



LEBANON ENTERPRISE
DEVELOPMENT PROJECT

Executive

MEDIA DEVELOPMENT ACTION PLAN

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<https://www.executive-magazine.com/wp-content/uploads/2022/06/Media-Development-Action-Plan.pdf>

FOREWORD

■ For many years, Lebanon enjoyed a journalistic creative freedom which set it apart from regional news players. A combination of high cultural literacy, diverse traditions and a trilingual foundation propelled Lebanese journalistic endeavors to the forefront.

However, over time the landscape became polluted as local producers fought for space among politically-affiliated media and profit-first organizations. On a regional level, state-owned media channels further created a testing climate for Lebanon-based media.

Today, the country's economic crisis is hampering the ability of the sector. Growth opportunities; like value prioritization, job creation, and digital solution investment have been left out in the cold, as instead businesses battle to retain staff and cushion the blow of collapsing salaries. It has left the industry calling out for fresh strategies and approaches so it can set sail once again.

Quality journalistic products, like accuracy born out of fact-checked, analytical and investigative content, is needed more than ever amid a dynamic global climate. The unprecedented growth of social media has added clout to already overcrowded news channels. Moreover, for countries, like Lebanon, in regions where conflict and crises reign, journalism is more vulnerable to the twists and distortions of disinformation and fake news.

At Executive Magazine, since we began publishing 23 years ago, we have always pushed for transparency, accountability and reform in Lebanon's industry. In a liberal economy, freedom of expression can flow without boundaries, and we believe Lebanon's media sector can and should manifest this. As a journalistic publication, our experience qualifies us to not only encourage Lebanon's media organizations to take a look in the mirror, but to join them too.

With this in mind, Executive Magazine, in partnership with the United States Agency for International Development (USAID)-funded Lebanon Enterprise Development (LED), has endeavored to present a long-term, value-added view on the commercial and intangible profit matrix of digital-era journalism and media enterprises in Lebanon through this Media Gap Report.

INTRODUCTION

■ The Media Gap Report is part of a media development action plan consisting of two main components. The first report identifies corporate structures and contextual specificities of local media enterprises and divergences of their standards and practices, versus best journalistic and media practices. The second report recommends solutions which are compatible with the Lebanese media and general business environment. In addition, the report will enable locally focused and Lebanon-based regional media enterprises to optimally align themselves with paradigmatic international media practices, and develop winning strategies for journalistic quality in conjunction with economic success.

The survey of Lebanese media organizations was conducted between February and April 2022. Organization profiles, business models, revenue streams, editorial standards, journalist and support staff security were the topics inquired about in phone and face-to-face meetings. The usage of a 58-question survey with multiple-choice and subjective answers was adopted as methodology. The total number of respondents was 30 media organizations.

EXECUTIVE SUMMARY

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GAP REPORT

p.12 Part I – Proprietorship, executive leadership, and scope of media organization

- The vast majority of surveyed media organizations have been active and operational for more than five years
- The sector is dominated by small and micro-sized enterprises
- Most of the publications investigate and produce exclusive stories on a periodic and regular schedule
- The majority of respondents do not have a corporate board or advisory board
- Only one out of the 30 organizations publishes annual reports and economic results to the public
- The main sources of revenue are advertising and sponsorship reflecting the absence of a clear fund-raising strategy
- Less than 10 percent of organizations are engaged with adjacent media activities such as research and production
- Most media outlets surveyed do not have 24/7 electricity; demonstrating both the intense impact of the Lebanese economic crisis on the media and the fact that a substantial number of media enterprises, despite everything, have proven themselves capable of achieving business continuity and securing employee needs, like for example, productive interaction between editorial team members

p.17 Part II – Policies on non-content revenues

- Only a minority have a clearly formulated advertising policy
- Programmatic advertising is not within the scope of any organization
- The majority of the companies surveyed do not have a strategy pertaining to native advertising

p.18 Part III – Community Management

- Organizations do not employ a branding and marketing approach associated with a marketing team to help them with reader acquisition
- The majority of organizations do not provide readership acquisition incentives
- The vast majority do not have processes for triggering coverage of specific issues

p.19 **Part IV – Readership complaints resolution**

- 90 percent of the surveyed media outlets do not have an independent ombudsman who readers and interviewees can call upon in case of disagreements over coverage

p.20 **Part V – Staff development**

- 70 percent of the media enterprises surveyed do not offer journalists insurance coverage while on assignment
- No clear articles relating to the protection and safety of staff inside and outside the office are available
- Inadequate training and development are detected due to lack of funding

p.22 **Part VI – Digital development approach**

- A prominent deficiency in hardware and software technologies for the conduction of assignments is detected
- Staff is not trained and educated on cyber security methods
- Organizations do not own up-to-date equipment for the production of podcasts and other content targeted for online migration

p.23 **Part VII – Journalism ethics and fact-checking**

- There exists a very limited capacity when it comes to governance; whether compliance with a code of conduct and code of ethics, fact checking, censorship or strategy formulation, implementation and monitoring

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RECOMMENDATIONS



GAP REPORT

The gap report reveals the main hurdles obstructing the sustenance of Lebanese media organizations.

