by Media24's news dissemination ecosystem?  
  
(b) How can these dominant narrative/s be understood in light of structural adjustments within the news industry and the socio-economic impact of Covid-19?
- 2 (a) What alternative narratives to Media24's 2020 staff retrenchment action have emerged from independent sources of research, analysis, opinion and commentary?  
  
(b) How can these alternative narratives be understood in light of structural adjustments within the news industry and the socio-economic impact of Covid-19?

## 6.4 ALTERNATIVE NARRATIVE

After further preliminary reading, *Daily Maverick* and *DM168* emerged as a very clear counterpoint and alternative narrative to the dominant crisis narrative presented by Media24, and by many others in South African media. Given that such interesting contrasts were being thrown up by two well-respected South African news publishers during the same fraught time period during 2020, and operating under the same general conditions, the researcher decided to narrow the focus of the study to a comparison between the actions and statements of Media24/*News24* and *Daily Maverick*.

The original broad research objectives and research questions were still completely applicable, but the response to these questions was narrowed to specifically focus on a comparison of the timeous and interesting changes in direction adopted by these two news publishers. While this focused selection of *Daily Maverick* as an alternative narrative was convenient, it was also pragmatic, as the researcher realised that the proposed research objectives and research questions may have been a little too broad to satisfy fully within the scope of a master's dissertation.

## 6.5 POTENTIAL LIMITATIONS TO THE STUDY

The researcher was aware that the actions and statements of an individual title (*Daily Maverick*, with *DM168* as its associated weekly print version) were being compared with the actions and statements of a highly centralised organisation administering a cluster of titles that operated as Media24, with *News24* as their online news division. There were certain implications associated with this. The identity of Media24 is paramount, rather than the identity of any of its individual publications, and important decisions and statements on the running of these publications are made from the centralised, overarching Media24 management perspective, rather than from the perspective of the publications. The centralised voice of the organisation is therefore quite far removed from the day-to-day running of its publications. In addition, Media24 as an organisation is a fairly closed book, and does not offer up a great deal of detail about its philosophy or journalistic strategies, or about its specific financial model and business strategies. Finally, the relationship and boundary between Media24 as a centralised organisation, its regional and local news titles, and *News24*, is often quite opaque in practice.

The identity projected by *Daily Maverick*, on the other hand, is often more personal and engaging, as one might expect from an individual publication speaking on its own behalf. A great deal of information has been published, for example, by Styli Charalambous, the CEO and co-founder of *Daily Maverick*, who has documented the journey of the publication very closely, in his own voice. As the voices of *Daily Maverick*, Charalambous and editor Branko Brkic have therefore adopted a much more open and transparent strategy and organisational identity, and as a result, have made numerous, detailed and explicit statements about their vision, strategy, business model and evolution as a startup digital news media enterprise. As a consequence, an unexpected situation emerged for the researcher, who found that there were in fact very few detailed statements and discussions available from the 'media giant' Media24, while there was a great deal of detailed material available from the founders of *Daily Maverick*, particularly Charalambous.

However, the researcher reasoned that this disparity in material was a feature of the comparison itself, as it reflected a great deal about the nature of the organisations in question, one of which is highly transparent, and one of which reveals very little. Furthermore, as a researcher, one can only work with the body of material that presents itself.

## **6.6 REFINED RESEARCH OBJECTIVES**

In light of the refined focus of the research study, the refined objectives of this study were as follows:

- To identify and critically analyse the dominant narratives of Media24's 2020 staff retrenchment action and closure of print titles, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic.
- To identify and critically analyse the dominant narratives of *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic.
- To compare and contrast these narratives to identify points of divergence and convergence.

## 6.7 REFINED RESEARCH QUESTIONS

On the basis of the refined research objectives, the research questions were similarly refined and more tightly focused as follows:

1. What were the dominant narratives of Media24's 2020 staff retrenchment action and closure of print titles, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic?
2. What were the dominant narratives of *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic?
3. In what ways did these narratives converge and diverge?

## 6.8 RESEARCH METHODOLOGY

The data gathered for this qualitative desktop study consisted of texts published during the period 1 July 2020 to 31 October 2020, thus covering Media24's title closures and retrenchments on 7 July, the launch of their digital subscription on 13 July, and *Daily Maverick's* launch of *DM168* on 26 September. Braun and Clarke's (2006) thematic analysis was used to analyse the texts and identify the emergent themes.

## 6.9 CHAPTER SUMMARIES

**Chapter One** introduced this study, which was situated within a media-focused political economic framework. The aim of the study was to identify and critically analyse the dominant narratives of Media24's 2020 staff retrenchment action and closure of print titles, and of *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic, and to compare and contrast these narratives to identify points of divergence and convergence. The chapter presented the research objectives and research questions, and outlined the study's research methodology and conceptual framework.

**Chapter Two** presented a review of literature relevant to the topic. The review was divided into three sections, and the first section dealt with the transformation of news publications in the digital era. The second section examined the South African context in relation to news publications and the transformation thereof in the digital era. The final section of the review addressed the impact of Covid-19 on the news media.

**Chapter Three** discussed the conceptual framework for this study, which focused broadly on the economic characteristics and social purpose of news publications. The social purpose of news publications was discussed in relation to Habermas's concept of the public sphere and normative conceptions of news media, after which the traditional economic characteristics of news as a product were explained. Finally, the evolving economic characteristics of transformed news publications were discussed.

**Chapter Four** discussed the research methodology employed in this study. The critical paradigm that informed this study was discussed, and the ontology, epistemology and methodology of this paradigm was presented. The qualitative research approach was discussed, after which the method of selecting the data for this desktop study was explained. The analysis of the data according to Braun and Clarke's (2006) process of thematic analysis was then outlined.

**Chapter Five** presented the findings from the thematic analysis, and discussed them in relation to the research questions, and in relation to the reviewed literature from Chapter Two and the conceptual framework from Chapter Three, where possible. The themes were clustered and presented in order to address the three research questions.

## **6.10 SUMMARY OF FINDINGS**

The dominant narratives that were identified in relation to Media24's 2020 staff retrenchment action and closure of print titles, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic, were primarily associated with the crisis narrative of news publications and the news industry. The most significant themes associated with this crisis narrative were the long-standing financial crisis of newspapers and the exacerbation of



this crisis by the Covid-19 pandemic, the negative impact of the structural adjustments on staff, and the need for new business models.

The dominant narratives that were identified in relation to *Daily Maverick's* 2020 expansion and launch of its print title, *DM168*, in the context of structural adjustments within the news industry and the socio-economic impact of the Covid-19 pandemic, were primarily associated with the company as a cause, and innovative business models, in the form of a hybrid revenue model that focuses heavily on membership, the decision to specifically reject a paywall, and the decision to embrace print.

The findings were grouped into convergent narratives, diverging contrasting narratives, and unique narratives. Broadly convergent narratives were the long-standing financial crisis in the news industry, the theft of revenue by Google and Facebook, social media as being inherently bad for news, the necessity of new business models that generate revenue from readers, journalism as an institution and as a professional, skilled activity, and ambivalent conceptions of change.

There were five dominant diverging narratives. The first was the differing conceptions of the Covid-19 pandemic, with the sources related to *Media24/News24* constructing the pandemic purely in terms of a crisis, and those related to *Daily Maverick* constructing the pandemic as both a crisis and a driver of innovation. The second was the different business models used to generate revenue from readers — *News24's* decision to launch a “freemium” digital subscription service and its conceptualisation of its readers as “customers”, “users” or “investors” was contrasted with the expansion of *Daily Maverick's* existing membership model and its conceptualisation of its readers as “members”. The third diverging narrative was *Daily Maverick's* decision to launch a print publication in the form of *DM168* emerging in contrast with *Media24/News24's* anti-print, pro-digital discourse. The fourth diverging narrative was the treatment of staff. *Media24's* own announcement of structural adjustments tended to abstract, depersonalise and dehumanise the affected employees, suggesting a pragmatic corporate attitude to them as dispensable “human resources”. In contrast, the sources showed that *Daily Maverick's* staff numbers grew, and that their staff members were actively prioritised, taken into consideration, involved, and developed by management, who saw them as critical active participants in change and innovation. The final diverging narrative related to conceptualisations of change, which *Media24/News24* conceptualised in terms of a crisis narrative, and *Daily Maverick* conceptualised as a combination of crisis and

creative destruction. This was also reflected in a recurring death narrative in the *Media24/News24* sources, as opposed to the recurring examples of optimism and innovation that emerged in the *Daily Maverick* sources.

Four unique narratives emerged. The narrative of *Media24/News24*'s dominant industry status was simultaneously a damage-control measure for the staff retrenchment action and a marketing strategy for the digital subscriptions to be launched during the same week. The other three unique narratives were associated with *Daily Maverick*, and they were: the company as a cause; innovative business models, in the form of the decision to source reader revenue through a hybrid revenue model that focuses on a membership programme, the decision to specifically reject a paywall of any kind, and the decision to embrace print; and the overt and conscious reintegration of the editorial and business aspects of the publication.

## **6.11 CONCLUSION**

The content surveyed on *Media24/News24* and *Daily Maverick* largely demonstrated agreement that the traditional advertising-based financial model for news publications has become defunct. It also demonstrated a shared anxiety about how ubiquitous news and information have become, and about the capacity for individuals to mediate their own information that “pure play” digital competitors provide (in the form of search engines and social media platforms). Both indicated a desire to entrench their position of authority in relation to the mediation of information to the public.

However, the findings showed a clearly different response to these pressures on the part of *Media24/News24* and *Daily Maverick*, and these responses had implications for how these organisations constructed their role as news mediators, their staff, and their readers. *Media24/News24* mounted a delayed response to these threats, prompted and potentially justified by the Covid-19 pandemic, and demonstrated a further entrenchment of their existing corporate values and modes of operation, by streamlining their operation and rationalising staff (by reducing their print operation as far as possible), and maximising their most profitable operation (purely digital news) by instituting a paywall in the form of a digital subscription to generate digital reader

revenue for the first time. They implemented this through constructing a crisis-based narrative, and this crisis mode provided a justification for the title closures and mass retrenchment of staff.

*Daily Maverick*, on the other hand, continued the process of change and innovation they had begun as a digital-first publication more than ten years ago, by expanding their membership model for generating digital reader revenue, and launching a weekly print version of their digital platform in order to address and confront the limits and restrictions of digital publications. This model, which constructs the reader as a member and a participant, had already insulated *Daily Maverick* against the market fluctuations brought by the Covid-19 pandemic, and as a result they were able to adopt an approach more aligned with creative destruction than with crisis, as this had been their mode since their inception. Consequently, *Daily Maverick's* staff were seen as indispensable, and as critical and active participants in change and innovation.

It could potentially be concluded that these two approaches constitute examples of a fork in the road for news publications under pressure, in a society currently under pressure, and that these divergent approaches should be carefully monitored and further understood.

## **6.12 SCOPE FOR FURTHER RESEARCH**

As stated above, given that the approaches to crisis adopted by *Media24/News24* and *Daily Maverick* could constitute a fork in the road for news publications under pressure, these divergent approaches should be carefully monitored and further understood. Furthermore, given the multiple possibilities for instrumentalising a crisis to achieve a wide range of strategies, the statements from *Media24* themselves, and even the commentary from others on their structural adjustments during the period surveyed, should not simply be taken at face value. It could be argued that the closure of the print titles and the announcement of a digital paywall were not individual crisis responses to Covid-19, but were linked phases of a carefully planned strategy of restructuring that instrumentalised the notion of crisis and Covid-19 to conduct mass retrenchments and title closures with as few consequences as possible. While it is not possible within the scope of this thesis to speculate further on why “strategic actors” would choose to frame *Media24's* structural adjustment solely in terms of crisis, it has been possible to at least indicate how. Perhaps a deeper dive into the

motives for doing so could be undertaken in future research, once the general state of constant media crisis and upheaval around Covid-19 has settled.

In addition, the researcher proposes testing the “public enlightenment” function of the role of newspapers in light of the polarisation that developed during the period under study in relation to 1) the Covid-19 pandemic response, and in particular lockdowns, vaccines and vaccine mandates, and 2) the far left versus the rest of the political spectrum. These polarising issues have seen some news platforms adopting clear editorial positions on very divisive topics, and heavily promoting these chosen positions without providing a space for constructive discussion or debate.

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## APPENDIX ONE: LIST OF TEXTS FOR DATA COLLECTION

	Author	Title	Date	Publication	Full source reference
<b>A: MEDIA24'S RESTRUCTURING</b>					
A.1	Media24	Covid-19 hits Media24 hard - considers closures, reduced frequencies and accelerates digital	7 July 2020	Media24	Media24. (2020, 7 July). Covid-19 hits Media24 hard - considers closures, reduced frequencies and accelerates digital. Media24.com (Retrieved 9 July 2020 from <a href="https://www.media24.com/covid-19-hits-media24-hard-considers-closures-reduced-frequencies-and-accelerates-digital/">https://www.media24.com/covid-19-hits-media24-hard-considers-closures-reduced-frequencies-and-accelerates-digital/</a> )
A.2	South African National Editors Forum (SANEF)	SANEF concerned at Media24 cut backs.	7 July 2020	sanef.org.za	SANEF. (2020, 7 July). SANEF concerned at Media24 cut backs. Politicsweb.co.za (Retrieved 27 July 2020 from <a href="https://www.sanef.org.za/sanef-concerned-that-media24-is-considering-retrenchments-closures-and-reduced-frequencies-of-its-operations">https://www.sanef.org.za/sanef-concerned-that-media24-is-considering-retrenchments-closures-and-reduced-frequencies-of-its-operations</a> )
A.3	Mfuneko Toyana	Africa's top publisher to close South African publications, cut jobs	7 July 2020	Reuters	Toyana, M. (2020, 7 July). Africa's top publisher to close South African publications, cut jobs. Reuters. (Retrieved 27 July 2020 from <a href="https://af.reuters.com/article/idAFKBN2481LJ-OZATP">https://af.reuters.com/article/idAFKBN2481LJ-OZATP</a> )
A.4	eNCA (Mfuneko Toyana, Reuters)	Media24 to close publications, cut jobs	7 July 2020	eNCA (from Reuters)	eNCA. (2020, 7 July). Media24 to close publications, cut jobs. eNCA. (Retrieved 27 July 2020 from <a href="https://www.enca.com/news/naspers-close-publications-cut-jobs">https://www.enca.com/news/naspers-close-publications-cut-jobs</a> )
A.5	Glenda Nevill	Media24 swings the scythe in massive shake-up of print titles	7 July 2020	The Media Online	Nevill, G. (2020, 7 July). Media24 swings the scythe in massive shake-up of print titles. The Media Online. (Retrieved 27 July 2020 from <a href="https://themedialonline.co.za/2020/07/media24-swings-the-scythe-in-massive-shake-up/">https://themedialonline.co.za/2020/07/media24-swings-the-scythe-in-massive-shake-up/</a> )

