

Executive summary:

S E R B I A



Key Country Facts

Population	7,186,862 (2011 census)
% of unemployed	9,5 %
Net income per person (average) EUR	462 EUR
Number of local communities (municipalities/cities)	174 (145 municipalities, 29 cities)
Number of local media	1.183 (estimation)
Annual advertising revenue in media sector	180 million EUR - 200 million EUR (estimate)

Context

Number: There are 1.183 local and regional media (which is approximately 50 % of the total number of media). Out of this, 486 are online (225 local and 261 regional), 285 are terrestrial radio stations, 248 local print media, and 164 are terrestrial and cable TV stations that operate locally.

Problems: Lack of sustainable business model due to the imbalance in advertising money distribution among capital and local communities and corrupted model of project co-funding that majority of local media relied to; Lack of resources, especially human, due to the fact that young, educated and progressive people fled to bigger media outlets or leave journalist profession; Lack of business mind-set among local media management and lack of system among local media to work with them on continuous basis (more than 80 % of local media are not part of any association); The respondents believe that the business environment for local media outlets is very poor, as in their view both local and central authorities treat the media badly, project financing arrangements are opaque, and there are few advertisers that often face political pressures.

Sources of funding: Local media in Serbia mostly rely on project co-funding and advertising. The privatization of state-owned local media in 2015 disrupted previously state-funded local outlets, requiring them to learn how to compete for project finance. Project financing of local and regional media has attracted much scrutiny due to what are considered non-transparent practices which favour outlets occasionally close to local governments that are created for the sole purpose of obtaining such funding. If we look percentages in total (for all 15 media outlets that were part of research), 48% finances of local media come from some sort of project financing and public sources. Then we have 38% that are gathered from advertising resources, 8% are simple donations from owners or other people interested in functioning of local media outlets and only 5% coming from different donors.

Supply side

Mission: The majority of the media outlets making up the sample predominantly report on local issues, with little or no interest in national topics. The exceptions from this rule (covering only local topics) are Juzne Vesti and RTV Sabac, that both cover national and regional issues.

Capacity: Staff numbers range from just a handful to over 20 (local televisions). With more than 80 employees, Magyar Szó – daily news in Hungarian language - is in a class of its own. The percentage of women is generally above one – half (the average for media outlets that took part in research is 60%), but women managers are in the minority. Capacities are modest, with these media often relying on a few staff to produce content, together with large numbers of contract workers and/or volunteers. Larger outlets possess more capacity and

have greater management and business-related requirements (as well as the skills to meet them). Conversely, although smaller outfits may not necessarily employ formally trained journalists, they can have staff with vast experience in marketing, entrepreneurship, management, photojournalism, and the like.

Business model: The media representatives did not wish to discuss their finances in detail. In general, annual budgets vary from 5.000-6.000 GBP to 350.000-400.000 GBP (mostly local TV, but also *Južne vesti* from Niš falls into this category); Most media rely on a mix of public funding, provided through project co-financing, and advertising revenues; donor funding is not used to any appreciable extent.

Content: Most of outlets cover a variety of public and social issues relevant to their communities (such as politics, business, culture, the environment, sports, local services and utilities, agriculture, and the like). That being said, most highlight news, focusing on political developments and current affairs in their respective cities and municipalities. The outlets we analysed produce most of their programming in-house but at times rebroadcast outside content (from, for instance, Voice of America or Al Jazeera) or rely on other sources (such as the FoNet wire service).

Interaction with audience: Nearly all media use e-mail for communication. All are present on social networks but differ by how extensively they use their social accounts to reach the audience. Some outlets (such as *Lokalne Novine* and *Glas Podrinja*) read comments on their stories and communicate via Facebook Messenger; Local media outlets have little or no knowledge of their audiences (only biggest TV stations and some websites systematically collect audience information and use it for the sake of business).

Demand side

Key observations: Residents of all communities agree that Serbian local media are highly politicised and centralised; The respondents are by and large ignorant of how local media are funded, but believe finances are the key issue faced by Serbian local media; The residents mistrust local media and seek alternative information strategies; Residents of Subotica rate ethnic minority media outlets more highly: Subotica is a multi-ethnic community, and focus group participants believe that multiple sources of funding and greater funds available to minority media outlets contribute to their quality. The average score awarded for the state of local media in Serbia is 2,67.

Key problems of local media: Lack of technical capacity, primarily at local web sites, and insufficient expertise on the part of journalists; Bias, incompetence, and spin (local web sites are seen as especially offensive for their attention-grabbing headlines); and Poor-quality content that is out of touch with modern trends.

Main shortcomings for local media: Politicisation, centralisation, insufficient freedom of speech, and political pressures; Lack of funds, and insufficiently competent, imaginative, and creative staff.

Main trends and habits: Local web sites and social networks are the respondents' primary sources of news. Respondents cited availability and accessibility, as well as the ability to select news, as the key reason for preferring web sites;

Preferences: The five types of content most frequently sought by respondents were: information about local public services, the weather forecast, local political developments, local cultural events, and sports; According to the respondents, local media outlets lack political debates; edutainment (such as quiz shows and interesting facts); children's shows; documentaries; and sports features; Most residents would not be prepared to actively contribute to local media outlets' editorial policies. The principal reasons cited here are apathy and lack of confidence that this engagement could make a difference, lack of time, and lack of knowledge and expertise. If we look into differences between female and male perspectives in terms of content consumed in local media: women respondents were less likely to look for political content and readier to follow local cultural developments and utility information.