Part I

Proprietorship, executive leadership, and scope of media organization

1. How long has the organization been active in content production?

The vast majority of surveyed media organizations, 90 percent, have been active and operational for more than five years. Of three organizations with less than five years of organizational history, two have been active for between one and four years, and only one has been operational for less than a year.

This indicates that these organizations have an operational track record which suggests viability under radical economic uncertainty and changing business environments at the base of operations. While the viability of organizations indicates continuity and vitality of the media industry in Lebanon, it cannot be ascertained if the organizations' longevity is linked today to advertising revenue, online subscriptions or digital sales of content, other commercial interests, grants or out-of-country sponsors.

Against a background of numerous media closures and the downsizing of organizations over the past decade, and a concurrent shift to protest movements between the 2015 "trash crisis" and the 2019 "Lebanese uprising," it is striking that no larger proportion of active media was conceived as part of the popular opinion wave of the Lebanese uprising. This contrasts with our observations and social media evidence of increased communication activity, by civil society organizations and anti-establishment political parties derived from both the 2018 elections and the uprising of October 2019.

2. How many employees does the organization have in total?

Most Beirut-based media organizations would be considered micro and small enterprises under business measurement standards of the Organization of Economic Cooperation and Development (OECD) or the International Finance Corporation (IFC). From a local perspective, almost all of the media organizations qualify as small enterprises, divided between 40 percent that describe their workforce as numbering up to 10 employees and another 33 percent that employ between 11 and 20 staff members.

Moreover, nearly all of the 26.7 percent of organizations with 21 or more employees, must also be categorized as small-to-medium. Only one organization would fit into the category of a medium enterprise, by prevailing Lebanese standards. Taking into consideration that the Lebanese media industry historically has been segmented by the use of three different publishing languages (Arabic, French, English) and also by diverse communal identifications, the news media sector's fragmentation suggests a duality of many partisan content providers under organizations' economic vulnerability and absence of concentration in the media sector.

This picture of precariously small organizations is further enforced by serious contractions of the workforce at one privately-held media organization with more than 50 employees. This legacy publication, which entered the 1990s with reportedly well over 140 employees, has suffered two massive downsizings in the past decade, supporting the assessment that the media sector has shifted in its business acumen and its employment structure, shrinking down from medium to micro-sized organizations. Based on the data accumulated, these workforces include editorial, technical, and management staff which shows that the number of editorial resources must be considered small or tiny in the majority of locally-based publications (see response 3).

3. Among its total workforce, how many editors and staff writers does the organization employ?

In alignment with the overall size of the media organizations, 30 percent employ 2 to 5 editorial staff, 40 percent employ 6 to 10 editorial staff, 23 percent employ 11 to 15 editors, while only 2 have more than 15 editors and staff writers.

However, when business needs of media organizations are taken into consideration (marketing, community management, circulation, or advertising sales) it cannot be denied that the numbers of editors and editorial staff can be large when compared to the size of the overall organization, specifically regarding small and micro-sized organizations. Apparent discrepancies from variances in editorial staff ratio by different organizations suggest that there is no typical profile of a media communication and publishing venture that can be used as the media industry benchmark in Lebanon.

4. Does the organization investigate and produce exclusive stories on a periodic and regular schedule?

According to survey responses, 96.7 percent responded that they do in fact investigate and produce exclusive stories on a periodic and regular schedule, while only one publication said that it doesn't.

The high rate of affirmative responses to the question of own editorial content production further supports the impression that there is little formal coordination of joint content production or development of branded content under a local consortium business paradigm. As the latter is a proven means of cost efficiency and often quality control in news media, it is an ambiguous observation that the vast majority of surveyed organizations say that they do independent journalistic research and investigations.

In addition, regarding the division of online news providers who are based in Lebanon, it deserves to be stated that the number of news aggregators in the sample is small in comparison to the total number of Lebanon-based news aggregation sites. This indicates that the selection criteria of the media survey were successfully predicated toward genuine media.

5. Is the organization for profit?

The legal status of a for-profit enterprise in Lebanon is the default format of incorporation as either Joint Stock Company (SAL) or Limited Liability Company (SARL).

In this regard, the fact that 53.3 percent of enterprises answered question 5 in the negative, while the remaining 46.7 percent said yes, is suggesting the need for a shift in legal structures of media organizations.

It is important to highlight that being for profit directly relates to the corporate culture and strategy of the organization. Accordingly, there is an even split between news outlets which are designed as for-profit companies with their ownership and governance structures (or lack of governance and reporting mandates in the case of most private sector enterprises in Lebanon) and ventures that are purporting to apply another incorporation structure.

6. Do you have a board of directors/advisory board?

The majority of respondents said no to having any kind of board, but 23.3 percent said that they do. Formal and active board structures are not found in many Lebanese enterprises of the micro and small category, which means that the low presence of formal boards is not out of character. It only raises the same concern as the

absence of board structures in media organizations in general.

7. In the case of having a board of directors, how many members does it entail?

Five members was the default response among the quarter of enterprises with a formal board structure. Two other media enterprises have boards of three and seven members, respectively.

