

**MEDIA CONCENTRATION, FUNDING AND
PROGRAMMING DIVERSITY: A CRITICAL
STUDY OF PUBLIC AND COMMERCIAL
TELEVISION STATIONS IN KENYA**

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DECLARATION

This thesis is my original work and has not been presented for a degree in any other University.

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DEDICATION

I dedicate this dissertation to my wife Hannah Njeri, and our children Wangui, Mwangi and Mbugua. Your support and understanding is invaluable. Your patience and love are inspirational. This far I have come through your understanding.

ABSTRACT

The study investigated how media ownership and competition influences diversity of television content. It sought to establish whether the increase in the number of television channels in Kenya is accompanied by a similar increase in the diversity of content. In essence, the study assessed the impact of television market structure, funding, and conduct of media players in determining diversity of content as well as the influence of legal and media regulatory changes. The study was informed by common observation in Kenya's TV market as well as similar studies elsewhere that concentration of media ownership and attendant competition between them has compelled the broadcasters to be more business-like, producing more market-led programmes of drama and soap opera and resorting to increased imitation, duplication and homogenisation of programmes. Thus the increase in the number of TV players many not necessarily result in increased diversity of television content for viewers. Using structure conduct and performance economic model as a framework of analysis, and employing critical political economy of the media to underpin theoretical discussions, this study examined diversity performance of the free to air, advertisement-supported TV stations, both commercial and public service broadcasters (PSB) in Kenya. The study was carried among the five leading TV stations in Kenya in terms of audience market share, namely Citizen TV (CTV), Kenya Television Network (KTN), Nation TV (NTV), K24 and state run Kenya Broadcasting Corporation (KBC). It analysed programme schedules and reviewed literature on the Kenyan TV industry, media laws and regulations. It used primary data from media executives to understand the conduct and behaviour of stations with specific focus on programming. The study found out that the TV market in Kenya is pluralistic, competitive and unconcentrated. This has compelled the broadcasters to produce more market-led programmes of drama, film and soap operas and resorted to increased imitation, duplication and homogenisation of programmes. While the absolute number of programmes that viewers could choose from have increased, the diversity of content offered by Kenya's television industry has only increased modestly. In addition, despite its public service remit, KBC is not distinct from the private and commercial TV stations. It focuses on entertainment content as it seeks to compete in what has become a hypercommercialised media environment. Thus the commercialisation of the KBC and the increased control of public television by private media have led to the decline of serious and 'informative' current affairs content in preference for more entertainment programming. In essence, this study reveals that despite the proliferation of television station in Kenya, the Kenyan TV industry is increasingly strangling diversity and thus media policy and regulation should be focused on content as opposed to structure to enhance diversity.

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LIST OF ABBREVIATIONS

CA	Communication Authority [of Kenya]
CTB	Commercial Television Broadcaster
CTV	Citizen Television
CAK	Competition Authority of Kenya
CCK	Communication Commission of Kenya
FFC	Federal Communication Commission
GDP	Gross Domestic Product
IOM	Industrial Organisation Model
KANU	Kenya African National Union
KBC	Kenya Broadcasting Corporation
KTN	Kenya Television Network
KICA Act	Kenya Information and Communication Act, 2013
KII	Key Informant Interview
KNA	Kenya News Agency
KBC	Public Service Broadcaster
MCK Act	Media Council of Kenya Act, 2013
MCK	Media Council of Kenya
NARC	National Alliance Rainbow Coalition

NTV	Nation Television
NMG	Nation Media Group
RMS	Royal Media Services
SCP	Structure Conduct and Performance
SMG	Standard Media Group
VoK	Voice of Kenya

DEFINITION OF KEY TERMS

Pluralism	Refers to presence of a number of independent and autonomous outlets. This is the opposite of concentration where a few media companies, for example, own more than one radio or TV channel each.
Diversity	In reference to media content, this means heterogeneity of programme-types supplied by a TV channel.
Channel Distinctiveness	This refers to how different programming diversity of one channel is compared to the programming of all channels in the market.
Market Open Diversity (MOD)-	This refers to the market supply of diversity content which is as largely heterogeneous.
Market Reflective Diversity (MRD)-	This refers to the market supply of diversity of content by that meets or matches the demands of the audiences.
Channel Open Diversity (COD)-	This refers to the level of heterogeneity of content offered.
Channel Reflective Diversity (CRD)	This refer to the extent to which a channels in a TV market offers diversity of content that meets the demands of the audiences
Inter-channel diversity (ICD)	This refers to the level at which channels in a market are different or distinct from each other in terms of diversity of content offered.
Intra-channel diversity (ICD)	This refers to variety of programme types that an individual channel is able to offer in a TV market.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter provides the conceptual and contextual background to the study, statement of the problem including research objectives and research questions. It also covers the theoretical framework and justification for the study.

This study investigated how media concentration and competition influences diversity of television content. It seeks to establish whether the increase in the number of television channels in Kenya has any corresponding effect on diversity of content. It also assessed the impact of television market structure, funding, and conduct of media players in determining diversity of content and legal and media regulatory changes. The study used trend analysis research approach to examine diversity of programme-types during prime-time for the four leading private commercial television channels namely, the Kenya Television Network (KTN), Nation Television (NTV), Citizen Television (CTV) and K24 Television and the public service broadcaster (PSB), the Kenya Broadcasting Corporation (KBC). The study covers the period between 1999-2014. The research was informed by historical developments of performance of the PSB between 1965 and 1991, the period before and immediately after the liberalisation of the airwaves in Kenya.

1.1 Background.

Since the liberalisation of the media industry in 1990 (marked by the entry of KTN into the television scene), there have been significant changes in the ownership structure and performance of media in Kenya.

The media has progressively moved from state controlled to one of the most competitive and vibrant commercial broadcasting system in the East African region (Obonyo & Nyamboga, 2011). This is evidenced by the fact that the number of channels increased rapidly and, by 2009, there were two public (the KBC and Metro TV) and 11 commercial general-interest channels like KTN, NTV, CTV, K24, Kiss TV and three cable television channels among others. By 2014, there were 22 free-to-air television stations both at national and local level and four pay-for-television stations (Communication Authority, 2014). This, in addition to factors such as media deregulation and commercialisation, has led to increased competition for both audience and advertisement revenue and created a concentrated media market entirely controlled by four commercial television broadcasters (CTB) and the PSB. These companies are: Royal Media Services (RMS), Mediamax Network, Standard Media Group (SMG), Nation Media Group (NMG), and KBC. The companies have over 97 percent of the audience market share, a penetration of 79 percent, and control 95 percent of the advertisement revenue in the television market (Kenya Audience Research Foundation, 2014).

Between 2000 and 2014, media ownership in Kenya took a cross-ownership form with a few media companies controlling print, television and radio media. Granted, this

structure is not new or unique in the Kenyan media history; the media has always been monopolised first by the state media and later, after liberalisation, by a few companies. The difference however is that 24 years after liberalisation, the environment is characterised by intense commercialisation and competition, and that it is driven by the new technology in content production, transmission and consumption. For example, of the 126 radio stations operational in 2013, 31 were owned by the five leading media companies (Communication Commission of Kenya, 2013). All the 13 leading radio stations by market share and with over 82 per cent penetration (Kenya Audience Research Foundation, 2013) are under their ownership and control.

Out of the five TV companies, three are owned by the SMG, NMG and Mediamax. These companies own newspapers with national circulations. The SMG and NMG have also invested in advertising and courier services respectively. Thus media ownership in Kenya is not only taking a cross-ownership pattern but also expanding into other communication-related businesses. More specifically, concentration of television channel ownership triggers competition for audience and advertisement revenue which, according to Napoli (2006), has a negative implication on diversity of content. The primary focus for such market is to “maximise revenue and profits from advertising, thereby minimizing audience drop-out on programming generating low share numbers” (Lude & Berg, 2009:34). This leads to the ‘exclusion’ of audience segments whose programme preferences are considered less valuable or profitable by advertisers (Napoli, 2002; 2006). It also leads to duplication of content and production of ‘sensational’ and

‘soft’ programmes as opposed to hard content of political and cultural interests (Peterson, 1994). The foregoing arguments are based on the idea that under intense competition, commercial mass media are unlikely to prioritise social, political and cultural oriented programming (Curran,2000; Fog, 2004). They are also unlikely to bring to the fore critical and balanced insight into complex societal problems. Consequently, an increase in media outlets does not necessary lead to an increase in diversity of content (Chambers & Howard 2006; Doyle, 2002; Helberger, 2011).

In addition to the arguments above, other studies have found that an increase in the number of television channels and concentration may increase diversity of content. In reference to the Dutch television market, for instance, Van der Wurff (2001, 2004, 2005) argues that media performs better where a few companies run many channels, than where many companies operate few channels. Performance also improves where, in addition to commercialisation, there is media regulation and an effective state-funded PBS. PBS plays an important role in moderating competition between private and commercial television channels (Van der Wurff, 2005). These findings are consistent with the earlier findings by Van der Wurff and Cuilenburg (2001) that in the Dutch television market, diversity increases where there is moderate competition but decreases in cases of intense competition.

Nonetheless, the Dutch experience may not be applicable elsewhere. In the United States of America (USA), TV market media system is highly commercialised and decentralised. Thus regulation of content and ‘must-carry-obligations’ common in many

European media systems are not applicable to the USA. However, the desire to guarantee diversity is common in both situations. In the absence of centralised PSB in the USA, diversity is guaranteed by law through a strong PBS ethos undergirded by public funding channelled through the Corporation for Public Broadcasting. In both cases, media structure is a major determinant of media performance. This influences the business strategic choices and decisions made by media firms and therefore diversity of content supplied. Based on the Porter's model of competition, Van Der Wurff (2004) argues that an increase in number of channel in a market leads to differentiation of content to attract larger audience. This is realised through supplying differentiated content and formats that face little competition.

The other approach that could prompt media to increase diversity is cost leadership strategy where outlets supply content to as a wide audience as possible, cutting unit cost and enjoying the economies of scale. A combination of these two strategies increases channel distinctiveness, reduces programme duplication and consequently increases diversity (Doyle, 2002). In the same breadth, concentrated media market means that advertisement revenue is controlled by a few players who are better poised to deploy the resources earned to develop new programmes thus increasing diversity of content. As discussed later in Chapter Two, it is not clear what optimal levels of competition and concentrations can foster diversity. However, according to Park (2005) and Van der Wurff, (2004, 2005), the effects of concentration on diversity depends on competition strategies adopted by competing channels as well as the structure of the market.

On his part, McQuail (1993, 2003) is concerned that emphasis on concentration as the important factor in media performance debate clouds arguments. He argues that regardless of the media system in which diversity is studied, in a commercially-driven media system, scholars place great premium on media commercialisation and concentration of ownership in theoretical discussion of media performance and pay little attention to the effects of regulation and uncontrolled market forces in explaining media diversity and content quality. Supporting this argument, other scholars (for example Doyle, 2002; Mosco, 2008; Nyamnjoh, 2005) posit that media performance cannot wholly be blamed on concentration of ownership. On the contrary, the political, cultural audience preferences, media policies, technology and legislative framework also contribute to media performance. Exploring this further, Dimmick (2006) and Van der Wurff (2004, 2005) broadly put determinants of media performance in two broad categories: national and institutional factors. At the national level, factors such as economics, media structure, and regulatory framework are important considerations in the diversity of content. At institutional level, factors such as competition between competing media firms, conduct and behaviour of programmers and managers, funding and innovation are salient. Few studies have been carried out in combination of both internal and external factors. This study intends to fill this gap.

Juxtaposing the above discussion against the Kenya's analogue television market, the Kenyan media is not regulated in terms of content supply,¹ there are no 'must-carry obligations' and KBC is commercial in nature and therefore has insignificant media remit

role² in practical terms (Media Council of Kenya, 2012). This study thus investigates the interplay between national and institutional factors and the uniqueness of the TV media environment in determining diversity supplied in the TV market.

Further, in the Kenyan context, little is known about the effects of the strategic choices and decisions, conduct and behaviour of media programmers and owners on diversity of various television programmes. Research has shown that media owners may directly or indirectly interfere with editorial content and agenda (Curran, 2000; Napoli, 2006; Nyamnjoh, 2005; Tomaselli & Tomaselli, 1989). They may do so directly through the appointment of media personnel to senior positions that directly share their ideological orientation and readiness to pursue their content prescription in favour of the owner and their acolytes or indirectly through financial investments in programmes they consider favourable. This is complicated by commercial media that is supported by advertising and sponsorship where content are often viewed in terms of commercial and economic gains. This narrows content diversity and affects open cultural representation of all segments in the society (Alger 1998; Golding and Murdock 2002; Keane 1991; McChesney 1997, 1999). It is, therefore, important to understand the interplay between economic imperatives, ownership patterns and legal and regulatory framework and how they influence diversity of content in the Kenyan context.

What's more, the role of PSB is fundamental in diversity discourses and plays a major role in moderating the amount of market oriented content supplied by the private commercial stations (Van Der Wurff, 2005). In Kenya, the PSB is partially

commercialised and draws financial support from both the government and advertising. However, the government has progressively detached itself from KBC through reduced public funding and instead encouraged it to entrench itself competitively into the commercial media market. This compelled the broadcaster to in 2009 start a pure commercial niche channel, the KBC Metro, specifically to provide sports and entertainment content targeting the youth audience segment. This was meant to raise advertisement revenue to supplement the dwindling government funding. This multi-channel approach did not succeed and the station closed down a year later. Thus KBC competes for advertisement revenue and audience with commercial broadcasters prompting the tendency to drift from its normative role of serving public interests to pursue financial sustainability. Despite this, however, KBC has not been able to compete with commercial channels given that it has the lowest audience and advertisement revenue market shares amongst the leading five TV stations (Kenya Audience Research Foundation, 2014). Besides, its audience level has gradually fallen from 30 percent in 2009 to 10 percent in 2014 and its advertisement revenue to eight percent down from 15 percent of the market share during the same period (Kenya Audience Research Foundation, 2014). Insufficient resources, detachment from the state and lack of enforced must-carry public obligation have prompted critics to question its legitimacy (Oriare, 2007). It is thus important to investigate this concern and establish whether the KBC is distinct from the other commercial players in terms of offering diverse content and whether it offers ‘public interest driven content’.³

Studies such as those conducted in the Netherlands by Van der Wurff (2004) show that in a similar media ownership system, even where PSB is obliged to provide specific programme-types to different segments of the society and particularly those whose interest are not served by the commercial media, there is increased overall diversity of programmes addressing the interest of various segments of society including minority groups. As indicated earlier, it would be informative to examine diversity performance across the TV market in Kenya where such obligations do not exist.

At a global level, the wave of media liberalisation that started in the late 1980s, with the shift in media control from public to private, is of concern to critical political economist. They argue that the accumulation of economic and political power by media owners influence access to information, constrains diversity, and excludes the minority from media communication systems (Doyle, 2002; Golding and Murdock, 1991; Murdock 2002). While this argument is reductionist in the sense that it places too much premium on media as determinant of culture given it is just but one of the many cultural and socialisation agents. Granted, the media is critical in shaping the social reality of society through its ability to provide information and platforms for interactions and exchanges. It is perhaps for this reason that McQuail (1998) argues that the media that excludes the minority from its programming and fails to represent their issues and aspirations may negatively impact democracy, social and political welfare, interaction and cohesion and peace in society. Accordingly, this study investigates diversity of content and its possible implications in society.

Giving the argument of competition and performance a more commercial nuance, Van Cuilenburg (2009: 254) in his study of diversity in TV broadcasting in Europe observes that changes in media structure characterised by increase in the number of channels is likely to trigger competition for resources. This may “result in an increase in market diversity of content but may also result in decreased audience numbers and lower advertising revenue per channel” (Van Cuilenburg, 2009: 254). Low revenues may compel media firms to cut costs, invest less in new programmes including, for example, investigative journalism, and focus more on cheaper infotainment programmes such as talk shows, soaps and film. Some may decide to re-run “popular programmes more frequently” (Van Cuilenburg, 2009:254).

Looking into the same dynamic of funding and diversity, Picard (2001) and Noam (2011) hold that the cost reduction strategy may result in decreasing overall market diversity, channel distinctiveness, and may end up in a situation where all channel offer similar cheap, low cost and low quality products or lead to what Hotelling (1929: 54 in Van Cuilenburg, 2009: 254) calls “ excessive sameness”. Creativity and innovativeness in production of new programmes is also tied to financial and technical resources available for this purpose. It thus leads to the fact that the higher resources (particularly monetary) a media house has, the more innovative and creative they will be in production of content. In Kenya, the increase in the number of mainstream TV station may have resulted in decreased revenue per station and thus decreased diversity and duplication of programming. This issue thus forms part of this study.

1.2 Statement of the problem

The television market has since 1990 grown exponentially, from a PBS monopoly to one of the most vibrant and competitive media market in East Africa (Obonyo & Nyamboga, 2011). As indicated above, this growth is characterised by a steady rise in the number of players and actors and increased variety of programmes. However, although there has been absolute increase in media plurality,⁴ over 95 percent of the advertisement revenue and 97 percent of the audience market share are controlled by the five leading television stations namely KTN, NTV, Citizen, KBC and K24. The audience market share also varies between these market leaders with CTV accounting for, on average, 52 percent since 2007 (Kenya Audience Research Foundation, 2014).

Professionals, academics and observers have argued that such market dominance by a few players threatens the diversity of television content (Doyle, 2002; Napoli, 2007; Noam, 2011; Van der Wurff, 2004, 2005). It does so through duplication of programme types and homogenisation of content. There is also, as indicated above, more supply of soft infotainment as opposed to hard content. Nonetheless, there are some who hold that the rising number of television stations has increased competition compelling players to respond to audience tastes and preferences (Iosifided, 1999; Litman, 1979; Odhieno, 2013; Media Council, of Kenya, 2013; Rothenbuhler & Dimmick, 1982). Accordingly, there is an increase in the “number of choices or options available to the media audience” (Demmick and Macdonald, 2000:200).

Despite the positive sentiments raised above, however, Doyle (2002) argues that concentration of media in the hands of a few companies reduces the number of autonomous voices and therefore constrains media systems from providing diverse, antagonistic, independent and balanced content. Thus an increase in the number of media outlets does not guarantee diversity of content. It is not, therefore, obvious that Kenyans are viewing more diverse television programmes today than they did in the early 2000. In effect, diversity could be more constrained and Kenyans now have access to more diverse content than the pre-liberalisation era. This study thus offers evidence to support these suggestions by examining television industry developments and their influences on content diversity.

In addition to the arguments above, there are claims that television concentration increases diversity of content following enforced national public policies relating to obligations to broadcast programmes of special public interest (Cuilenburg, 1999; Van der Wurff, 2005; Van der Wurff & Van Cuilenburg, 2001). This also happens where there is active, well funded PBS with specific public remit able to moderate competition amongst commercial players. Conversely, without effective PSB, competition between private commercial TV stations would lead to deleterious competition (Van Der Wurff, 2005). This would in turn lead to imitation and duplication of programmes and therefore homogeneity as opposed to diversity (Doyle, 2002; Napoli, 2007). Thus beyond investigating the relationship between TV concentration and diversity in Kenya, the study also examines the influence of advertisement revenue share and diversity of performance

of the TV stations. It has also investigated whether the increase in the number of TV stations and associated competition for advertisement revenue among players has any effect on the programmes broadcast. Moreover, the research looks at the effects of increased resource investment in content development and diversity. As Doyle (2002; see also Hoskins et al., 2004) argue, commercial media systems in small media markets result in high concentrated media systems where diversity is constrained and homogeneity enhanced. This result is thus interested in how financial investments impact concentration. Related to this is the competitive strategic decisions made by media programmers in the media houses in response to increased competition. How does, for example, competition in a concentrated media market compel the programmers to behave and how does this affect diversity? What is the role of the legal, media regulation and policy framework in the television market and how does it impact on diversity of programme types supplied?

These arguments are informed by the fact that existing studies in diversity have focused on how competition and concentration contribute to diversity of programmes supply in television markets. Some of these studies have gone further to compare diversity performance between PSB and commercial broadcasters. However, there is no research in Kenya that combines influence of media regulation, concentration, competition, funding and the role of PSB on supply of diversity of programmes in television market. This study has therefore investigated how these factors interplay to influence diversity of programmes supply in Kenya between 1989 and 2014 focusing on

content broadcast between 7.00pm and midnight, these being the most competitive hours in television broadcasting (Park 2009).

1.3 Research objectives

1. To examine the nature of concentration and whether it influences the variety of programmes.
2. To assess how television stations respond to the entry of other television stations (increase in competition) and whether this influences programme-types diversity
3. To investigate the extent to which the level of income generated from advertising and other sources influences programme diversity.
4. To determine differences in the diversity of programme categories and genres between commercial and public broadcasters.
5. To establish the extent to which media policies, laws and regulations influence the diversity of programmes offered by television stations in Kenya.

1.4 Research questions

1. What is the nature of concentration and how does it influence the variety of programmes?
2. How do television stations respond to the entry of other television stations (increase in competition) and how does this influence programme-types diversity?

3. To what extent does the level of income generated from advertising and other sources influence the diversity of their programmes?
4. Is there a difference in diversity of programme categories and genres between commercial and public broadcasters?
5. To what extent do changes in media policies, laws and regulation influence the diversity of programmes offered by television stations in Kenya?

1.5 Justification and significance of the study

In spite of the increasing media concentration in Africa and the importance of media in society, little research has been done to determine the effect of these changes on content diversity. In addition, there is paucity of research on how media's commercial institutions' market logic interact with structural, legal and policy frameworks to affect programming. This study attempts to fill this gap.

Until recently and particularly in Europe and America, research in media performance focused on comparison between private commercial television channels at regional and national level, between pay-for-television channels and private broadcasters or between different mass media (Tsourvaka, 2009: 194). So far little, research has been conducted to compare diversity performance between public and private television companies particularly in Africa. This may be perhaps be predicated upon the notion that public media and private commercial television have different objectives and therefore adopt different programming strategies (cf. Dimmick 2006). However, this explanation

does not hold any more particularly in Kenya because even public television has adopted the market logic meaning there is little difference between offerings in public and private commercial television stations. In essence, the examination of the two media systems is critical to the understanding of the differences in diversity performance and related strategies between the partially commercialised public television station and purely commercial and private companies. Comparative studies, for example between countries in Europe, show that the degree of media concentration and ownership configuration influence diversity of programme types differently (Park, 2005). An increase in the number of commercial television channels, for example, increases competition for advertisement revenue and audience (Albarran, 2003; Dimmick, 2006; Napoli 2003b, 2006) compelling broadcasters to neglect important public interest information in favour of “cheap content, less sophisticated, less informative, or more sensational ...” (Napoli, 2006: 284-285). Thus given the conflict between public interest goals and commercially oriented programming, it is imperative to determine what influences private media companies in Kenya.

Further, this study goes beyond other similar studies like those looking at the television market in Taiwan (Sarrina Li et al., 2001) and South Korea (Sora, 2005). The two studies failed to consider how national factors such as regulatory frameworks and political perspectives impact the conduct of media owners and content creators and programmers and the subsequently diversity. The analysis of diversity uses the critical

political economy framework to examine diversity along the economic, political and media law and regulation changes in Kenya.

Looking at the broader media ecology, this study acknowledges that although the media plays critical roles in the social, cultural and political spheres of a nation state, it does so under structural, economic, social and political pressures at local, national and international levels. The study argues that to gauge the effects of commercialisation of media against the normative role of diversity and public interest, we need to adopt two approaches. The first is to analyse the national level factors of media ownership and funding so as to shed light into their influence on media systems. Secondly, we seek to understand their conduct at the market and organisational level and its implication on programming choices. The interaction between the two approaches explains the structural, political, regulatory and economic power play and how they interact with internal media organisations, media owners, editors and management to determine their programming (Golding & Murdock, 2002). This thus explains how the micro context of the media is shaped by the wider economic dynamics and government systems. Therefore, the study adopts both quantitative and qualitative approaches to gather evidence on, first, the nature of diversity at media level as influenced by the structure of the TV industry in Kenya and, secondly, on legal and regulatory issues (Golding & Murdock, 2002; Mosco, 2008) at the national level. This study thus sought evidence to inform the examination of the implications of media concentration on diversity

performance. To this extent, this study is more exploratory and could well serve as media diversity blue print or model for other countries in Africa.

Further, this study is not concerned with extensive detail and nuance of each television station but rather the holistic picture of the nature of diversity. Given that this is the first research of its kind in Kenya, it will plug knowledge gaps that have either to do with context in which the study is being conducted, theory or research methods.

1.6 Scope and limitations of the study

Television performance is either measured from business or social cultural and political perspectives. From the economic perspectives, the media is seen as for-profit businesses, and performance is measured by the levels of revenues and returns on investments generated. It considers issues and strategies such profitability, relationship with advertisers, cost containment, the size of the audience, and the evolving ownership patterns. From the social political logic, diversity of content and plurality of ownership are significant because they have a bearing on diversity of opinions and ideas in a democracy. Though the two approaches are not mutually exclusive, this study is limited to examining media diversity.

The study focuses on TV market with a national reach⁵. This is the market for commercial and public generalist television companies namely the KBC TV, NTV, KTN, K24 and Citizen TV. Combined, they have an audience market of about 95 percent and control the national broadcast advertisement revenue at about 97 percent (Kshs48 billion

in 2014) (Kenya Audience Research Foundation, 2014). These are TV stations also financed by advertisers, governments, or both.

In this study, the prime time programme schedules (7.00pm-midnight) for the five TV stations. This study also focuses on the period between 1999 and 2014 during which the *liberalisation and* marketisation of media are analysed. This is in addition to three year's programme schedules for 1965,1985 and 1989 for KBC, a period when media market was monopolised by the PSB in Kenya. Television schedules for KBC and KTN for 1991 have been analysed to understand the immediate effect of diversity when the latter entered the television market as the first private and commercial TV station.

The research period was selected because, first, it was important to establish the diversity performance of KBC prior to the liberalisation and commercialisation of the TV industry. This would determine the effects of funding trends by the government on performance diversity. These were treated as base years in the study. The time span of the study was also selected because of data availability. Besides, the period coincides with developments in media regulation and policy, commercialisation and competition among media houses and growth in volume and quality of programming. These are critical variables in the study.

The study excluded the-pay-for TV and other regional television stations though their number increased considerably in the period under study. The exclusion is based on two fundamental reasons given in diversity studies. First, for reliable results, one cannot combine local and national broadcasters in diversity studies. They must cover the same

geographical market. Secondly, their audience market shares (five percent at most) are still small and therefore exert minimal influence on programming strategies of generalist broadcasters.

However, it is important to note that pay TV may exert pressure on generalist broadcasters and in effect affect the proportion in which they provide specific types of programmes such as football. This means that they may influence the general level of channel and programme diversity for the overall broadcast market. However, in this study, non-generalist channels are considered an exogenous component that affects the broadcast market as a whole. Nevertheless, the pay TV does not affect the fact that programme choice and strategy of individual broadcasters respond to the structure of the broadcast market in which they operate and therefore do not change the apparent relationship between ownership concentration and funding, and diversity (Van der Wurff, 2007).

The study used television programme schedules carried in the mainstream newspapers. The schedules carried out in the Daily Nation newspaper between 1965 and 2014 were selected and analysed instead of viewing the actual. According to Osei-Hwere, (2008), this makes it difficult to detect any discrepancy between the programme schedules and actual broadcasts. He, however, argues that because of consistency in programmes scheduling such discrepancies could be minimal.

This study also looked at how different programme strategic choices and decisions, product orientation and scheduling at media organisation level influence

diversity. This information may be sensitive and media house programmers and professionals sometimes withhold some of information relevant for this study, assurance of confidentiality notwithstanding. However, this subjective evidence has been moderated by the more objective and empirical evidence provided by content analysis of the programme schedules. The multi-method approach to this study, which triangulates the data, has also minimised such subjectivity.

1.7 Study assumptions

This study preceded from the assumption that media policy, and economic and political environment in which media operate influence the behaviour and conduct of the television station in Kenya. At the media policy level, Kenya does not have a media policy. However, it has an independent statutory regulatory mechanism enforced by the Media Council of Kenya through the Media Council Act 2013, and the Kenya Information Communication Amendment Act 2013 that forms the Communication Authority that largely regulates the licensing, broadcasting behaviour of media houses, and allocation of spectrum for broadcast media. As such, lack of enforceable broadcasting policy and regulation of broadcasting content gives the television stations in Kenya an opportunity to offer content that is purely market driven. One would thus expect a more reflective content than open content. That is, content that appeals to the majority mainstream as opposed to the minority, marginalised communities and interest groups. The Kenya Broadcasting Corporation Television which is quasi-public and therefore drawing a

substantive portion of its revenue from advertising, plays a limited role in offering a diverse content notwithstanding its statutory mandate (Media Council of Kenya, 2013).

The level of Kenya's gross domestic product (GDP), a measure of economic performance, influences spending on media both at individual consumption and advertisement revenue levels. As Picard (2001) argues in his research across developed nations, recession negatively affects advertisement spending. This research assumes that the variation in Kenya's GDP corresponds with variations in advertisement spending and, consequently, diversity. This study sought to establish whether variation in advertisement revenue for television companies influence diversity.

That the media companies (parent companies) have direct influence on financial and strategic performance of the constituent units such as the television channels is not in doubt. Assumedly, the financial influence and corporate strategies influence the behaviour of managers and their response to external competitors. This also influences diversity (Dimmick 2006:358). Although this study did not investigate the behaviour and conduct of the company managers on diversity, an interview with media executives offers information on their response strategies to new television entrants into the market and the implications on diversity. Their response to increased competition on audience market and advertisement revenue is important in understanding how they affect diversity. While the empirical data has provided evidence on diversity, the qualitative information collected through interviews has provided possible explanatory reasons for this evidence.

This study defines television market as the market for commercial and public broadcasters that have an audience market share of 95 percent and those that are financed by advertisers, government or both. The study excludes cable television, and other small regional based TV station because they have minimal geographical penetration and insignificant audience market share.

1.8 Theoretical Framework

The objective of this study is to examine the diversity of television content available for viewers in Kenya. It seeks to understand how the structure of the television industry, advertisement revenue, medial laws and regulations and competition behaviour of the television players influences programme-type diversity for viewers. Do changes in television concentration and competition influence diversity of programmes? How are programming and scheduling choices and decisions made by media programmers influence diversity of different types of programmes? How does the level of advertisement revenue influence programme diversity? Do national factors such as legal and regulatory framework have an influence on diversity performance of television stations?

As seen above, diversity of content supplied by the television stations can be explained by both national (macro) factors and institutional or micro-factors (programming decisions and strategies made in the media house) (Demmick and Macdonald, 2001). For this work, the national factors considered to explain diversity of

television content (also treated as independent variables. See further discussion in Chapter 3) are the advertisement revenue, levels of television concentration and media laws and regulations. These factors define the structure of the television industry.

Organisational factors considered in the study are the programming strategies and decision made by television programmers and managers in the media houses in response to national factors including competition. Though not considered, perhaps as an independent variable, the role of independent producers in determining content will be reviewed. This is a more recent group of actors in television content and may only be treated as an intervening variable.

The options of content available for television viewers is either made possible through a variety of programmes available in different channel at a given time also called inter-channel diversity or variety of programmes available in a channel in a given timeframe also called intra-channel diversity (Litman, 1971, 1979; Van der Wurff 2004). These two aspects of diversity relates to horizontal and vertical diversity respectively (Osei-Hwere, 2008; Van der Wurff 2004). While horizontal diversity is the measure of the variety of programmes available for viewers at any given time, vertical diversity measures diversity available per channel.

As indicated above, diversity in this study examined the interplay between national and organisational factors. It did this by using two theoretical frameworks. These are the industrial organisation model (IOM) (Scherer and Ross, 1990) and the critical political economy perspectives of the media. The IOM was used to explore how

structural factors such as advertisement revenue, concentration, legal and regulatory framework and strategic choices and decisions of media houses influence diversity of content. Granted, while these factors evidence diversity in Kenya, they may not be able to explain the reasons and implications of such statistics (Golding & Murdock, 2002; Mosco, 2008).

The study therefore applied a critical studies framework to examine how key concepts such as media concentration and integration, public interest discourse, commercialisation of public broadcasting, privatisation, media regulation and deregulation under the umbrella of media policy and democracy through participation process work. In engaging different scholars, and reviewing paradigms of media development discourse, the sought to understand various perspectives “comparing them for their differences and similarities with one another and with alternative perspective”, (Mosco, 1996:75). This gave an interpretative and discursive aspect of diversity in Kenya including the power play between actors within the television market and their implication in serving public interest.

Thus while the theoretical and conceptualisation of variables is based on economic theoretical framework (Albarran et al., 1991; Cuilenburg, 1999; Dimmick & McDonald 2001; Grant, 1994; Van der Wurff, 2004, 2005; Van der Wurff & Culenburg 2001) much of the operationalisation and application and interpretation of the findings are hinged on critical political economy perspectives. The two trajectories of media studies, that is, media economics and political economy, not only complemented each

other but also enriched the study and gave a better understanding of the implications of diversity to the economic, social cultural and political aspects. Thus this study was located both within media economics and management and political economy.

1.8.1 Industrial Organisation Model (IOM)

A major characteristic of studies in programming diversity is their use of economic models, theories and concepts as their theoretical and conceptual framework (Albarran 2005; Beam 2006; Dimmick 2006). In his synthesis of 15 media diversity studies, Seo (2004) found out that all of these studies applied IOM as a theoretical and conceptual framework. Wurff & Cuilenburg (2002) used the IOM model to examine the causal relationship between market structure and conduct of media firms, and diversity of programme types. Boe (1999) applied the same model to study cable television. In their study of the development of cable television industry in East Asia, Oba and Chan-Olmsted (2005) applied the IOM framework and examined the relationship between market structure, strategic decisions or behaviour of firms in the industry and the resultant performances. They, however, went beyond the analysis of micro factors of the industry to examine national environmental factors such as regulation and policy, economic factors and technology and how they influenced the cable industry conduct and performance (Osei-Hwere, 2008:43). Though analysing free to air television stations, these studies are similar in the sense that the regulatory and policy have been examined to

establish their influence on the television industry with regards to how these affect diversity performance.

Research investigating changes of content diversity as a result of increase in television network competition have, for example, combined oligopoly theory and some aspects of IOM (Dimmick & McDonald, 2001; Grant, 1994; Li & Chiang, 2001; Lin, 1995; Litman, 1979). In a similar study in the Netherlands, Van der Wurff (2004) used the Porter's model of competitive strategy which heavily borrows from aspects of IOM such as the characteristics of the industry. What's more, most studies in United States on diversity have applied programme choice theory and IOM to explain how competition in the broadcasting market often results in programme duplication (Van der Wurff, 2004: 218).

Media diversity scholars (for example, Ramstand, 1997) acknowledges the utility of the model and recommend its use because it provides a better framework for an in-depth study of media organisations' strategic choices that influence performance. Through this model, it is possible to carry the discourse of media performance beyond ownership to the structure of the industry, including the evaluation of policy and regulatory decisions by the governments (Bloch, 1995; Gomery, 1993; Osei-Hwere, 2008). IOM postulates that there is a causal relationship, "between market structure, conduct, and performance with structure influencing conduct and conduct influencing performance in that order" (Osei-Hwere, 2008:43). The model explains the causal relationship between three aspects crucial in examining an industry. These concepts are

the market structure, the conduct of firms in the industry and resultant performance (Albarran, 2002; Chan-Olmsted & Albarran, 1998; Dimmick, 2006; Scherer, 1980; Scherer & Ross, 1990;).

The model provides a way of understanding the structure of the media industry as well as the conduct of those involved in programming. According to Dimmick (2006), it is ideal in analysing both national level factors and how they influence the performance of the media industry as well as behaviour and conduct of firms within the industry. For example, at national level, the gross domestic product (GDP) of the country will influence the amount of resources available for advertising which in turn has a direct effect on the ability of the media houses to produce and innovate programmes and therefore diversity of content (Doyle, 2002, 2006; Hoynes & Croteau, 2006). In other words, and in this study, IOM will take into account TV industry structural factors that influence strategic decision and choices of the different TV channels to explain their diversity performance as well as consider national factors such as media laws and regulations to examine their bearing on content diversity. The interaction of these factors is explained below under the conceptual framework.

The IOM is ideal in analysing of television programme diversity at national level because it allows for investigation into not only competition between media firms, the conduct of media owners, content creators and programmers as the key determinant of diversity but also other factors outside the market structure that influences diversity such

as the size of the national media market, advertisement revenue, audience share, political and economic factors.

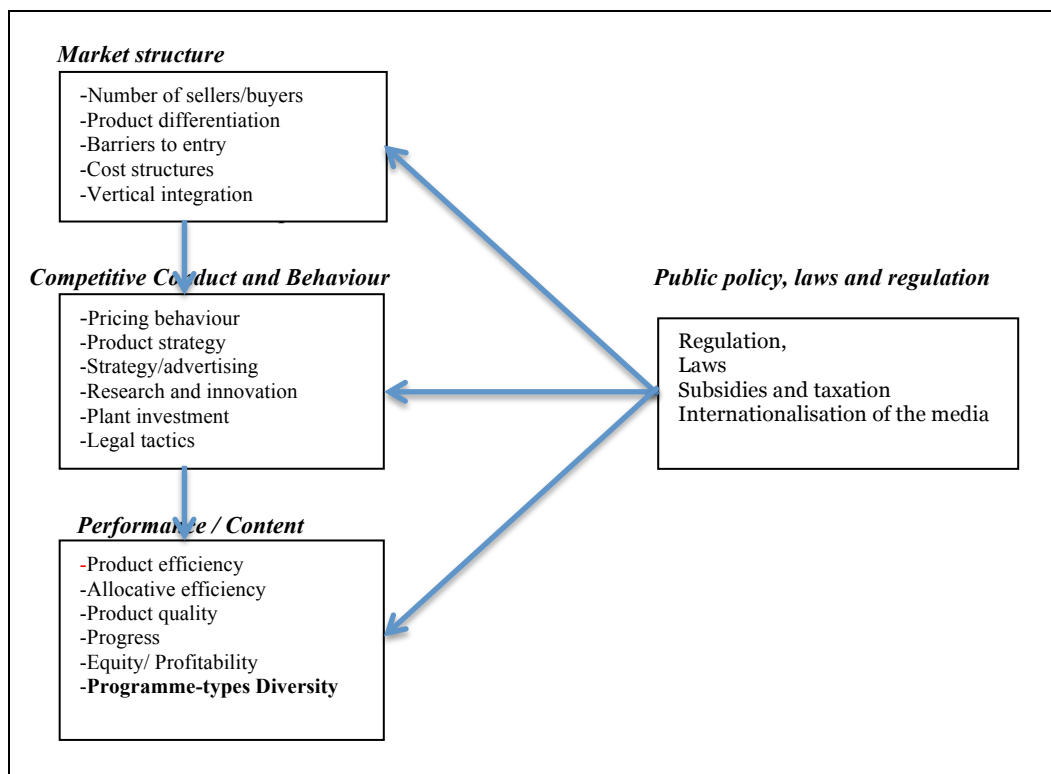
This model is preferable to a related model of the theory of the firm which restricts itself to the understanding of the competition between firms by analysing their internal conduct without drawing references to the external ecological factors that may influence their competitive behaviour. Accordingly, IOM is more holistic and ideal in analysing media performance at national level. In addition, the approach will allow for more in-depth analyses of the television channels and therefore move the academic discussions beyond the micro-level analysis of media channel conduct.

IOM has been used in the study of how market structure and conduct influence programme diversity available for viewers (Bea, 1999; Li & Wang, 1999; Wurf & Cuilenburg, 2001, 2004). Moreover, the most important use of IOM is the explanation of the relationship between three factors in an industry, namely market structure, industrial conduct and industrial performance (Albarran, 2002; Chan-Olmsted, 1997; Dimmick 2006). Market structure is defined by the number of sellers and buyers, the amount of product differentiation, cost structure, barriers to entry and vertical integration. From this perspective, the media industry can either operate under perfect competition, oligopolistic, oligopoly or monopoly (Albarran, 2002).

In examining the conduct and behaviour of media firms in the industry, the model examines how the market structure affects factors such as pricing, product differentiation and innovation and advertising and how this in turn determines performance of the media

firms in terms of equity, profitability, product quality and diversity (Albarran, 2002). This study investigates diversity as a major indicator of media performance. The figure below shows the three levels of IOM analysis.

