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# WHO OWNS THE BROADCASTING TELEVISION NETWORK BUSINESS IN INDONESIA?

Case  
Study

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## Abstract

*Broadcasting TV occupies a significant position in the community. Therefore, all the countries in the world give attention to TV broadcasting business. In Indonesia, the government requires TV stations to broadcast locally, except through networking. In this state, there are 763 private TV companies broadcasting free to air. Of these, some companies have many TV stations and build various broadcasting networks. In this article, the author reveals the substantial TV stations that control the market, based on literature studies. From the data analysis, there are 14 substantial free to network broadcast private TV broadcasters but owns by eight companies; these include the MNC Group, EMTEK, Viva Media Asia, CTCorp, Media Indonesia, Rajawali Corpora, and Indigo Multimedia. All TV stations are from Jakarta, which broadcasts in 22 to 32 Indonesian provinces.*

## INTRODUCTION

In modern society, TV occupies a significant position. All shareholders have an interest in this medium. Governments have an interest in TV because it has political effects (Sakr, 2012), while business people have an interest because they can benefit from the TV business (Baumann and Hasenpusch, 2016).

In many countries, TV can contribute to a successful economy. The highest revenue in the world - achieved by the United States - is US\$ 1.19 trillion (Woods & Poole Economics, 2015). In second place is China, with revenues of US\$17.55 billion (PWC, 2016). India is in the third position with revenues of US\$22.1 billion (OECD, 2013). Meanwhile, in the same year, Indonesia earned US\$ 5.4 billion from the TV industry (Marketline, 2017).

In addition to economic benefits, TV also gives a political advantage. Some political leaders once had careers as broadcasters. The 40<sup>th</sup> President of the USA, Ronald Reagan, was a broadcaster, and the 45<sup>th</sup> American president, Donald Trump, was once a TV producer and reality TV host. In Indonesia many politicians have had careers in the TV industry, such as Siti Hardijanti Rukmana (founder of TPI, a Golkar Party politician and former minister), Surya Paloh (owner of Metro TV, Nasdem Party chairman); Harry Tanoesudibyo (owner of MNC TV, chairman of Perindo Party); Aburizal (owner of TV One and ANTV, chairman of the Golkar Party, and former minister). The media became a vehicle for entering the world of politics (Grace Swestin, 2008).

The TV industry is growing in many countries, including Indonesia. In 2002, Indonesia implemented Act 32 on broadcasting that turned the TV broadcasting system into a decentralized one, after 40 years of running a centralized broadcast system. The Act aimed to realize the diversity of media ownership in order to foster the variety of broadcast content. Based on the Act, TV broadcasting stations must be broadcast locally, except through the broadcasting network. The enactment of this Act has the effect of increasing the desire of the community to set up a TV company.

In 2016, the number of TV companies increased drastically from 10 to 763 private TV broadcasters (Kominfo, 2016). Of these, some companies have many TV stations and build broadcasting networks that tend to dominate Indonesian TV broadcasts. An interesting question then arises, who owns a substantial broadcasting television network business in Indonesia? In this article, the author will answer this question, based on an economic-political standpoint.

## METHODOLOGY

The author uses the Broadcasting Act 32 of 2002 on broadcasting and the Government Decree 50 of 2005 on the implementation of free to air private TV as a parameter of substantial TV network. According to the regulation, the government requires local TV stations to broadcast locally, except through the broadcasting network. In network broadcasting, the government sets two rules for private broadcasting stations. First, "existing TV stations" may broadcast in more than 75% of provinces, but in no more than 90%. Secondly, other stations in addition to "existing TV stations" should not broadcast in more than 75% of the provinces. "Existing" TV stations are TV stations that were operating before the implementation of the Broadcasting Act. The term "existing TV station" is a synonym for Jakarta TV or national TV.

The number of provinces in Indonesia is 34. Therefore, for the existing TV stations, the broadcast coverage limit is 31 provinces, and for the TV stations established after 2002, the most extensive broadcasting cannot cover more than 26 provinces.