8. Does your board convene once a year or more often?

The majority of respondents, 71.4 percent, said board meetings take place once a year, while only two organizations convene more often.

Answers to questions seven and eight of the survey suggest that overall governance structures of media enterprises are not highly developed, but fall in line with the prevailing structures of the overall enterprise sector.

Additionally, the number and frequency of board meetings does not indicate that board roles are overly large or compensated.

9. Do you publish annual reports or communicate your economic results to the public in other forms?

Just one out of the 30 enterprises interviewed publishes annual reports and economic results to the public.

The behavior matches the culture at small and medium privately-held enterprises in Lebanon, demonstrating the enterprises' local business roots.

It should be noted that the single enterprise which did publish annual reports is aligned with European granters for its funding and reporting.

10. Has the organization written annual profits in any of the past five years to make it commercially viable, i.e., generating revenues that cover cost of operations?

From a perspective of overall media viability, it is encouraging that 43.3 percent of companies in the sample pool, discounting the one-year-old company, have a historic record of achieving profit at some point in the past five years.

This is particularly noteworthy in the context of the Lebanese economic crisis. As well as in light of the changes in the media landscape during the early 2010s, as sponsorship deals and subscription support from abroad dwindled.

11. Is the organization financially viable, i.e. does it have a stable source of revenue and/or funding?

The fact that there is no large divergence between the responses to the financial viability question (46.7 percent said no, while 53.3 percent said yes), and the preceding question number 10 about profits in one of the past five years, aligns with the previous finding of existing media viability despite the ongoing Lebanese economic crisis.

12. Has the organization written annual profits in any of the past five years?

A dominant portion of the sample pool, representing 76.7 percent, answered no to writing annual profits in

the past five years, with the remaining 23.3 percent answering affirmatively.

As a control question on the bottom line versus the operational results of media ventures, the higher number of negative responses on bottom-line profits indicates that profitability is not clearly defined on the basis of available information, since their results are not made public. There are question marks over the commercial viability of individual media enterprises' business models.

13. Question: Which revenue sources are key for the organization?

Respondents identified several key revenue sources for the organization; 75 percent rely on advertising, 48.4 percent on sponsorships, and 39.3 percent depend on donations and subsidies. In a further breakdown of revenue sources, 33.6 percent of media outlets said they include crowdfunding campaigns, 10.7 percent rely on a subscription model, street sales are mentioned by 3.5 percent, and 10.7 percent rely on other commercial activities.

Street sales and subscriptions historically have been minor sources of income for media in Lebanon. Advertising has always prevailed as the main source of revenue for companies, followed by sponsorship deals.

Such a revenue structure appears to be congruent with the findings (question 2 et al) that the media sector is dominated by small and micro-sized enterprises whose sole focus is content production. The sector is not characterized by a large concentration of market power in a few media empires or diverse conglomerates. On the other hand, the dual dependency on advertising and sponsorship represents a vulnerability and potential exposure to special interests of either advertisers in commercial terms, or sponsors in noncommercial terms.

14. Questions: Does the organization rely on electronic distribution channels or does it have a print edition?

One hundred percent of companies responded yes to leveraging electronic distribution. Although five companies also rely on a printed edition (14.7 percent).

The shift from print to digital distribution by this indication has been accelerated by three country-specific factors. Firstly, on the supply side, the cost of printing has been exacerbated by the need to import nearly all materials, from ink to quality paper. While concerning purchasing power, consumers have suffered sharp, albeit vastly uneven, reductions of spending power at their disposal. Thirdly, the physical infrastructure of newsagents and book shops was badly impaired in certain neighborhoods by the 2020 explosion at Beirut Port, and compounded by closures of outlets under coronavirus lockdown precautions. Any attempt to reverse the shift to digital distribution channels will have to contend with historic news consumption habits negated by the above three factors.

15. Question: What are the costs of content production in relation to overall costs?

Content production is regarded by all respondents as a preeminent cost factor, with 90 percent identifying it as up to 70 or 80 percent of the overall enterprise cost. Similar to other responses (cf. question 4), the prevalence of content production costs suggests efficiency and productivity gaps in many Lebanese media organizations.

16. Question: Does the organization have other publishing income that is not derived from its main media outlet?

In a further deepening of the mono-production vulnerability implied by high content production cost shares, virtually all media enterprises (96.7 percent) have no other publishing income than what is derived from its main media outlet.

Less than 10 percent of organizations are engaged with adjacent media activities such as research and production, which is indicative of underused economic diversification potential in the professional news media sector.

17. Is the organization part of a business group that has non-publishing income?

Answering this question, 93.3 percent said no, and only two said yes. Responses to question 17 corroborate the gap report's earlier observations on business ownership, company size and general structure.

18. Do you use crowdfunding channels?

Most media outlets (96.7 percent) do not leverage the tool of crowdfunding, while merely one enterprise says it actively uses audience channels. This is juxtaposed on one hand with the very high usage of the digital distribution channel (cf. question 14) and the responses on usage of the crowdfunding channel for revenue generation (cf. question 13).

Global media experiences using crowdfunding are not without ambiguity. Nevertheless, the lack of deploying this tool indicates that Lebanese media organizations lag behind in diversification of financing and revenue sources, a notable weakness in the context of their desire to seek investment, as demonstrated in the following response set (question 19).

