

Media Environment and Attitudes to Media in Armenia



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"Media Environment and Attitudes to Media in Armenia" is a sociological study. Its aim was to research the environment in which Armenian mass media operate and the factors that influence audience perceptions of mass media, media professionalism and the ability of the media to fulfill their social functions.



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Methodology

“Media Environment and Attitudes to Media in Armenia” is a sociological study. Its aim was to research the environment in which Armenian mass media operate and the factors that influence audience perceptions of mass media, media professionalism and the ability of the media to fulfill their social functions.

The study is based on the hypothesis that the quality and professionalism of mass media depend on its sources of income, primarily on whether the media rely on patronage or business models for their financial sustainability. Here the word “patronage” is used to designate a situation in which a mass medium is partly or fully sponsored by economic or political bodies. Since in contemporary Armenia, economic bodies frequently have political interests as well, purely economic patronage is uncommon. Patronage directly influences media content, as the selection and presentation of information is oriented towards the patron rather than to the audience. By a “business model” we imply a situation where mass media rely on non-political sources of income, primarily advertising. Many scholars believe that this model implies better understanding of audience needs and greater editorial freedom. Various combinations of patronage and business models are manifest in contemporary Armenian mass media. The goal of the study is to find out how the income sources of mass media, media content and public attitudes to media correlate in present-day Armenian reality. We also tried to understand what can be done in order to ensure greater financial stability and editorial independence of mass media and the fulfillment of their social functions.

In-depth interviews were the main technique used for the overall description of the situation and verification of the basic hypothesis. Focus groups were used for data systematization and completion. The objects of study were selected using the method of multilevel selection.

The first and main group of interviewees consisted of journalists, editors and owners of various media, including central and regional TV companies, online media and print media of various types (political, entertainment, advertising). The second group included advertising agencies and agents. The unwillingness of the staff of major advertising agencies to participate in the study was a serious obstacle to the project. We had to limit our scope to staff of smaller agencies and independent agents. The third group consisted of advertising and marketing managers of business enterprises active in Armenia.

We also interviewed representatives of an organization that conducts media monitoring. After the interviewing stage, we conducted focus-group discussions with ordinary citizens (standard selection by gender, age, education and occupation) and active readers who represented the civil society. All interviews were anonymous; the sources of citation are not mentioned in the report.

1. Media Environment

1.1. Media Quality

On the one hand, media professionals interviewed for this project believe that financial resources are crucial for media quality. Interviewees mentioned that the average salary of a newspaper journalist is close to the minimal salary in Armenia, leading to an especially acute shortage of professional staff in print media. TV journalists are paid better, and their salaries are higher in the capital than in the regions, causing the most professional journalists from regional TV companies to leave for Yerevan in search of better paid jobs.

Financial resources enable the division of labor, which our interviewees considered to be a positive factor: more journalists are becoming specialized in a particular area and this improves the quality of their work.

On the other hand, interviewees pointed out that, especially on television, managers and editors often choose profitability over quality.

“ ...The director of your TV station asks whether you have a sponsor, he doesn't care about the quality of your work. You depend on your sponsor... ”

(from an interview with a TV journalist, Yerevan)

As to online media, its representatives believe the best way to ensure financial stability and high quality is to enter the international market (in terms of both advertising and information). For this, one needs a high-quality connection, attractive and functional websites, translation into other languages and a strong network of correspondents. All this requires investments, which are so far out of bounds for many media.

Many media professionals believe that training courses for journalists are important for improving media quality. However, one of the editors who participated in our study mentioned that in training courses, journalists are often taught methods and approaches which are incompatible with the practices that exist in his media company. Online media place special importance on education because the online sphere is still at the stage of development. However, opinions about the quality of available training courses vary; some courses are assessed as effective and others, as primitive and meaningless.

1.2. Constraints

According to media professionals and audiences, TV stations cover a very limited selection of topics because of external pressures and economic and political constraints

imposed by patrons. Some interviewees pointed out that regional television is freer than central stations as it is under less pressure due to smaller audiences and limited impact.

Both media professionals and audiences believe that in print media, the selection of the topic, content, style and genre is less restricted than on television. However, many interviewees point out that print media have recently become more sharply critical, which often involves breach of ethics (personal insults, derision etc.) and using unverified sources of information.

Online media were assessed as the most independent type of media in Armenia, operating in the least restricted information space.

