

Dilli Sarkar's Advertisement Expenditure: Information *or* Publicity?

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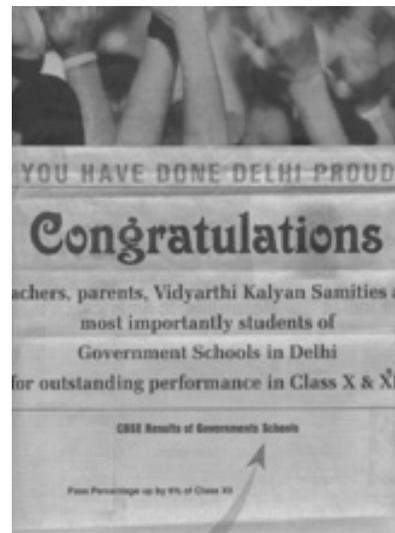
Introduction

Quite often, while performing the daily ritual of glancing through the morning newspaper over a cup of tea, one comes across less news but more news-holes. And though one would expect to see an occasional ad or two between news items, it turns out that on most days we rummage around for the news between ad items!

Well, the Reebok ad with a glitzy picture of their newly launched tennis shoe or the Pizza Hut Meal-combo ad is still of some use, keeping me informed as a consumer. But of what sense is a half-page Rajiv Gandhi *remembrance* poster in the *Times of India*? Or a full-page ad issued by the Education Department declaring that Delhi's pass percentage has gone up by six percent. It is a matter of great pride, no doubt, but is this how you and I expect our hard-earned money to be spent by our government? We would instead appreciate if the same money was spent on renovating the potholes on our ever-deteriorating colony roads!



Just remembering!



Issued by the Directorate of Education

With these questions drumming in our minds and repeatedly faced with senseless and non-informative self-promotional government ads, we began an interesting exercise this summer. Rather than jump to the conclusion that our government spends an astronomical amount of taxpayer's money publicising itself rather than disseminating information, we decided to assimilate facts and figures in support of our hypothesis.

We started by tracking five leading national dailies for government advertisements, over the month of June 2003. Our endeavour was to find the quantum of government advertisements, their classification into informative ads and promotional ads and to estimate the cost of issuing

these ads that the government incurs. We had a strong inhibition that any party in power uses print advertising, funded by public money, for loud-speaking its achievements to gain political mileage than for anything else. However, we were open to other possibilities in case our research proved otherwise.

A secondary objective of the project was to understand the process that government departments follow for issuing newspaper advertisements. We presumed that the Delhi Government, being a mammoth establishment and consisting of around 60 departments, would have both a centralised mechanism and special rates for issuing advertisements. The idea was to understand this mechanism in depth and to determine how cheap the government advertises vis-à-vis private establishments.

Issuing a newspaper advertisement: the process

Various departments of the Government of Delhi issue print advertisements in the country's leading newspapers on a regular basis. These ads are normally aimed at informing people about schemes, auctions, happenings, achievements; inviting tenders and making public appeals.

Given the colossal amount of newspaper ads released by the government each day, a central agency called the Directorate of Information and Publicity (DIP) has been set in place to assist its various departments with issuance of print ads. However, this agency is also entrusted with other related responsibilities explained later.

While the respective departments pay for printing these advertisements from their own kitty,¹ the DIP assists by making available data regarding the effectiveness of various newspapers, the most cost-effective way of getting the information across etc. It also acts as a mediator between the department and various empanelled ad agencies who design these advertisements.

There are essentially two ways in which the government procures newspaper space, leaving aside news items. These include tender notices and display advertisements. While the cost to the government for both is the same, display ads involve more artwork and design while tender notices are fairly simple.

Whenever any government department needs to issue a display ad in print, the following process should be initiated:

- 1) The ad-issuing department sends a notification to DIP conveying the theme, proposed budget and other particulars of the ad.
- 2) The DIP then gets in touch with all empanelled ad agencies and arranges a briefing session, where the concerned department briefs them about its requirement.
- 3) All agencies prepare layouts for the required ad and send them across to the concerned department.
- 4) The department then selects the best layout (say, prepared by XYZ agency) and approves it for publishing in the papers.
- 5) XYZ agency is then issued a letter by the department, addressed to the DIP, and certifying that XYZ's ad has been approved for publication. It also generally mentions the names of the publications in which the ad should be published.
- 6) XYZ agency then procures from the DIP a Release Order and a DIP number for the ad, on the strength of this letter.
- 7) XYZ agency then sends across the ad layout and other information viz. names of newspapers and size of ad to its Media Department. This department contacts the various newspaper publishers and gets the ads published.
- 8) XYZ procures the bill from newspaper houses and gets them approved by the DIP.

