

9live strategic analysis - general environment



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9Live Demographics Initially when the German T. V. Industry was flourishing in Germany, there were hardly 33 million viewers of the programs however as media evolved and new channels emerged with new and different focus to cater various markets. The channel is positioned as interactive broadcaster of entertainment for a broad-based demographic. (ProSiebenSat. 1 Media AG). Since Germany, being one of the countries having very strong media conglomerates therefore the evolving of the demographics were already put in place by the historical development of the TV market over the period of time by different T. V. Channels. Being one of the leading innovators in the realm of interactive T. V, 9Live seems to targeting every person. Since it is primarily a quiz TV channel and can be accessed through internet therefore its demographic study includes most of those viewers who are either fond of using technology or having some tendencies to gamble. Besides, the concept was of an interactive T. V. running without advertisement revenues therefore there was an strong tendency that channel must lure people from all walks of life to constantly call in during all time of the day so that a constant flow of revenue is insured. Since It was largely believed that solving crossword puzzles, or answering quiz shows was the job of those who probably are of old age or unemployed therefore demographical factors present a different challenge to 9Live.

Economic Analysis

Germany is by far the largest economy in Europe. 9Live emerged on the scene when German market was not developed for the concept of interactive T. V. however emergence of shopping channel like of H. O. T. was suggesting a change in the industry dynamics. Germany is one of the most critical and important members of the European Union as for as the economy is

considered. Government deficits in budgets were virtually not existing however Germany was marred by low GDP growth i. e. 0. 7% in 2001 when the channel was launched whereas unemployment level was at 9. 5% suggesting strong downturns in the economy. (Ewing). Clearly, the downward turn in the business cycle is hitting Germany hard. But this is more than just a cyclical bout of bad news. It was largely believed that the economic efforts at that time were stalled as Germanys 3. 9 million unemployed was heading no way. Apart from that the period of 9Live launch was marred mainly by recession in the economy of Germany and due to widening unemployment gaps, the probability of attracting the paid callers seems to be low no matter how cheap it can be.

Legal/Political

Though German media evolved over the period of time however there was significant presence of regulations on the media by the government. One important legal challenge 9Live face was whether the lottery and gambling programs it intend to show can attract the legal impediments. The games are legally controversial. In German law, there is the distinction between gambling and lottery, the latter theoretically being gambling without money being bet. (Wikipedia). During 2001, German Political situation was not as conducive as it should have been as the recession in the economy causing problems for the current government to sustain economic pressures.

Works Cited

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