

Public Broadcasting and the Profit Motive

The Effects of Advertising on SBS

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Changes at SBS have had less to do with advertising and more to do with shifts in government multicultural policy and compliance with the SBS Charter.

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On 23 December 1991, the Special Broadcasting Bill passed through the Australian Senate. The legislation contained three key initiatives designed to give the Special Broadcasting Service (SBS) greater independence from the Government: (i) a charter of objectives; (ii) a corporate structure similar to that of the ABC; and (iii) the introduction of limited advertising to supplement government financing. This third provision allowed SBS television to use brief sponsorships before and after programmes, in addition to five minutes per hour of traditional television advertisements.

While the Labor Party and the Coalition supported all three initiatives, the Australian Democrats did not. Although in agreement with the first two provisions, the Democrats opposed sponsorship and/or advertising. According to Senator Coulter, then Leader of the Democrats in the Senate, the legislation placed SBS at the top of a 'greasy pole' that would eventually lead it to full commercial operation.¹

Similarly, a growing academic literature holds that any influence of market forces will detrimentally affect public service broadcasters. Democracy, it is argued, can only be effective if its citizenry is informed and educated. The perceived 'commercialisation' of public broadcasters is therefore seen as a 'downgrading' of democracy, with funding from advertising purportedly leading to an increase in 'mind-numbing' sit-coms and Hollywood movies and a decrease in news, current affairs, documentaries and educational programming.

The idea of advertising and sponsorship on SBS was also heavily criticised in the ethnic press. Newspaper articles expressed concern that the temptation to gain

larger audiences for advertisers would lead to a significant reduction in programming directly aimed at satisfying the needs of migrant and ethnic communities. *Nuovo Paese* argued that SBS was 'TV for the people, not the market'.² When, in November 1991, it became clear that advertising would soon be a reality, the front page of *La Fiamma* theatrically declared that 'SBS is dead'.³

Has advertising changed SBS?

Nearly ten years down the track, it is now possible to ask the question: did advertising and programme sponsorships affect SBS television in any way?

Concerns regarding the likely effects of advertising on SBS can be grouped into three main arguments. The first maintains that SBS has sought to 'commercialise' itself since 1991 by 'dumbing down' its programming in order to maximise its audience (the 'dumb masses' argument). Second, and strongly related to the first, is the notion that the temptation to maximise audiences for profits has outweighed the multicultural channel's longstanding commitment to Non English Speaking Background (NESB) audiences (the 'forgotten NESB' argument). Third, as Channel Nine's *Sunday* programme suggested in 1996, SBS has not gone 'downmarket' but rather 'upmarket' in order to attract an elite audience of professional middle class viewers and hence prestige advertisers (the 'boutique broadcaster' argument).

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These three arguments are examined in relation to audience data and programming content, the best yardsticks for measuring actual changes at SBS. The channel's self promotions—slogans, logos and campaigns—are also analysed for insights into the kinds of audiences SBS has tried to attract, and thus any changes that may be advertising related.

Programming content

A central thread linking the 'dumb masses', 'forgotten NESB' and 'boutique broadcaster' arguments is that they all rely on profit driving changes in SBS's programming. If this is correct, then there should be strong evidence of SBS shifting its programming either 'upmarket' or 'downmarket' since the introduction of advertising. If the 'forgotten NESB' argument holds true, there should also be evidence of changes in the programming mix.

Programmes in LOTE

In a country where the English language predominates, programmes broadcast in English are likely to have the broadest appeal. Programmes presented in Languages Other Than English (LOTE), however, have always been central to SBS's servicing of ethnic minorities in Australia. The 'dumb masses' argument is therefore closely related to the 'forgotten NESB' argument. Issues relating to the broadcasting of television programmes in LOTE serve as the link between the two contentions. If SBS has significantly reduced the amount of programming shown in LOTE because of advertising, it could be considered as evidence both for the 'dumb masses' and 'forgotten NESB' arguments.

Yet the number of broadcast hours and the proportion of total programming in LOTE has actually risen consistently since advertising was introduced (in the 1992-93 financial year), seemingly confounding the 'forgotten NESB' argument. However, a significant dip in the number of hours broadcast in LOTE did occur in 1987-88 and 1988-89.

