Business Management Model of Private and Public News Channels in Pakistan: A Case Study of GEO News and PTV News

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ARTICLE DETAILS

Purpose: The chief purpose of this study was designed to explore the phenomenal changes of business management models of the private and public news channels in Pakistan. The rationale behind this objective was to explore changing business approaches as adopted by the private news channel like Geo News and the public news channel like PTV News. The advent of the social media has altogether changed the landscape for the traditional media including newspapers and news channels, therefore, it seemed quite appropriate to explore new strategies for enhancing business for news channels in Pakistan.

Design/Methodology/Approach: The study employed in-depth interviews qualitative method to collect qualitative data from different patterns of data for major themes. Qualitative Content Analysis was partially employed to minimize large stream of data into small chunk and analyze data accordingly.

Findings: The study found out that the state-run news channel like PTV News was solely relying for financial support on the federal and provincial governments. Accordingly, the PTV News was providing absolute coverage to public departments and enhancing image of the ministers of the ruling political party and their ministries to enhance their public trust. However, the private news channel like GEO News has to make all-out efforts on advertising agencies, real estate sectors, multi-national companies, national and international corporations to meet its financial besides enhancing business of the Channel. Reciprocally, the private sector providing huge funding to GEO News has some sort of influence on its editorial content and news coverage thus compromising freedom of express to some extent.

Implications/Originality/Value: The study has drawn a visible line between financial expenditure and its impact on news coverage and editorial policy. PTV News was providing absolute coverage to public departments due to financial dependency.
whereas the GEO News was providing coverage to all political parties and other public and private sector with slight difference. However, the freedom of expression of the GEO News was compromised to some extent because of financial dependency.

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**Introduction**

Advertisement is believed to be the backbone of every news channel in Pakistan. No one can deny the importance and greater contribution of advertisement to ensure running smooth affairs of the news channels (Yusuf et al., 2013). Advertisement is further believed to be a harsh reality for existence of any news channels. News channels have developed different business models for expanding their business besides searching news avenues for enhancing their income. For instance, increasing and enhancing their viewership through live streaming seems a unique innovative step for news channels to attract business (Shuen, 2018). Live streaming has put a tremendous impact on popularity and viewership of the news channels in recent past, wherein the news channels were able to position themselves in ongoing expanding news industry in Pakistan (Yousaf, 2023). Digital news networks have been witnessed welcoming towards innovative ideas of live streaming, wherein the news channels relatively relied on advertisements to great extent, therefore, they seem in precarious situation particularly when advertisement industry has largely shifted from traditional news channels to digital news networks (Lu, Xia, Heo, & Wigdor, 2018). Marketing departments of the news channels have submitted reports to their owners about massive decline in advertising revenue. In the footprints of the western news channels, different news channels in Pakistan have introduced digital subscription, but it still have to prove itself as a long term viable economic solution for the news channels (Anderson & Gabszewicz, 2006). Even then digital subscription is being witnessed as reorganization of business model of the news channels and overall media industry in the country. Although, digital subscription has provided a competitive advantage to news channels but even then the channels are striving to create and retain a solid and long lasting business models through advertisement (Winseck, 2011).

**Geo News**

Geo News is a 24/7 Pakistani leading news channel which is owned by Pakistan’s largest Jang Media Group. Geo News was started in October 2004 by the Jang Group after former retired General Pervez Musharaf introduced the idea of private ownership of electronic media news channels (Bashir, Shafiq, Arshad, & Bakht, 2020). Geo News is flagship channel of Geo Television launched in 2002. Geo Television Network has launched several sister organizations including Geo Kahani, Geo Entertainment, Geo Sports, Geo Tez and Geo News. Geo News is believed to be the leading news channel in Pakistan as per rating of Medialogic (Hafeez, 2019).

**PTV News**

PTV News HD owned by Pakistan TV Corporation is a 24/7 News Channel in Pakistani national language i.e., Urdu. The PTV News was launched in Pakistan in 2007 in wake of tough international competition through cable and satellite (Sulehria, 2017; Yusuf et al., 2013). The basic objective of the PTV News is to provide latest information about ongoing socio-economic, political, religious and cultural happenings having news worthiness at national level and across the globe. PTV News HD is one of the 8 sister channels including Azad Jammu & Kashmir Television, Pakistan TV Bolan, Pakistan TV Global, Pakistan TV Home HD, Pakistan TV National HD, Pakistan TV Sports HD and Pakistan TV World. PTV News is a state-run
Television News Channel, which only provides positive news coverage mostly to the government or in-power political party, while negating coverage to the opposition political parties. Furthermore, Pakistan TV News avoids inviting opposition party leaders or representatives during its news talk shows. Although, Pakistan TV provides one-sided coverage to the ruling party but it is the only Television Channel which propagates soft, positive, progressive and strengthen soft image of the country across the globe (Bajwa, 2016).

