Media Economics in Spain: 
Beginnings and Development of an Academic Field

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Abstract

This article deals with the development of media economic studies in Spain, from its beginnings at the end of the 1960s to the present. This is looked at from an international perspective, paying particular attention to two areas of focus which have had the most influence over Spanish researchers: the United States and Europe. The reasons for quantitative and qualitative growth are analysed alongside the methodological development this scientific area has experienced.

This study shows the protagonist part played by Spanish schools of communication in the consolidation of media economic studies, while at the same time identifying other important contributions that come from non-academic areas. By way of conclusion, certain methodological deficiencies are highlighted which should be corrected, and possible areas of study of particular interest are suggested.

1. Introduction

The first periodicals that appeared on the market had mainly political, literary or cultural focal points. These magazines, which first spread throughout Europe and a little later in the United States, lacked a solid business focus. The content was based more on what the owners wanted to tell than what the public wanted to read. The directors placed great emphasis on the production of each issue, but paid less attention to what are considered today areas of priority, such as distribution, advertising, cost control, and price strategies.

In this context, it is understandable that during the first 300 years of professional journalistic activity, from the founding of *La Gazzette* in 1631 to the stock market crash of 1929, only partial attempts to systematise knowledge about media economics and management existed. An uninterrupted advance of this scientific field began in the beginning of the second half of the 20th century. Until then, media economics had not aroused much interest nor had it been analysed thoroughly.

For example, it is significant that Joseph Pulitzer, after managing newspapers and launching a media group, founded a School of Journalism (Columbia) in New York, which did not allow the teaching of economic and commercial aspects to students to assist with their future careers. Pulitzer’s original idea—which to some degree is still
in force at this prestigious academic centre—was that good journalism was incompatible with good media business sense (Sánchez-Aranda, 1998).

Research in the field of media economics has its origins, therefore, at the time when businessmen started to consider their editorial activity from a professional perspective. It emerged driven by the necessity to know how the market functioned with greater precision and analyse the successes and failures of the principal enterprising innovations of the most dynamic companies. Yet, since the beginning—in tune with Pulitzer's preoccupations—academic literature has tried to resolve the tensions and contradictions that arise within a field that goes beyond the economic and commercial limits, but requires basic business knowledge to undertake long-term projects.

The first monographs, dedicated above all to the subjects of production, distribution, marketing, finance, team management, and content production, were followed by a few manuals about media management dating from the second half of the 20th century. A descriptive approach predominated in the greater number of cases (Pilati and Richeri, 2000).

Those initial studies permitted a better understanding of media economics, reduced to the sector of print media in those days: newspapers, magazines, yearbooks, collector's items, and books. However, the descriptions always lagged behind reality—they showed how things were at the time they were being measured, but they did not indicate what things were like in the present and, to an even lesser extent, how things were going to be in the future. Furthermore, the analyses based on empirical studies could not be applied to any geographic area: what happened in some countries did not correspond to the reality of other markets.

Translations of North American texts were used to study information and entertainment industries in Europe for decades. However, the content of these books did not have much to do with what was experienced by the readers of these texts. Unlike the American market, the local press did not dominate in Europe, television had more negotiating power than producers; radio and public television dominated the national markets, and few products travelled beyond the borders of their country of origin (Bechelloni et al., 1997). Significant differences also existed with regard to legal and technological developments, citizens' demands, the strength of the advertising sector, and market size (Lange and Renaud, 1989; Paraschos, 1998).

2. United States Hegemony

During the whole of the 20th century, the European media market distanced itself from the United States model. Seen the linguistic and political fragmentation of the Old Continent, its cultural heritage and tragic war experiences it lived through during these 100 years influenced the development of the media industry. Some constants in regulation and dominant schools of thought—such as the interventionism of governments, the eagerness to protect cultural identity, and the distrust of private initiative in the audiovisual sector—barely exist in the American tradition.
This evolutionary difference affected nearly all the new media, which went on completing and increasing the complexity of each market on both sides of the Atlantic: the music industry, cinema, radio, commercial television, pay-TV, and the Internet. In all cases, a significant separation between the two continents occurred, which affected consumer habits, the type and number of products available, the structure of media ownership, and business models.

Despite the progressive distancing between the media industries of Europe and the United States, American researchers shaped dominant trends in many countries of the Old Continent. The early appearance of schools and schools of journalism in America at the beginning of the 20th century contributed to this fact. An uninterrupted advance of the study of this material occurred for this reason, as much in applied research—published above all in reports, papers, and monographs—as in university teaching, which led to the first manuals. Frank W. Rucker and Herbert L. Williams were authors of one of the pioneering systematic treaties in 1955, “Newspaper organization and management,” which was widespread amongst faculties and schools of journalism in many countries.

American hegemony increased with the passing of the years. Three main causes can be found to explain this phenomenon: i) lack of consistency and balance in some dominant areas of the principal European centres, ii) various problems related to terminology and linguistics, iii) the shortage of solid teams with projects and field studies of a stable nature (Curran and Park, 2000).