This drop can be attributed to the arrival of a new managing director, Brian Johns, who decreased the overall number of broadcast hours in LOTE and also removed all traces of LOTE from the prime time schedule, preferring to broadcast English language 'infotainment' programmes.⁴ These changes are thought to have prepared SBS for the introduction of advertising,⁵ with some arguing that it is through such scheduling changes rather than a reduction in the number of hours broadcast in LOTE that SBS has downgraded its services to NESB viewers.⁶

While the number of hours broadcast in LOTE increased significantly from 1989-90 onwards, the use of English language programmes in prime time has continued since Johns left SBS in 1992. Programmes in LOTE have continually been broadcast either in the mornings, afternoons, or late at night, when many people would be at work, asleep, or otherwise occupied. However, NESB viewers do not appear to be entirely disgruntled with the situation, as we shall see.

Foreign movies and news services

Two types of programming have been central to the increases in the number of hours broadcast in LOTE: foreign language movies and news services. Foreign movies have qualities that would be attractive to an SBS programmer or executive conscious of the need to increase the size of audiences without appearing to lessen the channel's commitment to NESB viewers. Broadcast outside prime time, generally over periods of about two hours, such movies help SBS to fulfil its obligation to broadcast in LOTE while freeing up space during prime time for English language programmes. As the basic thrust of such movies is to entertain, English speakers may also choose to watch them in spite of the subtitles.

Foreign news services presented during the morning—again, outside of prime time—account for the most dramatic increase in the hours broadcast in LOTE. The number of foreign news services scheduled by SBS increased substantially in the same financial year that advertising was introduced to the station (1992-93), suggesting that the two may be related.⁷ However, the 'forgotten NESB' argument relies on NESB viewers being unhappy with the changes. This does not appear to be the case, as will be discussed.

English language programmes for NESB Viewers

In contrast to the LOTE figures, the pattern for the number of hours broadcast in English fluctuates substantially, although the figure has remained very large since 1993-94 (over 2600 hours annually). Some of this programming has been targeted primarily at NESB viewers. Two of the best examples include *English at Work* and *Vox Populi*.

Presented in the style of a dramatised documentary, *English at Work* was intended to teach NESB viewers how to use basic English in a variety of social situations. The programme was withdrawn in 1998 (it had been introduced in 1990). *Vox Populi*, which was Australian television's only regular outlet for issues arising from the experiences of Australian ethnic and indigenous

communities, was withdrawn in 1995. It was replaced by *Insight*, a programme with a more 'cosmopolitan' feel, according to SBS Annual Report 1994-95. The introduction of *Insight*, with its general interest stories and glossier format, was designed to draw wider audiences.

Could this be proof that the 'dumb masses' and 'forgotten NESB' arguments are correct? Was the demise of these two programmes driven by advertising? The predominance of English programmes during prime time, and the changes to the scheduling of programmes aimed at NESB viewers seem to support the 'dumb masses' and 'forgotten NESB' arguments. Yet if SBS has gone 'downmarket' in search of larger audiences and advertising revenues, then this should be evidenced by an increase in programmes designed to entertain. A concomitant decrease in the number of programmes designed to inform and educate would also be expected. Once again the evidence is unclear.

Entertainment programmes

Sport is an obvious 'entertainment' genre. At SBS, the word sport is almost synonymous with the game of soccer, with coverage of the quadrennial soccer World Cup almost inevitably boosting SBS's ratings for the duration of the event. SBS also provides daily sports bulletins and annually broadcasts the Tour de France cycle race. Coverage of sport has fluctuated considerably, with a significant jump in hours broadcast after the 1996-97 financial year.

Is coverage of sport evidence of the channel going 'downmarket' to gain ratings points? SBS's head audience researcher, Ken Sievers, has recently analysed the socioeconomic status of people who watch the English Premier League and the Tour de France. He concluded that these programmes attract a broad audience, including an unusually high proportion of professional middle class viewers. Increases in sports coverage at SBS could therefore be construed as evidence of SBS shifting its programming 'upmarket' rather than 'downmarket'.

Another 'entertainment' genre, English language comedy, has also played a part in SBS's schedule during the 1990's, although there have tended to be only one or two broadcasts of this type per week. These programmes have generally been quite popular. In the mid-1990s for example, the British comedy *Drop the Dead Donkey* consistently drew large audiences. More

recently, the animated English language comedy *South Park* has become the most popular series ever shown on SBS, particularly among younger audiences.

Since *South Park* was first broadcast, advertising revenues have soared from \$16.4 million in 1996-97 to \$21.2 million in 1997-98, and \$19.2 million in 1998-99, according to various SBS Annual Reports. Although *South Park* is not likely to have been entirely responsible for the increase in revenues, it is possible that in recent years advertising may have driven SBS to seek younger audiences.

