The Business Environment for News Media in Myanmar: 2018

A report to Internews
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Executive Summary

Myanmar's news media sector has shown substantial progress during the last eight years.

Then: The government had total control of broadcast, weekly or monthly journals operated under prepublication censorship, mobile phone use was concentrated in the hands of a privileged few, ethnic news media labored under devastating constraints, exiled news media operated across the border, journalism training was conducted in secret, and the total advertising market was under USD$100 million. The internet was a foreign planet.

Now: The sector includes daily newspapers, OTT content, indigenous movies, ubiquitous mobile phone penetration, returned exile news media, and an advertising market estimated at more than $200 million. Two major journalism training institutions operate at a furious pace. Media are adopting digital-first and digital-only strategies. Ethnic and regional news media played a positive role during the last election. Digital broadcast content licenses have been issued, a Broadcasting Law passed, and the country faces a digital terrestrial broadcast transition by the end of 2020.

International inputs have supported these transitions while strengthening local actors. Leadership has emerged in the independent news media sector and the industry is developing structure.

These were not pain-free transitions. Along the way numerous publications that converted to the daily publishing cycle folded. Publishers lost their fortunes. Exiled news media faced daunting challenges in returning to the country and establishing viable operations. Explosive growth in the advertising market has slowed and is now trending downwards, while the main beneficiaries of that growth have been state-owned or aligned media. The much-celebrated move towards public service media has not materialized.

What comes next?

News media and journalism are challenged by a backwards-moving legal/political environment at the same time they need independence, innovation and revenue to succeed in the digital environment. As many types of quality content flood Myanmar's major cities, and reach its most remote areas, news organizations are not fully positioned to compete for attention.

Here are some key factors, examined in more depth in this analysis, affecting the news industry.

- Economic growth appears to be slowing, despite rosy earlier forecasts. Uncertainties about the Rakhine situation, banking woes, and the government's lack of comprehensive strategies across the board are fueling a sense of economic insecurity that is at odds with the heady optimism of previous years. Business leaders have expressed concern that Myanmar is pivoting back towards China as Western countries react to reports of genocide. Observers worry that the NLD, inexperienced in actual governance, is incapable of implementing campaign promises. Growing strains of nationalism are emerging.

- Regional and ethnic news media, which provide content from around the country and report on Myanmar's diverse populations, are quietly shuttering their print operations and only occasionally updating their websites. Local voices are being lost.

- State-owned and aligned media capture the lion's share of all ad revenue. The government profits from its ownership and partnerships while retaining the ability to license, regulate, sue, prosecute and imprison its competitors. And it uses tax money to do so. These media share deeply-advantaged distribution networks, access to finance and capital, and exclusive licenses that pre-empt competitors. Rather than developing a strong public service news media sector, this system is increasingly being used by the government to spread its official messaging.

- Persecutions of media workers at all levels have increased, particularly those targeting and imprisoning media owners. Under the National League of Democracy government, prosecutions under the criminal liability law in section 66(d) of the Telecommunications Law have increased, as well as those using arcane colonial-era laws such as the Official Secrets Act. The government acts as though it views the media as opposition, rather than as a critical element of democratic development or a vital economic sector.

- Mobile phone penetration now exceeds 100%, offering news media exciting and cost-efficient methods for reaching expanded audiences. Regional and ethnic minority media, in particular, have the opportunity to reach previously inaccessible areas. Yet Facebook has also used this vector to become the #1 source of news in the country. While opening the door to the internet for millions of people, and serving as a platform to spread credible, branded local news, it has also led to the incendiary explosion of hate speech, misinformation, and online violence.

- Advertising spending, a "canary in the coal mine" indicator of economic health, took a stark downturn during the first half of 2018. Not only is ad spending down, it is shifting away from legacy media. Executives, both in independent and state-aligned media, report advertising revenues being down (40-60%) year-over-year during the second quarter of 2018.

- Adspend is agnostic: it will go wherever the advertiser can get the greatest reach; the most impact. It is now moving into digital advertising, event marketing, and direct communication. Less money, much less money, is spent on print, worrying observers that the space for investigative reporting will disappear as print revenues atrophy.

- Independent news media, feeding on the roughly 25% of the advertising market remaining to them, are struggling. Management tension exists between loyalty to old platforms with established revenue streams, versus the unproven business models of digital.

Information for this report was derived from many sources, research reports, and in-depth interviews. The author wishes to thank the many leaders in business, media, government and media development who generously shared their knowledge.

Overall Trends and their Impact on Independent News Media

Myanmar's overall economy has grown in recent years and is projected to continue unless domestic uncertainties and an increasing international reaction to the situation in Rakhine disrupt progress. For many reasons, local news media have not shared equally in that growth.

As will be highlighted in this document, the shift of audiences to digital platforms on mobile devices; the capture of ad revenue by state-owned and aligned news media; increasing competition from a wide variety of sources that provide quality content with high production values; and the negative impact of Facebook on news media's ability to monetize their content have all played a role.

According to the World Bank's 2018 assessment, growth in Myanmar's agricultural, manufacturing and services sectors fueled a 6.4 percent increase in GDP from 2017/18, up from 5.9 percent growth in 2016/17. During 2017 there was a slight slowdown in tourism and the formerly explosive growth in the telecommunications sector also slowed as mobile penetration saturated the country.

The bank's report concluded that "Myanmar's economy performed better in 2017/18 amidst growing global and domestic uncertainty …. It is estimated that Myanmar had a broad-based increase in growth of national income as well as lower inflation and improved fiscal and external balances."[i]

Yet the World Bank's assessment was not uniformly rosy. The report went on to highlight that there still exist broad areas of the country that are under-served by financial services and that access to banking and investment resources is limited. It also diplomatically noted threats to projected growth. "While performance was strong, and Myanmar's economic outlook remains favorable, risks have emerged that could affect business sentiment and weaken future performance if not addressed."[ii] Those risks include internal uncertainties, such as the mass exodus of the Rohingya from Rakhine across the border to Bangladesh, reports of genocide, and documented cases of hate-based violence, all of which have had widespread impact.

Indeed, many local business leaders offer a less optimistic view. Operating at the frontlines of the economy, they witness growth stalling out in various sectors. They note that the government, inexperienced in actual governance, lacks policy-making capacity and raise concerns that Aung San Suu Kyi is increasingly isolated and influenced by the military. Some worry that she has placed trust-building and national reconciliation above the reform process and the country in general.

They also cite the government's lack of efforts to create a favorable environment for international investment. They offer concerns that it hasn't offered risk-reducing trials or benefits, developed strong financial incentives, or assured the safety of business investments. At the same time, international businesses pay taxes, follow labor laws, and follow a host of regulations that local companies can skirt.