According to government regulations, networked TV broadcasts consist of one leading TV network and some network members. The broadcasting network TV system in Indonesia puts the leader in a more dominant position than the members, who act as a relay station. According to the Ministry of Communications and Informatics Regulation No. 43/PER/M/Kominfo/10 of 2009, the leader network supplies up to 90% of broadcast duration per day. Therefore, the author focuses on the leader networks, because they are potentially dominating. Dominance is an extreme inequality in the distribution of social power (Pansardi, 2013). Domination harms the public because the interests of the majority of society will be marginalized and conflict increase. Domination can eliminate society's cultural existence, and dominance will benefit only a small part of the society, while most elements others will lose.

In reviewing substantial TV stations, the author uses data on broadcasting permits issued by Kominfo. The author also conducted cross-checking through interviews with sources from the Indonesian Broadcasting Commission (KPI), the institution that oversees TV broadcasting.

## LITERATURE REVIEW

### Television Broadcasting License

Discussions of the broadcasting TV license can be divided into two groups, namely the public model and the private model. Public model groups argue that radio waves are a limited natural resource and must be owned by the public. The public may grant

limited rights to certain broadcasters to use them (Corbett, 1996), but the interests of broadcasters must be subordinated to the public interest. The users are selected from persons who have professional skills (Dominic, 2001). The state as the representative of the frequency owner has to manage democratically and decide who will use the radio frequency (Masduki, 2006). If the broadcaster is deemed to fail to use it professionally, the radio frequency must be returned to the state (Sudiby, 2004).

The second group argues that radio frequencies can become private property, through a process of market transactions. Broadcasters have no obligation to the public, except for profit. The government acts as an arbitrator among the many parts which compete for these valuable and scarce resources (Corbett, 1996). The market will select the broadcaster's ability to manage frequencies.

Indonesia tends to apply the first paradigm, but it is inconsistent with the issue of licensing. Based on the regulation, the government has the right to grant and revoke the license, but broadcasters often transfer their rights to others by trading the shares of companies that are entitled to manage the frequencies (Sudiby, 2004). The government tends only to approve the process of moving stocks. Many cases can be given as examples. For example, the sale of shares in Global TV from the owner to the MNC Group; sales of TPI by the owner to Harry Tanoesudiby; TV7 sales from KKG to CTCorp, and many cases of local TV acquisition by national TV stations (Sudiby, 2004; Sudiby and Patria, 2013; Harianto, 2014).

### **Politics and Business Broadcasting Television**

Setting up a TV broadcasting company needs significant investment, so it is no surprise that entrepreneurs who enter the TV industry are large investors. Because it requires a lot of investment, TV companies commercialize to earn an aggressive income (Popoola, 2004). One of the efforts typically made is to approach the center of power. As a result, the media is no longer a mediator of stakeholders, but rather a player who contributes to creating opinions and championing his agenda (McCombs, 2004). This situation encourages a symbiotic meeting between media, capital, and political power (Sudiby, 2004). Political elites use the media to gain public support through the molding of public opinion, while the TV companies gain capital and regulatory support from the center of power.

Although TV operating costs are tremendous, the money that circulates in this business is not small. The amount of advertising spending becomes an exciting reason to set up a TV station. In Indonesia, the advertising budget tends to increase from year to year, and TV gets a share of this which is above 65% on average, and in 2016 this reached almost 67% (Rianto and Poerwaningtias, 2013). Advertisers

choose TV stations that have a significant audience share to advertise. The larger the audience, the more interested the advertiser. This principle means TV owners strive to acquire many viewers. In addition to creating exciting programs, they form a broadcast networking in collaboration with other local TV stations, so that messages can be disseminated to a broader audience.

TV broadcast coverage provides benefits for media owners in various senses, especially in business and politics. In addition to attracting more advertisers, media owners can promote themselves quickly and widely. The situation is favorable for TV broadcasters to build their image and political support and so to ease themselves into the power circle. Although TV has rivals in social media, it is still able to have an active social and political influence in the community. Media TV is influential in the field of social politics in society (Perez-Linan, 2002). TV stations can foster political awareness (Bhatti, Ali and Hassan, 2016), shaping and changing political behavior (Gautam, 2015). Several studies have proven that TV is influential in achieving political change in various countries (Enrique, 1993; Sakr, 2012; Mishra, 2016).