In the first place, European universities and institutes have nearly always been interested in the media sector from two extreme points of view. In some cases, these centres have taught practical skills and have not shown any interest in investigating the nature, causes and effects of the activity of media companies. Perhaps L'École Supérieure de Journalisme de Lille, founded in 1924, is one of the most relevant examples of this model.

In other academic fields, on the other hand, an analysis of the media “from outside” has predominated under a strong influence of the Frankfurt School according to which it has been analysed from a Marxist point of view. The researchers of the so-called “critical theory” have been busy, above all, denouncing the fact that media groups are subservient to the interests of large companies and do not comply with their responsibility to serve the public. This approach has been dominant in various British universities, where the discipline of “cultural studies” has a stronghold.

As recognised by Ferguson and Golding (1997), the principal limitation of critical theory comes from its descriptive nature and its difficulty to make proposals and suggest alternatives; its predominantly negative perspective makes it difficult to convert itself into an appropriate system to understand the structure of the markets and how media companies function.

Certainly, research teams that have analysed the media industry from a more empirical perspective and without such a negative prejudice about the effects of the market sector economy have emerged in other European universities. However, they
are exceptions to the general rule characterised by the endless repetition of the "a priori" conceived principles, added to which are data and examples that confirm existing theories.

To some extent, North American academic centres have managed to dominate the academic field for quantitative reasons. They have more research teams at their disposal, rely on greater resources and can distribute their scientific works within a large internal market. However, their success is also the result of qualitative reasons, such as the fact that they have a greater variety of study approaches. Competition to be published in the most prestigious journals and publications has contributed to methodological rigour of their works.

Some terminological and linguistic matters also explain the predominance of United States research geared towards the analysis of media companies and markets (Doyle, 2002). The lack of agreement to designate academic centres, degrees, markets, and companies has made the progress of shared bases within the European scientific community difficult.

Today, researchers still argue about basic matters, such as the difference between communication and information, if advertising should be called "commercial communication" or what the differences between public relations, corporate communication, and institutional communication are. The configuration of departments and research areas further increase this terminological confusion.

Finally, European investigation is characterised by individual research and a shortage of stable teams that analyse subjects relevant to media companies with a certain degree of permanence. The personal and in some ways erratic nature of scientific production in quite a few European universities has not contributed in any way to the consolidation of knowledge and analysis methods.

Despite these obstacles, communication studies in Europe have developed as a consequence of the increase in the number of researchers, although many of them may have assumed the fundamental postulates of North American scientific production in a non-critical way. As we have pointed out, some of these basic principles—such as the supposed separation between fact and opinion—are not based on empirical evidence, and in many cases, they do not apply to the majority of countries of the Old Continent (Miège, 2000).

In Spain, North American literature about media economics played a predominant part throughout nearly the entire 20th century, too. This fact forms the backdrop for the general European course taken but also has two specific causes: the peculiar political circumstances of the country and the slow development of communication studies in Spanish universities.

From a political point of view, Spain was doomed to a bloody civil war (1936–1939), which ended with the victory of rebel militaries. As a result, a dictatorship, which lasted until 1975, began under the control of General Franco. This period was characterised by unquestionable economic advances driven by a free market regime and help from the United States in the fifties and sixties. However, the lack of freedom in other
fields—above all in politics, media, and education—plunged the country into a sort of cultural lethargy. Many intellectuals who wanted to express themselves without censorship emigrated to other places, and those who remained had to use their wit to evade the regime’s control systems (Fusi, 1992).

The good relationships Franco had with various Presidents of the United States, and the reluctance of neighbouring countries to accept non-democratic Spain within the European Union created a popular climate favourable to the proposals that came from across the Atlantic. Academic texts and other research material were translated very quickly (case studies, technical notes, reports), which in turn were used by many schools and institutes. The Spanish universities, affected as much by the economic consequences of the civil war as by the climate of lack of freedom, carried out weak research during these years. Without hardly any resources and the overshadowing threat of the political authority, Spanish research was always a difficult activity, frequently carried out in solitude and at times with great risk.

On the other hand, communication studies became incorporated into the universities at a later stage. Until the mid-eighties, only the Universidad de Navarra (since 1958), the Universidad Complutense in Madrid and the Universidad Autónoma de Barcelona (both since 1971) offered degrees in journalism, advertising or film and broadcasting studies. In other academic centres, the lack of innovative spirit or the bleak outlook presented by the media of the country slowed down the beginning of these courses.

3. The European Context

Although it might seem surprising, many European academics—and, of course, Spanish ones, too—knew more about the history and economics of the American media than that of their own country, where few studies of a scientific nature were published about this subject. Very few researchers had a panoramic vision of the European market, partly because of linguistic diversity, and partly due to the absence of rigorous analyses with reference to the media ensemble of the Old Continent.

By the eighties, all European countries had faculties, institutes or departments of communication. During these years, various events occurred, such as the growing commercialisation of the media, the development of transnational companies, the progress of the European integration process, and the strengthening of communication studies. These events influenced the development of studies about company management of the sector in Europe in a decisive way (Hollifield, 2001).