The release of the English language comedy *Pizza* would appear to support this claim. This SBS production uses a similarly quirky brand of comedy to *South Park*, and seems to be targeted at the same audience. But were *Pizza* and *South Park* introduced in order to raise revenues, or for some other reason? It will be shown later that SBS initially desired to attract younger viewers, and that the ratings boost was not anticipated.

If SBS has gone 'downmarket' in search of larger audiences and advertising revenues, there should be evidence of an increase in entertainment programmes.

Information programmes

The occasional comedy, regular foreign films and sports programmes aside, SBS's programming has tended to lean towards the 'serious' viewer. This refutes the 'dumb masses' argument but supports the 'boutique broadcaster' argument. Apart from increasing the number of hours dedicated to foreign news broadcasts, SBS has also increased the frequency of its English language news services to two—one at 6.30pm and the other at 9.30pm. SBS's main current affairs programmes—*Insight* (Australian current affairs), *ICAM* (Aboriginal current affairs) and *Dateline* (international current affairs)—all appear during prime time, run for an hour, and since 1997 are repeated the day after they are broadcast. There is thus little evidence that SBS has moved away from news and current affairs programming since advertising was introduced.

Another variety of 'information' programming is the documentary. The content of documentaries shown on SBS is often historical, political, philosophical, artistic or anthropological—topics that have been identified as being strongly appreciated by professional middle class Australians.⁸ Thus, an increase in the number of hours of documentaries broadcast could be evidence for the 'boutique broadcaster' argument. Following the introduction of advertising in 1992-93, the annual

number of hours dedicated to documentaries rose rapidly, peaked in 1994-95, and then dropped back to levels not seen since the 1987-88 financial year. This suggests that SBS has not attempted to become a 'boutique broadcaster'.

If the 'dumb masses' argument was true, there would not simply be a reduction in the number of hours of documentaries broadcast, these programmes would also be shifted outside of prime time. This has not been the case. Even at their nadir in 1996-97, regular slots for documentaries could be found at 8.30pm every weeknight. The case for either argument is very weak.

Educational programmes

If SBS has sought to 'popularise' its programming, one would also expect to see a decrease in the number of educational programmes broadcast by SBS after advertising was introduced in 1992-93. Instead, there was a significant increase. This was due, almost exclusively, to the introduction of PAGE (Professional and Graduate Education), which presented an hour and a half of tertiary level educational programming every weekday afternoon. PAGE was cut in 1997, and replaced by the aforementioned repeats of news and current affairs.

The axing of PAGE and the fate of *English at Work* could be construed as evidence for the 'dumb masses' argument. Yet not all of SBS's strictly 'educational' programmes have been axed. One programme that has persisted is TV ED. A half-hour programme broadcast on weekday afternoons, TV ED has evolved from a programme closely related to the school curriculum to one that teaches foreign languages. SBS's information programmes must also be considered 'educational' to some degree, and evidence of information programming being marginalised at SBS is, at best, equivocal.

Arts programmes

Professional middle class Australians tend to enjoy 'the arts', and especially 'high arts', such as classical music, opera, and theatre, to a greater extent than other Australians.⁹ Given this, one would expect, if the 'boutique broadcaster' argument were true, that the number of 'arts' programmes broadcast would rise significantly. However, the allotted time given to 'arts' programming has remained very small when compared with news, current affairs, foreign films, documentaries or sport.

Audience share

SBS's ratings have tended to increase since 1991, with very small reductions in ratings recorded in 1992 and

1996. A comparatively steep increase in SBS's annual average ratings since 1997 can also be seen. Have these rises been driven by the desire to profit from advertising?

If the ABC's ratings for the same period are investigated, it can be seen that even without advertising, this channel has increased its ratings by nearly three points—a larger shift than was witnessed for SBS. This suggests two things: firstly, that the changes at SBS need not have been advertising related, and secondly, that there may have been factors other than advertising driving the increase in SBS's ratings, such as a significant expansion of the channel's potential audience.

The channel's potential audience has increased dramatically, and there are two main reasons for this. First, more viewers own television sets that are able to receive UHF signals (the frequency on which the channel is broadcast); second, SBS increased its service areas considerably over the period.

'Forgotten NESB' viewers

If the 'forgotten NESB' argument was accurate, one would expect a significant decline in SBS's reach of NESB viewers after 1993. This was not the case. From 1993 to 1995 there was a steep increase in the number of NESB viewers reached by SBS. Since 1995 there has also been no evidence of a reduction in the channel's ability to reach NESB viewers.