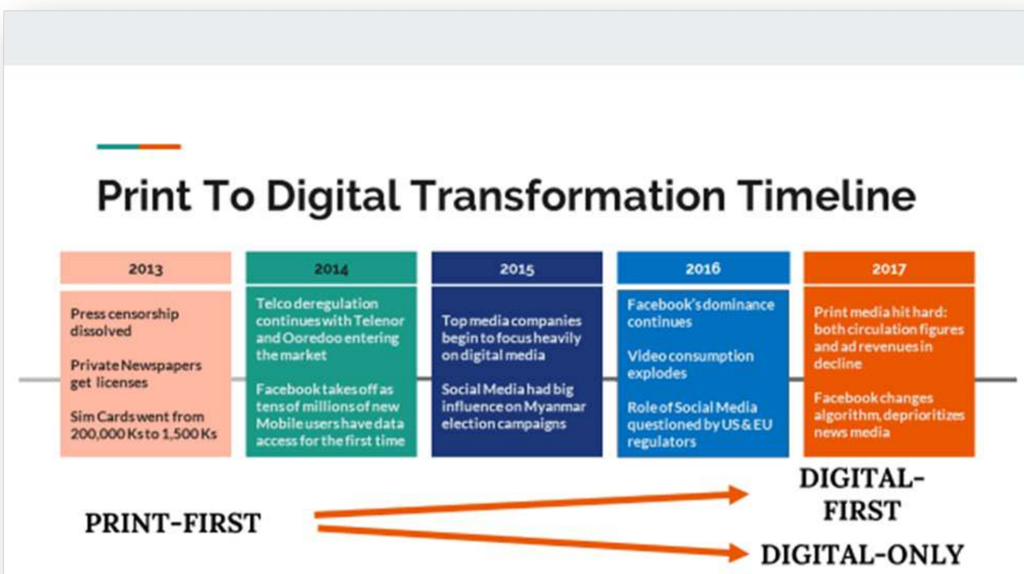
Others also cite as destabilizing the government's lack of a coherent strategy for addressing the Rakhine situation. Observers witness the country leaning back towards China as support from the international community has cooled.

That said, the government has drafted the Myanmar Sustainable Development Plan (MSDP) to address the country's systemic weaknesses; it has been shared with various government ministries for input. Covering pillars of economic stability such as peace, economic management, job creation, social development and natural resource management, the document is a broad blueprint to sustainable economic growth. Ellen Goldstein (World Bank Director for Myanmar, Cambodia, and Lao PDR) hopes that the MSDP "will serve as a platform to accelerate economic reforms, modernize the financial sector and make progress in resolving conflicts that jeopardize inclusive and sustained growth."[iii]

Notable, however, is the lack of a top-level goal in the MSDP addressing freedom of expression or the media and communications sectors, despite their well-documented role in supporting economic stability[iv]. During a July 2018 media conference in Yangon, various speakers addressed the government's focus on media as "the opposition" rather than as a segment of the economy. At a time when approximately ninety percent of Myanmar's businesses are considered small and medium enterprises (SMEs) and central to job creation and GDP growth,[v] news media's role in the economy is largely excluded.

"The government doesn't look at us like SMEs," observed Kyaw Min Swe, editor-in chief of *The Voice Weekly* and executive director of the Myanmar Journalism Institute. "They are more likely to look at us as problems, as bad guys. SMEs are a big part of this economy, but the government does not think of us as businesses. We are never included in other developmental activities that are geared towards economic growth and infrastructure. The government doesn't see us as an industry, but as a set of problems."[vi]

Other speakers at the July conference observed that improvements in the media sector had to come from within the industry itself; better rules and improved operating conditions would come despite the government, not because of it. Two new industry associations are being formed under the leadership of media owners Thaung Su Nyein, in respect to online publishing, and Kyaw Min Swe.



The media sector has transformed from print-first to digital-first since 2013 – Source: Information Matrix

A Chilling Environment for News Media: Government Actions Against Journalists and Media Owners

This neglect of the media sector industry comes amidst an escalating series of attacks on its owners, journalists and journalism. Freedom House's 2018 report assesses Myanmar's press status as "not free,"[vii] and the World Press Freedom Index downgraded the country six points to rank 137th out of 180 countries in 2018.[viii] PEN Myanmar, on the two-year anniversary of the National League for Democracy's (NLD) assumption of leadership, concluded that the country has made either no change or a "worrying regression" in free expression, and awarded it a scant 2 out of 60 possible points for freedom of expression.[ix]

The Voice Daily Editor-in-Chief Kyaw Min Swe leaves Bahan Township courthouse in Yangon, August 4, 2017
Source: Radio Free Asia[x]

Free Expression Myanmar's (FEM) May 2018 report showcasing the results of its national journalists' survey bears the chilling title: *Myanmar's Media Freedom at Risk.* After tabulating results from around the country, FEM concluded that journalists observe "media freedom is declining in Myanmar, and the government, including the military, is the main cause of this. Worryingly, journalists believe that legal, physical, and psychological violence towards them has increased, and that there is little evidence that the government or courts are trying to address either violence or the decline in media freedom."[xi]

An example of the government's renewed control of media is the case of Radio Free Asia's partnership with DVB. RFA produced content; it aired on DVB. In the wake of using the term "Rohingya" on air to describe the Muslim population of the Rakhine state, DVB was pressured by the government. A letter of notice was sent to all digital broadcasters from the MOI stating that this population should be referred to as "Muslims in Rakhine" or "Bengalis". RFA issued the following statement:

> "The Myanmar government told DVB that it could not carry RFA's programming if the word 'Rohingya' continued to be used. As a policy, RFA does not accept interference by outside individuals, groups, or governments in making editorial decisions….
>
> "Radio Free Asia will not compromise its code of journalistic ethics, which prohibits the use of slurs against ethnic minority groups. RFA will continue to refer to the Rohingya as the 'Rohingya' in our reports. Use of other terms, even those that fall short of being derogatory, would be inaccurate and disingenuous to both our product and our audience.

> "By forbidding the use of the word 'Rohingya,' Myanmar's government is taking an Orwellian step in seeking to erase the identity of a people whose existence it would like to deny."[xii]

It is noteworthy that under Myanmar's Constitution there are essentially two separate and parallel governments: the civilian government currently headed by the National League for Democracy (NLD) that is headed by Aung San Suu Kyi, and the military government. The latter has a significant role in the ongoing governance of the country, controlling three important ministries and a quarter of the seats in Parliament. Notably, it includes oversight of the police and prosecutors among its other vast authorities. Thus, arrests and charges against media organizations and journalists typically come from the military side of the government, rather than the civilian side.

That said, the NLD's civilian government has aggressively retaliated against its critics and those who report on its shortcomings. Athan, a freedom of expression activist organization, has reported that Myanmar has detained at least 38 journalists since Aung San Suu Kyi came to power in 2016.[xiii]

While many of the detentions have been a result of the infamous criminal liability law in section 66(d) of the Telecommunications Law[xiv], other laws have been employed by the government to detain and prosecute media workers. Some of those laws date to the colonial area and have been reprised in new contexts.

There have been many examples.