1.3. Audiences

TV stations obtain some information about their audiences from feedback and monitoring. Major broadcasters buy research data from companies that study TV audiences using people meters (AGB Nielsen and Telemediacontrol, a local company licensed by GFK). However, according to interviewees, most TV stations have very vague ideas about their audiences.

“...We haven't conducted any audience research. We have some rating data which still needs to be analyzed in detail in order to understand which age groups, which communities and what people watch us. We suppose that our audience is of a median age, has secondary or higher education...”

(from an interview with a TV editor, Yerevan)

Print media study their audience by analyzing information about subscribers, conducting telephone interviews, reader polls and monitoring. Newspapers have limited financial resources for in-house audience research. According to journalists and editors interviewed for this study, one of the most important problems of the media is the low percentage of young people among the readers.

The audience of online media is younger and wider, extending beyond the borders of Armenia (though some TV stations are relayed abroad, access to the Internet is easier and wider). Besides, it is much easier to research the audiences of online media because

- There are exact statistics on Internet users,
- There is an intensive feedback mechanism through comments and forums.

According to the findings of this study, the audiences of online media are growing as access to the Internet improves and trust in other types of media goes down.

2. Societal Attitudes to Mass Media

Media consumers involved in the study generally distrust mass media and question the credibility of information reported by the media. According to focus group participants, the reason is that Armenian TV stations are under the patronage of powerful people so that reporting is only objective to the extent that it doesn't go against the patrons' interests. As to print media, they do not only interpret the same event in different ways but often report the same news differently. According to audiences, one has to get information from several sources in order to find out what really happened.

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As main sources of information, media consumers prefer television and partly print media. For most consumers, the Internet is not a source of information. Moreover, focus group participants consider rumors circulating in their social circle to be an important source of information which is more reliable than the media.

In spite of the fact that audiences prefer television to other forms of media, they don't assess its quality as high. Focus group participants believe that many TV stations lack professionalism and creativity, mostly broadcasting content which is uninteresting, cynical and low quality. They also believe that Armenian TV stations often copy content from foreign stations (although they haven't watched any foreign TV stations). Users criticize TV programming for repetitiveness, saying that round-the clock broadcasting is too often a 5-hour program repeated throughout the day. They also disapprove of "amateur" anchors who are not professional journalists but come from show business.

One of the concerns is that it is difficult to give feedback to Armenian television; people want to have a say concerning the existing programming or suggest new projects.

“...If there is a hotline, I will definitely call and express my opinion on several programs. Now you don't know whom to call. Yet sometimes you wish you could call them and tell them what you think.”

(from a discussion with ordinary citizens, Yerevan)

Very few focus group participants mentioned print media as a source of information alongside television. Online media are unavailable for most ordinary citizens. Younger people who have access to the Internet said they read those websites which their friends recommend to them.

As a drawback of print media, interviewees named their style of reporting.

Contrastingly, representatives of civil society named online media as the only independent and free type of media in Armenia. According to them, online media are not only the most independent and neutral but also have the best timing. One of the participants

also mentioned blogs as a reliable source of information. RSS feeds were named as another advantage of online media.

The “professional” audience does not trust print media but considers it to be a source of information that needs to be compared to data from other sources before any conclusions can be drawn. They believe that journalism ethics has recently been declining. Some respondents think that journalists very often confuse freedom of speech with leisure to violate ethical standards.

They also said the root of many problems was the fact that mass media were often not a business, causing them to become the media arms of political bodies.

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“...If journalism becomes a business, this will boost the quality and encourage the independence of Armenian media. From this point of view it is very important to create a Media Industry Committee and elaborate advertising policies so that advertising can become the source of financial sustainability of the media.”

(from a discussion with civil society representatives)

According to active readers, in recent years non-political print media have seriously developed as a business and are very different from political press in this respect.

Television is described as dependent and lagging behind. Armenian TV is uninteresting to civil society actors as it is too predictable: one can say exactly when and what will be broadcast. This is why active readers watch almost no TV and don't regard it as a reliable source of information. They also mentioned poor language as one of the things that discourages them from watching television.