The fact that SBS's reach of NESB viewers has actually improved since advertising was introduced is strong evidence against the 'forgotten NESB' argument. Even if programmes designed specifically for NESB viewers have been withdrawn from prime time, cut from the schedule or revamped to gain a wider audience, it seems that the current methods of attracting NESB viewers—primarily by increasing the number of foreign news broadcasts and foreign movies shown—are better able to attract this group than previous methods.

'Boutique broadcaster' viewers

Since the mid-1980s, SBS has maintained a disproportionately large number of professional middle class viewers in its audiences (about 5% more than in the population at any one time). However, a closer look at the proportion of these viewers in SBS's audiences versus SBS's potential audiences reveals that the channel's proportionate share of middle class viewers has only increased when the proportion of this group in the wider population has grown. There is no evidence that SBS has tried to increase the size of its professional middle class audiences at the expense of its other viewers.

The 'dumb masses'

In spite of the increases in SBS's ratings and reach, it is clear that these have not been significant enough to support the 'dumb masses' argument.

There is, however, some evidence to suggest that SBS has attempted to draw a younger audience through programmes such as *South Park*, and through SBS's cinema promotions. Shifts in the proportion of younger viewers in SBS's audience, and in SBS's ability to reach younger viewers, both show that there has been an influx of younger viewers since 1997, and especially in 1998, the year *South Park* was introduced. The shifts were especially large amongst teens and males aged 18-25. Despite this, younger viewers continue to be under-represented in SBS' audiences.

That these changes have been advertising related remains unclear. If SBS was seeking to capitalise on *South Park*, it is likely that it would have broadcast more programmes for young audiences. So far, the half-hour comedy *Pizza* is the only strong example of this.

Self promotions

The way in which SBS has presented itself can also indicate the types of audiences the channel has tried to attract. The first promotional campaign used by SBS went to air in 1985. Based on the slogan 'bringing the world back home', it clearly targeted migrant viewers.

Two new slogans were introduced following the 1988 recommendation that limited advertising be used by SBS. The first—'I love SBS'—was introduced in 1989, replacing the appeal to migrants with an appeal to 'lovers' of SBS, presumably a broader demographic. The desire to attract wider audiences was also reflected in the second slogan—'special programming for special people, Australians'. Again, the message seemed in line with maximising profits from the impending introduction of advertising.

In the mid-1990s SBS unveiled a new logo, intended to convey the idea that SBS reflected the world, as well as a new slogan—'the world is an amazing place'. Designed to appeal to those who travel, enjoy the exotic, and see themselves as 'worldly'—the professional middle class—the campaign tried to counter the perception in wider society that SBS is for NESB viewers. Is there evidence for the 'boutique broadcaster' argument after all?

Changes in SBS's promotional images, however, do not correspond with the reality of programming changes.

As already discussed, there is no clear evidence that SBS has significantly increased the number of programmes that would appeal to either professional middle class viewers or younger audiences. Moreover, the attempt to disassociate SBS from its early image as a TV station for NESB viewers is more likely to have been a reflection of changes in the way 'multiculturalism' has come to be viewed. All this suggests other factors at play unrelated to advertising.

SBS and its political masters

A Charter-driven interpretation of SBS's programming and audiences makes more sense than an analysis based on the notion that profit from advertising was the central reason for changes at SBS.

The SBS Charter provides a summary of responsibilities that SBS must meet through both its television and radio services. Although the Charter cannot be enforced by a court of law, it reportedly underpins everything SBS does.¹⁰

The Charter's first paragraph is central to understanding the changes witnessed at SBS. The most important phrase in relation to the 'dumb masses' and 'boutique broadcaster' arguments requires SBS to 'inform, educate, and entertain all Australians'. At once, SBS is restricted from choosing either option. While programmes that inform and educate can be valuable tools when seeking an

'upmarket' audience, SBS is also instructed to attract an audience that includes 'all Australians', suggesting that SBS should become a 'mass appeal' broadcaster.

The need to 'inform' and 'educate' explains the continuing large presence of documentaries and news and current affairs in prime time, and, to some extent, the continual over-representation of professional middle class viewers in SBS's audiences. The appeal to 'all Australians' accounts for moves to broaden the audience of SBS (including the overall reduction in the number of hours dedicated to documentaries in the 1990's).

Borrowed from an earlier Hawke government policy blueprint, this philosophy of 'mainstreaming' multiculturalism was, according to Brian Johns, the driving force behind the shift to English language programming in prime time.¹¹ It is also likely that it provided the impetus for the slogans 'I love SBS' and 'special broadcasting for special people, Australians'.