19. Are you seeking investments?

The majority of publishers (76.7 percent) are in search of investments, while 23.3 percent do not require financial assistance.

In the context of private sector companies, it is not surprising that some publishing houses have no interest in finding investments, since they want to maintain their organizational control. However, from an access to finance perspective (where high demand has in recent years not been met with supply), it is significant that the majority of media outlets, albeit perhaps with varying degrees of commitment, are seeking investments.

20. Do you have 24/7 power at your offices?

Nearly all media outlets, 93.1 percent, said they do not have 24/7 electricity. Only two companies do not experience power cuts. This evident vulnerability of all Lebanese enterprises has to be noted as an impediment to business continuity, as well as optimal publishing schedules for digital companies operating online news sites, whose readers expect round-the-clock access.

21. If not, do you need solar energy to fill the gap?

All media organizations stressed the need for solar or renewable energy to fill the electricity gaps experienced in Lebanon. The unsurprising finding underscores the country-specific need and immense enterprise demand for solar photovoltaic solutions and the development of renewable energy.

Part II

Ethics and dependency in non-content revenues

22. Do you have an advertising sales unit or do you rely on a media agency for executing your advertising sales and/or public relations?

In apparent incongruity with the importance of advertising income for the surveyed media organizations (cf. question 13), close to half of respondents do not employ an advertising sales unit. Media planning and online communication strategies have evolved significantly over the past decade in Lebanon and around the world. It should be noted that an equally large segment of media organizations has a proprietary sales team, while only 10 percent of respondents employ creative ad agencies.

With the efficacy of digital marketing and advertising sales models being in constant flux, the reliance of more than 40 percent of media organizations on their own sales units warrants further observation of the trend. Historically, the trends have been characterized by cultural specificities and interpersonal networks of Lebanese communication workers around the region. The interactions of media organizations, marketing communication agencies, and individual professionals may offer new potentials of mutually profitable synergies if the theory is tested over longer periods.

23. Re-advertising; does the media organization offer editorial coverage in conjunction with any advertising contracts or sponsorship contracts?

Only 10 percent of media organizations provide editorial coverage in conjunction with ad deals, while the majority do not.

The high rate of denials between advertising and content offers demonstrates a strong awareness of ethical practices. At the same time, the evidence seen from publications throws doubt on such high media standards, and therefore warrants detailed tracking and monitoring of correlations between the renting out of advertising space and the appearance of editorial content.

24. Does the media organization have a code for advertising (which advertising types are accepted, rejected, are there fair parameters etc.?)

A mere 13.3 percent of organizations apply a special code for advertising which is officially written and implemented, while a little short of half (46.7 percent) do so informally, and the remaining 40 percent do not have such processes in place.

The findings show that only a minority have a clearly formulated advertising policy, suggesting that media and editorial alignment is a gray area in need of clarification and structural reorganization. Furthermore, it matches previous observations of the opaque practices among Lebanese media enterprises in terms of publishing authentic readership and circulation figures, or reliable online audience measurements.

25. Does your organization have a native advertising strategy?

The majority of the companies surveyed do not have a strategy pertaining to native advertising, while 20 percent have a strategy in place.

Against a backdrop of increasing native advertising and advertorial content in media organizations in Lebanon, there is a growing need for the tighter setting of standards and practices by industry organizations and syndicates, like the publishers and journalists syndicate. Better regulation will also work to increase public trust.

26. Are your advertising spaces run programmatically?

None of the news outlets surveyed apply any programmatic advertising.

In addition to the deficiencies that are mentioned in the comment on question 25 above, the lack of programmatic advertising strategies indicates that media organizations are not fully accessing innovative revenue strategies which are in accordance with international media practices.

Part III

Community management

27- Do you have a marketing department?

More than half of media outlets (60 percent) do not contain marketing departments to help with brand visibility and awareness, but 40 percent employ a marketing division.

As previously noted, when a disproportionate weight is given to content production and editorial roles, it can become counterproductive if there are weaknesses on both the marketing and advertising revenue sides, which risks leading to impairments of the performance and independence of media companies.

28- Do you employ a branding approach and do you use an external consultant or agency for awareness creation?

A large number of media enterprises (93.3 percent) do not employ a branding approach for awareness creation.

In Lebanon, media readership has fragmented along communal, language, and geographic lines. In conjunction with the division of public interests, the absence of branding strategies at most media indicates a lack of efforts towards developing legacy audiences with narrow interests into broader national audiences with diverse opinions.

29- Do you provide incentives in the acquisition of readers?

The neglect displayed towards branding is also present in the fact that the overwhelming majority of news publishers do not provide readership acquisition incentives, with the exception of one media enterprise.

30- Do you measure readership and community interaction?

Eighty-three percent measure readership and community interaction, while the remaining 16.7 percent do not focus on such metrics.

31. Do you have an institutional process by which audience stakeholders can trigger coverage of a specific issue?

The vast majority do not have such processes, while only 16.7 percent confirm that they do.

Assessing the responses of questions 28 to 31 leads to the impression that media companies are vulnerable in the areas of audience acquisition, retention, and diversification.