The first factor increased the necessity to analyse subjects such as competitive advantages, business models, the characteristics of each market, editorial guidelines and company missions, professional standards, implicit and explicit public demand, opportunities and threats of new technologies, and the relationship between quality and profit (Bunting and Chapman, 1996).

On the other hand, a general vision of the European market became a necessity in order to understand the growth strategies of companies such as Bertelsmann, Vivendi,
Hachette, Pearson, Elsevier, RCS, Bonnier, Beta-Taurus, and News Corp. At the same time, large North American corporations—above all Disney, Time-Warner, and Viacom—were penetrating various countries of the Old Continent.

European integration favoured transnational studies such as those the European Institute for the Media, founded in Manchester in 1983 and directed by George Wedell during its first decade, began to carry out. Stable research groups were also created, such as the European Media Research Group, who published monographic studies about the main countries of the European Union.

Teaching and research centres dedicated to journalism, audiovisual fiction, advertising, and public relations continued to emerge. This tendency was more pronounced in the south than in the north of Europe. Many universities in Ireland, Great Britain, and the Scandinavian countries were reluctant to launch these degrees even when they were already well-accepted in, for example, Spain, Portugal, France, and Italy.

Market growth was the great novelty of the nineties. With the fall of the Berlin Wall, the former countries of Central and Eastern Europe integrated themselves into the occidental environment, as much from a business point of view as from an academic one. Already at the beginning of the decade, some researchers such as Karol Jakubowicz (1990, 2002) in Poland, Mihály Gálik (1991, 1999) in Hungary, or Liana Giorgi (1994, 1995), first in Amsterdam and later from Vienna, published research papers about the transition into the free market of media economies which had existed within the influential orbit of the Soviet Union.

Some international prizes recognised the work of pioneers which flourished in publications and scientific schools. The first scientific magazine on the subject, the *Journal of Media Economics*, established a biennial prize in 1998. This prize was awarded to Nadine Toussaint that year and to Alfonso Nieto in the year 2000 for their scientific studies developed at the Institut Français de Presse and at the School of Communication at the Universidad de Navarra, respectively.

The following scientific publications of the field were also born in Europe. In 1999 the Institute for Media and Communication Management at the University of St. Gallen started the *International Journal of Media Management*, whose first editors were Peter Glotz and Beat F. Schmid. Five years later, the Media Management and Transformation Center of the University of Jönköping began to publish the *Journal of Media Business Studies*, headed by Robert Picard.

International conferences about media economics and the management of media companies first took place at the end of the nineties. These permitted the main European researchers to gain greater scientific and personal knowledge. Within this setting, the meetings of the World Media Economics Conference in London (1998), Pamplona (2000) and Turku (2002) stand out, as do the quality of studies presented by European researchers at the conferences that followed in Montreal (2004) and Beijing (2006).

This setting also generated the birth of the European Media Management Education Association (EMMA) in 2003. The association had begun to develop during confer-
ences and meetings held in previous years. On the one hand, European universities had produced a notable increase in the number of researchers. However, at the same time, they had suffered from a dispersion of effort and there had been a shortage of forums to exhibit scientific works.

In order to resolve these problems, a group of professors and lecturers organised a meeting in Brussels in April 2003 with the intention of starting the association if enough people and academic centres were interested. At this meeting, 42 researchers decided to start the EMMA. The representative countries were Belgium, Finland, Germany, Greece, Hungary, the Netherlands, Norway, Spain, Portugal, Russia, Sweden, Switzerland, and Great Britain.

The first management team—called the “Executive Board” in the association statutes (no. 6)—was made up of seven people: Alfonso Sánchez-Tabernero (Navarra), Richard Haynes (Stirling), Lucy Küng (St. Gallen), Robert Picard (Jönköping), Richard Van der Wurf (Amsterdam), Axel Zerdick (Berlin), and Elena Vartanova (Moscow).

The EMMA statutes declare that its objectives are to stimulate interest in media management education and research (no. 2); the creation of forums and communication “on-line” would allow this endeavour to be fulfilled (no. 9); the association would allow non-European researchers to join only if they held an interest in the study of media markets and companies of the Old Continent (no. 3b).

The first annual meeting was held at the University of Mainz (April 2004), set up as a conference organised by the association itself, under the title of “Teaching Media Management and Media Economics in Europe.” The second annual meeting was held in Lisbon (May 2005) at the Escola Superior de Comunicação Social (ESCS). Management team changes took place at this meeting (the original management team had a two year term of office). The new team comprised seven researchers: Heinz-Werner Nienstedt (Mainz), Peter Goodwin (Westminster), Robert Picard (Jönköping), Mercedes Medina (Navarra), Paulo Faustino (Lisbon), Elena Vartanova (Moscow), and Lucy Küng (St. Gallen).

The EMMA faces the challenge of converting itself into a research catalyst and a meeting place for European academics dedicated to the study of media companies and media markets. It must also carry out other functions: it must build bridges between academics and media company directors, whose relationships have been marked by a lack of confidence, and bring research approaches and processes closer together in the face of irreconcilable positions that have characterised many schools and research groups in the past. It must also raise the quality of articles and monographs by increasing competition to be published in the best collections of monographs and scientific magazines.