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Thus, while advertising may have been a factor in the decision to remove programmes in LOTE from the prime time schedule, it is unlikely to have been the central motivation.

The obligation to try to reach 'all Australians' rather than the desire to profit from advertising was also the principal reason for the introduction of *South Park* to the schedule in 1998. By 1996, two years before the introduction of *South Park*, the minimal presence of young viewers in the network's audiences had become a major concern. *South Park* was aimed at redressing this.

The increased use of foreign language films and news broadcasts, and the corresponding increases in the number of hours broadcast in LOTE, relate strongly to the Charter demands that SBS 'contribute to the communications needs of Australia's multicultural society', 'contribute to the retention and continuing development of language and other cultural skills' and 'inform, educate and entertain Australians in their preferred languages'.

Similarly, SBS's commitment to minority sports such as soccer and cycling is strongly related to its Charter requirements. The coverage of these sports on free to air television networks is negligible. SBS's coverage of the arts, though small, can also be seen as an example of SBS providing different programming to that found elsewhere. While the ABC has maintained a degree of dedication to the arts, there are very few other outlets for arts programming.

Toeing the line

The channel's relationship with the government has been the second major factor influencing SBS's programming. The government exercises control over SBS in two ways. First, it provides the broadcaster with the majority of its income, and can increase or decrease funding as it sees fit. Second, SBS's non-executive directors, whose responsibilities include the development of programming policies, are hand picked by the government. SBS is thus very responsive to government policy on multiculturalism.

The meaning of the concept 'multiculturalism' is constantly being re-interpreted by the government of the day, with the term often being broken down into two ideal types: 'hard' multiculturalism and 'soft' multiculturalism.

'Hard' multiculturalism refers to the belief that the government needs to support NESB Australians in their efforts to maintain their separate cultural identities yet at the same time overcome barriers relating to their ethnicity. Hence the public funding for English language programmes and important documentation in LOTE. 'Soft' multiculturalism, on the other hand,

refers to what some call 'cosmopolitanism'—namely, the celebration of different cultures through food, fashion, and art as a central part of Australian identity (an interpretation strongly reflected in SBS's *Amazing Place* advertising campaign).

Thus, SBS's first broadcast in 1980 reflected the then Fraser government's emphasis on 'hard' multiculturalism, with more programming in LOTE, on average, than during any other period in the channel's history. By contrast, Paul Keating, who continued the Hawke tradition of 'soft' multiculturalism for 'all Australians', but with a foreign policy emphasis on Asia, gave multiculturalism a distinctly Asian flavour. New Board Members of Asian descent were introduced, such as Irene Moss, Eric Tan, and My-Van Tran, while programmes such as *Asia Report* were introduced.

Conclusion

While commercial priorities cannot, by themselves, be seen to account for any operational decision made by SBS, it is possible that the pressure to gain advertising revenues was an additional factor in some cases. However, the majority of changes witnessed at SBS have not been driven by the desire to profit commercially, but have been shaped primarily by the broadcaster's Charter and relationship with the Government.

Endnotes

- ¹ *Commonwealth Parliamentary Debates (Senate)*, no. 20 (1991), 2845-2846, 2862-2863.
- ² Cited in the AUSTROM: MAIS abstract for the article published in *Nuovo Paese* (June 1991), 7.
- ³ Cited in the AUSTROM: MAIS abstract for the article published in *La Fiamma* (14 November 1991), 1-2.
- ⁴ B. Johns, 'SBS: Coping with a Strange Idea', in *Multicultural Australia: The Challenges of Change*, D. Goodman et al. (Carlton: Scribe, 1991), 18.
- ⁵ A. Jakubowicz and K. Newell, 'Which World? Whose/Who's Home? Special Broadcasting in the Australian Communication Alphabet', in *Public Voices, Private Interests*, ed. J. Craik (Sydney: Allen and Unwin, 1995), 139.
- ⁶ A. Jakubowicz et al., *Race, Ethnicity and the Media* (Sydney: Allen and Unwin, 1994), 19-20.
- ⁷ SBS Annual Report 1992-93, 14
- ⁸ T. Bennett et al. *Accounting for Tastes: Australian Everyday Cultures* (Melbourne: Cambridge University Press, 1991), 251-252.
- ⁹ As above.
- ¹⁰ M. Long, 'Representing SBS and Australia to the World', *Media Information Australia* 76 (1995), 18; N. Milan, Speech given at the National Conference of the Federation of Ethnic Communities' Councils of Australia (Parramatta: March 1998).
- ¹¹ B. Johns (see n. 4), 14.