

It's all about business

Alicia Wong, 19 December 2008
TODAY

HOW much of a threat is new media to mainstream media? Not much, unless it comes up with a viable business model, according to director of the Asian Journalism Fellowship P N Balji.

The veteran journalist should know. He once tried to come up with a revenue model for a “full-blown Internet paper” but was unable to do so.

Mainstream media will not be threatened, or feel the need to change, as long as there is no alternative local news source, said Mr Balji, speaking on the challenges old media faces from new media at an Institute of Policy Studies (IPS) seminar.

Blogger Alex Au said Mr Balji’s attempt at coming up with a revenue model could have been flawed, if he had calculated the funding an online paper would need, based on the amount of resources a traditional newspaper uses. An online paper would likely be on a smaller scale, he said.

But Mr Balji said “the biggest obstacle is advertising”. It is hard to convince advertisers, who look at readership numbers, to come online.

Could the passion and commitment of bloggers in bringing quality news to readers, be enough to challenge traditional media, blogger Coleman Yee asked. No, Mr Balji replied, bloggers still need to be paid or why would they only be writing part-time?

Mr Au agreed: “I’m under no illusion that disparate bloggers, myself included, will ever amount to anything.”

But senior research fellow Tan Tarn How had a possible solution.

He suggested a non-governmental organisation (NGO) model, where employees are paid less as they are working for a cause. Malaysiakini, a Malaysian online news site, is an example of a successful subscription-based online news outlet, he said.

However, both Mr Tan and Mr Balji agreed circumstances in Malaysia and Singapore are different. While Malaysians do not trust their traditional media and turn to other sources, Singapore newspapers are still seen as professional, they said.

Said Mr Balji: “I don’t see a Malaysia-type active online media happening here.”

The former editorial director of MediaCorp Press also suggested that before there is any major change to traditional media, “something else can happen” — its consolidation. It would not be unusual for the Government to do so, he said. Years ago, the Chinese papers were brought under Singapore Press Holdings.

However, others questioned this possibility, citing the trend towards niche products.

Ambassador Ong Keng Yong, the director of IPS, said consolidating media “into a big animal doesn’t make much sense. It is an old strategy.”

Earlier, Mr Au commented that people are already “getting more used to niche media.”