Three Myanmar Now reporters were threatened with charges by military personnel under the Official Secrets Act after interviewing the mother of a disabled child soldier. The Myanmar Press Council intervened, and the journalists were released.

Ngar Min Swe, a former columnist for a state-run newspaper, was arrested in July 2018 for allegedly violating sedition laws under section 124A of the Penal Code. The maximum penalty is life imprisonment.

And in the highly-publicized case of two Reuters reporters, Wa Lone and Kyaw Soe Oo, imprisoned since December 12, 2017, a judge sent their case to trial, effectively signaling that he believes there is enough evidence to prove them guilty. Charged under the colonial-era Official Secrets Act, Section 3, 1(C), their potential maximum prison sentences could be 14 years each.

Clearly, these direct charges against journalists have led to increased caution and reports of self-censorship.

Yet as chilling as these situations are, the government's decision to incarcerate or punish the heads of media organizations has also affected media organizations.

Eleven Media's CEO Than Htut Aung and chief editor Wai Phyo were imprisoned in November 2016 for two months on charges under Article 66(d) of the Telecommunications Law. Kyaw Min Swe, editor-in-chief of *The Voice Weekly,* and his writer Kyaw Zwa Naing, were similarly charged after his newspaper ran a satirical column. Kyaw Min Swe was imprisoned in May 2017 and was released from detention only after the

Myanmar Ranked

Reporters Without Borders

- World Press Freedom Ranking: 137 out of 180
- Score: 43.15 out of 100

Freedom House

- Freedom in the World Score
  Partly Free
- Press Freedom Status
  Not Free

court rejected nine previous bail requests. In the interim, his publication lost revenue as businesses and their brands disassociated from his media house.

Thaung Su Nyein, CEO of Information Matrix and then editor-in-chief of the leading daily newspaper, *7Day Daily,* along with reporter Min Hein Kyaw, were sued by the military under Section 131 of the Penal Code. The newspaper had reported a message from former general Shwe Mann to the graduates of the Defense Services Academy urging his former associates to help support the country's new democratically-elected government. After intervention by the Press Council (officially the Myanmar News Media Council, or MNMC), the charges were dropped but the newspaper printed an apology as part of its negotiated settlement.

"The *7Day Daily* case has been considered a threat to press freedom," reported *The Irrawaddy,* "because it showed that the media could be sued if it upset the military, even if the reporting was accurate."[xv]

Media executives note that these legal threats and incarcerations are not designed to be self-contained, one-off actions, but rather are designed to warn editors, owners and reporters alike that "this could happen to you."

Media Laws and the State as a Competitor

During the quasi-civilian government of Thein Sein (2011-2016), media and telecommunications laws were liberalized with far-reaching implications. International telecoms bid for – and won – the ability to open the market for mobile phones. Daily newspaper publishing licenses were issued. Pre-publication censorship ended. Obsolete laws were rolled back. Exiled broadcasters and journals (such as Mizzima, DVB and The Irrawaddy) returned and set up operations in Yangon. Unrestricted access to the internet and social media were allowed. Ethnic and minority publications started and later moved onto digital platforms. Professional journalism training came to the fore.

The NLD came into office riding high on – and fueled by – these changes. Newly independent media backed the party and its candidates. Yet despite campaign promises to the contrary, and high expectations among journalists and citizens alike, the NLD has neither abolished state ownership of media, nor the Ministry of Information, nor a series of laws regarding the licensing of media.

Far from reducing its use of its media channels, the current government has, instead, strengthened its use of state-owned media to amplify the government's messaging. It seems especially sensitive to other media using their platforms to criticize its efforts and apparently wants to continue owning channels for pushing out its own positions.

It has also neglected its responsibility for establishing a fair and competitive environment for news media.

And notably, it has failed to establish a fair and editorially independent public service media sector. Healthy democratic media ecosystems typically include a strong public service sector. The Myanmar competitive landscape instead includes state-owned and state-aligned media that harvest an enormous share of the advertising market.

Early enthusiasm for converting the state-owned media to public service entities has faded under the current government. In a positive development, Khaywe FM, a community radio station in Htantabin, a rural district of Yangon, launched in January 2018 as a pilot public service media project supported by Deutsche Welle Akademie and the MOI.[xvi]

But members of the Press Council and other media experts note that there is no longer serious discussion of a national level public service sector. In contrast, there have been discussions about merging two state-owned publications into one to reduce costs, consolidate reach, and thus provide a stronger offering to advertisers.

When asked by an Irrawaddy reporter whether Ye Htut had made any decisions he regretted during his time as former Minister of Information, he said, "we… could not get people to understand the idea of public service media and as a result MRTV (Myanmar Radio and Television) and some newspapers are still state-owned. This was due to the weakness of our ministry and the fact that I was hesitant at times. If I had been more bold, media relations would be better."[xvii]

The Myanmar Times, in a recent article, "Dying Myanmar Media Face Great Challenges," shared a chart of international organizations supporting Myanmar media. [xviii]

InternationalOrganizationssupportingMyanmarMedia

No.	Name of Organizations	Based Country
1.	USAID (United States Agency for International Development)	US
2.	FHI 360'	US
3.	Internews	US
4.	IMS (International Media Support)	Denmark
5.	FOJO Media Institute	Sweden
6.	DW Akademie	Germany
7.	CFI	France
8.	NED (National Endowment for Democracy)	US
9.	OSF (Open Society Foundation) (George Soros)	US
10.	Omidyar Network	US
11.	UNDP	United Nations
12.	UNESCO	United Nations
13.	NHK	Japan
14.	Nippon Foundation	Japan

The article outlined significant trends affecting independent news media. A further conclusion could be formed: why should the Myanmar government take revenue out of the media market, fail to reinvest in a plural media environment, and rely on other governments to provide support?

The Broadcasting Law

In August 2015, Myanmar's new Broadcasting Law was passed but not enacted into law before the government changed hands. It was praised by the well-respected Centre for Law and Democracy (CLD) for being largely in line with international standards and setting a foundation for developing and growing Myanmar's broadcast sector.

In its review of the law, the CLD gave the new law substantial praise:

> "The Broadcasting Law goes a long way towards putting in place the key elements of a framework for broadcasting which is in line with internationally recognized standards. Among other things, it provides for the independent regulation of broadcasting by a new National Broadcasting Council; (Council), it includes numerous mechanisms and systems to promote both external and internal diversity in broadcasting, it provides for fair and appropriate systems for both licensing broadcasters and promoting professionalism, and it includes a number of other public interest rules. Indeed, it is fair to say that the Broadcasting Law of Myanmar does more to implement international standards than any other such law in Southeast Asia and perhaps in the whole of Asia."[xix]

Despite these strong accolades, the CLD also raised concerns. Others in the broadcasting environment did, as well. Strong objections were raised that the law did not adequately protect the independence of the regulatory body in its ability to award licenses.