Figure 1: Industrial Organisation Model (IOM)



Source: Modified from Scherer 1980, 1990, Albarran (2002), Dimmick (2006) and Osei-Hwere (2008).

As seen above, the broadcasting market structure can either take a form of pure or perfect competition characterised by many broadcasters producing similar or homogenous content, oligopoly which has a few broadcasters supplying differentiated or undifferentiated content, monopolistic which has many firms producing differentiated

content or monopoly which is a single firm supplying homogeneous or differentiated content (Albarran, 2002). The media industry is thought to be oscillate between oligopolistic and monopoly structure. From this description, the Kenyan television market has moved from a monopoly, dominated by the KBC, to a competitive oligopolistic market environment dominated by a few large TV stations. The structure of the market determines competition and, subsequently, performance. A thorough review of the relationship between concentration and diversity conducted by Litman (1992) and Napoli (1997, 1999) has revealed that, diversity varies with the number of channels or the degree of competition. It also varies with regulation framework.

This framework provided the basis of analysing diversity performance differences between two different media market structures in Kenya, i.e. monopoly by the PSB and oligopoly of the five leading TV stations. Few TV stations could lead up to homogeneity of content particularly when they adopt similar competitive strategies (Dimmick, 2006; Napoli, 1977, 2009). Competition for advertisement revenue could lead to limited spending on research and development of new content thus constraining diversity further while many independent developers of content could increase diversity of content. Independent creators of programmes could in the context of this framework be described as sellers, while viewers could be described as buyers. Audience tastes and preferences as well as royalty to certain TV stations due to distinctiveness of their programmes could also determine diversity (Van Der Wurff, 2004). Monopoly in in-house production of

content by the KBC particularly before liberalisation and commercialisation of media in Kenya could also have determined diversity offered by the state broadcaster.

Another market condition that can influence diversity is product differentiation. This results from “differences in physical attributes, ancillary service, geographic location, information, and/or subjective image ... one firm’s products are clearly preferred by at least some buyers over rival products at a given price” (Scherer & Ross, 1990: 17 in Osei-Hwere, 2008: 47). In an oligopolistic TV market structure such as that of Kenya, the smaller number of firms may be able to generate sufficient advertisement revenue to innovate and experiment on new products and ideas (cf. Burnnet, 1992 in Park, 2009) and therefore increase diversity.

What’s more, when a handful of TV stations dominate the market, there may be less motivation to innovate, segment or differentiate products. Instead television stations may adopt a cost reduction strategy to reach the largest number of audience through product replication. This is likely to constrain diversity. On the other hand, when there is competition among larger number of firms, there is a tendency to appeal to more audience through segmentation and differentiation of content (Litman, 1979; Park, 2009). Some TV stations, in an attempt to compete and therefore cut a niche for themselves, may attempt to be distinct in their programming. For example, Citizen TV has for the last 12 years dominated the market through local programming. In the situation where PSB is driven by a public service remit, it is likely to offer more diverse content than when

highly commercialised. This is especially prevalent in an oligopolistic media market structure. In such situations, the distinction between commercial and public media is more apparent.

Another important market condition is the cost structure and barrier to market entry. The cost of content production, technology and equipment can influence content diversity. Incentives may promote content production and increase the number of cultural and educational programmes. Competitive behaviour such as cost leadership, product segmentation and differentiation and scheduling are also affected by cost. The cost of imported programmes and government legal requirements and policy frameworks on the nature and type of content could also influence content. For example, as indicated above, the Kenya Information and Communication Amendment Act (KICA 2013) requires local TV stations to carry at least 40 percent local content. This has the potential to influence diversity. The OIM thus provides an ideal framework for analysing the influence of government policy, legal and regulatory frameworks on market structure and conduct and behaviour of independent content producers and programmers in media houses in supplying diverse content.

As adopted by this study, the IOM framework examines the relationship between the Kenyan television market structure in terms of concentration and diversity of content. It analyses the effect of this structure on the conduct and behaviour of independent content producers and the competitive nature of programmers. It also helps in the

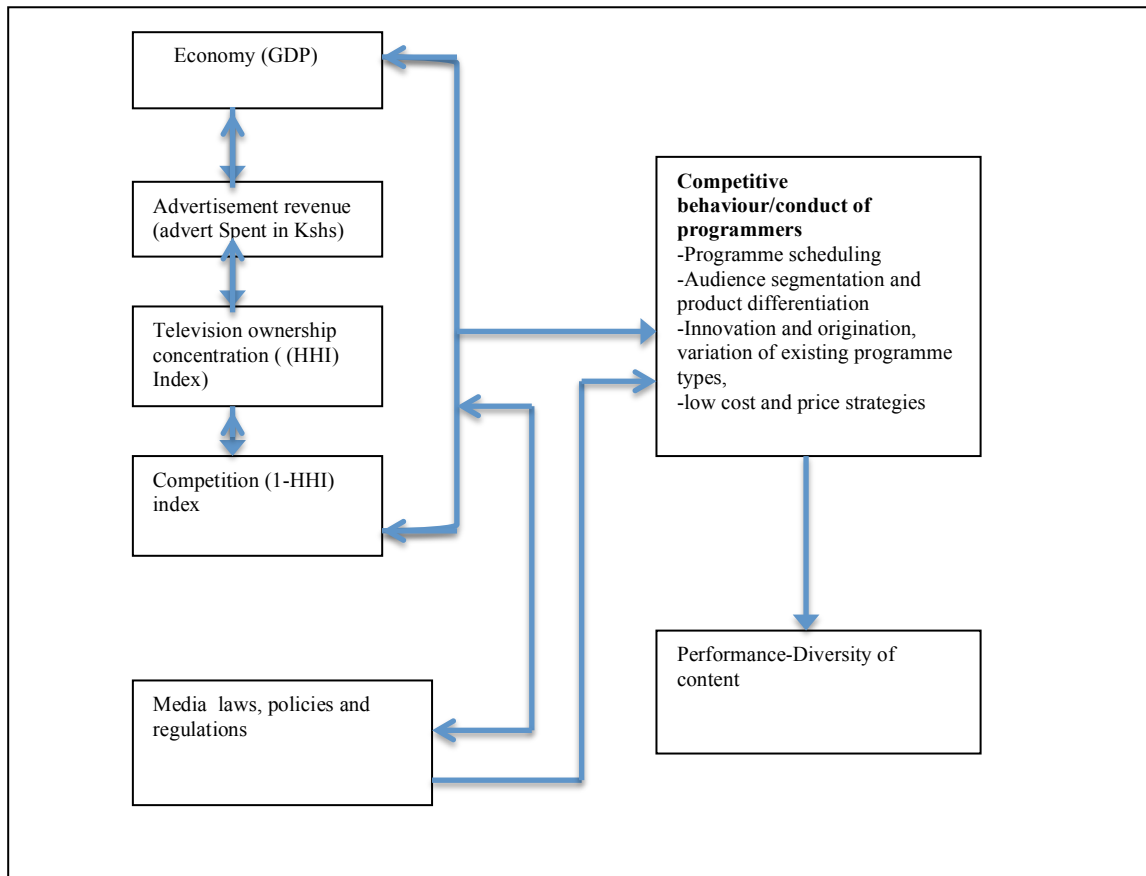
examination of the effects of advertisement revenue in determining content diversity. The framework also provides the lens through which to examine the causal relationship between government policy and regulation on one hand and the market structure and competitive behaviour and their effects on content diversity on the other.

1.8.2 Conceptual and analytical framework for the study

Within the context of the IOM and the critical political economy, this study develops and integrates conceptual and analytical frameworks for studying television content diversity in Kenya. Concepts in this study include:

1. Television markets structure. This includes ownership concentration, private creators of programmes, the number of television stations, status of the economy and advertisement revenue market share.
2. Conduct of stakeholders and specifically television programmers' products and scheduling strategies, and research and innovation.
3. The existing media policies, laws and regulations and their influence on television structure, and conduct and performance of the stakeholders and specifically media houses programmers and content producers.

Figure 1.2: An integrated conceptual framework of political economy and IOM for analysing diversity



Source: Adapted and modified from Albarran, 2002; Dimmick, 2006; Osei-Hwere, 2008; Porter, 1985.

As seen above, media concentration refers to the extent to which the advertisement revenue and audience market share are controlled by a few media players. According to Noam (2011), and in reference to FCC, there could be at least six such players. The framework acknowledges that this as a major characteristic of the television market that determines the competitive conduct of programmers that influence diversity

performance. Moreover, there is a close relationship between the wealth and size of the market in a free market economy and the size of the available resource for media spending (Doyle, 2006; Mortense 1993). Regardless of the funding sources, whether advertisement or public funding, the size of the financial support depends on the overall economic wealth of a country. Large economies have a big media market and assumedly more vibrant media industry. Changes in national wealth are likely to affect the advertisement spending and subsequently affect research, innovation and development of content both within the media houses and among independent producers. It is assumed that those television stations that have more resources are able innovate and originate distinct media products and can afford a greater diversity of content. This conceptual and analytical framework informs the investigation of the relationship between funding and diversity.

Independent content producers and strategies adopted by programmers in media houses are seen as determinants of diversity in the analytical framework. Independent content producers often depend on their technical and professional abilities, available financial resources, legal and regulatory frameworks and competitive strategies adopted by media houses. The competition strategies adapted by programmers in media houses such as scheduling, audience segmentation, cost reduction, pricing, research and innovation will influence content. The legal requirement that 60 percent of all broadcast content be local (Kenya Information and Communication Amendment Act 2013) should also influence content diversity. There is likelihood that this requirement could result in

homogeneity of local content particularly where media houses pursue similar strategies in their programming. This framework also provides the basis for this analysis.

Media policies, laws and regulations, in addition to influencing the conduct of programmers, may also determine the characteristics of the television market structure. The registration, licensing and taxation regime, legal constraints in terms what and what not to broadcast or publish and government's expectations on KBC to provide content that serves public interests (as per the Kenya Broadcasting Corporation Act 1988) will directly and indirectly influence the market structure and the conduct of programmers. This should ultimately also influence diversity performance.

Two of the concepts adapted in this framework, namely market concentration and advertisement revenue are treated as independent variables in this study. They are quantitatively analysed to determine their relationship with diversity. The role of independent producers and the legal and regulatory framework in content supply have been examined in qualitative terms. Some of these factors interrelate and influence each other, however and these are discussed further below.

1.8.3 Critical political economy perspectives of media, diversity, plurality and public interest

As indicated above, this study departs from the position that media plays a critical role in the social, cultural and political spheres of a nation state. It looks at the influences of the structural, economic, social and political constraints at the local, national and

international levels. To understand these constraints further, and examine ownership and financial pressures on programming, the study uses a critical studies framework, drawn from the critical work that relate to key concepts such as media concentration and integration, public interest discourse, commercialisation of public broadcasting, privatisation, media regulation and deregulation under the umbrella of media policy, internationalisation of media, and democracy through popular suffrage. In engaging different scholars, and reviewing paradigms of media development discourses, the study sought to understand their various perspectives “comparing them for their differences and similarities with one another and with alternative perspectives”, (Mosco, 1996:75) with the aim of arriving at an informed critical position on which to base this study.

The symbiotic relationship between media and society can at best be understood by looking at both the media structure and institutions as well as the processes involved in the “production, distributions and consumption of resources (media resources),” (Mosco 1996: 17) and the power relations involved in these processes. This is the hallmark of critical political economy. It endeavours to look into these processes from historical and holistic perspectives unravelling the moral implication of justice, openness, diversity and participation of power relations within and between these processes as well as issues of social intervention (praxis) to address power imbalances in these processes (Golding and Murdock, 1997; Mosco, 1996). The normative issues of balancing between private and public interest, commercial and public good and private enterprise and public

intervention (Hesmondhalgh, 2002) and addressing the tensions between information production chains are major tenets of critical political economy discourse.

This approach departs from classical political economy of Adam Smith, David Ricardo and John Stuart Mill who placed excess premium on individual and market structures to explain economic relations in exclusion of the power and social relations arising from their interaction. Today, this political economy thought is embodied in liberal and neo-liberal pluralist and marketisation dictum where excessive accumulation of resources and power are viewed as reward for hard work and entrepreneurship (Chomsky, 2008). The emergence of national and multinationals and cross-national media moguls which reflects the current day corporate thinking presents a new challenge for media economics (Murdock and Golding, 1999). Privatisation of public communication resources of telecommunications; liberalisation where competition has been introduced in public interest monopoly sectors of communications and partial commercialisation of public broadcasting services constitute some of the complex challenges of public communication. The leadership of commercial logic and rationale in shifting public communication to private control, and the exclusion of social logic in media privatisation debate results from “governments’ continuing love affair with marketisation which is a threat to media pluralism, open content diversity and cultural representation of all social segments in societies. Just like the exclusivity tendencies of the classical economics corporate logic, the present day commercialisation of

communication systems is a risk to “communication system as the central arena for collective representation and debate” (Murdock & Golding, 1999:117).

One major weakness of the classical and 20th century neoclassical approaches to political economy is failure to consider the aspects of history, power relations, moral philosophy and the holistic view of the society on the ground in the analysis of economic determinants of media performance. Such consideration would distort the scientific logic of economics. Today, “the social relations, particularly the power relations, that mutually constitutes, the production, distribution, and consumption of resources” (Mosco, 1996:25), are a major focus of critical commentary in political economy (Murdock & Golding (1999: 117). This approach, according to Hesmondhalgh (2000: 30), “places much greater emphasis on ethical and normative question” particularly the issues of “justice, equity and public good”.

The critical political economy of communication in this dissertation has, therefore, historicised media growth and development in terms structural, legal, commercial and ownership changes, unravelling dynamics in shift and control of information production chain and their implications on diversity of content and public participation. It has also looked at access, placing of price tag on information – that is, commoditisation (Doyle, 2013; Hesmondhalgh, 2000; Mosco, 1996) and subsequent supply of the content to those that can afford the means of access such as the television, computer and radio and excluding the poor and the minority. Distribution has focused on access and systems of transmission and ownership, which are very critical today

particularly because of the consolidation of production and distribution processes and therefore control of information production chain by a few media players and corporates. It has also focused on consumption and, particularly the audience effects such as mass consumption, cultural and political orientation, and opinion formation and the emphasis and treatment of the audience as a commodity for sale to advertisers (Mosco, 1996).

Media consolidation through vertical, horizontal and cross ownership and integration and their impact on public discourses gained eminence in critical political economy of the media due to accumulation of political and economic power, their perceived and real effect on diversity and quality of programmes and the overall risk that they pose to democracy and social change through construction of ideology and hegemony. Emergence of international media firms and accumulation of economic and political power and their impact on media policy intervention are major concerns in the global media scene today. The influence of economic and political power by media owners in Kenya has continued to define media ownership pattern, entrenching media owners in mainstream politics and skewing political and democratic processes.

At the international level, the porosity and pervious nature of nation state borders to international social and cultural information flow and the emergence of global culture and the north-south communication imbalances and imperialism are also major concerns (Herman & Chomsky, 1988; Mosco, 1996). These media issues are assessed under the ethical and normative standards of media as an open, inclusive and independent forum for debate on political and social issues and cultural representation of citizens (Doyle, 2002;

Murdock & Golding, 1999). Though this study does not focus on international media, the pressure they bear on local media and the inflow of cultural content in programming and diversity has been given attention.

Golding and Murdock (1991) give four cornerstones of political economy as social change and history, the social totality, moral philosophy, and praxis. The approach replaces the notion of marketplace and individualism with “collective authority of tradition” (Mosco, 1996:27). This approach seems to revisit the Marxian tradition, which put labour at the centre of political economy (Mosco, 1996). Golding and Murdock (1991) argue that media systems are holistic and trying to understand media cultural and democratic issues from the market perspective only is not only reductionist and essentialist in approach but also squanders the opportunity of understanding the moral and social implication of power relations in the media system which Hesmondhalgh, (2000:5-6) argues panders to “the extreme inequalities and injustices apparent in contemporary capitalist societies” integrated in media ownership patterns.

The contemporary political economy thoughts have, however, been built on and sprouted from the social conservatism and Marxist traditions of social relations of productions and ideology that are intractably “bound up with politics, domination and issues of power” (Easthope & McGowan, 1992). The Marxist thought contends that:

The ideas of the ruling class are in every epoch the ruling ideas: i.e. the class which is ruling material force of society is at the same time its ruling intellectual force. The class which has the means of material production at its disposal, consequently also controls the means of mental production, so that the ideas of those who lack the means of production are on the whole subject to it. The

ruling ideas are nothing more than the ideal expression of the dominant material relationships grasped as ideas: hence of the relationships which make the one class the ruling one, therefore, the ideas of its dominance (Marx and Engels, 1970:64)

These thought have been promulgated by the institutionalist and neo-Marxist traditions that include the French regulation school which questions the narrow conception of the individual and the neoclassical economic traditions (Mosco, 1996). These hold that technological and institutional constraints shape the market. These benefit institutions and governments that are able to control both. This view introduces the concept of performance of these institutions and how their behaviour is influenced by the owners and their acolytes and how this constrains or expands individual freedoms. The media is seen as an ideology arena where those who control the media resources ideologically influence the citizen, unlike the liberal-pluralists, to think of media as being free (Gurevitch et, al, 1982). Critical political economy of privatisation and commercialisation has informed the analysis of replacement of current affairs programmes with drama, soap operas and infotainment in TV programming and scheduling in Kenya, and the place of privatisation and commercialisation of the media in the process.

The framework brings in the notion of institutional structures and emergence of a few dominant media players in Kenya and how these are determined directly through legislation and policy, and indirectly through resource allocation. Unlike the neoclassical political economy thinking which looks at the market structure as the most important unit

of analysis in understanding social change, institutionalist understand the salience of the individual in the matrix of social relations and media performance. They also imply that there is a need for pragmatic media policy to regulate media industry to address the power imbalances that excludes citizens, threatens cultural diversity and co-existence of individuals and societies in the nation state (Walkin, 2001). Borrowing from this school of thought, this study has looked at conduct of programmers and creators of programmes and ownership in determining diversity of programming and how the government policy and economic logic of profit and revenue influence the configuration and performance of television industry and their implications on public participation in Kenya.

The importance of open and inclusive, accessible, diverse, independent and autonomous media system discourse (Doyle, 1991; Murdock & Golding, 1999) leads to the assumption that these values foster democracy. As McQuail & Van Cuilenburg (1983:146 cited in Champion, 2015), argue “the more the alternatives, the better the prospects for individual and collective welfare”. This thought has been enshrined in Western democracy traditions by a number of scholar and thinkers. The wisdom of this thought is based on the fact that information enables citizens to make informed decisions and thus make democracy by popular suffrage meaningful. The thought goes further to argue that access to information on the conduct of the government and other social and economic institutions makes them “more transparent, a prerequisite for the accountability that is the foundation of representative rule” (Lansner, 2006: 190). This thinking too underlies the Western liberal democracies pursuit for open and representative media

system that is believed to promote fundamental freedoms that underpin democratic principles and the roles of media as major components of democracy. The first normative role of the media from this school of thought is a “fourth estate” watchdog that exercises external vigilance over political, social and economic actors in society to counter their powerful interests. To play this role, there must be a “free, independent, diverse and professional” media system (Lansner, 2006, 191).⁶

However, according to McQuail (1993, 2003) the obsession with these tenets preclude the level of media competition that may also produce commercially-driven content as opposed to hard and more informative information necessary for democracy. This limits the view of the media as a major player in democracy. Unlike other studies on diversity that focus on diversity of content as offered by media houses, this study will also look at reflective diversity.⁷ That is the extent to which content supplied is responsive to the demands of the audiences.

The second complimentary role of the media in democracy is public interest which refers to “the media’s ability to set agenda and to provide civic forums to debate issues” of interest to the citizens (Lansner, 2006: 191). It educates, informs and helps opinion formation and attitudes crucial for making informed choices on matters of public concern. It articulates and report public opinion from different viewpoints to the government and citizens themselves which further help people set the agenda for themselves as opposed to media. It also educates people on their rights and responsibilities and how to exercise them. The media becomes a tool for empowering the

citizenly, “transparency, engagement and accountability” (Lansner, 2006: 191) and makes leaders accountable. Through this framework, the study gives an analysis of the implications of changes in diversity given to citizen education and thus their ability to engage and participate in issues of public importance. Thirdly, the media are also cultural institutions as they are political and economic institutions. Entertainment content such as films, music and soap operas influence audience understanding of the world around and beyond them. They are therefore salient in shaping peoples cultural orientation and identity. The normative concern for critical political economy is whether such representation is open and diverse enough to reflect the cultural orientation and interests of the various segments of people including the minority in society.

Given that cultural content is produced and circulated by powerful media corporations, the concern is “the extent to which the cultural industries serve the interests of the wealthy and powerful” owners and their allies (Hesmondhalgh, 2002:28). The implications for the different cultural programmes, local and foreign, have also been discussed in the findings and discussion chapters. The link between changes in media structure and diversity performance and their implication in society, have been discussed under the context of political economy. The relationship between media ownership and content production, distribution and consumption, is examined under the lenses of legislative framework and economic imperatives embodied in the critical political economy. The normative role of media in democracy and public interest has also been

engrained in what Golding and Murdock (1991:18-1) single out as the most important dictum of political economy.

This study looks at diversity beyond the quantitative epistemology and examines content in terms of representation of various social segments in society. The assessment of diversity from both qualitative and quantitative perspectives seen as part of critical political economy and media management trajectories reflect and acknowledge one of the most fundamental tenets of the study of political economy, that is, the analysis of society “from various branches of social philosophy” such as political science, economics and sociology (Hesmondhalgh, 2002; Mosco, 1996).

The study therefore attempts to bring out points of intersections from different bodies of literature to form a critical framework in the discussion of the influence of media ownership and funding on diversity and their social, cultural and political implications in society. The political economy framework helps put into perspective discussions on media commercialisation in Kenya and that influences the role of the media as a space for political debate and citizen inclusion or exclusion in public life particularly with regards to the increasing shift from public to a private and commercial-led media system (Murdock & Golding, 1989:18-21). This also has implications on diversity of content, access to information and citizen participation in democratic processes. They argue that the phenomenon of concentration constrains political and cultural diversity that are not only essential for open and inclusive society but also imperative for political participation and citizenship.

Critical political economy further argues that to assess media's role in democracy, it is imperative to go beyond the analysis of media institutions and their behaviour and conduct, to look into a wider national and global context in which the media operates. This is essential in understanding the power relations among media actors and constituents and the likely effect on the right of access to information, rights to public awareness of their rights and their ability to engage the government on issues of social importance (Golding, 1990:85).

1.9 Summary

This chapter has looked at the media environment in Kenya and how it shapes the media configuration and its influence on the performance of media organisations and particularly how it enlarges or constrains political and cultural diversity necessary for democratic participation and social inclusion. The chapter has also seen how concentration is now a major constraint to programme types diversity, the role of government policy and economic circumstances which influence media diversity performance.

Critical political economy is relevant as a framework for this study because it links media performance with economic, political, and regulation at national level and functions of media institution and power relations between them with public and cultural interest of the citizen (Gurevitch et al., 1982). This framework is anchored on empirical analysis of quantitative evidence of diversity provided by the television stations in

Kenya. Critical political economy has exemplified the implication of content diversity offered by the media on citizen participation in the political processes and inclusive cultural representation in the communication process (Golding, 1990).

In combining the political economy and media management approaches, this study can be located under the axiom of holistic approach to critical political economy whose arguments are summarised as follows:

Increasing attention to the study of the role of mass media in politics indicated the importance of examining the relationship between media institutions [performance] and the political institutions of society, and the ways in which political communication emerges as a subtly composite product of the interaction between these two sets of institutions (Gurevitch et al. 1982:32).

The combination of political economy and media economics and management is critical to this research. Taking fundamentalist-Marxist approach that media content is determined by economic base of media institutions such as the advertisement revenue, audience maximisation strategies and professional conduct of media workers. Gurevitch et al. (2002:18-19) acknowledge the limitation of pure political economy in providing evidence of media performance. These economic determinants can only be analysed by economics and management concepts, theories and approaches. Accordingly, research into the political economy of media organisations must be closely related, and supplemented by, analysis of professional ideologies and practices found in the organisations.

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.0 Introduction

This chapter critically reviews existing literature on critical political economy of the media as well as media economics and management framework. The reason for reviewing this literature is based on the fact that this work is essentially located in the rubric generally referred to as media political economy, which is discussed at length in Chapter one. It therefore draws from some of the works of political economy scholars such as Herbert Schiller, Noam Chomsky, Edward Herman, Robert McChesney, Peter Golding, Ben Bagdikian, Graham Murdock, Vincent Mosco and David Hesmondhalgh. Their works on media concentration and diversity, media integration, commercialisation of public broadcasting, privatisation, commoditisation of information, media regulation and deregulation, media policy and public interest have been interrogated.

In engaging different scholars and reviewing paradigms of media development discourses, this study sought to understand their various perspectives “comparing them

for their differences and similarities with one another and with alternative perspectives” (Mosco, 1996:75) with the aim of arriving at an informed critical position on which to base this study.

These concepts provide the framework for evaluating Kenya’s television market diversity performance and programming in the context of legal, economic and structural changes, placing this inquiry within the larger neoliberal framework and paradigm.

The chapter also reviews the performance of the media from an economic and management position, by looking at media not just as a political and cultural institution, but also as a for-profit enterprise, whose functions are influenced by the market logic, goals and orientation. Focus has been given to theories of competition and concentration, stressing the role of market structures, and conduct of media firms and programmers and their influence on television programming and diversity. In doing so, both conceptual and empirical studies on concentration and diversity have been reviewed, examining the works and identifying gaps in knowledge, which ultimately justifies this study. The chapter finally fuses critical political economy with media management and economics and sees the two as complementary in media concentration and diversity.

2.1 Political economy of the media and its impact on programming

Though political economy of the media has been seen as a single cohesive approach to media analysis, Mosco (1995) has dissected the approach, identifying three major strands

particularly when looking at the media. These are the North American, European and the Third World approaches with various proponents.

The American strand consists of scholars such as Herbert Schiller, Noam Chomsky, Edward Herman and Robert McChesney. The second strand consists of European scholars such as Bernard Miege and Nicholas Garnham. The two strands inform the Third World one which broadly consists of Latin America, Asia and Africa. In Africa we have scholars such as Guy Berger, Tawana Kupe and De Beers. Here in Kenya, we have Philip Ochieng, Othieno Nyanjom and Wilson Ugangu. Of course there are other more preeminent scholars such as James Curran, Peter Golding, Armand Mattelart, Graham Murdock and Vincent Mosco whose ideas crosscut these distinct strands. Though these scholars have commonalities in the conception of political economy of the media, each pursues some distinct agenda.

In the following discussion, this chapter adopts Mosco's classification of scholars and attempts to relate their arguments to Kenya's situation to understand media performance. A good place to start would be a discussion of Peter Golding and Graham Murdock's (2001) framework of political economy analysis of the media. This work cuts across the three strands. First, they posit that media should be looked at holistically as part of the social, political, economic and cultural sphere as opposed to isolated or separated provinces. It thus examines the interaction between these spheres and the resultant effects in society paying more attention to the power play between and within them. Such analysis should focus on values of social justice, ethics and larger welfare of

society. Accordingly, the critical view of media ownership, information production and consumption chains, regulation processes and control of communication resources, are salient in the study of critical political economy.

Secondly, critical economy is historical and tries to understand changes in media structures, the role of the government and media corporates in the change process and how these play themselves out within the framework of society, culture and politics. This aspect of critical political economy also informs this study.

Changes in ownership structure, regulatory, policy and economic performance in the television market between 1965 and 2014 have been examined in order to understand changes in diversity performance, the role and effects of these factors including politics and political power in the process. Media development has been historicised, and media performance has been interpreted within the larger context of economic and media policy and regulatory changes in Kenya.

Thirdly, and as argued by Hesmondhalgh (2002), political economy is concerned with tensions between commercial and public good, private and public interest and private enterprise and public intervention. It looks at how these divergent interests could be balanced and the role of government praxis in securing this balance. It also analyses media related laws, regulations and policy to understand their bearing on television performance. The interaction between these external forces and institutional factors including competition and programming strategies interact to define performance.

Finally, it focuses on how best to “engage with basic moral questions of justice, equity and the public good” (Hesmondhalgh, 2002:73). This is perhaps one of the major conceptions of the critical political economy that puts it at conflict with mainstream economics. The concern is that production and consumption of information takes place under the capitalistic mode of production that emphasises profits and therefore explains inequalities of power, access to information and prestige in society (Hesmondhalgh, 2002:31). Thus, the often dominant discourses in critical political economy approaches to media, is whether media institutions serve the interests of the few wealthy and powerful individual or the interests and welfare of the majority. The programme types offered by the television market are, for example, a major indicator of whether performance is commercial or public in orientation. Golding & Murdock (2001:72-73) argue that the exclusion of some sections of the society particularly the minority in television programming is a major concern particularly when viewed from the lens of the social justice context of the political economy. Thus, the thrust of critical political economy in media studies is the primacy of public interest over commercial and market driven media. Golding & Murdock (2001) further argue that the needs of citizens cannot entirely be met through market driven media systems that lay a lot of emphasis on meeting the individual needs as opposed to the collective civic needs of communities and citizens. Markets cannot, therefore, meet such civic needs, which are so vital for democracy. For citizens to participate in civic debates, decision-making and compromise on major aspects of the community, a wide variety of information and interpretation must be availed to them.

Market driven media, which is highly skewed towards meeting the individual needs of consumers, particularly those of interests to advertisers, may not be able to “promote citizenship and nourish a healthy public sphere” (Hoynes & Croteau, 2006:224).

It is thus critical to interrogate the various strands of political economy and scholars and, as Gurevitch et al. (1982) argues their different foci of interest and the issues around which disagreements and debates about the media performance are organized. This gives us the framework of analysing and understanding media performance in Kenya from political economy and liberal democratic perspectives.

2.1.1 Strands of political economy approaches to diversity and public interest

The work of Herbert Schiller and Robert McChesney commonly referred to as “the Schiller–McChesney tradition” by Hesmondhalgh (2002:33), focuses on the strategic use of economic resources and power and the place of the media structure and ownership to explain the production and sharing of information.

The Schiller–McChesney tradition posits that the market driven information production logic lays emphasis on cost reduction, audience numbers and production of content that meets the demands and tastes of the majority. They contend that commercial media, in effect excludes the minority and disregard their cultural interests and development agendas. Thus commercial driven media may not be the ideal media form that would promote social integration, diverse culture and inclusion of the minority

citizens in the mainstream social economic and political debate. They therefore propose a not-for-profit alternative media content (Hesmondhalgh, 2002:33). Taking the same line of argument but focusing on content from the 'cultural industry' perspective, Murdock & Golding (1997), contend that, content produced by the media and the meaning carried by it are determined by economic imperatives. Therefore, advertiser interests and audience maximising content are major determinants of content production.

However, unlike Schiller and McChesney, Murdock & Golding (1997) note that the media tends to gravitate and support ideology and positions taken by the government or private commercial institutions that control advertisement revenue. Thus, media plays the role of legitimising the interest of the owners and their business acolytes. Borrowing from the neo-Marxist tradition of class domination, they argue that media concentration and diversification produce content that manufactures false consent, and consciousness that supports the owners of media institutions and their business allies. However, this is not necessarily the case. There are media institutions, such as those sponsored by communities, religious groups and civil movements, that rally citizens to effect changes in society. Granted, Schiller and Machesney's thesis was based on commercial and state media.

The American strand of political economy, whose foci was economic logic and institutional media structure as determinant of content (Mosco (1995), did not consider the tension that exists between and within the information production chain as a result of media commercialisation. This bring us to the European strand of political economy also

called ‘cultural industry’ approach to political economy of scholars such as Miede (1989) and Garnham (1990) who filled this void. First, they looked at content that is driven by larger public good and see the contradictions and tensions between commercial interests of private media on one hand and public interest on the other. According to Hesmondhalgh (2002:30), they were more radical in conceptualising media, democracy and public interest discourse, and placed “much greater emphasis on ethical and normative questions” in the information value chain. It challenged the social injustices and unethical issues in the neo-classical approaches to media and is sometimes referred to as “critical political economy” because it is at odds with the neo-classical thought of people such as David Ricardo, Adam Smith, Maynard Keynes and Fredrick Von Hayek. These placed premium on free market economic model as the most ideal means of maximising human satisfaction. Even they, however failed to address the resultant abuse of power by media institutions involved in the information value chain, including regulators and related laws and policies. Thus, content that is market driven, dominance of commercial media whose content excludes the needs of the minority, and state broadcasters that amplify the interests of the ruling elites and fail to watch the excesses of the rulers, are some of the social injustices that preoccupy the cultural industry strand of political economy.

Besides, while acknowledging the problem of accumulation of power by media business and the influence of media structure on production of content, Miede (1989) and Garnham (1990), see demand for content and consumption by audience as other

determinants of content production and diversity. Given this tension, they advocate for a public service media that is driven by the public rather than by private and commercial interests. This explains the dominance of the dual media systems in most of the European countries where commercial media exists alongside public service media.

The conceptual difference between the American and European view of diversity is reflected today in their differences on media regulation and policy. In the United States of America, for example, diversity is rooted and understood from the American tradition of free market of ideas metaphor (Bagdikian, 2004). This is founded on the liberal democratic view of contestation of ideas and opinion as the basis of forming a democratic government through popular suffrage. Case laws in the First Amendment of the American Constitution emphasise “the widest possible dissemination of information from diverse and antagonistic source” (Picard, 1994:74 cited in Cuilenburg, 2002:4-5). Thus the free market of ideas metaphor is seen as one of the most ideal and effective way of ensuring and guaranteeing freedom provided for in the First Amendment (Cuilenburg, 2002:5). In the free market of ideas, Cuilenburg (2002) argues, citizens are entitled to content diversity that should be provided by a variety of sources. So the focus of American media policy is to ensure that there is diversity of sources or plurality as opposed to regulation of content. In essence, the Federal Communication Commission (FCC) advocates for licensing of many media enterprises as opposed to control by a few powerful media enterprises. The argument is that such ownership will promote diversity of ideas and opinions by providing different perspectives on issues of public interests. It

is also concerned with whether such ownership pattern would guarantee diversity of ideas particularly in media that is commercial and heavily reliant on advertisement for support. Thus antitrust and competition regulation measures are central in regulation debate.

The European media diversity, on the other hand, lays more emphasis on access to diverse content as opposed to the plurality of sources and freedom of communicators (Cuilenburg, 2002; Picard 2000). In Europe, regulation focuses on the effective role of the PSB including ‘must-carry-obligation’ to ensure diversity of content across cultures, languages and interest groups and to provide voices and representation to these groups. It further focuses on different formats geared towards education, entertainment and information. Finally, is the orientation of regulation towards ensuring diversity in terms of geographical at local, national, regional and even international level (Cuilenburg, 2002).

In Africa, diversity and concentration debate integrates both the American and European perspectives (Hesmondhalgh, 2002:33) though they are dominantly shaped by political powers and discourses (Ugangu, 2014). Countries going through the democratisation, for example, have called for free, independent and pluralistic media to accommodate divergent views and opinions in political debates particularly during elections (Berger, 2007). There are calls therefore to liberalise airwaves and license more players, transform state media into public service media and delink media ownership from politicians and their acolytes (Nyanjom, 2012:40). Linked to media freedom and space are calls for a more professional, responsible and accountable media. There is also

the disquiet about the falling professional performance standards, particularly the breach of the code of conduct for the practice of journalism among media professionals, itself associated with increased commercialisation (Nyabuga, 2015). This has triggered demands for media self-regulation and professionalisation (Media Council of Kenya, 2014). These debate revolve around the cultural flow from the West through the importation of foreign content such as Mexican soap operas and American movies and drama and the need to impose some restrictions on the amount of local content aired by local broadcasters. Nonetheless, the question on who should regulate content now crosscuts the media policy and regulation debate. This is accentuated by liberalisation of the airwaves in Africa, marketisation and commodification of information and cultural content, increased disposable income that has opened up the African markets for entertainment content consumption supported by more sophisticated and demanding audiences. These changes mirror the internationalisation of the media and content debate which, though seen as a means of promoting mutual global interconnectedness, the more dominant Western content has been viewed as cultural imperialism by those bound by nationalistic feelings and moral integrity of the African identity. Of course whether foreign content is desirable for Africa or not is also contested. Those opposed to it have been labelled conservative cultural purists by pro-media business liberalists. Thus the local media industry, instead of producing content modelled along their perspective and culture, replicate styles and formats of the Western media. Thus Herman & McChesney (1997) see it as cultural imperialism and dominance as opposed to cultural

interconnectedness. This, they argue, supplies content that has a tendency to exclude certain sections of the society from the content market. They also see it as part of the problem independent content producers face when attempting to get into the business of content production.

Irrespective of the conceptual differences between American and European views on media performance vis-à-vis diversity, there is consensus that media diversity constitutes one of the central themes around which arguments are made in theoretical and political debate on democracy and media policy (Cuilenburg, 2002). As such, pluralism and diversity are values in democratic societies that few are opposed to (Doyle, 2002; Karppinen, 2006; Mosco, 2008; Murdock, 2000; Murdock & Golding, 1989). The pre-eminence of diversity in political debate revolves around the premise that access to diverse content, from a number of independent and autonomous sources, that expresses different and sometimes antagonistic ideas and opinions on social, political and cultural issues of public interests, are essential for free and democratic societies (Doyle, 2002; Napoli, 2007; Trappel & Meier, 1998). Thus the promotion of content diversity because of its democratic value is the focus of most media regulation and policy initiatives particularly in the United States of America. Attention in media policy is given to those market conditions that pose a threat to diversity such as medial configuration characterised by liberalisation, demonopolisation of public broadcasting, commercialisation and concentration of media ownership (Doyle, 2002:171).

It is within the American and European conception of diversity trajectories that this study has examined diversity of content in the television industry in Kenya. While this has given us the conceptual framework, the examination of diversity in Kenya has been done within the unique historical, regulatory, political and economic circumstances that inform Kenya's television industry. These circumstances are examined in detail below.

2.1.2. A Political economy of media liberalisation, regulation and performance

This section gives an overview of changes in media industry within the context of the global economic and political trends. It discusses media performance within the framework of these changes including neoliberal dogma and the associated business issues of media commercialisation, marketisation and commodification. Within this framework, we review the various media regulatory and policy actions taken to respond to challenges relating to media structure and performance arising from these changes. Attention has been given to historical analysis of media regulation and policy in Kenya and their implication on media performance, particularly when viewed from the local and global political and economic changes. This reflects on political economy approach that “no social fact can be really understood apart from its history” (Ingram, 1923:xviii cited in Mosco, 1996:27).

The “long downturn of the 1970s and 1980s” (Hesmondhalgh, 2002:134), in Europe

and America that followed a period of economic boom of the period between 1950s and 1970s triggered the reconfiguration of the global economy, global relations and political space popularly known as globalisation or internationalisation. However, globalisation is largely seen as informal and subterranean while internationalisation is viewed as formal and deliberate. This period was characterised by severe recession, low profits for business and non-performing financial markets whose impact were felt across the world. To address these challenges, measure similar to those that drove the global economies in post-war period, such as reduction of wages, relaxing state intervention in business and private investments, were adopted. This relates to the post-war business strategy mantra of free market and agrees with Hesmondhalgh (2002) argument that:

The view that human needs are best served by unregulated free-market, a view that had been popular with the various nineteenth Century liberal economist but that had mostly been confined to cranks and nutcases of the late twentieth century, made a comeback: hence the term neoliberal economics (Hesmondhalgh, 2002:88)

Unlike the period of economic boom between 1945 and 1973 where state workers, consumers and state corporations were protected by the government from behaviour of private companies, neoliberals argue that the protection of public owned enterprises and regulation were major causes of economic downturn. They therefore advocate for privatisation and change of regulation hence the term deregulation. This marked significant policy change in media industry (Curran, Gurevitch & Woollacott, 1982). This neoliberal dogma spread

quickly in capitalist states and when Eastern Europe, including the Soviet Union, collapsed in 1989-91. They adopted neoliberalism as opposed to the social democracy political model. The global recession recovery model marked the beginning of a wave of partial commercialisation and full privatisation of state corporations including media. Thus media regulation and policy changes in many countries in Europe in the 1980s and later 1990s in Africa and other parts of the world was meant to align to these structural changes. The 19th century notion that ‘free market’ is the most ideal means of serving the needs of the people was in earnest revisited and acted on albeit in a new global environment (Hesmondhalgh, 2002).