Statement of Problem
Advertisement is considered as bloodline of the news channels in Pakistan. However, there is significant difference of business model in public and private sector organizations in Pakistan. For instance, the state-run television news channels seemed having least concern about seeking advertisements from private organizations rather the government funds the state-run television channels. However, private sector news channels have to rely on the public as well as private organizations to runs its business affairs. This bifurcation can have definite effect on news and editorial content of the public and private news organizations. This is the burning question that what are the visible effects of advertisements on the editorial as well as news content of the private and public news channels?

Significance of Study
The study seems to have great significance in terms of shedding light on the business management models of the public and private news organizations in Pakistan. The study may assist the researchers in future to examine the business model of public news channel and its effects on editorial policy and news management policy. Likewise, the study may also assist the future researchers to examine functioning of private news channels and their business models. This study would have visible impact on policy makers of the Government of Pakistan related to Ministry of Information, Press Information Department, Directorate General of Public Relations, Pakistan Electronic Media Regulatory Authority, Marketing Departments of the Pakistan TV, Geo News and other news channels in Pakistan.

Literature Review
A growing body of literature about business model of news organization in Pakistan has particularly focused on economic challenges to news channels in Pakistan. A study revealed that notwithstanding the news channels seemed hasty in enhancing their digital subscription for the viewers to attract more business but they were literally striving to develop a secured revenue mechanism to ensure objective journalism (Fenton, 2009). A massive literature is available on searching and developing mechanism for reliable and solid economic or business model for digital news distribution to ensure high-quality journalism in Pakistan (Raza et al., 2022). According to a study, pay-walls, micropayments, crowd-funding, share-walls and personal mobile data have been developed alternative business models for the news channels in developed nations. Some other studies have also focused on developing sustainable revenue models and digital news distribution strategies of the news channels. Marketing departments of the news channels have also focused on introducing innovative business models and these departments have also been tasked by the senior hierarchy to innovate sustainable revenue models by scrutinizing their capabilities (Brenner, 2018). The study concluded that an innovation, of introducing mobile apps to display news besides smart advertisement, has also been launched by the news channels to enhance their viewership, but most of the news organizations were following the traditional mode of advertisements (Cornia, Sehl, & Neilsen, 2016). Even newspapers have focused on digitally revenue generation strategies but unstructured policies led towards minimal benefits in Pakistan. According to a study, most of the advertising agencies in Pakistan have come up to the conclusion that almost all the news channels except City News Network were relying on traditional mode of business of seeking advertising (Mursaleen, Ijaz, & Kashif, 2014). However, clients i.e., industries, companies and public sector organizations
demand massive outreach by involving social media platforms. City News Network emerged as a sole news channel, which comprehended modern strategies and underlined detailed business model, consequently, it headed the rest of news channels in Pakistan. Private sector news channels have adopted traditional way of seeking advertisements from real estate, corporations, industry and other private sources to generate funds wherein public sector news channels were seldom in race to raise income through advertisements (Haufler, 2013; Mezzera & Sial, 2010). Kung has outlined successful business models of New York Times and Vice in her book, ‘Innovators in Digital News’ by concluding that they focused on ‘coherent elements’. The author further focused that the both news organizations provided a roadmap of transformation from traditional to modern perspectives (Küng, 2015). According to a study, the chief differentiation between public and private news channels was based on two key terms, ‘sustained’ and ‘constrained’ (Nielsen, 2016). Most of the journalists were engaged in journalism by the private news channels to enhance private business of their owners, so, this was sustained business model. Moreover, the main goal of the private news channels was to achieve maximum profit instead of serving public interest by providing them accurate information about ongoing socio-economic and political development in the country, so, this was constrained as well. A study concluded that ‘private news channels were doing the business of news’ and this business requires them to enhance their capital rather than serve public (Grueskin, Seave, & Graves, 2011; Picard, 2006). A study revealed that British Broadcasting Corporation housed in the UK attracted 1/3 of its investment from the private companies and the situation of the news channels in USA was much higher as compared to the UK or any other country (Hilmes, 2012). The study concluded that the BBC, Sky News, CNN and all other major news channels of the world sell ‘news’ as their product, but it was one of the products they pump to international market of passive listeners and viewers (Alabdalkarim, 2019). In Pakistan, private news and entertainment channels have established their dominancy by politicizing the ‘screens’ and borrowed our attention to sell their product of news, entertainment, dramas, films and comedy. A study concluded that public sector television channel i.e., PTV was being remembered as an entertainment channel, whereas the private news channels have variety of products including news, drama, films, shows etc (Nguyen-Thu, 2022).