In the meantime, the association has fostered some links between Spanish researchers in media management and media economics: the EMMA’s “unofficial” Spanish chapter has supported better understanding among scholars as well as the initiation of research projects involving professors and lecturers from different universities.
4. Spain: Main Schools and Research Teams

Several Spanish researchers have participated actively in the birth of the EMMA and other similar European associations. They have collaborated in setting them up, they have assumed management positions, and they have acquired a notable prominence in international scientific meetings. These facts, inconceivable a few decades ago, reveal the extraordinary change Spanish research into media economics has experienced during the last 20 years.

Three main reasons explain this transformation: First of all, the rapid political transition that converted Spain during these past years into a prosperous, stable, democratic country and a member of European Union since 1985. Secondly, the emergence of schools of communication, which increased from four in 1985 to 43 by 2005. Thirdly and finally, the development of the media industry, which in turn meant a marked increase in turnover figures and an improvement in the management of companies within the sector.

The political and economic transformation generated a cascade effect. Universities had more resources for research at their disposal. In addition, the competition to obtain more funding and to be published in the most prestigious publications and international journals increased in the academic world as did interest in public life and in the influential relationships between media companies and political power. Furthermore, the feeling of being European strengthened, and as a result, Spanish interests drifted away from the United States.

In the academic sphere, the strong demand to study journalism, advertising or film studies, the drop in the cost of money, the abundance of capital, and the development of the autonomous state spurred the proliferation of public and private schools of communication. For private investors, the launching of these degrees constituted an investment with good returns. For regional government, it was a popular decision to make, as many cities wished to establish or complete their university centres.

The uninterrupted birth of schools of communication between 1985 and 2005 nearly always involved excessive improvisation without any preliminary planning and with an excessive short term view. In many cases, the new centres could not find trained lecturers to develop relevant research or to teach their subjects at a minimum level of quality.

All in all, the extraordinary increase in the number of faculties favoured the consolidation of studies in media economics. Although the average level might have been mediocre, 43 academic centres came to rely on a group of lecturers—of varied rank and research quality—dedicated to the study of media economics, media management, and media market analysis. Furthermore, the appearance of young lecturers supposedly introduced a breath of fresh air into an academic environment where positions were previously arranged in advance, prejudice made dialogue difficult, and researchers tended to position themselves in very distinct schools of thought, because in undefined territories there was no support from anybody.
At the heart of some faculties, Master’s courses have appeared aiming at training professionals specialised in media economics and management. They have boosted the quality of teaching and research and strengthened relationships between companies and the academic world. Amongst other things, it is worth mentioning the following Master’s degrees. Master’s degree in Media Management (Universidad de Navarra); Master’s degree in Multimedia Groups and Media Management (Universidad Pompeu Fabra, Barcelona); Master’s degree in Audiovisual Company Management (Universidad Ramón Llull, Barcelona, and the Producer Media Park); Master’s degree in Audiovisual Management (Universidad Carlos III in Madrid in co-operation with the television channel Antena 3); Master’s degree in Audiovisual Management (Universidad de Sevilla); Master’s degree in Administration and Management of Radio Companies (Universidad Autónoma de Barcelona together with the radio channel SER); Master’s degree in Publication, Production and Management of Magazines (Universidad Pontificia de Salamanca in collaboration with the publishing house Hachette).

From an industrial perspective, the growth of the main media groups, an increase in media industry profit, and the improvement of management systems increased interest in the economic aspect of the media. It is significant that a good group of Spanish lecturers, traditionally interested in studying public opinion, semiotics, and the theory and history of communication, appear to have turned little by little towards research with a more economic and business perspective.

Jones (1995 and 1998) has researched the development of media economics studies in Spain on various occasions, often using faculties of Spanish universities as a base to carry out research activities. This researcher distinguishes four schools that exhibit a certain degree of cohesion and—as is apparent—do not identify themselves as academic centres because the research groups are spread over several universities. They focus on:

i) Political economy and cultural identity: the study of relationships between media companies, citizens, and political systems; function and financing systems of public television; legal framework proposals which avoid cultural colonisation and protect the identity of the “stateless nations.” Authors such as Moragas, Prado, and Corominas (Autónoma de Barcelona), Gifreu and Corbella (Pompeu Fabra), Garitaonaindia and Zallo (País Vasco) stand out.

ii) The international dimension of companies and markets: media groups as transnational political actors; the influence of the creation of supranational political and economic areas in media management strategies. The most outstanding representatives of this group are López-Escobar and Lozano Bartolozzi (Navarra), Núñez de Prado and Sánchez-Bravo (Complutense), Gifreu (Pompeu Fabra) and Murciano (Autónoma de Barcelona).

iii) Media economics, with particular emphasis on ownership concentration: growth strategies and diversification of companies; quality analysis as a competitive advantage; relationship marketing; advertising management. The works of Bustamente (Complutense), Sánchez-Tabernero (Navarra), Díaz Nosty (Málaga), Miguel
de Bustos and Zallo (País Vasco), de Mateo (Autónoma de Barcelona) and Bonet (Barcelona) must be highlighted.

iv) Media management concepts and systems: organisation, team management, methods of driving innovation, economic-financial analysis of company accounting documents. In this area, Nieto (Navarra) and his followers Iglesias and Tallón (Complutense) can be cited as the most relevant figures.