Part IV

Readership complaints resolution

32. Do you have a policy regarding the publication of corrections and refutations?

More than half of the surveyed enterprises refer to the stipulations of Lebanese media laws as governing their policy on corrections, refutations, and voluntary clarifications. Only 16.7 percent of respondents highlighted that they do have a proprietary written and implemented policy.

Noting that 26.7 percent describe an informal implementation of refutation rights, and one media enterprise having zero policy, the reliance of media enterprises on the media law indicates both the need for further investment into the legal process, and for better standard setting in the form of voluntary agreements by media companies.

33. Do you have an independent ombudsman that readers and interviewees can call upon in case of disagreements over coverage?

In further evidence of the need for improved voluntary standard setting in the media sector, only 10 percent of respondents have an independent ombudsman, while 90 percent do not.

34. Do you have a dedicated community manager or public relations manager whose mandate includes the handling of reader inquiries and complaints?

Exactly half of all surveyed publishers possess a community or public relations manager, while the other half do not.

In the absence of consistent industry practices, individual companies take initiative on the best course of action regarding community outreach management, leaving a considerable level of uncertainty surrounding media companies' best practices in this area.

35. Do you have legal counsel on retainer to deal with all eventualities arising from your publishing activity?

Most media publishers have legal counsel on retainer, while 16.7 percent do not. It is clear that companies recognize the need to protect their interests against legal contingencies in the Lebanese environment, which is widely regarded as rife with judicial red tape and favoritism of power holders.

Part V

Staff development

36. Do you provide your staff journalists and freelancers with legal assistance in case of libel or similar challenges?

The majority of media enterprises (86.7 percent) provide their editorial writer with legal assistance, but four media enterprises deny such assistance to their journalists and freelancers. Given the uncertainty that exists in judicial matters (as noted in the analysis of question 35), the development potential of media companies falls behind global standards of mitigating legal risks for journalists and contributors.

37. Do you provide your writers with insurance coverage while on assignment?

A large portion of the media enterprises surveyed do not offer journalists insurance coverage while on assignment, while 30 percent do.

In the Lebanese system of weak or partial social insurance provisions, the economic crisis of 2020/21 has exacerbated risks such as accidents, and unforeseen health insurance needs of all population groups. Within the specificity of the journalism profession, a modicum of insurance protection seems to exist, but questions remain over the extent of these safeguards. Providing journalists with coverage under the outdated National Social Security Fund (NSSF) system of Lebanon is not adequate to the specific risks that journalists encounter, as this system today effectively does not cover the needs of any white- or blue-collar worker.

38. Does your organization provide employees with health insurance, retirement insurance, and any other form of social insurance?

More than half of news agencies do not provide any sort of health or retirement insurance or any other form of social insurance, while 36.7 percent only provide social insurance in the form of NSSF.

The weakness in social coverage of journalists reflects the general composition of social insurance in the Lebanese market which is found to be massively insufficient.

39. Are your writers and freelancers exposed to conflict situations?

According to the responses, 43.3 percent of companies do not expose their writers or freelancers to con-

flict, while more than half of news publishers concede the possibility of being exposed to such dangers.

There is a discrepancy between the risk protection of journalists and prevalent practices in the media enterprises, in particular in light of the high-risk environment of reporting in the Middle East region; from the abductions of journalists for ransom, to “accidental” shootings and orchestrated murder.

40. Do you have procedures for the case of an unexpected exposure to a conflict situation or intimidation of a journalist by an interviewee or person in a position of power?

Based on the surveyed data, 40 percent of companies do not have procedures in place for unexpected conflict situations, while 60 percent do.

Again, the picture further exposes the heightened risk associated with the diligent pursuit of the journalism, against an absence or weakness of adequate protection and coverage mechanisms.

41. Do you have an anti-harassment policy inside and outside the office?

A mere 26.7 percent of enterprises surveyed contain an anti-harassment policy in and outside the office, while the clear majority (73.3 percent) do not enact such policies.

It is no comfort to journalists, who by definition are exposed to often powerful interview partners, and who work in environments with often an entrenched male dominance of decision-making positions, that the lack of anti-harassment protection is in line with prevailing workplace behaviors and standards in Lebanon.

42. Do you have whistleblower policies and protections?

All news outlets surveyed are armed with whistleblower policies and protection.

43. Do you offer internships?

More than half of news outlets provide internship opportunities to up and coming journalism students, however, 33.3 percent do not offer such opportunities.

The fact that two thirds of enterprises offer internships appears congruent with the size of companies in the sample and the need to have a certain level of manpower before a media enterprise can take on interns and provide them with a career-enhancing experience.

44. Do you provide training and continued education opportunities to your staff?

A clear minority of news outlets surveyed (26.7 percent) provide continued educational opportunities toward their staff, while 73.3 percent do not present such opportunities.

As with the situation of readership retention and community development, gaps between current practices and desirable provision of continual job training and qualification opportunities have to be diagnosed.

Part VI

Digital development approach

45. Do you provide your staff journalists with the necessary technologies (both hardware and software) to conduct their assignments?