In the context of an online media presence, people still place the TV in an important position. TV broadcasts involve audio, visual, and moving elements to attract the attention of the public. TV is always a source of entertainment, information, and education (Mehraj, Bhat, and Mehraj, 2014). For the community, TV functions as a medium to break away from daily routines (Shade, Kornfield, and Oliver, 2015); to develop hidden talents and to provide stress management tools (Gurleen and Sukhmani, 2011); to escape from social interaction, and companionship (Balci and Ayhan, 2015); it cultivates a desire for fame among the viewers (Rui and Stefanone, 2016); and provides identification and social interaction (Brown et al., 2012), and so on. Therefore, despite rivalry from online media, TV remains irreplaceable.

## **RESULTS**

### **Main TV Broadcasters in Indonesia**

Based on government data, in Indonesia there are 14 private TV broadcasters broadcasting free to air in a wide network, where the broadcast reaches 22-32 provinces, or 65%-94% of the total territory of Indonesia. The 14 TV leading stations are from Jakarta. Interestingly, they consist of 10 "existing" TV stations and four "not existing" television stations (Table 1). They are the ones who dominate the Indonesian audience's television screens.

Our analysis is that the "existing" TV companies dominate Indonesia because they had built many relay stations in the area before the government adopted the Broadcasting Act. They experienced a

period of freedom of the press in the early reform era, especially when President Abdulrahman Wahid dissolved the Department of Information in 1999. Also, in the period between 1999 and 2002, national TV advertising grew by an average of 40% per year. This growth was the highest among Asian countries (Sudibyo, 2004). In the wake of the crisis, national advertising amounted to Rp3.757 trillion (1998), and increased rapidly to Rp5.612 trillion in 1999, and rose again to Rp7.889 trillion (2000). The following year, it again rose to Rp9.7171 trillion and grew to Rp13.41 trillion in 2002. In those years many private TV companies built relay stations in the regions.

The data in Table 1 is surprising because some TV stations violate the rules. Kompas TV, R TV, and iNews which were established after 2002 should not have more than 75% of the Indonesian provinces. In the "newcomers" TV group, only Net TV obeys the rules. Meanwhile, among the "existing" TV stations, MNCTV and RCTI violate the rules. They should be broadcasting in no more than 90% of the provinces. Based on ownership data, the 14 substantial TV stations are owned by only eight companies, namely the MNC Group, EMTEK, Viva Media Asia, CTCorp, Media Indonesia, Rajawali Corpora, and Indigo Multimedia.

#### **Media Nusantara Citra, Tbk (MNC Group)**

MNC Group is a holding company owned by Harry Tanoesudibyo and founded in 1997. This Chinese-ancestry businessman initially started the business in 1989 through PT. Bhakti Investama, a securities and investment management company. His business expanded rapidly by buying shares in various firms, including Bimantara Citra, the RCTI controlling company. In 2000, Harry dominated Bimantara Citra, and he changed the company's name to Global Mediacom. Harry also acquired the majority of TPI shares in 2003, by helping to settle the debt of the TPI owners, in exchange for a conversion of 75% of TPI shares. The monetary crisis of 1998 prompted many owners of private TV stations to sell their shares to pay off their debts. They were in debt to finance the business of their various companies. Selling shares in TV companies is the most profitable way to pay off debt.

Harry also acquired Global TV from the previous owner, Nasir Tamara and the IFTIHAR, an Islamic consortium. Nasir Tamara is a senior journalist, one of the founders of *Republika*. After acquiring TPI, Harry changed its name to MNCTV and altered the content of the main broadcast to entertainment. He did the same thing with the Global TV station, which initially was an educational TV with an Islamic mission, and became an entertainment TV station. Harry also established the iNews (Indonesia News) TV station in 2008. The station was renamed several times; the Sun TV (2008-2011), the Sindo TV (2011-2015), and in April 2015, iNews. Harry established 17 iNews local TV stations all over

Indonesia and collaborated with other local TVs, so the iNews broadcasts can be received in 27 provinces of Indonesia (Kominfo, 2016; KPI, 2017). Based on ownership of TV stations, Harry is the most important owner of TV stations and controls the most extensive TV network in Indonesia. The ownership of RCTI, MNCTV, Global TV, and iNews mean Harry controls 45% of the national market share. He also has five cable TVs, namely Indovision, Sky Vision, Oke Vision, and Top TV (MNC, 2017). To meet broadcast material needs, MNC has created five content providers and trading companies, three advertising companies and one talent management company. MNC also has dozens of companies in the fields of radio, services and commerce, property, print media companies, licenses, and investments. In 2007, MNC entered the stock market with the name MNCN, selling 4.125 million shares. The initial share price of MNC was Rp900 per share, but in 2017 it rose to around Rp2000 per share (MNC, 2017).