The neoliberal approach to global economic recession recovery took various forms and touched on almost every sector of the society. Among these are marketisation and deregulation of the media and telecommunication corporations that eventually commoditised and placed price tags on essential services including information. These were informed by economic logic of efficiency through economies of scale, synergy and divestiture into related industries, creating information control along the “value chain.” Mergers and acquisition became a fundamental economic strategy to economic revival in the 1980s. In the USA, for example, there were about 3,300 corporate acquisitions, two of which involved changing of hands of two of the three leading media companies, namely CBS and NBC in 1985 (Greco, 1995:229-30 cited in

Hesmondhalgh, 2002:135). This heightened media integration and acquisition in many other parts of the world. Quickly, media was viewed as any other business and performance was looked at from the lenses of market models. This gave primacy to business concerns and arguments that the needs of society can best be met through unregulated media environment based on the economic models of demand and supply and thus that competition conditions adopted by media forms will provide content that meets the demands, tastes and preferences of the audience. Thus private ownership, unregulated media market conditions came to be seen as the most ideal condition for media performance. Consumers, and not the government, became the most ideal in compelling media to provide that which was desirable in the market place (Hoynes & Croteau, 2006:17).

In Kenya, like in many other parts of Africa, the neoliberal philosophy marked the beginning of the famous structural adjustment programmes. With the pressure to liberalise the economy and respond to economic challenges, entities providing essential services were commercialised. This included the Voice of Kenya which was transformed again into the Kenya Broadcasting Corporation through the Kenya Broadcasting Corporation Act 1989. This reconstitution required the corporation to run as a-for-profit company to generate income and sustain its operations. This eventually compromised the broadcaster's public service remit.

The period also saw a shift from manufacturing and mining to focus on service industry that interpolated internationalisation and innovation in the media and cultural

industry. In Europe and America, there emerged strong cultural and entertainment industries producing and exporting content to other parts of the world (Curran, Gurevitch & Woollacott,1982). This was followed by Mexico and India as key cultural content exporters. Other enterprises invested outside Europe and America, forming transnational and multinational companies, what Harvey (1989 cited in Hesmondhalgh, 2002:92) calls 'internationalisation'. The blossoming multiplicity of television channels in response to freed airwaves had, therefore, enough Western content, marking an increase in diversity and new experiences for consumers.

Internationalisation, conglomeration and consolidation of media institutions became a new business model particularly in developed economies. Media became big business in many countries in Europe, Australia and America while modern technology heightened world interconnectivity through information and cultural exchange. Media became the container and information became the content (Croteau & Hoynes, 2003, 2006).

The global media growth caught up with Kenya in the second decade of media liberalisation (2000 onwards) when cross-media ownership triggered growth in media with one of the leading media companies, the Nation Media Group, investing across the East African region. It invested in print, radio and TV in Tanzania, Rwanda and Uganda. Thus the global cultural trend played itself out in the region as well.

In the political front, recession and low wages as well as international pressure, triggered agitation for political change and change of regime in Africa. The liberalisation

of the airwaves was seen as a prerequisite for democratisation. Due to political pressure from the nascent opposition, in March 1990, the first private and commercial TV station, the Kenya Television Network, went on air. This went hand in hand with change of the constitution that made Kenya a multiparty state the same year. Thus the change of media landscape in Kenya mirrors that of the change of the state (Obonyo, 2013).

While deregulation increased content diversity in the first decade of liberalisation of airwaves in many countries, this changed in the second decade. There was exponential media growth. In Kenya, for example, media became big business and the economic motive made possible through new technologies raised issues of ownership, power accumulation and the social relationships in the process (Obonyo, 2013). At the global level, Mosco (1996) contend that technology became the motor for media growth and consolidation. Corporate business, corporate management practices, production, innovation, design marketing strategies common in non-media business were adopted.

In many countries in Western Europe and America, the interaction between production, distribution and consumption of content in the new economic reconstruction process started to raise the moral question of justice, equity and public good (Golding & Murdock, 1991:18-19). The tension between economic goals and public interest imperative in media became a concern. The minority was excluded from mainstream content, the public service media dwindled in significance and was unable to serve the minority as issues of access of content and diversity were raised (Croteau & Hoynes, 2006).

From the neoclassical paradigm, scholars and observers such as Golding and Murdock (2005) and Van der Wurff and Park (2005) have argued that, the media industry has lost their distinctive normative public interest role to economic imperatives, replicating profit orientation, cost reduction and marketing strategies of manufacturing and supply of durable ‘goods and services’ businesses. This is accentuated and anchored on neoclassical conception of how “human wants might be most efficiently satisfied” (Hesmondhalgh, 2002:3). According to Mosco (1995), the neoclassical economics paradigm, puts no consideration on human rights, issues of social justice, equity nor government intervention to address these issues but rather reduces and “equates the well-being of people with their ability to maximise their satisfaction” (Hesmondhalgh, 2002:3).

While the neoclassical approach to study of media would, for example, measure diversity of content supplied by the television channels to viewers, it may not be interested in the influence of diversity on political choices, citizen participation in democratic process, exclusion of some segments of the society from the content supplied or the powerful influence of media corporates in social, cultural and political life. The political economy approach to content diversify comes in handy to fill in the omissions and weaknesses of neoclassical conception of media to explain the relationship between media institutions, the processes of content production and distribution and the implication of media performance on politics and social justice.

In Kenya, the rapid economic growth of the early 2000s supported rapid growth

of the media enterprises. Given their size, they started to control significant spaces in the economy both in terms of revenue and support for other business through advertisement. Politicians that were allied to the media investors wielded substantial financial and political power. Concerns on shrinking of diversity of content because of concentration were raised while the marginalisation of the PBS by commercial and private media swamped media discourses and policy cycles. The call for media regulation that was for the first time strongly expressed in 1993 intensified at the beginning of 2000. These efforts came from three sources, namely civil society and democratising forces, professional journalists, and the government which wanted to control the direction of the regulation (Mbeke, 2008; Obonyo 2013; Ugangu, 2015). This was, of course a new form of regulation characterized by self-regulation, professionalism for journalists and information access. As we shall see in the next section, no laws were effected in the second decade of media liberalisation in Kenya. This, as Murdock (1990) posits, was re-regulation where new laws and policies were set to favour emerging media enterprises.

The second decade of media liberalisation in Kenya was thus characterised by increased commercialisation and marketisation of content, media concentration, cross media ownership, and the call for re-regulation. The following section historicises and examines the media regulation regime in Kenya which laid the foundation for the understanding the relationship between law, policy and diversity performance in the broadcast industry.

2.2 Statutory protection and regulatory environment of broadcasting and diversity in Kenya

The preceding section sought to place Kenya's television, both private and PSB, within the broad context of commercialisation and regulation. It examined the changes in the legal, political and economic media environments with changes in the television industry and their possible effects on content. This sections seeks to establish how television ownership, including frequency spectrum allocation, content production and competition are operationalised by existing media laws, and policy and regulatory frameworks in Kenya and how these affect television content diversity performance. This section starts by briefly drawing a roadmap in the development of media laws and regulations in Kenya.

The advent of the multiparty democracy in 1992, the liberalisation of airwaves and, therefore, licensing of the private and commercial television station in 1990, are some of the initial factors that triggered the call for media regulation. While media policy analysts sees the quest for media regulations as underpinned by the desire to provide an even playing ground for political actors, it nevertheless set the momentum for media transformation in Kenya. This led to the formation of a task force (Task Force on Press Law)⁸ to address issues around media freedom, information access, ethical and professional standards for the practice of journalism in Kenya, self regulation, media ownership and licensing of broadcasters. The findings and recommendation of the Taskforce were presented to the Attorney General in 1998. From the recommendations,

the Kenya Information and Communication Act 1998 was passed, paving the way for the formation of the Communication Commission of Kenya (CCK) to regulate telecommunication and licensing of broadcasters. In 2001, a Code of Conduct for the Practice of Journalism in Kenya was finalised through consultation between media stakeholders. In 2007, the Media Council Act was passed, engraining media self-regulation in law, and subsequently embracing the co-regulation model of media regulation that still exists today.

As discussed and demonstrated below, these laws had minimal role in determining programming as much as they were explicit on programming. Largely, the provision of these requirements in the Kenya Information and Communication Act 1998 were not effected. Also not affected was the old constitution which did not expressly guarantee media freedom and had retrogressive clauses on whatever freedom of expression it allowed.

Some of the laws that govern broadcast industry in Kenya, both as business and socio-cultural and political institution, include: The Constitution of Kenya 2010, the Kenya Broadcasting Corporation Act 1988, the Media Council Act 2013, Kenya Information and Communications Act 1998 (and as Amendment in Act 2013) and Companies Act Chapter 486. These are briefly examined below in relation to media structure and performance in Kenya.

2.2.1 The constitution and related legislations influence on diversity

The Constitution of Kenya 2010, which came into force on August 27, 2010, addresses a wide range of issues in the communication industry. Specifically, it provides for the media freedom and freedom of expression in Articles 33, 34 and 35. Article 34 explicitly guarantees the freedom and independence of media and expressly bars the state from interfering or penalising individuals or media enterprises for content disseminated. The freedom to establish “broadcasting and other electronic media” (Article 34(3)) is provided for, subject to licensing, distribution of airwaves and broadcast signals requirements. Thus, the constitution provides for the supply of broad content by broadcasters with exemptions that are provided in Section 33 (2 & 3) such as the “propaganda to war, incitement and violence, hate speech, advocacy for hatred and ethnic incitement”.

Before the 2010 constitution, Kenya did not have laws specifically addressing media freedom and the conduct of media enterprises and media professionals. Media freedom was derived from section 79 of the old constitution speaking to freedom of expression. The section stated that:

Except with his own consent, no person shall be hindered in the enjoyment of his freedom of expression, that is to say, freedom to hold opinions without interference, freedom to receive ideas and information without interference, freedom to communicate ideas without interference (whether the communication be to the public generally or to any person or class of persons) and freedom from interference with his correspondence.

This implied that media freedom, discussed further below, informed regulatory

and policy decisions which significantly influenced media performance even after the explicit provision for media freedom in the 2010 constitution. The government would occasionally find reasons to constrain media freedom and freedom of expressions. The ground for limiting freedom of expression would be cited such as the need for “public safety, public order, public morality or public health” (Odhiambo, 2002: 296). Similar trends have been observed particularly after the enactment of the Security Laws (Amendment) Act 2014 which spell out the condition under which media freedom and freedom of expression can be limited. Such caveats limited the extent to which certain programmes such as current affairs and those viewed as being critical to the government could be offered compelling the media to retreat to lesser controversial but entertainment-oriented programming.

2.2.2 KICA Act 2013 and the Media Council Act 2013

Though media freedom is now enshrined in the 2010 constitution, concerns have been raised particularly among broadcasters and media professionals on the operationalisation of these provisions through legislation. This is in particular reference to the Freedom of Expression (Article 33), Freedom of the Media (Article 34) and Access to Information (Article 35).

Two legislations have been made to actualize Article 34 namely the Kenya Information and Communication (Amendment) Act and the Media Council Act, both enacted in 2013. Both these laws have been contentious because of their tendency to

constrain plurality of media and regulation of content. Moreover, concerns still abound about the interpretation of the constitution as to which of these two legislations is referred to in article 34 (5). In addressing the matter of independence of the Communication Authority set under the Kenya Information and Communication Act 1998 (and as Amended by KICA Act 2013), the Supreme court in Petition No. 14 of 2014 (Digital Migration Case) dealt in finality with Article 34 on Freedom of the Media by clarifying that the two bodies responsible for media issues are the Communications Authority of Kenya, anchored under Article 34(3), to deal with establishment and licensing of broadcasting media as well as regulating airwaves and signal distribution, and the Media Council of Kenya, anchored under Article 34(5), as the body to set media standards and regulate and monitor compliance with those standards. Thus Article 34 speaks to the two bodies but under different sections. Accordingly, there was no conflict of jurisdiction. This clarity of jurisdiction set a new media regulation momentum in Kenya allowing the Communication Authority (CA) to bring into effect section 46H of the Kenya Information and Communications Act [1998]. The relevant part states that:

- (1) The Commission shall have the power to set standards for the time and manner of programmes to be broadcast by licencees under this Act.
- (2) Without prejudice to the generality of sub-section (1), the Commission shall—
 - (a) prescribe a programming code;
 - (b) review the programming code at least once every two years;
 - (c) prescribe a watershed period programming when large numbers of children are likely to be watching programmes; and

(d) ensure compliance with the programming code prescribed under this section.

This in effect allowed the Communications Authority to come up with programming code to regulate content. If these regulations are effected, the broadcasting content will for the first time be regulated explicitly through legislation. Hitherto, content regulation was informally regulated by the executive through orders and interpretations courts. This sometimes penalised the media and journalists, constraining media freedom and freedom of expression. Suffice it to say that time, place and manner regulations were absent in Kenya and the Kenya Information and Communications Act 1998 had an insignificant effect on content.

The second contention which has bearing on diversity performance of broadcast media is the creation of the Multi-Media Appeals Tribunal under the Communication Authority. This has power to “impose hefty fines on media houses and journalists, recommend de-registration of a journalist, and make order on freedom of expression” (Nyabuga, 2015:56). Under this government controlled body, journalists found guilty of breaching the provisions of the Code of Conduct for the Practice of Journalists in Kenya (an annex in the second schedule of Media Council Act 2013), will be fined 500,000 shillings while the concerned media house up to 20 Million shillings. Criminalising the breaches of the code of conduct which spells out the moral conduct and behaviour of journalists and media houses under the watch of the Complaints Commission of the Media Council of Kenya is likely to trigger self-censorship among journalists, thereby

constraining diversity of issues critical to the government, businesses and advertisers. It has been viewed as an affront to media freedom in Kenya, triggering uproar within the media fraternity who have questioned the constitutionality of the two laws arguing that they offend media freedom and freedom of expression guaranteed in Articles 33 and 34. The litigation under petition No. 30 of 2014⁹ issued Conservatory Orders against the Kenya Information and Communication [Amendment] Act 2013 especially on provisions touching on the Multi-Media Appeals. The matter is yet to be determined and therefore the Multimedia Appeal Tribunal as conceptualised in KICA 2013 is not under operation. Of particular importance under this law is the requirement that 40 percent of the broadcasters' content be local. The effect of this requirement started to be noticed in 2014 when local content grew across all the TV stations in Kenya. Chapter 4 of this discuss further the effects of this requirement on local content programming.

The fourth concern is the enactment of the regulations with respect to all broadcasting services under Section 46H of the Kenya Information and Communications Act [1998]. It provides that the Minister may, in consultation with the Commission, make regulations generally with respect to all broadcasting services so as to facilitate, promote and maintain diversity and plurality of views for a competitive marketplace of ideas, financing and broadcast of local content and mandating the carriage of content, in keeping with public interest obligations, across licensed broadcasting services. These regulations are significant in determining plurality and independence of media houses as well as supplying of diversity of content. They set out the regulations and conditions for

licensing broadcasters and the competitive behaviour between broadcasters. Although these regulations (still in draft form) are not explicit in terms of competition between broadcasters, including antitrust standards, they are likely to significantly shift the ground for the dominant media houses, decreasing their market control and therefore increasing plurality and diversity of content supplied. The media market is likely to change further when migration from analogue to digital broadcasting is completed. Observation from countries that have fully migrated shows that the media goes through two major structural changes particularly in fully commercialised environments (Noam, 2009). In the first phase, digital migration will increase the multiplicity and number of broadcasters and encourage competition and increase diversity of content. In the second phase, the dominant players strategically acquire the smaller players to consolidate their media businesses. This is likely to trigger media concentration, constrained media plurality and content diversity.

As much as such media configuration is more apparent, media consolidation is loosely controlled by the KICA Act 2013 and even under the proposed regulations. Accordingly, it is clear that the current media ownership structure in Kenya is likely to be replicated in the new digital media environment after the first decade of digital media. This is a growing concern given that the Kenya Information and Communications Act 1989 (and as amended in the KICA 2013), which is the most important law in Kenya in regulating media structure and performance, has not effectively done so since its enactment over sixteen years ago. Nonetheless, although the Kenya Information and

Communication Act 1998 did not directly regulate content, it determined the structure of the broadcasting industry, which indeed influenced diversity. The licensing procedures were so cumbersome and laborious that it prevented easy entry into the broadcasting industry. Kingara (2010) gives a summary of the process:

The most important criteria an aspiring television broadcaster had to meet was the financial capacity to operate a station and a security clearance from the Ministry of Internal Affairs. No licence fee was required although the broadcaster had to pay for frequency allocation. Hence, the Ministry of Internal Affairs processed the application for the broadcasting licence upon which the minister of the said ministry issued a permit. The new broadcaster then forwarded the permit to the Communication Commission of Kenya (CCK) which allocated available frequencies on a town-by-town basis (Kingara, 2010:21).

The ease with which one is able to access a media market is crucial in media management and economics because the number of media enterprises in the market somewhat influences diversity performance of that industry. For a long time, the cumbersome broadcasting licensing procedures and related fear of the government to allow entry of private broadcasters, made KBC a natural monopoly in the TV industry. These legacies continue to define the relationship between the government and the media in Kenya particularly on the contentious subject of the desire by the state to regulate content. Chapter four of this dissertation will discuss further the effects of unregulated ownership and media structure on diversity performance.

2.2.3 Kenya Broadcasting Corporation Act 1988

Enacted just two years before the official liberalisation of airwaves in March 1990, the Kenya Broadcasting Corporation Act 1988 (and as revised in KBC Act 2012) purported to transform the then Voice of Kenya (VOK), a state broadcaster, to a public broadcaster with explicit public mandate of making “Announcements and programmes of national importance” (section 14 (1)). The Act at the same time explicitly states that KBC is fully owned, controlled and regulated by the government, which raises issues of its independence to play the public remit role. The corporation was fully funded by the government particularly at its early years. It was subsequently expected to sustain its operations by “licensing of dealers, repairers and importers of broadcast receiving sets,”¹⁰ advertising revenue and by “providing facilities for production of commercial advertising and for production of commercial content or programmes at a fee” (See section 1A(2J)). Thus as conceptualised by the Act, KBC was commercial in orientation and operation right from the onset. The Act in section 38(1) states that:

It shall be the duty of the Corporation to conduct its business according to commercial principles and to perform its functions in such a manner as to secure that- its gross revenue is not less than sufficient to meet its outgoings.

This orientation became more apparent after the entry of KTN in March 1990. To survive and compete in the competitive market, , KBC adopted commercial, goal-oriented programming schedule, format and style similar to KTN’s, albeit struggling to maintain focus on the provision of public interest-oriented programming as provided in

the Act (section 8 (1)). Thus, as much as KBC was conceptualised as a for-profit media institution, it was also expected to provide information, education and entertainment content for all citizens. The behaviour, conduct and performance of KBC kept on oscillating like a pendulum from one government system to the other depending on the whims and orientation of those in power. Thus, KBC diversity performance and the type of programming has changed with political developments. Explaining this, Ugangu (2005) posit that, “while media policy, all over [which often dictates media performance] the world is almost dictated by political events and processes, in Kenya’s case, the county’s media policy has been structured based on short term political interests”. This proposition is examined later under media policy and performance section of this chapter. The revised edition of the KBC Act 2012 tightens the provision for allocation of airtime and platform fairly to different political parties to expound on their ideas during general elections. Though this requirement was not apparent in the first decade of media liberalisation (between 1990 -2000), it modestly improved current affairs programming performance of KBC albeit the increased KANU government censorship. Though explicitly silent, the Act provides for ‘must-carry-obligation’ where the broadcaster is obliged to accept with or without charges content from any citizen for broadcasting. This would mean that the underrepresented and marginalised segments of the Kenyan society have, in principle, the opportunity to have their content, political, cultural or otherwise, represented in the PSB. The broadcaster is expected to subsidise such public interest programmes. The limitation to such provision has been the overarching control by the

political and ruling elites who approve the budget, expenditure and, at times, programming and content. Such content may be skewed to reflect the interests of the majority and thus marginalise the less commercially significant citizens. Thus, instead of the PSB playing the role of inclusion, it disenfranchises the minority and thwarts inclusion.

From the Act, the structural, administrative and operational arrangements would not allow the PSB to offer an alternative voice to Kenyans. It instead causes a ‘libel chill’ among journalists compelling them to present content that is supportive of the government’s policy and political rhetoric. This veiled censorship constrains diversity of ideas and opinions necessary in a growing democracy and is against the letter and spirit of the Constitution of Kenya 2010’s Article 34 (4) which states that state owned media shall “be free to determine independently the editorial content of their broadcasts or other communications, be impartial and afford fair opportunity for the presentation of divergent views and dissenting opinions”. It is imperative then that the Kenya Broadcasting Corporation Act 1988 and as revised in 2012 be amended to realign it to and operationalise article 34 (4) of the constitution. This will contribute to institutional independence, improve performance and conduct of practitioners and contribute towards provision of diversity of content.

2.2.4 Companies Act CAP 486 (and as revised 2012)

In political economy, there has been increasing focus on the study of media institution in

the attempt to understand the link between the economic logic of media institutions on the one hand and the content of the media on the other (Murdock & Golding, 1977). The cultural industry approach to media adds that “the contents of the media and the meaning carried by the messages are determined by both the economic base of organisations in which they are produced” (Curran et al., 1982:18) and ownership pattern (Park, 2005). Thus understanding institutional structure, behaviour and conduct of the media professionals as governed by company laws is imperative in comprehending the output or content supplied by the media.

In Kenya, like many other parts of the world, media organisations applying for licences must either be registered under the Companies Act CAP 486 (as revised 2012) in case of the private and commercial media or under the KBC Act 1988 (as revised in 2012) in case of a PSB. (This makes KBC a regulator, a dual role it difficult to perform) This defines the nominal capital, the share capital and conditions of ownership transfer, business expansion and consolidation, which are also fundamental in media regulation. In the past, the Communication Authority of Kenya, charged with regulating the structure of the broadcasting industry, has not defined ownership regulation pattern.¹¹ For example, what is the maximum percentage additional shares should the existing shareholder acquire in a media company? How is the change on ownership, control or proportion of share in a broadcast licence determined and effected? How many frequencies in a geographical area should a broadcaster hold? Failure to enforce these regulatory requirements since the media liberalisation in the 1990s in Kenya and therefore

governing of media institutions purely under Companies Act, have resulted in contention in areas of cross-ownership, broadcast media market dominance by a few media companies, and over commercialisation of the communication industry. These have impacted fair competition, plurality in media ownership and constrained diversity of content.¹² In the USA, such regulations, including the antitrust, are effected by the Federal Communication Commission (Noam, 2009). Given the distinct nature of media products and their effects in politics, culture and in shaping social life of individuals, groups and societies, and because of the desire to control media by those in power, media regulatory laws should be as distinct as possible from those that regulate non-media businesses. This ideally should be embodied in the broadcasting regulations.

Whether to regulate ownership concentration or not is in many countries dependent on the competitive behaviour of media enterprises and the resultant effect on diversity and quality performance among others. In more than one and a half decade of the second phase of media liberalisation in Kenya, (1999-2014), competition between media firms has not been regulated. CA has not had a framework for regulating competition and neither have been there laws explicit enough to be invoked in cases of unhealthy competitive behaviour. It was not until 2009 that the Competition law was enacted creating Competition Authority of Kenya (CA). The Authority became operational in 2011. This was meant to strictly enforce anti-monopoly and antitrust standards. The first media competition matter that was referred to the Competition

Authority Kenya by the Communication Authority of Kenya in 2014 touched on matters of the sale of set top boxes.¹³

On the flipside, it could be argued that the Kenya's broadcasting industry is still small with no marked market failure to call for the antitrust laws. However, the need for this is becoming apparent given the on-going changes in market control by a few media companies which is likely as argued earlier, to impact on plurality of media. It is important, however, to put in place sound media concentration regulatory measure early enough to avoid the Australian situation where regulations were implemented after the largest mergers had taken place, and regulations could not be applied retrospectively.

2.3 Public interest and business logic framework of analysing diversity

The performance of media institutions can be assessed from two perspectives, namely the commercial and public interest (Croteau & Hoynes, 2006). While the market model treats the media like any other business institution whose key objective is to make profit, the public interest model looks at media as a cultural and political institution whose performance can be assessed through indicators such as diversity and quality of content. In this discussion, the question is whether changes in media structure creates a media system that provides content that genuinely serves public interests.

The term public interest is, however, contested. In reviewing the public interest debate, Dennis McQuail (1992) opines that:

As an adjective, the word *public* indicates what is open rather than closed, what is freely available rather than private in terms of access and ownership, what is collective and held in common rather than what is individual and personal (McQuail, 1992:120)

From this view, we extrapolate the term to the concept 'public sphere' which suggests, according to Croteau & Hoynes (2006:156-157), "those spaces in society that are open, accessible, shared and common". Thus, from public interest perspective, the media should be concerned with those matters of common good of the society but not just issues of private business interests such as profit. Thus, public interest goes beyond public service media to apply to all major media regardless of ownership structure (Croteau & Hoynes, 2006). The argument that market-driven media favours the interests of the advertisers by giving content that is of "interests of demographically desirable audience" is at the centre of the contest between public interest view and commercial market oriented view (Doyle, 2006:158). Public interest view has it that it "limits audience choice to variations on a few profitable formulas developed to meet advertise needs" (Doyle, 2006:158).

Not to risk being termed as elitist and therefore give pro-public interest objective latitude in this debate, Croteau & Hoynes (2006) suggests four characteristics of assessing public interest media. First, it should reflect the cultural and political orientation, views, expression and experiences, present in the society. It must be inclusive, have variety of content, have more perspective, and wide range of

interpretations of valuable and important issues. Thus homogenised media lacks this range of diversity.

Secondly, it should be innovative. The media industry should be vibrant, imaginative, fresh, original and creative, producing content that is reflective of the changing society. The media that relies on imitation and replication of content falls below this mark.

Thirdly, public interest media should provide substantive content. This is informative content that addresses important issues confronting the society and presented in an interpretative manner to allow citizens to engage and participate in decision making in both political and civic spheres. This is in contrast with soft, trivial, excessively sensational and celebrity oriented content common in market driven media today.

Fourthly, it should be independent and free of ideological and economic control either by government or corporate businesses. Content should be independent of such powers. This is in contrast with content that is censored by the government or by gatekeepers in the corporate media in response to economic and political pressure. This is just one lens of looking and judging media. It has been highly contested and dynamic particularly amongst the pro-business advocates. Now that digital media has evolved blurring the distinction between media types, the policy question is, what is the meaning of servicing public interest in digitalised media and what regulatory standards will be applied to which media? From the United States of America tradition of media policy and regulation, public interest can at best be served through free market model that is

driven by competitions (Doyle, 2006). Granted, this is a highly contested justification of diversity policies adopted by various countries to regulate media behaviour. We therefore examine how media concentration and competition behaviour in market driven media shapes content.

2.4 Deconstructing diversity, pluralism and concentration.

2.4.1 Laying the ground

Although diversity and pluralism are central themes in media policy debate, there seems to be no consensus as to their nature and meaning (Karppinen, 2006: 53). Karppinen subsequently notes that “the aspects and levels on which media diversity can be conceptualised have been subject to numerous analysis”¹⁴ including the contestation of the term by the Federal Communications Commission in the USA.¹⁵ Thus, given the divergence of opinion, it is more advisable not to dwell too much on specifics and meaning and instead as Nikolas Rose (1999:29-30 cited in Karppinen, 2006:53) holds, “analyse what the concepts do, what they make possible, the sentiments they mobilise and the regime of truth they constitute.” Arising from this argument and from the review of other similar research work on diversity, this section will not dwell on reviewing all the possible definitions of diversity and pluralism. Instead, it will offer working definitions and give a critical analysis of the various sub-components that will eventually be operationalised and measured as conceptual definition is essential in conducting quantitative research.

2.4.2 Conceptual and operational meaning of diversity

In conceptualising diversity, Van Cuilenburg (1999:2) gives three broad classifications common in media policy literature. These are social diversity referring to diverseness of people in different socio-political, socio-cultural and socio-economic spheres of the society. Secondly is the media diversity which he broadly defines as the heterogeneity of media content such as news genre, drama sports, current affairs and comedy. Thus diversity from this view is strictly speaking used in reference to ‘media products’. Dominick and Pearce (1976), like Cuilenburg, conceptualised diversity in terms of variety of programming offered by broadcasters. Finally is the opinion diversity, which means different point of view on issues. Coffee & Wilson (1997) share this view but adds that these diverse ideas and opinions should be mediated. Implying mass publication and communication of such views as opposed to their being internalised or shared in small group communication situations, Thus emphasising the importance of media plurality and content diversity.

These dimensions of diversity are viewed as related in a chain with one aspect of diversity leading to the other. Social diversity, which is reflected in media diversity, then opinion diversity that is nurtured by media diversity. This leads to democracy at the end of the chain which, argues Van Cuilenburg (1999:2), is “the ultimate purpose that diversity supposedly is serving”. However this linearity of diversity democracy relationship is highly contested in communication policy discourses and accused of being reductionist for its assumption that citizens are interested in diversity of content and when

provided, they expose themselves to it, becomes more informed and eventually make better choices in democracy. Selective exposure, attention and even interpretation become salient factors in this debate.

Looking at diversity in relation to media policy and regulation in the United States of America, Napoli (1999:10, 2001) deconstructs the concept diversity into three dimensions namely: source diversity, content diversity and audience exposure diversity. Source diversity means the presence of a number of independent and autonomous media owners. This concept is sometimes referred to as media plurality and is related to media concentration. The argument is that plurality leads to the second dimension: the content diversity which is viewed in terms of heterogeneity of content. Introducing the concept of public interest in his conceptual definition, he says that diversity means variety of information produced and supplied by the media to the audience, which reflects public interest of political and cultural dimension in the society. Public interest “being unitary, coherent scheme of values or principles” (Napoli, 2006: 277). This leads to operational view of diversity, which takes the form of programme type, format or genre and is a central sub-component of diversity around which debate on concentration is build. Indeed it is the end to source diversity and a means to an inclusive and open media system. It is through content diversity that divergent opinions and ideas are discussed and presented for debate by the public and where culture that reflect socio-cultural diversity of a nation state is represented (Nyamnjoh, (2005). Content diversity is measured empirically and is the focus of this study.

Finally is exposure diversity which “views diversity in terms of reach” (Van Cuilenburg, 1999:3). This relates to McQuail’s (1992:157) distinction between diversity as sent and diversity as received. Diversity-as-sent refers to heterogeneity of programme types supplied to the market by broadcasters while diversity-as-received refers to “heterogeneity of programmes that audiences actually view” (Van der Wurff, 2004:217, see also, Van Cuilenburg, 2000). This distinction implies that plurality of voices in a media market is not necessarily a straightforward indicator of diversity content. There are other variables such as commercialisation, availability of resources to produce content, the competition strategy of media firms in a media market, conduct of media professionals and legal constraints that would influence supply of content. Other factors would be audience taste, which relates to media literacy, selective exposure and audience pandering. However concentrated, media ownership in the hands of a few players constrain, and narrow, the range of content offered and is therefore a threat to diversity. It may “lead to over representation of certain political viewpoints or values or certain forms of cultural output (i.e. those favoured by dominant media owners, whether on commercial or ideological grounds) at the expense of others” argues Doyle (2002:13).

Further understanding of exposure diversity has been offered by Van Cuilenburg (2002:4) and distinguished horizontal diversity from vertical diversity. Horizontal exposure diversity refers to the distribution of audience in a specific timeslot e.g. prime time over all available media, whereas vertical exposure diversity indicates variety within

the total media consumption of individuals” Conversely, this can also be viewed in terms of horizontal and vertical content diversity supplied or sent to the market.

Van Cuilenburg (1999) and McQuail (1992:145-147, see also Hellman, 2001; Van der Wurff 2004: 218) gives further distinction of programme type diversity which has also been used in examining diversity in media studies. First is intra-media diversity which refers to heterogeneity of programmes types that an individual medium is able to offer thus guaranteeing audiences a wide variety of ideas and opinions. When intra-channel diversity is high, audiences tend to watch a channel as opposed to individual programmes. Van der Wurff (2004) says that such diversity is useful for the society. This is similar to vertical diversity introduced by Litman (1997), referring to different programmes types offered by a channel. However this is a limiting view of diversity because audience specifically chooses between programmes but not hours when programmes are offered. Thus vertical diversity ignore divert of choices at specific time slot. Inter diversity on the other hand refers to different programme types offered by different channels in a market. This offers audience with different programme packages to choose from according to their tastes and preferences. This is also referred to as horizontal diversity (Litman 1997) and may be analysed across channels on hourly, weekly, monthly or annual basis. It leads to channel distinctiveness, that is, uniqueness of programme types offered by different TV stations in a market. Inter and intra channel diversity are complementary and sometimes contradictory (Van Cuileburge, 2002). In reference to this view, Van der Wurff (2004: 281) says that for inter-channel diversity to

increase, it is necessary (though not sufficient) that intra-channel diversity declines (and vice versa).

This study focuses on media diversity as programme types diversity which empirically can be measured using two normative criteria or yardsticks (Van Cuilenburg, 2002; Van Der Wurff, 2004). These are reflective diversity and open diversity. Reflective diversity is the actual match between media users' preferences and reflection of those preferences in the media content. It means that "media relates to society in such a way as to reflect, pro rata, the distribution of preference, opinion, allegiance or other characteristics as it appears in the population" (Van Cuilenburg, 1999: 190; see also McQuail and Van Cuilenburg, 1983; McQuail, 1992). It means that different political, cultural, religious and social issues find some proportional representation in the media. However, this may only be a section of the population in the society more often the mainstream population. Commercialised media tend to be more reflective of the current market preferences but offers limited representation of divergent views and cultural orientations of the minority groups. This leads to the second dimension of content diversity, the open diversity. This means that "the content distribution within the media perfectly gives equal attention to all identifiable preferences, streams, or groups, or positions in society" (Van Cuilenburg, 1999: 190). It also means that different opinions are expressed in an equal manner in society, and that all people and diverse ideas in society are given equal access by the channels available in the market.

To do this, the media should serve different market needs of various audience segments and provide different range of programmes. More importantly, however, is the fact that media should best be benchmarked against prevailing social, political, and cultural diversity that it is serving. It is, however, unfortunate that reflective and open diversity are dialectically related. A commercial media will address the interest of the mainstream society and particularly those considered by the advertiser as premium (Napoli, 2006; Nyamnjoh, 2005). In other words, content is reflective of this segment but not open because it excludes the minority groups that, from the advertisers' point of view, are not 'important'. This cautions media practitioners and politicians who think that competition and plurality of sources is better for democracy.

In reference to increased plurality of media and absolute number of programme-types, Murdock (1994:5) warns against this popular view and the "tendency to mistake plurality for diversity, oblivious of the possibility that an appearance of plenty could well conceal poverty of perspective". Napoli (2001), on the other hand, thinks that market incentives are not sufficient conditions for promoting public interest oriented information. However, Zeller (1999:56) argues that "for every set of cases in which I am able to make plausible comparisons, higher levels of market competition are associated with lower levels of news quality". These arguments and the imbalance between reflective and open diversity create the need to bridge the divide through media policies for the sake of democracy through citizen participation.

Looking at the relationship between the two normative notions of diversity, Van der Wurff (2004) argues that in empirical studies, they can only coincide if audience preferences are uniformly distributed. This is not normally the case and preferences are dictated by several other factors including cultural backgrounds, predisposition to content and selective perception, among other factors. From his study of content diversity in the Netherlands, Van der Wurff (2004) argues that television broadcast market performs better when there is a balance between intra- and inter-channel diversity and open and reflective diversity.

At policy level, media diversity refers to the degree to which media content reflects and serves the various interest of the public (Karppinen, 2006). Both open and reflective diversity have informed media policy, and today forms a major component of political economy discourses of media regulation. The notion of open diversity is associated with European public service media model while reflective diversity is associated with private and market model of the United States (Van Cuilenburg, 2002).

This study uses the notion of programme types diversity to examine television content in Kenya. Van der Wurff (2004; 2005) gives a case for use of programme-types in diversity research. First, because television addresses diverse needs of various audiences in the market, it provides different types of programmes. These have become major focus of “scholarly and policy indicators debate” on media performance (Van der Wurff, 2004: 216). Secondly, he argues that programme-type diversity has been used by governments and media policy formulators to monitor and measure media performance.

Thirdly, it has been established that television viewers discuss television content in terms of programme-types, making programme-type diversity, “a valid interpretation of television diversity” (Van der Wurff, 2004:217). Fourthly, he concludes that “many academic, professionals and rating agencies have developed programme typologies and described and measured supply and consumption of content through programme types. Classification of programme-types are therefore relatively reliable, and consumption can be studied relatively easily over a long time” (Van der Wurff, 2004:217).

The use of programme-type diversity to measure audience interests and satisfaction (Napoli 1997; Einstein 2004) is said to be “the most objective criterion and the one that is most easily measured” (Fog 2004: 4-5). Some researchers have refrained from use, “what they would term as subjective quality measures” (Wildman and Owen 1985 in Fog, 2004). This study, like others previously, has focused on programme types as units of analysis but has gone further and classified the broad programme types into sub-categories to clearly evaluate diversity and the implications of increased competition on different programme sub-categories.

2.5 Media pluralism as a determinant of diversity in TV industry

This section examines the concepts of media pluralism and concentration, the form they take in media industry and their relationship with diversity of content and television programming. It explores determinants of pluralism and concentration and at the same time explains why they raise anxiety in the society. It also examines the limitation of

media pluralism and concentration in explaining diversity of content and contends that media diversity performance is a factor of many other factors. That even in situations where media ownership is pluralistic, they may not guarantee diversity of content. Finally the section shades light into the economics of television programming including competition and how this affects diversity of content.

Doyle (2002:12) defines plurality as the “presence of a number of different and independent voices, and of different opinions and representations of culture within the media.” Pluralism then denotes diversity of sources, specifically of media outlets. Article 10 of European Convention states that “media pluralism should be understood as diversity of media supply, reflected, for example, in the existence of a plurality of independent and autonomous media and a diversity of media content available to the public”¹⁶ (Doyle, 2002:12). The definition seems to suggest that for media to supply diverse content, two conditions are necessary. First, there should be many suppliers or media outlets, and secondly, the outlets should be autonomous. This implies that many media outlets that are controlled by one or a few media owners are not diverse and may not guarantee the supply of diverse content. Further, according to this definition, pluralism suggests both “diversity of ownership and diversity of output” (Doyle 2002: 12). Two more terms are sometimes used to distinguish the two. These are external plurality referring to diversity of ownership, and internal pluralism meaning diversity of content. For this study, plurality has been used in reference to diversity of ownership (and therefore opposite of concentration), while diversity of output has been used in reference

to content. Thus from European Convention perspective, pluralism requires diversity of ownership and diversity of content.

Plurality is also associated with political and cultural pluralism (Doyle, 2002). Political pluralism deals with popular participation in installing government to power through fair and open election process that must be based on information, opinion and ideas that are represented by the media from different angles and viewpoints (Aalberg & Curran, 2012; Curran, 2011; McQuail, 1992; Napoli, 2006, 2009; Van Cuilenburg, 1999;]). Therefore, any single voice or a few voices with power to propagate (through editorial directives) or market dominance, a single and narrow political viewpoint would threaten democracy (Doyle, 2006:12). McQuail (2005:197) underscores this view and posit that “the more, and more different, channels of public communication there are, carrying the maximum variety of [changing] content to the greater variety of audiences, the better”.

Cultural pluralism on the other hand calls for representation of diverse cultures and perspective in the media. Thus, content must be reflective of the interests of the various segments of the society including races, language and history. Exclusion of some segments of the society from the mainstream communication process is likely to threaten cohesion and integration and constrain the efforts to build a genuine nation state.

2.5.1 Media concentration logic in relation to TV industry in Kenya

Media concentration is seen as the presence of one (monopoly) or a few (oligopoly) media companies in the market (Howard & Chambers, 2006:364). This could be as a result of merges and acquisitions, or exit of competitors from the market among other reasons due to their inability to compete (Trappel & Meier, 1998:41). Viewing this from the media market perspective, Ferguson (1988:39 cited in Chambers & Howard 2006) defines concentration as “the extent to which production of a particular good or service is confined to a few large firms”. Using concentration ratio of either the top four companies or the top eight firms in a market, it is possible to measure concentration. If, for example the top four firms in a TV market, control more than 50% of the market revenue or audience share, or if the top eight firms control more than 75% of the revenue or audience share, such market is considered to be highly concentrated. However, this fails to address the inequalities that could exist between the TV channels in terms of market share. For example, using four-firm ratio, you could discover that one of the firms is a market dominant with over 35 percent market share while the rest three have a combined market share of 15 percent or five percent each. In such a case, one would conclude the market is concentrated although this fails to give a complete picture. Such market could be said to be less competitive compared to one where each of the four firms has a 10 percent market share. A more precise measure of concentration would use the Herfindahl-Hirschman Index which looks at both the number of channel and their

respective market share. This runs from 1 to near 0. Higher number indicates higher concentration (and therefore less competition). This is explained in detail in Chapter 3.