More than half of respondents (56.7 percent) do not provide their staff with the necessary tools and technologies to conduct their work, while 43.3 percent said they do offer both hardware and software support.

It is a notable gap in the provision of technical support and managerial care versus best practices that more than half of surveyed media companies put the burden of journalistic essential tools onto their individuals, both freelancers and staff members.

46. Does the organization train and educate the staff on cyber security methods?

Just 20 percent provide training in cybersecurity. Considering that Lebanon is exposed to cyber insecurities and risks of attacks, the absence of cyber security training and literacy in media organizations indicates a high level of vulnerability. This is not just a detriment to organizations, but also poses a significant danger to individual employees.

47. Does the organization train and educate the staff on data journalism and analysis?

Only 36.7 percent of respondents train their journalists and editorial staff on data journalism, while the majority does not.

Alongside the indications found among other survey answers, there is much evidence of the widespread legacy of journalistic standards and behaviors dating to the pre-digital age as the operational “normal”. This indicates a setback against the digital frameworks that media organizations and individual journalists are working under today. This gap could serve as an impediment for the competitiveness level of Lebanon-based media organizations, even if all other operating conditions in aspiring media hubs were met.

48. Do you employ a social media management team that aids in the production of news pieces, such as videos, infographics, podcasts, animations, posters...?

More than half of news publishers have a social media management team, while 40 percent said they do not have such a team in place.

Based on the answers provided, media companies place greater importance on social media awareness than on data journalism and analysis. Despite this, there remains a deficiency until social media teams become ubiquitous in the Lebanese media ecosystem, particularly as all respondents rely on digital channels for distribution of content (cf. question 14).

49. Do you have a strategy for digital development and innovation?

More than half of respondents do not have a strategy for digital development, while 40 percent do. This indicates the need for improved equitable sector practices and an unfilled space for collaboration on critical strategies, innovation, and reputational development of the Lebanese media sector.

Part VII

Journalism ethics and fact checking

50. Do you have a clear workflow regulation on headline writing, captions, and copy editing?

While there are clear gaps on the development and digital innovation side, traditional media standards are better practiced, even if not applied universally. The majority of news outlets (80 percent) noted that they have a clear workflow regulation.

51. Do you use a stylebook adopted from an international news organization, a proprietary stylebook, or no stylebook?

The majority of local media outlets do not publish in line with a stylebook. For a media sector with aspirations to greater quality and reputation, the results signal a standards gap. Few media enterprises in Lebanon have developed a proprietary stylebook or rely on guidance literature from journalism schools or international media giants, like the Associated Press.

52. Do you operate under a journalistic code of ethics?

The majority of outlets surveyed (76.6 percent) informally implement a journalistic code of conduct, while 13.3 percent use an official code of conduct, and 10 percent operate without one.

The absence of a formal code of journalism endorsed by prevalent media syndicates, should not in itself be regarded as a gap to international best practices. Journalistic codes of ethics exist within a wide range of differences and competing perspectives, regarding both general ethics and professional journalistic behavior. There is not one universal standard set of codes.

However, the fact that in more than half of the surveyed organizations, the code of ethics cannot be traced to a formal document, makes it difficult to foster mutual trust between the audience and media. More attention to the ethical challenges and provision of written support codes by Lebanese media organizations should be considered as a means to dispel distrust in the media and reduce eventual conflicts of opinion and interest.

53. Does this code entail conduct rules that prohibit corruption and misrepresentation of journalists?

Survey responses indicate that there is a common deficiency of quintessential journalistic behavior controls for code of conduct components, such as the self-identification of journalists, prohibition of bribery, and conflicts-of-interest avoidance.

54. Do you have a dedicated fact checking unit/editor?

Only 16.7 percent of all respondents contain a fact checking unit or editor.

This is indicative of a weakness in the area of fact-checking and corroboration of journalistic content.

55. Who in your organization is ultimately responsible for fact checking and compliance?

A dedicated fact checker is employed at 10 percent of respondents. With 16.7 percent of media outlets relying on the author for fact checking, 56.7 percent of the companies placing fact checking responsibility with the top editor, and 16.7 percent of enterprises not practicing any form of fact checking, the corroboration and quality control levels of Lebanese media organizations are a significant step away from responsible and reliable journalism.

56. Do you practice self-censorship?

Only 13.3 percent of companies confirmed that they practice self-censorship.

This suggests an upward shift of local media cultures in terms of self-respect and accountability, based on the observation that self-censorship might have been hailed as the dominant local practice by leaders of the publishers' syndicate earlier in this century.

57. Do you observe the red lines when it comes to covering controversial topics?

Most companies (76.7 percent) draw red lines concerning coverage of controversial topics, while the remaining portion say they do not have barriers against coverage of controversial issues.

Interrelated to the issue of self-censorship, the drawing of red lines by so many media organizations implies the need to further fortify journalistic performance against pressures by media owners and publishers.

58. What statement on compliance with code of conduct stipulations applies to your organization?

Compliance of content with their code of conduct is monitored for all stories by 16.7 percent of respondents. While 53.3 percent say they do compliance checks mainly for investigative pieces and 26.7 percent do so through occasional samples. One media venture says it does not ever monitor content quality in this way.