In managing MNC, Harry involves his family. His daughter, Angela Herliani, was the director of MNC (MNC, 2017). Liliana Tanaja, Harry's wife, once served as commissioner, director, and president director in RCTI, Global Star, and MNC. Harry's brother, Bambang Rudijanto Tanoesudibjo, also held several important positions, in MNC, RCTI, and Global TV. Therefore, according to the definition proposed by Lubatkin, Ling, and Schulze (2007), the MNC group firm may be referred to as a family enterprise.

Harry owns a TV station not only for economic gain but also for political reasons. His political activities became clear in 2011 when he joined the Nasdem party, but two years later he withdrew and joined the Hanura party. His wife is also active in the same faction. In 2014, his political moves became more earnest when he was nominated as a vice presidential candidate from the Hanura party, paired with Wiranto (former Commander of the Indonesian Armed Forces), although he lost. In 2015 Harry founded the Perindo (Persatuan Indonesia) political party.

Harry's political activities had an impact on his TV media. He often advertises himself, his political party, and his wife's activity in all MNC Group networks. The media has become a political tool to fight for their interests. Several times the KPI has issued warning letters, but violations are still common (Widyatama, 2017b). In addition to politics, Harry, who graduated in Business and Administration from Ottawa University, is also active in several social organizations and sports. He was a committee member of National Sports of Indonesia (KONI) in 2003-2007; chairman of the Indonesian Futsal Association 2014-2019; and a member of the Honorary Board of the Amateur Boxing Association Indonesia between 2012 and

2016. He is also a frequent speaker at seminars and guest lecturer at various universities.

### **Elang Mahkota Teknologi (EMTEK)**

EMTEK (Elang Mahkota Teknologi) is a company owned by Eddy Kusnadi Sariatmadja (born in 1963) founded in 1983 with his brother Fofo Sariatmadja, and his younger brother, Darwin Wahyu Sariatmadja. Eddy is a businessman from Surabaya, East Java who started his business in the field of computers. Initially, EMTEK was named Elang Mahkota Komputer in line with its business activity, but in 1997 Eddy changed the name to Elang Mahkota Teknologi, with the same acronym; EMTEK.

Eddy started in the TV business through PT. Abhimata Mediatama in 2001, buying a 17% share in PT. Surya Citra Media (SCM), which controls SCTV. At that time SCTV shareholders were Cendana family members and cronies, such as Sudwikatmono (Soeharto's cousin), Halimah Bambang Trihatmodjo (daughter-in-law of Suharto), Peter F. Gontha, Henry Pribadi, and Azis Mochtar. The Cendana family is named after Suharto, the 3<sup>rd</sup> President of Indonesia.

Eddy continues to increase his ownership of shares in SCTV. Currently, he owns 86.26% of SCTV. In 2007 he also established the O Channel and controlled 99.99% of its shares. In 2011, Eddy's family acquired 74.08% of Indosiar's shares. In the same year, he founded Nextmedia, an online pay-TV company (EMTEK, 2016). SCTV, Indosiar, and O Channel (Omni Intivision) are the primary TV stations of the network, having 28, 23 and 5 local TV stations, respectively (Kominfo, 2016). By 2017, EMTEK was the second largest TV broadcasting network owner. To support broadcast material needs, EMTEK established seven production and content trading companies to meet internal and external group needs. Eddy also has businesses in various fields, including plantations, mining, and information technology. In running EMTEK, Eddy involves his son, Alvin W. Sariatmadja, who serves as EMTEK's president director (EMTEK, 2016).

Unlike Harry Tanoesudibyo, Eddy is not involved in politics. However, he has many relationships with national and international political figures, including the former the US president Barack Obama. Eddy invited Obama to a private lunch at his house when Obama visited Indonesia in June 2017.