At the operational level, and from media economics perspective, media ownership concentration may take any of the following four configurations: horizontal, vertical, cross-media ownership, and conglomerate (Campaine, 1982; Doyle, 2002; Howard & Chambers, 2006). Horizontal concentration, also called monomedia concentration (Doyle, 2002:13), occurs when a media company joins a similar media firm providing a similar products in the same market. For example, two media television companies merging to form one company of multi-channel televisions network may lead to horizontal concentration. This form of concentration could also emerge out of natural growth or expansion of TV networks. This took place for the first time in Kenya in February 2001 when KBC started a second TV channel, the Metro TV, focusing on sports and entertainment. This, however, operated for five months before exiting the market. Nation Media Group established QTV in 2011, a Kiswahili-language channel focusing on the youth. The station focused on music, sport, creative art and innovation. This channel has steadily grown and is now ranked sixth in terms of audience share (Kenya Audience Research Foundation, 2013). Thus, structural changes through multichannel ownership has been minimal in Kenya. This could possibly be explained by the fact that the Kenyan economy is not be big enough to support many high cost media outlets such as TV. Doyle (2002) argues that the size of the economy is a major determinant of the number and size of media firms.

Secondly, vertical concentration occurs when two companies along the production chain of a product merge. This can be illustrated by, for example, a television company merging with a content producer, say, of programmes and film or with a distributor of television products through satellite or cable network. This form of ownership concentration has not emerged in Kenya.

Cross-ownership or multimedia concentration occurs when, for example, a newspaper company merges with television or radio companies. This is one of the most dominant form of ownership pattern in Kenya. This is attributed largely to business expansion as opposed to acquisition. Only Mediamax that acquired the People Daily, K24 TV and a number of FM radio stations would fall in this category. The Standard Media also acquired Radio Maisha. In effect, the growth of media corporates through acquisition is one of the major characteristics of structural changes in the Kenya's media industry. Important to note is that this media integration has expanded to the East African region with the Nation Media Group owning a TV station and a newspaper in Uganda, a radio station in Rwanda and a newspaper in Tanzania. Thus, structurally, Kenyan media companies have grown, integrated and become regional players.

The conglomerate perspective refers to a media company merging with another firm in a different or related market so that the company has multiple products in different markets. This slightly differs from cross-ownership because mergers or acquisitions could go beyond media industry to, say, telecommunications, publishing, marketing, etc.

Any of these media market structures could take place locally, nationally or internationally.

The axiom of media concentration debate vi-a-vis media diversity, whichever form it takes, reduces the number of independent and autonomous media owners and thus alternative voices, which in turn reduces content diversity the media can offer in the market (Doyle, 2002:13). In short, an increase in the media market concentration reduces the numbers of independent and autonomous voices and suppliers of information, which, by extension, constrains rather than expands diversity of socio-political and cultural content. Besides, concentration restricts freedom of choice, and information which ideally denies people the right to analyse issues of public interest and to make informed political decisions (Trappel & Meier, 1998: 40). This leads to the notion that the accumulation of economic and political power by a few media owners consequently disfranchises and excludes the minority in the society from informed decision-making (Doyle, 2002; McChesney, 2000; Mosco, 1996). The tension and contradictions between what is perceived as the negative effects of the commercial-orientated media power and the public interest media power forms the foci of critical political economy (Herman & Chomsky, 2002; Mosco, 1996). Thus from public sphere perspective, the multiplicity of media firms and growth in size of media companies, should not be seen as a panacea for and as an unequivocal benefit to the society particularly if such media outlets are controlled by a handful of people.

Moreover, as seen above, the relationship between concentration and diversity is not as straightforward. The argument that “higher level[s] of market dominance means fewer competing suppliers; fewer competing supplier implies less pluralism” (Doyle, 2002:12) implies a negative correlation between the levels of media concentration and programming-diversity. Indeed, Noam (2009:33) says that “historical evidence does not equate oligopoly with low content diversity”. Thus it can conversely be argued that large media companies in a concentrated media market may increase diversity particularly in multi-channel media system (Van da Wurff, 2004). Assuming that such media company operate in a large and wealthy media market with just a few competing media companies, it is likely to be cost effective in resource utilisation and generate resources through advertisement that could be utilised for innovation and new product development. Increase in new media product would ultimately mean increase in diversity (Doyle, 2002:12).

The substantive number of previous research on diversity ,as seen below, draws a positive correlation between media concentration and diversity (Burnet, 1992; Chipty 2001; Demers, 1998; Lee & Ya-Ching, 2007; Park & Sora, 2005; Sarria Li et.al, 2009; Van der Wurff & Van Cuilenburg, 2001). However, these findings should be looked into in context. The media structure and competition strategy adopted by media firms, the overall wealth of a nation, availability of electromagnetic spectrum particularly in analogue communication system, media regulation and policy framework, and the general political environment and its influence on media performance are other factors

that influence concentration and plurality (Bagdikian, 2004; Croteau & Hoyne, 2006; Doyle, 2002). Thus some forms of media segments are more concentrated than others. The cost of entry into a media industry would, for example, influence the number media firms in that industry. Television is more expensive to invest in as compared to radio or print. Thus, high cost media is likely to be more concentrated than low cost media. In Kenya, radio is more concentrated than television.

The distinction of concentration between media types as opposed to concentration across the mass media industry is now getting questioned in academic and policy circles (Hoyne & Croteau, 2006; Vizcarrondo, 2013). Given the on-going media convergence propelled by technology such as the Internet, cable and satellite, researchers suggest that concentration be examined across all media industries as opposed to a single medium (Noam, 2009; Van Cuilenburg, 2002). Justifying this approach, Jenkins (2008) argues that because media companies have grown in size through cross-ownership and convergence, media types that previously were not competitors are now business rivals. For example, online news now compete with free-to-air TV and radio. Thus, concentration of print media may not necessarily mean constrained diversity of content since firms under the same company distribute similar content albeit differently. Doyle (2002:107) therefore argues that an increase in size of media companies does not necessarily mean that ownership is concentrated. Ideally then, he questions the issue of revenue of the media industry as whole particularly when it is controlled by a handful of

owners. Thus advertisement revenue share becomes a fundamental measurement criterion for concentration.

Although the issue of cross-industry approach has been applied to concentration by scholars such as Noam (2009) and Albarran and Dimmick (2009), it has been criticized by others like Baker (2007 cited in Vizcarrondo, 2013). He argues that different cost structures, for example between different media types, as well as the size of geographical coverage would make it difficult to apply this approach. This is especially true in Kenya where the level of media integration and cross-industry ownership are minimal.

2.5.2 How media business logic shapes diversity of content

Media institutions are business, cultural and political setups. Thus, it is clear that media organisations simultaneously serve the financial needs of media owners and stakeholders as well as information needs of the citizenry (Croteau & Hoynes, 2006; Napoli, 2006). However, despite this multidimensional view of media institutions, the business and economic perspective of the media takes an overarching space in influencing media policy debate and decisions. Media companies, like any other business, are commercial in nature, and they work towards maximising value for their shareholders. They measure success using yardsticks such as audience numbers, advertisement revenue, profits, and cost reduction measures (Barkin, 2002; Doyle, 2006). Less attention is given to public interest oriented measure of performance such as quality and diversity of content. There

is therefore tension between media as a for-profit institution and media as a political and cultural institution interested in advancing genuine public interest goals. Whether it is possible to simultaneously accomplish the two imperatives is a question that commonly crops up. Are the two mutually exclusive objectives? At policy level, there has been a dichotomy between the competition policy logic for concentration by economists and public interest logic of political and cultural imperatives by governments and social scientists (Doyle, 2002; Croteau & Hoynes, 2006; Golding & Murdock, 2002). Given the rising commercialisation of the media market, many policy analysts have to contend with the fact that the economic perspective of media concentration marginalizes the public interest consideration (Croteau & Hoynes, 2006; Doyle 2002; Napoli, 2006). Echoing these sentiments, Ben Bagdikian (2004) opines that:

The reporting of news has always been a commercial enterprise and this has always created conflicts of interest. But the behaviour of the new corporate controllers of public information has produced a higher level of manipulation of news to pursue the owners' other financial and political goals. In the process, there has been a parallel shrinkage of any sense of obligation to serve the non-commercial information needs to public citizens (Bagdikian, 2004:190)

Thus, the efforts to reconcile and harmonise the two divergent perspectives is the central focus of media and communication policies and critical political economy of the media. It is for this reason that we examine how media concentration business logic and strategies influence and shape diversity of content.

In market driven economies, business institutions are concerned with the risks associated with competition. They, therefore, as much as possible, try to eliminate competitors so as to predict their profits. One way of reducing competition is through merger-acquisition strategies (Chen, 2002). Chen (2002) identifies a number of factors that give economic logic and accelerate concentration trends. First, large media corporations can easily raise capital to acquire competitors. Secondly, concentration generates high profits. Besides the business logic of media concentration, key drivers of this business strategy have been identified. Technology, the need to predict profits, the need for certainty in planning and the general tendency to compete and to be successful are some of the factors identified as key drivers of businesses in the contemporary world (Murdock, 1994).

From the foregoing, economic considerations, besides other factors such as policy and regulation, technology and competitive strategies adopted by media firms, are the most important factors shaping the structure and performance of any media industry. To understand how competition determines diversity performance in either concentrated or monopolistic TV markets,¹⁷ it is important we examine the concept 'competition'. This will lay the ground for subsequent discussion of competition strategies, models and theories that explains diversity performance in the TV industry.

2.5.3 Conceptualising competition in relation to diversity in TV

Industry

In conceptualising competition in the media, Dimmick (2006:349) differentiates between a firm and an industry. He defines an industry as “a population or group of organisations that shares many attributes in common” (Dimmick, 2006:349). He further conceptualises a firm as a business unit or organisation within an industry. Such firms are more similar and alike than those of a different industry. Thus free-to-air TV stations would constitute a TV industry while newspapers and radio stations would constitute newspaper industry and radio industry respectfully. Such industries have traditionally applied different technologies. competition thus “denotes the use of the same or similar resources by firms or industries” (Dimmick, 2006:349). He contends that most competition occurs within industries, for example, between TV stations in the TV and between industries such as radio and TV. Such firms or industries compete for advertisement revenue. This section focuses on competition between TV stations in the TV industry.

To illustrate how competition occurs in the media industry, Demmick (2006) uses the concepts of guild and domain. A guild is a group of firms in an industry that use a common resource such as advertising. Thus competition occurs between TV stations in a TV industry because of competition for such resources. It is within a guild that competition is most intense. This happens because, for the advertisers, TV stations in the guild constitutes an alternative or potential substitute for placement of an advert (Dimmick. 2006). The leading TV channel in terms of ratings (measured by audience

numbers) attracts advertisers. Domain, on the other hand, is viewed as a set of industries or media firms that serve the same or similar consumer gratifications or needs. Although TV stations serve similar needs and are thus perfect substitutes, they also compete for audiences. The two concepts thus define competition “as rivalry between firms or industries in the pursuit of scarce resources such as advertising expenditures or consumer time” (Dimmick, 2006: 351). In essence, a TV market would constitute two products usually referred to as a dual product market – the market for advertisers and the audience (Chambers & Howard 2006; Picard 1989). Thus competition for these two resources occurs at inter- and intra-industry, that is between firms in the same industry and firms in a rival industry. It is this dual nature of media product that distinguishes media business from any other and fundamentally determines the conduct and performance of competing media firms or industries (Chambers & Howard 2006).

Besides competition for audience and advertising revenue, the media competes to satisfy audience gratifications. Competitive strategies adopted by media firms are thus often geared towards outdoing their rivals. According to Doyle (2002), competition for these, particularly in a resource-limited economy that is also characterised by multiplicity of media outlets such as radio, TV, newspapers etc. is very high. Such economy is also likely to have very high media concentration. This is relevant to Kenya particularly because the economy is fairly small compared to, for example, South Africa which has more outlets across different media types and significantly low levels of concentration (Banda, 2007; Kupe, 2007).

As seen above, this study has adopted Industry Organisation Model (IOM) as a framework to explain the relationship between the structure of the media industry (concentration), and the conduct of media firms (TV channels) in terms of competition for resources and performance (diversity). Studies show that strategic decisions made by media firms depend on the structure of the market in which they are operating (Park, 2005). Thus different media market provides different performance, in our case programme types diversity. Four types of market structures have been extensively studied by economists under this framework. These are: perfect competition, monopoly, monopolistic competition and oligopoly. The Kenyan TV market, like in many other countries where media has been commercialised, is oligopolistic in structure. These issues and their effects on diversity of programme types are discussed further below.

2.6 Theories, models, and strategies of competition and effects on diversity

As seen above, an increase in the number of TV channels in a market, increases competition for advertisement revenues and audiences. Media economists have focused on this area as they seek to explain the various circumstances under which TV market offers less as opposed to more diversity, homogenous as opposed to heterogeneous programmes and soft as opposed to hard content in both monopolistic and competitive media markets. Various theories, models and competition strategies have been used to explain these market outcomes.

Among the crucial determinants of diversity performance in media industry are, the structure of the media market, specifically concentration levels, and the number of media firms, competitive strategies adopted by these firms and media regulation and policies prevailing in the industry (Porter, 1980; Sarrina Li et al., 2007).

In this study, channel concentration is treated as a determinant of diversity. The extent to which concentration of channels influence diversity of programme types is dependent on three major factors: the opportunities to increase demand by offering differentiated products, the use of differentiation for strategic purposes and the existence of economies of scale and scope (Van der Wurff, 2005: 254). The first factor is common in multi-channel media environment where different outlets offer different programme types thus avoiding duplication. Some stations, for example, could offer exclusive programmes for mainstream audiences with minimal combination of minority audience content, while the other could offer dominantly minority audience programmes. The aim is to take product differentiation as a competitive dimension offering programme types preferred by different market segments hence increasing audience market share. This optimises overall aggregate audiences for such broadcaster. However, this may not be an option strategy for a multichannel monopoly broadcaster. Such broadcasters, argues Van der Wurff (2005; see also Wildman and Lee 1989 in Waterman, 2006:399) may offer majority of its programmes in a single low cost channel hoping that audiences will switch over to dominant outlets. Monopolies may resist differentiation to increase the economies of scale (Van der Wurff, 2005:255). This argument thus suggests that concentrated

multichannel media environment increases competition, promotes diversity of content and enhances channel distinctiveness. Thus concentration in a multichannel media environment increases innovation and diversity (Alexander, 1997; Van der Wurff, 2005).

For strategic consideration, on the other hand, multi-channel broadcasters “positions their channels relatively close to each other in the product spectrum to prevent new channels from entering “in between” existing channels” (Van der Wurff 2005:255). This, in addition to audience maximisation initiatives, may mean that products are differentiated thus increasing diversity. This would be said of the Royal Media Services, a multi channel radio broadcaster that offers thinly distributed content in its 14 radio stations.

Finally, strategic incentives induce the multichannel broadcasters to duplicate mainstream content among its channels to block out new entrants. However, care should be taken not to offer as much replication as that of the rival channels. According to Lancaster (1990:203), moderated replication enables a station to offer programme types to minority audience “than a single channel competitor would” (Van der Wurff, 2005:255). This prevents entry of competitors into minority market and adds audience numbers. Van der Wurff (2005:255) concludes that “channels of multi-channel broadcasters will be more diverse than channels of a single channel broadcasters – although not as diverse as they would have been without the threat of new entry”. From the foregoing arguments, we could contend that concentration of channel ownership (in multi-channel broadcasters) results in increased open and reflective diversity than would

be among the single channel broadcasters.

In an oligopolistic media market structure such as Kenya's where a few large firms tend to dominate, there is a tendency of these firms to be mutually interdependent; they closely monitor the competitive strategies of their rivals and their likely impact on their business. When a competitor changes their business strategy, for example, other media firms in the market reacts to the change by altering their own business decisions and conduct. This gives rise to strategic interaction and imitation which leads to replication of programmes and therefore less diversity.

The role of the public broadcaster, on the other hand, would affect the diversity of programme types offered by the private commercial stations. In a market where PSB is vibrant and with imposed public service obligation of offering programmes such as documentaries, education and culture, news and current affairs, such media offers a wider range of combination of commercial and public interest programmes than purely private and commercial station (Noam, 2009). Using the argument of programme choice theory, Van der Wurff (2005:256) notes that "an increase in supply of minority programmes makes it less attractive for competing [commercial] channels to provide similar minority programmes. Hence, public provision of minority programmes crowds out commercial provision of at least some minority programmes" (Berry & Waldfogel, 1999 in Van der Wurff, 2005:256). However, this is not to say that private and commercial TV stations do not contribute towards the increase of open market diversity particularly where they provide minority programmes. As seen above, this conclusion is significant in this study

because the PSB is commercialised with no imposed mandate to provide minority programmes while the private and commercial channels have no obligation to provide public interest content. From this, it would mean that both commercial and PSB channels serve a similar market segments and they are not distinct.

2.6.1 Advertisement revenue as a determinant of diversity

Studies suggested that there is a close relationship between the wealth and size of the market in a free market economy and the size of the available resource for media spending (Doyle, 2006; Mortense 1993). Regardless of the funding sources, whether advertisement or public funding, the size of the financial support depends on the overall economic wealth of a country. Large economies have large media market and therefore have more vibrant media industry. McComb (1972 cited in Dimmick, 2006) in reference to USA, has demonstrated that the economy of a country influences spending on media. Although was contestable, with such as Demers (1994) and Wood (1986) (both cited in Dimmick 2006) questioning the idea that polices determine advertisement spending. They question the assertion that issues such as government control of advertisement spending has the most significant influence on advertising spending, and that an increase in national resource translates to a high disposable income for advertisers and consumers.

According to Doyle (2002:15-16), media companies require resources to innovate and develop distinct media products. The number of products developed will depend on the amount of resources available to “originate and distribute these media outputs ...

Larger and wealthier markets, with greater resources available for the provision of media, can afford a greater diversity of output than smaller markets” ” (Doyle, 2002:15-16). He also argues that in smaller market economies, there is a high tendency of media to be concentrated in the hands of a few media companies because such markets cannot support many media players. Though the problem of concentration is common in larger market economies, Doyle (2006:16-17) argues that “large firms will dominate [take larger market share] more easily in small than in large market”. He posits that many “small markets are dominated by a small number of suppliers, so that the impact of media concentration on pluralisms a more urgent question” (Doyle, 2006:16-17). This explains possibly why, in Kenya, broadcast and print media are concentrated in the hands of a few media companies compared to other relatively wealthier economies such as South Africa. It may also explain why concentration is higher in radio broadcasting which requires little initial investment than television.

The level of advertisement expenditure and the public financing of public broadcasters are directly dependent on the wealth of a country (Doyle, 2002: 15-17). There have been variations in gross domestic product in Kenya which from Doyle’s (2002) argument will influence the wealth of the media market in this case measure by amount of government funding and advertisement expenditure. However, it is important to note that government funding of PSB has been influenced not necessarily by the national economic performance but by national policy to commercialise the broadcaster. It is also important to note that advertisement revenue generated by television stations

may be divested into other media related or unrelated business particularly in cross ownership media structure. Cross subsidy of media business is common practice in the media industry. Thus, other variables besides advertisement revenue such as consumer tastes and preferences, content production technology, the structure of the industry, the number of media firms in the industry and competition strategies adopted all influence diversity.

Looking at diversity in Europe, Van Cuilenburg (2009: 254) observes that “an increase in number of TV channel in the market may not only result in an increase in market diversity of content but may also result in decreased audience numbers and lower advertising revenue per channel”. A decrease in revenue may compel broadcaster to change their programming strategy. They may be forced to cut costs by reducing expenditure on news and expensive programmes, investigative pieces and focus more on cheaper info-entertainment programmes such as talk shows, soaps and drama. In some instances, competing media outlets may resort to “re-running popular programmes more frequently” (Van Cuilenburg, 2009: 254) as a competitive strategy.

Looking into the same dynamic of funding and diversity, Picard (2001) and Noam (2009) argue that such cost reduction strategies may lead to the decrease of overall market diversity, channel distinctiveness, and may end up in a situation where all channels offer similar cheap, low cost and low quality products or “excessive sameness” (Hotelling, 1929:54 cited in Van Cuilenburg, 2009: 254). Creativity and innovativeness in the production of new programmes is also tied to financial and technical resources

available for this purpose. It is thought that the higher resources (revenue) a media house has, the more innovative and creative they will be in production of content.

Fog (2004) views content as the most important competitive aspect in media market. He says that the drive to make profits from a media product underpins the decision on the amount of resources to deploy to develop and transmit that product. Media firms competing for the same market niche may not be able to generate enough income to spend to generate quality media products and may end up developing a lower quality. This explains why in a fiercely competitive media market, limited income has implications on, for example, the quality of news. In such circumstances, firms are unwilling or unable to commit sufficient resources for investigative journalism, follow up of crucial news leads and to give critical background to sensitive issues. Competition leads to homogenous and low quality products. Studies have indicated that competition has negative consequences on quality (Blumler et al. 1986; Hjarvard, 1999; Lin 1995). Assuming conversely that sufficient resources will provide quality products and therefore attract a larger audience, an oligopolistic market structure may provide quality and diverse products.

It is against this background that this research investigates the variation in advertisement revenue especially for commercial broadcasters and PSB. The focus on advertisement revenue is justified because of the commercial orientation of media market and primacy given to economic performance. This study thus sought to establish whether different advertisement market share among different media companies influence

programme-types diversity. Further, it sought to establish whether this variable has some correlation with inter and intra-channel diversity and which programme types are affected more by changes in advertisement revenue. These findings have shed light into the debate whether commercialisation and pursuit for profits really sacrifices content of public interest.

We now focus on how funding of TV stations through advertisement influence the programme types diversity in the TV market in Kenya. As seen above, this is a key determinant of media performance.

2.6.2 Advertisement revenue and diversity in Kenya's TV industry

The number of mainstream TV stations in Kenya has steadily increased from three in 2000 to 5 in 2014. This growth has not been matched by funding. Advertisement revenue has increasingly been fragmented and shared amongst many other media outlets and platforms. This compels the media outlets to cut cost which affects some programmes requiring heavier spending such as in-depth journalism. TV companies now focus largely on low cost sensational content. It is thus important to note that although there is increased advert spending, the market share of TV stations has varied. Citizen Television, for example, controls an average of 52 percent of the advertisement revenue market. It has done this since 2007. The market shares for NTV and KTN, on the other hand, have been oscillating between 17 and 22 percent each, while K24 and KBC share the rest i.e. 14 percent. This variation notwithstanding, the actual size of the TV advertisement

market has grown steadily from Ksh13 million in 1990 to Ksh41 billion in 2014 (Kenya Audience Research Foundation, 2014). Going by Croteau and Hoynes's (2003) argument that innovation of new programmes may be related to financial performance,¹⁸ it would be interesting to establish whether Citizen TV has more new programmes and therefore diversity compared to the rest of the TV channels. Equally important is whether the programme types produced by both the market leaders and market laggards vary. Similarly, it is vital to establish whether there has been a change in overall content diversity with change in the size of the advertisement market and whether the size of the individual TV advertisement revenue market share influence their distinctiveness in the content offered. Van Der Wurff (2004) seems to have a different view and argues that an oligopolistic market (such as Kenya's) where one single channel dominates in terms of advert market share is less competitive and there thus less motivation to innovate and supply new content.

For KBC, direct funding from the Treasury has gradually decreased since it became a state corporation through the KBC Act 1988. It is, however, important to mention that PSB was commercial in both conception and practice even before this reconstitution. Thus the reconstitution just reinforced this orientation and made the pursuit for profit clearer. Although the entry of the KTN in March 1990 introduced competition for advertisement revenue, KBC dominated the market because of its national reach. Its revenue grew steadily to about Ksh1. 2 billion by 2002. However, with increased competition from the new entrants such as NTV, Citizen TV and the KTN the

revenue had dropped to Ksh400,000 by the end of 2004. It is thus interesting to establish whether the commercial orientation of KBC through legislation and financial performance has had any effect on diversity of content supplied. Given the public remit of the KBC as per the KBC Act 1988, we would expect it to be distinct in the supply of some genres such as the current affairs and cultural content compared to the purely private and commercial TV stations.

2.7 History, economics and characteristics of TV programming in

Kenya

The economic and profit driven media is not a new phenomenon in Kenya; it goes back to at least half a decade when VoK was transformed to KBC and required to raise funds through advertisement. Thus the tensions between commercial orientation and public service remit in broadcasting had already become a norm even before liberalisation and commercialisation of broadcast media in 1990. Remarkable difference between commercialised public broadcaster and private commercial media was that the latter was less assertive in pursuing profits, efficiency and productivity.

Today, major media firms are either publicly quoted companies, private limited companies or individual holdings. The Royal Media Services, which has maintained the lead in audience market share since 2007, and the Radio Africa Group are examples of individual holdings. The Nation Media Group, the second in market share control and The Standard Media Group, the third in market share size, are examples of public limited

companies whose shares trade at the Nairobi Securities Exchange. Regardless of the ownership structure, most Kenyan media companies as in USA and Western Europe, are for-profit and thus seek to grow profit through strategies such as cost containment, growing of audience numbers and a pandering to advertisers that make journalists timid (cf. Noam, 2009). This is not to say that they do not play public interest role through their programmes. What we see though is a significant tension between their profit motive and public service remit (cf. Mosco 2008).

However, the age of new media structure in Kenya can be said to have begun at the start of the 1990s when the clamour for multiparty democracy and eventual amendment of the “infamous” section 2A of the then constitution opened Kenya up for multiparty politics. In preparation of a fair coverage of opposition political campaigns, the opposition pushed for media independence and equitable coverage of the electioneering process by KBC radio and television. They also pushed for the liberalisation of airwaves and licensing of private broadcasters. This led to the founding of KTN in 1990 which introduced new programmes and styles of presentation hitherto unseen in Kenya. News was given more time, and was more analytical. Political news was given more time and emphasis largely due to the agitation for change and quest for more political space, competitive elections and popular suffrage. News from the growing political opposition got the opportunity to reach to Kenyans. Though limited in reach, KTN focused on the middle class and political elite driving the change process.

The second major change was the introduction of analytical current affairs

programme. KTN thus succeeded in raising consciousness on multiparty and competitive politics particularly among urban-based viewers. This was followed by western music and drama. These, however, were not aired during the primetime. The more conscious business class and multinationals started to sponsor popular programmes. And because of the rise in viewership, KTN attracted advertisers enabling it to expand its range of programmes. Besides, unlike the KBC, KTN introduces CNN news and programmes ranging from environment to health. Diversity grew significantly.

Although the KTN was able to break even and make profits, economic orientation was not its driving force. The desire, at that time, was to give an alternative voice and break away from the dominant and hegemonic political propaganda expounded and amplified by the state broadcaster (Obonyo, 2014).

After 11 years of waiting, the Nation Media Group got their TV licence and went on air in 2000. This was followed by Citizen TV in 2001. The two stations gave attention to development and political affairs content. This revitalised civic life and gave a platform for debate to civil society, interest groups, opposition political parties and labour movements. This set the political agenda for the growing number of active commercial FM radio stations such as the Citizen that led in interactive talk shows and debates. The change of political regime from KANU to the National Alliance Rainbow Coalition (NARC) in December 2002 ushered in new era of economic revival that saw Kenya's economic growth rise steadily to seven percent by 2007. The advertisement spend also rose from Ksh1.5 billion to Ksh5.9 billion (Kenya Audience Research Foundation,

2007).

The steady economic growth and pressure from advertisers in response to the new economic dawn, played a role in determining content. Citizen TV focused its strategy from the onset on local programming, giving more space and time to local drama and Nigerian film. This attracted audience. Consequently, Citizen TV led in audience market share (Kenya Audience Research Foundation Report, 2014). Competition between the commercial TV stations heightened, adopting low cost leadership strategy that resulted in homogenisation of content and little time allocation to current affairs programmes. The entry of the K24 television in 2008 introduced more analytical local news and regional based reporting.

By 2002, the subsidy from the government to KBC had been stopped. This forced it to resort to advertisement. This thinking was based on the need to adopt to market logic as well as the drive to make it self-sustaining. Relying on advertisement revenue certainly imposed certain limitations in the type of the programmes it could offer. The aim was to offer programmes, just like private and commercial media, that could attract a large audience and attendant advertising. This meant that content that was appealing to the minority and other interest groups was squeezed out of the programming schedules (cf. Nyamnjoh, 2005:266) while increasing the programme-types that would attract audiences appealing to advertisers. The irony was that, even for the selected audiences, absolute increase in number of programme-types resulted in narrowed diversity within these programmes. Moreover, the programmes were mainstreamed to target premium clients.

This reduced the variety of programmes reflective of Kenya's heterogeneous culture. Cultural representations in the PSB were, just like in commercial media, skewed towards the upper socio-economic market segment. Programmes that were common in the period before commercialisation were perceived as likely to reduce audience numbers and were thus eliminated. Thus, just like commercial broadcasters, most of the programmes were simple, emotion arousing, sensational and sexist at best. Hard content such as public affairs debates and policy issues, requiring public concurrence, were oversimplified or allocated little time to "avoid the risk of boring and losing audience" (cf. Nyamnjoh, 2005:266). As such, the commercial pressure to widen the audience base, the political pressure to be a representative voice for Kenya's diverse culture and professional expectations of the industry, constituted a complexity of constraints that have stopped KBC from becoming a genuine watchdog.

In essence, the liberalisation of the media in Kenya led to an increase in the multiplicity of media types and ownership. This also led to more 'independent' weekly publications such as the Finance, Society and the People Weekly. There were more radio stations at both regional and national levels. This also led to increased competition for audience and advertisement revenue both within and between different media industries, i.e. radio, TV and Print as well as between firms (individual outlets) in the same industry. Internet drove competition further by making it possible for different media types to transmit information in the same format. Hitherto different media targeting different audiences became perfect substitutes (cf. Dimmick, 2006). In addition, there were global

news network such as BBC and CNN. This increased media choice but led to audience fragmentation resulting in market pressure. Although these were positive developments, the pressure suffered by commercial media led to the marginalisation of the ‘poorer’ audience segments, those considered less valuable especially by advertisers (cf. Napoli, 2002, 2006). They thus focused on high-income audience and deliberately repelled low-income audience. This ultimately led to the emergence of a dual content market of content skewed towards the minority well-to-do audience (reflective diversity) as opposed to those of low socio-economic status (open diversity).

2.7.1 A Political economy of media policy-analytical framework of TV programming

This section attempts to answer two fundamental questions: What has media and communication policy been like in Kenya, and how should policies that support plurality and diversity look like? To answer these questions, it is important to begin with brief understanding of the meaning of media policy, and the forces that have shaped media and communication policy in Kenya.

David Hesmondhalgh (2002: 108) identifies three areas which constitutes media policy. These are legislation, regulatory bodies, and government intervention through subsidies aimed at providing universal access to communication and information resources to citizens. We use this framework to discuss media policy in Kenya.

As seen above, legislation in Kenya sets standards, conducts and rules of

behaviour under the broadcasting regulations and programming codes as provided for in the Kenya Information and Communications Act 1998 (and as amended in KICA 2013), and the Code of Conduct for the Practice of Journalism in Kenya under the Media Council Act 2013. These legislations are specific on aspects such as licensing conditions, competition, privacy and copyright, and the professional conduct of journalists and behaviour and conduct of broadcasters. They are subject to the constitution and court decisions. Secondly, under these legislations, the government sets regulatory bodies to operationalise these laws. The bodies also have the power to monitor and enforce behaviour and standards of media enterprises, media professionals and related players. As discussed above, the Kenya Information and Communications Act 1998 and as amended by the Kenya Information and Communication (Amendment) Act 2013 regulates the communication hardware (Article 34 (4) of the constitution) while the Media Council Act 2013 (Article 34 (5) is meant to “set media standards and regulate and monitor compliance”. The government also has set up initiatives to promote media services. Initiatives such as **the** Universal Access Fund under the Communication Authority of Kenya are meant to subsidise the production cost of content of public interest and in particular that which addresses the culture and aspirations of the marginalised poor. The fund is also meant to promote access to communication through Internet and related technologies.

However, the conceptualisation of policy seems to make a number of assumptions including the presence of constitutional provision for media freedom, consultative and

industry driven legislative process, independent regulatory bodies or even written and coherent policies. This is not the case particularly in Africa. Here, more often than not, media policies are a product of interwoven web of factors that are driven and shaped by national politics and changes of regime. Media policies and regulations in Africa are therefore as diverse as the political systems and leadership regimes (Siune, 2001). To therefore understand policy and avoid the risk of reductionism, and simplifying the complex, we should understand political changes including “colonial history, post-colonial realities, and post-independent development agenda” (Ugangu, 2015:3). It is for this reason that Mak’Ochieng (2015) gives a broad conceptualisation of media policy to include “all those principles-written or unwritten-around which there is evidence of public consensus and which then guide actions taken by government administration, legislative process and corporate bodies created to act in public interests- including the media itself.” The political factors Ugangu (2015) refers to are influenced by economic, technological and cultural issues. Thus media policies have little to do with the need neither to enhance public interest discourse nor to foster competitive politics and cultural inclusion. The need for policies is often driven by political, economic and commercial considerations. It is for this reason that the private and commercial broadcasters in Kenya opposed the first regulations that were produced by the Communication Commission of Kenya (CCK, now the Communication Authority) in 2007. They argued that CCK was not independent, and that the proposed regulations had an overarching and hidden hand of the government. For both political and commercial reasons, they opposed the

regulations because they touched on issues of broadcasting licensing conditions, including control of cross ownership and consolidation.

Kenya, therefore, does not have a media policy anchored on law, regulation and national development philosophy. Instead, the media issues are treated as an annex of the Public Communication Policy of 2013 and Information and Communication Technology policy. This reductionist approach has two consequences. First, media specific characteristics such as ownership and professional conduct that would influence supply of content by broadcasters are not addressed. Secondly, in the absence of such policy and therefore a laissez-faire approach to broadcasting programming, diversity of content has not substantially been influenced by policy since the liberalisation and commercialisation of broadcasting in 1990. This condition is more applicable to private and commercial TV station than the PSB, which is significantly controlled by the government. Thus there is likely to be significant distinction in terms of diversity between the PSB and the Commercial and private media enterprises with the former supplying more diversity than the latter. This is discussed further in Chapter four.

Looking at the centrality of policy in media regulation, it is important to acknowledge that even in the most advanced capitalist economies dominated by private enterprises and where free market in its ideal form is still given premium as the most appropriate way of distribution of resources, governments intervene to address challenges of competition, taxation and ethical practices (Hesmondhalgh, 2002; Noam, 2009). To check the excesses of political and economic power of the media enterprises in the

commercialised media environment, such enterprises must be built on a foundation of laws and policies. While we have a constitution that provides for media freedom and legislative laws that defines the nature of this freedom, the attempt by regulatory institutions to operationalise these freedoms through regulations have faced litigation challenges from private and commercial media enterprises. Thus the conduct and behaviour of such media enterprises is, to a large extent, not regulated save for a few licence conditions whose contravention by media houses is not enforced.

2.8 Political economy of PSB and programming diversity in Kenya

This section reviews the performance of the public service broadcaster against the normative imperatives of the media. It draws parallels with PSB models in Europe, United States of America and other African countries to understand diversity performance.

Noteworthy from a comparative analysis of PSB model across continents are marked differences in terms of policy. Historically, liberal democracies such as Britain, Canada, Australia and Japan took a different communication and media policy path from that of the USA. In these countries, broadcasting is often managed as public utility and is funded by the public. In the USA, radio and TV are loosely controlled particularly because of the neoliberal commercial logic. PSB is positioned as an important supplement to the dominant private and commercial broadcast media, and consequently weakly regulated.

The Kenya Broadcasting Corporation (KBC) was formed in 1961. In 1964, it was converted into a department of the Ministry of Information and renamed the Voice of Kenya (VOK). In 1989, through the Kenya Broadcasting Corporation Act, VOK reverted to Kenya Broadcasting Corporation to run a national broadcasting TV and a number of local radio stations.

From the beginning, the broadcasting system in Kenya was modelled along that of the liberal democracies of the west and therefore expected to reflect the characteristics, structure and logic given by Blumler (1992). First, it should be accountable to the public through appointment of the board and leadership by the government. Secondly, income raised through television fee charges and advertisement among other sources of income should be ploughed back to programming, unlike in private and commercial media where such income is treated as dividend for shareholders.

Thirdly, content should reflect the needs and aspiration of the people in terms of balance and ethical reporting such as fairness and obligation to provide educational and information content in the entire county. Finally, it should aspire to meet cultural tastes in a manner that espouses a “comprehensive public remit” (Blumler, 1992:8) and therefore unlike the private and commercial broadcasters where audiences are addressed and treated as consumers, in public service broadcast, audience should be viewed and treated as citizen. The content supplied by the PSB should therefore be pluralistic and diverse and reflective of the diverse culture of the citizens and different political and social ideals and opinion. Its aim is to encourage dialogue in public discourses and political

participation. To use Blumler's (1992:12), "PSB assumed some responsibility for the health of the political process and for the quality of public discourse generated within it".

Looking at PSB in Kenya against the framework given by Blumler (1992), Ugangu (2015:3) contends that there are significant variations between the normative and practice of PSB in Kenya which reflects "contested relationship between the centre, political and social elite, and the periphery, the rest of the Kenyan society". Thus beyond the dictates of the supranational trends of neoliberal call for commercialisation of public service entities, the performance of the PSB is highly dictated by short term political interests (Ugangu, 2015; Obonyo, 2014). Beyond this view, however, it is important to understand the evolution of the PSB television in Kenya and how it influenced diversity.

As mentioned above, the Kenya Broadcasting Corporation was adopted as the national broadcaster and operated as a department of the government ministry concerned with information and communication. It was a public monopoly purely funded by the exchequer.

Although the KBC Ordinance No. 24 of 1961 seem to exclusively deal with the matters of the appointment of the Board of KBC, Mak'Ochieng (2014 cited in Obonyo, 2014:9) contends that it also "specifically required that the corporation provide an independent and impartial broadcasting service of information, education and entertainment and keep fair balance in all respects in the allocation of broadcast hours between different political viewpoints". Though one would quickly conclude that KBC expounded on political ideals of diversity of opinions and ideas,

there was unofficial overbearing on its role as a state institution. Mak'Ochieng (2014 cited in Obonyo, 2014:9) argues that KBC was authoritarian from the beginning and exclusively a state organ. He quotes Tom Mboya, the then Minister for Justice and Constitutional Affairs, who soon after independence offered that the "government intends to use the Voice of Kenya for the purposes of building, strengthening, consolidating the new nation of Kenya, and educating its citizens to understand its duties, their responsibilities, their privileges, their opportunities and the role they can play in making the nation what all of us want it to be".

Perhaps what KBC came to be was summarised by the Strategic Research (2011) which notes that:

The Kenya Broadcasting Corporation was transformed into the Voice of Kenya at independence and then again into Kenya Broadcasting Corporation in 1989 when the pressure to liberalise the economy was brought to bear; however, it was mainly a government mouthpiece, and dissenting voices were shut out while those in power got time on national radio and television to talk to wananchi (citizens). Gradually, in the years following independence, the Voice of Kenya transformed into a propaganda department for the state – a complete deviation from the purely developmental goals it was supposed to play in the fight against poverty, disease and ignorance (Strategic Research, 2011:18)

Thus between 1961-1989, "KBC became an absolute government mouthpiece, the foster child for authoritarianism" argues Obonyo (2014:9).

Starting with Tom Mboya, the Minister of Information in every successive government had a pronouncement on the expected role of the national broadcaster. Reacting to seemingly independent media, Mboya (1970:140) questioned the

compatibility of media freedom with '*the challenges of nationhood*' and questioned whether it included the "licence to do and say what they please, even if it means directly or indirectly wrecking all our efforts at consolidating our dearly won independence or our efforts for economic reconstitution?" Fifteen years later, President Daniel Arap Moi's Minister for Broadcasting, Peter Oloo Aringo, said that "freedom is limited by our national philosophy of promoting national unity, national integration, socio-economic development and our cultural heritage".

