A summary of the study on the current state and trends of the Estonian media policy
University of Tartu, Tallinn University, MEDIT
2019

Introduction

A study on the current state and trends of the media policy maps the situation of Estonian media and offers possible perspectives for development based on the findings of the study. For the purpose of mapping the current situation, the authors of the study used the data that they assembled as well as secondary data. The study also focuses on the normative side, or the principles that could act as a basis for Estonian media policy and its future objectives. The purpose of this study is to offer an input for media policy makers and establish a basis for a systematic interpretation of the journalistic field. The authors follow the assumption that not only does the media policy focus on the development and implementation of the precept that arranges the media field, but also on data-driven decisions concerning if media requires intervening, where, and to what extent. This also includes mapping the need for regular collection of the sectoral data and agreeing on the relevant principles.

This study is based on a normative presumption that journalistic contents and regulation on media must support a) the preservation and development of the Estonian language and culture, b) citizens’ awareness to participate in democratic society, and c) social cohesion. On the one hand, media is largely developing under the laws of marketing. On the other hand, media as a carrier of the Estonian culture and values is an important institution that supports the operating of other institutions with the selection of news that they make. Journalistic organisations that mediate public information and create values have an important role in creating public well-being. For that reason, media cannot be approached as an ordinary business.

This study was prepared in cooperation with the researchers of the University of Tartu and the Tallinn University, therefore its analysis on the media system unites the approaches of classic journalism and media innovation researchers. For the sake of transparency, the involvement of the members of the research team in different institutions and their relevant roles are presented in the Annex of this report [pages 123-124 in the original document].

The primary conclusions of the study are summarised in the beginning [translated below]. The methods used to reach these conclusions are evident from different chapters. The first and second chapter [pages 12-71 in the original document] give a general overview on the current state of Estonian media. Presenting a concentrated background enables to create a framework for assessing the situation and future changes. The third chapter [pages 72-107 in the original document] supports the previous chapters with more detailed case studies. This is also based on the theoretical knowledge of the investigation groups and the experience of other nations. The analysis takes into account the ecosystem of global media, and the macro processes that influence the media of nation states. The last part of the study [pages 108-120 in the original document] lays down four possible future perspectives of the media field.

This study does not establish detailed political solutions but marks the fields that require more detailed agreements in the formation of the media policy. In order to evaluate the truthfulness of the prognosed development trends more precisely and be better prepared to intervene for guiding processes in the desired direction, such mappings of the current state and future perspectives should be conducted regularly – ideally, every couple of years. Hopefully, this study will arouse discussions of different influencers of the media field, and actions for the purpose of establishing the best solutions for Estonia.
Conclusions and suggestions

- The Estonian media market is open and offers the services of local as well as international enterprises. Print media and broadcast media (including the Estonian Public Broadcasting) are primarily controlled by domestic capital, while an increasingly larger number of international media and communication enterprises offer their services for Estonian consumers and advertisers online. From the perspective of the Estonian media system, such interferences can be considered a loss of profit for Estonian media establishments which hinder the expansion, diversity, and quality of services of local enterprises who offer local media services in Estonian and Russian.

- The Estonian media system is institutionally diverse and consists of private enterprises, publications/channels of the state or local government, and public media of different purposes, sizes, and mediums. There has been a significant concentration among private enterprises – two large companies of domestic capital compete in the widest segment of media consumers, the Ekspress Grupp and the Postimees Grupp. Their activities are complemented by the Estonian Public Broadcasting, the third largest organisation.

- The two larger domestic private media groups have expanded to the whole Baltic region, owning news portals and agencies, newspapers, and advertising companies in Latvia and Lithuania. Estonian companies occupy a dominant position on the media market of the Baltic states and earn a significant proportion of their income outside of Estonia. Such Estonian media groups have somewhat adopted the Scandinavian model in the Baltic region (i.e. local enterprises who have established a secure position in a region obstruct international competitors from entering the market).