	Author	Title	Date	Publication	Full source reference
A.6	TimesLive	Media24 closing print titles as Covid-19 hogs the headlines	7 July 2020	Businesslive.co.za	TimesLive. (2020, 7 July). Media24 closing print titles as Covid-19 hogs the headlines. (Retrieved 27 July 2020 from <a href="https://www.businesslive.co.za/bd/companies/2020-07-07-media24-closing-print-titles-as-covid-19-hogs-the-headlines/">https://www.businesslive.co.za/bd/companies/2020-07-07-media24-closing-print-titles-as-covid-19-hogs-the-headlines/</a> )
A.7	Lizette Rabe	500 journalists may have just lost their jobs while quality news is more important than ever.	11 July 2020	News24.com	Rabe, L. (2020, 11 July). 500 journalists may have just lost their jobs while quality news is more important than ever. (Retrieved 13 July 2020 from <a href="https://www.news24.com/news24/columnists/guestcolumn/opinion-save-journalism-it-is-more-necessary-than-ever-20200710">https://www.news24.com/news24/columnists/guestcolumn/opinion-save-journalism-it-is-more-necessary-than-ever-20200710</a> )
A.8	Ray Mahlaka	End of an era as Media24 plans cull of iconic titles	7 July 2020	<i>Daily Maverick</i>	Mahlaka, R. (2020, 7 July). End of an era as Media24 plans cull of iconic titles. (Retrieved 13 July from <a href="https://www.dailymaverick.co.za/article/2020-07-07-end-of-an-era-as-top-media-house-plans-cull-of-iconic-titles/#gsc.tab=0">https://www.dailymaverick.co.za/article/2020-07-07-end-of-an-era-as-top-media-house-plans-cull-of-iconic-titles/#gsc.tab=0</a> )
A.9	Media24	Media24 realigns local titles in the Free State and Northern Cape	28 Aug 2020	Media24	Media24. (2020, 28 August). Media24 realigns local titles in the Free State and Northern Cape. (Retrieved 1 September 2020 from <a href="https://www.ads24.co.za/news-headlines/news/media24-realigns-local-titles-in-the-free-state-and-northern-cape">https://www.ads24.co.za/news-headlines/news/media24-realigns-local-titles-in-the-free-state-and-northern-cape</a> )
A.10	Malaika Mahlatsi	My heart breaks when newspapers close down	8 July 2020	Sowetan Live	Mahlatsi, M. (2020, 8 July). My heart breaks when newspapers close down. (Retrieved 13 July 2020 from <a href="https://www.sowetanlive.co.za/opinion/columnists/2020-07-08-my-heart-breaks-when-newspapers-close-down/">https://www.sowetanlive.co.za/opinion/columnists/2020-07-08-my-heart-breaks-when-newspapers-close-down/</a> )
A.11	Duncan McLeod	Naspers CEO bags R276-million in annual reneration.	30 June 2020	Tech Central	McLeod, D. (2020, 30 June). Naspers CEO bags R276-million in annual reneration. (Retrieved 27 July 2020 from <a href="https://techcentral.co.za/naspers-ceo-bags-r276-million-in-annual-remuneration/99212/">https://techcentral.co.za/naspers-ceo-bags-r276-million-in-annual-remuneration/99212/</a> )
A.12	Megan Ellis	Media24 outlines plans to close	7 July 2020	Ventureburn	Ellis, M. (2020, 7 July). Media24 outlines plans to close major print publications. (Retrieved 27 July 2020 from <a href="https://ventureburn.com/2020/07/media24-plans-for-magazine-print-closures/">https://ventureburn.com/2020/07/media24-plans-for-magazine-print-closures/</a> )



	Author	Title	Date	Publication	Full source reference
		major print publications.			
A.13	Megan Ellis	Media24 announces plans for major print closures and layoffs	7 July 2020	Memeburn	Ellis, M. (2020, 7 July). Media24 announces plans for major print closures and layoffs. (Retrieved 27 July 2020 from <a href="https://memeburn.com/2020/07/media24-announces-plans-for-major-print-closures-and-layoffs/">https://memeburn.com/2020/07/media24-announces-plans-for-major-print-closures-and-layoffs/</a> )
<b>B: MEDIA24'S LAUNCH OF A DIGITAL SUBSCRIPTION</b>					
B.1	Adriaan Basson	A new era for news as News24 prepares to launch digital subscriptions	13 July 2020	News24.com	Basson, A. (2020, 13 July). A new era for news as News24 prepares to launch digital subscriptions. News24.com (Retrieved 13 July 2020 from <a href="https://www.news24.com/news24/columnists/adriaanbasson/adriaan-basson-a-new-era-for-news-as-news24-prepares-to-launch-digital-subscriptions-20200712">https://www.news24.com/news24/columnists/adriaanbasson/adriaan-basson-a-new-era-for-news-as-news24-prepares-to-launch-digital-subscriptions-20200712</a> )
B.2	News24	New era: News24 launches digital subscriptions at R75/month. Breaking news remains free	30 July 2020	News24.com	News24.(2020, 30 July). New era: News24 launches digital subscriptions at R75/month. Breaking news remains free. (Retrieved 30 July 2020 from <a href="https://www.news24.com/news24/southafrica/news/new-era-news24-launches-digital-subscriptions-at-r75month-breaking-news-remains-free-20200730">https://www.news24.com/news24/southafrica/news/new-era-news24-launches-digital-subscriptions-at-r75month-breaking-news-remains-free-20200730</a> )
B.3	Duncan Alfreds	Analysis: 'Burn the ships' and start afresh: A new era for journalism?	31 July 2020	News24.com	Alfreds, D. (2020, 31 July). Analysis: 'Burn the ships' and start afresh: A new era for journalism? (Retrieved 3 August 2020 from <a href="https://www.news24.com/news24/analysis/analysis-burn-the-ships-and-start-afresh-a-new-era-for-journalism-20200731">https://www.news24.com/news24/analysis/analysis-burn-the-ships-and-start-afresh-a-new-era-for-journalism-20200731</a> )
B.4	Jan Cronje	Advertising alone cannot sustain journalism any	30 July 2020	Fin24	Cronje, J. (2020, 30 July). Advertising alone cannot sustain journalism any longer, says Media24 CEO. (Retrieved 3 August 2020 from <a href="https://www.news24.com/fin24/economy/advertising-alone-cannot-sustain-journalism-any-longer-says-media24-ceo-20200730">https://www.news24.com/fin24/economy/advertising-alone-cannot-sustain-journalism-any-longer-says-media24-ceo-20200730</a> )

	Author	Title	Date	Publication	Full source reference
		longer, says Media24 CEO			
B.5	Chris Moerdyk	Will the News24 subscription model work?	6 Aug 2020	The Media Online	Moerdyk, C. (2020, 6 August). Will the News24 subscription model work? (Retrieved 13 August 2020 from <a href="https://themediainline.co.za/2020/08/will-the-news24-subscription-model-work/">https://themediainline.co.za/2020/08/will-the-news24-subscription-model-work/</a> )
B.6	Glenda Nevill	News24.com to launch 'freemium' paywall	13 July 2020	The Media Online	Nevill, G. (2020, July 13). News24.com to launch 'freemium' paywall. (Retrieved 30 July 2020 from <a href="https://themediainline.co.za/2020/07/news24-com-to-launch-freemium-paywall/">https://themediainline.co.za/2020/07/news24-com-to-launch-freemium-paywall/</a> )
B.7	Riaan Grobler	Future of News Summit: Paywalls won't save journalism - good journalism will	30 July 2020	News24.com	Grobler, R. (2020, 30 July). Future of News Summit: Paywalls won't save journalism - good journalism will. (Retrieved 13 August 2020 from <a href="https://www.news24.com/news24/southafrica/news/future-of-news-summit-paywalls-wont-save-journalism-good-journalism-will-20200730">https://www.news24.com/news24/southafrica/news/future-of-news-summit-paywalls-wont-save-journalism-good-journalism-will-20200730</a> )
B.8	Sasha Planting	Pay to read: Most media companies think it's the future	19 Aug 2020	<i>Daily Maverick</i>	Planting, S. (2020, 19 August). Pay to read: Most media companies think it's the future. (Retrieved 14 April 2021 from <a href="https://www.dailymaverick.co.za/article/2020-08-19-pay-to-read-most-media-companies-think-its-the-future/">https://www.dailymaverick.co.za/article/2020-08-19-pay-to-read-most-media-companies-think-its-the-future/</a> )
<b>C: DAILY MAVERICK'S LAUNCH OF DM168, AND EXPANSION OF MAVERICK INSIDER, THEIR MEMBERSHIP PROGRAMME.</b>					
C.1	Styli Charalambous	The golden rule when building a business is that it's about people, not profit	13 Oct 2020	<i>Daily Maverick</i>	Charalambous, S. (2020, 13 October). The golden rule when building a business is that it's about people, not profit. (Retrieved 21 October 2020 from <a href="https://www.dailymaverick.co.za/opinionista/2020-10-13-the-golden-rule-when-building-a-business-is-that-its-about-people-not-profit/">https://www.dailymaverick.co.za/opinionista/2020-10-13-the-golden-rule-when-building-a-business-is-that-its-about-people-not-profit/</a> )
C.2	<i>Daily Maverick</i>	The next generation: <i>Daily Maverick 168</i>	25 Sep 2020	<i>Daily Maverick</i>	<i>Daily Maverick</i> . (2020, 25 September). The next generation: <i>Daily Maverick 168</i> . (Retrieved 3 November 2020 from <a href="https://www.dailymaverick.co.za/article/2020-09-25-the-next-generation-daily-maverick-168/">https://www.dailymaverick.co.za/article/2020-09-25-the-next-generation-daily-maverick-168/</a> )

	Author	Title	Date	Publication	Full source reference
C.3	Pierre Bienaimé	<i>Daily Maverick</i> founder Branko Brkic on the hard-hitting journalism that sells memberships in South Africa	1 Sep 2020	Digiday	Bienaimé, P. (2020, 1 September). <i>Daily Maverick</i> founder Branko Brkic on the hard-hitting journalism that sells memberships in South Africa. (Retrieved 3 November 2020 from <a href="https://digiday.com/media/daily-maverick-founder-branko-brkic-hard-hitting-journalism-memberships-south-africa/">https://digiday.com/media/daily-maverick-founder-branko-brkic-hard-hitting-journalism-memberships-south-africa/</a> )
C.4	Styli Charalambous	Why we're launching a newspaper in the middle of a pandemic	6 Aug 2020	Medium.com	Charalambous, S. (2020, 6 August). Why we're launching a newspaper in the middle of a pandemic. (Retrieved 3 November 2020 from <a href="https://medium.com/news-innovation-and-leadership-at-the-newmark/why-were-launching-a-newspaper-in-the-middle-of-a-pandemic-55ee335f8988">https://medium.com/news-innovation-and-leadership-at-the-newmark/why-were-launching-a-newspaper-in-the-middle-of-a-pandemic-55ee335f8988</a> )
C.5	<i>Daily Maverick</i>	Maverick Insider: How one counterintuitive move changed the future of <i>Daily Maverick</i>	17 Aug 2020	<i>Daily Maverick</i>	<i>Daily Maverick</i> . (2020, 17 August). Maverick Insider: How one counterintuitive move changed the future of <i>Daily Maverick</i> . (Retrieved 1 September 2020 from <a href="https://www.dailymaverick.co.za/article/2020-08-17-maverick-insider-how-one-counterintuitive-move-changed-the-future-of-daily-maverick/">https://www.dailymaverick.co.za/article/2020-08-17-maverick-insider-how-one-counterintuitive-move-changed-the-future-of-daily-maverick/</a> )
C.6	Heather Robertson	Starship <i>DM168</i> launch sequence commenced	31 Aug 2020	<i>Daily Maverick</i>	Robertson, H. (2020, 31 August). Starship <i>DM168</i> launch sequence commenced. (Retrieved 1 September 2020 from <a href="https://www.dailymaverick.co.za/opinionista/2020-08-31-starship-dm168-launch-sequence-commenced/">https://www.dailymaverick.co.za/opinionista/2020-08-31-starship-dm168-launch-sequence-commenced/</a> )
C.7	Pontsho Pilane	<i>DM168</i> : how a membership model helped a digital news org go analog	17 Sep 2020	South Africa Media Innovation Program	Pilane, P. (2020, 17 September). <i>DM168</i> : how a membership model helped a digital news org go analog. (Retrieved 3 November 2020 from <a href="https://samip.mdif.org/dm168-how-a-membership-model-helped-a-digital-news-org-go-analog/">https://samip.mdif.org/dm168-how-a-membership-model-helped-a-digital-news-org-go-analog/</a> )

	Author	Title	Date	Publication	Full source reference
C.8	Chris Moerdyk	Maverick by name, maverick by nature: A case study of modern journalism	3 Sep 2020	The Media Online	Moerdyk, C. (2020, 3 September). Maverick by name, maverick by nature: A case study of modern journalism. (Retrieved 12 September from <a href="https://thediaonline.co.za/2020/09/maverick-by-name-maverick-by-nature-a-case-study-of-modern-journalism/">https://thediaonline.co.za/2020/09/maverick-by-name-maverick-by-nature-a-case-study-of-modern-journalism/</a> )
C.9	Siobhan Cassidy	<i>Daily Maverick</i> goes to print	28 Aug 2020	Call off the Search	Cassidy, S. (2020, 28 August). <i>Daily Maverick</i> goes to print. (Retrieved from <a href="https://calloffthesearch.com/current-affairs/daily-maverick-goes-to-print-yay/">https://calloffthesearch.com/current-affairs/daily-maverick-goes-to-print-yay/</a> )
C.10	Cherilyn Ireton	Back to the future for <i>Daily Maverick</i> as it plans print title	30 July 2020	WAN-IFRA	Ireton, C. (2020, 30 July). Back to the future for <i>Daily Maverick</i> as it plans print title. (Retrieved 13 October 2020 from <a href="https://blogarchive.wan-ifra.org/2020/07/30/back-to-the-future-for-daily-maverick-as-it-plans-print-title">https://blogarchive.wan-ifra.org/2020/07/30/back-to-the-future-for-daily-maverick-as-it-plans-print-title</a> )
C.11	<i>Daily Maverick</i>	Fellow South Africans, we're launching a weekly newspaper. In the middle of the pandemic.	6 Aug 2020	<i>Daily Maverick</i>	<i>Daily Maverick</i> . (2020, 6 August). Fellow South Africans, we're launching a weekly newspaper. In the middle of the pandemic. (Retrieved 13 September 2020 from <a href="https://www.dailymaverick.co.za/article/2020-08-06-fellow-south-africans-were-launching-a-weekly-newspaper-in-the-middle-of-the-pandemic/">https://www.dailymaverick.co.za/article/2020-08-06-fellow-south-africans-were-launching-a-weekly-newspaper-in-the-middle-of-the-pandemic/</a> )
C.12	Karabo Mafolo	<i>Daily Maverick</i> 168: Boldly going where no newspaper has gone before.	22 Sep 2020	<i>Daily Maverick</i>	Mafolo, K. (2020, 22 September). <i>Daily Maverick</i> 168: Boldly going where no newspaper has gone before. (Retrieved 3 November 2020 from <a href="https://www.dailymaverick.co.za/article/2020-09-22-daily-maverick-168-boldly-going-where-no-newspaper-has-gone-before/">https://www.dailymaverick.co.za/article/2020-09-22-daily-maverick-168-boldly-going-where-no-newspaper-has-gone-before/</a> )
C.13	Styli Charalambous	How South Africa's <i>Daily Maverick</i> launched a print newspaper - in a pandemic. A case	18 Nov 2020	Knight Lab	Charalambous, S. (2020, 18 November). How South Africa's <i>Daily Maverick</i> launched a print newspaper - in a pandemic. A case study in product thinking. (Retrieved 3 December 2020 from <a href="https://knightlab.northwestern.edu/2020/11/18/south-africa-daily-maverick-print-newspaper-product-thinking-case-study/">https://knightlab.northwestern.edu/2020/11/18/south-africa-daily-maverick-print-newspaper-product-thinking-case-study/</a> )

	Author	Title	Date	Publication	Full source reference
		study in product thinking			
<b>D: CASE STUDIES ON DAILY MAVERICK'S MEMBERSHIP</b>					
D.1	Jessica Best	How <i>Daily Maverick</i> gradually staffed up its membership programme	16 Sep 2020	The Membership Guide	Best, J. (2020). How <i>Daily Maverick</i> gradually staffed up its membership programme. (Retrieved 3 November 2020 from <a href="https://membershipguide.org/case-study/how-daily-maverick-gradually-staffed-up-its-membership-program/">https://membershipguide.org/case-study/how-daily-maverick-gradually-staffed-up-its-membership-program/</a> )
D.2	Ariel Zirulnick	How <i>Daily Maverick</i> tested its membership assumptions pre-launch	16 Sep 2020	The Membership Guide	Zirulnick, A. (2020). How <i>Daily Maverick</i> tested its membership assumptions pre-launch. (Retrieved 3 November 2020 from <a href="https://membershipguide.org/case-study/how-daily-maverick-tested-its-membership-assumptions-pre-launch/">https://membershipguide.org/case-study/how-daily-maverick-tested-its-membership-assumptions-pre-launch/</a> )
D.3	Ariel Zirulnick	How <i>Daily Maverick</i> designed a pay-what-you-can model.	16 Sep 2020	The Membership Guide	Zirulnick, A. (2020). How <i>Daily Maverick</i> designed a pay-what-you-can model. (Retrieved 3 November 2020 from <a href="https://membershipguide.org/case-study/how-the-daily-maverick-designed-a-pay-what-you-can-model/">https://membershipguide.org/case-study/how-the-daily-maverick-designed-a-pay-what-you-can-model/</a> )
D.4	Ariel Zirulnick	How <i>Daily Maverick</i> developed a membership marketing roadmap.	16 Sep 2020	The Membership Guide	Zirulnick, A. (2020). How <i>Daily Maverick</i> developed a membership marketing roadmap. (Retrieved 3 November 2020 from <a href="https://membershipguide.org/case-study/how-daily-maverick-made-their-membership-marketing-roadmap/">https://membershipguide.org/case-study/how-daily-maverick-made-their-membership-marketing-roadmap/</a> )



