

IMPACT OF GLOBALIZATION ON THE PERFORMANCE OF MEDIA SYSTEMS AND MEDIA

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Abstract

Globalisation is the characteristic of the 21st century, and it is a notion used to describe changes in society, culture and global economy which lead to a dramatic increase of the international exchange in trade, culture, people, and ideas. Globalization affects all aspects of society, from the economy, through culture, to the media. This paper is concerned with the impact of the globalisation on the performances of media systems and media. However, most media today are digitalised, and digitalisation is a process of transformation of one object, picture, sound, document or a signal (usually an analogue one) into digital. It is emphasised that media are intermediaries in the transmission of information between those who disseminate it (e.g., governments, corporations, multinational corporations...) and the end users, or, the population as the recipients of the information. However, media, apart from being intermediaries of information, can also create different media content, and that way significantly impact the countries' population views. This paper will present a part of a research related to the performances of media systems through the example of one media company in Serbia, and it is expected that the answers will be provided on how and in what way media content are susceptible to global influence. Therefore, this analysis is expected to lead to findings on how globalisation influences the following performances of media systems: financial, operative, employees' performances, and development performances.

Key words: globalisation, media, digitalisation, performances.

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1. Introduction

With the advent of the Internet, media around the world have become connected, and today information can be transmitted all over the planet in just a few minutes. Therefore, scientists increasingly use the term globalization, which implies something global, world-wide, something that does not know the borders of countries and regions. Although there is no single definition of globalization, most theoreticians emphasize that it is a process of political, social, economic and cultural action, which transcends the borders of countries and strives to unify the entire planet. "Globalization refers to the fact that we increasingly live in one world, in which our actions have consequences for others, and world problems have consequences for ourselves. Globalization today affects the lives of people in all countries, rich and poor, bringing changes not only to global systems, but also to everyday life." (Giddans, 1998).

If we look historically, television made a significant step forward when it comes to electronic media, and until today it holds a high ranking place as a means of informing citizens. The famous American journalist, writer, critic and essayist, Dwight McDonald said: "Television is a product of the mass needs of our time." Television is a discovery of the 20th century, but the first attempts to transmit static images (phototelegraphy) and then live images (telecoscopy) are much older. After numerous attempts by many scientists and constructors, the history of civilization assumes that the Scottish engineer John Logie Bear was the first to succeed in this. On April 25, 1925, he managed to transfer a picture of a doll with the help of his assistant William Tayton from the attic of the house where he lived to the store on the ground floor. The technique was based on a signal recorded on an Edison record, and the machine used to record was called the phonoscope. In 1927, the American Philo Farnsworth succeeded in perfecting the cathode ray tube (kinescope), which forms the basis of the TV receiver, and thanks to him, on April 7, image transmission was realized at a much greater distance from Washington to New York. The first regular television program began broadcasting on November 2, 1936 in England (this is an unprecedented standard when it comes to BBC television). The first professional demonstration of television in Serbia was organized in September 1938 at the Belgrade Fair, with the engagement of local actors and singers to perform the program. The development of television in our country was slowed down by the Second World War, and only after reconstruction and economic recovery could one think of introducing television. The first step is symbolically linked to the centenary of the birth of Nikola Tesla, one of the founders of radio broadcasting in the world. On this occasion, in July 1956, a television program was broadcast at the Technical High School in Belgrade as part of the exhibition of radio amateurs of Yugoslavia. In February 1958, Radio Belgrade grew into Radio-television Belgrade. (<https://edukacija.rs/poslovne-vestine/marketing/vrste-i-karakteristike-medija>, 10.08.2024.)

Television, although a relatively young medium, has undergone a significant transformation since its inception until today. From the moment when we had

black-and-white images and static frames, where sound and image were recorded separately, and then combined by editing, to today when high-performance mobile phones can be used to record reports and make live broadcasts from various parts of the world, all thanks to the Internet and digitization. However, that is not the end, because television develops every day with the development of digital solutions, which means that today it is closely related to information technologies.