The role of the KBC was therefore conceptualised as a tool for building of nation state, social mobilisation to rally people behind the national motto of Harambee under the KANU regime to consolidate diverse ethnic interests and create a harmonious co-existence. It was further viewed as a tool to reconstruct and Africanise government administrative and political structures, to maintain diversity and support the various state building and civil projects and to educate and provide cultural content. These were major priorities in the first post-independent decade. This public broadcasting role was shared with most of the European countries function of the early 1980s, before commercialisation (cf. Verstraeten, 1996).

In principle, VoK had to be a national broadcaster available to all communities in the country in order to foster national identity, inculcate virtues of hard work for national development. Like many other countries in Africa, it was tacitly accepted that the government should regulate such a broadcaster. This view was similar to that of Europe and America before neoliberalism where radio was perceived as being very powerful and

influential in politics and therefore highly regulated. Thus programming, scheduling and content was determined by the government and over 98 percent of content was supplied by the Kenya News Agency (KNA)¹⁹ to ensure that it was in tune with Moi's clarion call and philosophy of '*peace, love and unity*'. With the reconstitution of the then VoK into a commercial entity owned fully by the government, direct funding from the exchequer was gradually stopped while its revenue base was expanded (as per the KBC Act 1989) to include advertising, licensing fees from television users and dealers including repairer, and letting out of facilities to people to produce content, among others. The conceptualisation of KBC reflected the general drift of global trend towards marketisation of many state enterprises and related areas of public policy. This was also an attempt to modify the state broadcaster into a public broadcaster with some level of autonomy.

Thus PSB in Kenya before the 1990s meant government ownership and control. It meant public support and minimal private funding by way of advertising. It ran both television and radio, which almost had a national coverage. The national radio was characterised by rationing of airtime for different ethnic communities while most of the programmes were elite driven. There was slow adoption of new media technologies including use of computer in programming. These characteristics were shared by many public broadcasting across Europe as well (cf. McQuail: 111). This changed radically after 1990.

The fully commercialised PSB grew its revenue significantly and by 1995, its

accumulated annual revenue was 1.2 billion shillings²⁰. However, given the rising competition for audience and advertisement revenue from the first private and commercial TV station, the KTN, and given the tightly controlled programming and scheduling by the government, the PSB could not fully adopt a commercial model comparable to KTN's. Consequently, KBC revenue fell considerably and, by 2002, it was generating an annual revenue of about Ksh400,000 only. To respond to this competition, KBC adopted a multi-channel ownership approach²¹ by introducing Metro TV channel to provide more market driven content such as movies, music and sports and other entertainment content. This targeted the middle class and a youthful audience with Western programmes such as music, movies and sports. Constrained by resources to buy western content, management challenges and the growing lethargy among Kenyans on monotonous and less appealing content, Metro closed down just after 6 months of operation. By this time, Kenyan audience had been introduced to Western content by the KTN. Besides more analytical local political news, KTN had introduced foreign news through CNN, western music and related culture programmes.

Up to 2002, the PBS was tightly controlled by the government in terms of management and programming. It had a strong relationship with the political institutions and state apparatuses. Appointments were made by the government, programming and scheduled reviewed by the Ministry of Information officials. Content was significantly restricted to government official statements, and activities of political parties and state functions. Current affairs programmes were synonymous with government affairs.

However, there were significant local content in agriculture and community development. Granted, it was highly skewed to demonstrate the ‘benevolent’ role of the government and the ruling party in improving peoples’ welfare. It was highly criticised by civil society and emerging opposing parties particularly because of its pseudo-fairness and balanced coverage of programmes such as current affairs. Thus the programme style and genre were only slightly mixed and diverse. There was slight diversity in development content that encouraged development of local content such as drama. This was, however, sometimes completely banned from TV screens when viewed as morally and politically unsuitable.

In the second decade of liberalisation and beyond (2000-2014), KBC was intensely dismantled and delegitimised. With the exit from power of the KANU regime in 2002, the new government delinked itself from the KBC which was perceived as stifling the dissenting voice of the opposition in the earlier decades and particularly between 1990-2000, a period associated with the struggle for second liberation in Kenya. The government fully withdrew direct state funding that supplemented the broadcaster’s internally generated revenue. Two more private commercial TV stations, the CTV of Royal Media Services and Nation TV of the Nation Media Group were licensed after protracted struggles and court battles with the then KANU regime. The relaxation of broadcasting licensing procedure through the formation of the Communication Commission of Kenya (CCK) under the Kenya Information and Communication Act 1998 opened the door for the establishment of more private Commercial TV stations.

The deregulation of broadcasting was supported by the new political regime. The wave of commercialisation and marketisation swept Kenya more intensely and broadcasting business strategy including programming, scheduling, ruthless cost cutting, content format and genre was modelled along Western models. Cross ownership, consolidation and mergers became more apparent leading to concentration of broadcasting under six broadcasting companies by 2014. The result is that by this period, Kenya had one of the most marketised television broadcast system in the region (Obonyo, 2011). This trend marginalised the PSB TV whose audience market share in 2014 was 7 percent (Audience Research Foundation, 2014)²². The more PSB relied on audience numbers, demographic characteristic and advertisement to survive, the more it resembled the commercial broadcasters in programming and format of content. In general, therefore the new broadcasting structure as well as political changes significantly influenced diversity performance in Kenya's TV broadcasting market.

2.9 Conclusion

From the discussions above, it is clear that concentration, and the strategic competitive behaviour of media players have significant influences on diversity of content. This is in addition to other factors such as media policy and regulations, the size of the revenue generated through advertising, technology and audience tastes and preferences. Given that these factors vary from country to country, diversity performance of the TV industry

are country-specific and can also be tied to the historical transformation of the media and related political power.

Related to this is the fact that demonopolisation of media through liberalisation of airwaves and the emergence of private and commercial media should not be “romanticised” and viewed as the panacea for “plenty” and plethora of diversity content. The pursuit for profits by the new media businesses puts significant pressure on media managers to provide content that is sometimes trivial and homogenised. The profit logic influences the strategic thinking in supply of content leading to shrinking of content of non-commercial nature that is reflective of quest for public citizenship. Thus an increase in multiplicity of media outlets does not guarantee diversity of content for viewers.

Thirdly, and related to the above is the tension between public interest view of the media and commercial imperative of profit making. The two media objectives seems to be divergent and mutually exclusive and the debate in media policy and regulation is how to reconcile them and create a media system that reasonably serves people’s political, economic and social interests.

Finally and related to the above discussion is the importance of critical political economy in the offering the interpretation of media performance in relation to historical circumstance in which media operate, political power, media ownership and issues of social justice and democracy in society. However, the analysis has also demonstrated the limitation of critical political economy in providing facts and evidence of media performance. Thus this study has recognised that media management and economics

approach to media performance could provide sufficient evidence on how media structure and influence programme types diversity thus offering a critical political economy perspective, facts and figures for discursive purposes. Thus the approaches are complementary and offer the necessary grounding upon which this research is built.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter discusses the research methods used in this study, the research philosophy, design and frameworks for the collection and analysis of data. This also includes the identification of the population of study, research sample and sampling process, the operationalisation of research variables, measurement and data analysis models.

The study employs three research methods, namely content analysis, document analysis and in-depth interviews. Content analysis, in-depth interviews and document analysis were undertaken in attempts to understand the relationship between media concentration, funding, media laws and regulatory framework, and competitive strategies adopted by different television stations and diversity of content in the television industry in Kenya.

Television programme schedules for the five leading television stations in Kenya were examined using content analysis. These schedules were published in two leading daily newspapers, namely *The Standard* and the *Daily Nation*. The study considered schedules published in the *Daily Nation* because all the copies sampled for the study were available at the Nation Media Group library and the Kenya National Archives in Nairobi.

In-depth face-to-face interviews were conducted with the key informants. Managers in charge of scheduling of programmes, heads of television stations, editorial directors and chief executive officers were interviewed. The aim of these interviews was to gather information on their competitive strategies particularly on entry of new television stations in the market and their views on media laws and regulation in relation to how they influence programming decisions and consequently effects on diversity of their content. Semi-structured questions were used in interviewing respondents.

Thirdly, the research critically reviewed available documents on media laws, polices and regulations governing the broadcasting industry in Kenya. To do this, media development has been historicised in Chapter two. This looked, as seen above, at structural changes in the television industry including commercialisation and marketisation trends, liberalisation of airwaves and their implications on diversity.

These multi-method approach was useful in two ways. First, while content analysis provided evidence of diversity in content, it could not give explanatory reasons for this quantifiable measure. This was given through analysis of documents and literature around the subject and by views expressed by respondents through interviews.

3.1 Research philosophy

Research philosophy relates to the development of knowledge and the nature of that knowledge, and contains important assumptions about the way in which researchers view the world (Saunders, Lewis & Thornhill, 2009). There are two main research

philosophies or epistemology that underpins research in social sciences. These are positivism and phenomenology (Coffey & Hollifield 2006: 574-575).

Positivism is a philosophy of science that seeks facts of social phenomena with little regard for the subjective status of individuals. Positivism is objective in nature and believes that the researcher is independent from that which is being researched. According to Hargrove (2004), positivists believe that only phenomena, which are observable and measurable, can be validly regarded as knowledge. They try to maintain an independent and objective stance and argue that reality is precisely determined through reductionist and deterministic measures without consideration of various differences, including those that are cultural, social, ethnic or economic. Hargrove (2004) further observes that in a positivist approach to knowledge generation, humans are considered a part of the natural world and may be measured the same way as other natural elements.

According to Patton (2002), positivism is concerned with correspondence with the real world, the truth as an objective reality, impartiality, confirmability, consistency, dependability, and the explanation of regularities. Saunders, Lewis & Thornhill (2007) point out that positivism adopts a natural science stance where phenomena that can be objectively observed will lead to the production of credible data. Consequently, existing theory is used to develop hypotheses which are then tested and confirmed, in whole or part, or refuted, leading to the further development of theory, which then may be tested by further research. Saunders, Lewis & Thornhill (2007) further observe that in the

positivistic approach, research is undertaken, as far as possible, in a value-free way with the assumption that the researcher is independent of and neither affects nor is affected by the subject of the research (See also Beam, 2006: 524-525).

The other research philosophy is phenomenology which refers to the way in which humans make sense of the world around them. It is a philosophy of science that focuses on immediate experience, open and unstructured interviews, and introspective reports where the researcher is part and parcel of the phenomena (Saunders, Lewis & Thornhill, 2007). Phenomenology is essentially the study of lived experience or the life world (van Manen, 1997). Its emphasis is on the world as lived by a person, not the world or reality as something separate from the person (Beam, 2006; Valle et al., 1989). This inquiry thus poses: “What is this experience like?” as it attempts to unfold meanings as they are lived in everyday existence (cf. Lavery, 2003). Polkinghorne (1983) identified this focus in trying to understand meanings of lived human experience. The ‘lifeworld’ is understood as experience pre-reflectively, without resorting to categorisation or conceptualisation, and quite often includes what is taken for granted or those things that are common sense (Husserl, 1970). The study of these phenomena intends to return and re-examine these taken-for-granted experiences and perhaps uncover new and/or forgotten meanings. Phenomenology is further concerned with the study of experience from the perspective of the individual, ‘bracketing’ taken-for-granted assumptions and usual ways of seeing things.

Laverty (2003) argues that epistemologically, phenomenological approaches are based in a paradigm of personal knowledge and subjectivity, and emphasise the importance of personal perspective and interpretation. As such, they are powerful for understanding subjective experience, gaining insights into people's motivations and actions, and cutting through the clutter of the taken-for-granted assumptions and conventional wisdom. Phenomenological research thus overlaps with other essentially qualitative approaches including ethnography, hermeneutics and symbolic interactionism. Pure phenomenological research seeks essentially to describe rather than explain, and starts from perspective-free hypotheses or preconceptions (Husserl, 1970).

From the foregoing postulations, this study combines both positivist and interpretivist research philosophies and views the two approaches not as mutually exclusive but as complementary. This combined approach, also referred to as 'multimethodology', allowed the research to draw from a wide range of knowledge traditions upon which to base theoretical arguments as well as discursive discourses of social, cultural and political effects of the findings of diversity in society (cf. Picard, 2006). The discussion of effects has been built on the findings of the dominant positivists traditions and thus enrich the study. The application of the combined approach in research is supported by Lyytinen and Klein (1985) and other scholars such as Banville, (1992), Galliers (1991, 1993, 1994) and Lee (1991). In support of this approach in a single research, Minger & Gill (1997) argue that it gives a richer understanding and more thorough investigation of a research problem because different paradigms focus on

different aspects of reliability. In order to increase reliability and validity, and hence generalisability, the quantitative measure of content in this study has been triangulated with interviews with key informants as indicated above. Thus in-depth interviews were used to gather evidence on behaviour and conduct of the media firms to explain diversity pattern. Triangulation not only validates the two types of evidence but also helps by looking at the relationship between media conduct and diversity evidence. As Picard (2006) posits, interpretivist traditions are critical in the discursive aspects of the results of such a study and as far as the critical analysis of economic, cultural and political bases of media institutions are concerned. Beyond the quantitative data giving evidence on diversity, it also helps in understanding the history that has generated the qualitative data. Understanding historical perspective of market structure is possible from experiential perspective of media professionals as well as in understanding the implications of qualitative data and forecasting or predicting the possible social cultural implications of diversity.

It is the view of this study, therefore, that in examining media diversity, no one research paradigm is superior. What is important is to recognise their individual strength(s) within the context of the study. In this sense, Robey's (1996: 406) views on research paradigms discourses are very enriching and supportive of the decision to apply combined methodology in this study. He states that:

... [T]heoretical foundations for research and specific research methods are justified by research aims, purposes. They should not be chosen because they conform to dominant paradigm or because the researcher believes in

their intrinsic value. Rather theory and method are justified on pragmatic grounds as appropriate tools for accomplishing research aims (Robey, 1996:406).

3.2 Study design and scope

A research design is the plan, structure, and strategy of investigation conceived so as to obtain answers to research questions. According to the positivists' approach, discussed above, a study design should provide confidence to the scientific community that the findings derived from following the design, capture the reality and possess high levels of reliability and validity (Kerlinger, 2007). Essentially, research design clearly outlines the possible conclusions the investigator can reach by specifically outlining or suggesting the statistical tests that can be made.

Cooper and Schindler (2003) offered a classification of research designs based on the degree to which the research question has been crystallised – exploratory or formal. These are; the method of data collection (monitoring or interrogation/communication); the power of the researcher to produce effects in the variables under study (experimental or ex post facto); the purpose of the study (descriptive or causal); the time dimension (cross-sectional or longitudinal); the topical scope (case or statistical study); the research environment (field, laboratory, or simulation); and the participants' perceptions of research activity (actual routine or modified routine). However, Cooper and Schindler (2003) observe that no simple classification system that can define all variations of research designs that must be considered by a researcher.

The chosen research design for this study is longitudinal study. This design is appropriate because of the purpose of the study, the scope, time period over which the data will be collected, nature of data to be collected and the type of analysis to be performed. The main purpose of this study is to explain how levels of concentration and levels of funding influence programme-type diversity of the five top television channels over a period of 21 years (Sampled between 1965-2014). This design offers an opportunity to collect data across different television stations and analyse through content approach to establish the causal relationship. The topical scope for this study is breadth rather than depth. Given this fact, the longitudinal study offers the platform to gather sufficient data on trend of variation of variables and their relationship. Trends analysis is ideal due to its descriptive nature and ease of presentation, and aid in analysing the performance of television channels in the media market. Examples of trend analysis in the study of diversity have been discussed further in content analysis section of this chapter. However it suffices to mention a few here. The works of Van der Wurff (2004), who analysed television broadcasting schedules in Netherland for a twelve year period of 1988 to 2000, McDonald & Dimmick (2003) analysis of prime time programmes appearing on network radio for 30 years from 1926-1927 through 1955-1956 in the USA and in Africa, Osei-Hwere (2008) in her study of Children's TV in Ghana that sampled television broadcasting schedules from 2001 to 2004.

With respect to the time period over which data will be collected, which is more points in time across the various television stations, longitudinal study is appropriate in

capturing data in a snapshot of one point in time. Further, it is appropriate because the descriptive data collected was accorded statistical treatment to allow for testing other similar studies and come up with objective conclusions. The 21 years data selected from 1965-2014 was appropriate because to determine trends, it is important to cover several years. If a period is too short, observed changes may be merely a temporary blip” (Noam, 2009:49). Further this period corresponds roughly to the 50 years Kenya has been independent. So it is a study of media performance in the postcolony.

3.4 Content analysis

The use of content analysis research approach in social science is not new and can be traced back to the early 20th century among the political scientists who focused on the influence of propaganda and persuasive messages (Lasswell, 1927; Lasswell & Leites, 1959 cited in Riffe, Lucy & Fico, 2008:118). Though this early research was informed by the ‘powerful effect’ model dominant at the time, where media was believed to have a powerful and uniform effect on audience, a shift to contingent or limited effect focusing on use and interpretation of messages and their relationship with their knowledge attitudes, beliefs and opinions (Riffe, Lucy & Fico, 2008:118), the importance of content analysis did not change. It has widely been used in understanding how people interpret and use messages.

Berelson (1952:18) defines content analysis as “... a research technique for the objective, systematic and quantitative description of the manifest content of

communication”. Holsti (1969: 14) adds that content analysis helps to make inferences only when specific characteristics of messages are objectively and systematically identified, emphasising the importance of reliability in coding as well as validity in the use of content analysis technique.

This study has applied content analysis research method because of its strengths on theoretical, scientific and methodological nature relevant to the empirical investigation of this study. First, researchers who have applied content analysis argue that it is reductionist and allows the employment of procedures that reduces the amount of data too large for qualitative analysis but which can easily be analysed through quantitative measurement (Riffe et al., 2008:120). In other words, it is a more appropriate research approach when investigation is focused on the analysis of, “documentary evidence whose volume is beyond the investigators’ capacity for examination” (Riffe et al., 2008:120). This study agrees with this argument in the sense that it aims to investigate programme type diversity covering 21 years, giving rise to over 8,400 television programme schedules for consideration and close to 230,000 genres for coding. This data is too large for qualitative analysis.

This argument has however been criticised by some scholars arguing that content analysis tends to over emphasise frequency of occurrence of certain content even though one single communication symbol whose occurrence is limited could be more significant. This argument would hold for studies whose aim is to analyse the “latent or connotative meaning given by individuals to symbols” (Riffe et al., 2008:120). However, it would not

hold for a study such as this whose aim is to analyse the manifest content. The choice of this research design was based on the fact that “scientific objectivity and the need for reliability of measurement requires that content analysis coding be limited to manifest content and latent meaning analysis be permitted at the interpretive stage” (Riffe et al. 2008: 120). Offering one of the earliest definition and use of content analysis, Berelson (1952:18) also notes that content analysis is “manifest content of communication”.

The second argument for applying content analysis in this study is its suitability on carrying out longitudinal analysis and tracking changes of diversity as a factor of concentration, funding, policy and regulatory changes, competition between media houses and the role of the economy in general (Barley, Meyer & Gash, 1988). Thirdly, use of content analysis is useful in multi-method research approach, “that use different methods to increase the validity of results that could otherwise be impacted negatively by method biases” (Osei-Hwere, 2008: 103). As seen above under research philosophy and design section, this study uses multi-method approach namely in-depth interviews, analysis of programme schedules and document analysis. Content analysis, therefore, fits within this approach.

Content analysis approach has been used in diversity studies in television and radio markets. McDonald and Dimmick applied content analyses in their study of prime time programmes appearing on network radio for 30 years from 1926-1927 through 1955-1956 in the USA (McDonald & Dimmick, 2003). Van der Wurff (2004) analysed programme scheduled in his study of competition and viewer’s choice in television

broadcasting in Netherland for a twelve year period of 1988 to 2000. He also analysed competition, concentration and diversity of TV content in 8 countries in Europe (Van der Wurff (2005). Beam (2006) studied 309 articles in two media journals, namely the *Journal of Media Economics* and *International Journal on Media Management* and found out that 15 percent of 185 the articles used the quantitative approach, and 15 percent applied content analysis. In conclusion, the use of content analysis is universally acceptable research approach in the study of programme types diversity and allows for the application of rigorous statistical techniques to demonstrate or give evidence of media performance. Its use, therefore, in the analysis of the television programme schedules for the five leading television stations in Kenya gives statistically valid data to answer the research questions relating to the relationship between television market concentration/competition, funding, media regulation and strategic and programme scheduling and diversity of content.

3.5 Population of the study

This study has used broadcasting programming schedule of the five leading TV stations as the population from where the sample has been drawn. This study focuses on programme types supplied during primetime only (7.00 pm-midnight) and is similar in this respect to studies by Li and Chiang (2001) and Van der Wurff (2004). The selection of prime time is based on the fact that this is the most competitive slot of television programming and investigation of concentration, funding and diversity would effectively

be carried out by limiting the scope to this slot.

The programme schedules were obtained from the Kenya National Archives, which has preserved the historical information for Kenya. These schedules are normally carried in the mainstream newspapers. For this study the schedules carried out in the *Daily Nation* newspaper were selected. The schedules for 1965, 1975, 1985, 1989 and 1991 were obtained from the Kenya National Archives, which was the only institution that had organised storage of records including newspapers. The rest of the schedules from 1999 through to 2004 were gotten from the *Daily Nation* Library. Some TV stations had their most recent schedules online. We verified the authenticity of these programme schedules by comparing them with those run in the newspapers and were satisfied that they were consistent. In total schedules for 21 years, a period between 1965 and 2014 provided the population from which the samples were drawn.

Programme schedules have been used in diversity studies across United States of America, Europe, Asia and Africa. In their study of television diversity in Denmark, Sweden and Norway, Lund and Berg (2009) analysed programme schedules for televisions across the three countries from 1988-2006. Park (2005), in his study of competition and programming in television broadcasting market in Korea, analysed 8,872 programmes for three television stations sampled in the study period of between 1989 to 2002. Sarrina Li et al. (2001:111) in the study of television in Taiwan, analysed 44,472 programmes sampled in the seven years study period of between 1966 and 1991 through to 1996. Litman (1979) analysed 810 programmes, all regularly scheduled during prime

time on broadcasting television network (Seo, 2004). Van der Wurff (2004), analysed programme scheduled in his study of competition and viewer's choice in television broadcasting in Netherland for a twelve year period of 1988 to 2000. He also analysed programmes for 5-16 years in his study of concentration, competition and diversity in European TV market (Van der Wurff, 2005). MCDonald and Dimmick (2003) analysed prime time programme appearing on network radio for 30 years from 1926-1927 through 1955-1956. In Africa, Osei-Hwere (2008) in his study of Children's TV in Ghana, sampled television broadcasting schedules from 2001 to 2004.

Suffice to say, therefore, that a programme schedule is generally accepted as population of the study while programme-type is accepted as a unit of analysis in media diversity studies (Sarrin Li, 2001).

3.6 Method and dataset

The study utilised 21 years programme schedules running between 1965 to 2014 as source of data. The years 1965, 1975, 1985 were selected to assess the performance of the PSB at an interval of a decade and to relate this to different political, economic and legal landmarks that took place in Kenya at the time. This addresses the theoretical and conceptual framework that argues that beyond institutional factors, national factors also influence media performance. The understanding of how national factors affected the performance of PSB as a monopoly before the entry of the first private commercial TV station the KTN in 1990-was useful when compared to its performance in 1991 through

to 2014, a period of full broadcast liberalisation and increased competition from private free to air commercial TV stations in Kenya. This laid the ground for comparison between²³ PSB diversity performance before liberalisation of airwaves and PSB after commercialisation and marketisation of media in Kenya. For close comparison of PSB diversity performance between these two periods, two base years were selected. These were 1989, one year before the entry of KTN in March 1990, and 1999 before the entry of CTV and NTV.

The period after liberalisation also coincides with the transition period of the KBC from a government department to a state corporation through the Kenya Broadcasting Corporation Act 1988, that may have redefined its role, its relationship with the government and therefore its performance. Indeed the transition of PSB to state corporation with business orientation, triggered full-scale commercialisation to meet the sustainability requirements of the Exchequer.

While 1991 to 1999 would be considered as a period of moderate competition given the near monopoly of the PSB, 2000 to 2014 would be viewed as a decade and a half of stiffer competition and a period when the broadcasting and telecommunication laws, the Kenya Information and Communication Act 1998 and the Kenya Information and Communication Amendment Act 2009 continued to further redefine the media landscape. This included the separating of telecommunication industry from broadcasting regulation and introduction of statutory regulation model of the broadcasting industry through the Media Act 2007.

Indeed, operationalisation of the Kenya Information and Communication Act in 2000, marked the beginning of full scale private television investment, increased agitation for media freedom, the debate on digital migration and increased decline of PSB importance as a public institution with statutory public service remit.

The 15 year period between 2000 to 2014 when the KBC and private commercial television stations namely, KTN, NTV, Citizen TV and K24 could be characterised as a period of media turbulence with debate focused on media regulation models, increased competition and television market control. This study investigates whether changes in the number of TV stations, levels of market share control among the private TV stations and KBC, market concentration and dominance by a few TV stations had any influence of diversity of content.

The year 2007 saw the entry of K24 as the fourth private commercial TV station becoming fully operational in 2008. It immediately started to offer more analytical public affairs and exclusive local news. It changed the levels of media concentration and triggered more competition between TV players particularly for advertisement revenue and audience. It also coincided with the implementation of the Media Council Act 2007. These changes are significant and formed the core of this study.

3.6.1 Sampling frame, sampling process and coding

The sampling frame for this study was published schedules of the CTV, KBC, KTN, NTV Citizen TV and K24 between 1965 and 2014. To select the sample, the order of

years from 1999 to 2014 was first randomized to determine the selection order of sampling by year. For each of the 21 years, a week's programme for every month was randomly selected as a sample. Only programmes that lasted more than ten minutes were included in the sample. There were 12 weeks of programme schedules analysed in each of the 15 years between 1999-2014 for the KBC, NTV, KTN and CTV broadcasters and therefore a total of 180 programme schedules for each of the four networks. For K24 TV, the sample was drawn from 7 years between 2008-2014. A total of 84 programme schedules were analysed. For KBC, four years of analysis before liberalisation of the airwaves were considered, i.e. 1965, 1975, 1985 including the 1989 base year, which gave 48 programme schedules for analysis. One additional year for KTN and KBC schedules after liberalisation, i.e. 1991, of programme schedule gave rise to 24 more programmes schedules 1999 was a base year which and diversity analysis was carried out for both KTN and KBC to establish performance before the entry into the market of Citizen TV and Nation TV. Therefore, additional 24 programme schedules were analysed. For the five broadcasters, a total of 900 typical programme schedules were listed for analysis but 180 programme schedules for the CTV between 2002 and 2005 could not be found. So 540 TV schedules were analysed and about 10,800 broad programme type categories or 518,400 sub-categories listed for analysis. However 48 programme schedules for the CTV between 2002 and 2005 could not be found. This coincides with the period where CTV was going turbulent times in terms of structuring and expansion and relied on third party programmes in their broadcasting²⁴. Thus 8,640

programme schedules were analysed. Equally because of ambiguity 64 programme sub-categories were excluded in the sampled data set bringing it down to 414,720. *Table I* below shows the sampled television broadcast schedules from 1965 through to 2014.

Sampling by year ensured that each month in the year had a week selected to accommodate any possible changes “in cycles of programmes, holidays, as well as disruptions in the schedules due to major sporting or special events like public holiday celebrations” (Osei-Hwere 2008:105). As noted and discussed in Chapter 4, however, the programme schedules were almost stable. Every quarter showed consistency in programme types including time slots. This precaution was however important so as to ensure the validity of the results. The coding of programmes took three months, February through to April 2014. Four coders participated in the coding process and intercoder reliability measure was 0.92, calculated by selecting 10 percent of the cases, totaling to 864, intercoder reliability was calculated²⁵. This means that coding was consistent between coders and that each coder was consistent over time (Bryman & Bell, 2011:304).

Table 1: Sampled television broadcast schedules (1965-2014)

Year	TV stations	No. of weeks of programmes schedules	Broad Programme type categories	Programme-sub categories
1965,1975,1985,1989	PSB	48	576	27,648
1991	PSB, KTN	24	288	13,824
1999	KTN, PSB	24	288	13,824
2000-2014	KBC, KTN NTV, CTV	540	6480	311040
2008-2014	K24	84	1008	48,384
Total Television Broadcast Schedules		720	8640	414,720

This followed the development of a coding manual defined by Bryman & Bell (2011:300) as “a statement of instructions to coders that specifies the categories that will be used to classify the text based on a set of written rules that defines how the text will be classified”. The four coders were taken through the coding manual to understand the different genres subsumed under each broad category. The instructions were clear on what to take into account when assigning code to each broad category and sub-categories. This ensured that the coders had no discretion on how to allocate programmes under the various categories. This consistency in coding was important to achieve reliability. For example, each category and sub-category were mutually exclusive to avoid either conceptual or empirical overlap in the coding process.

In order to ensure that genres were allocated into their right category, Internet Movie Database (IMDb), the leading online database for movies was used to identify the nature of content particularly where there were no clarity of programme type from the title/name used in the programme schedule. It was easy to search this either by use of programme tile, country of origin, television where the programme was run and the year.

Secondly, when coding, we were able to clarify the nature of programme types from the programming and scheduling managers of respective TV station. This is in addition to my personal experience in television programming. Overall, only 64 programme sub-categories were excluded in the sampled data set because of ambiguity.

3.6.2 The programme types classification

There has been considerable debate in diversity studies about how TV programmes should be categorized (Park, 2005). While some scholars, such as Park (2005), McDonald and Dimmick (2003) Long (1979), have used a “dual concept” in categorisation of TV programmes, others like DeJong and Bates (1991) and Einstein (2004) have used a single diversify concept in the analysis and measurement of diversity. This study has borrowed from the former and has the “dual concept” approach in programme categorisation where programme types aired during the prime time were categorised into 12 broad categories or genres, which were further categorised into 44 sub-categories.

The categories chosen largely reflect the programme types in the local TV

network. This is important because categorization of TV content impacts on the validity of coding. The categorisation criteria given by other researchers in similar studies such as Sarrina Li et al. (2001:111), Line (1995), McDonald & Dimmick (2001), Liu (1996) and Einstein (2004) informed the categorisation process. Besides using the internationally recognised programme type categorisation criteria, a cross-section of the Kenyan programme-types was undertaken and systematically sampled 1965, 1975, 1985, 1995, 2005, 2010 and 2014 to identify the broad programme categories. It was found to agree with international standards apart from a few changes in between 2005 and 2014 during which there was an increase in Mexican and Nigerian soaps operas which were treated as independent broad categories.

From this diverse number of categories, it is clear that variations in the market dynamics, government regulations, levels of competition and demand patterns across nations will influence programme types and therefore the number of categories. In arriving at 12 broad categories, we note the competitive nature of the Kenyan television market particularly in the last one decade where unlike other parts of the World such as Europe, the local private commercial free to air TV stations have no ‘must-carry’ obligations that would require that they air content of public interest in specified number of hours in a week, even when it makes little business sense. Or in a situation where public service remits for PSB is not enforced. Competition through soaps such as Nigerian and Mexican and other content focusing on Africa such the URTNA aired in 1990s informed the classification of the TV programmes in this study. As opposed to

subsuming them under drama, they were treated as distinct broad category but also sub-categorised into Kenyan, African and Non- African soaps. With these consideration, the programme-types were classified into 12 broad categories namely; drama and comedy, news reports, current affairs, documentaries (features/news magazines), sports, religious, educational programmes, informational and cultural programmes, infotainment, health and medicine and soaps.

It is important to note that what was considered as drama in the 1960s may be considered as soap in the 1980s. To address this variation, we have tried as much as possible to broaden the genres sub-types unde each broad category. Important is also the fact that programmes differ in “format, content, and target audiences as influenced by social cultural changes, technology and market structure (Park, 2005:64). So, sub-categorisation were significant in addressing changes in testes and preferences and cultural nuances of the audiences in Kenya and allowed for longitudinal analysis of changes of genre in broad categories of programme-type during the research period.

These broad categories were further explicated into detailed sub-categories, so that the number of subcategories totaled to 44. This way, all programmes or elements within the programme schedules were assigned to a sub-category, Table 2 below shows both broad categories and sub categories of TV programmes in Kenya. Subdivision of the broad programme-type categories into more detailed categories just like Park (2005) recognised that programme genre is not a static or fixed category but differs with changes in abidance tastes and cultural nuances and programme format (Park, 2005:46). This

study considers this programme types categories as representing the “highest common denominator” (Van Der Wurff, 2005:258) of the different types of genres provided by different television channel in Kenya “given the range of needs and audiences that they serve” (Van Der Wurff, 2005:258). As Van Der Wurff (2005:258) notes, this consideration is important in validity of measurement because “it enables estimation of levels of diversity per channel and in the market that are relatively comparable *across channels* and time.” It is therefore possible to compare diversity trends in the Kenya Television market and as well as compare diversity performance between and within TV stations with significant level of accuracy.

Table 2: Broad programme categories and sub-categories offered to viewers in prime time

	Broad programme types (categories)	Programme sub-categories/genres	No. of Sub-categories
1	News	News (Looked into in terms of time taken)	1
1	Drama and Comedy	History and traditional, science and fiction, action and fantasy, mystery and thriller, musical, non-fiction, young generation, rural, political, school, series, local comedy,	12
1	Current affairs	Talks shows on political issues, civil society, youth affairs, public relations, finance and business	5
1	Documentaries (Features/news magazine)	Nature, history, culture, science, Commercial/Financial matters, news magazines/journals, docudrama	7
1	Sports	Soccer and other sports coverage	1
1	Religious	Christian, Islamic, African traditional religion	2
1	Educational programmes	Careers and apprenticeship, school educational programmes	2
1	Informational and Cultural programmes	Politics, economics and industrial, social issues, environment and nature, science, culture and art, sports, health, history, charity, music	11
1	Infotainment	Quiz and panel format	2
1	Health and medicine	Health and medicine	1
1	Film	Movies	1
1	Soap	Kenyan, African, Non-African	3
12	Main Categories	Sub-categories	48

Source: Current Researcher: 2014

3.6.3 In-depth interviews

In-depth interviews were conducted with media professionals to obtain their perspectives and insider information on trends in media diversity, funding, competition, concentration and regulatory framework in Kenya. Individuals selected for these interviews were chief executives of media houses and heads of TV stations and programmers.

Snowballing technique and referrals where necessary to interview people who fit within the criteria for selection of respondents was used. Of importance were former heads of PSB and editorial directors as well as the pioneers of KTN, in the 1990s to establish their motivation, competition strategies and choices and how this affected performance on content in the early years of media liberalisation in Kenya.

A semi-structured interview guide with a set of core questions that varied with the responsibilities of the respondents was used. This were also dependent on a review of the relevant literature, the analytical framework and research questions for this study. Respondents were selected depending on their role in management, operations or general policy decisions that are likely to influence the conduct and behaviour of media houses in terms of programming decision. For media professional such as programmers, head of TV stations and chief executives of media companies questions addressed criteria for programming, policy guidelines that determine programming, response to competition and how trends in media regulation in Kenya over the research period have influenced strategic and operational decisions of media firms and how this has impacted on the overall programming diversity. Interview sessions lasted for 40-60 minutes and took places in the premises of the respondent. In total 12 people were interviewed. Therefore respondents had time to cross-check their responses with their records and sometime shared with the interviewer such records for further review. This enabled cross checking of facts and thus improved the realiability of the interview data.

3.7 Operationalisation and measurement of concepts and variables

As discussed in Chapter 1 under theoretical and conceptual framework, this study is situated in business and management theories which inform media management and economics as well as the critical political economy which discusses communication and media performance in the context of power play between ownership of instruments of communication, production and consumption of information, the influence of ruling ideas and opinions, decision making process and control in the context of liberal democracy. The explication and operationalisation of variables that follows and as illustrated in table 3 below, is informed by this theoretical and conceptual framework.

There are three key market structure variables in this study. The first is the number of channels (channels), which is simply the count of channel in the TV market in Kenya. This has varied since 1963, growing from one single PSB channel to the current five mainstream channels in 2014 considered in this study. Research has established that diversity is positively influenced by the number of channels in a TV market (Beebe, 1977; Owen and Wildman, 1992; Van der Wurff, 2005). They argue that increase in the number of channels may results in increased diversity of content as well as result in channel differentiation as channels compete for audience numbers and advertising revenue. However when such competition becomes ruinous it may decrease diversity and increase replication of programmes (Van der Wurff, 2004). This study would want to establish whether the finding is applicable to the Kenya context.

The second independent variable is the advertising revenue. The increase in diversity of content triggered by increase in the number of channels is not infinite but only applicable to a situation where competition for revenue is not ruinous (Van der Wurff 2004). When competition becomes stiff, it compels channels to focus on cost reduction, which affects innovation and content development. Stations then opt for cheaper programmes such as foreign soaps, talk shows and “re-running programmes more frequently” (Van Der Wurff, 2005: 254). Channels become less distinct, more homogenous in content and supply less diversity in the market (Picard, 2002; Noam, 2009). It would be interesting to find out how changes in advertisement revenues influence diversity and channel distinctiveness and also establish the programme types that are more sensitive to changes in advertisement revenue market share for different TV stations. In this study, we use the term funding to mean advertisement revenue.

The third independent variable in this study is ownership concentration. This is a major determinant of programme-type diversity (Iosifides, 1999). In the context of this study, concentration means the extent to which a few TV stations control the television market in Kenya. As discussed earlier, concentration has been changing gradually over the years. Establishing how this affects diversity longitudinally over the research period is one of the objectives of this dissertation.

This study has adopted concentration index to measure diversity. It is a fairly straightforward measure of concentration used in America by the antitrust enforcement agencies in communication industry (Noam, 2009). This is the Herfindahl-Hirschman

Index (HHI) whose methods of measurement is illustrated in table 4 under definition and measurement of diversity and concentration. The level of concentration in a media market is dependent on the number of channels as well as the relative market share of the channels (Van der Wurff, 2005). Thus, concentration “measure is equal to the sum of squares of the market shares of all market participants” (Naom,2009:47; see also Macdonald and Dimmick, 2003:68, and Van Der Wurff,2004:243). In this study, to compute annual concentration levels, audience market share for TV stations was considered. This has been selected as opposed to advertisement revenue because of the availability of data. For example in Kenyan TV market, we have five leading TV station whose combined audience market share in 2014 was 97 % (Kenya Audience Research Foundation, 2014), distributed as follows: Citizen TV 52% , NTV 17%, KTN 17 %, KBC 7, K24 4 % and the rest of the TV stations (say X) 3 %. During this year, HHI would be

$$HHI=52^2 + 2 \times 17^2 + 7^2 + 4^2 + x^2 = 3326.$$

This measure “ranges from near 0 in case of monopoly to 10,000 i.e. (100²)” (Macdonald &Dimmick, 2003). The Antitrust Division of Justice (DOJ) uses this HHI guidelines to determine the levels concentration of firms in communication industries and are categorized as follows according to Noam (2009:48).

HHI<1,000	Concentrated market
1000<HHI<1800	moderately concentrated market
1800< HHI	Highly concentrated market

This study has adopted this categorisation criteria and from the above, in 2014, the television market in Kenya was highly concentrated. Such classification of market concentration levels will aid in the interpretation and discussion of the findings where concepts such as high’, ‘moderate’ and low concentration have been used (Albarran, 2002).