As can happen with any classification, Jones’s proposal is debatable, as much because of the location as for the absence of some names which have made scientific contributions of quality. In any case, it shows the variety and importance of the research work on media companies and markets, which has grown simultaneously to the development of Spanish schools of communication.

Other lecturers could be added to the list of authors—the majority of them being young PhDs—who have published valuable studies during the last few years, namely Arrese, Medina, Herrero and Artero (Navarra), Farias (Málaga), Echeverri (Católica de Salamanca), Badillo (Salamanca), Fernández Alonso, Llorens, and Fernández Peña (Autónoma de Barcelona). Also, it is worth remembering the articles and monographs of undoubted merit of two now deceased authors: Díaz Mancisidor (País Vasco) and Pinillos (Complutense). Very few European countries have such a numerous and heterogeneous team of researchers in this scientific field.

5. Methods, Approaches and Subjects

On the one hand, the methods, approaches and research sources on media economics vary according to the school (Albarrán, 1999). On the other hand, as we will see later on, there is more agreement between the subjects studied, which are outstandingly linked to the peculiar characteristics of the Spanish media industry.

The “critical approach,” followed by political economy specialists and some experts on the phenomena of concentration, departs from a negative vision of free market economy and holds the opinion that the free game of supply and demand generates serious problems and risks in the media arena. Seen from this perspective, the main “error of the market” consists in the fact that large companies can silence those with fewer resources at their disposal and impede access by minorities to the media. Critically oriented researchers are in favour of limiting the power of large corporations by applying restrictive regulations in terms of property as well as content. They also defend the existence of public media supported by abundant state funding (Quirós Fernández and Sierra Caballero, 2001).

This line of research does not act as a group nor does it rely on clearly defined outlines. Its members have been influenced by various scientific disciplines such as economics, history, sociology, anthropology, social psychology, and political science above all. They incorporate systems of analysis of reality influenced by these fields relating as much to human behaviour as to market forces.

Critical studies are mostly based on the descriptive method. They denounce the harmful effects of the growing commercial orientation of the media, which negatively
influence both the dominant values in society and the quality of democratic processes. To validate this hypothesis, they turn to examples of companies or markets where problems such as the abuse of dominant positions, uniformity of content, information manipulation or relationships of interest between government and media companies can be detected.

These researchers do not normally use quantitative analysis (Andersen and Strate, 2000), instead they tend to select data supplied by other sources that allow them to endorse their theses. For example, they take information from professional associations, specialised publications or audience measurement institutes. This line of arguments tends to be deductive. These facts and reasoning lead to the conclusion that conflicting situations relating to the public right to freedom of expression are produced often, and that public action must correct these imbalances found in the media market.

On the other hand, other academics consider these fears to be groundless because they lack an empirical base. Although they are suspicious of the existence of Adam Smith's "invisible hand" and recognise that errors are produced occasionally by the market, for this school of thought—which we could call the "business approach"—an excess of public intervention creates more problems than it tries to correct, including the misuse of public money, favourable treatment of "friendly" companies while at the same time harming companies not in favour of the government, unfair competition between public and private media, uncertainty when faced with action from regulators, etc. (Nieto, 2000).

The business approach is influenced by various scientific disciplines: commercial law, management, classical theory about strategy, statistics, and in some aspects, by engineering. In this area, the academics' initial hypothesis has less effect than in the case of the "critical" researchers. They almost accept it as fact that the media act in a free market society, and that the greater part of problems that appear, such as monopoly situations, attacks on honour or the privacy of individuals, can be resolved through ordinary legislation.

In practice, "business-oriented" researchers try to understand the function of organisations and the market: What are companies doing that have more success than their rivals? How are excellent teams organised? How do they resolve tensions between employees who do the most creative work and those responsible for controlling costs? What tools and corporate cultures can drive innovation? How can the implicit demands of the public be discovered? Which growth and diversification strategies are the most adequate for each type of company?

What interests business-oriented researchers is the following: law as a framework—which should be as stable as possible—to guide how companies operate; the analysis of technology as an innovative area, above all to detect new ways of distributing content, and the identification of business models of excellence. Frequently, authors try to formulate useful proposals for media executives and owners being convinced that excellent professional management will be beneficial to both companies and the public.
In general, this business approach uses company and market economic/financial data. It also looks for or analyses other statistical information in order to find correlations between different variables. These may concern, for example, the level of consumption, public satisfaction indexes, perceptions of brand value, economic and socio-demographic figures, etc.

Studies and reports usually employ an inductive method, above all when they refer to how the market operates (Sánchez-Tabernero, 2006). However, case studies are also common—and are normally about prestigious and profitable companies, which are then used as a benchmark for other less successful corporations, and serve as a platform to propose possible “best practices” of the sector.