2. Media Performances

All media have a need to analyze performance indicators, so in this paper we will use the famous Balance Scorecard approach (BSC) on the example of the Public Media Institution, Radio Television of Vojvodina (JMU RTV). Norton and Kaplan (the creators of the balance sheet) divided the organization's goals into four parts:

- Finances – financial goal of the organization,
- User – goals concerning users who use the organization's products or services,
- Processes – goals that concern the processes themselves within the organization and
- Knowledge and development - goals that concern people within the organization, ie. learning and raising the quality, competence and abilities of employees. (<https://project-management-srbija.com/strategijski-menadzment-balansna-karta>, 01.08.2024.)

Based on all of the above, we can point out that the performance of media systems can be divided into four groups, which are as follows:

1. Financial performance (includes indicators such as income, profit, etc.)
2. Operational performance (includes the satisfaction of service users, i.e. viewers or readers)
3. Employee performance (describe employee satisfaction and morale, employee productivity, motivation, earnings, etc.)
4. Development performance (includes investments in research and development, increase in viewership, etc.)

Radio-television of Vojvodina is a provincial public media service formed by the Law on Media Services with a clearly defined role and position, which are essentially determined by programs in Serbian and the languages of the national communities living in the territory of Vojvodina. In 2023, Radio-television of Vojvodina performed its role through seven registered media service providers: two television, three radio programs, internet radio and the website of the multimedia portal at www.rtv.rs, adhering to the highest professional standards. Among its most important tasks in 2023, RTV had the production of its own program of all genres, both in Serbian and in the languages of the national communities, for the most broadly defined audience on all grounds: age, gender, religion, nationality, education, professional, social or whatever which other, satisfying the interests of the public at all levels. Vojvodina Radio and Television paid special attention to the

position and activities of registered religious communities in order to spread intercultural and interreligious tolerance. By doing so, she contributed to the development and preservation of Serbian cultural and national identity, as well as multi-ethics, that is, to the development and preservation of the cultural and national identity of the national communities living on the territory of Vojvodina. In 2023, RTV's operations were financed from the following sources:

- RTV fees,
- the budget of the Republic of Serbia,
- commercial income,
- donation from republican and provincial administrative bodies,
- other revenues determined by the Statute of the Public Media Service (funds of international organizations).

Based on the above, the financial performance of JMU Radio Television of Vojvodina includes the indicators of the financial report, regarding income, expenses and actual profit/loss. We will focus on the following table:

Table 1: Presentation of income and expenses of JMU RTV for 2023 and 2022 (in thousands of dinars)

	2023. year	2022. year
Total income	3.642.035	3.537.373
Total expenditure	3.614.881	3.419.610
Net gain	25.665	106.955

From the official report of JMU RTV, we see that the result of operations for the year 2023 was expressed in the form of a profit in the amount of 25,665 thousand dinars, compared to a profit of 106,955 thousand dinars, which was reported in the operation in 2022, which as a conclusion states that the financial performance of RTV should be significantly improved, that is, it should be enabled to generate higher revenues in the coming period, so that its operations would be more successful. When it comes to operational performance, it can be concluded from the report that the viewership of RTV slightly increased compared to the previous year, but that it is necessary to produce more attractive media content in order to survive in the battle for viewership. When we look at the performance of employees, we see from the report that JMU RTV on 12/31/2023. has a total of 1,231 employees, of which 1,072 (87.08%) are permanent employees and 159 (12.92%) are permanent employees. A big disadvantage is precisely the work of people for an indefinite period of time, so it is recommended to managers to employ these people as soon as possible in a permanent employment relationship, in order to improve their status and increase their motivation to work. Also, one of the main shortcomings is the low wages of employees, which on average in 2023 amounted to 81,875 dinars. Therefore, the recommendation to the management would be to increase earnings, at the expense of reducing costs in business. RTV has an organizational unit, the Department of Program and Audience Public Opinion Research, which deals with research into TV viewership and Radio listening. Special