Table 3: Explication, operationalisation and measurement of research concepts and variables

Independent Variables			
Variable	Components	Operationalisation of the variables	Measure
Funding		The five media companies’ annual total revenue	Direct measure- Actual annual revenues for 15 years- Absolute figures in Kenya shillings
	Advertisement revenues- for Commercial and Private TV stations and PSB	Individual television channel annual advertisement revenue as a proportion of the total annual revenue of all the five television stations	Percentage of the totals. (in absolute figures)
Concentration	Audience	Market Share- Individual television channel annual audience market share as proportion of the five-television stations market share.	Direct measure through percentage and HHI index
	Revenue	Market share- Individual television channel annual revenue market share as proportion of the five-television stations market share. A proportion of the five-television stations market share of the entire television broadcasting market.	Direct measure through Percentage and HHI index Direct measure through percentage and HHI index
Media policy laws and regulations	The Kenya Broadcasting Corporation Act 1989	Sections related to content, transition of PSB, the mandate and objectives and how these relate to performance.	Discussing these concepts in relation to the empirical evidence of diversity.
	The Kenya Information and Communication Act 1998	Regulation of Broadcasting industry and its implication on diversity performance, regulation and its effect on behaviour of editors and programmers and independent creators of content.	Interpret the trends in diversity changes in the light of critical political economy of ownership, power, control and possible implication in

	<p>The Media Council Act 2007</p> <p>The Kenya Information and Communication Amendment Act 2009</p> <p>The Media Council of Kenya Act 2013</p> <p>The Kenya Information and Communication Amendment Act 2013</p> <p>The Constitution of Kenya 2010</p> <p>The Company Act 1956</p>	<p>The formation of the Statutory Media Council, transition of regulation from self-regulation to co-regulation and its implication for conduct and performance of media houses, independent developers of content and its effect on diversity.</p> <p>The implication of amendments of the Act on broadcasting performance.</p> <p>The tightening of the Media Council of Kenya Mandate in terms of enforcement of the conduct and discipline of journalists, the work of the Complaints commission and setting of performance standards for journalist and implications on Television performance</p> <p>The formation of the multimedia tribunal, the regulation of the broadcasting content and the requirement of 40 percent of the broadcasting content be local.</p> <p>The provision for media freedom, freedom of expression and independence of media regulators i.e. Media Council of Kenya and the Communication Authority</p> <p>The condition of investing in media industry and possible implication on concentration of ownership</p>	<p>liberal democracy</p>
Dependent Variable			
Variable	Components	Operationalisation of the variables	Measure

Diversity	Broad programme-type categories	Open diversity	Diversity Index
		Reflective diversity	Diversity Index
	Programme sub-categories	Intra channel diversity	Diversity Index
		Inter channel diversity	Diversity Index
		Channel distinctiveness	Diversity Index
		Horizontal Diversity	Diversity Index
		Vertical diversity	Diversity Index
		Relationship between Diversity and time allocated for programmes per year	Average length of a Programme HHI Index
		Relationship between diversity and number of Private broadcaster- Over the years.	Correlation analysis

Source: Current Researcher: 2014

3.7.1 Dependent variable

The dependent variable in this study is diversity of content and was analysed at both channel and market levels. This is so because independent variable is predicted to influence diversity at these two levels. According to Van der Wurff, (2004, 2005:259), diversity as channel level could take three forms which this study has also adopted and investigated. These are “channel open diversity (COD) channel reflective diversity (CRD) and channel distinctiveness (CD)²⁶.” As defined in table 5 and explained by Van der Wurff, (2004: 216, 217), “[open diversity] occurs when content is as heterogeneous as possible while reflective diversity on the other hand refers to a perfect match of diversity as-sent and diversity-as-received.” Van der Wurff, (2004:217), further explains *diversity as-sent* as the, “heterogeneity of programme types that are made available in the

market while by diversity-as-received as the heterogeneity of the programmes that audience actually view.” This tells how responsive content is to the market. However, the two measures are relative and not absolute. Inter-channel diversity on the other hand refers to differences in diversity offering between broadcasters, (Van der Wurff, 2004) while intra-channel diversity refers to heterogeneity of content offered by a channel. These two have further been analysed in the study and to establish how distinct the TV stations in Kenya are in terms of the content they offer.

Table 4: Definitions and measurement of diversity, concentration and competition

	Open diversity = $1 - \sum s_i - (1/n) /2$	where s_i = relative supply of programme type i and n = the number of programme types in the market
	Reflective diversity = $1 - \sum s_i - d_i /2$	where s_i = relative supply and d_i = relative demand of programme type i in the market (defined as the average viewing time per programme type category in the period under investigation)
	Intra-channel diversity = $\sum OD_j /n$	where OD_j = open diversity of channel j and n = the number of channels
	Inter-channel diversity = $\sum D_j /n$	where D_j = distinctiveness of channel j and n = the number of channels
	Channel distinctiveness = $\sum c_{si} - s_i /2$	where c_{si} and s_i = relative supply of programme type i by channel j respectively all channels
	Concentration level Index = HHI Competiton level Index = $1 - HHI$	where $HHI = \sum m_i^2$ and m_i is the audience/advert revenue or spend share of channel i

Source: Adopted from: Van der Wurff (2004). Supplying and Viewing Diversiy: The role of Competition and Viewing Choice in Dutch Broadcasting. In European Journal of communication, 19:2: 215-237.²⁷

The five diversity types have been computed both at channel and market level to, “describe the channel programming and market supply” (van Der Wurff, 2005:259).

These will have given us channel open diversity and reflective diversity at channel programming levels and Market Open Diversity (MOD) and Market Reflective Diversity (MRD) at market level.

3.7.2 Data analysis and measurements

Advance tool for measuring diversity, competition and concentration have now been developed in Europe America and Asia. This research has adopted these tools to measure and analyse the various sub-components and aspects of diversity. However, other statistical analysis such as Pearson product-moment correlation and simple linear correlation are general measure of relationship between variable have been adopted to specifically answer the research questions in the study. For each of the question relationships, the general forms of the resultant empirical models are presented in **table 5** below.

The regression analysis of diversity on independent variables of channel number, concentration and funding was carried out to determine the combine influence of the three variables on diversity. In addition, analysis was carried out to determine whether there are inter- relationships between the various forms of diversity as discussed in Chapter two. Does channel distinctiveness and channel open diversity for example contribute to market open diversity? This was tested by Van der Wurff, (2005) in the European TV market but under condition of vibrant PSB, which is not the case for Kenya.

Table 5: Data analysis and measurement

Research Question	Research Question	Data Analysis and Measurement.
RQ 1	What is the nature of television ownership concentration and how does it influence the variety of programmes available for viewers?	Concentration index given by the Herfindahl-Hirschman Index (HHI Index) The relationship between HHI index and diversity index at both channel and market level.
RQ 2	To what extent does the level of income generated from advertising and other sources influence the diversity of their programmes?	Data analysis and measurement 1)Correlation between Open diversity index and advertisement revenue Index 1)Inter-channel Diversity index 11)Intra-channel diversity index
RQ 3	Is there a difference in diversity of programme categories and genres between commercial and public broadcasters?	Data analysis and measurement Channel distinctiveness index
RQ 4	How do the televisions in the market respond to the entry of an additional television stations (increase in competition) and how does this change influence programme-types diversity?	Data analysis and measurement 1)Open diversity before compared with open diversity after entrance of a new station- open diversity index 11) Use of qualitative data from Key Informant Interviews of programmers Chief Executive Officers and Manager of TV stations
RQ5	To what extent do changes in media policies, laws and regulation influence the diversity of programmes offered by Kenyan Television stations?	Data analysis and measurement Use of Qualitative data from Interviews of programmers and Heads of TV station. This will be given qualitative measure and will aid in the interpretation of the findings on the first four quantitative research questions.
Combine Measure for research questions 1.2.3 & 4	Vertical Open Diversity Horizontal Diversity Regression Analysis	1. Total airtime allocated per programme category per year for 21 years 2. A measure of options available for viewership per year for 21 years Between 1965 and 1999 only channel numbers will be used while the independent variables; concentration, funding and channel numbers will be used in combination between 2000-2014 Regressing diversity on independent variable i.e channel number, concentration and funding.
	Interrelationship between the various indicators of channel diversity and distinctiveness and their contribution to overall open market diversity/reflectiveness	Relationship between Open diversity and channel diversity Channel open diversity and channel distinctiveness

3.8 Conclusion

The chapter has discussed the methodological approach used in this study emphasizing the importance of the mixed approach in the conceptual, theoretical and analytical aspect as well as in data collection, analysis, and presentation. A major fundamental principle in research is that, the study method is determined by research objectives. In this study, both quantitative and qualitative methods have been used. While quantitative approach has been used to generate evidence on supply of diversity of content by TV stations and which could be used for generalization purposes, qualitative approach has been used to generate detailed and more specific findings (primary data) about the role of various actors in media houses and independent programme producers in determining diversity supply in the TV market. It has also been used to analyse the external factors of media laws and regulation and how they impact on diversity of TV programmes. Thus, offering an explanatory facet of the quantitatively generated diversity evidence (Albarran, Chan-Olmsted & Wirth, 2006).

This study views the combination of the two paradigms as complementary in study of media economics and management and provides an opportunity to buttress the quantitative findings on critical political economy of the media which explains the implication of TV diversity performance to the society and the power play between media concentration and the ecology in which media operates. In the conceptual framework, the two theoretical frameworks that informs this study namely the critical political economy of the media and Industrial Organisation Model (IOM) have been

married together, illustrating synergy between them and complementary role in both generation and explanation of evidence.

Though we cannot deny the fundamental epistemological difference between the two research paradigms (Albarran, Chan-Olmsted & Wirth, 2006), this study distils this fear and demonstrates their mutual interdependence and their valuable contribution in helping advance understanding media organisations and indeed media industry. The evidence on diversity has been generalised to Kenyan television industry and the methodology could be applied in the study of other media and communication industries such as radio, telecommunication, cable television, newspaper industry and music industry. The findings of the study have been presented and discussed in the next two chapters of this study.

CHAPTER FOUR

PRESENTATION AND INTERPRETATION OF FINDINGS

4.0 Introduction

To respond to the research objectives and questions, this chapter starts by presenting statistics for the dependent and independent variables using the equations discussed in Chapter three. The relationship between the three independent variables namely the number of TV channels, concentration/competition index and advertisement revenue have been analysed against dependent variable of programme types diversity. The second part of the chapter presents responses from the interviews conducted with media executives, media managers and programmers to understand how the media market and the structure of the industry, influence the choice of competitive strategies that media houses adopt to deal with the raising competition for advertisement revenue and audiences. The interviews also provided an insight into their understanding of how media laws and regulations affect diversity.

4.1 TV ownership and competition in Kenya (1999-2014)

The first research question in this dissertation sought to determine the nature of TV

ownership concentration in Kenya and its effect on programme types diversity. To answer this question, this study attempted to examine how TV concentration has changed during the period 1999-2014. This informs the analysis of the relationship between concentration, competition and programme types diversity. The results are presented in **Tables 6** and plotted in **Figure 3** below.

Table 6: Herfindahl-Hirschman Index (HHI) values (1999-2014)

Year	1-HHI	HHI
1999	0.634	0.366
2000	0.730	0.270
2001	0.712	0.289
2002	0.707	0.293
2003	0.644	0.356
2004	0.697	0.304
2005	0.723	0.278
2006	0.712	0.288
2007	0.742	0.258
2008	0.757	0.244
2009	0.726	0.274
2010	0.720	0.280
2011	0.696	0.305
2012	0.694	0.306
2013	0.752	0.248
2014	0.760	0.240

The Herfindahl-Hirschman Index above, expresses concentration using both the number of channels and their difference in market share either for advertisement or for audience. The index runs from 1 to 0 (or almost). A higher number indicates high concentration or less competition. If we subtract HHI from 1, we get competition index (running from 0 to 1). A high number would indicate more competition (Van der Wurff, 2004; 2005). In this

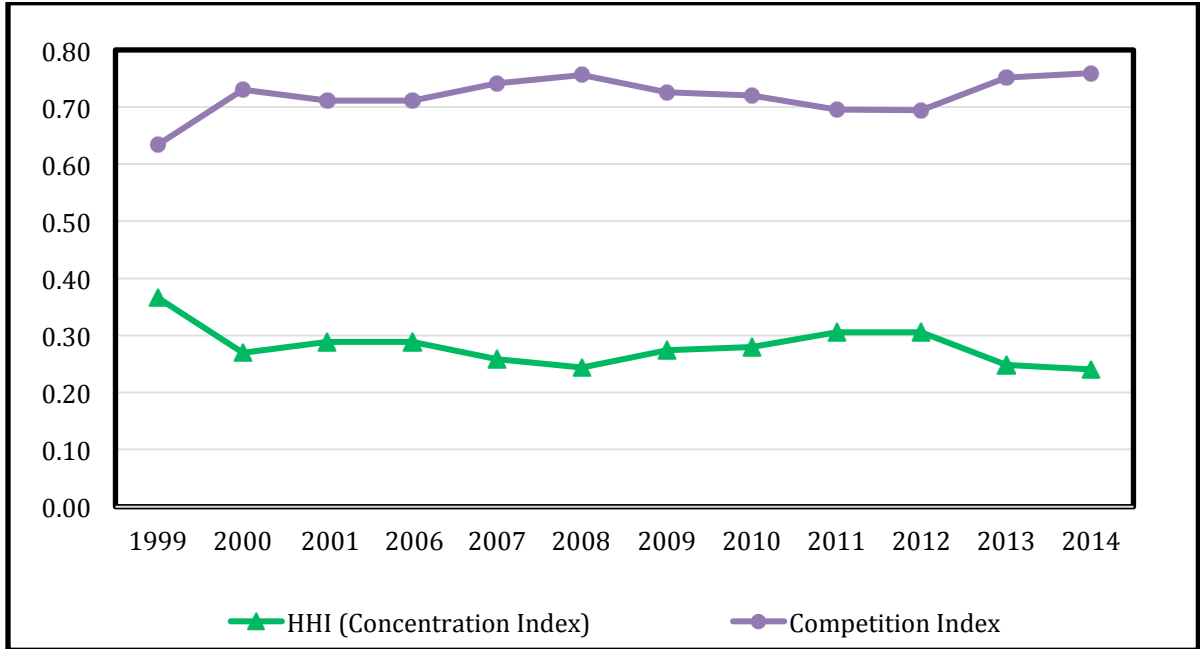
study we opted to use the advertisement spending data available between 1999 and 2014. In the analysis and as discussed in chapter 3, 1999 is considered the base year in the assessment of TV channel ownership concentration trends and competition and effect on programme types diversity.

From the analysis, two key characteristics of TV ownership in Kenya have emerged. First, despite of ebbs and drifts of HHI index, concentration has been below 0.366. Thus TV ownership in Kenya has been unconcentrated and is marked by significant plurality or diverse ownership. This study therefore concludes that in an oligopolistic TV market where broadcasters own a single channel, the ownership is unconcentrated. Secondly, the entry of NTV and Citizen TV in 2000 marked the end of the dominance by KBC and KTN. This lowered the concentration index from 0.366 in 1999 to 0.27 in 2000 with competition index rising from 0.634 to 0.730 in the same period. Thus the entry of an additional independent TV stations decreased concentration. This pattern is repeated in 2008 when K24 TV entered the market lowering concentration modestly from 0.258 to 0.244 between 2007 and 2008. Though this increased gradually to 0.306 in 2012, it fell to an all-time low of 0.240 in 2014. Thus the 16 year period covered in the analysis is characterised by significantly low ownership concentration albeit minimal fluctuations. As argued above and supported by our theoretical postulates in chapter two, plurality of TV ownership has immensely contributed to low concentration in Kenya. This is in contrast with TV ownership in the USA and countries in Europe where ownership concentration is high because of multi-channel broadcasters

ownership structure (Van der Wurff, 2004; 2005). This seems to explain why regulation in these countries focuses more on media structure as major determinants of diversity as opposed to content. We shall see later in the next chapter how regulation should respond to TV performance in Kenya.

The above observations point to one major conclusion about the Kenya's TV market. That in the period of study, it has been oligopolistic, unconcentrated, competitive and characterised by single-channel broadcasters. It is likely that similar findings will hold for other TV markets in Africa sharing similar TV structure. However, this conclusion is unlikely to hold when the market structure shift from single-channel broadcasters ownership to multichannel broadcasters' ownership. Different findings on concentration are also likely when we consider cross-ownership of the media. Nevertheless, these findings provide important information on which future research could be based particularly in examining factors likely to cause such fluctuations and how they relate to changes in performance.

Figure 3: Concentration and competition trends of Kenya's TV market between 1999-2014



4.3 TV programming patterns before and after liberalisation

To establish how changes in concentration and competition have influenced programme-types, we start by examining the programming pattern and supply of content before commercialisation of TV broadcasting in Kenya to capture in snapshot the time allocated to various programmes over the years. As discussed in chapter three of this dissertation, 1965, 1975 and 1985 were sampled at ten years interval to make an assessment of the performance of the TV broadcasting market before the liberalisation of airwaves and after

the entry of the first private and commercial broadcaster, the KTN in 1990. Though not within this sampling criteria, 1989 was considered in this study because it was treated as a base year in comparing the performance of KBC before the entry of the KTN. It was also the year after the transition of KBC from a state media to more or less public broadcaster through the Kenya Broadcasting Corporations Act 1988. 1991 through to 1998 data on programming was not captured because there were no significant policy and TV structural changes in Kenya and was out of the scope of the study. 2002 through to 2005 programming data for citizen was missing but the advertising spending data was available allowing us to compute concentration from 1999 as shown in **Table 6** above. Nevertheless, the years sampled gave significant data and data points for the analysis of programming pattern and programme types supply in the TV market.

Two years after independence i.e. 1965 and later before liberalisation of airwaves and entry of KTN in 1990, the KBC allocated substantive part of its airtime to entertainment programmes. As shown in **Table 7** below, in 1965, 56.1 per cent of the airtime was allocated to drama and comedy, 3.4 per cent to current affairs and 17 per cent to news.

With the transition of the broadcaster where it was required to be commercial and self-sustaining, programming was geared towards growing of audience numbers and attracting advertisers. Programming pattern slightly tilted with more time allocated to film and drama and a slight increase in time allocation for public interest content of news and current affairs.

This was perhaps an attempt to match the KTN entry strategy that was more of current affairs and authoritative national and international news as shown by comparatively high open channel diversity index of 0.53 associated with such programming. This is shown in **Table 8** below. Thus performance of the PSB before and after competition has largely been the same in terms of programming pattern with more entertainment and soft content and less of current affairs.

Table 7: Relative programme supply and time allocation (1965-2014)

Year	Current Affairs	Documentaries (Features/News Magazine)	Drama And Comedy	Educational Programmes	Film	Health and Medicine	Informational and Cultural Programmes	Infotainment	News	Religious	Soaps	Sports	Competition Index
1965	3.4%	9.8%	56.1%	0.0%	7.0%	0.0%	0.9%	0.3%	17.0%	1.6%	0.7%	3.2%	-
1975	10.8%	10.9%	29.2%	0.6%	12.2%	0.0%	8.9%	1.5%	15.1%	2.2%	0.0%	8.6%	-
1985	8.0%	8.5%	29.4%	0.0%	3.3%	0.1%	7.8%	2.6%	26.8%	6.7%	0.0%	6.9%	-
1989	4.8%	9.5%	18.7%	0.4%	1.9%	0.2%	9.3%	0.0%	38.9%	5.4%	1.6%	9.4%	-
1991	6.3%	8.1%	19.9%	0.0%	8.9%	0.4%	6.7%	0.2%	40.5%	0.2%	0.0%	8.8%	-
1999	2.4%	7.1%	29.0%	0.0%	9.0%	0.0%	10.8%	0.4%	25.6%	1.4%	5.7%	8.6%	0.634
2000	0.6%	3.9%	29.3%	0.0%	21.9%	0.1%	5.1%	1.5%	17.2	0.6%	3.9%	15.9%	0.730
2001	2.2%	6.4%	25.4%	0.0%	24.5%	0.1%	2.7%	1.1%	14.8%	0.4%	6.8%	15.6%	0.712
2002	-	-	-	-	-	-	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-	-	-	-	-	-	-
2005	-	-	-	-	-	-	-	-	-	-	-	-	-
2006	1.2%	5.8%	27.6%	0.0%	5.7%	0.0%	6.5%	1.3%	33.8%	0.1%	10.4%	7.7%	0.712
2007	5.4%	3.7%	28.9%	0.0%	5.2%	0.1%	5.5%	1.0%	33.0%	0.5%	9.3%	7.4%	0.742
2008	2.9%	8.0%	21.0%	0.1%	7.9%	0.3%	8.3%	1.1%	33.3%	0.3%	13.4%	3.5%	0.757
2009	2.5%	10.0%	19.6%	0.0%	11.7%	0.1%	6.9%	0.5%	31.3%	0.6%	14.6%	2.1%	0.726
2010	3.4%	8.8%	18.4%	0.4%	15.9%	0.0%	3.0%	0.3%	28.7%	1.2%	15.1%	4.9%	0.720
2011	5.8%	5.5%	22.9%	0.0%	14.5%	0.2%	3.8%	0.2%	33.0%	0.9%	10.9%	2.3%	0.696
2012	5.7%	4.6%	16.3%	0.0%	17.4%	0.2%	6.0%	0.2%	31.7%	3.3%	12.9%	1.7%	0.694
2013	2.5%	5.2%	12.1%	0.0%	19.0%	0.3%	8.0%	0.1%	31.8%	0.7%	16.8%	3.5%	0.752
2014	4.2%	5.4%	15.5%	0.0%	21.5%	0.0%	7.5%	0.5%	31.9%	0.3%	10.0%	3.2%	0.760

Table 8: Channel and market open diversity index (1965-2014)

Years	Channel Open Diversity					Market Open Diversity
	KBC	CTV	KTN	NTV	K24	
1965	0.38144					0.38
1985	0.61831					0.62
1989	0.55957					0.56
1991	0.46100		0.52982			0.50
1999	0.56599		0.62607			0.60
2000	0.46557	0.39176	0.44302	0.38445		0.51
2001	0.47806	0.36667	0.46536	0.44199		0.57
2002	0.53810		0.44161	0.50841		
2003	0.47333		0.43280	0.38376		
2004	0.58200		0.46071	0.50954		
2005	0.48423		0.45659	0.44106		
2006	0.55321	0.49186	0.49027	0.44754		
2007	0.46990	0.54406	0.47544	0.43805		0.53
2008	0.48116	0.50833	0.39779	0.43562		0.52
2009	0.58112	0.51630	0.42180	0.53297		0.54
2010	0.53374	0.49480	0.46262	0.50034		0.55
2011	0.43179	0.47432	0.39188	0.51138	0.42933	0.56
2012	0.45481	0.42143	0.44359	0.46762	0.41116	0.58
2013	0.47314	0.40378	0.59220	0.48052	0.55988	0.55
2014	0.47121	0.40010	0.46811	0.47338	0.48866	0.56

Source: Author's Computation

Tables 9 and 10 below shows the effect of further changes in competition and concentration on programming pattern following the entry of NTV and the CTV in year 2000. While KBC and KTN allocated 2.4 per cent of the total broadcasting time to current affairs, and 25.6 percent to news, only 0.6 percent and 17.2 per cent of the total air time was allocated by all the four TV stations to current affairs and news respectively after the entry of NTV and CTV in 2000. Though proportion of time allocation to drama fell from 5.7 per cent to 3.9 per cent in the same period, **Table 10** shows that the absolute number of hours allocated increased from 209.4 to 284 out of the total programming time of 7300 hours in 2000. We argue that increased number of TV stations increased the real

number of broadcast time and therefore number of programmes thus giving a wider range of choice for consumers as argued by Campaign (2005) and Cuilenburg (2002) for American and European TV markets respectfully.

On the other hand, the proportion of time allocation to drama and comedy increased to 29.3 per cent, film to 21.9 per cent and infotainment to 1.5 per cent. The entry of K24 in 2008, had the same programming pattern repeated albeit with a decrease in drama and comedy time allocation from 28.9 per cent to 21 per cent and an increase in documentaries time allocation from 3.7 per cent to 8.0 per cent. As was in year 2000, there was an increase in time allocated to soft content, a common case when competition increases in TV market. Film time allocation increased from 5.2 per cent to 7.9 per cent, infotainment from 1.0 per cent to 1.1 per cent and soaps from 9.3 per cent to 13.4 per cent between 2007 and 2008. This pattern of programming did not change and by the end of 2014, an average of 47 per cent of the air time for all TV stations was allocated to three key programmes namely; drama and comedy, film and soaps compared to information and culture and current affairs with allocation of 11.7 per cent. While airtime allocated to news increased to an average of 31.9 minutes, questions have been raised on the quality of news while critic question the amount of advertisement and self-promotion that dominates the news hour. More often, when competition increases through a rise in the number of broadcasters, there is a tendency to raise the number of news items but significantly reduce time allocated to each story. News becomes longer, while analysis becomes more simplistic (cf. Litman 1979).

This pattern of performance as explained in chapter two is a product of increase in the number of TV stations and as well as the competition strategy adopted by both the new entrants and the incumbent. The increase in the number of TV stations triggers competition for audience and advertisement. Low cost competition strategy is commonly adopted, explaining why easy to produce and recycled foreign entertainment programme types dominate the programming schedule.

Table 9: Total number of hours allocated to different programme types (1965-2014)

Year	Current Affairs	Documentaries	Drama & Comedy	Educational Programmes	Film	Health & Medicine	Informational & Cultural Programmes	Infotainment	News	Religious	Soap	Sports
1999	2.4%	7.1%	29.0	0.0%	9.0%	0.0%	10.8%	0.4%	25.6%	1.4%	5.7%	8.6%
2000	0.6%	3.9%	29.3	0.0%	21.9%	0.1%	5.1%	1.5%	17.2%	0.6%	3.9%	15.9%
2001	2.2%	6.4%	25.4	0.0%	24.5%	0.1%	2.7%	1.1%	14.8%	0.4%	6.8%	15.6%
2002	3.0%	3.3%	31.6	0.5%	14.6%	0.0%	5.2%	1.4%	26.7%	0.9%	7.7%	5.2%
2003	2.3%	3.5%	32.3	0.0%	18.1%	0.0%	1.7%	0.4%	32.1%	0.2%	5.5%	3.8%
2004	2.9%	6.5%	24.0	0.1%	10.2%	0.0%	8.8%	1.5%	31.1%	0.6%	8.7%	5.6%
2005	2.2%	5.9%	27.1	0.2%	10.6%	0.0%	6.5%	0.7%	31.7%	0.5%	12.5	2.2%
2006	1.2%	5.8%	27.6	0.0%	5.7%	0.0%	6.5%	1.3%	33.8%	0.1%	10.4	7.7%
2007	5.4%	3.7%	28.9	0.0%	5.2%	0.1%	5.5%	1.0%	33.0%	0.5%	9.3%	7.4%
2008	2.9%	8.0%	21.0	0.1%	7.9%	0.3%	8.3%	1.1%	33.3%	0.3%	13.4	3.5%
2009	2.5%	10.0%	19.6	0.0%	11.7%	0.1%	6.9%	0.5%	31.3%	0.6%	14.6	2.1%
2010	3.4%	8.8%	18.4	0.4%	15.9%	0.0%	3.0%	0.3%	28.7%	1.2%	15.1	4.9%
2011	5.8%	5.5%	22.9	0.0%	14.5%	0.2%	3.8%	0.2%	33.0%	0.9%	10.9	2.3%
2012	5.7%	4.6%	16.3	0.0%	17.4%	0.2%	6.0%	0.2%	31.7%	3.3%	12.9	1.7%
2013	2.5%	5.2%	12.1 %	0.0%	19.0%	0.3%	8.0%	0.1%	31.8%	0.7%	16.8 %	3.5%
2014	4.2%	5.4%	15.5 %	0.0%	21.5%	0.0%	7.5%	0.5%	31.9%	0.3%	10.0 %	3.2%

Table 10: Total number of hours allocated to different programme types (1999-2014)

Year	Current Affairs	Documentaries	Drama & Comedy	Educational Programmes	Film	Health & Medicine	Informational & Cultural Programs	Infotainment	News	Religious	Soaps	Sports	Total Aggregate Broadcasting Time
1999	87.4	258.7	1057.6	0	328.2	0	395	16.1	932.7	50.7	209.4	314.3	3650
2000	45.1	283.3	2135.5	2.7	1597.1	7.3	371.6	109.9	1258.4	45.3	284.5	1159.3	7300
2001	161	465.5	1850.7	1.4	1788.7	10.5	197.5	77.5	1083	32.1	496.5	1135.5	7300
2002	162.6	179	1729	26.8	797.4	0	286.3	74.3	1461.1	49.8	423.1	285.7	5475
2003	127.6	192.8	1769.5	2.1	993.3	0	91.2	21.7	1756	12.8	301.2	206.7	5475
2004	157	354	1314.4	3.1	558.5	0	484.3	83.5	1701.5	34.5	478.5	305.8	5475
2005	119.4	320.8	1483.8	11.3	579.5	0	354.9	38.6	1736.3	26.3	681.9	122.2	5475
2006	88.7	422.6	2013.9	0	414.2	0	474.9	95.4	2469.9	5	756.8	558.6	7300
2007	390.6	272.3	2110.3	0	381.1	5.8	398.6	69.5	2409.9	37.1	681.8	542.8	7300
2008	214.8	583.4	1532.6	4.3	576.2	22.6	605.3	82.1	2428.7	18.6	977.9	253.5	7300
2009	185.2	728.5	1433.2	0	855	5.8	507	37.4	2286.4	41.7	1063.6	156.4	7300
2010	245.7	644.1	1340.9	28.7	1161.6	0	218.3	20.5	2097.3	89	1099.3	354.6	7300
2011	525.2	500.9	2093.8	0	1326.7	19.3	344.1	22.5	3012.3	79.3	995.1	205.8	9125
2012	522.1	418.5	1486.3	4.1	1586.7	14	543.4	13.7	2897.1	303.5	1177	158.5	9125
2013	225.7	475.7	1100.2	0	1738.2	27.9	732.5	5.2	2901.3	68	1533.8	316.6	9125
2014	381.3	489.5	1413.6	0	1964.4	1.7	680.5	50.1	2914.3	24.9	913.8	290.9	9125

4.3.1 Concentration, competition and diversity at prime time

This study also sought to establish the influence of competition and concentration of TV stations on programme types diversity. Results to this have been provided at two levels. First is the market level which has considered combined effect of TV performance on diversity referred to as *Market open diversity* (MOD) and *Market reflective diversity* (MRD) which are the two key measures of diversity performance used in diversity studies (McQuail, 1998; Van der Wurff, 2005). The second is performance of diversity at

channel level referred to as *channel open diversity* (COD) and *channel reflective diversity* (CRD). To be considered along these are *channel distinctiveness*, *inter-channel diversity* and *intra-channel diversity*. The channel diversity performance has relationship with overall market diversity performance as addressed later on in the discussion.

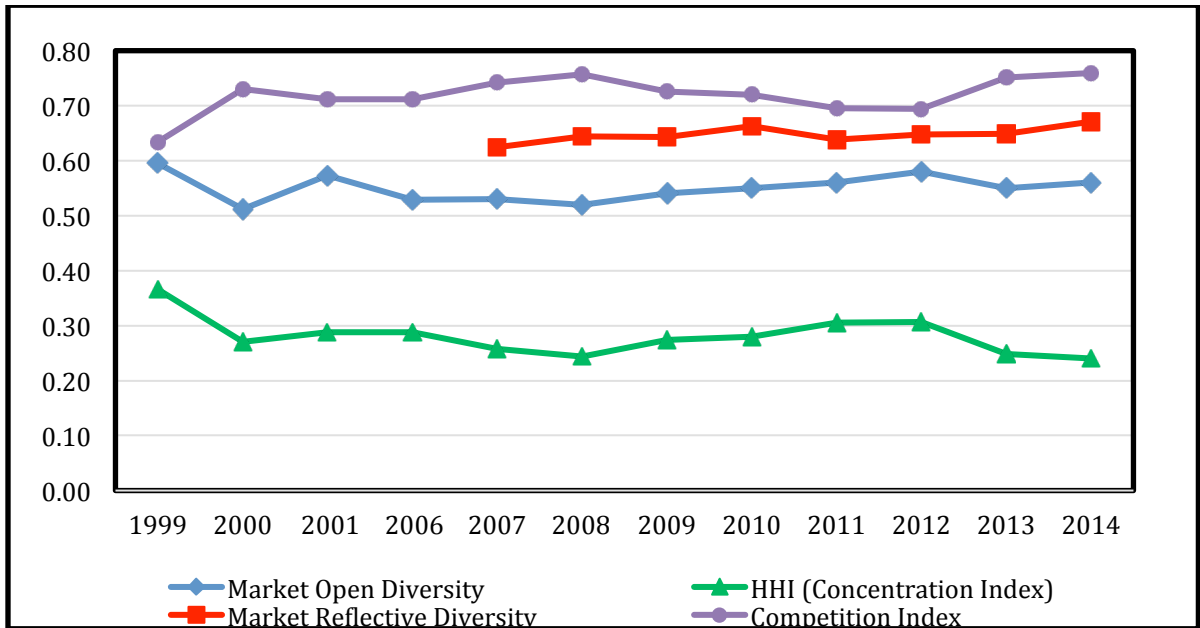
In analysing the effects of concentration and competition on programme types, two base years were considered; 1999 before the entry of NTV and CTV in 2000 and 2007 before the entry of K24 TV in 2008. However much of the discussion has focused on the period between 2007 and 2014 when both programming and audience data is available. In the presentation below, where the time series is shorter i.e. concentration trends using audience market share between 2007-2014 is because we did not have data for the research period, or some companies such as the citizen ceased to operate temporarily or data was not available. Programming data for Citizen TV was not for example available between 2002 and 2005. While programming data was useful in computing open diversity equated with the supply of content, audience data was used to compute reflective diversity equated with demand for content through estimation of broadcasting viewing times. The two offered sufficient data for longitudinal assessment of TV diversity performance in relation to concentration, competition, funding and number of TV stations in Kenya.

As indicated above, **Table 10** shows that the increase in the number of channels in Kenya from two in 1999 to four in 2000 doubled the total number of broadcasting time. This was largely consistent until 2008 when K24 entered the market again

increasing combined broadcasting time for all the TV stations. As earlier explained in this chapter, this increased the supply of content and provided more options for audiences though it was less diverse as shown in **Figure 4** below.

From here market open diversity on the other hand fell from 0.6 in 1999 to 0.51 in 2000 following the entry of CTV and NTV. This pattern was repeated between 2007 and 2008 when K24 entered the market where diversity fell rather modestly from 0.53 to 0.52 diversity index. However of interest to note is that, though open diversity was in line or conformity with reflective diversity or audience demand, the Kenya's TV market never at any time satisfied the audience demand and consumption pattern for content. It has consistently been higher. According to Van der Wurff (2004), from a theoretical perspective, the media market is considered better served when there is a close match between content supplied and content consumed. Ordinarily and from research, this is not the case and a perfect match cannot be realised particularly in a highly commercialised media environment. Indeed open diversity (supply) has oscillated between 0.6 and 0.56 diversity index between 1999 and 2014, while reflective diversity has been slightly higher moving between 0.62 and 0.67 between 2007 and 2014.

Figure 4: Concentration, competition and diversity during prime time



Interestingly though is the fact that conformity between market open diversity and market reflective diversity notwithstanding, the correlation between the two is moderately positive at $\rho_{(MOD, MRD)} = 0.40$ and not statistically significant at (P value = $0.16 > 0.05$). This is interpreted to mean that audience’s viewing behaviour in Kenya is not strongly correlated with diversity of programme types supply (see **Table 11** below). Thus as mentioned earlier the Kenya’s TV market has not been well served and an increase in diversity of content supplied does not necessarily lead to improvement in consumption pattern or behaviour. Other factors such as changing viewing behaviour and economic factors come into play.

Table 11: Summarized correlations of market open and reflective diversity and competition

Correlations			
		Market Open Diversity	Competition index (HHI)
Market Reflective Diversity	Pearson Correlation	0.40	-0.20
	P-value	0.16	0.31
Market Open Diversity	Pearson Correlation	0.40	0.61*
	P-value	0.16	0.05
*. Correlation is significant at the 0.01 level (1-tailed).			

These findings are similar to Van der Wurff and Cuilenburg (2001) who argued that in a more fierce competitive TV market (what they referred to as ruinous competition), market open and market reflective diversity are correlated but when competition is moderate, they are not (see also Park, 2005:42). Thus the intensity of competition affects diversity in different ways. In this study, the weak relationship between the two shows that the Kenyan TV market is moderately competitive.

The major cause for higher reflective diversity is concentration of programming of mainstream content of entertainment such as drama and comedy, film, soap and dramas. This would probably be different when daytime programming is considered given that it has less viewership and therefore less competitive. These findings are consistent with Van der Wurff (2004) findings of diversity of content during primetime in the Dutch TV market. However unlike in the Dutch TV market (Van der Wurff, 2004), where increase in competition resulted in decrease in diversity of content supplied

(market open diversity) and significant increase in market reflective diversity, there is a strong positive correlation between market open diversity and competition in Kenyan market from 2007 -2014 at $\rho_{(MOD, HHI)} = 0.61$ which is statistically significant at P value = 0.5 and 95% significance level. This is depicted in **Table 11** above. This is interpreted to mean that, in a moderately competitive and low concentration TV market such as Kenya's, it is possible for private and commercial TV station to offer a moderately heterogeneous content including current affairs, documentaries and news even without a regulatory obligation to provide such content.

4.3.2 Open and reflective diversity among commercial channels

Open and reflective diversity are the two key measures of programming performance across media industries. As explained earlier, while open diversity tells the level of heterogeneity of content supplied by media firms in the industry, open diversity indicates how compliance or responsive the supply is to the audience's demand.

From **Table 8** discussed earlier and **Table 12** above, every new channel that enters the market does so with a significant supply of diverse content. This is not however consistent and varies from year to year. In 1991, an year after its entry into the market, KTN had channel open diversity index of 0.53 above the KBC's at 0.46. This had grown to 0.62 index by 1999 just before the entry of the NTV and CTV in 2000. KTN offered more diversity than the KBC because the PSB was still under control of the state and its programming was closely monitored stifling its independence and thwarting its

attempt to offer diverse content. From historical analysis in chapter 2, the KTN took the opportunity to introduce more authoritative current affairs, news and foreign entertainment programmes and therefore a more or less balanced programming. This suggests that in a TV market where PSB is not playing its role of supplying content of public interest adequately, new entrants competes by tapping into minority programmes. KBC was not offering such programmes and therefore could not crowd out KTN, its first competitor in the market. At that time and given the stifling of the opposition voices it was easier for the KTN to compete with the KBC on serious political and current affairs programmes by giving alternative avenue to the opposition to share their point of views.

Table 12: Average level of diversity per TV channel

	CTV		KBC		KTN		NTV		K24	
	RD	COD	RD	COD	RD	COD	RD	COD	RD	COD
2007	0.6916	0.5441	0.5546	0.4699	0.5851	0.4754	0.5822	0.4381		
2008	0.7029	0.5083	0.5667	0.4812	0.6039	0.3978	0.5979	0.4356		
2009	0.6779	0.5163	0.5890	0.5811	0.5656	0.4218	0.4344	0.5330		
2010	0.6920	0.4948	0.6401	0.5337	0.5907	0.4626	0.5852	0.5003		
2011	0.8240	0.4743	0.5916	0.4318	0.5813	0.3919	0.5853	0.5114	0.5024	0.4293
2012	0.7471	0.4214	0.5686	0.4548	0.5943	0.4436	0.5655	0.4676	0.5203	0.4112
2013	0.7225	0.4038	0.5773	0.4731	0.6162	0.5922	0.5971	0.4805	0.5676	0.5599
2014	0.6611	0.4001	0.5552	0.4712	0.6180	0.4681	0.6564	0.4734	0.5612	0.4887

This pattern is repeated in 2000 by NTV and CTV, one year after entry into the market. Unlike KTN that entered the market with more channel open diversity provisions

at 0.52 index in 1991, NTV and CTV offered a relatively lower open diversity at 0.39 and 0.44 respectively.

A major observation is that the new entrants were able to catch up with the incumbent after a few years and by 2007, an year before the entry of the K24, all the TV stations offered almost a similar level of diversity.

Analysis of channel reflective diversity on the other hand gives us a different perspective of performance. This was calculated from year 2007 since the audience research data was only available from then. **Table 12** above shows that all the TV stations had a higher reflective than open diversity with the CTV leading the market at 0.69 in 2007 before the entry of K24 and growing slightly to 0.70 after the entry in 2008. This indicates that the TV stations shifted their strategy and focused more on the mainstream and popular programmes. We discuss competition strategy later in the chapter. Thus, with the increase in competition, provision of minority and public interest programmes declines in importance as a competitive dimension. This explains a gradual increase in reflective diversity and a relatively stable open diversity except for a few ebbs, a situation common in most competitive TV markets.