The law, while setting the stage for a three-tier system of broadcasting that includes public service, commercial and community broadcasters, also allowed for the continuation of state-owned media. This is in direct contrast to international standards that hold a core principle that regulators and broadcasters should be independent of government.

The law also called for establishing a regulator. Familiar examples of regulators include the FCC or Federal Communications Commission (USA), OFCOM or Office for Communications (U.K.), and the ABA or Australian Communications and Media Authority. These independent government agencies are typically responsible for regulating radio, television and phone industries, while also regulating national and international communications that include wire, satellite and cable transmission. They also tend to hold certain key principles that are reflected in their decision-making, such as a regard for media diversity, pluralism, localism and a concern about ownership concentration that could prevent citizens' access to diverse viewpoints.

In the case of Myanmar's Broadcasting Law, two entities were created: the National Broadcasting Development Authority and the National Broadcasting Council. The former would be under the government's control and responsible for policy and planning, including developing a plan for managing the broadcast spectrum. The latter, the Council, would be authorized to issue and revoke broadcast licenses, but the president would retain the primary ability to appoint and remove its members, thus undermining its independence.

The law was enacted by Parliament in June 2018 with amendments. It also, concerningly, appears to include provisions allowing state ministries to establish their own television stations, but it is unclear how those would be funded. Regardless, those would add even more government-backed media channels into the broadcast sector with the ability to further fragment advertising revenues.

The Council is planned to be established during 2018. Eighteen members will be nominated, with 6 nominees each from the Upper and Lower Houses of Parliament, and 6 by the President. Out of the 18 nominees, 9 will be appointed.

However, during the intervening three years while the Broadcasting Law's implementation was delayed, the state-aligned broadcasters continued operations, continued growing their audiences, strengthened their digital deployments and continued benefitting from their preferential operations with the state. During a period when advertising revenues were growing, these advantages likely had significant financial benefit.

Media Licensing and Joint Ventures

Myanmar media are licensed at levels deemed unnecessary or unusual in many democratic countries.

Concerns still exist over requirements that print outlets require licenses, but licensing issues are no longer the medium's foremost problem. Every time the kyat is revalued, the cost structure for print changes since all newsprint is imported. The disruption of digital, the ubiquity of mobile, and the state capture of advertising revenue … all create a perfect storm blasting through print news media.

Radio, despite some movement in the allocation of FM spectrum licenses, remains largely in the hands of government.

But the largest sector of the Myanmar media market, in terms of revenue, market share, audience and influence, is broadcast. Four key players dominate, operating a combination of analogue free-to-air channels as well as paid/digital channels.

- Myanmar Radio and Television (MRTV), operating under the Ministry of Information.
- Myawaddy (MWD), owned by the military.
- Shwe Than Lwin Media Company, which operates MITV and Myanmar Radio International in conjunction with the state, and privately operates Skynet, most famous for its exclusive rights to Premier League football. It is a business unit of the larger Shwe Than Lwin Group, a conglomerate with diversified businesses holdings in Myanmar including media, motor vehicle imports, construction, and other imports.
- Forever Group, which operates MRTV-4 in a joint venture with the government, and Channel 7 separately, and was founded in 1995. It has grown from a company that produced television commercials into a diversified media company that both produces its own content and broadcasts content from international producers. It is the larger of the two joint ventures in terms of both revenue and audience.

Joint ventures with Shwe Than Lwin and Forever were apparently forged between the government and the broadcasters at a time when there was international demand for advertising, and increased citizen demand for content, but the government itself lacked the ability to fulfill those expectations.

Today, the government continues to own the analogue broadcast infrastructure, including towers and relay stations. Under its joint venture agreements with Shwe Than Lwin and Forever, those companies benefit from controversial privileges that reportedly include access to government owned land and buildings, tax exemptions, and favorable access to financing.

The government profits from its ownership and partnerships with these media while retaining the ability to license, regulate, sue, prosecute and imprison its competitors.

Those competitors include broadcasters operating outside the state structure, including the Democratic Voice of Burma (DVB) and Mizzima, both formerly exiled media houses. DVB broadcasts via two satellites and maintains operations in Chiang Mai. Mizzima has streaming TV online. Both operate digital terrestrial free-to-air channels, detailed below. 7Day operates streaming TV online. These all exist outside the value network existing between the major broadcasters and Nielsen MMRD which provides audience research to the advertising community. These competitors are not measured and thus are not visible to advertisers and their agencies.

Yet these independent stations have an important role. They exist and function as de facto public service broadcasters supported by a blend of donor/philanthropic support and commercial revenues. This role was noted by Khin Maung Htay, a founding board member of the Forever Group and a member of the Press Council, at a media conference when he acknowledged that Channel 7 and MRTV-4 don't have significant coverage of breaking, local news and referenced DVB and Mizzima as sources for that coverage.[xx]

Digital Broadcast Licenses

During that same 3-year period between the passing of the Broadcasting Law and its implementation, and perhaps to forestall criticism surrounding its delay, the government offered five digital broadcasting licenses to new broadcasters as a stopgap measure. At the time they were announced, analogue broadcast was still the dominant platform. Licenses were finally issued in February 2018 without an operating broadcasting law in place but under a cooperation agreement. The licenses have no fixed term and have no guarantee that they will be re-issued in the wake of the Broadcasting Law being enacted.

The five companies that received the licenses are:

- DVB Multimedia Group, a formerly exiled news broadcaster
- Mizzima Media Co., Ltd, a formerly exiled print and internet news media organization
- KMA TeleMedia Holdings Co., Ltd, owned by CB bank owner Khin Maung Aye
- Fortune Broadcasting Co., Ltd.
- My Multi Media Group Co., Ltd.

Only the first two currently operate media organizations. Significant costs were associated with obtaining and implementing these licenses which, in the end, were only broadcast <u>content</u> licenses. These companies can broadcast their content through the existing MRTV system, similar to the arrangements in place with Skynet and MRTV-4, which potentially limits their editorial independence.

The licenses also come with significant start-up and ongoing costs. *Frontier Myanmar* reported "the companies themselves are also required to pay for buying and installing cables linking their earth stations with an earth station at MRTV so their content can be processed by the multi-channel playout system for uploading to a satellite. The satellite will transmit the content to 145 relay stations throughout the country, giving the channels national coverage. The five companies will have to invest large sums before they start broadcasting."[xxi]

Various media executives have estimated the initial set-up cost, including purchasing and/or upgrading production technologies, to range between USD$300,000 -$1 million. Ongoing monthly licensing fees paid to the state are MMK20 million per month, or roughly USD$175,000 per year.

Yet it is unclear whether these investments can be recaptured through advertising revenues. Various sources estimate the entire advertising market in Myanmar at USD$200-$225 million and currently trending down year-over-year. Roughly seventy-five percent, or +/- $150 million, is invested in television advertising – dominated by the state-aligned media with their nationwide reach.

In comparison, the digital broadcast market will have a primarily urban audience of only about 3-5million, or one-tenth the size of the analogue audience, and less than half the size of the audience reached by satellite.