3. Income Sources of Armenian Media

3.1. Television

According to the findings of the study, **Armenian media rely on the following sources of financing:**

1. Financing from the state budget (public TV). Many interviewees think that this gives public TV an unfair advantage, especially as the public funding does not entail responsibility to fulfill any social functions.
2. Advertising
3. Income from specific programs
4. Business investments
5. Political sponsorship
6. Grants from international organizations (chiefly regional TV companies)
7. Other

On the one hand, active investments in mass media are concentrated in the capital. Large investments are needed to finance the activities of a TV station; if no profits roll in, financing is discontinued. For example, a business holding used to finance one of the TV stations in the province of Syunik but soon stopped when it did not get the expected profits. Business monopoly also limits free competition, especially on regional level. Since Armenia's regions are less developed than the capital and audiences are much smaller, advertising incomes are not high. Moreover, advertisers are mostly interested in highly popular programs, and this also puts regional stations at a disadvantage as they cannot afford to purchase popular soap operas, games or shows. On the other hand, regional TV stations are of less interest to political sponsors, which makes them more business-oriented, albeit with limited capacity.

Central TV companies function in a competitive environment according to business rules where entertainment programs are concerned but in the information space, political motives prevail over financial ones.

TV companies have two main formats of financing: for the station as a whole or for a particular program. If a program has sponsors of its own (this is mostly the case for entertainment, personal shows or educational programs), a TV station tries to keep it. If previously, a program had chances to be broadcast without sponsorship in the hope to raise finances after it becomes popular, nowadays the managers of TV stations prefer to broadcast programs that already have their own sponsors. Both the advertising department of the station and the author of the program go looking for ways to finance a program.

If a TV station is financed by a business, it turns into a business corporation. When such a station covers the activities of its sponsor or does not report information which may

damage the sponsor's reputation, audiences perceive this as regular practice aimed at protecting corporate interests. However, interviewees disapprove of the situation when a sponsor of a media company acts in secrecy.

Political patronage is special. The study revealed two main types: open financing, when a news medium is admittedly the media arm of a political party, and the kind of financing when it is not shown that the media outlet belongs to a political power and is financed by it. In both cases, the freedom of journalism is limited. Journalists working for such a TV station are not welcome to events organized by the political rivals of its patrons; moreover, the content of reporting may be dictated from the top.

“ ...For example, if an organization which supports your rivals holds an event, you may not cover it. Or else the director tells you to invite a particular guest or interview a particular person. ”

(from an interview with a TV journalist, Yerevan)

In the event of political patronage, a journalist's reputation has an impact on his/her freedom. If a popular journalist becomes part of the company's brand, he or she has more freedom to choose topics and guests for their program but still needs to take the management's opinion into consideration.

An interesting finding of the project is that business models are gradually penetrating even those media that rely on political patronage.

“ ...In the past, we used to submit our projects to the director and the editor. They would decide whether it was a good idea and whether it agreed with the party's policy. Nowadays the system is different: if a program has a sponsor, its chances to be broadcast are very high. ”

(from an interview with a TV journalist, Yerevan)

“Other incomes” are ones which TV companies obtain via corruption or blackmail (see below).

The interviewees mentioned the following main obstacles to the development of television journalism:

- The small market

According to interviewees, the sources of finance for Armenian media are limited by the size of the market. As it grows, media will develop faster.

- Economic crisis

With the economic crisis, the advertising incomes of TV companies went down, undermining their sustainability and independence.

- Poor marketing skills

According to several interviewees, many TV stations do not try to understand the interests and perceptions of their audiences, advertisers and other stakeholders. As a result, advertisements are broadcast at the wrong times and in the wrong programs, leading to a decrease of commercial incomes.

- Unequal playing field

Political and economic patronage prevents free and fair competition.

3.2. *Print Media*

Income sources of print media include:

1. Advertising
2. Subscription
3. Economic sponsorship
4. Political sponsorship
5. Cooperation with the NGOs (especially in regions)

Just like television, print media are more active in the capital. Lately, businesses have not had much interest in regional media, as exemplified by the fact that newsstands in the regions are being shut down.

On the other hand, being less attractive for political sponsors allows regional media to function more freely and independently. Political sponsors become interested in regional print media chiefly during elections, including local ones. The activities and the sources of financing of regional print media thus vary over time: before and after elections, regional media rely more on business models whereas during elections there are more options for patronage. Since social ties are stronger in the provinces than in the capital, regional media often cooperate with civil society. NGOs use print media as a tool for informing society, to affect public attitudes and build relations with the society. This type of cooperation helps media to stimulate readers' interest and raise profits.

Contrastingly, new bigger newsstands are built in Yerevan to replace old ones, which means that the print media market in the capital is competitive.