This modest growth in channel open diversity is also reflected in low growth in market open diversity (see **Figure 4**). From a theoretical perspective, this could be explained in two ways. First there has been increased growth in pay-TV channels in Kenya with more audience-focused programmes that the general free to air TV may not be able to offer. Competition from these channels may have compelled the free to air

general channels to provide less expensive mainstream content explaining the decline and sometimes a modest increase in open diversity. Another explanation as earlier discussed is the commercialisation of the PSB, which together with the commercial channel provided cheap mainstream commercial driven content of entertainment and little more expensive content. This was in consistent with the findings of European TV market by Van der Wurff (2005) that commercialisation triggers competition that effects market supply of public interest programmes. An important observation though is that the increase of TV channels to five after the entry of the K24 in 2008 was accompanied by gradual increased in open diversity up to 2012. It therefore did not shift the market to ruinous competition a situation that would be common in a market dominated by single-channel broadcasters such as Kenya's (cf. Van der Wurff, 2004:230). It therefore did not significantly increase duplication of programmes increase in market reflective diversity notwithstanding. The exemption to this performance would be probably be explained by the fact that there is low concentration and dominance of the market by one single TV channel, the citizen which through its market dominance is also leading in providing content that is most responsive to audience demands. It is also the most distinct in performance as we shall see later. Thus CTV plays the role of moderating the performance of other TV stations in the Kenya's TV market.

As shown in **Table 12** above, an increase in absolute number of programme types over the years following the entry of CTV and NTV in 2000 and K24 in 2008 also went hand in hand with increased competition. The slight increase in open diversity and higher

increase in reflective diversity suggests that more of the same programme types are offered in the market. Thus over the years, Kenyans have not enjoyed as much diversity of programmes as they did in 2007 just before the entry of K24. Indeed programmes such as educational and health and medicine have consistently received insignificant time allocation across the years.

In conclusion, it is evident that the increase in the number of channels has also increased the range of programme choices available to viewers. In other words, audiences are presented with a wider range of choices for various programmes than before. However, there is no evidence that audiences are interested with such diversity and whether viewing habits such as selective attention and exposure are a hindrance to utilising and enjoying diversity.

4.4 Inter and intra channel diversity

As Van der Wurff (2005; see also D'Haenens et.al, 2009:54) argues, diversity of programme types supplied by the market can be as a result of two aspects. First, when the channels themselves are internally diverse in the content that they offer or when diverse content provided by different channels in combination provides diverse market supply. These are intra-channel diversity and inter-channel diversity, which combined, provides market open diversity. These results of the analysis are discussed below.

Table 13: Inter and intra channel diversity (2006-2014)

Year	Inter channel diversity	Intra channel Diversity	Market diversity	Reflective Diversity	Ad Revenue '000'	HHI by Ad Share	Competition Index
2006	0.12	0.49572	0.53	-	4,229,084	0.288	0.712
2007	0.11	0.481865	0.53	0.6242	5,927,631	0.258	0.742
2008	0.13	0.455724	0.52	0.6442	5,998,290	0.244	0.757
2009	0.10	0.513046	0.54	0.6425	10,719,516	0.274	0.726
2010	0.14	0.497873	0.55	0.6622	15,344,390	0.280	0.720
2011	0.23	0.447741	0.56	0.6388	22,391,589	0.305	0.696
2012	0.23	0.439721	0.58	0.6475	32,233,332	0.306	0.694
2013	0.14	0.501903	0.55	0.6491	34,762,091	0.248	0.752
2014	0.16	0.460291	0.56	0.6714	40,020,669	0.240	0.760

Source: Author's Computation

The results of our analysis shown in **Figure 5** agree with the above argument. That high intra-channel diversity contributes to overall open market diversity. This means that in average, individual channels offer varieties of programmes. In such situation Van der Wurff (2004:218) contends that “audience tend to watch channels rather than individual programmes”. They do not need to change channels because content supplied is diverse enough. This is an important strategy for cultivating loyalty in viewership. Inter channel diversity on the other hand, which refers to variety of programme-types across channels, was low as would be expected. This means that programming was not distinct and there was high level of homogeneity in programming and audience need not switch from one station to the other to enjoy variety of programmes available. It would not make any sense to switch from one channel to the other because one is likely to be exposed to similar genre. This finding is reinforced further by our later discussion that the TV

channels were not at all distinct in their programming. As argued by Van der Wurff (2004), the two types of diversity are complementary but also contradictory and for intra-diversity to increase, inter diversity has to decrease. This inverse relationship is shown in **Table 13** above.

From these findings, we conclude that while TV channels in Kenya are internally diverse in their programming, they are highly uniform when compared to each other. Meaning that the increase in TV channels though has increased programming diversity it may not have increased varieties within those programmes. Thus there is high homogeneity of programming as opposed to heterogeneity between channels and Kenyans may not necessarily have been exposed to variety of programmes even after the increase in the number of TV stations.

4.5 New entry, concentration, competition and diversity at market level

This study examined how television stations respond to the entry of other television stations in the market and how this influences programme-types diversity. In the study, 1999 and 2007 were treated as base years for this analysis. As argued by Souchon, (1992; see also Van der Wurff, 2004, 2005) and discussed in chapter two, the entry of a new channel in the TV market is likely to trigger competition. As indicated earlier in **Figure 4**, our findings are in consistent with this argument. From the data, we observe that the increase in channel numbers in the Kenyan TV market from two in 1999 (base year) to four in 2000 following the entry of the NTV and CTV in 2000, resulted in more

competition with the competition intensity index increasing from 0.634 to 0.730 between 1999 and 2000. This trend was also evident with the entry of K24, the fifth TV station in 2008, which raised the index from 0.742 in 2007 to 0.757 in 2008.

Thus combination of the increase in the number of channels and increase in competition modestly lowered open diversity from 0.6 to 0.51 between 1999 and 2000. As shown earlier in **Figure 5**, similar performance was repeated in 2008 when K24 entered the market lowering open diversity index modestly from 0.53 in 2007 to 0.52 in 2008. However as would be expected, it increased reflective diversity index from 0.62 to 0.64 in the same period (see figure 3). As shown in **Table 14** below, the Pearson correlation between market reflective diversity and number of channels is a highly positive ($\rho(\text{MRD}, \text{NoC}) = 0.66$) and statistically significant at ($P \text{ value} = 0.04 < 0.05$). Thus the number of channels has relatively strong and significant positive effect on market reflective diversity.

These findings are consistent with previous studies in the USA and as discussed in chapter two. That increase in competition through the increase of channel numbers compels TV stations to reduce the supply of informative programmes such as current affairs and increase the supply of series soaps and movies (Van der Wurff, 2004). This is evident from **Tables 9 and 10** where the number of programming hours for soft content increased more significantly than those allocated to hard content such as news, current affairs and documentaries in the market.

Figure 5: New entry, competition and diversity

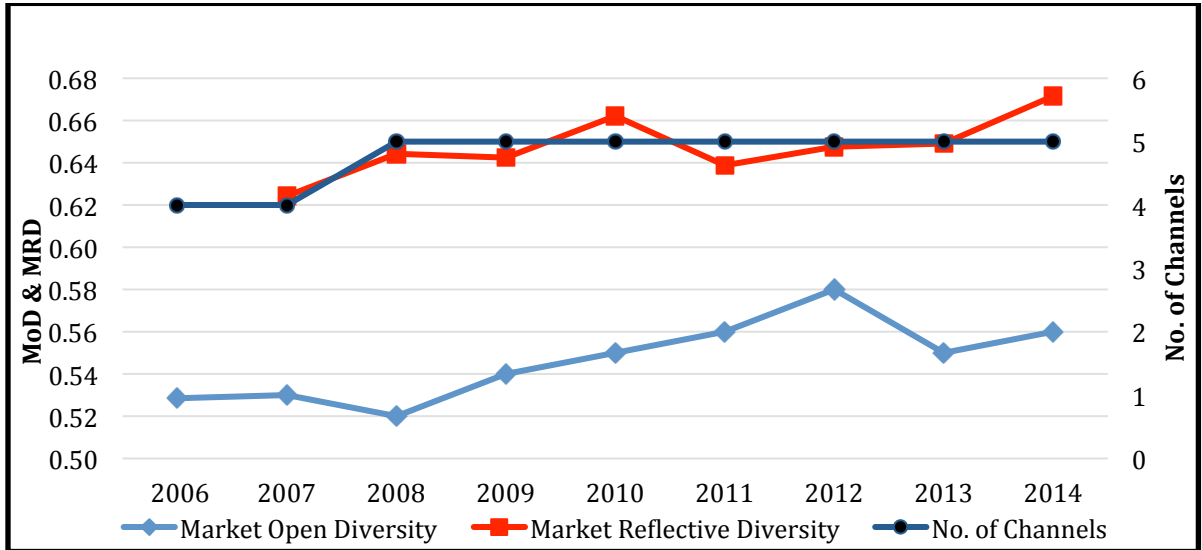


Table 14: Correlation between new entry, competition and diversity

Correlations			
		Market Reflective Diversity	Market Open Diversity
No. of Channels	Pearson Correlation	0.66*	0.40
	P-value	0.04	0.16

* Correlation is significant at the 0.05 level (1-tailed).

In our analysis, though there was slight decrease in open diversity, the market was able to recover the effect of new entrants and increase in competition and by 2009, the open diversity index had risen to 0.54 and 0.56 in 2014 (see **Figure 5** above). These results are however slightly different from similar studies in Europe. In the Dutch broadcasting market for example, Van der Wurff, (2004) found out that an increase in the number of TV stations and therefore competition, lowered reflective diversity as well.

The possible explanation for the decrease in reflective diversity is that PSB, unlike in the USA and Kenya, is required to play the role of supplying specific informative and cultural programmes not offered or offered moderately by the private and commercial broadcasters. By so doing, the PSB moderates the excessive entertainment content provided by the commercial broadcasters that would otherwise flood the TV market.

From these findings we can conclude that, in the Kenyan TV market, the increase in the number of channels lowered open diversity and increased reflective diversity. However competition was not so intense because the market was gradually able to recover, increasing its open diversity beyond its previous level. Reflective diversity however continued to increase though modestly from diversity index of 0.62 in 2007 to 0.67 in 2014. Thus the Kenya market has moderate competition that almost balances between open and reflective diversity. This will be clearer when we discuss the programming pattern of individual TV stations with changes in competition and number of TV channels below.

4.5.1 New entry, concentration, competition and diversity at channel level

As shown in **Table 9** above and discussed earlier, before the entry of KTN and CTV in 2000, KBC and NTV allocated relatively more programming time to more informative content such as news, current affairs, informational and cultural programmes and documentaries. This time went down gradually and replaced with more entertainment

content such as drama and film, sports and infotainment. This is more understood when we note that the two incumbent TV stations lowered their channel diversity (see Table 3). Pressure from competition (that went up gradually as seen in rise of competition index shown in **Table 6 and illustrated in Figure 3**), of the new entrants affected the channel open diversity index of the incumbent i.e. KTN and KBC. Both stations gradually decreased their channel open diversity. KBC channel open diversity index decreased from 0.56 in 1999 to 0.46 in 2000 while that of KTN fell from 0.62 to 0.44 during the same period. As would be expected, the decrease in channel open diversity also triggered the decrease in market open diversity index from 0.6 in 1999 to 0.51 in 2000 (see **Table 8**). Indeed the 0.6 market diversity index offered by the KTN and KBC in 1999 is the highest ever experienced in the Kenya's TV diversity performance history between 1963-2014.

Thus low TV ownership concentration and increased competition generally lowered the heterogeneity of programmes offered by the television stations in Kenya. Put in other words, the two incumbent TV stations offers better combination of public interest content than they did after the entry of CTV and NTV.

Theoretically, the drop in their channel open diversity index means that the two stations switched their programming strategy and offered more mainstream, entertainment content than before. This would also be interpreted to mean that the PSB has not edged out the private and commercial TV channels from the public interest content of news, current affairs, documentaries and related cultural programmes. In

European countries, increased competitions combined with more effective PSB would decrease channel open diversity and improve overall market open diversity (Van der Wurff & Cuilenburg, 2001).

The entry of K24 in 2008 had similar results (See **Table 12**). As shown, all channel except for the KBC which slightly increased its channel diversity index from 0.46 in 2007 to 0.48 in 2008, lowered their channel open diversity but increased their channel reflective diversity including the KBC. This means that there was a shift in programming strategy with more emphasis on drama and comedy, movies and films, in expense of programmes such as current affairs and documentaries. The programming was skewed towards relatively cheaper and popular programmes explaining why there was an overall increase in reflective diversity both at channel and market levels (see **Table 8**). The four incumbent TV stations however were to some extent able to recover from the effect of increased competition triggered by the entry of K24 and to a smaller extent restored levels of their channel open diversity.

These findings to some extent differ from those of similar studies in multichannel TV broadcasters markets (Van der Wurff, 2004). In markets such as the Dutch for example, an increase in channel number in combination with increased competition and lower concentration decreased diversity. Given that broadcaster with more than one channel will have each target different audience segments, a decrease in average channel ownership (which means decrease in concentration) decreases diversity. In our case, similar changes resulted increased diversity in most of the cases across the years (see

Table 8 and Figure 3). Thus while market diversity index oscillated between 0.6 and 0.51 between 1999 and 2014, reflective diversity shifted in different years between 0.62 to 0.67 between 2007 and 2014. As discussed in chapter 1 and 2, a minimal increase in reflective diversity and a fall in open diversity may be due increase in mainstream content and replication of programmes. It is important to note however that though there was increase in open diversity as a result of the increase of the number of players in the market shown by Pearson product-moment correlation (ρ (MDI, NoP) = 0.6), the increase was not significant i.e. P-Value = 0.165 \gg 0.05. Thus the new channel did not therefore trigger ruinous competition to significantly alter the heterogeneity of content supplied in the market (open market diversity).

We therefore conclude that, moderate competition in an oligopolistic and pluralistic TV market is likely to give a more balanced programme types even where PSB is not effective. This will be discussed later in this chapter.

4.6 TV response to competition pressure and effect on diversity.

The second research question of the study sought to establish competitive strategies adopted by TV channels in respond to increase in competition. To answer this research question, in addition to using data on diversity performance, we interviewed media experts directly involved in making strategic decisions in programmes format and scheduling. This section presents the empirical results on diversity performance whose

discussion will be buttressed by the findings from the Key Informant Interviews presented later in the chapter.

As discussed earlier in the chapter, while increase in the number of channels in the multi-channel broadcasters market results in lower levels channel reflective diversity and higher channel distinctiveness, in Kenyan case of a single channel–broadcasters market, it results in higher channel reflective diversity as well as low channel distinctiveness (see **Table 13**). Thus although channels will respond to increased competition by striving to distinguish themselves and introduce new content, this is likely to trigger homogenization, duplication and overlap of content popular programme type categories, making channels less distinct. This was the case with our findings. As shown in **Table 13** and later in **Table 17**, channels were not significantly different from each other.

However, the effect of low channel distinctiveness does not substantially affect the level of diversity of content supplied by all TV stations in the single–channel broadcaster market as would otherwise be expected. These findings support the earlier discussion in chapter 2 of this study, that an increase in the number of channels “results both in programme duplication and more diversity” (Van Der Wurff, 2005:266). Indeed as earlier discussed high intra-channel diversity is reflected in high market open diversity (see **Table 7**). This is however dependent on a number of factors. According to Park (2005), competition strategies adopted by media firms depends on the structure of the industry and conduct of the programmers. We would therefore expect response to

competition in the early 1990s when we had two TV channels to be different from 2000 onward when we had 4 to 5 channels. According to Porter (1985), competition can either be based on cost leadership, differentiation of content or price competition. Given that competition with the KBC was modest, KTN adopted content differentiation and targeted audience segment left out by the KBC particularly for local and international news. This is explained later in the chapter. This contributed to diversity of local news and foreign entertainment programmes including music. In this respect, modest competition in the 1990s in Kenya affected programmes differently with more diversity in local news and foreign entertainment including music and film and the entry strategy entailed content differentiation through market segmentation. This explains why open channel diversity for the NTV was higher than that of the KBC in 1991 (**see Table 8**).

The entry of NTV and CTV in 2000 increased competition and lowered concentration. According to Porter (2005), the two TV stations had to adopt different entry strategy because competition was stiffer. From a theoretical perspective such competition triggers audience segmentation and fragmentation, compelling programmers to target “minority-interests content” which makes more economic sense (Horwitz (2005:185). However while this was true for KTN as an entry strategy in 1990, it was not so for the NTV and CTV. Instead they supplied content for mass market such as entertainment, drama, and film. This explains why they had relatively lower channel open diversity compared to the incumbent in year 2000. This also lowered the market diversity performance significantly from 0.6 diversity index in 1999 to 0.51 in 2000 (**see Table 8**).

As depicted by low channel open diversity, there was minimal investment in new programmes at the entry level though this seems to have changed gradually as shown by increasing channel open diversity. It would not have been prudent to take risk and heavily invest in new programmes at this early stage. From a theoretical perspective, the ideal strategy at this market condition is to supply cheap entertainment programmes as well differentiate programmes. Thus neither CTV nor NTV opted for cost leadership strategy where investment in quality programmes to maximise audience is considered an option in low competition situation (cf. Park, 2005). However, this became an option eventually making CTV more distinct contributing to the increase of both open and reflective diversity. It is, however, important to note that the political situation and the political contest between the KANU government and the opposition was at its highest peak and having been denied broadcast licences for over ten years, the two stations focused significantly on analytical news and political information to almost directly and in a biased manner, campaign for the opposition parties. This marked the first significant decline in popularity of the PSB.

Further increase in competition though in general continued to increase open market diversity albeit modest fluctuations, our data showed that intra-channel diversity remained considerably low (see **Table 13**). Possible explanation for this performance is that TV channels adopted price competition strategy, became more risk averse and replicated programmes. This similar to Park's (2005) finding on TV performance in South Korea.

In a multi-channel broadcasters market, a common competitive strategy is to differentiate channels, positioning them to target different segments of the audiences. This allows for increasing channel and market reflective diversity and relatively high level of channel distinctiveness. In single- channel broadcasters market, there is a tendency of broadcaster to target the mainstream market and to neglect the minority content market. This strategy is reinforced by increased competition. Thus the level of reflective diversity increases substantially when compared to open diversity both at channel and market level.

In overall, increased competition compels channels to compete on soft programmes such as drama and soaps. This is because good rating on such programmes is, from an advertisers point of view perfect indicator of overall TV performance (cf. Park 2005). In Kenya, such programmes come either before or after primetime news at 9.00 pm and certainly influences news ratings as well. The fact that drama and soaps are aired at the same time across channels explains low-level channel distinctiveness and the reason for homogeneity of programmes. Informational programmes on the other hand are not aired at the same time and therefore less homogenous and perhaps more diverse. They are often aired not as competitive dimension but for purpose of informing and education viewers. Their supply is underpinned by public interest logic and philosophy. When competition is not stiff, you would expect competition to be based on more informative programmes. This was why open market diversity index was at 0.6 in 1999 the highest ever recorded in post-liberalisation period. This supports Van der Wurff (2004;

see also Park, 2005) argument that the competitive strategies adopted by media firms are dependent on the level of competition.

In conclusion, we have observed that increase in competition associated with entry or increase in the number of TV stations, immediately decreases heterogeneity of content supplied in the market (open market diversity). This was observed in 1991, one year after the entry of KTN, year 2000 following the entry of CTV and NTV and 2008 after the entry of the K24. Finally strategies adopted by different TV channels are dependent on the structure of the market particularly the number of firms and therefore the intensity of competition as well as the attitudes and behaviour of programmers and TV managers.

4.7 Effects of advert spends market share on diversity

This study investigated the extent to which the level of income generated from advertising and other sources, influence the diversity of programme types. Analysis was done at both market and channel levels. As discussed in chapter two of this study, competing multi-channel broadcasters strive to provide as diverse content in their channels as possible. They avoid cannibalization of their channels otherwise there would be no need for a media company to run more than one channel. Thus concentration reinforces competition, which from a theoretical perspective eventually provide diverse content and channel distinctiveness. In this type of market, Alexander, (1997, cited in Van der Wurff, 2005) say that concentration and competition contributes to innovation in

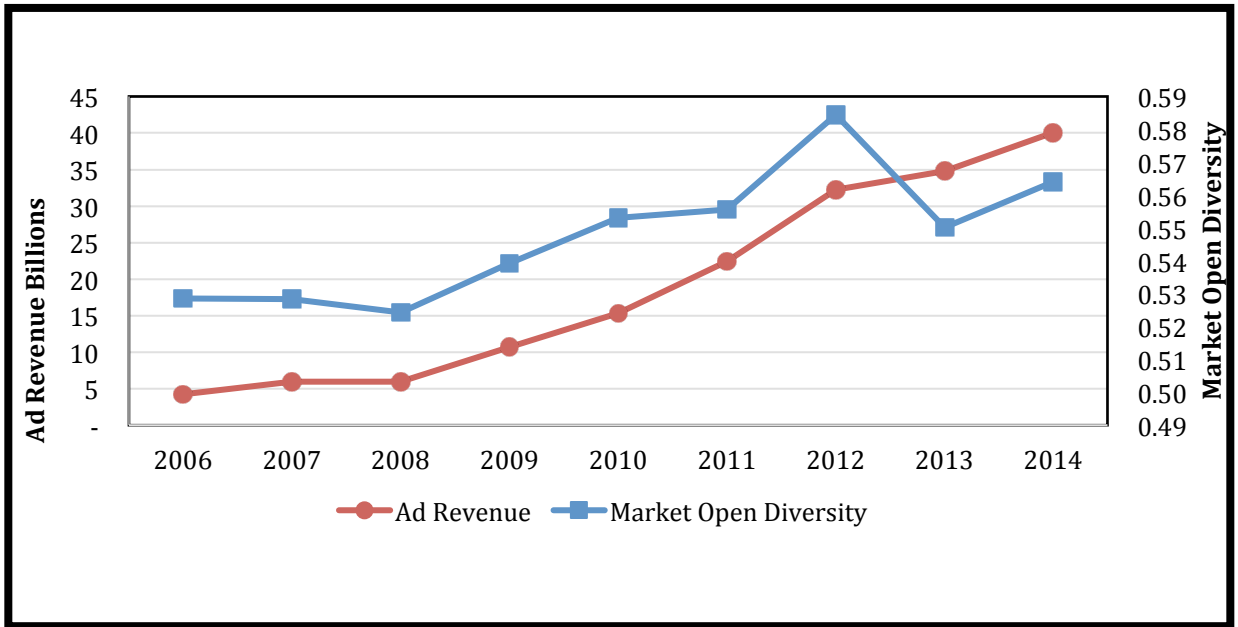
new products. Innovation is tied to availability of resources besides technical capacity to innovate and produce content. This study established that advert spend revenue increased from Kshs 87 million in 1991 to Kshs 44.6 billion in 2014 indicating a significant growth in advert revenue over the years. **Figure 6** below shows that growth in advert spend corresponds to gradual growth of diversity of programme types supplied in the market by the TV channels. This is a common characteristic of performance in commercialised media TV market (cf. Van der Wurff, 2004, 2005). This study results are consistent with this argument and though growth in diversity of content supplied was rather modest, the study indicates a positive relationship between the wealth of the TV market and diversity of content supplied at correlation co-efficient of 0.85 which was statistically significant at P-Value = 0.08 < 0.10 (at 0.10 significance level). The results are also consistent with the views expressed by Litman (1992) that in an oligopolistic market dominated by a few firms, the channels are able to generate sufficient income to innovate in new products thus increasing diversity of content. However, this may not always be the case particularly where a few firms facing minimal competition have no incentive to invest in new programmes opting to maximise their audience through low cost strategy and replication of light cheap entertainment programmes. Indeed the outcome will differ from market to market.

But, despite of the growth in advert revenue, year 2013 experiences a drop in diversity. This also records the lowest concentration and the highest competition levels at 0.24 and 0.76 HHI index respectfully in 2014. Thus, the Kenyan TV market is far much

less concentrated and modestly competitive. We, therefore, argue that although the wealth and size of a TV market contributes significantly to diversity performance of that market, modest concentration could be more instrumental in encouraging innovation and production of content compared to markets that are wealthy, competitive but highly pluralistic such as Kenya's.

This conclusion is consistent with, Van der Wurff (2001; 2004; 2005) findings in his study of the Dutch television market that media performs better where a few media companies run many channels each, than where many companies operate few channels. As argued earlier, all the TV stations studied operated one TV channel each that fell within the criteria of scope of this study. Thus the Kenya TV market in the study period is far much less concentrated and modestly competitive compared to most TV markets in Europe (cf. Van der Wurff, 2005), explaining one other possible reason for low diversity of content supplied.

Figure 6: TV market advert revenue and market open diversity



The second argument arising from these findings would be that, though the wealth of TV market in revenue terms plays a role in explaining diversity of content supplied, this should be looked into in relation to other variables beyond concentration and competition such as the audience consumption behaviour and the predisposition of employees towards innovation technology. Further, if we consider concentration at cross media ownership level, it is possible that there is cross media subsidies and would therefore be difficult to attribute performance to either lack of or availability of advert revenue. Since all the five TV channels studied are owned by companies characterised by cross-ownership of radio, newspaper or both, it would be interesting to study performance and advert revenue with such media structure in mind.

When we considered the relationship between individual channel's advert spend market share and performance, the results were similar with those of market advert revenue and market open diversity albeit a few exemptions. **Table 15** shows that there was correlation between advert spend market share and level of channel open diversity (diversity supplied by individual channels) among all the TV stations exempt for the NTV whose correlation was weak at 0.13. This notwithstanding, only the CTV at Pearson correlation coefficient of -0.927 was significant at a P-value = 0.001 < 0.05. The relationship between these two was inverse signifying an increase in one led to a decrease in the other. This means that though the level of advert spend would explain diversity at channel level, this relationship is not significant and that other factors such as competition and concentration would be more significant in determining channel diversity than income as discussed earlier.

Table 15: Correlation and levels of significance between channel open diversity and advertising revenue

Correlations		
		Channel OD Correlation with Ad Revenue
CTV	Pearson Correlation	-.927**
	P-Value	0.001
KTN	Pearson Correlation	0.649
	P-Value	0.081
NTV	Pearson Correlation	0.137
	P-Value	0.746
KBC	Pearson Correlation	-0.601
	P-Value	0.115
K24	Pearson Correlation	0.798
	P-Value	0.202
** Correlation is significant at the 0.01 level (2-tailed).		

As we shall see later, CTV was more distinct than the other four TV stations and offered more diversity. It also had the highest TV advert market share meaning that it had a higher disposable income to innovate and produce unique content differentiating it from the competing channels. This supports argument by Young (2000: 41) on media structure and performance that, innovativeness is a major competitive dimension and “that a degree of market power is required to generate significant level of innovation and technical progress”. Thus in regulating media performance, considerations should go beyond market control to include aspects such as the impact of such dominance to people’s welfare, diversity viewpoint made available and general national development. Therefore dominance and concentration are not necessarily bad in media. However market dominance should also look at the price setting power of such a player and the broader effects it is likely to have on entry into the industry. It is because of the effect of market dominance in determining the market performance that this subject should be given closer attention in discussing media markets. We conclude that channels with high revenue are likely to contribute to more diversity than those that do not.

4.7.1 Difference in programme types categories between the CTB and PSB

This study investigated whether there is a difference in diversity of programme categories and genres between commercial and the PSB in Kenya. In other words, we sought to

establish whether the PSB was at all distinct from the private and commercial broadcasters given its public remit as per the Kenya Broadcasting Corporation Act 1989. A review of programming performance of the PSB in 1965, 1975, 1985, 1995 and 1999 sampled from the pre-media liberalisation and competition period shows that, PSB provided content that was increasingly entertainment and less of current affairs. From Table 2, we observed that right from the onset, the PSB was entertainment in orientation. In 1965, it allocated 56.1 per cent of its airtime to drama and comedy and seven per cent to film. Thus over 63 per cent of its time was on soft content compared to 17 per cent allocation to news and 9.8 per cent to documentaries including features and news magazines both forming an important component of information essential for cultural promotion and creation of political awareness. Thus even without competition, PSB orientation was focused on offering mainstream and popular content. With the state demanding for more informative programming, increased economic and political activities in the country, the programming pattern gradually changed and by 1985, KBC offered the highest open diversity in its programming at 0.61 diversity index (see **Table 8**). However this was short-lived.

The introduction of competition from the KTN in 1990 lowered the channel open diversity for KBC from 0.56 in 1989 to 0.5 in 1991 (see **Table 8**). By 2007 just before the entry of the K24 in 2008, KBC had almost the same channel open diversity index with the commercial TV stations, specifically the KTN and the NTV. Only CTV offered a higher diversity of 0.54 index at the time (see **Table 12**). Thus the PSB did not succeed

in its public service role of providing diverse combination of programmes attractive to viewers as shown in its comparatively low channel reflective diversity index of 0.55.²⁸ As seen above in Chapter two and from studies in TV performance in Europe (Cuilenburg, 2002), a high and diverse programme diversity by a PSB contributes to higher market diversity. Indeed, it should be higher than the market average (market open diversity). It is not surprising then that market diversity index in Kenya has been moderate, oscillating between 0.53 and 0.56 between 2006 and 2014.

To establish whether there is a difference in diversity performance between the PSB and commercial TV stations, we carried out a paired samples t-test where the diversity index means of the public broadcaster (KBC) was paired with means of the four other commercial broadcasters namely, the CTV, NTV, KTN and K24 separately. The results were as summarised in **Table 16** below. We observe that at 0.05 level of significance all $P > 0.05$, meaning that there is no statistical difference between diversity performance of the PSB and the rest of the TV stations.

Table 16: Paired samples t-test for difference in programming diversity between PSB and CTB

PAIRED SAMPLES T-TEST					
		Paired Differences			
		Mean	t	df	P-Value
PAIR 1	KBC - CTV	0.02168	1.18	8	0.272
PAIR 2	KBC - KTN	0.03404	1.334	8	0.219
PAIR 3	KBC - NTV	0.01807	1.051	8	0.324
PAIR 4	KBC - K24	-0.01452	-0.533	3	0.631

This suggests that just like the commercial broadcasters, KBC did not supply significant amount of minority programmes and that programming was skewed towards the supply of the mainstream content shown by a high channel reflective diversity common amongst the commercial broadcaster (**see Table 12**). These findings are supported by Tsourvakas, (2004) in his study of Greek TV market which found out that competition from private and commercial TV channels reduces diversity offered by the PSB by forcing it to imitate the programming pattern and strategies including replication and homogenisation. These findings contradicts those of Lee (2001) from his study of primetime TV programming in Korea that PBS diversity performance was slightly higher than that of the private commercial stations. From our data, the difference in reflective diversity between private commercial stations and the PSB is very small and in some instance lower that of the private players. This also applies to open diversity or the supply

of programme types. Thus drama and cheap foreign soaps and movies are dominant in both TV categories. Thus KBC has not distinguished its performance from the private TV counterparts. These findings are in contrary to most studies in Europe including McKinsey & Company report (1999:22 see also Cuilenburg, 2002) that most of the PSB that are publicly supported are distinct in performance from the private and commercial TV channels.

PSB would only contribute to market diversity if it offers minority programme over and above what is offered by the commercial broadcasters (Van der Wurff 2005: 276, see also O'Hagan and Michael, 2003 in Van der Wurff, 2005). Juxtaposing this argument against the findings, unlike most of the PSB in Europe (Cuilenburg, 2002) which provides high channel open diversity because of the enforced obligation to provide public interest content, KBC did not demonstrate this distinctiveness. Indeed it offered as much channel open diversity as the commercial TV stations, failing in its legal mandate to providing diverse and well balance programming that are attractive to audience. It therefore did not alter the increasing reflective diversity provided by the private and commercial TV stations. Instead, it imitated the programming and competition strategy of the private and commercial broadcasters. We argue therefore that KBC did not moderate excessive entertainment and light content orientation of the commercial broadcasters and therefore failed to improve general market diversity performance. As earlier stated, this explains why open market diversity has remained low since 1965 (see **tables 8 and 12**). Put more radically, but supported by these findings, if the government of Kenya were to

suddenly liquidate the PSB, there would be minimal change in programming pattern. The worst scenario would be reduction in the number of programming hours in the TV market and therefore a narrow range of choice of programmes. This is supported further by the fact that all the TV stations offers almost the same level of channel open and reflective diversity exempt for CTV whose reflective diversity is relatively higher compared to the rest, and above market average. Thus the introduction of private and commercial television stations in Kenya in 2000, and related increased competition reinforced rather than altered the programming pattern and diversity performance of the PSB.

This means that the low diversity offering of the PSB is not necessarily attributed to competition from the private and commercial broadcasters or changes in levels of concentration. This is so because there was no radical change in programming pattern and diversity offering after liberalisation in 1990. Equally, if there has been any political interference by the government over the years, as popularly argued, it has not positively contributed towards provision of diversity of content particularly of the current affairs. One would however be tempted to argue that diversity of entertainment increased because this was a safer area of programmes concentration because there was lesser censorship and editorial interference by the government. Thirdly, media law and regulations in Kenya have had little influence on programming decisions of TV stations in Kenya including by PSB. This means that the programming pattern and diversity performance of the KBC could be attributed to other factors such as lack of quality consciousness, failure to understand the public remit of the PSB, lack of training, inertia

in innovation and creativity, low staff morale and civil servant syndrome of laxity.

To reinforce the above argument is the analysis of distinctiveness of the other channels from each other in terms of diversity performance. The results for paired samples differences between the five TV channels between 2006 and 2014, are as summarised below. At 0.05 level of significance, only CTV and NTV were distinct (P value = 0.001 < 0.05) (see **Table 17 below**) Meaning that the two channels were different in their supply of programme types across the years reviewed. It therefore means that, at channel level, there was no evidence of channel distinctiveness as is often the case among competing multi-channel broadcasters who as a strategic choice, strive to distinguish their channels as much as possible. Thus the channels were highly homogenous in their programming performance.

Table 17: Paired samples t-test for difference in programme diversity between TV stations

Paired Samples Test				
Paired Differences				
		t	df	Sig. (2-tailed)
Pair 1	CTV – KTN	2.242	8	0.055
Pair 2	CTV – NTV	5.404	8	0.001
Pair 3	CTV – KBC	1.314	8	0.225
Pair 4	CTV - K24	-0.896	3	0.436
Pair 5	KTN - NTV	2.017	8	0.078
Pair 6	KTN - KBC	-0.191	8	0.853
Pair 7	KTN - K24	-1.373	3	0.263
Pair 8	NTV - KBC	-1.919	8	0.091
Pair 9	NTV - K24	-2.096	3	0.127
Pair 10	KBC - K24	-1.423	3	0.250

The possible reason for this homogeneity is that the five channels seem to target the same audience as indicated by the high and almost the same level of reflective diversity index (see **Table 12**). There seem to be minimal market segmentation and therefore product differentiation. TV stations seem to all target mass market hence similarity in diversity performance.

4.8 Influence of market structure and on conduct of TV executives and its effect on diversity

The KII which forms the third method of data collection, aimed to answer two key objectives of this study. First, is the second objective which sought to establish how managers and programmers of TV channels respond to increase in competition. In other words, to establish competitive strategies adopted by TV channels in response to competition and how these affect diversity performance. As stated in chapter three on methodology, this dissertation employed mixed method research approach. Thus though the content analysis of programme schedules gave us empirical evidence on diversity performance, it was limited in explaining how media structure and specifically the conduct and strategic choices of programmers and media laws and regulations influenced this diversity. To answer this research question, in addition to using data on diversity performance analysed and presented earlier, we interviewed media experts directly involved in making strategic decision in programmes format and scheduling. The results

of these interviews are presented and discussed below. It is important to note however that these were discussed in reference to the empirical data and analysis presented earlier.

The second aim of the KII was to answer the research question five on whether changes in media policies, laws and regulation influenced the programming decision and how this affected the diversity of programmes offered by television stations in Kenya. The responses to this question are underpinned in our analysis in chapter 2, and the empirical evidence on diversity performance presented earlier.

4.8.1 KII Respondents

As discussed in methodology chapter, the interviewees were purposefully selected from the TV stations studied on the basis of their managerial and leadership position occupied in their media house and whether their decisions affected general strategic business direction of the organisation. The second criteria used was their direct involvement and decision making in programming and scheduling of programmes. Thirdly is their direct involvement and personal experience of TV programming during liberalisation and commercialisation of TV industry in Kenya. The interviews took place between April 2014 and April 2015 depending on the availability of the respondents. However verification of information provided occasionally took place during the entire period of writing this dissertation.

On the basis of this criterion, 12 respondents were identified as follows. Two Chief Executive Officers where one of them had served as Chief Executive Officer in the

PSB and at the time of the interview, serving in one of the private TV stations in the same capacity. He had a track record in transformation of TV institutions. In addition, were three heads of TV stations responsible for editorial and business strategies and an Editorial director of a leading TV station. Three programmes managers and three experts who had worked in both PSB and private TV stations right from the 1990s after liberalisation and now researchers in media policy. The interviews took place in their offices and employed open-ended format. Questions focused on TV industry performance before liberalisation in 1990s, media liberalisation fermenting and introduction of regulations in the late 1990s and the post liberalisation period from 2000 onward.

4.9 Responses on competition strategies, market structure and diversity

The structure of the media industry has significant influence on diversity performance. From the respondents, both PSB and commercial TV stations aimed at creating experiences in the minds of the customers/audience through quality programmes. While the respondent from the private TV stations singled out motivation to make profits as the most important criteria in programming decision making, they sighted the public interest imperative of providing diverse programmes. The PBS though had an obligation to generate revenue through advertising, they confirmed that their choice of programmes and scheduling was driven by the public interest mandate albeit editorial interferences by state house and other arms of the government particularly in the 1980s. Being a national broadcaster, they were obliged to provide programmes for all the Kenyans compelling them to air programmes that were expensive to produce but with minimal returns. From

the respondents, segmentation was an important strategy considered in providing diversity to diverse segments of the Kenyan people.

The Commercial broadcasters were on the other hand motivated by growing their audience numbers and therefore supplied mainstream content as opposed to content that would be attractive to the minority and marginalised segments of the society. Thus segmentation of the audience was actually within the mainstream audience as opposed to diversity of languages, culture and related social and economic interests. However the respondent alluded to the fact that inclusivity in programming was an important strategy aimed at attracting mass audience that made sense to advertisers who aimed at reaching different demographic. As discussed, this contributed towards a higher reflective diversity and reasonably moderate open diversity as discussed earlier.

All the heads of TV stations said that they have employed both scheduling and programming approaches as well as structural arrangements competitive strategies. At programming level, all scheduled soaps or drama either before or immediately after prime time news at 9.00pm. This is the most competitive our in TV programming and programmes are aimed at attracting the mass audience. Beyond audience considerations, only programme cost (either of production or acquisition) consideration informed scheduling decisions. However, KBC in addition to these factors, considered aspect such policy, statutory mandate and mission in programming and scheduling decision. Important national events including sports could sometimes compel the programmers to reorganise programme schedule. More often, this affected diversity of programmes and

explains why KBC always allocated substantive air time to sports programmes since 1960s.

In CTV, more than any other TV stations, important consideration in the scheduling and programming decision has been the availability and preference of the corporate sponsors and the rate of adverts. According to one respondent:

Programme sponsors have shifted their strategy from whole programme or episode sponsorship to “corridor sponsorship”. They buy sports in popular programmes instead of sponsoring the whole programme or episode. One popular programme or episode could attract several sponsors. Popular programmes can therefore consistently remain on schedule for a year or so as long as they have sponsors.

This perhaps explains as discussed earlier, why CTV has the highest reflective and therefore more distinct compared to its competitors.

Further on content production and diversity, respondents reported that exempt for the KBC most media house did not have fully-fledge in house production division till 2012 when the majority established operationally functional in-house production units. Most of the content was either outsourced from independent producers or acquired through subcontracting independent producers particularly where media house lacked expertise to produce in-house. KBC from the onset was expected to have an effective in-house production unit as defined in the KBC Act 1989 and has a longer history of in-house production particularly of local drama. While the respondents from the five main media houses acknowledges increasing trend in outsourcing of content, they could not provide substantive data on the proportion of content outsourced. From their anecdotal response

however about 70 percent of the content is outsourced while the rest is produced in-house. This has a bearing on programming and diversity. One head of TV commented that:

Whether content is produced locally or imported, the common denominator in determining its placement is the cost of production or acquisition. Given that the cost of programmes is high, for purpose of return on investment, expensive programmes are aired during the primetime.

This explains the reason for homogeneity of programmes across TV stations particulate during the primetime.