importance is given to development in terms of technical and technological progress (construction and equipping of a modern RTV home). The report states the continuation of the investment - equipping the new office building of RTV, investing in tangible and intangible assets of RTV and its development, efficient investment in technical and production equipment for the production of programs with the function of use in current and future conditions. Which means that the development performance of the observed television JMU RTV Vojvodina has a good perspective, that is, additional work is needed on the realization of these planned activities. After the performance analysis of the media systems of the Public Media Institution Radio Television of Vojvodina, we can conclude that it is a provincial public service that has an excessive number of employees, whose finances are not at the best level and that requires organizational, financial and technological transformation. If we consider that more than 2,500 media outlets operate in Serbia alone, then it is quite clear what a difficult market game JMU RTV is playing. However, what is not stated in the business report is precisely the way news is created. From the conducted anonymous survey of the editors at JMU RTV, we obtained the information that more than 57% of the news in the centrally informative broadcasts is obtained from foreign agencies (mostly Reuters, over 80%), which means that world media agencies, by marketing the news, significantly influence the performance of media systems around the world. Therefore, the influence of globalization on the formation of media content is enormous, and modern technology contributes to the rapid spread of news and information on the planet. If it is taken into account that JMU RTV is subject to the influence of global news and content, it can be inferred that other media houses are under the same, and perhaps stronger, influence of globalization and digitization.

3. Digitalization and its Impact on the Media

With the fourth industrial revolution, digitization is becoming the main catalyst for innovation, modernization, economic growth, competitiveness and comprehensive socio-economic progress and development. (<https://www.ite.gov.rs/tekst/sr/4287/srbija-digitalizuje.php>, 29.07.2024.) Digitization is the process of converting an object, image, sound, document or signal (usually analog) into digital form. The result of this process is a digital object, ie. a digital image for an object, or a digital form for a signal. Literally speaking, digitization is the recording of an analog signal in digital form. Which would mean for the document that the image of the object follows the visual identity, frames and structure of the object itself. (https://sr.wikipedia.org/wiki/Digitalizacija#cite_ref-2, 02.07.2024.) The best representation of the digitization of our country will be given in the following table:

Table 2. How many households in Serbia have high-speed internet?

Internet	2016	2017	2018	2019	2020	2021	2022	2023
City	66,8%	67,5%	77,9%	85,6%	87,0%	85,6%	87,6%	88,9%
Village	44,0%	52,3%	63,5%	69,5%	70,1%	74,5%	75,8%	79,8%

From this table, we can see that the percentage of households that use high-speed Internet both in the village and in the city is constantly increasing, and if this trend continues, in just a few years we will have literally the entire population using the Internet, and therefore, they will be informed through it. The Office of the Government of Serbia for Information Technologies and e-Administration recently announced at a press conference that the number of Serbian citizens who have an account on the e-Administration portal has increased to 2.2 million, which speaks in favor of the fact that information literacy is increasingly developed and that everyone has it. a larger number of people.

Table 3. How many households in Serbia have digital devices?

Device	2016	2017	2018	2019	2020	2021	2022	2023
Personal computer	65,8%	68,1%	72,1%	73,1%	74,3%	76,7%	77,0%	75,9%
Mobile phone	90,2%	90,5%	93,0%	93,7%	94,1%	94,6%	95,0%	94,4%
Laptop	39,2%	43,7%	47,6%	49,0%	52,3%	53,9%	56,1%	55,0%

From the second table, we see that the number of households in our country that use a computer, mobile phone or laptop is increasing, but that the number of those who have a phone is almost 95 percent, which means that digitization has achieved its mission, and that there is almost no human which is not used by some of the digital devices. According to data for 2023, 56 percent of European Union residents aged 16 to 74 have at least basic digital skills, it was concluded based on information on the use of information and communication technologies. The Netherlands has the highest percentage of people with basic digital skills (83%), followed by Finland (82%) and Denmark (70%). In Romania, that percentage is the lowest - 28 percent, followed by Bulgaria (36%) and Poland (44%). In Montenegro, 52% of citizens have basic digital skills, while data for other countries in the region are not available. The goal of the European Union is that by 2030, 80 percent of EU citizens aged 16 to 74 have at least basic digital skills. In Serbia, almost 90 percent of citizens use the Internet for private purposes, which is almost 2.5 times more than in 2010 (38%). 85 percent of households in Serbia have access to the Internet. Almost all residents of Luxembourg, the Netherlands and Denmark use the Internet, while this percentage is the lowest in Bulgaria (80%), Croatia (83%) and Greece (86%). At the EU level, 92% of citizens use the Internet, compared to 67% in 2010. Luxembourg and the Netherlands are also in first place for the percentage of households with internet access (99%), while Greece (87%), Bulgaria and Lithuania (89%) are at the bottom of the list. Nine out of 10 users in the European Union accessed the Internet via a mobile phone, 63 percent used laptops or tablets, and 31 percent used desktop computers. In Serbia, mobile phones are also the most used