### **VIVA Media Asia, Tbk**

Viva Media Asia, Tbk is a holding company owned by Aburizal Bakrie (born 1946), an entrepreneur from Lampung. Aburizal controls 53.69% of Viva shares through PT. Bakrie Global Ventura (Viva, 2016). The Viva group controls two broadcasting stations, TV One and ANTV, each broadcasting in 30 provinces (Kominfo, 2016). The Viva group owns one production house company and controls

90% of the shares in 22 local TV stations (Viva, 2016). Initially, TV One was named Lativi and was bought from Abdul Latif in 2006. Aburizal altered the format of Lativi to news, competing with Metro TV.

Aburizal's parents are traders who sell commodities through PT. Bakrie & Brothers. Currently, Bakrie has businesses in various fields, namely TV media, telecommunications, information, mining, contracting, and the steel industry. Some of his companies sell shares in the stock market. In 2006 Aburizal was listed as Forbes' sixth most wealthy individual in Indonesia, with a net worth of \$ 1.2 billion. But in 2012 he was no longer included in the 40 wealthiest people. In conducting business, Aburizal involves his first son (Anindya Novyan Bakrie) as president director, and third son (Anindra Ardiansyah Bakrie) as president.

Since a young age, Aburizal has been active in various organizations. While studying at Bandung Institute of Technology, he was active in student organizations. In the field of business, he is one of the founders of the Indonesian young entrepreneurs' association. He still active in the Chamber of Commerce and Industry (KADIN) and has been its chairman. At the international level, Aburizal was former President of the ASEAN Business Forum (in 1991 and 1995); former President of the ASEAN Chamber of Commerce & Industry (1996-1998); as well as a member of Indonesia-Australia Business Cooperation forum. In sports organizations, Aburizal was active on the committee of the badminton association. Following his engineering background, he is involved in the Indonesian Engineers Association and has been its chairman.

His integrity and contribution to business, society, and country has meant Aburizal has received several awards, both at home and abroad. The Indonesian government awarded him the Bintang Mahaputera Adipradana (2011) while Harian Republika made him Businessman of the Year (1995). Abroad, the ASEAN Business Forum gave Aburizal the 'ASEAN Business Person of the Year' award (1997), and the Junior Chamber of Commerce recognized him as one of the 'The Outstanding Young People of the World' (1986).

Aburizal has been in politics since 1984. His political career has developed through the Golkar party. He was formerly Coordinating Minister for Economic Affairs (2004-2005) and Coordinating Minister for People's Welfare (2005-2009). He was also a member of the People's Consultative Assembly (MPR) for two periods (1988-1993 and 1993-1998). The Golkar Party has twice put forward Aburizal as a presidential candidate (2009 and 2014), but he has lost in the early stages of the race. Aburizal's activities and political orientation influenced his TV station. News regarding Aburizal and the Golkar party appeared on TV Ove and ANTV frequently and extensively. Although the

KPI has issued several warnings, violations are still often encountered (Widyatama, 2017b). Also, the Viva group's TV stations often criticize the government. This trend has developed since the 2014 presidential election, where the Great Indonesia Coalition triumphed over the Red and White Coalition. Aburizal is one of the leaders of the Red and White coalition. The advertising and coverage of the Red and White Coalition figure frequently in Viva Asia Media's television network (Ardiyanti, 2014).

### **CTCorp (Chaerul Tanjung Corpora)**

CTCorp is a company owned by Chaerul Tanjung (CT), a dentist and successful businessman from Jakarta who graduated from the University of Indonesia. Born June 16, 1962, he started his career in business in 1987 by establishing a shoe factory. In 2017 his business expanded into various sectors, including banking & financial services, online media, entertainment centers, services & trade, insurance, tourism, food & beverages, fashion, estates, and hotels.

In the TV business, CT initially owned Trans TV which was founded in 2001. In 2006 he bought a 55% share in TV7 from the Kompas Gramedia Group (KKG), took control of TV7 and changed its name to Trans 7 (Harianto, 2014). TV 7 itself was initially founded and owned by Sukoyo but sold to Jakob Oetama, a veteran press entrepreneur from KKG. CTCorp uses the Trans TV network to develop Trans 7, so it has 32 local TV station subsidiaries in 30 provinces. Together with Ishadi SK (former director of the state-owned public TV, TVRI), CT successfully achieved a break-even point for Trans TV only two years after it was founded (Okky, 2008). Trans TV itself has 32 subsidiary TV stations spread over 29 provinces. Trans TV and Trans 7 focus on entertainment within the same market segment. CTCorp also owns a subscription TV company and provides CNN Indonesia with news content.