¹ Except for advertisements issued by the Chief Minister's Office, the cost of which is borne by the Directorate of Information and Publicity.

- 9) These bills are then sent for reimbursement to the ad-issuing department.

While the ad agencies do not charge the government explicitly for their services, they obtain about 15% of the 'ad space' cost as commission from the newspaper houses. Hence, the government pays, in effect, only the publishing cost of the ad.

While the above is the formal process that should be followed, it is quite a loose system in practice. For instance, the DIP on many occasions assigns work to an agency without obtaining layouts from all empanelled agencies. While this is done with the consent of the ad-issuing department, it leads to concentration of power and authority in the hands of DIP officials. As a direct consequence, it stems up corruption and malpractice in the system. In fact, quite a few ad agencies agree that the amount of business they get from the Delhi Government is directly proportional to the degree of kickback they indulge in. Since most of the big and established ad agencies keep out of such practices, one finds the bulk of business going to the smaller players.

The case for issuing tenders is slightly different. Unlike in case of display ads where the role of an ad agency is essential, a tender notice can be issued to the newspaper houses directly by the DIP on behalf of the concerned department. However, in certain cases when there is a time constraint or shortage of people, the DIP can get the job done by the ad-agencies on a goodwill basis and at no extra cost.

It should be noted that for certain agencies like Delhi Police, Delhi Jal Board (DJB), Municipal Corporation of Delhi (MCD), New Delhi Municipal Corporation (NDMC) and other non-departments, all ads are issued directly and not routed through the DIP.

More about the DIP

The Directorate of Information and Publicity is technically speaking, the PR Arm of the Government of NCT of Delhi. It is the nodal agency of the Delhi Government and is entrusted with the responsibility of creating awareness about the initiatives, accomplishments and good deeds of the *Dilli Sarkar*.

They call themselves the mouthpiece of the government, and rightly so. Their stated objective includes informing citizens about the programs, policies and activities of the government mainly through print and electronic media.

The Directorate's constant endeavour is to shape up the image of the Government of Delhi and generate public respect for the ruling administration. While they promote all good deeds of the state –no matter how tiny the issue is– they are extremely careful when it comes to criticism of the state. Their function, in effect, is not to publicise all activities of the government but to expose only the good face of our *sarkar*.

The Directorate achieves its objectives mainly by way of press releases, press conferences and exhibitions and by publishing brochures and booklets. Also, in order to maintain cordial relations with the press, the Directorate provides them accreditation and numerous facilities, including internet, telephone and fax facilities. The Directorate of Information and Publicity employs about 80 individuals, the highest authority being the Secretary. It operates under a number of units enlisted in the appendix.

The government advertises cheap!

The rate charged by newspaper houses from the government for publishing advertisements is a highly subsidised variant of the commercial rate. The following table compares rates charged from private establishments vis-à-vis government departments, by five leading newspaper houses:

Newspaper	Government Rate (Rs)	Commercial Rate (Rs) ²
<i>Times of India</i>	131.26	757.50
<i>Hindustan Times</i>	126.58	855.26
<i>Indian Express</i>	10.88	157.90
<i>Navbharat Times</i>	64.48	270.00
<i>Dainik Jagran</i>	39.18	146.10

The justification for these low rates is that the government departments are not-for-profit institutions and hence should be charged less. Interestingly, the Government rates for ad-space vary from paper to paper, and are decided on the basis of circulation and other factors. Moreover, these rates are decided not by the papers themselves, but the government. Though in Delhi's case the competent agency to decide these rates is the DIP, it follows for convenience rates fixed by the Directorate of Advertising and Visual Publicity (DAVP), which is DIP's parallel at the level of the Central Government.