In the last few years, the boundary between the critical and the business approach has blurred. A good number of young Spanish media economics researchers are active in intermediate territories. They are influenced by both perspectives, which has caused the traditional rivalry between the two blocks to give way to a climate of greater co-operation. More and more frequently, research teams that comprise lecturers from different universities are formed as a result of interest in the subjects rather than the initial hypothesis, preferred methodologies or the fact that they follow a certain school of thought.

The most widely studied aspects are closely related to the characteristics of the Spanish media market. Some phenomena coincide with other common trends in the European market (Perspectivas 2003). For example, high concentration of the advertising industry, dominated increasingly by large multinational companies; vertical integration of the audiovisual sector, with television companies acquiring producers; an increase in the quantity and variety of television products: i) local, regional and national, ii) free and paid, iii) general and specialised, iv) distributed by terrestrial waves, cable or satellite; paid press stagnation and an increase in free publications; the crisis in the film sector, dominated by the large Hollywood producers which hog up to 80% of ticket sales; the development of the Internet, which has converted itself into a serious competitor of the traditional media in terms of consumption and advertising revenues; growing commercial orientation of the media, risking the conversion of journalists and script writers into employees dictated to by their bosses; greater determination to protect the brand value in the face of the proliferation of new offers in the market; the search for more business efficiency—re-engineering, alliances to share costs, stricter cost control, ownership changes (family businesses converting into groups listed on the stock market); the ethical crisis induced by some contents, above all in the audiovisual sector.

However, other factors are more specific to the Spanish market (Díaz Nosty, 2005): high concentration of the private radio market, with one company obtaining more than 40% of total advertising revenue; a strong presence of European groups with leader companies in magazines, television, and the publishing sector; heavy penetration of sports newspapers with more than 20% of total sales of all daily paid newspapers; the expansion of Spanish groups in America, attracted by a market of more than 300 mil-
lion Spanish speakers; the high debts and low prestige of public television, which costs the public a great deal and does not serve to counterweight what is offered by the private channels.

Spanish researchers of whichever academic school are interested in the cited tendencies, both national and European ones. Above all, the “critical approach” focuses on the possible negative effects of these phenomena; whereas the “business approach” puts more emphasis on detecting market transformation factors in order to suggest improvements in company management.

In any case, the convergence of subjects is also producing a greater proximity between study approaches and methods. The study of similar subjects on behalf of academics from different schools of thought and the increase in the number of conferences and other discussion platforms has created more profound knowledge among researchers. As a consequence, systems of analysis have become enriched and improved the quality of publications—both monographs and articles in academic magazines alike.

6. Research Outside the Academic Field

Spanish research on media economics has been mainly carried out in schools of communication, but some scientific contributions of interest come from other areas. These include institutes dedicated to audience measurement, the analysis of the circulation of publications and the quantification of advertising investment, media buying companies and advertising agencies, investment banks, consulting and auditing companies, business management schools, professional associations, public and private foundations, and specialised publications. In nearly all cases, they use applied research based on quantitative studies that provide useful information for companies.

The four most important bodies dedicated to the measurement of media consumption and advertising investments in Spain are OJD (Oficina de Justificación de la Difusión), EGM (Estudio General de Medios or General Media Study), Sofres, and Infoadex. All of them carry out quantitative studies of the market to forecast trends and establish correlations between data, but they do not carry out assessments. OJD measures the circulation of dailies, magazines and electronic publications. It also reports on the promotional activities undertaken by each publication. Despite some criticism (Aguado, 1996), their “monthly bulletins” collect verified information about the sales of the main Spanish periodical publications.

EGM conducts and distributes the results of three annual surveys about newspaper and magazine readership, radio and television audiences, and Internet usage. With the help of an audiometer system similar to that used in other countries, Sofres measures, the audience changes that occur each minute on national and regional television channels (local television is therefore excluded). Infoadex analyses advertising investments made by each media, deducting the discount each media makes from the tariff.

Carat and Media Planning are the main advertising intermediaries dedicated to media market study. Both companies focus on determining the quantitative and qualitative characteristics of each media audience with the intent of evaluating which
advertisement insertions are the most efficient for each advertiser. They regularly publish general reports about the sector and other studies of a more specific character.

Investment banks hardly ever dedicate themselves to research about Spanish media. The principal reason for this stems from the fact that nearly all communication companies were family-run businesses until a few years ago (Díaz Nosty, 2005). The lack of transparency of economic data and the difficulty of obtaining shares in the capital of these companies did not make analysis of this sector very attractive to the banks. However, traditionally the BBVA, which is the second largest financial entity in the country with an excellent study service (Servicio de Estudios), has published various reports about the media industry. In addition, in its annual reports about macroeconomic trends, it collects information about the media.

Auditing and consulting companies rely on the advantage of knowing the reality of companies from inside. They provide increasingly more analysis of the media market, with the objective of demonstrating their knowledge and strengthening their brand image amongst their potential clients. Since the disappearance of Arthur Andersen, Deloitte has been the most active company, followed at a significant distance by Price Waterhouse Coopers, Ernst & Young, and KPMG.

Deloitte, who audits a substantial number of companies within the sector, has followed an intelligent research alliance policy. It has published market studies and monographs jointly with Carat, AEDE, IESE, and the School of Communication of the Universidad de Navarra, amongst other partners.