## APPENDIX TWO: THEMATIC ANALYSIS: COMMON THEMES

THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Financial crisis in news media (context)	"the pandemic has accelerated the pre-existing and long-term structural decline in print media"	A.1
Financial crisis in news media (context)	[SANEF]: "Last week Thursday SANEF launched a relief fund for journalists who had lost their livelihoods as a direct result of the Covid-19 national disaster. In April alone we saw the closure of two magazine publishers and 80 small print publications operating across the country, leading to the loss of over 700 jobs for journalists. We appeal to South African corporates to spend their advertising budgets with South African media consciously, and that the public should take up subscriptions and continue to buy local papers."	A.2
Financial crisis in news media (context)	[REUTERS] Focuses on Naspers as the parent company: "South African media and e-commerce group Naspers plans to lay off more than 500 employees and close a number of newspapers and magazines, including its leading weekly tabloid the Sunday Sun, its print division Media24 said on Tuesday."	
Financial crisis in news media (context)	[REUTERS] "Media24 is Africa's largest publisher, printer and distributor of magazines and books, and is also the continent's largest newspaper publisher with around 3 000 employees across eight divisions."	A.3
Financial crisis in news media (context)	[REUTERS] "The layoffs and closures come in the wake of planned job cuts at public broadcaster the South African Broadcasting Corporation (SABC), and similar moves at other members of the country's "big four" print publishers - Arena Holdings, Caxton and Independent News."	A.3
Financial crisis in news media (context)	[REUTERS] "Since the pandemic hit in mid-March followed by a national lockdown, print publications have taken a hit of between 40% and 100% to advertising and sales revenue, forcing many to migrate online where they earn a fraction of their former ad sales. The South African National Editors Forum said in June around 50 000 people employed in the printing sector could be affected by newspaper closures. National unemployment is at a record 30.1%."	A.3
Financial crisis in news media (context)	[REUTERS] "'The writing's been on the wall for the global print media industry for years,' said Dinesh Balliah, media studies lecturer at Wits University, adding that more closures locally would follow with newspapers struggling to monetise online content. 'South Africa has managed to buck the trend for a while given its high data costs, which made good quality news sites difficult to access while newspapers remained relatively cost-effective. It really isn't looking good'."	A.3
Financial crisis in news media (context)	[REUTERS] "In Britain, Daily Mirror owner Reach RCH.L on Tuesday announced it would cut about 550 jobs, or 12% of its workforce, after the Covid-19 pandemic hit circulation and advertising at its national and regional newspapers."	A.3

THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Financial crisis in news media (context)	"Media24 is the third media company to announce its print media can no longer withstand the pressures of our time."	A.7
Financial crisis in news media (context)	"It [Media24] joins a growing list of publishing companies that have either permanently closed their entire operations or hived off media titles, including Associated Media Publishing and Caxton, which recently withdrew from magazine publishing and associated businesses."	A.8
Financial crisis in news media (context)	"The publishing industry has a long value chain that included newspaper and magazine production, printing and distribution. Media24's division that includes the production and distribution of magazines and newspapers is big, as it contributed 60% to the company's total group revenue for its financial year ended 31 March 2020."	A.8
Covid-19 intensifying financial crisis, abstracted as an exogenous actor	<p>"The year 2020 has seen people increasingly willing to pay for croissants made from real butter, rather than lard, a far from satisfactory alternative.</p> <p>This fact became starker in the past few months as people were physically isolated by Covid-19 lockdowns. The role of responsible online media became even more vital as people searched for both accurate information on the pandemic – amid a sea of misinformation and fake news – as well as content that would lift their spirits in a troubled world.</p> <p>Sites like News24 almost doubled their daily users (unique browsers), from 800,000 to 1.6-million, while <i>Daily Maverick</i> increased to between 300,000 to 500,000.</p> <p>"The current coronavirus challenge only emphasises the indispensable role that media play in society today," says Kirstine Stewart, head of Shaping the Future of Media, Entertainment and Culture at the World Economic Forum."</p>	B.8
Covid-19 intensifying financial crisis, abstracted as an exogenous actor	"Covid-19 hits Media24 hard"	
Covid-19 intensifying financial crisis, abstracted as an exogenous actor	"The pandemic has accelerated the pre-existing and long-term structural decline in print media, resulting in a devastating impact on our own already fragile print media operations with significant declines in both circulation and advertising since April."	A.1
Covid-19 intensifying financial crisis, abstracted as an exogenous actor	"The South African National Editors Forum (SANEF) is dismayed to learn that one of the country's biggest multiplatform media companies will be retrenching hundreds of journalists, due to the negative impact of Covid-19."	A.2
Covid-19 intensifying financial crisis, abstracted as an exogenous actor	"The 'devastating' impact of Covid-19 has heralded sweeping changes to Media24 titles."	A.5
Covid-19 intensifying financial crisis, abstracted as an exogenous actor	"South Africa's magazine and newspaper publishing industry has become another casualty of Covid-19, with the crippling pandemic pushing several well-loved and iconic titles into extinction."	A.8

THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
The problem of Facebook and Google (theft of revenue by Facebook and Google, conflation of Facebook and Google)	"A sustainable model of quality, digital journalism cannot survive through advertising revenue alone. Although we will continue to ask South African corporates to send their marketing rands to local publishers, rather than the technology behemoths in Silicon Valley and Ireland, a new model simply has to include some form of reader revenue."	B.1
The problem of Facebook and Google (theft of revenue by Facebook and Google, conflation of Facebook and Google)	"[Ishmet] Davidson says fighting Facebook and Google at their own advertising game in the hope that revenue will pick up is not going to be successful."	B.4
The problem of Facebook and Google (theft of revenue by Facebook and Google, conflation of Facebook and Google)	"Ishmet Davidson, the CEO of Media24, has said that he doesn't see online advertising alone sustaining journalism any longer, as tech titans Facebook and Google continue to gobble up the lion's share of online ad spending."	B.4
The problem of Facebook and Google (theft of revenue by Facebook and Google, conflation of Facebook and Google)	<p>"The fact of the matter is that, as things stand right now, Google and Facebook gobble up somewhere between 85% and 90% of online advertising in the country. I may seem a bit bitter about it, and that is probably because I am.</p> <p>'The fact is that all of that money goes out of the country,' said Davidson.</p> <p>Davidson said fighting Facebook and Google at their own advertising game in the hope that revenues would pick up was unlikely to be successful."</p>	B.4
The problem of Facebook and Google (theft of revenue by Facebook and Google, conflation of Facebook and Google)	<p>"News24, which is the largest online news platform in South Africa, has an already sprawling advertising business, which it will work hard to retain. Advertising works on scale – the more “eyeballs” you have, the more compelling your advertising proposition is. But digital advertising is not enough to sustain newsrooms – as evidenced by the flood of closures over recent years.</p> <p>The problem is the rise of “big tech” – companies like Google and Facebook, which now account for about 60% of all digital advertising spend, according to estimates from eMarketer.</p> <p>Aside from drawing revenue away from media houses, big tech has also drawn the ire of the media industry by publishing (or allowing users to share), excerpts from news stories without sharing a fair portion of ad revenues.</p> <p>“These companies have sophisticated software, and an army of developers and engineers that ensure that advertisers can target their audience in a highly sophisticated way,” says Basson.</p> <p>“As an industry, we did not move fast enough to keep up with this ad technology. We have caught up as a company – but that ad spend has moved to these platforms and will not return.”</p>	B.8



THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
The problem of Facebook and Google (theft of revenue by Facebook and Google, conflation of Facebook and Google)	DM: "There was, however, one hitch to what we believed was a flawless plan: no one anticipated the disruption of digital advertising that came with Google and Facebook and the duopoly they soon established. The resultant decade was one of hardship for news media, with many publishers being pushed to the edge."	C.5
The problem of Facebook and Google (theft of revenue by Facebook and Google, conflation of Facebook and Google)	[HEATHER ROBERTSON, Editor <i>DM168</i> ]: "Five years before, I had walked away from a job as a newspaper editor and the stress of trying my best to serve readers with quality information while Google and Facebook chowed up the advertising that subsidised the news."	C.6
Misinformation/disinformation	"And yet, in a time of the virus, and especially in a time of fake news, we need the news media more than ever before."	A.7
Misinformation/disinformation	"In addition, the so-called "Fourth Estate" - the news media - is especially needed at a time when fake news is thriving."	A.7
Misinformation/disinformation	[ <i>DM 168</i> ]: "In a time when misinformation and lies get halfway around the world before the truth has had breakfast, it was important for us that we view this as an opportunity to make our journalism accessible to even more people through this innovative distribution model, partnering with Pick n Pay."	C.2
Misinformation/disinformation	"Without vulnerability and risk, there can be no courage. But backed with a vision, a committed team and a tribe of members and readers, we can begin to write the next part of our story at a time when journalism and the truth are under attack everywhere. <i>Daily Maverick 168</i> will help us defend both, and you can help that mission by getting yourself a copy every weekend."	C.2
Misinformation/disinformation	"This pandemic has underscored just how dangerous misinformation is. Real journalism has real journalists going to the real experts for the hard facts that reflect reality. It may not fit into one's preferred bias, and on occasion it may be tough to read, but it's the truth. Lives are lost when the truth has to battle for position against Karen's opinion, fake news and disinformation. To make matters worse, in these tough economic times some media houses are erecting paywalls that further prevent the SA public from accessing formal, verifiable news sources at this critical time."	C.5
Misinformation/disinformation	"In September 2019 we launched Maverick Citizen, our civil society journalism arm. Their expertise and their access to the most respected health experts in the country has resulted in world-class Covid-19 coverage. Maverick Citizen has also been able to shine a light on desperate situations, from hospitals without oxygen tanks to healthcare workers in dire need of PPE. It has been a big component of how our readership figures have jumped from 1.7 million unique browsers per month this time last year to 3.5 million unique browsers today. When the public needs factual information, they know they can trust <i>Daily Maverick</i> to deliver it."	C.5

THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
New business models	"At the same time, says Ishmet, Media24 is reshaping to further accelerate its transition to an increasingly digital world".	A.1
New business models	"It is a time to mourn. That's how it should be. But then the time must also come, and soon, for us to come up with innovative and entrepreneurial digital media models."	A.7
New business models	"A new era for news as News24 prepares to launch digital subscriptions."	B.1
New business models	[ADRIAAN BASSON]: "To continue and expand our probing journalism even further, we need your investment."	
New business models	<p>[ADRIAAN BASSON]: "The traditional media business model is all but broken. Just last week, Media24 announced the possible retrenchment of 500 employees. This follows similar announcements by other media houses, including the SABC.</p> <p>When I started my career as a crime reporter in Johannesburg in 2003, the model was simple. We wrote stories for our newspaper. In-between our stories, businesses paid to advertise their products and services. On top of that, you, the reader, paid us a small amount to read the news. The company had two income streams: advertising and circulation.</p> <p>The model was sustainable and delivered some of the best journalism the country and the world had seen. Newsrooms were full and journalism thrived.</p> <p>But all of this has changed. Print media has all but reached the end of its glorious lifespan, but we cannot let quality journalism die with paper and ink. We need to build a sustainable model for quality, digital journalism. Who will cover the Magistrates' Courts, town councils and police stations if we no longer have regional and local newspapers?</p> <p>A sustainable model of quality, digital journalism cannot survive through advertising revenue alone. Although we will continue to ask South African corporates to send their marketing rands to local publishers, rather than the technology behemoths in Silicon Valley and Ireland, a new model simply has to include some form of reader revenue.</p> <p>The model we have opted for is called freemium - a mixture of free and premium journalism in one hub. We understand that not all of you are in a position to take out a subscription; we will continue to publish breaking news in the public interest for free.</p> <p>[...]</p> <p>In 2011, the New York Times, arguably the world's best newspaper, was in financial trouble. That year, the paper launched digital subscriptions against a wave of scepticism that readers wouldn't pay for news they could always read for free.</p> <p>By 2018, the New York Times had 2.5 million digital subscribers, and two years later the number had doubled to over 5 million. The sceptics were wrong.</p>	B.1

THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	<p>The New York Times was not alone. The Boston Globe; Dagbladet in Norway; Folha de S.Paulo in Brazil, Expressen in Sweden; Le Monde in France; the Financial Times; the Daily Telegraph; Bild in Germany; Gazeta Wyborcza in Poland; The Globe and Mail in Canada, and the Washington Post have all launched successful subscription models.</p> <p>I invite you to enter this new era for News24 with us."</p>	
New business models	"Advertising alone cannot sustain journalism any longer, says Media24 CEO."	B.4
New business models	"One of the biggest mistakes that newspapers made right at the start of the digital revolution was to give their content away for free. It was a stupid error of judgement for which a very hefty price was paid because readers got used to getting things for free and really did not take kindly to have to suddenly start paying for their daily news fare."	B.5
New business models	<p>"The current coronavirus challenge only emphasises the indispensable role that media play in society today," says Kirstine Stewart, head of Shaping the Future of Media, Entertainment and Culture at the World Economic Forum.</p> <p>"With the value of content growing, the industry needs financial models that enable them to fulfil their social functions while still supporting widespread access to critical content. This can't happen in isolation: It requires dialogue, including with regulators, to find solutions that balance innovation, consumer welfare and corporate responsibility of every stakeholder in the media industry."</p>	B.8
New business models	<p>"Amid the chaos wrought by Covid-19, The World Economic Forum published a survey Understanding Value in Media: Perspectives from Consumers and Industry, which documented the preferences of over 9,100 people in China, Germany, India, South Korea, the UK and the US relating to their media consumption, payment habits and preferences.</p> <p>The results were revealing:</p> <ul style="list-style-type: none"> <li>- 96% of those surveyed read, watch or listen to news and entertainment</li> <li>- 23.6 hours are spent viewing media content during a typical week</li> <li>- 60% of consumers of global services are "engaged" (meaning they registered – whether free or paid)</li> <li>- 16% pay for news</li> <li>- 44% pay for entertainment</li> <li>- 61% of young people (16-34) pay for entertainment</li> <li>- 22% of over 55s pay for entertainment</li> <li>- Twice the number of young people (16-34) in Germany, the UK and the US are likely to pay for news than over 55s</li> </ul> <p>The results are instructive for those determined to provide news that is trustworthy and accurate.</p>	B.8

THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	<p>For one, low-income groups are less likely to pay for news services – a concern for anyone worried about the accurate dissemination of news.</p> <p>In addition, less than half of consumers pay for news and entertainment, which means that leading media companies have to do everything they can to attract, and retain the population that is willing to pay.</p> <p>On the positive side, while the proportion of people paying for content today is small, the report notes that future willingness to pay is rising. Globally, the proportion of people willing to pay in the future is 53% for news and 70% for entertainment."</p>	
New business models	<p>[STYLI CHARALAMBOUS]: "As with all new ventures, there is a risk/reward equation that founders, creators and investors need to weigh up in pursuing their continued efforts in the space. How long will you need to carry investments before projects break even, and how can you generate value beyond traditional advertising? Podcasting is the corner piece of the Rubik's cube that is the media sustainability conundrum, where growing audiences are accompanied by declining or nonexistent ad revenues. Although these business puzzles are difficult to solve, with patience, technique and a lot of practice it can be done. We just need to learn new skills, unlearn some bad habits and study at the feet of those who have made it work.</p> <p>The same digital medium that brought our disruption also offers us access and the means to acquire these skills, if we know where to look. And listen."</p>	C.1
New business models	<p>[DM 168, initial business model]: "<i>Daily Maverick 168</i> is published by South Africa's most experienced newsroom and filled with investigations, in-depth analyses, biting opinions and the best cartoonists in the country. All available for free, if you swipe a Pick n Pay Smart Shopper card. That is the "how" and "what" of this ambitious project – something which, from what we can tell, hasn't quite been done in this way before.</p> <p>In a time when misinformation and lies get halfway around the world before the truth has had breakfast, it was important for us that we view this as an opportunity to make our journalism accessible to even more people through this innovative distribution model, partnering with Pick n Pay."</p>	C.2
New business models	<p>[DM 168]: "Our editorial ambitions are to grow and reach new audiences with every new product we deliver – and this is no different.</p> <p>We hired our commercial and project manager in January to help advance our newspaper ambitions and brought in our managing editor during the hard lockdown period of April. Together, we continued to design, debate and drive the idea forward while working remotely, never wavering from the intention to launch in 2020. (Okay, we wavered a little by pushing out the launch date a couple of weeks, but that's standard project overrun practice.)</p> <p>During that time, as our workload exploded and we weren't sure of much, we had to plan for scenarios without knowing what our Covid-19 curve would look like or what kind of state we'd be in as a country, industry or company. Our only comfort was knowing that journalism had been declared an essential service, and that access</p>	



THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	to grocery stores would be allowed as long as the country of South Africa exists. And with that we kept the faith that our hunches; our interpretation of the market and our readers' needs, would bring us to this point where we can bring hope to an industry in crisis, in a time of global despair."	
New business models	[BRANKO BRKIC, on DM]: "It took us ten years. When we launched, Facebook and Google still didn't take 60 or 70% of the market. And the South African market was already small to start with. Even then, the print market was dwarfing the online market. we quickly realized that we had no chance. If we do an advertising model, we're just going to close down. So we basically begged and borrowed, got close family friends [to invest], and as we were going bigger and our stories got more influential and changed the agenda of the country, people started realizing that we need to be around. Even if we struggle to pay salaries, we need to be around. For a long time we were actually quite cheap to run. And we started attracting the attention of foundations, [which] helped us breach those terrible periods. There were times where 'salary day is tomorrow and we have nothing in our account. Literally nothing.' But we somehow managed to survive it. We've never been late with salaries. We realized that we must develop multiple channels of income."	C.3
New business models	[Revenue model of DM]: "When Lady Luck and perseverance combined to make it possible, <i>Daily Maverick</i> did what few media organisations around the world were able to: we grew. Thanks in part to our hybrid revenue model of philanthropic support, commercial efforts and our incredible membership programme, our newsroom and entire team doubled in the last 24 months — laying down the final pieces of runway for take-off."	C.4
New business models	"With <i>Daily Maverick 168</i> we're going back to the future. As digital-first publishers, we're taking a technologically driven approach to distributing, refining and marketing this newspaper."	C.4
New business models	"Two years ago, on 15 August 2018, <i>Daily Maverick</i> CEO Styli Charalambous stood up at The Media Gathering in Cape Town and did something nobody expected him to do: he admitted the fallibility of the digital news model. With the knowledge at the time that he was able to cover, at best, three months of payroll, it was a somewhat audacious move to ask you, our readers, to help. Ultimately, although not perfectly, the dream worked because our focus was on building a quality product. It turns out all we needed was You, our readers. You understood so well how crucial the role of the news media is in a society as troubled as South Africa. You saw the importance of <i>Daily Maverick</i> for our democracy. And You stepped up to the plate on that day when <i>Maverick Insider</i> , the <i>Daily Maverick</i> membership programme, was launched. "	C.5
New business models	"Maverick Insider has allowed <i>Daily Maverick</i> to pursue its purpose despite the financial constraints under which the entire SA media industry is suffering. The minute the financial outcome becomes the key driver in this game, the quality of the news product diminishes. In order to defeat the corrupt and the criminal, we need to be better, to rise above but also to have the humility to ask for help."	C.5

THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
New business models	"Maverick Insider now has close to 13,000 members whose support has meant that not only have we survived but we have managed to grow, by 85% year-on-year over two years. Insiders currently cover almost 40% of the <i>Daily Maverick</i> payroll. Knowing that we have recurring revenue has given us the stability and courage to expand."	C.5
New business models	"At the start of the year, we set ourselves the goal of 20,000 members by the end of 2020. It will be a hard push, especially in these times of economic fragility. Achieving this goal isn't just a tick-box exercise for some arbitrary business report, it's a stake in the ground on the road to sustainability. It means that when the next global disaster, or locally created one, happens, <i>Daily Maverick</i> will be able to survive and continue delivering on our vision of journalism as public service. Knowing that we can cover the costs of our payroll means we have the confidence to employ more journalists and create some audaciously Maverick products, like our soon-to-be-launched weekly newspaper, <i>Daily Maverick 168</i> ."	C.5
New business models	"We're completely invested in membership as a particularly attractive and potentially successful solution to the sustainability problem that media news around the world have," says CEO Styli Charalambous.	C.7
New business models	" <i>Maverick 168</i> 's editor Heather Robertson says she had not foreseen having to launch the newspaper during a pandemic, but she's convinced that <i>Daily Maverick</i> is more than up to the task. "We're not re-inventing the wheel. We're going to use our existing resources and exact same staff to provide the content for the newspaper. What is going to be different, obviously, is that newspapers are designed on different programs and need to be laid out, but we're leveraging on the existing systems," she explains. The weekly newspaper has two 16 page sections — one for news, opinion, business and sport, and a tabloid section for lifestyle content. The newspaper will use some of the content that will be on the website through repurposing and repackaging, she explains. But the aim is to have unique front-page investigations that are exclusive to the print product."	C.7
New business models	"While debates about the future of print media continue among industry and academic circles, one thing is clear: with its launch into print, <i>Daily Maverick</i> is willing to take a chance that few are willing to – or can afford to. It seems unlikely that this move could have been possible without years of work on building up a community of members willing to invest in the organization and its journalism. Whether <i>Maverick 168</i> is a success or a failure, it offers the industry new insights that could in the future unlock a viable revenue stream for media producers."	C.7
New business models	"contrary to the concept of using online to promote print, a strategy which newspapers still use, <i>Daily Maverick</i> is using print to promote its online offering."	C.8
New business models	[DM: Using a minimum viable product (MVP) to test membership assumptions] [...] "an example of a low-investment, accessible way to test some of your assumptions before committing to a high-stakes launch. MPP [Membership Puzzle Project] is sharing their approach because it doesn't require any skills or tech beyond what	D.2

THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	<p>most newsrooms already have".</p> <p>[Involved asking for donations, A/B testing various types and formats of calls for donations, and surveying the donors.]</p> <p>RESULTS:</p> <p>"They did not need to set a floor for membership contributions. Supporters willingly gave what they could, rather than the minimum required.</p> <p>They had an engaged group of readers willing to provide recurring financial support, even without any benefits. They would find their loyal readers at the bottom of articles and on their newsletter lists. Calls-to-action elsewhere on the site were less effective. This allowed them to invest their limited time and resources on the places they knew they would be most effective at converting members.</p> <p>Button placement and coloring would have some impact on sign-ups. They experimented with a few arrangements, and found that adding a bold background and pre-selecting their most desired contribution amount (R150) helped swing recurring contributions from an average of R75 to R150.</p> <p>That R100 average recurring contribution benchmark allowed them to develop more informed revenue projections for their membership program.</p> <p>They received 645 responses to the survey they sent to the donors. The responses told them a few critical things: Mission-aligned benefits such as opportunities to get to know the journalists and a members-only newsletter resonated much more strongly than special offers and discounts.</p> <p>Their investigative reporting motivated the most contributions, and they also learned which journalists had the most loyal followings – two valuable data points for marketing efforts</p> <p>A resounding 92 percent of respondents said that swag upon sign-up would not motivate them to join."</p> <p>CONCLUSIONS:</p> <p>Their cause alone was enough to motivate readers to support them financially. If more than 300 people were willing to become recurring supporters without receiving anything in return, offering benefits and a sense of community via a membership program would lead to even stronger returns.</p> <p>A pay-what-you-can model, which would make membership financially accessible to more readers, had viability. They could reasonably expect an average contribution of 100 rand (about \$8) a month and readers who could give more might do so.</p> <p>They did not need to implement a paywall to incentivize people to support their work.</p> <p>Cause-driven membership appeals would resonate more strongly than membership appeals tied to perks, particularly those oriented around keeping the journalism freely accessible."</p>	

THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
New business models	"When the <i>Daily Maverick</i> launched its membership program, Maverick Insider, they had two goals: make membership as inclusive as possible, and make it easy for those who could provide financial support to do so. So, they eschewed membership tiers and implemented a "pay-what-you-can" model, with one key benefit that incentivized those who could afford to contribute more to do so."	D.3
New business models	"Tiers can help nudge members toward certain financial levels and add predictability to your financial modeling, but they can also bring a level of exclusivity that is discordant with a commitment to equity and inclusion. The <i>Daily Maverick</i> sought to address this tension by using a pay-what-you-can model for their membership program, Maverick Insiders. Well-designed defaults and benefits nudge those who can afford to pay more to do so, helping the <i>Daily Maverick</i> continue to meet its membership revenue targets."	D.3
New business models	"In addition to providing an easier payment process, the <i>Daily Maverick</i> also believes that the pay-what-you-can model helps put their membership in a different category than subscriptions, addressing the issue of subscription fatigue. Tiers are less common among charitable causes, and the <i>Daily Maverick</i> sought to frame joining as charitable support for a free press and equal access to information. "It taps into a different part of the brain – and budget," CEO Styli Charalambous writes. "Research shows that the average American household has \$30 available for subscriptions and within that space, enough for just one news subscription. And that's wealthy American households. But people can and do support multiple good causes that resonate with them. We wanted to convey our cause that was worthy of support alongside the Society for the Protection of Animals, National Sea Rescue Institute, or educational development programmes."	D.3
New business models	"People won't give the bare minimum, even if they can. One of the assumptions that goes into the design of membership tiers is that people will give the minimum amount they have to give to get member benefits, so there needs to be a floor. The fact that at least 50 percent of the <i>Daily Maverick's</i> early members (pre-Uber benefit) opted for the suggested R150, rather than the minimum R75, disproved that assumption, at least for the <i>Daily Maverick</i> ."	D.3
New business models	"“We have been careful not to be pulled into the discount offer space,” Charalambous writes. “We made this single exception and it worked, but we have not offered any other membership benefits that don’t relate to the [ <i>Daily Maverick</i> ] experience in some way. We are not a corporate rewards program, we are a cause, and the membership programme should reflect that.”	D.3
New business models	"Categorizing, measuring, and routinizing their marketing strategy helped <i>Daily Maverick</i> streamline its marketing efforts, which helped to reduce the amount of time and decision-making required to execute. This gave them more time to devote to cause-driven work that makes membership more appealing, and also made it easier to adapt to the coronavirus pandemic."	D.4



THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
New business models	<p>"A systematized marketing strategy has uses beyond membership. Maverick Insiders is one of several components of the <i>Daily Maverick's</i> work that needs to be marketed. They also have a books division, a robust events strategy, a suite of newsletters, and a budding podcast division. Going through this process for Maverick Insiders "makes it surprisingly manageable to keep track of [marketing for] all the different divisions," Beighton told us.</p> <p>Categorizing, tracking, and analyzing has allowed them to build routines, design templates, and craft a realistic roadmap that they can stick to. It's become a simple, formulaic process to determine the right channel and message for marketing something new, whether that's a newsletter, podcast, or event.</p> <p>Putting the values down in writing proved critical as the <i>Daily Maverick</i> experienced a major staff growth spurt. They've added a lot of new staff recently who are still learning the value proposition and how to apply it to marketing efforts. "It's so easy when you're marketing anything to cross the line. It's so easy to tell a white lie. The minute you start doing that, everything falls apart," Beighton warns. "It keeps you honest, which is essential."</p>	D.4
Journalism (institution, profession, legacy)	<p>[SANEF]: "Since Covid-19 the process of news gathering has transformed completely, and this element of personal danger is one of the most troubling changes for journalists. SANEF believes that the risks facing journalists remain unacceptably high for most, and tragically it has claimed the lives of some. And yet, most journalists remain resolved to fight to keep the principles of unwavering dedication to the pursuit of truth and making it available to all. And, we are convinced that the world needs journalists, now more than ever."</p>	A.2
Journalism (institution, profession, legacy)	<p>"Surely there is no profession where there is greater camaraderie than in journalism. Journalists, having been through the purgatory of the night office and never-ending deadlines, are like blood relatives.</p> <p><i>Death bell</i></p> <p>That is why we, who once worked in Media24 Centre (also known as the Mothership), feel as if the death bell has been ringing for us too."</p>	A.7
Journalism (institution, profession, legacy)	<p>"While professional journalism is more necessary than ever, news offices are scaling down everywhere. In addition, the so-called "Fourth Estate" - the news media - is especially needed at a time when fake news is thriving."</p>	A.7
Journalism (institution, profession, legacy)	<p>"Journalists are specialists who collect information, who know how to do it independently, without fear or favour, verify it, and ensure that it complies with the ethical guidelines of the South African press code. And all those journalists now retrenched should know that they are such information specialists - information that empowers a public, in whatever way, whether with information on the corona crisis, or corruption. And, with their work, deepen a healthy democracy."</p>	A.7

THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Journalism (institution, profession, legacy)	"Over the next few weeks, as we move closer to our official launch, we will tell you more about our subscription service and why we believe there has never been a more important time to invest in quality journalism."	B.1
Journalism (institution, profession, legacy)	"This pandemic has underscored just how dangerous misinformation is. Real journalism has real journalists going to the real experts for the hard facts that reflect reality. It may not fit into one's preferred bias, and on occasion it may be tough to read, but it's the truth. Lives are lost when the truth has to battle for position against Karen's opinion, fake news and disinformation. To make matters worse, in these tough economic times some media houses are erecting paywalls that further prevent the SA public from accessing formal, verifiable news sources at this critical time."	C.5
Normative conceptions of news media	"What does this mean for us as news consumers? More so: for a democracy?"	A.7
Normative conceptions of news media	"The so-called Windhoek Declaration on media freedom, which formed the basis for UNESCO's declaration of 3 May as World Press Freedom Day, highlights a diversity and plurality of voices. Simply put: the more voices are heard on issues of the day, the better for a democracy. Plus: without a free media, there is no democracy. There may still be corruption, but a diverse media sector will shed light on all the cracks in our society. Indeed, it is precisely because of investigative journalism that we are not deeper in the swamp of state capture than we are."	A.7
Normative conceptions of news media	"Quality news media - in other words, professional, verified and independent information - is more important than ever. And that's what needs to be saved."	A.7
Normative conceptions of news media	"Even before South Africa's first democratic election in April 1994, Nelson Mandela, then not yet president, said in February that year at the opening of the International Press Institute's conference in Cape Town: 'A critical, independent and investigative press is the lifeblood of any democracy ... It must enjoy the protection of the Constitution so that it can protect our rights as citizens. It is only such a free press that can temper the appetite of any government to amass power at the expense of the citizen ... It is only such a free press that can have the capacity to relentlessly expose excesses and corruption on the part of the government, state officials and other institutions that hold power.' Journalism <i>is</i> the lifeblood of a democracy. I have no doubt that Media24, with its heritage, will also do everything in its power to fulfil the social contract with the South African public."	A.7
Normative conceptions of news media	"Journalists are specialists who collect information, who know how to do it independently, without fear or favour, verify it, and ensure that it complies with the ethical guidelines of the South African press code. And all those journalists now retrenched should know that they are such information specialists - information that empowers a public, in whatever way, whether with information on the corona crisis, or corruption. And,	A.7

THEMES COMMON TO BOTH	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	with their work, deepen a healthy democracy. You and I, as the public, can make a contribution to ensure the lifeblood of a democracy can be sustained."	
Crisis of South African democracy: role as watchdog	[SANEF]: "We are concerned that the continuing closure of media houses will have a detrimental effect on our democracy as it limits the number of sources of information for the public, leads to regression in media diversity and multiplicity of voices".	A.2
Crisis of South African democracy: role as watchdog	"Even before South Africa's first democratic election in April 1994, Nelson Mandela, then not yet president, said in February that year at the opening of the International Press Institute's conference in Cape Town: 'A critical, independent and investigative press is the lifeblood of any democracy ... It must enjoy the protection of the Constitution so that it can protect our rights as citizens. It is only such a free press that can temper the appetite of any government to amass power at the expense of the citizen ... It is only such a free press that can have the capacity to relentlessly expose excesses and corruption on the part of the government, state officials and other institutions that hold power.' Journalism <i>is</i> the lifeblood of a democracy. I have no doubt that Media24, with its heritage, will also do everything in its power to fulfil the social contract with the South African public."	A.7
Crisis of South African democracy: role as watchdog	"Arguably, any closure of a media title is bad, as it means the reader will have fewer choices and there will be less diversity of views in SA's publishing industry."	A.8
Crisis of South African democracy: role as watchdog	"It turns out all we needed was You, our readers. You understood so well how crucial the role of the news media is in a society as troubled as South Africa. You saw the importance of <i>Daily Maverick</i> for our democracy. And You stepped up to the plate on that day when <i>Maverick Insider</i> , the <i>Daily Maverick</i> membership programme, was launched. "	C.5
Crisis of South African democracy: role as watchdog	DM: "In the last 12 months, the impact of our work, and the groundbreaking investigations by our investigative arm, Scorpio, also helped in the Gupta brothers and Salim Essa being sanctioned under the Magnitsky Act, nine people being arrested in relation to the VBS bank looting and the exposure of PPE fraud at the highest levels. This is the work <i>Maverick Insiders</i> are paying for. "	C.5