Knowledge Gap
After conducting literature review of existing body of available literature in English language, the researchers found a significant gap of knowledge as no academic effort has been made by the academicians to develop comparative analysis of the financial policy of the public and private news channels in Pakistan. Media conglomerates have adopted various strategies to develop and grow their business by selling ‘news’ or ‘programming’ in Pakistan. However, the researchers of the media academics seemed living far away from this business of news, therefore, this study is an effort to fill that gap and provide insight to the future researchers.

Research Questions
Keeping in view of the literature review, the objectives for this research can be:

RQ1: What is the Business Management Model of Geo News & PTV News?
RQ2: What is the financial impact of Programming of GEO News & PTV news?

Research Objectives
In light of the research questions, the following research objectives were designed to seek detailed insight:

RO1: To examine the Business Management Model of Geo News & PTV News.
RO2: To analyze financial impact of Programming of GEO News & PTV news.

Theoretical Framework
This study employed Agenda Setting Theory particularly its core concepts of media setting
agenda to serve wider interest of any pressure group, political elite or any other party. This theory defines that media coverage certainly have great impacts on the agenda of the political elites and paves their ways to set priorities. However, this theory also shares that the ability of the media to set political agenda also depends on different factors and financial support is one of the leading factor among all others. Keeping in view the key factors behind media’s ability to set political agenda, circumstances provide the reasons to influence political agenda. The advent of the social media has also pushed the conventional media to adopt new avenues for setting political agenda. This theory of agenda setting has strong relevancy with the study in hand in terms of financial assistance either from the government resources or from the private resources. The key concept under discussion is the agency providing financial support demands media to set its political agenda for wider political interest of the political party. The changing business model of the news channels involve financial factor, which goes on to design political agenda. The media outlets in Pakistan particularly public or state-run news channels and private news channels have almost the same goals with different approaches. The inter-linkage of the theory with this study has provided deep insight to comprehend business-news relationship with the lens of functionality of the public and private news channels.

Research Methodology
This study employed qualitative in-depth research interviews to explore the adaptability of public and private sector news channels for their business management models. In-depth interviews of senior executives from the marketing departments of Geo News and Pakistan Television News were recorded to develop comparative analysis. Both the quantitative study and qualitative study seemed the most appropriate approaches for this study as the phenomenon prevailing in different private and public sector news organizations seem the same. However, the researchers employed qualitative approach to explore the financial model of the public and private news channels in Pakistan keeping in view the modernity in modern technology and business strategy. Qualitative approach seemed more appropriate as the marketing executives in both public and private sector news organizations would have to carry out same business efforts to collect revenue.

Methods
The researchers further employed in-depth interview data collecting technique for this study. A coding frame was developed to enlist major themes, categories, and codes. The current quality study seemed in close contact with Qualitative Content Analysis (QCA) but the sample size was comparative minimum to apply the QCA, therefore, manual thematic analysis was applied to analyze data in wake of designed themes.

Universe of Study
All the news channels – public and private – in Pakistan were enlisted as ‘universe of the study’. All the news channels enjoy same nature of news bulletins, news programming, marketing strategies, financial policies and advertising efforts to collect revenue for their news channels.

Population of Study
From the above-said news channels, only two news channels were taken as population of the study including Geo News [private news channel] and Pakistan Television News [public / state-run news channel]. According to the media logic, the sole organization for television rating point or TRP, PTV News was the largest news channel in public sector wherein the Geo News leading the rest of the private news channels in Pakistan. Therefore, the PTV News and Geo News seemed the most appropriate population for this study.

Sample Size
As per financial structure of the news channels in Pakistan, a full-fledged marketing team works under the senior executive commonly known as the General Manager Marketing, who heads the
overall team. Therefore, the researchers took four most senior executives two each from the PTV News and Geo News and in-depth interviews of all the executives were recorded telephonically.

**Data Analysis Tool**
The data of in-depth interviews was analyzed through thematic analysis technique wherein major themes were derived from different categories loaded with key codes from the overall patterns of the qualitative data.