With regard to business schools, the studies carried out by the IESE faculty must be mentioned above all. This academic centre, situated in Barcelona, is a subsidiary of the Universidad de Navarra and the second largest producer of case studies in the world after Harvard. For years, it has written case studies about the leading Spanish media companies. Also, the Instituto de Empresa (Business Institute) in Madrid has produced case studies of significant interest and, similar to IESE, it has periodically analysed the advertisement sector.

Nearly all company owner associations of the sector publish yearbooks and reports of a circumstantial nature. The most active are: the Association of Newspaper Publishers (Asociación de Editores de Diarios—AEDE), the Association of Information Magazines (Asociación de Revistas de Información—ARI) made up of the owners of consumer magazines, the Spanish Association of Commercial Radio (Asociación Española de Radios Comerciales—AERC) which comprises the main private radio networks, the Union of Associated Commercial Television (Unión de Televisiones Comerciales Asociadas—UTECA) made up of the presidents of private television (both free and paid) channels, the Spanish Federation of Audiovisual Producers (Federación de Asociaciones de Productores Audiovisuales Españoles—FAPAE) which represents cinema and television producers, and the Spanish Association of Advertising Agencies (Asociación Española de Agencias Publicitarias—AEAP).

The studies carried out by these associations have a persuasive aim. They are used as instruments to put pressure on governments with regard to regulatory matters—
for example in subject areas such as reductions in tax bills, the elimination of limits
on advertisement broadcasting or the suppression of restrictive norms regarding
content. They also serve to improve the image before advertisers and publicity agents
or to carry out public opinion campaigns (Bustamante, 2002). All in all, the published
documents are useful, complete and truthful. In some cases, they are the most reliable
source of information, available due to the fact that they allow the economic reality
of media companies to be known from within.

Since 2001, AEDE— in collaboration with Deloitte, IESE, and Carat — has published
"The White Press Book" ("El Libro Blanco de la Prensa"), which has become a standard
work of reference within the sector. It includes detailed data on the 120 Spanish news-
papers, together with an in-depth analysis of the Spanish daily press in its European
context. It also includes articles written by specialists referring to the main concerns
of editors: for example, competition from free publications, business models of the
"online" versions of newspapers, improvements in distribution, etc.

ARI, AERC and UTECA have developed less intense research activity, partly as a
result of internal disputes among their members. These controversies were particularly
intense in the Spanish Association of Commercial Radio (AERC), owing to the high
concentration of ownership within the sector in Europe (Iglesias, 2005). However,
occasionally they publish market studies which nearly always cover advertising
management, technological innovations, and legal matters.

The FAPAE publishes the Annual EGEDA ("Anuario EGEDA") through its own
audiovisual rights management entity, which contains information about the economic
magnitude of companies dedicated to cinema and television production. This sector
is characterised by significant oscillations in the volume of income of each producer,
which depends on their success at the box office (films released) as well as on tele-
vision (the number of programmes broadcast each season). For this reason, the
majority of these companies have at their disposal a greatly reduced permanent
number of staff and contract many people on a project basis. Despite the fact that
these very flexible structures make it difficult to, for example, create productivity
ratios or cost analyses, the FAPAE-EGEDA report presents an adequate analysis of
Spanish audiovisual production.

The AEAP writes monographic reports about subjects which create controversy in
public opinion, such as publicity and tobacco, publicity and anorexia, children's rights
and publicity, etc. To some degree, these studies, written jointly on occasions with the
Association of Spanish Advertisers (Asociación Española de Anunciantes— AEA), try
to influence their members (advertising agencies) to promote responsible behaviour,
thereby avoiding complaints from the public and advertisement regulations of a
restrictive nature.

Also, some foundations study media economics. During the last few years, the
most active has been Fundesco (Fundación para el Desarrollo del Conocimiento—
Foundation for the Development of Knowledge). This entity, a subsidiary of Telefónica,
attempts to combine the interests and ideals of those who believe that technology and
communication constitute two crucial elements of economic and cultural development. It places emphasis on the economic and technological aspects of the media; moreover, it is especially interested in the links between Spain and Latin America.

Fundesco publishes collections of books and annual reports and edits the trimester magazine Telos: Cuadernos de Comunicación. Although is has a very small staff of its own, it achieves the mission of uniting and financing research of a wide group of lecturers from various Spanish and Latin American universities.

Finally, some periodical publications carry out the important task of research, in many cases oriented towards analysing and evaluating the data supplied by the organisations which measure media consumption and advertisement investment. In this area, Noticias de la Comunicación (“Communication News”) and Intermedios stand out, which take advantage of their independent position to judge strategic decisions of major companies. They also publish prospective studies of each sector of the media industry.

7. Main challenges

The academic field of “media management” faces several challenges in Spain. With regard to teaching, faculties have to be more innovative to avoid classes returning to the “dictation exercises” of the past. One of the keys to increase quality will be the creation of good teaching materials, which students will have to study before classes in order for their contributions to add any value, because they reflect that they have studied and put previous thought into the problems to be considered.