Legally, these rates fixed by the state are not binding on the newspaper publishing houses that can refuse to serve the government if they wish so. In reality, however, it is not as simple and there are plenty of issues involved:

- 1) The newspaper houses get bulk business from the government and non-adherence to DIP rates would mean a huge loss of business.
- 2) Newspaper houses try to maintain cordial relations with the government for the many favours they get including subsidised paper for printing.

First things last: Our hypothesis and its story

As mentioned earlier, we started with the belief that a large chunk of newspaper advertising by the government is promotional in nature and hence a waste of public money. We subscribe to the view that advertising, if done for disseminating information that benefits the public, is justified. However, to publish an ad with faces of four politicians and two lines of policy text in-between sounds unacceptable. In order to do a reality test of our hypothesis, we followed five leading newspapers over the month of June 2003.³ We chose the Delhi edition of the following national dailies, which enjoy maximum market share in their respective language:

- 1) *Times of India* (English)
- 2) *Hindustan Times* (English)
- 3) *Indian Express* (English)
- 4) *Dainik Jagran* (Hindi)
- 5) *Navbharat Times* (Hindi)

The process of tracking, broadly speaking, included a careful glance through each of the five papers every morning of June 2003. We then marked all display advertisements⁴ issued by the Government of Delhi, measuring their size, noting the issuing authority and reading through the content. All advertisements published by the Government of Delhi (including non-DIP ads⁵) were then classified under the following heads:

- A) Achievements of Government

² Since different rates are applicable for colour and B/W ads in this category, the stated figures are an average of the two.

³ For the period, 1 June 2003 to 30 June 2003

⁴ Since tender advertisements cannot possibly be self-promotional in nature

⁵ Issued by non-departments like Delhi Police, DJB, MCD, NDMC and others

- B) Public Service Messages
- C) Events, Launches, Seminars and other Programmes organised by the Government
- D) Policy Information

To a certain extent, categories A and C can be classified as self-promotional, as against categories B and D, which are in public interest and are much required and essential. They serve the interest of the people, more than that of the ruling party.

At the end of our exercise, our final figures portrayed a picture we had little expected. The results were against our hypothesis, and justified most government expenditure on newspaper advertisements. We summarise our results below:

Category	Newspaper Area Covered		Cost to Government of Delhi	
	Absolute Figure (in sq. cms.)	% of Total Area	Absolute Figure (in INR)	% of Total Cost
A	6,553	8.74	7,35,224	12.51
B	31,871	42.53	19,58,742	33.33
C	13,256	17.69	11,76,358	20.02
D	23,248	31.02	20,05,227	34.12
Total	74,928	100	58,75,551	100

As is evident from the above table, the Government of Delhi spent approximately Rs 59 lac on issuing newspaper advertisements during the month of June 2003, buying around 75 thousand square centimetres of newspaper area. Assuming this to be an average figure for any given month, we can work out the annual expenditure on newspaper advertisements incurred by the Government of Delhi. We arrive at an approximate figure of Rs 7 crore per annum as expenditure on 9 lac square centimetres of newspaper area!

The Government of Delhi spent the largest proportion (34.12%) of its total newspaper advertising outlay in dissemination of Policy Information to the public. This includes informing people about existing laws, rules, schemes and tariff structures; announcing various awards and incentives; and other public notices. The second largest chunk of expenditure (33.33%) was on Public Service messages, including guidelines and caution notices by Delhi Police, DJB and Directorate of Health Services; admission openings and examination results of various government institutions; officers' selection results; and appeals on special days like "World No Tobacco Day" and "World Environment Day."

What follows next is expenditure incurred on informing people about various lectures, seminars, launches, campaigns and other programmes initiated by the Government of Delhi. This category accounted for about one-fifth (20.02%) of the total outlay on newspaper advertising. The government spent the smallest chunk of the pie (12.51%) on singing aloud in self-praise, by publicising its achievements. While this distribution of the spending on newspaper advertisements makes sense to us, our tale does not end here. Like we said before, the very existence of a politician's picture on any newspaper advertisement makes it self-promotional in a way. As you would have noticed, nowhere in the above analysis has this categorisation been taken into account. Hence, we decided to work out the numbers of advertisements that contained either a politician's picture or the famous *Bhagidari*⁶ logo. These figures are summarised in the following table:

⁶ The *Bhagidari* scheme is a pilot initiative of the Congress-led Government of Delhi, and is widely publicised by the Congress(I) to gain political mileage. It is essentially a *Citizen- Government Partnership* programme and is portrayed as a highly successful venture, which has improved significantly the quality of life in Delhi.