### APPENDIX THREE: THEMATIC ANALYSIS: CONTRASTING THEMES

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Digital technology as a problem/unwelcome	"The difference now is that it is not the government, but the digital revolution, plus Covid-19, that caused the shock wave in media circles."	A.7
Digital technology as a problem/unwelcome	"The digital revolution has long caused the print media model to stop working. And the digital media model is still not working, and may perhaps never work, as the public has grown used to receiving their news for free."	A.7
Digital technology as a problem/unwelcome	" ... that an iconic title like Drum is only going to survive as a digital magazine remains a blow ... It must be bitter for all those who have fought for decades for the magazine's survival, with its legacy of the "Drum generation" of journalists, from Lewis Nkosi to Nat Nakasa, after whom SANE's award for courageous journalism was named."	A.7
Digital technology as a problem/unwelcome	"For those many titles withdrawing from publishing, it was the challenges of digital transformation that tripped them up. A playground rife with bullies, but one that we hustled through for a decade. Our Achilles' heel of being digital-only for so long had now prepared us to take a swan dive into print – when many others were retreating in the other direction."	C.2
Digital technology as a problem/unwelcome	"The kernel of this expedition took shape more than five years ago when <i>Daily Maverick</i> was battling to survive. That period was the nadir of our struggle era. Even in those dark times, we could see how the immediacy of digital was taking control of our dopamine receptors by jabbing us with an intravenous drip of news with high-sugar and low nutrition, coupled with an endless feed of tweets and posts. The role of newspapers in our information diet was changing, and we knew that it would evolve into greater demand for the kind of long-form quality journalism that we had bet the house on."	C.4
Digital technology as a problem/unwelcome	"After surveying thousands of our loyal and engaged readers and analysing the consumption of our articles on our platforms, some aspects stood out for us. Even the most ardent <i>Daily Maverick</i> reader struggles to consume even just 5% of all the great stories we publish, which is these days up to 250 full features a week. This, coupled with the near-doubling of screen time for most of us these past few months, there is also a deep desire to indulge in current affairs without having to crook one's neck while thumbing aimlessly into an endless scroll abyss on a tiny screen. We are all feeling overwhelmed, and these factors combined, overlaid with another significant issue of our time, the one of trust, belief and faith in news brands, has made digital media consumption an unhealthy habit. How many times do we catch ourselves viscerally longing for weekend reads in bed over coffee, sharing sections of a paper with a partner? The moments that are truly special and should not be polluted by staccato glancing at our mobile screens?"	C.4



CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Digital technology as a problem/unwelcome	[DM 168 - implicit criticism of transience of digital]: " [...] we'll be putting together a news experience that we're hoping will live in your homes for weeks and months after publishing, with articles and visuals that will seem as relevant and useful as the day they were printed."	C.4
Digital technology as a problem/unwelcome	<p>"The kernel of this expedition took shape more than five years ago when <i>Daily Maverick</i> was battling to survive. That period was the nadir of our struggle era.</p> <p>"Even in those dark times, we could see how the immediacy of digital was taking control of our dopamine receptors by jabbing us with an intravenous drip of news with high-sugar and low nutrition, coupled with an endless feed of tweets and twak.</p> <p>"The role of newspapers in our information diet was changing, and we knew that it would evolve into greater demand for the kind of long-form quality journalism that we had bet the house on.</p> <p>"Fast-forward half a decade and <i>Daily Maverick</i> did more than survive.</p> <p>"When Lady Luck and perseverance combined to make it possible, <i>Daily Maverick</i> did what few media organisations around the world were able to: we grew.</p> <p>"Thanks in part to our hybrid revenue model of philanthropic support, commercial efforts and our incredible membership programme, our newsroom and entire team doubled in the last 24 months – laying down the final pieces of runway for take-off."</p>	C.9
Digital technology as positive/welcome	<p>"The National Editor's Forum, SANEF, also highlighted how access to news portals spiked following the outbreak of the pandemic.</p> <p>Media24's statement also referred to the growth in its digital platforms.</p> <p>News24 had an average of 1.6 million daily unique users - already a 63% growth on the 2019 average.</p> <p>By the end of June, Netwerk24 had almost 67 000 subscribers - 36.5% more than June 2019."</p>	A.7
Digital technology as positive/welcome	<p>"And now for the good news: Covid-19 has made digital a way of life, from e-meetings to e-classrooms.</p> <p>Now we, as the public, must also do our part and support professional digital news media with subscriptions.</p> <p>Because just as there is nothing like free services elsewhere, we, as the public, should also realise quality news does not come for free and be prepared to make a contribution to ensure that quality news can thrive." [dubious shift in voice from journalist to member of the public ...?]</p>	A.7
Digital technology as positive/welcome	<p>[STYLI CHARALAMBOUS]: "Podcasting is the corner piece of the Rubik's cube that is the media sustainability conundrum, where growing audiences are accompanied by declining or nonexistent ad revenues. Although these business puzzles are difficult to solve, with patience, technique and a lot of practice it can be done. We just need to learn new skills, unlearn some bad habits and study at the feet of those who have made it work.</p> <p>The same digital medium that brought our disruption also offers us access and the means to acquire these skills, if we know where to look. And listen."</p>	C.1

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Digital technology as positive/welcome	"For those many titles withdrawing from publishing, it was the challenges of digital transformation that tripped them up. A playground rife with bullies, but one that we hustled through for a decade. Our Achilles' heel of being digital-only for so long had now prepared us to take a swan dive into print – when many others were retreating in the other direction."	C.2
Digital technology as positive/welcome	"With <i>Daily Maverick 168</i> we're going back to the future. As digital-first publishers, we're taking a technologically driven approach to distributing, refining and marketing this newspaper."	C.4
Decision to abandon print	"the pandemic has accelerated the pre-existing and long-term structural decline in print media"	A.1
Decision to embrace print	<p>"What started as a hunch a few years ago – that our brand of quality journalism would be a good fit for the printed form – finally comes to fruition as we loosen ourselves from the cocoon of lockdown. Hunches and gut instincts are important, but when making important decisions affecting the future and livelihood of your team, the chances of success are increased when data and research back them up. There's no point wading into a channel or medium if there isn't enough demand or financial viability and, despite obvious trends that many paid-for titles were waning quarter after quarter, we could see the data points and feedback from readers that led us to believe <i>Daily Maverick 168</i> would work.</p> <p>And so we set off with the stubbornness that got us through a decade of digital publishing and began putting together a plan following the rapid expansion of our newsroom in the last two years. Thanks to the support of our membership programme, <i>Maverick Insider</i>, we could lean on the fact that a healthy number of them, and other regular readers, would appreciate our journalism in print. This, along with their financial contributions, massively de-risked the venture for us."</p>	C.2
Decision to embrace print	"The kernel of this expedition took shape more than five years ago when <i>Daily Maverick</i> was battling to survive. That period was the nadir of our struggle era. Even in those dark times, we could see how the immediacy of digital was taking control of our dopamine receptors by jabbing us with an intravenous drip of news with high-sugar and low nutrition, coupled with an endless feed of tweets and posts. The role of newspapers in our information diet was changing, and we knew that it would evolve into greater demand for the kind of long-form quality journalism that we had bet the house on."	C.4
Decision to embrace print	<p>"But why exactly are we doing this? Why are venturing out of our instant publishing space that serves us so well? After surveying thousands of our loyal and engaged readers and analysing the consumption of our articles on our platforms, some aspects stood out for us. Even the most ardent <i>Daily Maverick</i> reader struggles to consume even just 5% of all the great stories we publish, which is these days up to 250 full features a week. This, coupled with the near-doubling of screen time for most of us these past few months, there is also a deep desire to indulge in current affairs without having to crook one's neck while thumbing aimlessly into an endless scroll abyss on a tiny screen.</p> <p>We are all feeling overwhelmed, and these factors combined, overlaid with another significant issue of our time, the one of trust, belief and faith in news brands, has made digital media consumption an unhealthy habit.</p>	C.4

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	<p>How many times do we catch ourselves viscerally longing for weekend reads in bed over coffee, sharing sections of a paper with a partner? The moments that are truly special and should not be polluted by staccato glancing at our mobile screens?</p> <p>This may all seem anecdotal, but a survey of more than 30,000 South African digital consumers in the 2019 BrandMapp survey revealed that 81% of our readers, (and the country’s largest news website), still regularly read a newspaper — they just don’t want to pay for products that don’t make the grade.</p> <p>We posited that if we could design a newspaper that relied heavily on our editorial quality and multiple investigative units; our brilliant analysis and reporting from the most experienced newsroom in the country; our powerhouse of cartoonists; and a powerful network of contributors who shape our country’s future, we had a shot at saving print journalism in South Africa from seemingly inexorable circulation decline."</p>	
Decision to embrace print	[DM 168]: " [...] we’ll be putting together a news experience that we’re hoping will live in your homes for weeks and months after publishing, with articles and visuals that will seem as relevant and useful as the day they were printed."	C.4
Decision to embrace print	"While the digital brand’s bold plan to go “back into the future” with a print edition has made waves – a pilot edition was released earlier this month, to glowing reviews – the seemingly counter-intuitive move follows the longer-term success of <i>Daily Maverick</i> ’s membership programme, <i>Maverick Insider</i> ."	C.7
Decision to embrace print	<p>"The decision to go analog when everyone is going digital is not one <i>Daily Maverick</i>’s team made lightly. “Over the last five years, we have been thinking really hard about what is the best way that we can get our long-form journalism into the hands of people who enjoy it, and print has always been one of the avenues that we felt would be a good outlet for that,” Charalambous explains.</p> <p>Knowing the outlet has at least 13,000 supporters made the decision to start publishing a newspaper a no-brainer, he adds. Unlike a completely new player in the media industry, <i>Daily Maverick</i> has an established brand, and an existing audience made up of loyal readers and members.</p> <p>“Our members were the first people we told about <i>Maverick 168</i>. We made it clear that we’re going to need their support in order for it to be successful and sustainable, except that this time it’s not going to cost a cent because of the partnership with Pick n Pay,” says Charalambous.</p> <p>Partnering with Pick n Pay was a decision of convenience and exploiting an already great business partnership with the brand, he adds. Copies of <i>Maverick 168</i> are predicted to move from the shelves because the publication’s research has shown that most of its members and readers shop at Pick n Pay.</p> <p>Charalambous says the partnership with Pick n Pay is also an attempt to reach a new audience — one that may otherwise not buy a weekly newspaper because of their cost."</p>	C.7

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Decision to embrace print	"While debates about the future of print media continue among industry and academic circles, one thing is clear: with its launch into print, <i>Daily Maverick</i> is willing to take a chance that few are willing to – or can afford to. It seems unlikely that this move could have been possible without years of work on building up a community of members willing to invest in the organization and its journalism. Whether <i>Maverick 168</i> is a success or a failure, it offers the industry new insights that could in the future unlock a viable revenue stream for media producers."	C.7
Separation of editorial and business operations		
Re-integration of editorial and business operations	[DM 168]: "We hired our commercial and project manager in January to help advance our newspaper ambitions and brought in our managing editor during the hard lockdown period of April. Together, we continued to design, debate and drive the idea forward while working remotely, never wavering from the intention to launch in 2020."	C.2
Re-integration of editorial and business operations	[HEATHER ROBERTSON, Editor DM168]: "Over the past two years, we've learnt that membership and reader engagement work in harmony with our newsroom. Where our journalists interrogate, our members collaborate. When we show the worst of our country and its leaders, our readers show us the best in active citizenship. So the good news story isn't only that <i>Maverick Insider</i> is growing and helping us become sustainable; it's that there are nearly 13,000 South Africans out there who will pay for something that's free so that those who can't afford to pay for it can still read it. Faith in humanity restored."	C.5
Re-integration of editorial and business operations	So why am I here, pushing the sun, with a team of creative designers and sub-editors packaging the hard work of <i>Daily Maverick's</i> journalists? It's actually quite simple. They are fallible and crazily human like me, like us, but the space-time continuum traveller, his sidekick Styli Charalambous (a certified bean counter with the soul of a poet, the mind of a data analytics machine and a stomach of steel) and the exceptionally talented crew on Starship <i>Daily Maverick</i> , are as passionate about the fate and future of the public interest role of journalism as I am. The kind of journalism that not just breaks the latest scandal or investigation, but explains significant events."	
Re-integration of editorial and business operations	"The way the <i>Daily Maverick</i> grew its <i>Maverick Insiders</i> team offers one blueprint for staffing a full-service membership team – from product to community management, events to marketing, and tech to retention. The <i>Insiders</i> experience offers a great example of how to build gradually by prioritizing your membership needs, and then using that team to distribute membership efforts across your organization more widely. [...] Prior to the launch of <i>Maverick Insiders</i> , there were two people working on getting the program off the ground. Publisher Styli Charalambous led the planning of the program, acted as product manager, and secured buy-in throughout the company, while former head of product Brett Lensvelt considered how technology, editorial, and business, would all work together to implement the program."	D.1
Re-integration of editorial and business operations	"Today the <i>Maverick Insiders</i> team consists of seven people, with responsibilities broken down as follows: <i>Maverick Insider</i> General Manager [...], Membership Retention Manager [...], Junior Membership Business	D.1



CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	<p>Administrator [...], Live Journalism Manager [...], Marketing Ninja [...], Community Manager &amp; Graphic Designer [...], Head of Product [...].</p> <p>The team, Publisher Styli Charalambous, and Editor-in-Chief Branko Brikic meet weekly to discuss upcoming projects and challenges. There is also a weekly webinar and events meeting, and a weekly marketing meeting. Meetings to coordinate engaged journalism work remain ad-hoc, but they plan to formalize this process too.</p> <p>Team members report to General Manager Fran and work full time on membership, but <i>Daily Maverick's</i> aim of being a memberful organization means the Insiders team get involved in other areas of the operation. Charalambous explained: "For example, webinars started out as a member benefit but evolved into live-journalism efforts to [serve] a wider audience that is now part of membership acquisition efforts. It's run by the membership team and requires coordination with journalists and editors in the hosting of these events."</p> <p>"If membership is to really be about community building and for it to be a success, it's our view it cannot be a siloed effort that sits on the side. It has to be integral to the entire organization and be the thing that brings it all together."</p>	
Re-integration of editorial and business operations	"From Publisher Styli: "Membership touches every part of the business, every part of the business needs to be represented there, editorial, business, product and tech, finance might drop in, maybe account managers. We buy into the fact that membership is such an integral part of the organization's effort/mission."	D.1
Re-integration of editorial and business operations	"Beighton said it also helps that Publisher Styli Charalambous is in the weekly marketing meeting and both he and Editor-in-Chief Branko Brkic are in the weekly Maverick Insider meeting, which helps keep the messaging aligned. "The busier we become, the faster we work, the easier and more likely we are to have an error in judgement. These meetings reconnect us with the cause each week," Beighton said."	D.4
Reader revenue: readers as customers/users	readers described as "users"	A.1
Reader revenue: readers as customers/users	"And the digital media model is still not working, and may perhaps never work, as the public has grown used to receiving their news for free."	A.7
Reader revenue: readers as customers/users	<p>"And now for the good news: Covid-19 has made digital a way of life, from e-meetings to e-classrooms. Now we, as the public, must also do our part and support professional digital news media with subscriptions. Because just as there is nothing like free services elsewhere, we, as the public, should also realise quality news does not come for free and be prepared to make a contribution to ensure that quality news can thrive." [dubious shift in voice from journalist to member of the public ...?]</p>	A.7
Reader revenue: readers as customers/users	"Like many of our peers internationally, we will be introducing a freemium paywall, which means most of our breaking news will remain free-to-read, but premium content will only be available to paying subscribers."	B.1
Reader revenue: readers as customers/users	"Ishmet Davidson says he is a firm believer in the need for users to pay for online journalism."	B.4