Although not active in politics, CT joined the political elite of Indonesia as Minister for Economic Coordination (2014). CT's brilliant mind in the field of entrepreneurship meant CT was appointed as a professor at Airlangga University in 2015.

### **The Kompas-Gramedia Group (KKG)**

KKG is owned by Jakob Utama (born 1931), a veteran journalist who has worked unceasingly in journalism since 1956. KKG has 68 print media and 28 websites. Kompas daily is one of the largest KKG owned newspapers in Indonesia (Widyatama, 2017a). In addition to having print media, KKG has businesses in radio, hotels, public relations and other companies (Lim, 2011).

After selling TV7 shares to CT, in 2011 the KKG's officials wanted to set up a TV station again. They then established PT. Cipta Megaswara Televisi, a

content provider company, under the name of Kompas TV. Based on the experience of managing TV7, KKG has been able to develop Kompas TV better. The company is working with local TV stations in 23 provinces to build a network using call sign Kompas TV (KPI, 2017). As much as 70% of the contents of Kompas TV is news and 30% other educational and entertainment material.

Jakob Oetama and KKG keep their distance from politics. Jakob Oetama spends more time in journalism. He received a Dr. (HC) degree from Gadjah Mada University in communications. He also won the Mahaputra Utama Star from the Indonesian government in 1973, for his dedication to journalism.

### **Media Group**

Media Indonesia Group was founded and owned by Surya Paloh (born July 16, 1951), a print press businessman from Aceh. Surya entered the press industry in 1986. He is one of the pioneers of press freedom, the owner of Media Indonesia newspaper, which is the fifth largest in Indonesia. Surya Paloh also owns Lampung Post and Burneo Post (Lim, 2011), and since 2000, Metro TV.

Before entering journalism, Surya worked alternately in business, including being a distributor of Ford cars and Volkswagen (1973), hospitality (1975), and then trade. In 1986, Surya established Prioritas, a daily newspaper. He succeeded, but his newspaper did not survive long. The government revoked its license due to the accusation of violating the journalistic code of ethics. Nevertheless, he did not despair, and in 1989 founded Media Indonesia with T. Yously Syah and, collaborating with several publishers, implements his successful method of managing Prioritas. At the beginning of the reform era, Surya established Metro TV as a news TV station that broadcast nationally 24 hours per day, supported by fully digital technology.

Beyond his journalism business, since a young age, Surya has been active in social-political organizations and become one of the most influential social-political figures in Indonesia. As the son of a soldier, Surya established the association of children of ABRI (PP-ABRI) in Medan. He also pioneered the founding of a similar organization at the national level in 1978, where it was named "Forum Komunikasi Putra-Putri Purnawirawan Indonesia/FKPPI". In politics, Surya was initially active as Golkar party manager, but in 2011 he established the National Democratic Party. In 2003, while active in Golkar, Surya took part in the presidential candidate's convention but failed at an early stage. The defeat of Golkar in the 2004 elections caused the party to break up. Some of its leaders set up separate political parties. In 2010 Surya invited dozens of national figures to form a social organization called 'Nasional Demokrat.' The organizational logo is similar to the Metro TV logo.

Surya brought the organization up quickly, using the slogan 'Indonesia restoration,' thus making 'National Demokrat' very popular. He has used his television station to promote the organization. A year later, the organization transformed into a political party, under the name of 'Partai Nasdem/National Demokrat,' where Surya became chairman of the house of councilors, and in 2013, chairman of the party.

Surya Paloh's activities in politics significantly affected Metro TV. The TV stations often broadcast advertisements and Golkar party activities when Surya was active in Golkar. Metro has also carried much advertising from Nasdem, and reported on its activities, both before and after the party was formed. During the 2014 presidential election, Surya and the Great Indonesia Coalition won the race, making Joko Widodo President of Indonesia. Currently, Metro TV tends to be a media supporting the government (Ardiyanti, 2014).