The lack of consistent editorial supervision structures and the over-reliance on the top editor for compliance monitoring is a gap to preferred media practices. It leaves room for the skirting of standards by members of editorial staff and by external contributors. This compliance monitoring deficiency creates risk for media companies in terms of both credibility and legal liability based on journalistic misbehavior.

RECOMMENDATIONS

On the basis of the Media Gap Report

The Media Action Plan project developed by Executive Magazine in Partnership with the United States Agency for International Development (USAID) is designed to support the media sector in Lebanon in three leaps upward. The first of these stages is the Media Gap Report, which identifies profiles of Lebanon-based media enterprises, and the gaps that separate them from best-in-class media. The report dissects practices in the areas of corporate and ownership structures, media behavior and organizational safeguards, and the treatment of writers and practice of journalistic codes.

Following on from the Media Gap Report, the Media Development Plan team presents a structured list of recommendations in this report; informed by the Media Gap Report and the action plan team's research, alongside Executive's own experience as a media enterprise.

The third stage of the project, the Proposed Action Plan, will bolster these recommendations with a lineup of international and local organizations which serve as an example to Lebanese media enterprises should they choose to implement the findings of the Recommendations Report.

All three components of the Media Action Plan project are positioned as a platform for further discussion and adaptation by passionate and professional stakeholders in the Lebanese media and news publishing fields.

CONTEXT: the value proposition of the media enterprise

In discussing the specificities of the publication business, it should go without saying that media enterprises, in business terms, owe their existence and evolution to their ability to improve the flow of information and situationally pertinent knowledge. The more an enterprise is able to optimize delivery of what is needed and desired (the duo is rarely the same), the more it can compete in the political economic context, whether this be a capitalist, authoritarian, totalitarian, autocratic, communitarian or even partially anarchic one.

This means that media in a for-profit system is systemically formed by not only the dynamics of creative destruction in business terms, but equally by the agility in using new technologies in unprecedented, trial and error, creative ways.

As a third ingredient, the formula of media enterprises is based on the ability of spinning a convincing – emotional, intellectual and ethical – narrative. Media cannot prevail without its roots of storytelling alongside society's moral codes.

And so, the three basics in the recipe of viable media are profit-orientation, technology adoption and human capital. The media in Lebanon should not exist outside this formula, nor will it succeed if they neglect to find compliance with:

- a)** a good corporate organization and profitability, however indirect. It may mean involving tradeoffs between revenues and reputational gains
- b)** agility and innovation in digital technologies; including digital content creation tools and digital payment methods
- c)** the nurture of authenticity and ethical behavior of their writers

Our stakeholder approach on recommendations

Both contract researchers and the editorial team of Executive Magazine have been involved in this project from the initial planning phase in late 2021, until the presentation of outcomes and recommendations in June 2022. In this regard, we want to acknowledge and indeed make explicit that Executive Magazine is a stakeholder in the Lebanese media sector and therefore has an interest to succeed, and continue to succeed as a media enterprise.



Many of the observations documented in the Gap Report apply to Executive Magazine, and many recommendations are also recommendations to ourselves. Our rationale and justification to have become involved in the Media Action Plan project quasi “from within” is the concept of the “win-win” philosophy. Executive is convinced that the media sector in Lebanon is faced with challenges which mandate the development of strategies to benefit all and every media enterprise that has ambition – as we do ourselves – to achieve new levels of media professionalism and profitability, alongside economic and social viability.

Given that we regard alignment with highly respected codes of journalism, the adoption of successful technologies, and world-class corporate governance as fundamentals of journalism, the list of recommendations is based on the idea that meeting these standards is imperative for the sector’s survival. The recommendations in this document are calculated from within the local media sector and intended for the specific environment of Lebanon – on media enterprise level and on media industry level. We aspire that these recommendations, which are built from the foundation of the Media Gap report, will assist all Lebanon-based media organizations in narrowing the gap to achieve business and economic ideals.

Finally, it should be noted that the intrinsic volatility of journalism as a carrier of information and historic gatekeeper of information access appears to have entered a new phase. Media in the digital age has shifted from being the default delivery mechanism of scarce information and analysis, to a facilitator for mass and individual consumption of news, analysis, and opinion – falling under the umbrella of information value and often, entertainment value. What is more, news consumption has long been gyrating to the cheap economic proposition of acquiring and reselling consumer attention under the business model of the “attention merchant”, a term coined by American academic Tim Wu.

As a global craft of communications, journalism undoubtedly will take the shape of time, but the observations of the recommendations report will remain as integral pillars for Lebanon’s media enterprises.

The recommendations cover six interrelated areas:

- Ownership and corporate position
- Revenue structures and policies
- Readership development and community building
- Physical and employment security of writers and staff
- Digital transformation and digital strategy
- Ethical issues and journalistic codes

The recommendations of this report aim to establish a viable media action plan, offered as a value proposition to international stakeholders like media-focused I-NGOs, as well as local groups such as industry-related associations and public servants. As a result, the report takes into consideration three factors:

- A)** Gaps between the practices of local media and internationally acknowledged best business and journalism practices
 - B)** Characteristics of Lebanon-based media organizations which are rooted in a culture of media and business alignment of media with regional counterparts
 - C)** The restraints and barriers born out of three years of socio-economic disaster
- Recommendations

Ownership and corporate position

The media sector is primarily composed of small-to-medium enterprises (SME) held in private ownership, structurally resembling the other sectors in the Lebanese economy. The sector is fragmented along lines of communal belongings and publication languages, which appear to act as barriers against market power concentrations.