Our study revealed that some newspapers in Yerevan fully rely on advertizing for their sustainability. For example, one newspaper was founded using a bank loan and has

already existed for 20 years, getting 70% of its income from advertising and 30%, from sales. Just as in the case of television, the main problem here is the poor development of the advertising market. Dozens of newspapers struggle for the same audience. Some of them opt for low quality and minimal expenses (for example, one newspaper has 8 pages; each copy costs 30 drams to produce and is sold at 100 drams, relying on this margin for its profits). Meanwhile, newspapers in the West are usually sold below cost and all expenses are covered from advertising revenues. Some papers published in Yerevan also work like that (e.g. one newspaper has 28-30 pages, each copy costs 180 drams to produce and is sold at 150 drams).

Lately, the advertising profits of the newspapers have gone down; our study has identified the following causes:

- Unfair competition with television

Given their limited audiences, print media are less attractive for advertisers especially since TV ads in Armenia remain relatively cheap compared to other countries. However, advertising in print media pursues a different goal, for example, not just presenting the brand but also disseminating information about it. The goals and efficiency of print advertising are different, something advertisers are very often unaware of.

“...We don't usually publish any ads in newspapers. We tried but we didn't get any results. We mostly use newspapers when we need to publish an analytical article, or if they offer to write about us, or if we want a big detailed report about our services and prospects for quality development”

(from an interview with the advertising manager of a bank)

- Limited presence of small and medium business on the advertising market

The insufficient presence of small and medium businesses in the advertising market is one of the obstacles to the development of advertising in print media. According to the interviewees, print media are not attractive to big businesses because readerships are small; for small and medium businesses, they would be just right. However, small and medium businesses are not very active on the Armenian advertising market.

- Inefficient marketing and pricing

Only some newspapers have professional marketing staff. Almost no print media have returns policies similar to ones practiced in the West. Moreover, the profitability of print media strongly depends on correct pricing geared to audiences. For example, business newspapers are often more expensive because they target middle-class readers, whereas if a newspaper wants to disseminate the ideas of a political party its price needs to be lower in order to win a wider audience. In Armenia, print media have not learned to apply marketing

policies and there have been few attempts to produce a free newspaper which would fully rely on advertising. According to interviewees, the advertising market of print media in Armenia is not strong enough for projects like these, and therefore investors are not interested.

3.3. *Online Media*

Online media are considered new on Armenian media market. A substantial number of online publications are financed by businesses and based on a business model especially where they belong to a financial holding company. For example, one of the online news agencies that we looked at in this study was created as a business corporation with the goal to make a profit. The agency does not limit the freedom of its reporters as it believes that limitations can diminish readers' interest in the site. This approach is rather common in online media in Armenia. For example, one news website was advertising and sponsoring the "Golden Apricot" Film Festival but at the same time it was also covering an alternative version of the festival which was covered by very few media. Moreover, right next to the banner of the festival one could find the results of a survey which showed low public interest in the festival.

In Armenia, the online advertising market is at a stage of active development. New projects are being launched; new techniques such as context-relevant advertising are being imported. Context-relevant ads are still a novelty in Armenia but the advertisers' interest in it is growing and websites are trying hard to promote it. For example, some websites offer advertisers the option to place a free banner in a particular story in order to test its efficiency.

Interviewees working for online media believe that on today's media market in Armenia, only online media and entertainment media are truly market-based, whereas non-online political and social media cannot operate like that.

Corruption in the media

It is difficult to estimate the true financial situation of Armenian media because of the corruption existing in this field:

“...In reality, media are corrupt, their true incomes and expenses are not transparent”

(from an interview with a TV journalist, Yerevan)

“...I have spoken to journalists who said that their outlet was not financed by anyone. For example, there is this newspaper which sells 300 copies. Multiply 300 by 100 drams and you get 30000. It is not even enough to pay for the editor's coffee but the journalists say and even swear that they are not supported by any donors. They are lying. But they love to speak about integrity, democracy, about the government being so bad... about everything”

(from an interview with a journalist)

The interviewees mentioned incidents when big corporations bribed media to cover their activities. Sometimes media are bribed not to criticize a particular person

“...very often they simply bully you. They criticize you and then ask you to pay them to stop criticizing”

(from an interview with a business actor)

Social ties and networking play an important role in this corruption model. The journalist's activities depend a lot on their personal relations with various people, including businesspeople and public officials.

4. Media Preferences of Business Actors

While looking at the prospects for economic development of the media, it is very important to understand the preferences of business actors.