Thus, they will be competing in a declining advertising market for a limited audience in an increasingly fragmented market for content, entertainment, and information … while also facing an uncertain legal environment and broadcasting using state-owned infrastructure that could potentially enable the state to control or censor their content. The market is structured against them.

Moreover, these digital channels are not currently measured by Nielsen MMRD, which provides the audience measurement data relied on by advertisers and agencies. Thus, in addition to the monthly licensing fees they must pay to participate in the distribution channel, they will also have to pay for participating in the audience measurement system, a not insignificant cost, that gains them visibility to advertisers and access to revenue.

How long will the market for these digital channels exist? It is difficult to say, and not just because the current path forward has obstacles.

The Digital Terrestrial Transition

Myanmar faces another major transition: the total transition off analogue terrestrial television transmission and switch-over to digital terrestrial television, or DTT. The purpose of this transition is to provide a more efficient allocation of the spectrum, as the frequencies formerly used by analogue broadcasts can be repurposed for wireless networks. This, in turn, will empower improved reception quality, greater access to programming and diverse content, and greater multimedia applications (including gaming, entertainment and video-on-demand).

Required by the International Telecommunications Union (ITU) to be concluded by 2020, and a goal agreed to by all ASEAN members, it will necessitate important policy and regulatory decisions in advance. The CLD observed that the complexity of decision-making required around the digital transition, with its impact on freedom of expression, were well-documented in the 2013 Joint Declaration of the Protection of Freedom of Expression and Diversity in the Digital Terrestrial Transition.[xxii]

Thailand, with a much larger advertising market, has taken a cautious approach to its transition, establishing a total of 48 digital channels, of which only 24 are commercial to ensure an orderly transition. The National Broadcasting and Telecommunications Commission (NBTC) of Thailand has partnered with the ITU to assist in the transition from analogue to digital.[xxiii] Other countries that have completed this transition (i.e., Kyrgyzstan) have not only managed the technical side of the transition, but they have also conducted public service campaigns and rolled out consumer subsidies to help people purchase of new televisions and set-top boxes

For Myanmar, the digital transition will require substantial communication and advance decision-making. How will rural populations be served? Are equipment subsidies required? How many licenses will be offered? Yet public discussion of progress towards the goal is curiously quiet. Also, importantly, the conversion was not addressed in the Broadcasting Law.

Long term, this transition will empower a media market with greater programming options and potentially wider audience reach.

In the near-term, the current digital broadcast licenses allow non-state actors to enter the broadcast market, but their benefits from it remain uncertain. Further out, it is possible that the new digital channels – with their ongoing costs and high levels of investment – will wither in the face of market forces, not unlike newspapers that went daily in 2013. Many of those cracked when faced with an ad market that had little room for expanded print advertising, and after absorbing the daily costs of reporting, printing and distribution.

Observed DVB co-founder Khin Maung Win, "the NLD's proposed temporary solution to the broadcast sector is not a solution. Yes, it gives five newcomers a chance to broadcast, but it does not address the inequities and controversies vis-à-vis the currently dominant players in the market. On the contrary, its attempt to pacify critics and potential newcomers via the leasing of five digital channels owned by the state broadcaster MRTV risks legitimizing the status quo, and endangering the survival of independent media."[xxiv]

Declines and Shifts in the Advertising Market

"Above-the-line" advertising, or ads that use various forms of mass media to target consumers, has stopped its rapid rate of growth in Myanmar and is now trending downwards. It is not a large market overall, with perhaps one-tenth the total USD$2.36 billion adspend of neighboring Thailand.[xxv]

During interviews with the author, numerous publishers reported that in January 2018 ad revenues fell off a cliff. For mainstream media houses in Yangon, the shift was stark. According to various media executives, topline revenue declines in April ranged between (40-60%) year-over-year, forcing serious attention to cost-control.

And between 2017 and 2018, ad revenues for many ethnic media houses disappeared entirely, forcing some of them to stop operations and reducing media plurality and local content in some of the most volatile areas of the country.

Noted Sonny Swe, CEO of Black Knight Media, "Television is losing money minute-by-minute. Dailies are losing money day-by-day. Weeklies are losing money week-by-week. And fortnightly publications are losing money by the fortnight."

There are both cyclical and secular reasons for this.

Cyclical reasons include the market having passed its initial period of enthusiasm following 2012, and being in a post-election cycle following 2015, when advertising is typically cut back.

Economic malaise and business anxieties about overall trends also contribute, and as the fallout from the Rakhine situation has touched every part of the economy, international brands and other businesses have cut back on their ad schedules. That, plus a lack of confidence in the government's ability to enact reform and strengthen the country's financial and legal infrastructures for investors, have contributed to slowed growth.

As economic growth has slowed, one of the few ways businesses can make immediate improvements to their cost structure is to cut advertising. Cuts to advertising budgets have an immediate effect on improving a company's bottom line, while the momentum of prior ad spending can continue to drive results for a period of time. Other types of cost cuts - such as moving to a cheaper facility, cutting the workforce, or implementing cost-savings technologies- all show results over longer timeframes.

Thus, ad budgets are a sensitive and immediate signal of a slowing economy.

However secular reasons have also propelled changes in how companies market themselves.

A part of Myanmar's economy operates under the radar of the tax authorities in a gray economy, where businesses either fail to wholly or partially report their incomes. They are thus reluctant to advertise in ways that could make them visible to officials. It can be argued that the growing digital environment, with its vast social and direct marketing capabilities, offers these businesses effective yet less-visible ways to market themselves.

On a larger scale, however, mobile phone penetration now exceeds 100% in Myanmar.[xxvi] And as consumers have shifted en masse to digital and social media, advertising has as well.

Observed Mango Media Group's CEO, Aye Hnin (Rose) Swe, "It's not just that the whole advertising market is declining; there is also a shift from legacy to digital advertising. MMRD [the media measurement and research organization] does not track digital ad spend, but we can see it among clients and other businesses. People have shifted to digital, and that means mobile. Currently, 15-20% of budgets have shifted to digital/mobile. Businesses are not increasing their ad spending, they are shifting and reallocating to digital."[xxvii] In relation to this, Swe also cited her own enthusiasm for the use of precise online metrics to better understand audience size, scope and behavior.

This transition has, in turn, fueled an explosion in agencies that develop creative for digital: one advertising executive estimated that there are now more than 40 digital-only ad agencies, including some digital marketing "wildcatters" operating in the gray, or undocumented, economy. They don't pay taxes, ignore labor laws, and in other ways fail to contribute to the professionalization of the field.