Regarding corporate structures, focus should be aligned on the implementation of boards, creation of advisory committees for small and micro-sized ventures, and on the adoption of governance and transparency standards to make Lebanese media enterprises more attractive on capital markets, if desired.

1. Media enterprises should adjust their business models to incorporate long-term sustainability strategies such as reliance on renewable energy.
2. Media enterprises should become more transparent to investors and the public by disclosing revenue sources and dependencies.
3. Media enterprises of all sizes should create advisory committees of independent business, tech, and journalism experts.
4. Media enterprises with 10 and more employees should revise the relations between ownership, business management, and editorial leads. The positions of chair and managing director in a privately held media enterprise should be held by separate individuals, and the position of the managing director should be divided from the position of the editor-in-chief. The editor-in-chief should not be an executive in an external enterprise or consultancy.
5. Media enterprises above the size threshold of a medium enterprise (50 and more employees) should appoint a board of directors, which is diverse in terms of age, gender, and qualification.
6. Owners and management of media enterprises should implement internal surveys and assessments of enterprise efficiency, employee satisfaction, and communication between staff and management.
7. Media enterprises should endeavor to access funding that enables them to invest in up-to-date hardware, office management and workflow systems, publishing software that is adequate and fully licensed (not in violation of intellectual property rights), and adequate cyber defenses to protect the enterprise and affiliated journalists against cyber terrorism.
8. Media enterprises should collectively develop co-working spaces for journalists and digital media startups, while developing a voluntary code of best business practices for the Lebanese media enterprise sector.

Revenue structures and policies

In the absence of economies of scale in the Lebanese media markets, and due to structural changes in the revenue streams of media; business models and revenue structures have become defunct, leaving organizations in a fragile state.

This fragility has become more pronounced due to the vanishing of advertising revenue during 2020, when a combined crises of a health pandemic and economic fallout impaired advertisers. Changes in access to funding and revenue strategies of media enterprises have to be accompanied by adjustments of legal and incorporation standards. We recommend:

9. Media enterprises should explore the viability of crowdfunding and crowd-investing approaches to financing of individual stories, larger reports, and their entire organization.
10. Media enterprises should develop strategies that will make them eligible to apply for renewable energy funding by international or local investors and climate funds.
11. Media enterprises should diversify their sources of revenue and activate approaches that utilize digital analysis and data mining tools, and advertising vehicles such as programmatic advertising.
12. Media enterprises and communication industry stakeholders should update their advertising codes of conduct to avert conflicts of interest and misrepresentations of advertorial messages as editorial content.
13. The overhaul of the Code of Commerce and introduction of a social enterprise category of business establishments should include a provision enabling the dedicated not-for-profit social enterprise incorporation of media enterprises that meet a set of content requirements and public service criteria.

Readership development and community building

- 14.** Media enterprises should enhance their customer experience and substitute low-value mass marketing methodologies with community building and high-value branding.
- 15.** Media enterprises should create readership acquisition and retention incentives.
- 16.** Media enterprises should review existing marketing and branding strategies, revise and update them by upscaling their branding and marketing team or enter into partnerships with qualified external providers.
- 17.** Media organizations should provide public access to impartial ombudsmen and women who readers and interviewees can call upon in case of disagreements over coverage.

Physical and employment security of writers and staff

- 18.** Media laws should mandate minimum safeguards and insurances for coverage of working journalists and freelancers on assignment.
- 19.** Beyond the provisions of the Lebanese National Social Security Fund regulations, media enterprises should provide insurance coverage for employees such as health, retirement, and social insurance.
- 20.** Media enterprises with ten and more employees should create continued education and training programs, and internship opportunities.
- 21.** The provision of journalism training should be organized and the requirements, legal protections, and benefits of media membership and journalist identification has to be clarified. Equal access to journalist credentials has to be guaranteed and safeguards against discrimination have to be implemented.

Digital transformation and digital strategy

- 22.** Media enterprises should research and implement their digital development and innovation plan on company level.
- 23.** Digital transformation of media enterprises should be supported by access to finance for the required hardware, software, and training (see recommendation number 7).
- 24.** The media industry organizations and communication industry stakeholders, such as journalists and publishers' syndicates, advertiser associations, and relevant public sector entities should collaborate in designing a digital media development framework and support infrastructure, including co-working spaces (see recommendation number 8).

Ethical issues and journalistic codes

- 25.** Create and communicate a journalistic code of conduct and an employee code of conduct, formalize codes if they have been practiced informally, and collaborate on a universal code of conduct for the media industry in Lebanon.
- 26.** Media organizations should protect their staff against bribe-taking and corruption by providing living wages and support their journalists by monitoring compliance with codes of conduct.
- 27.** To uphold ethical journalism is a responsibility for each member of a media enterprise.

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