- Excluding the current investments in the Latvian and Lithuanian market, the Estonian media industry is not capable of export, especially considering the future-ready content. Estonian television series or formats are rarely sold to foreign countries, offering no source of income to the Estonian media industry.

- The Estonian advertising market as a main source of income for the private media is slowly recovering and only beginning to reach the level that it was before the economic crisis. An intense competition in the field of television advertising and an internationally low price of online advertising have hampered the recovery of the advertising market. An increase in online prescriptions has not had a significant impact on the fall of the advertisement market, although the proportion of online advertising subscriptions is slowly increasing.

- A decrease in common income (advertising that complements the contents, and income from subscriptions) has forced media enterprises to diversify their sources of income. Enterprises who previously focused on journalism are currently expanding as more complex companies of information and entertainment mediators, offering new information and experiences through journalistic genres, but also through advertising portals, trainings, conferences, cultural events, etc. A save on scale, cross-promotion and brand development of complex, inter-channel, platforms and fields of activities give the companies new security, but it also raises questions on the independence of journalism and whether or not the occasional journalistic publication interferes with fair competition in other sectors.

- The expansion of media enterprises to other sectors and their economic interests could reduce public trust in journalistic content, because the formation of content and the principles of financing are not transparent or publicly declared.

- Because many large or smaller media enterprises operate on the limited market, not everyone can fulfil their functions to the required extent. In fear of losing cooperation partners (e.g. local governments, various advertising partners), some smaller and generally local journalistic enterprises might not perform their duty of critically observing the execution of economic and political power.
Local media and community media are in the hardest position in coping economically. Entrepreneurship has concentrated in larger towns and the advertising market in counties or municipalities has dwanned to an extent that poses a threat to the sustainability of local journalism. The Media Services Act and the procedure for issuing broadcasting permits do not favour the development of communal radio channels or their position as a communal enhancer.

The number of journalists has stabilised: over 60% of journalists have worked in the field for over ten years. On the other hand, their work is increasingly more tense and requires more feedback and support.

Competition on the market and within the system of new Estonian media is made harder by the concept of media expansion: contents that follow the format and standards of journalism to a larger or lesser extent is offered by local governments, several large corporations, and societal and political target groups. On the one hand, such contents compete for the attention of consumers and the money of advertisers. On the other hand, the Estonian information space is filled with content that resembles journalism but does not fulfil the expectations set on journalistic content (balanced, factually correct, truthful, etc.).

The value chains of creating and spreading television or other audio-visual content are more complex and diverse than in other areas of media. In addition to the channels and platforms that are in direct contact with the public, many different content creators (producers of documentaries, television series, online games, cross-media products, etc.) operate here as well, developing and offering new ideas and formats. In the last years, private groups have reduced orders to independent producers (the Estonian Public Broadcasting rarely orders new content from outside the organisation) and endangers independent producers (in the long run, this impacts their ability to develop into exporting companies) and the diversity of the Estonian media system as a whole.

Although larger media groups are increasingly engaged in internal collaboration to achieve greater efficiency, currently, the Estonian media system as a whole is not coordinated enough to benefit other domestic institutions even indirectly.

In addition to the traditional content providers, there are now many new parties, including those who are not subject to Estonian law. This has allowed hostile foreign forces to influence the Estonian public, and such information operations (foreign propaganda, creation of a social divide) may prove to be dangerous to the Estonian statehood and culture.

The subtle intrusion of foreign influences may cause the ownership relations and indicators of economic activities to fade.

In general, media is well available for the citizens (except in regions without fast internet connection, in regions where subscribing newspapers and magazines is problematic due to postal services, in regions that are not in the range of free-to-air programmes or private radio broadcasting stations, or households without satellite and cable coverage), but the content that is consumed performs many different functions, and a decrease in the number of people who are familiar with quality news contents is a potential threat.

Higher education on media is offered by the Tallinn University, journalistic education can be obtained in the University of Tartu, while media-education in primary and middle schools is still uneven and in need of a comprehensive curriculum. Universities operate as collectors and analysers of data on media operations. There are also no media education programmes for other societal groups.