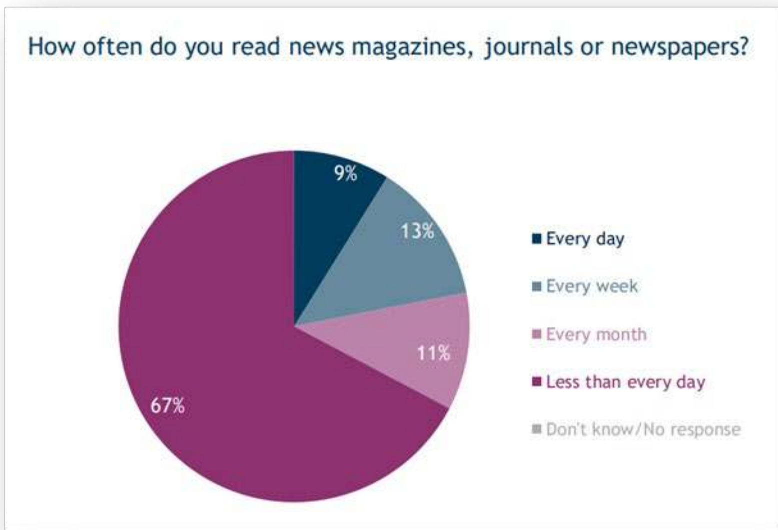
In parallel with the shift to digital, there is palpable growth in below-the-line advertising, or marketing efforts that are directed more to individuals than mass audiences, such as events, membership drives, merchandising, public relations, and sales promotions. Agencies and news media themselves are now offering branded content, social media marketing, and techniques that amplify messaging across multiple platforms. Engagement marketing is emerging as a profitable and exciting discipline – and is changing the shape of the advertising community.

The Exodus from Print

The biggest loser in the current environment is print. This is disproportionately significant because of print's role in providing reputable, independent, and investigative reporting. With its disappearance, or at least diminishment, local news content is reduced.

Although there was initial exuberance when daily publishing licenses were issued in 2013, the size of the ad market, limited consumerism, and small demand for print in general caused a succession of closures. Decades of censorship and restriction under the military junta effectively constrained the market and entire generations of children and young adults grew up absent the strong habit of reading newspapers. This was reflected in findings of a 2017 public opinion survey in Myanmar: only 9% of total adults reported reading a news magazine, journal or newspaper daily.[xxviii]

Source: Center for Insights in Survey Research, a project from the International Republican Institute, 2017



While print's estimated market share during the early part of the decade was strong, the combined market share for weekly and daily newspapers is now hovering around only 15% of all ad spending.

In 2013, the government received 28 applications for daily newspaper licenses. In 2018, only eleven continue to exist and more closures are predicted.[xxix]

While economic realities have constrained print as a medium, content has also played a role. During interviews with media executives, editors, officials, INGOs and others, the author heard a constant complaint about print's excessive focus on politics and conflict, in conjunction with concerns about the overall quality of reporting. Particularly noted were examples of how print media, in efforts to transition to digital platforms, have failed to adapt to the new medium: instead of working to the strengths of new platforms, journalists continue placing long-form journalism onto websites, some of which do not scale content responsively for mobile devices.

What is working?

Print houses that are succeeding now operate diversified business operations. They are increasingly offering marketing services to their business clients, in direct competition with ad and PR agencies. These include services such as preparing customized branded content underwritten by sponsors; developing native ad campaigns; and managing events. They are also diversifying their offerings by developing new niche channels, such as Duwun by *7Day*. The survivors also all have strong online offerings supported by robust social media strategies.

Competition for Attention: The Explosion of Content, Channels and Mobile

Myanmar is often referred to as a "frontier" market, and nowhere is this sense of energy more palpable than in the growing digital landscape. The country's rapid shift from unconnected to ubiquitous mobile penetration has occurred at a lightening pace. Ooredoo (Qatar) and Telenor (Norway) were granted licenses in January 2014; MPT followed suit; and four years later mobile phones are in use even in the most remote parts of the country.

In this emerging environment, newly-formed content producers and businesses have low barriers to entry for using mobile to market and distribute their materials. As a result, print has become even less favored as its production and distribution costs, combined with limited reach, make it cost-prohibitive.

What does the new landscape look like?

- **Consumers have ever-expanding choices, especially as Over-the-Top (OTT) providers expand their offerings, and payment systems evolve, to make their use more convenient.** As people have greater access to content through smartphones, fiber optic networks, and mobile broadband, they have increased access to digitally-delivered content. OTT is at the nexus of the merging worlds of television and digital video. It is film and television content delivered via the internet without requiring users to subscribe to a cable or satellite pay-TV service. Netflix is available in Yangon for about USD$10/month; locally Telenor has WowBox, a downloadable app that has local content, free music, games, trending news and other information. La La Kyi, offered through GlobalNet, offers video on demand services, including locally-produced television shows, drama series and feature length films. iFlix offers streaming on demand; its top-up cards are available at local retailers and grocery stores. PyonePlay, online, lets audiences watch Forever Group programming on demand.

- **Unlimited data plans are becoming more common.** Telenor recently offered unlimited wireless internet for USD$20 per month and other providers are experimenting with their data plans.

- **So are mobile and credit payment systems.** When these are fully developed, these systems will have strong potential for growth. For example, Wave mobile banking, linked to a customer's Telenor phone number, processed more than USD$370 million in transactions through Yoma Bank during 2017.[xxx] Customers can make in-person deposits or withdrawals from Wave Shops, and then manage other services through their mobile phones. Looking at markets in Africa, where M-Pesa is widespread, mobile money services can support the growth of e-commerce and other digital services. Other non-cash payment mechanisms, such as credit cards, are also available. Red Dot, which facilitates online purchasing without a credit card and local payments, has more than 10,000 locations around the country. As the country's financial infrastructure deepens, these types of systems are expected to expand.

- **Approximately 70% of phones in Myanmar are now smartphones**. Although data speeds can be slow, and costs high for low-income populations, those are changing rapidly. Ananda, a brand of the Amara company and a market newcomer, recently launched 4G mobile with an unlimited data plan. It offers a data-only SIM card that subscribers can use in-home for mobile broadband and cast to other devices offering them the ability to access content in their homes.

- **User-generated content (USG) is growing in Asia and likely to take off in Myanmar.** Min Swe Hlaing, Managing Director of Global Technology Group which owns the fiber optic gateway into Yangon, pointed to the example of Tik Tok during a recent interview. With a freemium business model, where some functions are free, and others paid, the music video app now has more than 250 million subscribers in Asia and 150 million daily active users.[xxxi]

- **Owning smartphones appears to be reducing the demand for television.** A television set and a smartphone have similar costs, but local experts observe that consumers now often perceive phones as having greater functionality.

All of these have, perhaps, made the telecom sector more interesting. The country's fourth and, at this point, final telecom firm, Mytel has entered the sector, competing with Telenor, Ooredoo and MPT.

It received its license in January 2018 and launched its 4G network with a major marketing push in June 2018. It is a joint venture between Myanmar government-owned Star High Public Company Ltd., a consortium of 11 local firms and a subsidiary of the military-run Myanmar Economic Corporation (MEC). It operates in partnership with Viettel, the telecom operated by the Vietnamese defense ministry. Viettel reportedly owns a 49 percent stake in the joint venture, the consortium has 23 percent, and Star High Public owns 28 percent.