Some Armenian corporations do not have an advertising department, and the director of the organization fulfills the duties of an advertising agent.

“
...We don't have an advertising department. Mr. S. himself does this work. He does not want to answer your questions...”

(from a conversation with the manager of a large factory)

On the other hand, in recent years many organizations have become aware of the need to establish advertising and marketing departments. This leads to the emergence of a new culture of cooperation between the business sector and the media, and the involvement of intermediary organizations such as advertising agencies.

Although many agencies have been present on the advertising market for quite a few years, the tradition of cooperation between local businesses and advertising agencies is at the earliest stage of its development. According to businesspeople, just 4-5 years ago they preferred to get in touch directly with a media outlet, get a quote for advertising and decide where and how to place their ads. Businesspeople would choose the media themselves, based on their own perceptions, and saw no need to invest into the services of professional advertising agencies. As the advertising market developed, agencies started offering a wide range of services from producing advertisements to designing advertising campaigns. As to data about target audiences, the agencies either gather it themselves or hire experts or sociological companies. Many advertising agencies also buy data from two media research bodies – Telemediacontrol (licensed by GfK) and AGB Nielsen.

Now many businesses in Armenia employ the services of advertising agencies. They believe that these agencies have access to reliable data on the rating of particular publications or programs. The confidence of businesses towards an advertising agency is based on two main factors:

- Experience of previous cooperation,
- Comparison with services offered by the other agencies.

Company managers usually participate in making decisions about placing ads with a highly popular TV station. The decision to place a cheap ad with a less popular station is often made by the agency itself without consulting the advertiser.

Almost all interviewees believe that the advertising market is more developed in the field of entertainment where both television and print media are concerned.

Most advertisers want to place their ads in TV programs which are commonly believed to be very popular, chiefly entertainment programs and soap operas. Although they have no data to prove this, businesspeople interviewed for this study believe that serials have large audiences and are popular with a wide variety of social groups. Focus group participants also agreed that “almost everyone” watches serials. However, when placing ads businesses increasingly often pay attention to the content and not just to the perceived popularity.

“ ...There is a serial on one of the TV stations... I don't remember the name but I know that everyone criticizes it and everyone watches it. It is very popular but a bank cannot advertise in a film about mafia ”

(from an interview with a bank manager)

In spite of the fact that advertising agencies offer services to design advertising campaigns, advertisers often prefer to work with those media with which they have a long history of cooperation, corporate relations and ties.

Advertisers complain of frequent changes in TV programming of which they are not informed beforehand. They also dislike the absence of transparency in the pricing of advertising, and disapprove of situations when the TV companies “dictate the rules of the game”.

Many interviewees mentioned the grey area between advertising and reporting in various media, and the existence of hidden advertising. There is a practice when journalists only agree to cover a company's press-conference for a bribe.

“ ...For example, you call a TV company and they say they are not interested. But if you pay 250,000 drams, they suddenly get interested ”

(from an interview with a business manager)

According to the staff of advertising agencies, businesses avoid print media because they believe that they are corrupt. Many newspapers go out of the way to attract advertisers. For example, if there is a lawsuit against a company, a newspaper can call the company and offer not to cover the case provided they place an advertisement in the paper.

While working on the media market, Armenian businesses prefer short expensive advertising campaigns which they believe are more efficient. This means that the advertising strategies of businesses chiefly aim to sell products, not to present a brand. For example, a

bank manager told us that his bank prefers to place ads in popular shows such as Eurovision. They are confident that it will ensure a wide audience and many clients. He believes that it does not make sense to advertise during those programs which have fewer viewers and are cheaper to advertise in.

A much less common strategy in Armenia is a wide campaign, when a business advertizes in various types of media and gets access to a wide advertising field. In this case, the advertising strategy focuses on presenting a brand as well as selling products and services. Very often, Armenian companies are not aware why they advertise in the media at all.

Advertising in print media has the following features:

- Businesspeople think that it is risky to advertise in opposition newspapers because the government might not like it.
- Print media are mostly used to describe products and services in detail. On television, this would be too expensive. Companies often ask newspapers to publish “analytical reports” about their activities.

Collaboration between the business sector and online media is increasing with the improvement of access to the Internet in Armenia. However, many businesses consider online advertising inefficient because online media are at an early stage of development and their audience is small. From the perspective of advertisers, one of the advantages of online media is that data about readership is easily available and transparent. Advertising and marketing departments of business corporations use data from websites which rate web resources.