Understanding of the audience viewing habits and demographic have informed programming decision making in all media houses. However, CTV has gone beyond traditional audience studies to look into TV viewing habits among the African families. From their studies they have found out that families watch TV programmes together and thus attracting viewership within a family setup required a mixture of strategy that took into consideration factors such as age diversity, educational levels, and individual distinct interests and tastes. So programmers have to work with group *tolerance ratio index* to accommodate these diverse parameters of viewership. Thus most of the CTV programmes could be watched at a family set up particularly the local series and comedies such as *Papa Shirandula*, *Inspector Mwala* and *Wedding shows* and religious programmes common on Sunday afternoon. The CEO of CTV said that:

The local programming and scheduling attracted the advert agencies and corporate firms were initially were pessimistic and resistant about the local programming strategy and their ability to reach their product market. They

equated them with poor quality and down market and doubted their ability to connect with viewers who already had a taste of NTV and KTN foreign programming format. However this negative attitude towards local programmes changed gradually when Citizen ranked top in viewership. The focus for advertisement also changed.

A major challenge though facing the growth of local content programming besides the cost of production, is the diminishing veracity of local culture as epitomised by diminishing of folklore. Lack of good storytellers and script writers have also contributed towards high cost of local programmes.

Related to the above is the programme repeat strategy where the popular programmes aired in the week are re-run on Sunday afternoon when most families are relaxing at home. Though this does not increase diversity of programmes supplied, it increase reflective diversity of mainstream content. Perhaps this also contributed to the reflective diversity of the CTV which was the highest in the market.

At the institutional structure level, some TV stations such as the NTV have various desks for packaging diverse programmes such as business news, political affairs, county news, investigative and features desks. KBC on the other hand, limitation of resources notwithstanding, had the most elaborate programme packaging structure. It allocated one to two journalists per category of the popular programmes. They have had for example the perspective desk focusing on the most current and topical issues, business desk, sports, family matters, life style, environment and health.

Comparing the decision making structure of the PSB and the commercial channels, the respondent from the PSB decried the red tapes in procurement process and

decision making which limits the speed of reacting quickly to change in market performance. Most independent producers opt to engage with CTV, a private company and therefore flexible in making strategic business decision and in responding to market dynamics. Though a little bit different from the PSB, the other channels adopt a more corporate management style also characterised by significant bureaucracy in decision-making. The respondent from the PSB noted that:

You cannot compete with the CTV because of its flexibility in decision making including speedy acquisition of competitive programmes and attracting the best local producers. We are not in the same league.

The formative idea and the vision defining the establishment of a TV station had a strong bearing on programming decision. From the respondent, KTN was the first independent TV station in Kenya to give the opposition political parties, a platform to express their voice of dissent during the agitation for multiparty democracy in 1990s. It gave voice to the elite driven political change and provided an alternative to viewers away from the dominant PSB government driven political propaganda and local content. From the head of programming at the time, KTN segmented its market and targeted the educated upper and middle/working class and business elites. It had more sophisticated programmes whose quality and format was radical departure from local and less creative programmes offered by KBC. This transformed the television market in Kenya in two major ways. First, there was increase in diversity of foreign cultural programmes such as movies and music. Secondly it clearly created two distinct markets for TV content which

also corresponded with the economic status and political awareness. TV viewership became more economic and social class driven. Give its appeal to the business community KTN attracted advertisers and managers of the leading corporates and business entities. From then on, KTN positioned itself as fearless on political presentations and discourses and has never shied from criticising the government of the day on issues of governance. On this, the head of TV commented:

KTN inculcated a strong culture of elitism in programming that does not hold water two and a half decades down the line. It has been branded as pro-opposition and driven by more sophisticated content that appeals to the working class, business communities and diplomats and international community. This is changing though and our programmes now appeals to the entire cross-section of the Kenyan society. However our investigative reporting should not be misconstrued to mean that we are pro-opposition. It is simply the right journalism. All the same, let me say that elitism and upper and middle class orientation continue to influence our programming and scheduling of programmes.

These sentiments seems to support our empirical evidence that only KTN and CTV are distinct from each other. KTN is distinct because of its orientation to current affairs programmes while the CTV has positioned itself as “ local content programmes oriented channel” with more dominant local current affairs, drama and series that appeals to the mass market. This determines programming and scheduling decisions and is for this reason that CTV adopts a cost leadership strategy where it produces or acquire quality local programmes to attract mass audience just to gain in rating and hence economies of scale in advertising.

4.10 Influence of media laws and regulations on behaviour and conduct of programmers and its effects on diversity.

It is generally acceptable from a moral perspective that, media, whether public or privately owned has an obligation to serve public interest and should be guided by this imperative in their business. They should provide diverse social, cultural and political content and equitably inform, educate and entertain all citizens within the framework of national development and national philosophy. This understanding is underpinned on the common axiom that media holds frequencies in public trust and the “owners” should benefit from media business as well. Secondly and as discussed in chapter two, media in Kenya has just emerged from repressive regime of the 1960-1990s characterised by constrained media freedom, state repression, threat and intimidation of media establishments and professional which has constrained media space and affected performance.

Against these moral normative and legal undertones, we sought to establish whether media laws and policy have any bearing on programming and the extent to which it affects decision making of programmers and media managers and therefore diversity of content.

Media managers and programmers experience with media legal environment in Kenya is that there has been a significant shift in legal media sphere from repressive period before liberalisation to free media space of year 2000 onwards. They all agreed that the post media liberalisation period of 2000-2014, media laws and regulation did not

in any way hinder or affect their decision making on programming. That, instead they were guided by moral considerations as opposed to statutory obligations or expectations. Most professionals reported that the Code of Conduct for the Practice of Journalism in Kenya was the only professional expectation that guided programming and scheduling. Though embedded in the second schedule of the Media Council Act 2013 and therefore part of the laws, they considered the code as moral treatise as opposed to legal imperative. One of the respondent commented on this;

Except for the Media Council Act 2013 which dictates professional conduct of journalists, the programming standards set by Communication Authority or Film and Classification Board are vague. The watershed hours requirements are adhered to not because the laws say so but it is the right thing to do. To respect the family values and protect children is a moral responsibility. Thus this does not affect our programming. What I would consider as a major constrain in diversity provision is cost of production and looking for a sponsor. This certainly hinders diversity provision. We can only provide low cost imported programme.

Given that all heads of the five TV stations except one had at one time in their career worked with the PSB, their perspective on the constraints facing programming at the PSB were similar. They all agree that political interferences more that legal requirements influenced diversity performance of the PSB. A former news editor commented on this.

KBC before liberalisation faced editorial interferences compelling is to retreat to safe haven of offering entertainments programmes that were less controversial. Unfortunately the constraints shifted from the state interference to commercially determined programming after liberalisation which is also driven by entertainment content. Thus both sate determined and commercial driven programming have had similar results. More

entertainment compared to engaging content. KBC has never been truly, a public broadcaster. Its performance has been dismal.

These sentiments agree with our empirical evidence earlier discussed that PSB programming before liberalisation and during the monolithic party state was substantially geared towards entertainment with more than half of the programming time allocated to entertainment content.

On whether the government through the existing Kenya Information and Communication Amendment Act 1989 could promote diversity through the Universal Access Fund, one head of programming said that:

The TV stations in Kenya will continue to offer mainstream content that appeals to the majority of audience as long as the government does not support production of the less popular but significant public interest content of cultural and social nature and that which also appeals to the minority of citizens. The universal access fund should be used for that purpose. It is provided for in law, but not put to the right use. We are interested in “double R” (Revenue and Ratings) and entertainment content gives this.

On why foreign soaps have dominated programming even in the PSB in spite of the requirement that the KBC promotes the local culture and language, the respondents observed:

The dominant Mexican soaps have a global appeal because of their brutal honesty about realities of human nature and full of twist and turns. They are well written and attract good audience. I see no commercial TV station directing its programming away from soaps, whether local or foreign. Diversity of primetime will always be constrained by competition.

All respondents agreed that limited rules on media ownership has worked

positively well for media houses giving them room to grow and take advantage of large scale operations. Indeed, outside the licencing conditions, the power by the government to control growth and expansion is limited. Indeed economic and technological factors were more limiting than legal and regulatory factors in determining diversity of content.

4.11 Conclusion

This chapter has presented data and brought out the evidence that the interaction of the media institutions with these external forces, specifically the structure of the television industry and the regulatory and economic factors influences diversity performance.

It has demonstrated that though the television ownership in Kenya is not concentrated, it has been marked by high competition whose effect has been the increase in supply of soft content of drama, soaps, film and infotainment as opposed to hard content of social, cultural and political nature, significant in building citizenship and nurturing democracy. Thus plurality of ownership and increase in the number of TV stations has not necessarily been accompanied by significant increase in diversity of content albeit the increase in the number of programmes. Instead, the TV market has been characterised by duplication and homogeneity of content between channels and thus channels are more similar than distinct in diversity supply. Kenyans are not necessarily therefore better than they were 15 years ago in terms of diversity exposure. Equally, and contrary to the popular view that KBC has been a public interest driven content with more diversity offering, the study has established that right from the onset, the Public broadcaster has been more entertainment in orientation and has not been distinct from the commercial broadcasters.

Finally, despite of the explicit requirement in the legislations that broadcasters provide diversity of content and particularly the PSB that has a public interest remit, this has not been effected. Thus media laws and regulations have had minimal effect in determining diversity performance. They have minimal influence on the conduct and performance of media managers and programmers in their programming decisions. However key constrain to provision of diversity by the PSB has been political and administrative interferences by the government.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

Using structure conduct and performance economic model as a framework of analysis and employing critical political economy of the media to underpin theoretical discussions, this study examined diversity performance of the free to air, advertisement supported TV stations, both commercial and PSB in Kenya. It has examined the interaction of the media institutions with these external forces, specifically the structure of the television industry and the regulatory and economic factors to understand their performance.

Four independent variables were considered namely: TV ownership concentration, the advert market share of TV stations, the changing number of TV station in the research period, and competition. While our findings are supportive of the structure, conduct performance relationship in the TV market characterised by moderate competition (cf. Cuilenburg 2002; Van der Wurff, 2004, 2005; Van Der Wurff & Cuilenburg 2001) there were a few findings that differed. This chapter summarises these

findings, gives recommendations, identifies further areas of research, and gives policy recommendations.

5.1 Central question of the study and study approach

The central question in this work has been whether the Kenyan television market has become more concentrated and competitive, and, if so, whether such concentration and competition have effected the diversity of content offered to viewers. The study looked back at 21 years – between 1965 and 2014 – data of TV programming schedules to analyse diversity performance. The period coincided with various changes in the television industry such as market structure i.e. change in number of TV channels in the market, media laws and regulations, concentration and competition which from a theoretical and empirical point of view, affect diversity performance of TV channels. This period has given important data points for comparison of the effect of these changes on diversity. Important too is that the number of years sampled generated sufficient data statistically acceptable in time series analysis. In addition to concentration, other independent variables considered and analysed are levels of advert spend market share (in this study treated as actual revenue generated) for each and every TV station studied, the number of TV channels during the study period and the media policy and regulatory framework. These have been tracked to gather evidence. A variety of data sources have been used ranging from audience and market research reports, both electronic format of TV programming schedules and programmes line-up in newspapers and filings by

different TV stations in the study. The effort was extensive and the resultant database is unprecedented in its scope. This section gives such summary, conclusions and recommendations.

From the historical analysis of the development of TV market in Kenya, it is evident that it has been characterised by various changes in market structure, liberalisation of the airwaves, partial commercialisation of the public service broadcaster, the emergence of the private and commercial TV stations and concentration of media ownership both within the TV market and across various media markets. Linking these changes to politics, Obonyo and Peel (2014) note that there has been a strong link between liberalisation of the airwaves leading up to the emergence of private and commercial media and the expansion of democratic space and multiparty democracy in Kenya just like other parts of Africa in the 1990s. It is also evident that in Kenya's changing media landscape, developments in policy and regulation, the media structure, economic and political changes play a role in defining media performance. First, there has been significant media ownership plurality with each broadcaster owning a single channel, explaining the reason for low television ownership concentration. Though media plurality and ownership diversity does not necessarily guarantee content diversity, we have established that it does in Kenya's television broadcasting industry. Since the entry of the first private and commercial TV station (KTN) in the market in 1990, and subsequent entry of CTV and NTV a decade later, there has been gradual growth in both open and reflective diversity though, increased in open diversity has been modest.

Though this is a characteristic common in both single channel and multi-channel broadcasters markets, the level of homogeneity of channels and duplication of content is high in Kenyan market of single-channel broadcasters. More time has increasingly been allocated to soft programmes such as soaps, drama and comedy and film as opposed to current affairs and documentary and cultural programmes considered essential for building citizenship and driving political participation. Thus content offered is concentrated and skewed towards soft content. This may in effect affect TV ownership concentration trends in Kenya.

5.2 TV ownership trends in Kenya

Though it is outside the scope of this study to explain the reasons for changes in concentration, it suffices to say that three key changes took place during the period covered in the analysis which, from a theoretical perspective, could influence media concentration. First is the entry of the NTV and Citizen CTV in the market in 2000. An increase of outlets in the media market triggers a change in concentration. Secondly is the regulation of broadcasters two years earlier, when the Kenya Information and Communication Act 1998 was passed and the Media Council of Kenya Act 2007 seven years later. The two laws relaxed the TV licensing conditions and promoted self-regulation in the media industry through the Media Council of Kenya. In addition to that, was the Kenya constitution 2010 that guaranteed media freedom and freedom of expression in articles 33,34, 35 and operationalisation of the same through KICA Act and

MCK act both passed in 2013. Finally, were spikes of rapid economic growth followed by waves of economic slumps that were triggered by political change and economic revival following 2007/2008 post election violence? However the important thing here was not the reasons behind concentration trends but rather to establish whether concentration changed at all during the period. A possible area of study is to establish empirical reasons why is gradually falling since 1999. This as we saw in chapter 4 has significant influence on diversity performance.

5.3 Concentration and programme types diversity

As discussed in Chapter two of this dissertation, TV channel will strive to differentiate their content to attract more audience and therefore the chances of improving their ratings to attract more advertisers. Concentration would therefore increase diversity in a multi channel media environment because broadcasters will as much as possible try to differentiate their channels in terms of diversity of content as long as concentration is not too high. It makes no sense to duplicate programmes on their sister channels (Alexander, 1997, cited in Van der Wurff, 2004). It follows that decrease in concentration in multi-channel media environment is likely to decrease diversity. Following this logic, imitation and duplication of programming is likely to be higher among single channel broadcasters than would be in a multi-channel broadcasters environment. This possibly explains why open diversity in Kenya has modestly increased over the years. As a strategy, imitation

and duplication of programmes makes more sense in such market than would be in a multi-channel broadcasters market.

Secondly, competition in a multi channel environment would offer more diverse product for the lower end of the market than would be in a single-broadcasters market and therefore more open diversity and very high reflective diversity. This is true for Kenya's TV market where open diversity has increased modestly even with increase in competition from increase in number of channels. Thus the findings of this study agrees with the observations made by that Van der Wurff (2005:255), that "channels of multi-channel broadcasters will be more diverse than channels of single channel broadcasters". Empirical evidence has shown that the supply of heterogeneity of content by the local TV station has only been modest, albeit a higher response of content supplied to the audience demand.

5.4 Demonopolisation, regulation and TV programming

As discussed in chapter two on media regulation in Kenya, the demonopolisation of PSB in 1990 that allowed for the entry of private and commercial broadcasters was not accompanied by regulation in terms of ownership or content. PSB was commercialized in 1988 through the KBC Act allowing for full funding through advertising, setting a new stage for competition for revenue and audience. Thus thought there was provision for KBC to provide diverse set of programme-types of education, information and entertainment, there was no quota stipulations. Thus determination of content supply by

the competing TV channels was fully left to economic forces of demand and supply. Thus as we saw earlier in our discussion, KBC was not internally distinct from the competing commercial stations in terms of diversity offered to the market. This fact was supported by the interview with station managers and programmers who attested that media regulation and laws in Kenya have had minimal or no effect in determining competitive strategies and programming decisions and therefore diversity of content supplied. Apart from opening up of space to commercial broadcasters including easing of licensing condition, the Kenya Information and Communication Act 1998 did not enforce the stipulated programming requirements including diversity. The Amendment of the same law through the KICA, 2013 though has tightened the provision on programming, has not been operationalized. The Media Council Act 2013 which largely speaks to regulation of conduct and behaviour of journalism has little to do with strategic decision of media managers in programming and therefore would remotely if at all influence performance. The alignment of the KBC act 1988 to the 2010 constitution, and operationalisation of KICA, 2013 may possible influence performance. This would be another possible area of future study.

5.5 Public broadcasters diversity performance

As discussed in Chapter one, the primary role of the PSB is to offer more diverse combination of programmes than would be offered by the commercial broadcasters (O'Hagan and Michael, 2003, cited in Van der Wurff, 2005:256). This would include

programmes such as news, current affairs, informational and cultural and documentaries (Brown, 1996 cited in Van der Wurff, 2005). Research however shows that PSB can only be distinct in terms of the diversity it offers where there is a defined public service obligation to provide such programmes. This view holds for Kenya's PSB. KBC has not been distinct from the commercial broadcasters and has not offered more diverse combination of programmes. It has not offered more open diversity than reflective diversity compared to the commercial channels. This could be explained by the fact that since its commercialisation through the KBC Act, 1988, Act, KBC did not have its mandate reinforced as much as public remit obligation was spelt out in the act. It therefore adopts the programming format and strategies similar to those of the commercial oriented broadcasters.

Another important observation is that both commercial and PSB are supposed to be distinct in relation to the market performance. This is so because PSB has an obligation to offer certain programmes and thus has a better combination of programmes. Commercial broadcasters on the other hand are less diverse. Contrary to most studies in multimedia broadcaster environment in Europe (Van der Wurff, 2004, 2005) both commercial and PSB were not at all distinct from the market performance. Meaning that both PSB and Commercial broadcasters target the same audience market, (in this case mainstream market) and thus ending up with similar reflective and open diversity and level of channel distinctiveness.

5.6 Number of channels and diversity

As earlier discussed, the programme choice model suggests that programme types diversity depends positively on the number of channels (Steiner, 1952; Beebe, 1977, Owen and Wildman, 1997, cited in Van der Wurff, 2005). When the number of channels increases in a multi-channel broadcasters market for example, there is a tendency to differentiate their channel by offering diverse content thereby increasing diversity. This was empirically demonstrated by Rogers and Woodbury (1996 cited in Van der Wurff, 2005:253) in their research on radio in the USA where they found out that diversity increased with the increase in radio outlets. Our findings are consistent with these findings but with slight variations as a result of the influence of the low level of concentration or plurality. As discussed earlier, though there is a general increase in both reflective and open reflective diversity, this is not as significant as would be in a multi-channel TV broadcasters market. Single channel broadcasters seem to adopt the same low cost strategy and high level of programme duplication. Thus as per the programme choice model, increase in number of channels in Kenya resulted in increase in both open and reflective diversity. However the increase in open diversity is very minimal than would be in a multi-channel broadcasters market. This is theoretically correct as argued in chapter two because there is no a must-carry obligation to compel the PSB to provide some certain programmes not viewed as important by the commercial broadcasters. Secondly a broadcaster with more channels will as much as possible position their channel in the market by segmenting audiences and providing them with distinct content.

There is tendency therefore to provide content across different social segments thus providing higher diversity. In Kenya, broadcasters have a single channel each and have no strategic motivation to provide content outside mainstream market. This would only change when the left out social segment become large enough to provide significant audience number for the advertisers thereby justify investment. Such market would ideally be tapped by a multi-channel as opposed to a single channel broadcaster. The entry of the QTV of the Nation Media Group in 2012, is an example of such strategy. More of this will be possible after the migration from analogue to digital broadcasting which guarantees more channels and better quality images. Studies of diversity in multi channel environment in Kenya would an interesting areas of inquiry in future and the results could be compared with the findings of this study.

On the relationship between the advert spend market share and diversity of content, our findings established that an increase in advert market share of TV station increases diversity of content supplied. However this relationship was not proportionate and high market share did not necessarily translate to relatively higher diversity of content supplied. This is tied to other factors such as innovation, drive for quality and competition strategy adopted. The fact that the CTV has dominated the advert and audience market share did not translate to higher diversity compared to the rest of the TV stations. However it supplied more entertainment content than the rest.

5.7 Critical overview of this study

The theoretical underpinning of diversity studies is its centrality in promoting citizenship and democracy. We have established a strong link between plurality and thus low concentration with diversity performance albeit our recommendation to encourage modest concentration to moderate competition and therefore better balance between open and reflective diversity. However while from a theoretical perspective values of plurality and diversity are necessary but not sufficient conditions for democratic participation, their actual role in democracy, cultivating citizenship and general public interest, should be analysed using a thorough and wider intellectual frame combining market economic imperatives and social values of diversity and plurality. This will help us avoid oversimplification of plurality and diversity values and give us the opportunity to analyse media content and its role in cultivating informed dialogue among the citizens.

Secondly, because of convergence, of traditional and digital media, cross ownership and vertical integration and with media companies expanding their operation beyond the traditional confines of their expertise, is becoming increasingly difficult to assess diversity from media types i.e. print, online or broadcasting. It will be more meaningful to assess concentration in the media as a whole as opposed to specific industry. Thus future study should consider diversity analysis from media neutral perspective, that is considering content and genre regardless of the technology of its delivery. The study could for example consider news market, entertain market, cultural market, sports market without considering the media forms (Cuilebuge 2002; Tom

Vizarrondo, 2013).

Thirdly, the diversity studies and discourses have increasingly focused on the economics of supply of contents, while placing excessive premium to the willingness and ability of the citizens to responsibly utilise the information supplied. The assumption has been that citizens are interested in diversity. Picard, (2000) argues they aren't rejecting diversity of ideas through selective attention and perception. The focus on policy therefore has to give attention to media literacy on how to responsibly use diverse information now available in the information superhighway.

Fourthly, as discussed in Chapter 2 of this study, studies on competition and diversity performance has given contradictory results. This is due partly because of complexity of programming and competition data. Some studies have found that competition increased diversity while others have demonstrated the opposite. Further, studies on the conditions and circumstances under which competition increases or decreases competition are essential.

Fifthly, there are a number of quantitative measures that have been used which tries to decentre this study from the long held notion that media studies is more phenomenological than positivist in ontology. We posit that to translate principles to policy, law, and regulation unavoidably require numbers- "some criteria, standards, and red lines, which usually require some quantifications" Noam 2009:51. This study is an important departure from this premise and most media studies in Kenya.

Conducting this research was not free of challenges. One of the challenges is that

we analysed TV programme schedules and not the actual broadcast content. Thus there is likely to be a discrepancy between the schedules and what was actually broadcast. We couldn't actually tell whether there was a last minute change on the actual schedule. However as we argued in chapter 3, the assumption is that the error of discrepancy could be minimal due to "consistency in television scheduling" (Osei-Hwere 2008:204).

5.8 Summary, policy recommendations and conclusions

It is evident that in a single-channel broadcasters market, a dominant private commercial channel could play the role of the PSB in moderating competition triggered by an entry of a TV channel in the market. Conversely, in a market where channels have equitable market share, an entry of an extra TV station would trigger stiff competition likely to significantly decrease diversity of content. In Kenya, Citizen TV moderated competition by its relatively higher offering of reflective diversity and control of both advert spend and audience market share.

Secondly, moderate or low concentration of TV ownership is essential for increase in diversity both in multi-channel and single channel broadcast markets. This allows for competition that is essential for the supply of diverse content. There is a rider to this conclusion though. That this performance is dependent on whether there is a single market leader able to moderate competition and able to offer open diversity above the market level. Given that the Citizen TV has continued to offer market leadership in performance, and cognisance of the fact this could change with changes in more

competition in the market, it is imperative that the PSB is supported to play this leadership role. Alternatively and in the absence of effective PSB, it is essential that the famous 'fair doctrine' common in the USA in the early days of media regulation is introduced. Though it is likely to raise serious debate among the pro-business advocates, compelling the private and commercial broadcasters to provide certain programmes of public interest could sustainably guaranteed open diversity in Kenya.

From the findings, it also seems as if the current market ownership structure has served reflective diversity better than open diversity which has gradually increased modestly. It seems that an increase in number of channels could continue to provide more open diversity and decrease reflective diversity when TV stations start targeting lower stream market segments. Thus low level of ownership concentration characterised by single-channel broadcasters structure could continue to serve Kenyans better.

It is apparent from our findings that concentration of TV ownership is very low as compared to countries of Western Europe and the USA. Competition on the other hand is high and not moderate forcing broadcaster to provide similar low cost mainstream content such as drama and soap. This means high market reflective diversity characterised by homogeneity, duplication and sameness of programmes types supply. It is also evident that the PSB is not distinct from the competing commercial channels its public remit mandate to supply content for the lower end market as well as hard content important for the development of citizenship. Arising from this, this study makes two recommendations. First for the PSB to play a moderating effect to the fears competition

between channels that results in excessive reflective diversity and only moderate to low open diversity, it has to be restructured and supported to supply content left out by the profit oriented commercial channels. Indeed PSB must significantly contribute towards market supply of open diversity.

More controversial but backed by our empirical findings and best practices elsewhere, regulation in TV industry in Kenya should focus on content as opposed to structure as is the case in Europe and dominantly in the USA (Croteau & Hoynes, 2006). Their TV diversity performance problem is more related to structure of ownership as opposed purely genre and quality of content issue. Regulation of content should however be done with care and should not be misconstrued to mean content censorship. But rather, the supply of a more balanced content addressing the interests and aspirations all segments of the Kenyan society including the marginalised. It also means supply of educational and more informational content that builds citizenship and empower them to engage their leaders more constructively, determine their livelihood and democratic agenda and participate in all decisions touching on their lives. Such content can be supplied modestly by commercial media but in abundant by PSB thorough must carry obligation and provision of quotas.

This study has investigated diversity of programme types during the prime time. Studies indicate that this is the most competitive time in TV programming and scheduling and there is a tendency to sacrifice more informative and cultural content for light entertainment content such as drama, soaps and movies. According to Van der Wurff,

(2004), in most European countries, PSB contribute more significantly to diversity at this time than any other time in programming. This study has contrary finding that the PSB plays no different role at this hour from that of the commercial TV stations. It would be interesting to find out whether the role of PSB in provision of diversity is better in day time programming than it has in the competitive prime time in Kenya. Testing this would possibly provide more information on the role of PSB in provision of content diversity.

This study has considered programme types diversity analysis in the Kenyan TV market and has found out that competition, concentration and number of channels are important determinant of diversity performance in Kenya. Financial support and media regulation though important, our analysis shows that their role is modest. Competition among channels has increased diversity of content supplied in spite of the evidence that channels have offered low cost programmes particularly soaps and drama resulting in excessive duplication and homogenisation of content and low channel distinctiveness. This is unlike multi-channel broadcasters markets where distinction of channels ensures diversity of content duplication notwithstanding. Thus while the Kenyan market has satisfactorily met the content demand for the mainstream audiences (reflective) it has only modestly met the demands for minority audiences as well as programme types that would be considered to be of public interest. Thus competition is nearly ruinous (cf. Van der Wurff, 2004.2005) and therefore a need to encourage a modest level of concentration and multi-channel ownership though this would largely be dictated by the market forces and the ability of the Kenyan economy to financially support many TV outlets.

Media content diversity is an important component of social integration process in a country and a salient driver of the nation state building process. This is beyond its roles in presentation of diverse ideas and opinions, stirring debate and dialogue in political process and decision making in a democracy. So, diversity is a social, political and development value driven by media and should therefore be central in making media regulatory decisions and policies. This dissertation has elucidated that to regulate television content diversity performance, consideration of four key factors is imperative. These are concentration, competition and the role of the PSB. This combines structure and content consideration. However as mentioned above, the regulation and policy priority for Kenya should be on PSB so as to regulate content through an imposed and regulatory must carry obligation. Of course this will call for restructuring, technical, financial and managerial support of the PSB.

This study questions the preponderance of over commercialisation of TV industry and overbearing business logic in making decision on media performance in Kenya. The decline of the role of the PSB in serving the audience needs and the nascent regulation dominantly geared towards serving commercial media enterprises are the two major areas that should be addressed to ensure diversity and pluralistic media system.

Media policy in Kenya since 1963 has for decades focused on state media aimed to mobilise communities for national development albeit overt attempt to use it for political expedience. Thus the priority has been economic as opposed to socio-political and cultural considerations which were by definition considered the normative role of the

media in the context of “mass democracy” (McQuail, 1992: 49-52). In the absence of competitive and liberal democracy, the concept of diversity was not an important media performance requirement. However with the introduction of competitive politics in the 1990s, diversity of ideas and opinions and representation of different viewpoints by the media particularly during the general elections, have become important considerations in media performance debate. This has been more compelling after liberalisation of airwaves and introduction of private and commercial media. The importance of diversity aspect of media performance notwithstanding, the government has not given policy direction on the role of the PSB in providing diversity of content and the focus has unfortunately been on regulating of content particularly for the private and commercial broadcasters. Economic welfare and technological considerations have also been given excessive premium in government regulation debate, which unfortunately have no any underpinning of democratic values. The media regulation debate should not just focus on economic and competition aspects but also focus on diversity as the end.

This study is the first of its kind in Kenya, and taking a longitudinal approach, and tracking changes in media structure and regulation, it has established that media concentration in a single channel ownership pattern strangles diversity. It has expanded media diversity and concentration studies beyond the European and American multi – channel studies to conclude that in a media environment that is unregulated and where PSB performance is dismal, competition constraints diversity and that low concentration and plurality of ownership does not guarantee diversity.

5.9 Possible areas of further studies

This study has been carried out in TV market structure characterised by single-channel ownership broadcasters pattern. The findings have shown that in such market the supply of heterogeneity of content by the local TV station has only been modest. With digital migration and therefore availability of more frequencies, it is possible that the TV market will take a multi-channel structure with TV broadcasters investing in more than one channel. Establishing whether such market offers more diversity as suggested Van der Wurff (2005:255) that “channels of multi-channel broadcasters will be more diverse than channels of single channel broadcasters” would be an interesting area of inquiry and the results could be compared with the findings of this study.

The future of media ownership and performance will in future be informed by the current on going debate on media regulation and policy as provided for in KICA 2013. The Communication Authority will continue to assess the compliance in provision of the 40-60 per cent broadcast content while the proposed revamping of the KBC could change TV diversity performance altogether. There will be need to assess success or failure of such changes in the broadcast industry.

This study has established that in prime time, the KBC TV plays diversity performance is similar to that of the commercial TV stations. It would be interesting to find out whether the KBC TV provision of diversity is better in daytime programming

than it has in the competitive prime time in Kenya. Testing this would possibly provide more information on its public service remit.

The convergence of media that has largely been driven by the new technology including Internet has blurred the line between the media product as supplied by different media types. Studying diversity as a media type specific phenomenon is therefore becoming increasingly difficult. Possible areas of study would therefore be to look at content across the media as opposed to individual or distinct media. Looking at news diversity, current affairs diversity, cultural content diversity for example would give a more comprehensive picture of diversity performance (Cuileburge 2002; Vizarrondo, 2013).

Notes

¹ Though the requirement that local TV stations provides adequate diversity and local content in their programming was provided for in the Kenya Information and Communication Act 1998), for over a decade and a half there was no concerted and effective monitoring and regulation of this requirement. The provision was tightened in the Kenya Information and Communication Amendment Act 2013 that requires that all broadcasters supply at least 40 percent local content in their programming. Debate on regulation of this process under Communication Authority (formerly CCK) is on going. This study therefore departs from the point that broadcast content is not regulated (to the extent of this study).

² The Kenya Broadcasting Corporation Act 1989 conceptualises the PSB in commercial terms and therefore expected to generate income from advertising. It implies competing with commercial and private media and adopting business strategies that more often than not disregards cultural, social and current affairs programming, a cardinal aspects of public remit obligation.

³ Public interest content is that content that may not be so appealing to watch but when citizens do, they become better participants in the public affairs issues important in their lives.

⁴ Plurality could be distinguished from Diversity. Plurality refers to the number of independent owned television stations while “diversity refers to the heterogeneity on one or more relevant dimension” (McQuail and Van Cuilenburg, 1983; McQuail, 1992 in Van Der Wurff 2004:216) programme types and genres. Therefore plurality of media does not guarantee diversity of content where ownership is concentrated in the hands of a few owners

⁵ The Penetration levels as given by the Kenya Audience Research Foundation, 2013) is now estimated at 79 percent for the five leading TV stations. Diversity studies compare TV stations with similar/equal penetration.

⁶ The Windhoek Declaration (1991), for example, notes that a media that is supportive of democracy is that which has independent editorial, financially supported, diverse and plural voices and that which serve public interests. However, this standard of democratic media fails to recognise the level of media competition in the media market which may limit their democratic role by offering homogeneous content that is also reflective of the majority and which excludes the minority and therefore curtails popular participation by all citizens.

⁷ *Reflective diversity in the television market*, makes an assessment of whether the different types of programmes offered by TV stations are in proportion to or similar to demands of the audiences. “This reflects the economic consideration that supply should match demand (McQuail and Van Cuilenburg, 1983; Van Cuilenburg, 1999; Van der Wurff and Van Cuilenburg, 2001)”(Van Der Wurff, 2005). In political economy, its important that the content supplied by the media reflects the aspirations of the citizens of the audience and has public remit.

⁸ The Kenya Gazette VOL CX1 No. 98, Notice No:1207 gives the Kenya Media policy guideline, outlining the function of the CCK and MCK and the proposed Content Advisory Council.

⁹ The professional media associations namely the Kenya Union of Journalists (KUJ), the Kenya Correspondents Association (KCA), the Editors Guild of Kenya, and the Media Owners Association among others questioned the constitutionality of KICA 2013 and the transition clause of the Media Council of Kenya Act 202013. They took the matter to court in 2014. The case is yet to be determined.

¹⁰ The mandate of the Kenya Broadcasting Corporation (KBC) as defined in the Kenya Broadcasting Corporation Act 1988 is summarised in the introduction of the Act as, “ to assume the Government functions of producing and broadcasting programmes or parts of programmes by sound or television; to provide for the management, powers, functions and duties of the Corporation; to provide for the control of broadcast receiving sets, and for the licensing of dealers, repairers and importers of broadcast receiving sets; and for connected purposes”

¹¹ The attempt to operationalise the Kenya Information and Communication Act 1998 through broadcasting code was thwarted by the Media Owners Association in court battles since 2007. This matter was concluded in 2014, setting a new momentum for regulating the broadcasting industry particularly enforcing of both broadcasting and programming codes.

¹² Provisions for regulation of these aspects of media structure have been provided for in the Kenya Information and Communications Act 1998 and empowered the Communications Commission of Kenya to enforce them. The protracted court battle between the CCK and Media Owners Association on this subject among others, paralysed the initiative by the CAK to fully regulate the broadcasting industry.

¹³ The Mainstream TV channels; NTV, KTN and Citizen ran advert discrediting the set-top boxes sold by the Star times in the wake of the digital migration debate. They were themselves interested in sale of boxes.

¹⁴ In a broad perspective media diversity refers to the heterogeneity on the level of source (outlets), ownership and content /supply/output (Karppinen, 2006: 66). In the academic circles, the two terms have been used interchangeably. However, in empirical research, the term diversity as opposed to pluralism has been used. Pluralism refers to presence of a number of independent and autonomous outlets providing different and sometimes antagonistic opinions and ideas and representing different cultures and aspirations in the media (see Doyle, 2002). Pluralism on the other hand has commonly been used in describing the social value of diversity in political and cultural life of the society. Because this is an empirical study, the term media diversity will be used in this research as opposed to pluralism. Further, the term diversity is more ideal in this study because there are frameworks that have been suggested, developed and used to analyse the different subcomponents of diversity such as overall diversity, reflective diversity, open diversity, intra and inter diversity, diversity as send and diversity as received. No framework exists so to speak for the analysis of pluralism (see Van der Wurff, 2004; 2005; Napoli, 2007).

¹⁵ This dilemma was expressed by judge Richard Posner in a case - *Schurz v. Federal Communications Commission* (1992), who opined that, “[W]hile the word diversity appears with incantatory frequency in the Commission’s opinion, it is never defined”

(p.1054 cited in Tom Vizcarrondo, 2013:178).

¹⁶ The Council of European Convention through its Committee of Experts on Media Concentration and Pluralism (MM-CM, 1991) defined media pluralism as “ diversity of media supply, reflected, for example, in the existence of a plurality of independent and autonomous media and diversity of media content available to the public” This should constitute different social and political ideas and opinions and represent divers culture in the society. (Doyle, 2008:12). The commission contends that without an open and pluralistic provision of content, the people’s right to participate in the democratic process is curtailed (assuming of course that majority of people get political knowledge from TV for example). Concentration of media ownership therefore expands political power which mediates the interests of the owners and political allies as opposed to public interests (Trappel & Meier, 1998:40).

¹⁷ Both these markets have been examined in this study. The KBC diversity performance before liberalisation and TV market structure after liberalisation.

¹⁸ Financial performance is a wide concept that may include consideration of gross and net profit whose sources could go beyond advert revenue generated and to other sources such as government grant and sponsorship programmes. In this study financial performance is restricted to advertisement spend given by the rate cards by media houses. Of course the actuals could vary but this is a general indication of the proportionate advert revenue generated by each TV station.

¹⁹ Interview with the former editor in chief and a staff of the PSB TV for over 22 years.

²⁰ Former Editor-in-Chief response during the KII.

²¹ This is a dual system of PSB where a public broadcasting channel exists alongside a commercial channel purely funded through advertisement and modelled along private commercial broadcasting. It was a major characteristic of public broadcasting system in many countries in Europe especially from the 1990s. It offered opportunity to supply more divers and pluralistic content (see, for example, Vern da Wurf, 2004).

²² This could be compared to France in 1990 onwards which, according to Humphreys (1996) had one of the most marketised broadcasting system in Europe that completely marginalised the PSB. The marketisation trend in Kenya in the second decade of liberalisation (2000 onwards) reflects the European trend in media landscape changes in the 1990s.

²³ This study uses the term Public Serve Broadcaster (PSB) to refer to the public funded TV channel, now the Kenya Broadcasting Corporation (KBC).

²⁴ Interview with media executives at the CTV.

²⁵ Park (2005) in his study of Competition on programming diversity of different programme types used the following formulary to calculate intercoder reliability:

$$\text{Intercoder reliability} = \frac{2M}{(N1+N2)}$$

M is the number of cases on which the coders agree; N is the number of cases coded by each coder

All coders were compared i.e. Coders A, B, C, D that is, AB, AC, AD, BC, BD and CD Intercoder reliability for all pairs was calculated using the formula.

²⁶ Channel distinctiveness shows how different programming diversity of one channel is compared to programming of all channels in the market. (Hellman, 2001; Van der Wurff, 2004).

²⁷ Van Der Wurff, 2005) used the same concepts of diversity in and concentration measure to study of competition, concentration and diversity in European television market where he compared full day programmes for TV markets in eight European countries of Finland, France, Germany, Greece, Italy, Netherland, Spain and UK between 1980s and 1990s.

²⁸ Reflective diversity shows the extent to which content supplied is responsive to market demands.

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APPENDICES

Appendix 1

Key Informant Interview Guide for Media Executives

My name is Haron Mwangi, a PhD candidate of the School of Journalism and Mass Communication, University of Nairobi. I am conducting a study of media performance in Kenya since 1965. I am asking to interview you as an expert in the media industry in Kenya/Executive in ---- (name of media house). Your responses will be treated confidentially and used only for the purpose of this study.

1. Briefly share with me your involvement in the media industry in Kenya including your working life in the field.
2. What changes have taken place in the Kenya's media legal and policy environment and how have they influenced your work as -----?
3. As TV programmer/executive, do think that there has been any competition from other player? Please explain its nature and form.
4. What programming and scheduling strategies do you use to counter competition?
5. What drives your programming i.e. your mission and Vision? Has it changed from the beginning and if so how has it affected your business?
6. What would you consider to be the most constraining challenges to your content supply? Please explain.
7. Since 1990 to 2014, there has been remarkable growth in the number of TV stations in Kenya. In your view have they been able to offer diverse content? Please explain.

8. What is the role of the private content producers in the market and what challenges do you face in sourcing your content?
9. Please share your views on how digital migration is likely to impact on you're the TV industry.

How are the proposed broadcast and programming code now in the KICA act 2013 and the code of conduct for the practice of journalism in MCK Act 2013 likely to affect your programming?