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Reader revenue: readers as members/membership	"You and I, as the public, can make a contribution to ensure the lifeblood of a democracy can be sustained."	A.7
Reader revenue: readers as members/membership	<p>[DM 168]: "It's a project not without significant risk, and we will always need help of our members and readers to make it last. The stronger the demand and the more votes we can gather now, the more we can prove to advertisers and sponsors that there is still ink left in the tank. If you'd like to add your name to the list, you can do so by casting your vote here.</p> <p>And when the launch date arrives, we promise to deliver a world-class newspaper experience for readers, every weekend. For free — in return for a trip to the supermarket. We think that's a pretty good offer to support quality, independent journalism."</p>	C.4
Reader revenue: readers as members/membership	<p>"Two years ago, on 15 August 2018, <i>Daily Maverick</i> CEO Styli Charalambous stood up at The Media Gathering in Cape Town and did something nobody expected him to do: he admitted the fallibility of the digital news model. With the knowledge at the time that he was able to cover, at best, three months of payroll, it was a somewhat audacious move to ask you, our readers, to help.</p> <p>Ultimately, although not perfectly, the dream worked because our focus was on building a quality product. It turns out all we needed was You, our readers. You understood so well how crucial the role of the news media is in a society as troubled as South Africa. You saw the importance of <i>Daily Maverick</i> for our democracy. And You stepped up to the plate on that day when <i>Maverick Insider</i>, the <i>Daily Maverick</i> membership programme, was launched."</p>	C.5
Reader revenue: readers as members/membership	"It turns out all we needed was You, our readers. You understood so well how crucial the role of the news media is in a society as troubled as South Africa. You saw the importance of <i>Daily Maverick</i> for our democracy. And You stepped up to the plate on that day when <i>Maverick Insider</i> , the <i>Daily Maverick</i> membership programme, was launched. "	C.5
Reader revenue: readers as members/membership	<p>"Nothing and everything has changed since that day. The original membership model that had been envisioned is still almost precisely what was scribbled on that first proverbial concept napkin. And yet the impact of what <i>Maverick Insider</i> has done for the company has changed everything.</p> <p><i>Maverick Insider</i> has allowed <i>Daily Maverick</i> to pursue its purpose despite the financial constraints under which the entire SA media industry is suffering. The minute the financial outcome becomes the key driver in this game, the quality of the news product diminishes. In order to defeat the corrupt and the criminal, we need to be better, to rise above but also to have the humility to ask for help."</p>	C.5
Reader revenue: readers as members/membership	<p>"Despite the assertions of some journalists (howzit, Poplak), they don't know everything. When we launched <i>Maverick Insider</i> we knew that our supporters were going to contribute far more than financially in support of our purpose. We created an <i>Insider Experts</i> database, understanding that everyone is an expert in something, whether that be a farmer in the Karoo who can give us real-life up-to-the-minute information on the drought or a world-renowned vaccinologist who knows the real deal with hydroxychloroquine.</p> <p>This database informs and improves our journalism. We have called on them for fact-checking, for participation in our</p>	C.5

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	Live Journalism webinars and to write for us directly. Our members have volunteered for us, offered us free venue hire for our events, donated spot prizes, submitted recipes, participated in surveys, voted on new product ideas and helped us crowdfund our first book publishing effort. Above all, they've kept our journalism free for everyone. "	
Reader revenue: readers as members/membership	"At the start of the year, we set ourselves the goal of 20,000 members by the end of 2020. It will be a hard push, especially in these times of economic fragility. Achieving this goal isn't just a tick-box exercise for some arbitrary business report, it's a stake in the ground on the road to sustainability. It means that when the next global disaster, or locally created one, happens, <i>Daily Maverick</i> will be able to survive and continue delivering on our vision of journalism as public service. Knowing that we can cover the costs of our payroll means we have the confidence to employ more journalists and create some audaciously Maverick products, like our soon-to-be-launched weekly newspaper, <i>Daily Maverick 168</i> ."	C.5
Reader revenue: readers as members/membership	"Over the past two years, we've learnt that membership and reader engagement work in harmony with our newsroom. Where our journalists interrogate, our members collaborate. When we show the worst of our country and its leaders, our readers show us the best in active citizenship. So the good news story isn't only that <i>Maverick Insider</i> is growing and helping us become sustainable; it's that there are nearly 13,000 South Africans out there who will pay for something that's free so that those who can't afford to pay for it can still read it. Faith in humanity restored. <i>Maverick Insider</i> is about innovation, driven by disaster and underpinned by courage: it's all those things that the cynics don't want you to believe in: hope, community, courage and resilience. Our members signed up to help us achieve what we set out to do: Defend Truth. So here's our message to our readers: come join the membership that's making a real difference to South Africa."	C.5
Reader revenue: readers as members/membership	[HEATHER ROBERTSON, <i>DM168</i> ]: "This pilot edition of <i>Daily Maverick 168</i> , the newspaper platform of <i>Starship Daily Maverick</i> , which will be published weekly from 26 September, is our humble effort to curate the best of your <i>Daily Maverick</i> online and more to serve you, our readers with quality journalism you can trust. As this newspaper is as much yours as it is ours, I invite you to help us shape and craft it into a product that you are proud to have in your hands by giving us feedback and telling us what you think we could do to improve by writing an email to <a href="mailto:DM168@dailymaverick.co.za">DM168@dailymaverick.co.za</a> and filling in this reader survey. With you as fellow space-time travellers, <i>Daily Maverick 168</i> will launch into a future we all can believe in."	C.6
Reader revenue: readers as members/membership	"We're completely invested in membership as a particularly attractive and potentially successful solution to the sustainability problem that media news around the world have," says CEO Styli Charalambous.	C.7

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Reader revenue: readers as members/membership	"From Publisher Styli: "Membership touches every part of the business, every part of the business needs to be represented there, editorial, business, product and tech, finance might drop in, maybe account managers. We buy into the fact that membership is such an integral part of the organization's effort/mission."	D.1
Pessimism - death narrative & metaphors	Title: "Media24 swings the scythe in massive shake-up of print titles."	A.5
Pessimism - death narrative & metaphors	"And as an ex-colleague wrote from the salt mines of the news office: It's blood on the walls."	A.7
Pessimism - death narrative & metaphors	"The crisis due to the coronavirus was only the last nail in the coffin; the patient was already in intensive care."	A.7
Pessimism - death narrative & metaphors	<i>"Death bell</i> That is why we, who once worked in Media24 Centre (also known as the Mothership), feel as if the death bell has been ringing for us too."	A.7
Pessimism - death narrative & metaphors	"It is a time to mourn. That's how it should be. But then the time must also come, and soon, for us to come up with innovative and entrepreneurial digital media models."	A.7
Pessimism - death narrative & metaphors	"End of an era as Media24 plans cull of iconic titles."	A.8
Pessimism - death narrative & metaphors	"Over the years there has been a significant decline in both circulation and advertising. Print media has been comatose; the pandemic simply switched off the oxygen."	A.10
Pessimism - death narrative & metaphors	"While I recognise that the world is changing, that how people consume media is evolving, I cannot help but feel absolutely devastated by the death of print media. It has such a profound history in our country, and for some of us, it defines our childhood."	A.10
Pessimism - death narrative & metaphors	"I appreciate social media but perhaps at the heart of my pain about the closure of newspapers and magazines is mourning for a time when relationships and conversations were genuine, personal, warm. I am mourning for a lost era, for a simpler time. How I wish we could hold onto it for a little while longer."	A.10
Optimism - novelty, innovation, experimentation, growth	[STYLI CHARALAMBOUS]: "[...] the people who succeeded are no different from you and me. They are not luckier or more talented; they simply started and persevered. They looked around and asked for help. They kept building, no matter what. The post-Covid-19 world will require more builders than ever before, whether it be one-woman operations, SMEs or corporate giants. Only builders will create the jobs we need to survive."	C.1
Optimism - novelty, innovation, experimentation, growth	"Charalambous says the newsroom has almost doubled in size over the last two years — another uncommon trend in the media industry, with most of the country's newsrooms shrinking and even the most popular print titles feeling the pinch."	C.7



CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Impact on staff: Staff being reduced and negatively affected by title closures; staff being abstracted by management, and possibly seen as dispensable	"The planned interventions are expected to affect around 510 staff members (with a proposed reduction of close on 660 positions) out of a total staff component of 2 971, largely across the print media and distribution divisions"	A.1
Impact on staff: Staff being reduced and negatively affected by title closures; staff being abstracted by management, and possibly seen as dispensable	"Editors will become outsourced contractors and 510 staff members will be affected."	A.5
Impact on staff: Staff being reduced and negatively affected by title closures; staff being abstracted by management, and possibly seen as dispensable	<p>"Media24 followed a 197 process for the outsourcing of the content production on the remaining monthly magazines,' Davidson told The Media Online. 'Consultations around this are continuing this week.'"</p> <p>"In terms of advertising, Davidso said the current process proposed a restructuring of advertising sales teams. This could result in fewer permanent staff and using freelance sales people, Davidson said. 'Lifestyle consolidated its advertising sales team into a central advertising sales team about two years ago, when it also outsourced the main sales on selected titles to freelancers'."</p> <p>"Staff in the company's distribution division, as well as in divisional and corporate services departments, will also be affected. Of a total staff complement of 2971, the company has proposed closing around 660 positions."</p> <p>"Davidson paid tribute to all staff. He said, 'We gave our people the undertaking that we will manage this process with fairness, respect and compassion and have also put together a special pack that includes information on how Media24 will continue to assist the people affected over the next few months. This includes access to business advice and special offers to ease the transition to the next chapter of their lives.'"</p>	A.5
Impact on staff: Staff being reduced and negatively affected by title closures; staff being abstracted by management, and possibly seen as dispensable	<p>"More than 500 positions are affected with the restructuring. Or, if existing vacancies are included, 660 jobs. Add that to the estimated 700 positions that were lost with the previous two media houses' announcements and the approximately 80 publications that were closed in April and May.</p> <p>Possible retrenchments at the SABC - affecting up to 600 jobs - are also already on the cards.</p> <p>And yet, in a time of the virus and especially in a time of fake news, we need the news media more than ever before."</p>	A.7
Impact on staff: Staff being reduced and negatively affected by title closures; staff being abstracted by management, and possibly seen as dispensable	"The restructuring of Media24's newspapers, magazines and distribution is bad news for Caxton and Novus, the main printers of the company's media titles. Caxton and Novus will print fewer volumes of magazines and newspapers due to the potential closures, charging Media24 far less than previously."	A.8

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Staff being increased, and being actively prioritized, taken into consideration, involved, and developed by management, who see them as critical active participants in change and innovation	"Charalambous says the newsroom has almost doubled in size over the last two years — another uncommon trend in the media industry, with most of the country's newsrooms shrinking and even the most popular print titles feeling the pinch."	C.7
Staff being increased, and being actively prioritized, taken into consideration, involved, and developed by management, who see them as critical active participants in change and innovation	"Thanks in part to our hybrid revenue model of philanthropic support, commercial efforts and our incredible membership programme, our newsroom and entire team doubled in the last 24 months."	C.9
Staff being increased, and being actively prioritized, taken into consideration, involved, and developed by management, who see them as critical active participants in change and innovation	"When the <i>Daily Maverick</i> launched its Maverick Insiders program in 2018, two people were working on the membership effort. Two years on, the Maverick Insiders team has grown to seven, with roles including a general manager, membership retention manager, and marketing ninja. They have found that some areas need dedicated roles – such as events and retention – while others can see skills and responsibilities come together in unusual combinations."	D.1
Shock/suddenness of forced change	"In a shock announcement at a company 'town hall' today, CEO Ishmet Davidson confirmed the closure of five magazines, two newspapers and a selection of community newspapers."	A.5
Shock/suddenness of forced change	"And 7 July 2020 was the day. Henceforth, maybe known as Black Tuesday in terms of shock value, following 1977's Black Wednesday when newspapers were closed under the censorship of the apartheid government. The difference now is that it is not the government, but the digital revolution, plus Covid-19, that caused the shock wave in media circles."	A.7
Shock/suddenness of forced change	"The distress, sadness, and yes, tears, rippled wave after wave across my computer screen."	A.7
Shock/suddenness of forced change	"It remains heartbreaking to hear how many titles, and some heritage titles, are affected."	A.7
Long trajectory of necessary change	"And it's not because of the past few Covid-19 months. It's been on its way since the digital revolution began."	A.7

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Long trajectory of necessary change	"The crisis due to the coronavirus was only the last nail in the coffin; the patient was already in intensive care."	A.7
Long trajectory of necessary change	"But it was just unrealistic to expect 'business as usual'; it was only a matter of time."	
Covid-19 pandemic as a crisis, as the sudden reason for title closures	"The South African National Editors Forum (SANEF) is dismayed to learn that one of the country's biggest multiplatform media companies will be retrenching hundreds of journalists, due to the negative impact of Covid-19."	A.2
Covid-19 pandemic as a crisis, as the sudden reason for title closures	<p>"It is as if our Western languages must turn to the Germanic version when primal existential crises strike us. For instance, Angst is just so much more frightening than anxiety. And Zetgeist so much more impressive than just the spirit of our time. And now: Zeitwende. A revolution in time - that we are, in fact, experiencing a turning point in modern history.</p> <p>This was emphasised by the announcement by South Africa's largest media company that some of its titles - some iconic heritage titles - could not withstand the pressures of our time. Some would be stopped altogether, others' frequency reduced and will be editorially outsourced, others will be digital-only publications.</p> <p>No wonder it feels as if Angst, Zetgeist and Zeitwende have all been mixed together and that concoction is dragging us down in a maelstrom; that we are experiencing an existential crisis of unimaginable magnitude. What next, if even that rock on the horizon, Media24, capitulated?</p> <p>The question was not if, but when, that announcement would come."</p>	A.7
Covid-19 pandemic as a crisis, as the sudden reason for title closures	"South Africa's magazine and newspaper publishing industry has become another casualty of Covid-19, with the crippling pandemic pushing several well-loved and iconic titles into extinction."	A.8
Covid-19 pandemic as part of a longer process of necessary change	<p>"The National Editor's Forum, SANEF, also highlighted how access to news portals spiked following the outbreak of the pandemic.</p> <p>Media24's statement also referred to the growth in its digital platforms.</p> <p>News24 had an average of 1.6 million daily unique users - already a 63% growth on the 2019 average.</p> <p>By the end of June, Netwerk24 had almost 67 000 subscribers - 36.5% more than June 2019."</p>	A.7
Covid-19 pandemic as part of a longer process of necessary change	<p>"The news media business was already on shaky ground before Covid-19 began spreading across SA in March 2020, something that Ishmet Davidson, CEO of Media24, recognises.</p> <p>'The pandemic has accelerated the pre-existing and long-term structural decline in print media, resulting in a devastating impact on our own already fragile print media operations, with significant declines in both circulation and advertising since April."</p>	A.8
Covid-19 pandemic as part of a longer process of necessary change	"The post-Covid-19 world will require more builders than ever before, whether it be one-woman operations, SMEs or corporate giants. Only builders will create the jobs we need to survive."	C.1

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Covid-19 pandemic as part of a longer process of necessary change	<p>[DM 168]: "Our editorial ambitions are to grow and reach new audiences with every new product we deliver – and this is no different.</p> <p>We hired our commercial and project manager in January to help advance our newspaper ambitions and brought in our managing editor during the hard lockdown period of April. Together, we continued to design, debate and drive the idea forward while working remotely, never wavering from the intention to launch in 2020. (Okay, we wavered a little by pushing out the launch date a couple of weeks, but that’s standard project overrun practice.)</p> <p>During that time, as our workload exploded and we weren’t sure of much, we had to plan for scenarios without knowing what our Covid-19 curve would look like or what kind of state we’d be in as a country, industry or company. Our only comfort was knowing that journalism had been declared an essential service, and that access to grocery stores would be allowed as long as the country of South Africa exists.</p> <p>And with that we kept the faith that our hunches; our interpretation of the market and our readers’ needs, would bring us to this point where we can bring hope to an industry in crisis, in a time of global despair."</p>	
Decision to adopt a paywall (reasoning)	<p>"Like many of our peers internationally, we will be introducing a freemium paywall, which means most of our breaking news will remain free-to-read, but premium content will only be available to paying subscribers.</p> <p>This is a landmark moment for all of us at News24; something we've been dying to tell you about since we started this journey to build a sustainable model for quality journalism almost two years ago."</p>	B.1
Decision to adopt a paywall (reasoning)	<p>"The impetus for the decision has of course been highlighted by mass retrenchments and salary cuts at almost all major local media companies due to the impact of Covid-19. With consumers feeling the pinch of the national lockdown, advertising revenue has dropped and sales have declined, kicking the search for a new business model for news into the next gear.</p> <p>Most local and international media institutions seem to be in agreement: it's time to "burn the ships" and start afresh, as venture capitalist Michael Jordaan said on Thursday during the digital Future of News Summit, organised by News24. The vexing question, however, remains: what do we establish in the place of the old model, which used advertising income to subsidise quality journalism for the reader? And, in a world where a news story is a dime a dozen, do we dare charge readers money for journalism if they can read the news elsewhere for free?</p> <p>Many media companies have had to learn by trial and devastating error that there is no easy answer to this question. Around the world, publishers have introduced digital subscriptions with varying levels of success."</p>	B.3
Decision to adopt a paywall (reasoning)	<p>"Of course timing matters, and now may be as good a time as ever to start charging for online news. As Nic Newman, the Reuters Institute's senior research associate said: "Journalism matters and is in demand again."</p> <p>The massive audience growth seen by publishers during Covid-19 is proof that when people absolutely have to have credible information, they know where trusted news publishers are."</p>	B.3



CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Decision to adopt a paywall (reasoning)	<p>"The simple truth is that it costs money to produce journalism and a lot more to produce investigative and quality journalism," said Cheryl Ireton, executive director of the World Editors Forum. "So there has to be a way to pay for the journalism if news organisations are to meet their mandate.</p> <p>"Subscriptions are an obvious route. Netflix and M-Net do it, and not many balk at paying, because they value the content. Subscriptions seem to work best for niche content and news, comment and analysis that are not readily available elsewhere. That's why Netwerk24 and BusinessLive have been successful. News24 was a digital pioneer – focusing on growing a big audience and attracting digital advertising. Now it has to find a way to monetise its content." One thing is clear, the news brands, both big and small, who went the subscription route years ago, withstood the shock of Covid-19 far better than anyone else and were now better placed for the next few years.</p>	B.3
Decision to adopt a paywall (reasoning)	<p>"Basson told The Media Online the company was 'mindful' that many readers might not be able to afford the subscription service while others could be resistant to paying for something they had received for free. 'This is why we spent so much time looking at international models, looking at what others are doing, and how we could continue to provide breaking news [for free], which is a hallmark of News24,' he said.</p> <p>Basson said some people may not like the idea that they have to pay for certain articles, but he hoped they would 'stick around' and give it a chance. 'We're not putting a red door between us and our readers. It's going to be a different experience, he said.</p> <p>You could almost call it the old News24 that people came to know and love, he said, adding that the site has always been renowned for its breaking news coverage, such as the death of Zinzi Mandela, or the big storm in Cape Town. 'We are under no illusion that we can charge for that. What we are talking about is the extra stuff, the premium content, the in-depth stories, the investigative journalism, the follow-up stories, some of the podcasts ... it will be aimed at people who want to read more, want the world explained and analysed. I believe we do have a loyal group of readers in that bracket who would be able to help us build a sustainable model,' he said."</p>	B.6
Decision to adopt a paywall (reasoning)	Future sustainability, Basson believes, will be based on subscription models incorporating reader and ad revenue, as well as membership models like that of the <i>Daily Maverick</i> ."	B.6
Decision to adopt a paywall (reasoning)	<p>"Like the Washington Post, Wall Street Journal, New York Times, Financial Times as well as South Africa's BDLive, Mail &amp; Guardian and Biznews publications, News24 has introduced a subscription service on its in-depth news and analysis, a strategy it calls "Freemium".</p> <p>Three or four years ago, virtually no media house charged for online news, with perhaps the exception of the New York Times, FT and Wall Street Journal. Now, the majority of online sites do – in one form or another. Free to read sites like Moneyweb require membership to access archived content."</p>	B.8

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Decision to adopt a paywall (reasoning)	<p>"There has been a sea-change in user understanding and behaviour over the past few years," says Basson. "People accept that good journalism is worth paying for."</p> <p>Peter Vandermeersch, publisher at Independent News &amp; Media, which produces <i>The Irish Times</i>, put it in simple language:</p> <p>"Think about it. We're bakers and we make croissants, and if you come to one door, our print door, you pay for the croissants," he said. "But if you come to the back door, the digital door, we give them away for free."</p> <p>This enticing, yet unsustainable bakery deal is over, he says.</p> <p>"From now on, also at the back door, we'll ask the €2.50 a week for the croissants there."</p> <p>The year 2020 has seen people increasingly willing to pay for croissants made from real butter, rather than lard, a far from satisfactory alternative.</p>	B.8
Decision to adopt a paywall (reasoning)	<p>"SA Inc. has a responsibility to support local media, "to hold power to account" he says. "We recognise that their money is going to the social platforms and it would be naive to stop them, but they could also contribute to the survival of good journalism."</p> <p>It is for this reason, he says, that News24 has adopted a two-stream revenue model, which includes subscriptions. The model, he says, is not cast in stone. "There are many different models out there and we have seen globally that media houses adapt their strategies as behaviour changes. We will not be afraid to change our model or offer new features as we go."</p> <p>Because it's a whole different world out there. "</p>	B.8
Decision to reject a paywall and adopt multiple revenue strands that focus on a membership model	<p>"The flipside of the coin is that right now, the pandemic has hit most South Africans hard, and many would be cautious to commit money to something like a news subscription, despite needing credible information more than ever. It raises ethical questions about whether public service journalism, which is essential for healthy, democratic societies, should not be free for everyone to access.</p> <p>For this reason, some publishers are seeking alternative models to the subscriber model, including philanthropic endowments and public trusts, to keep providing information that enable citizens to make informed choices about the way they live their lives and who they choose to govern."</p>	B.3
Decision to reject a paywall and adopt multiple revenue strands that focus on a membership model	<p>"Paywalls and digital subscriptions may be on the rise at digital media companies around the U.S., but South Africa presents a different case.</p> <p>"Our competitors went behind paywalls, and they didn't have a good experience," said Branko Brkic, founder of the South African online news site <i>Daily Maverick</i>, which covers politics and business from their newsroom in Johannesburg.</p> <p>"You can't debate the issue that you need income from your readers to be part of your stream of income. But we really do not believe that the paywall is a way to go," Brkic said on the Digiday Podcast.</p> <p>The site instead relies on a model akin to the Guardian's — make the content free, but ask your readers for support at</p>	C.3

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	<p>every turn.</p> <p>“What we say with Maverick Insider is ‘help us actually make this possible for people who cannot pay. Be part of something bigger, be part of something really beautiful,’” he said. “It’s an emotional decision.””</p>	
<p>Decision to reject a paywall and adopt multiple revenue strands that focus on a membership model</p>	<p>“Our competitors went behind paywalls, and they didn’t have a good experience. You can’t debate the issue that you need income from your readers to be part of your stream of income. But we really do not believe that the paywall is a way to go. What we’ve done is design something called Maverick Insider, which is a membership model. When you have a paywall, what do you say to your reader? You are my customer, this is the product. It costs you this much. The customer on the other side says ‘can I afford it? Do I want it? Do I have time to use it?’ It’s a very rational decision, a left-brain decision. What we say with Maverick Insider is ‘help us actually make this possible for people who cannot pay. Be part of something bigger, be part of something really beautiful. It’s an emotional decision.’ And it works out really well for us. Over the last two years we gained 13,000 members. And our numbers are now actually speeding up. Every month we set a new record. And we give them benefits. They get to comment on our stories, they have preferred seating at our events, they get a newsletter.”</p>	C.3
<p>Decision to reject a paywall and adopt multiple revenue strands that focus on a membership model</p>	<p>[Model for initial launch period of <i>DM 168</i>]: “It’s our philosophy that the kind of journalism we produce should be accessible to all South Africans. And we believe we have a model that can make that a reality even in the printed realm. <i>Daily Maverick 168</i> (for all of you wondering, 168 is a reference to the number of hours in the week) will have a cover price of R20.00 but will be available at 100% discount to Pick n Pay Smart Shopper cardholders from Saturday mornings. Yes, that means FREE — in return for a swipe of your blue loyalty card.”</p>	C.4
<p>Decision to reject a paywall and adopt multiple revenue strands that focus on a membership model</p>	<p>“Maverick Insider membership is a social contract that has allowed us total autonomy. We owe nothing to anybody other than our readers. We can be as fearless as ever in our pursuit of the truth.”</p>	C.5
<p>Decision to reject a paywall and adopt multiple revenue strands that focus on a membership model</p>	<p>“Everyone – trusted advisers, friends, family and the omnipresent unsolicited advice from strangers – were for years telling us to go the paywall route. It worked for The New York Times, so why not <i>Daily Maverick</i>? They knew many people who would pay to access such quality content, they kept assuring us.</p> <p>The answer we kept giving became ever more relevant over the years. It speaks to the fundamental truth of what we are here to do: South Africa is a poor country, and without access to quality journalism it will become irretrievably poorer. How could we keep our journalism behind a paywall in the face of such a historic challenge?</p> <p>But there’s also another, more visceral reason: It is there, in the very fibre of every story, that needs to be seen and</p>	C.5

CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	<p>read by as many souls as possible. Locking the stories behind a paywall, in our eyes, goes against their raison d'être. You simply can't go against the nature of your product, in any industry.</p> <p>Maverick Insider membership, therefore, is a social contract which has allowed us total autonomy. We owe nothing to anybody other than our readers. We can be as fearless as ever in our pursuit of the truth.</p> <p>In this transactional world, it shouldn't have worked. Cynicism often wins out over naive ideas that rely upon the kindness of strangers. Our critics asked us, "Who is going to pay for a free service?" If we're honest, we asked ourselves the same thing often. After all, we were asking for the best in humanity while reporting on the worst.</p> <p>It turns out, a lot of people value the work that we do; 13,000 of them so far."</p>	
Decision to reject a paywall and adopt multiple revenue strands that focus on a membership model	<p>"This pandemic has underscored just how dangerous misinformation is. Real journalism has real journalists going to the real experts for the hard facts that reflect reality. It may not fit into one's preferred bias, and on occasion it may be tough to read, but it's the truth. Lives are lost when the truth has to battle for position against Karen's opinion, fake news and disinformation. To make matters worse, in these tough economic times some media houses are erecting paywalls that further prevent the SA public from accessing formal, verifiable news sources at this critical time."</p>	C.5
External focus on a generalized struggle/conflict/competition (exogenous forces)	<p>"Covid-19 hits media hard"</p>	A.1
External focus on a generalized struggle/conflict/competition (exogenous forces)	<p>" ... that an iconic title like Drum is only going to survive as a digital magazine remains a blow ... It must be bitter for all those who have fought for decades for the magazine's survival, with its legacy of the "Drum generation" of journalists, from Lewis Nkosi to Nat Nakasa, after whom SANEF's award for courageous journalism was named."</p>	A.7
Internal focus on the specific details of problem-solving/innovation/creating a unique product (endogenous forces)		
Critical responses to Media24's restructuring	<p>"SANEF notes with deep concern the statement by Ishmet Davidson, CEO of Media24, that the pandemic has "accelerated the pre-existing ..."</p>	A.2
Uncritical responses to Media24's restructuring	<p>SANEF = a largely uncritical reproduction of Media24's press release info, including a call to business to advertise and for people to support the subscription model:</p> <p>"The South African National Editors Forum (SANEF) is dismayed to learn that one of the country's biggest multiplatform media companies will be retrenching hundreds of journalists, due to the negative impact of Covid-19."</p>	A.2



CONTRASTING THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Uncritical responses to Media24's restructuring	<p>"According to the publishers of these titles, the decision comes as a result of the catastrophic impact that Covid-19 has had on sales and advertising revenue. But while the lockdown has certainly had an impact on print media, the reality is that the pandemic accelerated a pre-existing and long-term structural decline in print media. [parrots Media24 release here, but presents it as personal objective analysis]</p> <p>Over the years there has been a significant decline in both circulation and advertising. Print media has been comatose; the pandemic simply switched off the oxygen."</p>	A.10
Focus on profit	<p>[HEATHER ROBERTSON, Editor <i>DM168</i>]: "Five years before, I had walked away from a job as a newspaper editor and the stress of trying my best to serve readers with quality information while Google and Facebook chowed up the advertising that subsidised the news. I had had enough of media owners squeezing the last drop of profit, fighting fake media wars on their front pages, while dedicated and committed journalists, friends and warriors for truth and justice, lost their jobs and livelihoods as newsrooms shrunk like a very bad wash at the laundry."</p>	C.6
Focus on quality/people	<p>[STYLI CHARALAMBOUS]: "Like any service business, the ones that stand out are the ones that attain levels of quality that just blow the competition out of the water. Even when this means sacrificing short-term monetary gains."</p>	C.1
Focus on quality/people	<p>[STYLI CHARALAMBOUS]: "Profit is such a lame reason to start a business and quickly gets old, even if you're making a ton of money. Building a business is about people and people want to work in a place that has purpose and operates with integrity. The profit is the byproduct, not the inspiration."</p>	C.1
Focus on quality/people	<p>[re. the launch of <i>DM 168</i>]: "Our "why" for this project is not a financial calculus. Our "why" is to create a curated journalism experience for those of our readers who want to break free from the digital deluge and recapture some time for themselves. So that readers can know more and know better."</p>	C.2
Focus on quality/people	<p>"Maverick Insider membership is a social contract that has allowed us total autonomy. We owe nothing to anybody other than our readers. We can be as fearless as ever in our pursuit of the truth."</p>	C.5
Focus on quality/people	<p>"In 2009, we had a Field of Dreams moment: build it and they will come. Build the quality product: trustworthy, respected, impeccable journalism with great and meaningful advertising space, and the readers and advertisers will come. And so <i>Daily Maverick</i> was born."</p>	C.5
Focus on quality/people	<p>"So why am I here, pushing the sun, with a team of creative designers and sub-editors packaging the hard work of <i>Daily Maverick's</i> journalists? It's actually quite simple. They are fallible and crazily human like me, like us, but the space-time continuum traveller, his sidekick Styli Charalambous (a certified bean counter with the soul of a poet, the mind of a data analytics machine and a stomach of steel) and the exceptionally talented crew on Starship <i>Daily Maverick</i>, are as passionate about the fate and future of the public interest role of journalism as I am. The kind of journalism that not just breaks the latest scandal or investigation, but explains significant events."</p>	C.6

## APPENDIX FOUR: THEMATIC ANALYSIS: UNIQUE THEMES

UNIQUE THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Media24's dominant status	"In a very competitive landscape that includes major international brands, News24 and Netwerk24 are digital news destinations of choice for South Africans. News24 averaged 1.6m daily unique users for the year to date, 63% growth on the 2019 average. By the end of June Netwerk24 had almost 67 000 subscribers, up 36.5% on June 2019."	A.1
Media24's dominant status	In one sentence, Ishmet Davidson manages to turn the staff retrenchments into a strength of Media24: "These proposed changes mark one of the most difficult chapters in not only our own history, but also that of the South African media industry at large. The approximately 510 people potentially affected, together with every title that faces possible closure or a change in frequency and format, have contributed over years - even many decades - to building Media24 into a market leader and renowned home of journalistic, publishing and service excellence," Davidson told The Media Online.	A.5
Media24's dominant status	"I have no doubt that Media24, with its heritage, will also do everything in its power to fulfil the social contract with the South African public."	A.7
Media24's dominant status	"Naspers CEO bags R276 million in annual remuneration."	A.11
Media24's dominant status	[ADRIAAN BASSON, announcement of News24 digital subscriptions]: "Last year, News24 turned 21. Since 1998, we have established ourselves as the most trusted source for breaking news, sport, business and lifestyle content in South Africa. Throughout this period, we were free-to-read. You have come to love and trust us for breaking the news. We want to strengthen the trust relationship we have with you. On 9/11 in 2000, we told you that two passenger airlines had crashed into the World Trade Centre in New York, changing the course of history. In February 2004, we sent you a breaking news alert when Charlize Theron became the first South African to win the Oscar for best actress. And on 5 December 2013, we cried with you as the news broke that former president Nelson Mandela had died. We take great pride in the fact that we are South Africa's largest website. In June, more than 13 million unique users turned to News24 for the truth. Since the coronavirus hit our shores in early March, our audience has almost doubled.	B.1
Media24's dominant status	On any given day, we now have around 1.5 million unique users reading News24's journalism. And for the second year in a row, the Reuters Institute at Oxford University confirmed that News24 was the most trusted source of news in South Africa. This is a great privilege and responsibility we don't take lightly. Over the past four years, we have deepened our journalism by building on our breaking news offering with investigative journalism, in-depth analysis, podcasts, documentaries and top opinions.	B.1