Category	Newspaper Area Covered		Cost to Government of Delhi	
	Absolute Figure (in sq. cm.)	% of Total Area	Absolute Figure (in INR)	% of Total Cost
<i>Neta's Pic</i> ⁷	26,754	35.70	24,44,016	41.59
<i>Bhagidari Logo</i>	29,319	39.12	25,07,282	42.67
Any / Both of the above	37,952	50.65	33,887,38	57.67

A careful look at the figures in the last row leads us, in fact, to a not-so-pleasing conclusion. To elaborate, if we consider both the above categories as a medium of self-promotion (which is fairly justified), we can safely say that 57.67% of the total ad expenditure by the Government of Delhi, was on ads self-promotional in one way or the other. But while these ads promoted the interest of the government in some way, they also contained crucial information for the public. Hence, they were not purely self-promotional.



A bagful of pictures!



The *Bhagidari* logos

We further fit these self-promotional ads into the above categories A, B, C and D and compare with the category totals. This helps us to ascertain the categories that consist of a higher proportion of self-promotional ads. The following two tabulations indicate the proportion of self-promotional ads (both area wise and cost wise) within each category.

Category	Area under Self-Promotional Ads (as % of Total Area under Category)	(as	Cost on Self-Promotional Ads (as % of Total Cost on Category)	(as %
A	100		100	
B	14.10		15.30	
C	89.45		91.07	
D	64.71		65.82	

The table indicates that all ads published under Category A were self-promotional in nature. Out of all Category C ads, 90% were of the promotional kind. Categories D and B had around 65% and 15% respectively of their total ads in this bracket.

Further, figures have been worked out exclusively for both, ads with the *Bhagidari* logo and those with a politician's picture on them:

⁷ The Hindi word *Neta* translates to Politician in English.

Part I

Category	Area under Ads with <i>Bhagidari</i> Logo (as % of Total Area under Category)	Cost on Ads with <i>Bhagidari</i> Logo (as % of Total Cost on Category)
A	22.43	25.77
B	13.37	13.78
C	67.13	64.79
D	55.51	58.37

Part II

Category	Area under Ads with a <i>Neta's</i> Picture (as % of Total Area under Category)	Cost on Ads with a <i>Neta's</i> Picture (as % of Total Cost on Category)
A	100	100
B	10.57	13.06
C	52.66	58.48
D	42.36	38.15

Therefore, broadly speaking, most advertisements that either highlight the achievements of the government or spell out details of their programmes, lectures, seminars, drives and campaigns, are designed in a self-promotional manner, mostly carrying pictures of the *netas* in power.

Overall, the exercise was fun and a lot of learning indeed. As we went along, our perception about government spending on ads changed a great deal. In fact, there were times when we did not encounter a wasteful ad (with zero information) for days together! It was also interesting to come across various kinds of ads that the government published each day, some colourful and creative; others equally dull and boring. Though punching data about the shape, size and content of tens of ads into the computer was painful at times, it was an essential part of the exercise. In the process, we also acquainted ourselves with spreadsheets and data sorting. Lastly, while the English dailies were neat and easily readable, we will never forget the cluttered Hindi papers that gave us a tough time!

Help, came in the following guises:

M C Maurya	Information Officer, Directorate of Information and Publicity
Abhijeet Rai	Information Officer, Directorate of Information and Publicity
Guru Napa Swamy	Enterprise Nexus
Anshul Arora	Concept Communication Ltd
Bhaskar Nayar	Media Executive, Directorate of Advertising and Visual Publicity

Appendix

Units under which the Directorate of Information and Publicity operates:

- 1) Press Unit
- 2) Hospitality Unit
- 3) Publication Unit
- 4) Research and Reference Unit
- 5) Advertisement Unit
- 6) Field Publicity Unit
- 7) Film & Video Publicity Unit
- 8) Photo Unit
- 9) Exhibition Unit