Medienmonitor Schweiz 2021

Summary

In 2021, *Medienmonitor Schweiz* examines for the fifth time the roles played by the media in forming opinions in Switzerland, while documenting the balances of power and business ties in the media market. In the process, the media were able to maintain a large part of the increase in reach and influence on public opinion from the previous year. The conditions are met for a balanced formation of opinion among the population. However, a moderate market concentration was observed with regard to the opinion-forming power of media corporations in the media spaces of Hochalpen, Ticino, St. Gallen and Genève.

Methodological information

Medienmonitor Schweiz 2021 **combines three survey modules and brings together data from a multitude of sources:**

1) Representative sample online survey about the importance of 172 Swiss media brands when it comes to forming individual opinions (N=4,700)

2) Secondary analysis of recognised Swiss baseline surveys on the daily reach of media brands (radio/TV: Mediapulse, print: WEMF, social media and online: own survey and projection)

3A) Secondary analysis of sector studies and business reports on the economic weight of the key players in the Swiss media market

3B) Ongoing market monitoring and documentation of ownership and contribution structures in the Swiss media landscape

Media diversity and opinion formation as the focal point

Medienmonitor Schweiz intends to measure the state of media diversity in Switzerland and the opportunities for forming opinions freely. Because to ensure the proper functioning of democracies, a population being able to form balanced opinions is essential. As platforms for content and opinions, the **media** play an essential role in opinion-forming processes.

Since the 1960s in particular, the Swiss media sector has undergone major changes, reflected in an ongoing **process of concentration**. This tendency has also been accentuated in recent times by the **digital transformation** of society and the media. Against this backdrop, the question arises as to how these developments affect available media and companies, and the opportunities to form opinions freely in Switzerland.

Each year *Medienmonitor Schweiz* supplies a factual and systematic basis for the evaluation of the media landscape in Switzerland and, in particular, of the free forming of opinions. The study 2021 collects information concerning the **opinion-forming power** of **172 media brands** and **ten**

media corporations in the national market, three regional language and 14 local regional markets and documents the business ties and economic balances of power in the Swiss media market. To determine the power of opinion formation, media users evaluate the performance of the brands as an information medium in a representative sample survey. This qualitative evaluation is combined with the daily reach of the available media as identified by the official Swiss coverage studies for TV, radio, and print and by internal surveys and projections for online and social media. This results in an indexed performance number for opinion-forming power, which represents the relative **potential** of media brands to have opinion-forming effects. With the 2021 study period, results are now available for the fifth time.

Medienmonitor Schweiz measures the **concentration of opinion-forming power** using the established **Herfindahl-Hirschman Index (HHI)**, which is also used by US antitrust authorities to assess the balance of power in competition. A high concentration may be an indication that opinion formation is at risk.

Above-average media usage and the online boom

As expected, in 2021, a small part of the increase in reach and opinion-forming power during the coronavirus pandemic year of 2020 vanished; however, compared to the years prior to the pandemic, both values are continuing to increase.

In 2021, online media will replace TV as the media type with the most power to influence opinion, while print is slipping to the bottom of the type ranking, behind radio and social media.

With regard to the media available, *Medienmonitor* showed that many brands, especially regional ones, are increasingly appearing online instead of in print. However, purely online brands, such as **watson.ch** and SRG SSR's online services, are gaining in significance in terms of opinion-forming.

As part of these developments during 2021, the majority of the **media brands with the most power to influence** national or regional **opinion** (e.g., 20 Minuten, SRF 1 or Facebook) will have to accept **losses** in their opinion-forming power. The concentration in opinion-forming power measured by means of the index decreased, with the largest media losing significance in favour of the smaller ones. Given this shift in the balance of power, it is hardly surprising that the concentration of opinion-forming power should have decreased year-on-year. In all 18 areas, a relatively large number of different media is accessible. As measured by the HHI, **individual brands** are not expected to pose a **problematic threat** to plurality of opinions in 2021.

Brand systems with declining concentration trends

Assessing the concentration on the basis of individual media, however, falls short of the mark, as having a large plurality of media brands does not by itself guarantee a plurality of opinion. Many media companies serve several media brands from the same organisational structures and, among other things, supply centrally produced content for reuse. In this way, they can spread part of the fixed costs for editorial content across a larger number of pieces – and thus negatively impact the diversity of content. If this potential is implemented consistently, brand combinations can develop considerable opinion-forming power that far outstrips that of individual brands. **SRG SSR**, with its German-language offering (SRF), has by far the largest brand system. This is followed by the combinations of **Meta**, **20 Minuten,** RTS, radio/TV from **CH Media** and the Swiss German print brand systems from **TX Group** and CH Media.

If the HHI index is calculated on the basis of these **brand systems**, the degree of concentration in the 18 Swiss markets is two to three times greater compared to the brand measurement. Over time, however, the majority of concentrations show a downward trend and, unlike in 2020, none of the 18 areas surveyed in the year under review achieved a moderate market concentration of at least 1,500 HHI points, a situation that can be seen as slightly problematic. The highest concentration value due to brand systems in 2021 was in the **Hochalpen** media area, with 1,426 points.

Opinion formation in Hochalpen under considerable pressure

10 large media corporations and numerous other providers operate within the Swiss media market. **SRG SSR** clearly holds the greatest opinion-forming power, with a share of 27%. The number two, **TX Group**, achieved an index value just under half that of the market leader (14%). The combined influence of the two largest media companies has thus declined by 4% in 2021. These are followed by the US giant **Meta** and **CH Media**, both with an 8% share of the national opinion-forming market, and **Ringier**, which at 4% has clearly lost opinion-forming power since 2020 (when it was at 6%). The remaining corporations (NZZ-Mediengruppe, AZ Medien, Gruppo Corriere del Ticino, Somedia and ESH Médias) are once again significantly behind. Taken together, the 10 largest corporations control 100 of the 172 brands in *Medienmonitor Schweiz*; the remaining 72 have a variety of different owners.

Similar to brand systems, media companies can also negatively impact the plurality of opinion. Aside from the centralised product of content, there is the risk that corporations will also enforce editorial requirements across all media, for example, to enable a certain angle and tone of reporting to break through.

An analysis of Swiss media markets also reveals a year-on-year decline in the degree of concentration of media corporations' shares of opinion-forming power: **Five media markets** are considered **moderately concentrated** based on the HHI index (8 markets were still in this scale range in 2020). The **Hochalpen** media space reached the most critical value, with 1,706 points. In **Italian-speaking Switzerland**, the concentration is also in the upper range in the media spaces of **Ticino**, **St. Gallen** and **Genève**. In each of the areas with the greatest market concentration, there is an above-average **concentration of power for the two strongest corporations**, usually accompanied by **SRG SSR**'s higher opinion-forming power than in other areas. Furthermore, these areas usually lack a strong number three.

In 2021, *Medienmonitor Schweiz* also observed a further increase in the **age of the audiences** in many established media markets. **TV** and **SRG SSR** continue to be strongly affected by this, while **social media** (especially Instagram) is once again increasingly enjoying the favour of young audiences in French- and Italian-speaking regions of Switzerland and **online** is gaining ground, especially in the middle and older segments of German-speaking Switzerland.

In future, *Medienmonitor Schweiz* will continue to observe the developments of the media landscape and opinion formation in Switzerland on an annual basis. The **study website** visualises the core findings, documents market structures and current events:
www.medienmonitor-schweiz.ch