

IDEAS & DEBATE

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NMG changes tack to improve efficiency and rebuild relevance in the 21st Century

INTERVIEW Joe Muganda yesterday announced the media company's new strategic direction



BY WALLACE KANTAI

Nation Media Group (NMG) yesterday announced a new strategy that will see it improve efficiency and relevance in the dissemination of news to target consumers.

A global shift towards digital platforms has necessitated changes in the way news products are handled and delivered in the most effective manner.

NMG Group CEO Joe Muganda spoke with the Business Daily's Wallace Kantai on the company's new strategy.

What are the significant announcements you made this morning and what's behind them?

We are a fairly successful organisation. That has been the case for a while. But one of the things that has been happening around media is that the method through which consumers are consuming our product is changing. So what we are trying to do is ensure that we have a strategy that will deliver to those consumers. What must we do? We have looked at our assets, and we are trying to deploy them in a manner that ensures that they are efficient and effective. We want to ensure that all business units are commercially successful.

To this end, towards the back end of last year we got a new printing press which allows us to print much more efficiently.

The digital world is an absolute reality across the world. To us, this means converging the newsrooms, ensuring that the products, as we have organised them, can deliver to the consumer in the manner that is expected.

We no longer break news — all these social media platforms go ahead of us in doing that. We've got to make sure that in addition to competing with that

world that is breaking news, we are doing what is called Day 2 journalism with our newspapers telling our readers the reason behind what is happening. We've got to make sure that television is relevant, that we're entertaining people in the manner that's expected.

We'll get to the issue of the printing press because it's been quite a big issue strategically, but let's talk about specific actions with regard to the announcements made this morning. What were those?

This morning we announced the rationalisation of our broadcasting division. We currently have two television channels — NTV and QTV. What we've done is that we've consolidated our two television stations into one strong multilingual television station, so it will be both English and Kiswahili, under our flagship brand NTV. Our reasoning is that it allows us to have stronger and richer mix of programming, as well as a much more effective way of deploying resources. The other thing is that we have reviewed our radio business, and we have come to the conclusion that it can't go on as it is. So we have scaled it

down. We will keep a live signal and maintain an online presence. Hence, we will not have QFM and Nation FM as they stand today.

The argument someone would make is that some of what is going on from a big picture point of view might be temporary. Is the action you have taken today a reflection of the fact that you think that the business has changed that dramatically?

Yes, I think the business has changed quite dramatically. Anybody who thinks that the consumer is behaving the way they behaved even two years ago must be kidding themselves. The advent of smartphones is a fact of life. People are watching television and participating in interactive feedback. You can literally watch television, read your newspaper and listen to the radio all on this one gadget. So it's no longer the way it used to be. So I think there is a huge shift in



Mr Joe Muganda, the CEO of Nation Media Group. SALATON NJAU

the way consumers are consuming the product that we produce.

You speak about print and it is a very interesting subject to get into, because you invested a significant chunk of money into a new printing press. Again, an argument can be made about whether that was the right investment when the print business is visibly declining.

I've heard those arguments put out before, but we are confident that the print media will continue to play a significant role to our business for many years to come. Hence we've got to be able to deliver the product the consumer wants. We are fairly comfortable with the investment that we have made. We are confident that we made the right decision.

Let's speak about newsrooms. What you have announced with regard to consolidation of businesses does mean that news will be affected. What will the news business look like going forward?

I think you only have to check the way people consume media. They will probably get it first on their WhatsApp or other social media platforms first, and then probably see it in broadcast second, and ultimately for those who want to read the newspaper that probably comes the next day.

We've got to be putting out those stories in the manner that consumers

are behaving. If you ask me what the newsroom will look like, I think it will be a very joined-up thing, as opposed to having separate newsrooms for digital, for broadcast and for print. It will be the backbone.

Is it that word — convergence?

Yes. It has to be converged and people have to be working together. The journalist of the future has to be somebody who can cut across all platforms. We have embarked on training our younger journalists to ensure that they operate in that manner, and fortunately, they come into the system when they are already *au fait* with the gadgets that will allow them to operate in that manner.

Let's speak about the less positive sides of such reorganisation or rationalisation. Are there any job losses?

Unfortunately, as we embark on our new strategy, regrettably, there will be a reduction of our workforce through job redundancies.

Will this be the last one?

My response to that is that we are constantly reviewing our organisation. If I said that it was the last one, I would hope that it is. But we are forever internalising and checking that we are operating efficiently. But major announcements of this nature? I don't think there will be too many.

Other Voices



Jacob Zuma
South Africa President



Gareth van Onselen (Business Day)

South African politics has produced a very particular type of tyrant and, as the country's condition worsens, they are becoming more prevalent. They are not full-blown dictators with unfettered power who rule unchecked. In SA, their authority is diluted or constrained to a particular institution; within these parameters they all exhibit their authoritarian streak, disdain for best democratic practice or the rule of law, and a powerful demagogic impulse towards populism. Ultimately, they have wrought much damage and destruction.



Nigel Farage
UKIP leader



Marina Hyde (Guardian)

In a crowded field, I think it was the flag that was the killer. The absolute state of that flag. Nigel Farage's desktop Union Jack, with its little sucker pad leeching obnoxiously on to the unlovely beech of the European parliament chamber. Part of the genius of the TV series *The Office* was its ability to distil all human life down to a series of recognisable archetypes most people had encountered at work. To see Farage there with his desktop flag was to suddenly and irrevocably understand it: the UK is the Gareth Keenan of Europe.



Benjamin Netanyahu
Israeli Prime Minister



Hassan Nafaa (Al-Ahram)

Israel is universally reputed as the country that has shown the UN the greatest amount of contempt and that has most frequently and persistently flouted the provisions of its charter and its resolutions. Not that this has prevented it from taking the greatest pains to assert its presence in UN organisations and to use all possible means to influence their decisions. Recently, it has scored a number of political victories that have enabled it to break its isolation within the international body. It is useful to examine how and why this has occurred, and the possible implications.