for Internet access (81%), followed by laptops and tablets (41%) and desktop computers (39%). Users in Serbia as well as in the EU use the Internet mostly for phone calls, video calls and instant messages (84 percent in Serbia, 82 percent in the EU), then for online learning (27 percent in Serbia, 31 percent in the EU), and the least for civic and political participation (three percent in Serbia, 18 percent in the EU). (<https://www.nin.rs/drustvo/vesti/42385/trecina-gradana-srbije-ima-osnovne-digitalne-vestine-skoro-90-odsto-koristi-internet>, 09.08.2024.)

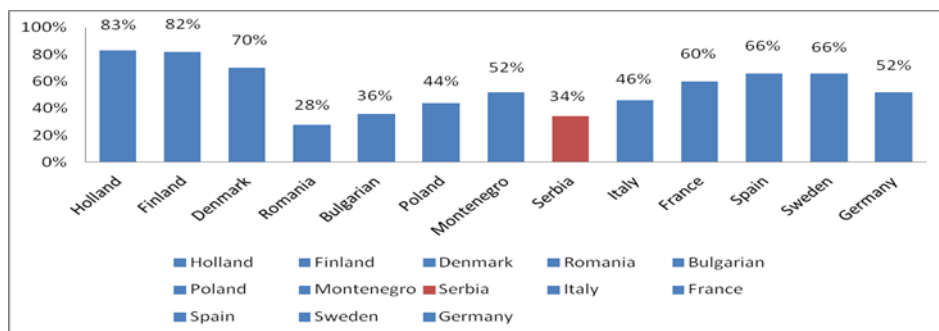


Figure 1. Percentage of citizens with digital skills in Europe

From the above, we see that numerous European countries have significantly improved the digital skills of their population, which implicitly affects their way of informing and accessing information. By way of comparison, Serbia, with around 34% of citizens with digital skills, and the Netherlands, with as many as 83% of digitally literate citizens, differ greatly. First of all, the Netherlands has a stronger and more developed economy, and one of the reasons for that is certainly the application of digitization and the realization of savings. Therefore, we must emulate the developed European countries. With the increase in the number of people who have digital skills, the world is becoming a global village, where everyone has the ability to connect via the Internet, and the media is enabled to exchange content and information. Therefore, information about global events "sweeps" us every day.

4. Conclusion

Based on this work, we can conclude that media performances and media are strongly influenced by globalization, through digital devices, i.e. digitization. Also, information technologies make a strong contribution to the development and dissemination of global news, and the world's major media agencies greatly influence the creation of news in the media around the world. Also, the data we obtained in this paper show that the percentage of the population that uses digital tools and is computer literate is growing rapidly, and digital media are the future. However, large and complex media systems, such as the Public Media Institution Radio Television of Vojvodina, are gradually losing the race on the market, and it is necessary to reorganize it, reduce the number of employees and, of course, focus on

the production of more attractive media content. This work also showed us how quickly the number of digitally literate people in our country is increasing, and we can conclude that the Internet is one of the strongest tools in advertising. Print media is the source of information for a decreasing number of people, television maintains a dominant influence among the older population, while young people and middle-aged people are focused on information via the Internet. All this indicates that with the advent of digitalization, editors working in the media are greatly influenced by global news and events, which we see in an increasing number of reports. It is necessary to continue research in the direction of the impact of globalization on media performance, focusing on the Internet.

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