It plans to deploy 7,200 base stations, reinforced by 33,000 kilometers of fiber cable. MEC is reported to already have access to 1000 broadcast towers and more than 13,000 kilometers of fiber optic cable that will speed its market entry and offer cost advantages.[xxxii]

Mytel plans to extend coverage in rural areas and compete on price. Although the Post and Telecommunications Departments' Pricing and Tariff Regulatory Framework imposed guidelines that restricted selling phones below cost and offering free SIM cards, news reports note Mytel has floated the idea of offering free SIM cards.

At the ribbon-cutting ceremony for this new service, pictured here, a key speaker noted that this addition to the telecom ecosystem "would be good for nationalism."

1Mytel launches its network services. Source: Mizzima; Photo: Thet Ko

Facebook: Myanmar's #1 Source of News

Riding high on the accelerated expansion of mobile, Facebook became the internet in Myanmar. It wasn't part of the internet; it wasn't a social media choice among other choices; it became *the whole* internet for a vast population of internet virgins. Pre-loaded on new phones, Facebook was baked into the user experience and mobile phone contractors signed up buyers before they left the shop, glued to their new phones.

Unknown in Myanmar before 2011, Facebook had a startling and swift rise. It played a significant role in the 2015 elections. Messenger, one of the Facebook products, had a reputation for good security and became wildly popular among people suspicious of government. In a country used to restricted, opaque access to information, its speed and free-wheeling content became accelerants of the NLD's political rise.

Local and returning exiled media adopted Facebook and it became the stage for political reporting. People inside and outside the country now had an immediate look into Myanmar's events, a stark contrast to the junta's suppression of reporting during 2007's Saffron Revolution. Respected news sites such as *The Irrawaddy* prioritized breaking election-reporting on Facebook over reporting on its own website. Members of the diaspora had a real-time look into local politics and actively commented and shared. Reporters used it to source stories and break news.

The government and politicians went all in. Former Minister of Information Ye Htut became known as the "Facebook Minister;" he conducted spirited exchanges on his page. When President Thein Sein conceded the 2015 election to Aung San Suu Kyi's NLD party, he did so on Facebook, and the military issued a concession announcement in it, as well.

This was the frontier, with all its exuberance and naivete. But, inevitably, a dark side emerged.

After decades of isolation, Myanmar's citizens had low news literacy and almost no digital literacy. Facebook became the be-all and end-all source of information for many and has an outsize role in shaping opinion.

"In the West," noted one news executive, "when you want to know something, you Google it. Here, you ask Facebook."

While Facebook's role in the spread of hate speech and its potential connection to sectarian violence against Muslims in this majority-Buddhist country has been reported elsewhere, [xxxiii] its impact on local news media has also been damaging.

It has hurt journalists, and it has hurt media.

Journalists have been targeted and flamed on Facebook. For example, journalist Aung Naing Soe was targeted late in 2016 after users circulated a picture falsely claiming he was standing with members of the Arakan Rohingya Army, a group the government has classified as a “terrorist group.” The picture spread quickly, and he was targeted with death threats, questioned by a member of the Special Branch, and exposed to police scrutiny and interrogation.[xxxiv] In another example, in advance of the 2015 elections, outraged Facebook users reacted violently after a headline added outside the country to a news agency’s syndicated report was perceived to be dismissive of the NLD presidential candidate’s credentials. The original reporter was targeted with death threats and slandered with falsified videos alleging involvement in marital infidelities.

But media, as businesses, have been hurt as well, particularly the fragile media targeting the country’s diverse ethnic groups and remote, conflict-ridden regions.

Facebook’s most aggressive push was the controversial Free Basics program that was offered from June 2016 until September 2017 in conjunction with MPT, Myanmar Post and Telecommunications (but with neither Telenor nor Ooredoo). The app offered users a limited experience of the internet, with a negotiated amount of data-light services and websites included without the user incurring data charges. Facebook’s own content fell into that privileged “free” space.

Although the program has stopped in Myanmar, it had the desired impact. In addition to its other growth strategies, Free Basics helped Facebook grow from zero to 18 million users by January 2018, with 89 percent accessing via mobile phones and a year-over-year growth rate of nearly 30 percent.

In Myanmar, where per capita income remains low, particularly in rural areas, this free access to Facebook had a strong, negative impact on local news media. Many news organizations, understanding that mobile distribution was disrupting their print operations, had developed websites during 2016 and 2017. They used a common strategy of posting headlines and partial stories on Facebook with links to their owned websites to generate traffic.

When Free Basics was operative, there was a powerful disincentive for users to click through. If users followed the links, they were informed via pop-ups that data charges would apply. In effect, local news sources got put behind a paywall, but they didn’t get the payment. Traffic to their sites, never robust, atrophied.

Facebook had another impact on regional media houses, among others.

Facebook Free Basics: Concerns

Facebook uses Free Basics as an "on ramp" to a light version of the internet for people in emerging countries where access has either been unavailable or limited. Yet the program has been robustly critiqued, and its shortcomings highlighted.

Global Voices, an international and multilingual community of bloggers, journalists, translators, academics, and rights activists, researched Free Basics and its impact in six different markets: Colombia, Ghana, Kenya, Mexico, Pakistan and Philippines.

It reported the following over-arching concerns about the program:[1]

- **Free Basics does not meet the linguistic needs of target users**, particularly in multilingual countries
- **It has an imbalance of sites and services,** with a glut of third-party services from privately-owned companies in the U.S., and did not offer users social communications alternatives to its own platforms
- **It violates principles of net neutrality**. Users cannot use it to browse the open internet; it divides content into different tiers, giving some priority over others; and prioritizes the Facebook app
- **Facebook harvests unique streams of valuable user metadata** on all user activity in Free Basics, not just on users' Facebook activities

Some news organizations simply ceded the territory. For strong news organizations, with robust websites, Facebook's social referrals can be a vital source of traffic; for smaller media, many lacked the internal resources to engage and fully capture the value of those referrals. Instead, they posted their entire content on Facebook, using it in lieu of their own branded websites. Publishers, especially those operating with limited financial resources, pointed to its cost-effectiveness. The platform had huge reach; it was easy - their own organizations would not require in-house digital expertise to have an online presence; and Facebook was already embraced by their own communities, even among minorities.

Yet there were downsides.

Publishers didn't make money from their content; Facebook had the audience and got the revenue. Long-form journalism was - and remains - a poor fit on the platform. Content was not searchable and links to related content, weak. And Facebook audiences skewed male and young; other important audience segments were less-included.

And at the end of the day, whether large or small, media lost control over some of their own important business decisions.

Facebook's shifting priorities and algorithm changes whiplashed content providers as they tried to follow its changing priorities: news, videos, live videos, family, friends. Held hostage to the Facebook algorithm, which in early 2018 moved news down to prioritize content from friends and family, publishers saw their audience numbers drop.