“...If a website operates transparently, you can find statistics about it. There is statistics about our website. Our readers are men and women aged 25 to 30. We get all the figures from the Internet: who reads our website, in which languages etc. We don't do this research ourselves, there is a special service which does it”

(from an interview with the editor of a website)

There are two types of websites. Websites of the first type (such as circle.am) provide information which is open and freely available but not very detailed. By visiting such a website, an advertiser or agent can find out the number of visitors to a website. Websites of the second type collect detailed statistics about visitors: geography, gender, age etc; this information is not public and can only be accessed by the owners of the media. Some online media are willing to publish this information because they wish to compete against others in a transparent and free market.

“ ...We are ready for an open competition, we want everyone to know who our readers are ”

(from an interview with the editor of a website)

However, some Armenian websites do not want to be transparent and prefer to limit access to their statistics. In general, business actors consider lack of transparency and the inefficient structure of the advertising market to be the main obstacles for their cooperation with the media.

Conclusion

In recent years, business models have been developing alongside patronage in the Armenian media environment. According to this study, the functioning of business mechanisms correlates with greater media independence. Even in those sectors where, according to our interviewees, patronage dominates, the existence of business stimuli, such as a certain popular program or anchorman being attractive for advertisers, creates room for freer and more critical reporting.

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Patronage is especially strong in media which have large audiences. In this sense, regional media that have smaller incomes also rely more on business models. They also collaborate more actively with the civil society and have closer relationships with their audiences.

More and more often, advertising is an important source or even the main source of media income. However, audience research data which is essential for transparent competitive partnership with advertisers is insufficient and often unreliable. Two companies researching TV audiences use the same technology but rely on different sociological data about the population of the country and end up with different results, a fact which undermines trust in the data they provide. In terms of audience research, online media are doing best because data on the number of website visitors is open to everyone. However, detailed information about audiences is only available to the media itself, and some online media prefer not to publish it, making this sector less transparent. Data on the readership of print media is either collected by the publications themselves or by advertising agencies. In both cases, its transparency, consistency and objectivity are questionable.

Advertising agencies are developing but also operate in a non-transparent fashion. Major advertising agencies refused to take part in our study. A significant part of the collaboration between advertisers, advertising agents and media is based on informal social ties. Many business corporations do not have an advertising or marketing department, and their advertising policy is unprofessional. Business actors are not aware of the various functions of advertising and prefer short-term intensive advertising campaigns on television. Advertisers strive to get instant returns from advertising and do not design long-term campaigns aimed at securing a place on the market.

Business models are widely applied in the entertainment sector both in print media and in television. On one hand, this leads to stronger specialization of journalists, wider variety of products and larger demand, on the other, to a quest for income at the expense of quality, especially as long as collaboration with sponsors and advertisers remains non-transparent, verified audience research is not available and there is widespread perception that low-standard products are more popular. Online media are more business-oriented, they have less editorial control and fewer external influences. However, the audience of

online media is so far quite small and only active professional readers rely on online media as the main source of information.

Informal relations play a great part in the production, sale and consumption of media products. Consumers choose what their social environment chooses. In general, they rely on rumors more than on the media. This proves the fact that media industry is not formed yet. Widespread patronage undermines trust in the media and non-transparent economic mechanisms hinder the functioning of business models.

Another sign that the media have not yet evolved as an industry are the numerous ethical problems mentioned by journalists and readers interviewed for this study. They are perceived to be especially acute in print media. The media have high incidence of intolerance, derision, labeling and even rude insults. Inefficient self-regulation in the sphere of ethics prevents print media from winning new audiences and makes them more vulnerable to pressures from economic and governmental structures.

Recommendations

Based on the findings of this study, we have drafted the following set of recommendations:

1. Political patronage has negative impact on public trust towards the media and makes them unable to compete on the market. Even given the existing political and economic constraints, a business-oriented strategy offers media wider development prospects.

2. Open, reliable and consistent information on media audiences will help to ensure a free competitive field and will enable the media to develop and effectively survive without political patronage. From this perspective, it makes sense to study and use the experience of those countries in which organizations such as Media Industry Committees carry out independent audience research, thus enabling advertisers to find their way in the media market.

3. Dominant informal relations and non-transparent economic policies discourage non-political sponsors and advertisers from entering the Armenian media market. If the media become more open but also learn to regulate themselves more efficiently, they will stand better chances of developing as an industry.

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