UNIQUE THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	<p>We were key in bringing you the #GuptaLeaks with our partners amaBhungane and the <i>Daily Maverick</i> in 2017, that had a direct impact on the toppling of Jacob Zuma as president of South Africa.</p> <p>We uncovered Bosasa's state capture long before it made headlines at the Zondo Commission, for which our investigative reporter Kyle Cowan was rewarded with the Taco Kuiper Award for Investigative Journalism in 2018.</p> <p>In 2019, our Tammy Petersen won the Vodacom Journalist of the Year Award for her 'compelling, exceptional and innovative' in-depth reporting on the gang wars pandemic in Hanover Park on the Cape Flats.</p> <p>Our journalists don't report from the sidelines of social media; we get our hands dirty and run into places where others flee from.</p> <p>To continue and expand our probing journalism even further, we need your investment."</p>	
<p>Anti-print, pro-digital discourse; disinvestment in print; the "othering" of print</p>	<p>"However, the pandemic has accelerated the pre-existing and long-term structural decline in print media, resulting in a devastating impact on our own already fragile print media operations with significant declines in both circulation and advertising since April.</p> <p>For many of our print titles the benefits of prior interventions to offset the structural declines and keep them on the shelf no longer exist and they've run out of options in this regard.</p> <p>Even with a return to pre-Covid-19 economic levels, the impact of the pandemic on our print media operations will be unrecoverable. Sadly, we have no choice but to restructure our business now to curtail the losses in our print portfolio and allow us to focus on keeping the retained titles sustainable and in print for as long as possible."</p>	A.1
<p>Anti-print, pro-digital discourse; disinvestment in print; the "othering" of print</p>	<p>[ADRIAN BASSON]: "We have invested in journalism and grew our newsroom at a dark time for media companies and journalists. With the very sad and unfortunate decline of print publications, we need to ensure that we build a sustainable future for digital publications like News24 to keep power to account and strengthen democracy".</p>	B.2
<p>Anti-print, pro-digital discourse; disinvestment in print; the "othering" of print</p>	<p>Interesting: At the launch of News24's subscription service at News24's Future of News Summit, Ishmet Davidson, CEO of Media24, speaks as a voice of News24, yet the company had been at pains to create some sort of distinction between Media24 as a print endeavour and News24 as a separate online digital platform, even though News24 falls under the umbrella of Media24.</p>	
<p>Online advertising as unsustainable</p>	<p>"[Ishmet] Davidson says fighting Facebook and Google at their own advertising game in the hope that revenue will pick up is not going to be successful."</p>	B.4
<p>Online advertising as unsustainable</p>	<p>"Ishmet Davidson, the CEO of Media24, has said that he doesn't see online advertising alone sustaining journalism any longer, as tech titans Facebook and Google continue to gobble up the lion's share of online ad spending.</p> <p>'If anybody thinks that advertising is going to save the day, I really don't think it's going to.'</p>	B.4
<p>Online advertising as unsustainable</p>	<p>"Dele Olojede, the chairperson of AFAR Media and the founder of Africa in the World, said that the traditional model of news - where advertising contributed between 80% and 85% and circulation the remainder - was finished.</p> <p>There is no way to get people to easily pay for news, he said, as they could get similar news from a thousand other sources.</p>	B.4

UNIQUE THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	Olejede said that for a subscription model to be successful, news organisations had to deliver quality products that cannot be found elsewhere, something that was 'more easily said than done'".	
The role of the public/society: blaming the public/requiring the public to participate/requiring business to support media	"And the digital media model is still not working, and may perhaps never work, as the public has grown used to receiving their news for free. But that's where a Zeitwende must also happen. You do not get free services elsewhere. You cannot go to a doctor without paying; nor walk out of a supermarket with a free basket of goods. The same should be applied for quality journalism."	A.7
The role of the public/society: blaming the public/requiring the public to participate/requiring business to support media	"And now for the good news: Covid-19 has made digital a way of life, from e-meetings to e-classrooms. Now we, as the public, must also do our part and support professional digital news media with subscriptions. Because just as there is nothing like free services elsewhere, we, as the public, should also realise quality news does not come for free and be prepared to make a contribution to ensure that quality news can thrive." [dubious shift in voice from journalist to member of the public ...?]	A.7
The role of the public/society: blaming the public/requiring the public to participate/requiring business to support media	You and I, as the public, can make a contribution to ensure the lifeblood of a democracy can be sustained."	A.7
The role of the public/society: blaming the public/requiring the public to participate/requiring business to support media	"Over the next few weeks, as we move closer to our official launch, we will tell you more about our subscription service and why we believe there has never been a more important time to invest in quality journalism."	B.1
The role of the public/society: blaming the public/requiring the public to participate/requiring business to support media	[ADRIAAN BASSON]: "To continue and expand our probing journalism even further, we need your investment."	B.1
The role of the public/society: blaming the public/requiring the public to participate/requiring business to support media	"SA Inc. has a responsibility to support local media, "to hold power to account" he says. "We recognise that their money is going to the social platforms and it would be naive to stop them, but they could also contribute to the survival of good journalism."	
The role of the public/society: blaming the public/requiring the public to participate/requiring business to support media	"Without vulnerability and risk, there can be no courage. But backed with a vision, a committed team and a tribe of members and readers, we can begin to write the next part of our story at a time when journalism and the truth are under attack everywhere. <i>Daily Maverick 168</i> will help us defend both, and you can help that mission by getting yourself a copy every weekend."	C.2



UNIQUE THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
The role of the public/society: blaming the public/requiring the public to participate/requiring business to support media	<p>[DM 168]: "It's a project not without significant risk, and we will always need help of our members and readers to make it last. The stronger the demand and the more votes we can gather now, the more we can prove to advertisers and sponsors that there is still ink left in the tank. If you'd like to add your name to the list, you can do so by casting your vote here.</p> <p>And when the launch date arrives, we promise to deliver a world-class newspaper experience for readers, every weekend. For free — in return for a trip to the supermarket. We think that's a pretty good offer to support quality, independent journalism."</p>	C.4
Impact on readers of restructuring	"Arguably, any closure of a media title is bad, as it means the reader will have fewer choices and there will be less diversity of views in SA's publishing industry."	A.8
Impact on readers of restructuring	Focus of much of News24's announcement is not actually on the readers, but on the company, the products, their financial sustainability, and journalists/quality journalism; the customer/reader is very much taken for granted.	A.1, B.1, B.2
Social media as bad for news	<p>"... there is really no substitute for the sense of community that was nurtured by readers of newspapers who shared the paper among themselves inside Putco buses or on the streets of Soweto. It is not quite the same as sharing a link on social media. It is impersonal.</p> <p>I appreciate social media but perhaps at the heart of my pain about the closure of newspapers and magazines is mourning for a time when relationships and conversations were genuine, personal, warm. I am mourning for a lost era, for a simpler time. How I wish we could hold onto it for a little while longer."</p>	A.10
Social media as bad for news	[ADRIAN BASSON]: "Our journalists don't report from the sidelines of social media; we get our hands dirty and run into places where others flee from."	B.1
Social media as bad for news	<p>"It is, perhaps, an accident of history that the Covid-19 audience surge occurred as publishers are shifting to a subscription-based business model," said Earl Wilkinson, executive director and CEO of the International News Media Association (INMA).</p> <p>"I think loyalty and trust have become dual currencies for publishers. When the chips were down, readers turned to the publishers they know and trust. They flirted on Facebook when things didn't matter, but turned to you when things did matter."</p>	B.3
Social media as bad for news	"[Ishmet] Davidson says fighting Facebook and Google at their own advertising game in the hope that revenue will pick up is not going to be successful."	B.4
Social media as bad for news	<p>"When a journalist's job is lost, it leaves a vacuum that is filled by the Karens from Facebook and the Kevins from Twitter who spout their (sometimes insane) opinions as facts on subjects that nobody but the experts should really comment on.</p> <p>This pandemic has underscored just how dangerous misinformation is. Real journalism has real journalists going to the real experts for the hard facts that reflect reality. It may not fit into one's preferred bias, and on occasion it may be tough to read, but it's the truth. Lives are lost when the truth has to battle for position against Karen's opinion, fake</p>	C.5

UNIQUE THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	news and disinformation. To make matters worse, in these tough economic times some media houses are erecting paywalls that further prevent the SA public from accessing formal, verifiable news sources at this critical time."	
Ecological perspective: ecological metaphors used to "naturalize" change as a response to natural "forces" imposed on news media – legitimates decisions and practices("sustainability")	[ADRIAAN BASSON]: "A sustainable model of quality, digital journalism cannot survive through advertising revenue alone. Although we will continue to ask South African corporates to send their marketing rands to local publishers, rather than the technology behemoths in Silicon Valley and Ireland, a new model simply has to include some form of reader revenue."	B.1
the role of the public: blaming the public/requiring the public to participate	"Like many of our peers internationally, we will be introducing a freemium paywall, which means most of our breaking news will remain free-to-read, but premium content will only be available to paying subscribers. This is a landmark moment for all of us at News24; something we've been dying to tell you about since we started this journey to build a sustainable model for quality journalism almost two years ago."	B.1
the role of the public: blaming the public/requiring the public to participate	[ADRIAAN BASSON]: "I invite you to join us on this exciting journey towards creating a sustainable environment for quality digital journalism to flourish."	B.2
the role of the public: blaming the public/requiring the public to participate	"It turns out all we needed was You, our readers. You understood so well how crucial the role of the news media is in a society as troubled as South Africa. You saw the importance of <i>Daily Maverick</i> for our democracy. And You stepped up to the plate on that day when <i>Maverick Insider</i> , the <i>Daily Maverick</i> membership programme, was launched. "	C.5
Metaphors of war: battle, attack, defence, survival, us vs them	"Burn the boats "Michael Jordaan, the former CEO of FNB and the founder of Montegrays Capital, said that to thrive today media companies needed to cut their ties with the old ways of doing things and 'jump into the new world as completely and mercilessly as possible'. He foresees that the media industry will follow a similar arc to that of the video and music industries, who took a knock when physical sales started to plunge, but later took advantage of streaming by offering new products. 'In the end good content will remain king," he said. Media companies, he said, should look to the example of Hernán Cortés and 'burn their boats' to force themselves to survive in the new world." [Not really what Media24 are doing - in some ways yes, but without understanding the problem: the lack of innovation, the lack of attention paid to the reader, the lack of investment in staff, the lack of new products.]	B.4
Metaphors of construction/building	"The news media business was already on shaky ground before Covid-19 began spreading across SA in March 2020, something that Ishmet Davidson, CEO of Media24, recognises.	A.8
Metaphors of construction/building	[STYLI CHARALAMBOUS]: "[...] the people who succeeded are no different from you and me. They are not luckier or more talented; they simply started and persevered. They looked around and asked for help.	C.1

UNIQUE THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	<p>They kept building, no matter what.</p> <p>The post-Covid-19 world will require more builders than ever before, whether it be one-woman operations, SMEs or corporate giants. Only builders will create the jobs we need to survive."</p>	
Metaphors of construction/building	<p>"In 2009, we had a Field of Dreams moment: build it and they will come. Build the quality product: trustworthy, respected, impeccable journalism with great and meaningful advertising space, and the readers and advertisers will come. And so <i>Daily Maverick</i> was born."</p>	C.5
Running "lean"/startup/bootstrapping	<p>DM described as "a news startup that jumped on the digital bandwagon in 2009, and now aims to rekindle weekend newspaper reading rituals".</p>	C.2
Entrepreneurship	<p>[STYLI CHARALAMBOUS]: "[...] the people who succeeded are no different from you and me. They are not luckier or more talented; they simply started and persevered. They looked around and asked for help. They kept building, no matter what.</p> <p>The post-Covid-19 world will require more builders than ever before, whether it be one-woman operations, SMEs or corporate giants. Only builders will create the jobs we need to survive."</p>	C.1
Improving the product	<p>DM: "In 2009, we had a Field of Dreams moment: build it and they will come. Build the quality product: trustworthy, respected, impeccable journalism with great and meaningful advertising space, and the readers and advertisers will come. And so <i>Daily Maverick</i> was born. [...] Ultimately, although not perfectly, the dream worked because our focus was on building a quality product. It turns out all we needed was You, our readers. You understood so well how crucial the role of the news media is in a society as troubled as South Africa. You saw the importance of <i>Daily Maverick</i> for our democracy. And You stepped up to the plate on that day when <i>Maverick Insider</i>, the <i>Daily Maverick</i> membership programme, was launched. "</p>	C.5
Social contract between publication and readers	<p>"<i>Maverick Insider</i> membership, therefore, is a social contract which has allowed us total autonomy. We owe nothing to anybody other than our readers. We can be as fearless as ever in our pursuit of the truth.</p> <p>In this transactional world, it shouldn't have worked. Cynicism often wins out over naive ideas that rely upon the kindness of strangers. Our critics asked us, "Who is going to pay for a free service?" If we're honest, we asked ourselves the same thing often. After all, we were asking for the best in humanity while reporting on the worst.</p> <p>It turns out, a lot of people value the work that we do; 13,000 of them so far."</p>	C.5
Social contract between publication and readers	<p>[HEATHER ROBERTSON, <i>DM168</i>]: "This pilot edition of <i>Daily Maverick 168</i>, the newspaper platform of <i>Starship Daily Maverick</i>, which will be published weekly from 26 September, is our humble effort to curate the best of your <i>Daily Maverick</i> online and more to serve you, our readers with quality journalism you can trust. As this newspaper is as much yours as it is ours, I invite you to help us shape and craft it into a product that you are proud to have in your hands by giving us feedback and telling us what you think we could do to improve by writing an email to <a href="mailto:DM168@dailymaverick.co.za">DM168@dailymaverick.co.za</a> and filling in this reader survey. With you as fellow space-time travellers, <i>Daily Maverick 168</i> will launch into a future we all can believe in."</p>	C.6

UNIQUE THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
Social contract between publication and readers	<p>"Even before South Africa's first democratic election in April 1994, Nelson Mandela, then not yet president, said in February that year at the opening of the International Press Institute's conference in Cape Town:  'A critical, independent and investigative press is the lifeblood of any democracy ... It must enjoy the protection of the Constitution so that it can protect our rights as citizens. It is only such a free press that can temper the appetite of any government to amass power at the expense of the citizen ... It is only such a free press that can have the capacity to relentlessly expose excesses and corruption on the part of the government, state officials and other institutions that hold power.'  Journalism is the lifeblood of a democracy.  I have no doubt that Media24, with its heritage, will also do everything in its power to fulfil the social contract with the South African public."</p>	A.7
Community engagement (in-person and digital)		
DM's values/value system		
DM as a "cause"	<p>"Their cause alone was enough to motivate readers to support them financially. If more than 300 people were willing to become recurring supporters without receiving anything in return, offering benefits and a sense of community via a membership program would lead to even stronger returns."</p>	D.2
DM as a "cause"	<p>"Cause-driven membership appeals would resonate more strongly than membership appeals tied to perks, particularly those oriented around keeping the journalism freely accessible."</p>	D.2
DM as a "cause"	<p>"In addition to providing an easier payment process, the <i>Daily Maverick</i> also believes that the pay-what-you-can model helps put their membership in a different category than subscriptions, addressing the issue of subscription fatigue. Tiers are less common among charitable causes, and the <i>Daily Maverick</i> sought to frame joining as charitable support for a free press and equal access to information.  "It taps into a different part of the brain – and budget," CEO Styli Charalambous writes. "Research shows that the average American household has \$30 available for subscriptions and within that space, enough for just one news subscription. And that's wealthy American households. But people can and do support multiple good causes that resonate with them. We wanted to convey our cause that was worthy of support alongside the Society for the Protection of Animals, National Sea Rescue Institute, or educational development programmes."</p>	D.3
DM as a "cause"	<p>"People won't give the bare minimum, even if they can. One of the assumptions that goes into the design of membership tiers is that people will give the minimum amount they have to give to get member benefits, so there needs to be a floor. The fact that at least 50 percent of the <i>Daily Maverick's</i> early members (pre-Uber benefit) opted for the suggested R150, rather than the minimum R75, disproved that assumption, at least for the <i>Daily Maverick</i>."</p>	D.3
DM as a "cause"	<p>"We have been careful not to be pulled into the discount offer space," Charalambous writes. "We made this single exception and it worked, but we have not offered any other membership benefits that don't relate to the [<i>Daily</i></p>	D.3



UNIQUE THEMES	EXTRACT SUPPORTING THEME	SOURCE OF EXTRACT
	<i>Maverick</i> ] experience in some way. We are not a corporate rewards program, we are a cause, and the membership programme should reflect that."	
DM as a "cause"	"Categorizing, measuring, and routinizing their marketing strategy helped <i>Daily Maverick</i> streamline its marketing efforts, which helped to reduce the amount of time and decision-making required to execute. This gave them more time to devote to cause-driven work that makes membership more appealing, and also made it easier to adapt to the coronavirus pandemic."	D.4
***	A.4 (eNCA report) is a direct replication of the Reuters article (A.3)	