Not only did publishers lose control of important business decisions, they sometimes lost control of their content. Counterfeiters set up sites that tricked users into believing they were authentic, branded content. The *Myitkyina News Journal,* a regional newspaper operating in the conflict-ridden Kachin ethnic area, was counterfeited and used to spread hate speech.

7Day News, reaching the largest Myanmar Facebook audience, was also counterfeited, with some of its original content retained but interspersed with false narratives. CEO Thaung Su Nyein stated that the fake site gathered about 150,000 followers; complaints to the local Facebook representatives were not initially successful in addressing the issue and required the company to seek resolution at a higher corporate level. [xxxv]

Yet can news media exist in Myanmar without Facebook? Not really. News organizations now reach many millions more people than they can on print platforms, and reach approximates – and can exceed – broadcast.

With such enormous adoption of the platform, being present on it is a necessity for major content providers. Socialbakers data shows 7Day leading at the top news source in Myanmar on Facebook – audience numbers include total global users, not just those in Myanmar[xxxvi] *[Note: Audience numbers include total global reach, not just reach in-country.]*

Those use statistics are supported by survey research. A recent study documented its overall dominance in social media with Facebook reaching18 million active users in January of 2018,and 89% of those accessing it through mobile devices. In contrast, Instagram had 720,000 users.[xxxvii]

Not only does it have users, it owns the market for news.

In a recent public opinion survey, 73% of Myanmar adults cited using Facebook as a source they rely on for news, with a stunning 38% reporting that they rely on it for most, <u>if not all</u>, of their news.[xxxviii]

Facebook also is powerful in reaching audiences outside the country, and news organizations have pages published in multiple languages.

News Organization		Facebook Followers (July 2018)		
		Burmese Page	**English Page**	**Total Followers**
7Day News Journal		21,000,000		21,000,000
The Irrawaddy		12,200,000	5,700,000	17,900,000
Mizzima		12,200,000	1,200,000	13,400,000
	Weekly News Mag	76,000		76,000
Forever				-
	MRTV-4	11,100,000		11,100,000
DVB		10,100,000	278,000	10,378,000
MRTV		8,400,000		8,400,000
Eleven Daily		76,000	7,300,000	7,376,000
Skynet				
	Live	1,700,000		1,700,000
	Sports		629,000	629,000
5 Plus		433,000		433,000
Shwe FM		318,000		318,000
Global New Light		68,000		68,000

Source: Facebook page statistics for these organizations

Conclusions: Fix the System, Improve the Media

Until the state and its aligned media operate in a fair and competitive media market, there will be little space for independent news media to survive, much less make the investments needed to innovate and survive in this raucous, frontier environment. Myanmar has a much smaller overall advertising sector than neighboring countries, and audiences are rapidly shifting to digital/mobile platforms.

Outside Yangon, ethnic and regional news media, often operating in rural and conflict-filled environments, have little possibility of generating sufficient amounts of market-derived revenue to support their operations. To lose their voices would be to lose the plural, local and diverse voices of an inclusive society.

To create a vibrant overall media sector, the government must have the political will to create a vibrant public service media sector. To repeat: at the very least, it should stop competing for revenue against the news media it licenses, regulates, can sue, prosecute and imprison. The Broadcasting Law has provisions for this; the government should embrace them.

It must also further develop the legal infrastructure supporting media, including copyright, intellectual property, and online privacy laws. For all the laws governing journalists and journalism, there are few that protect their work product or that support the news media industry and its role in the broader economy.

How well are local news media well-prepared to operate in this environment? Some are better prepared than others, particularly those with:

- Diverse business operations that can cross-subsidize their news-gathering efforts
- In-house sales forces
- Strong digital capacity and in-house IT resources, with news distributed on multiple platforms
- Understanding and use of analytics data
- Well-developed and respected brands

Discussions with multiple publishers, editors, and media observers highlighted significant areas where news media need improvement if they are to succeed and prosper.

- **Mobile first**: If a news organization lacks a robust approach to mobile, it will miss the market.

- **Professional media management**: The biggest challenges facing news media are not those of journalism. Better reporting cannot solve a business model problem. Most Myanmar media companies would benefit from strengthened professional skills in the areas finance, management, business development and digital deployment. As they create diverse distribution channels and new sources of revenue, maintaining a keen focus on topline revenue growth, and bottom-line expense management, will be a prerequisite of success.

- **Diverse revenue sources; many ways to generate revenue.** Successful media organizations derive revenue from many sources. Some can be B2B, or business-to-business, such as advertising, event management, and marketing services. Some can be B2C, business-to-consumer, as in subscriptions, paywalls, and paid services. The use of digital payment systems and online ordering facilitates all of these.

- **Strengthened reporting through increased access to training:** There is now more journalism training available than before. The Myanmar Journalism Institute (MJI) offers a full-time diploma course for new journalists; a part-time diploma course for working journalists; and specialized training sessions. The Yangon Journalism School (YJS), founded in 2009, trains working journalists. However, as the market for communications expands overall, professional journalists and reporters are in steady demand and the pool of talent is spread thin.

- **Reaching and engaging wider audiences:** Platforms with limited, infrequent audiences are inadequate to drive local impact or deliver value to potential advertisers. Success in creating new audiences will be dependent on news media understanding who their audiences are by using analytics, and offering more diverse, engaging content. A steady diet of politics and conflict is not broad enough to engage a loyal and large audience. Specifically, in the post-2012 period, audience interests have broadened from political topics to those that deal with lifestyle, religion, culture, travel and regional interests. A number of news outlets have been slow to respond to the changing environment.

- **Improved production values and reporting quality**: Given the proliferation of quality programming, the competitive environment has shifted, and consumer expectations have risen. As the OTT market expands, and media choices become even more fragmented, news reporting will need to be professionally produced to be competitive for audience share of mind and share of time.

- **Digital craftsmanship:** Journalists have always crafted their stories to fit their medium. Print stories start with the inverted pyramid of who, how, what, when, where and why. Radio excels at theater of the mind. Television uses sight, sound, motion and emotion. In a smartphone environment, long-form journalism and huge investigative pieces are not a fit. Yet digital has many strengths that can be more fully exploited by Myanmar news media to expand the scope and impact of their storytelling.

- **Digital competence:** In a mobile first environment, news media must own their technology and be comfortable with it. Too often, media have outsourced or relied on others, to their own detriment. Clearly, small, bootstrapped operations find this difficult. But it is essential to their survival.

- **Strong branding:** Owning a respected, trusted brand not only attracts audiences and revenues, it can be a powerful prophylactic against site counterfeiting and the spread of hate speech. During recent remarks, Information Matrix CEO Thang Su Nyien highlighted the need for strong branding as a requisite of business and financial success. He also noted that during the coming months, only the strongest media (good management, solid content strategy, diversified revenues) will survive.[xxxix]

###

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