### **Rajawali Corpora**

The next TV broadcasting company that dominates the Indonesian sky is R TV. The TV station was founded in 2009 and owned by Sofia Koswara, a furniture and handicraft entrepreneur through PT. Metropolitan Televisindo. R TV grew fast because within a year and a half it was able to build a network in 26 cities in 15 provinces. Initially, RTV was named B Channel, but it was renamed RTV in 2014 after Peter Sondakh bought the majority share through Rajawali Corpora. Peter Sondakh is a business leader and partner of Bambang Trihatmodjo who founded RCTI (Ariyani and Evan, 2014). Rajawali Corp is a holding company that has many businesses, including media, telecommunications, advertising, plantation, property, mining, transportation, natural resources, and infrastructure. Experience in RCTI allowed Peter Sondakh to develop RTV quickly successfully, and in 2017 R TV had a broadcast network in 28 provinces (KPI, 2017).

### **Indigo Multimedia**

The next TV company that dominates Indonesia is Net TV which was established in 2012 and is owned by PT. Indika Multimedia. The company was founded by Wishnutama Kusubandio and Agus Lasmono. In 2006-2008, Wishnutama was President Director of Trans 7, while Agus is the owner and director of Indika Group, a holding company with businesses in energy and resources. Agus is not a new player in the TV industry because he has served as a commissioner in SCTV (SCM, 2012). He is the son of Sudwikatmono (former owner of SCTV), so Agus is a relative of the Cendana family. Net TV uses the Spacetoon terrestrial network owned by Sukoyo, one of TV7's founders. Indika Group bought 95% of Spacetoon shares and changed its name to the Net TV. As a network partner, Net TV

has 26 local television members in 22 provinces (Kominfo, 2016).

## **CONCLUSION**

Of the 763 private TV stations broadcasting free to air, there are only 14 substantial TV stations in Indonesia. All substantial TV stations are owned by strong investors. Thanks to their significant capital, they can build networks and broadcast in the regions. They have expanded their broadcasts in several ways, namely acquisitions, joint ventures, and investments, as well as other strategic partnerships. These methods can make the company powerful, but potentially dominating. The government should police the restrictions strictly because if left unchecked, these companies tend to dominate and cause a negative impact on society.

All TV stations that can become a leading network are TV companies from Jakarta. Therefore, this situation is no different than before the government implemented Broadcasting Act No. 32 of 2002 when TV stations from Jakarta dominated the broadcast content even more. No local TV company has been able to build the kind of networked broadcasts created by the 14 television parcels discussed in this article.

The activities and political orientations of the owners affect their TV broadcasts. They tend to use their media to support their own political goals. Finally, TV stations become a tool for owners to fight for their interests so that it becomes a partisan media and does not fulfill its ideal function as a forum to bring together all stakeholders. Most network broadcasting stations have obeyed broadcast coverage restrictions, but some private TV owners ignore these regulations. Ironically, the Indonesian Broadcasting Commission (KPI) has not issued any sanction for violation.

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Table No. 1  
*The 14 Biggest TV Broadcasters in Indonesia (2017)*

No	Name of TV Broadcaster	Established on	Number of Provinces' coverage of broadcasting & percentage	The Owner
1.	MNCTV (previously/TPI) *	1991	32 (94.11%)	MNC
2.	RCTI *	1989	31 (91.17%)	MNC
3.	ANTV *	1993	30 (88.23%)	Viva Media Asia
4.	Trans 7 (previously TV7) *	2001	30 (88.23%)	CT Corp
5.	TV One (previously Lativi) *	2002	30 (88.23%)	Viva Media Asia
6.	Global TV *	1998	29 (85.29%)	MNC
7.	Metro TV *	1999	29 (85.29%)	Media Indonesia
8.	Trans TV *	2001	29 (85.29%)	CT Corp
9.	Kompas TV	2011	29 (85.29%)	KKG
10.	SCTV *	1990	28 (82.35%)	EMTEK
11.	R TV (previously B Channel)	2009	28 (82.35%)	Rajawali Corpora
12.	iNews (previously SunTV/Sindo TV)	2007	27 (79.41%)	MNC
13.	Indosiar *	1995	23 (67.64%)	EMTEK
14.	NET TV (previously Spacetoon)	2013	22 (64.70%)	Indigo Multimedia

\* existing TV station. Source: Author's calculations, based on Kominfo data 2016