

Advertising slump during virus crisis hits media jobs

May 21 2020, by Jules Bonnard



The Los Angeles Times is reported to have lost one-third of its advertising revenues during the coronavirus crisis

Media redundancies, partial layoffs and managerial wage cuts are on the rise as advertising markets implode, despite customers showing an ever stronger appetite for information on the coronavirus crisis.

First press victims

In France, several newspapers, including Le Parisien, have placed staffers on partial unemployment, notably in services where the virus has forced coverage to be stripped right back.

Sports daily L'Equipe, which publishes a paper seven days a week as well as a website, has been particularly hard hit, furloughing staff as most of the world's sporting competitions lie idle.

Regional daily Paris-Normandie, already struggling to stay afloat, has been placed in judicial liquidation.

In Britain, The Economist magazine has said it is laying off 90 people in support roles while The Guardian is furloughing 100 non-editorial staff in response to tumbling ad revenues.

Staff with Italy's state news agency ANSA meanwhile held a 48-hour strike to protest at an emergency plan to make a string of cuts.

US media have likewise not been immune to the market consequences of the crisis.

Conde Nast, publisher of the likes of Vogue, Wired, or New Yorker, has announced it is laying off 100 of its 6,000 staff and furloughing another 100.



French Sports daily L'Equipe has suffered badly with the loss of competition at home and around the world

Fortune magazine has laid off 35 staff—around one in ten—while cutting managerial salaries by 30 percent.

According to a New York Times analysis, the pandemic has seen 36,000 media workers either laid off, furloughed or forced to take a wage cut in a sector which had already endured years of belt tightening.

The Los Angeles Times—which according to internal correspondence published by the New York Times, has lost more than one third of its advertising revenues and expects that soon to rise beyond half—is slimming its support payroll by around 40.

Web in crisis

Online info portals are equally struggling with some 300 jobs lost in the US since the pandemic started, according to a Poynter media study.

The Vice Media group is to fire 55 US-based and 100 foreign-based staff, according to a note sent by the group's CEO Nancy Dubac to employees, which was published by US media.



Info and entertainment site BuzzFeed is cutting salaries and shutting down their London and Sydney news coverage

Beyond the problems caused by the health crisis, she also accused media tech platforms of "not just taking a larger slice of the pie, but almost the whole pie" threatening online news streams and thousands of journalists' jobs.

Info and entertainment site BuzzFeed announced in late March it was cutting salaries by between five and 25 percent and would also end coverage of news in the UK and Australia.

For some media, the coronavirus crisis is a chance to speed up the transition to a more stable, subscription-based publishing model.

That is the case of financial news provider Quartz, whose Japanese owner Uzabase says it plans to cut some 40 percent of staff, mainly advertising posts.

No escape for broadcast

Broadcasting has not escaped the crisis cull. In the United States, NBCUniversal has lopped 20 percent off top salaries, says the Wall Street Journal.



French television channel TF1 put one third of its staff on partial unemployment in April

In France, TF1 television put one third of its staff on partial unemployment in April while BFMTV/RMC have just unveiled plans to slash use of freelancers and consultants amid fears there could also be non-voluntary redundancies among staff.

Some nine in 10 independent radio stations in France had also furloughed staff by the end of last month, according to a study by their SIRTI union with around one third set not to bring them back before September.

© 2020 AFP

Citation: Advertising slump during virus crisis hits media jobs (2020, May 21) retrieved 25 April 2024 from <https://techxplore.com/news/2020-05-advertising-slump-virus-crisis-media.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.