**Data Analysis**
The data collected through in-depth interviews from all the four executives from the marketing departments of the both news channels was analyzed through thematic analysis. While applying the partial approach of the Qualitative Content Analysis, the researchers chosen and considered the most appropriate chunk of the data for analysis. Interestingly, the entire coding frame constituted five major themes with slight difference of names otherwise the approach of collecting revenue or the nature of business management model for the both news channel was almost same.

![Geo News Business Model](image)

**Source:** The graph was drawn by the researchers based on major codes from the coding frame.
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Theme No.1
Advertising Agencies VS Government of Pakistan
Geo News is a privately owned news channel by a seasoned journalist Mir Shakil ur Rehman based in Pakistan. The business model of private news channels like Geo News typically involves multiple revenue streams. However, specific details about Geo News' business model may have changed since then because with the passage of time the marketing team of the Geo News has changed the financial strategies. Funding from the advertising is the major source of that that might contribute to the business model of Geo News. One of the primary sources of revenue for private news channels including of Geo News is definitely advertising. Advertisers pay to air commercials during news programs, talk shows, and other content. The revenue generated from advertisements helps cover operational costs and contributes to the channel's profits. Likewise, the PTV News is the state-owned news channel by the Federal Government of Pakistan. However, specific details about the business model of PTV News may not be readily available in the public domain because this state-run news channel avoids sharing financial details due to multiple reasons. However, typically, state-owned media organizations may derive revenue through a combination of government funding, advertising, and other sources. The state-owned news channels including PTV News often receive direct funding from the government to support their operations. This funding might cover infrastructure, personnel salaries, and other operational expenses.

Interpretation of Theme: - the advertising has emerged a key source of income for the private news channels including Geo News in Pakistan whereas the federation of Pakistan / federal government of Pakistan was responsible for entire operations, salaries and other operational expense for the state-run news channel i.e., PTV News.

Theme No.2
Real Estate VS Press Information Department
GEO News like other news channels receives great financial incentive / influence through Real Estate sector in Pakistan. Bahria Town is one of the major real estate players which provide heavy funding to Geo News, accordingly, the real estate sector has quite firm grip on the editorial content of the news channel. The property tycoon of the Bahria Town never emerged as negative
symbol on any private news channel including Geo News. Moreover, the Geo News also syndicate it’s news and editorial content to other media outlets or sell its content for use in various formats, such as online streaming or international broadcasts. Sometime, this seems an additional source of revenue. On the other side, the PTV News focuses on Press Information Department for funding from the federal departments including ministries, and allied public departments of the federal ministries.

**Interpretation of Theme:** - the Geo News has designed its financial model in a way that makes it to rely on different sources of income including Real Estate Sector, which involves hundreds of housing colonies including Bahria Town, DHA and others. A major financial chunk is collected from this sector which also puts weight on editorial content and news coverage. For instance, private news channels including Geo News seldom give negative coverage to real estate sector in Pakistan. The PTV News, however, has altogether different editorial and news policy, which never permits the state-run news channel to go against the state-adopted policy.

**Theme No.3**

**Multinational Companies VS DGPR**

The GEO News engages itself in partnerships with various national companies or multinational organizations for sponsorships. These partnerships could involve special programs, events, or branded content, providing an additional stream of income. Multinational companies have yet another great source of heavy financial income for the Geo News, accordingly, Geo News never go against the multinational brands of such companies or corporations. Likewise, the PTV News depends on the Directorate General of Public Relations at provincial level and further develops mutually beneficial relationship through sponsorships. The PTV also collects revenue through offer of subscription-based services or premium content to viewers for an additional fee. However, the PTV News channel generates revenue through advertisements from provincial departments. Although, advertisers pay Geo News to air commercials during programs, and this income helps support the channel whereas the PTV News has restrictions on the types of advertisements they can air.

**Interpretation of Theme:** - the GEO News receives heavy funding from the multinational companies and projects soft image of the multinational brands. The private news channel has a special wing to deal with multinational companies and builds strong liaison with the multinational brands. However, the PTV News solely relies on the Directorate General of Public Relations at provincial level to collect revenue. From this platform, the PTV News also develops relationship with various public departments and projects their soft image.

**Theme No.4**

**Private Companies VS Public Departments**

The marketing team of the GEO News has close financial coordination with the small and large private companies registered with the Chamber of Commerce across the country. Such companies require media coverage to project their soft image or to brand them among general public to increase their sale of different products. However, the PTV News from the platform of the DGPR or itself engages in partnerships with public and private entities for special programs, events, or sponsorships, generating additional revenue from such departments. PTV News, however, projects soft image of public departments by showcasing and propagating their public services. The core objective of the both news organizations is to project soft image of their clients and reciprocally they collect heavy funding either from the private organizations or the public departments.