The case method has become popular in postgraduate studies, which facilitates the development of executive behaviour and analytical ability. Also, in the best programmes, the limited number of students and the fact that some previous professional experience is required favour participation and interest in debates.

Nevertheless, the case method has unquestionable limitations. As Llano ironically states (1996), “a case is lacking that indicates which case should be employed in each case.” Put another way, resolving a problem by referring to the past does not guarantee getting it right when there are decisions to be made “with real fire.” Therefore, the case method might be a good research system as long as other types of text complement it, such as manuals, technical notes, and a description of current examples.

In degree courses, teaching media management should be considered from other perspectives. It is not so much about training professionals with executive potential, but to provide an overall view. In this way, it will be guaranteed that those who create news and entertainment products can converse with their bosses. They can reply and offer alternatives when they hear explanations referring to the necessity of cost control or a decrease in share value or the negative development of current liabilities or loss of market quota.

In research, getting it right depends as much on the method as it does on the chosen subject. The first factor leads to the search for empirical evidence, the validation of hypotheses through indisputable data or weighty arguments. To achieve this objective,
it is necessary that the starting point does not consist in striving to convince others or justify one's own position but in discovering new realities.

Scientific method requires rigour in the use of sources. In this way, the Internet poses opportunities and threats at the same time. On the one hand, information is very accessible. Any public data can be found “at the click of a mouse” (Salaverria, 2005). However, at the same time, it is far easier to repeat what others have already said, return to the same problems and arguments over and over again, and lose creativity and innovative capacity.

The best methodology is that selected for being the most adequate research method for each subject of study. The hybrid nature of “media management,” which receives contributions from such varied scientific fields as company management, market analysis, consumer psychology, statistics or sociology, makes it particularly appropriate for the fusion of deductive, inductive and descriptive methods. It also frequently demands the reconciliation of statistical analysis with more conceptual approaches.

As far as topics are concerned, it is necessary to avoid the study of obvious or irrelevant matters. Although this same affirmation might seem obvious and irrelevant, perhaps it is not actually so. Researchers can study something that lacks interest because of its methodological ease. For example, because it is about a phenomenon close to home, all the variables of the problem have been identified but nothing has been published previously about this subject. Perhaps the analysis will be impeccable from a methodological point of view, but it will not produce any real scientific advance (Kerlinger and Lee, 1999).

The possible areas of study are as varied as is the interest of academics and company executives. What follows is a list of possible research directions of particular interest for the next few years, although this list is by no means exhaustive:

- Proposals to increase the quality of media content: Valuable discoveries might be made by applying to media markets the quality theories formed by Juran and Deming more than fifty years ago, followed by their practical development.
- Team management: It is more difficult to differentiate between financial and material aspects with each passing day. The future of media companies increasingly depends on their capacity to select, retain, form and motivate an excellent team.
- The consequences of the change in the structure of media ownership: The evolution of the family-run business into a corporation listed on the stock market increases transparency and the possibilities of financing. However, it also accentuates short-term strategy and runs the risk of loss of identity.
- Analysis of the increase of competition driven by technological innovations: The appearance of more rivals increases the pressure to innovate and offer the public better value for money. But, at the same time, fragmentation of resources weakens media companies.
- Concentration of ownership: Mergers and acquisitions are the management's answer to the proliferation of competitors. These operations of ownership concentration can lead to an abuse of dominant market positions, although this might be to con-
trol "a bottleneck" (in production or distribution) or to reach a higher market quota.

- The study of business models and their social implications: For example, the dichotomy between free and paid products of daily newspapers, magazines, television, the Internet, and radio implies making two separated types of products. The first type is aimed more at advertisers and the paid ones towards the public. There exists the risk of division between a more cultured and better-informed public with a higher level of income and those who only consume free media.

- Brand valuation: The increase in the number of media outlets generates perplexity and makes consumers' decisions more difficult. From this perspective, distinct commercial brand names increase in value and organisations with a clear mission and a defined editorial project can construct an attractive identity for the public.

- Analysis of consumer behaviour: The joint employment of quantitative and qualitative systems allows for a better understanding of consumer decisions. This covers who decides, when and why, which information they use, and which options they take into consideration. These data allow reformulation and an increase in the value of the offering.

- Advertisement management: The appearance of new technologies (in both conventional and non-conventional media) calls for a greater effort to offer lower tariffs or audiences with an attractive socio-economic profile to advertisers. It also requires having a very dynamic and creative sales force, capable of resolving the commercial communication needs of companies in an efficient way.

- The search for strategies which provide sustainable competitive advantages: This type of strategy involves choosing the appropriate competitive mode, which is done after assessing one's strengths and weaknesses as well as the opportunities and threats of the market. This logical process serves to fulfill an objective that guarantees the current profitability and the future survival of whichever company. The objective is to offer products and services of interest to the public which rivals cannot imitate easily.

Any significant breakthroughs in any one of these ten areas will be of benefit to companies and the public because they help improve the quality of available offerings. Collaboration between researchers will serve to push the frontiers of science forward by sharing experiences and knowledge and exchanging approaches and points of view. From this perspective, it will be possible to carry out research of high quality in the fields of media economics and media management.

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