**Interpretation of Theme:** - the Geo News involves chambers of commerce and projects soft image of various companies and industries registered with the chambers of commerce across the
country whereas the PTV News develops linkage with public departments and project services delivery of such departments. Both collect revenue through different modes.

Theme No.5
Channel’s Innovation VS Sports Rights Revenue
The GEO News has introduced various Online Platforms and Digital Services for their viewers. For instance, as a whole, many private news channels expand their reach by providing content on digital platforms. Similarly, the Geo News generates revenue through online advertising, subscriptions to digital platforms, and partnerships with streaming services. In some cases, the private news channels including Geo News offers subscription-based services or premium content for viewers who are willing to pay for access to exclusive features or programs. Even newspapers have started this trend and reduced printing their hard copies. The GEO News has recently brought a new innovation of developing ‘Rishta App’ through which the channel was earning to great extent. On the other side, the PTV News often generates revenue by syndicating its content to other media outlets or selling content for use in various formats, such as online streaming or international broadcasts. For instance, the PTV News purchases airing rights for different sports including cricket matches including the mega event of World Cup by the International Cricket Council (ICC).

Interpretation of Theme: - the Geo News was bringing new innovation by developing various apps and earning to great extent besides providing subscription-based services whereas PTV News purchases airing rights for different sports. For the most up-to-date and accurate information on Geo News' business model, it is recommended to check the latest reports, financial statements, or official statements from the organization that how the channel has developed rather transformed from traditional to modern means of revenue production.

Conclusion
The study concluded with an argument that public news channel [PTV News] has a straightaway visible approach of serving the political elite in power because the political party, which forms the government in Pakistan, has different political goals. The PTV News channel projects the soft image of the political bigwigs in power while giving extraordinary coverage to different projects of the ministers from the ruling political party. The study concluded as the political party in power provides absolute financial support to the state-run channel, therefore, the PTV gives absolute coverage to the projects and events organized by the ruling political party while negating the stance of the opposition parties. On the other side, the study further concluded that the GEO News channel is owned by the private person – Mr. Mir Shakil-ur-Rehman – therefore, the channel avoids showcasing its political agenda rather the channel gives coverage to all political parties with marginal difference. In fact, the study concluded that private news channel has different components to accommodate political elites. For instance, news programs, special news packages, personality oriented program i.e., Eik Din Geo Key Sath etc., have extra mileage. The study concluded that the both news channels including PTV and Geo have almost same agenda with different approaches.

Findings and Discussion
Following are some key revelations among different findings emerged from this study. For instance, the study found out that every news channel either public or private has different financial policy / business model keeping in view of its editorial policy. The Geo News enjoys variety of news and celebrity oriented programs besides news production with massive financial support from the government as well as private multinational and national organizations. The study found that Geo News has robust news production with liberal editorial policy for providing coverage to all political parties with slight difference of political inclination. Geo News has liberal business model i.e., everyone including government and private parties/ organizations can
engage news through advertisements and seek media influence to enhance their personal and party’s image. The GEO News enjoys freedom of expression to great extent as compared to PTV News despite of its deepest financial dependency on private organizations. The study revealed that PTV News has only one editorial policy to provide absolute coverage to the ruling political party and its ministers.

No one objects on editorial policy of the PTV News, because the channel has made everyone habitual for its practice. In fact, the ruling elites have made PTV News to follow the line of the government, whosoever forms the government. PTV News has quite a rigid business model and it totally depends on the government exchequer, therefore, the state-run news channel has no interest in relying the financial support from private donors or the private companies. There seems massive difference between business management models of the both news channels. Only, one factor from the business model was found common and that was ‘serving interest of bigwigs’ with difference of approach.

Suggestions and Recommendations
The researchers came up with following suggestions and recommendations in wake of the results, conclusion and findings of the study: -

1. The government in close coordination with all the stakeholders of the private news media should devise a comprehensive financial policy for electronic media.

2. A sustainable business model at par with the international news channel is need of the hour for Pakistani news channel regardless of their nature of public or private.

3. Keeping in view of the social responsibility theory, the government should discuss with the owners and editors of the news channels to device and implement the ‘socially responsible policy’ for news coverage of happenings in Pakistan.

4. An acceptable business management model should be developed and implemented by the government with business oriented approach with ultimate cause to serve interest of the public.

5. Every reporter, copy editor, sub-editor, page maker, designer and everyone associated with the news channel should be trained and educated about the comprehensive business model of the news channel at the start of induction.

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