

# Multicultural Media Review and Policy Report 2023



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## Acknowledgement of Country

The Department of Customer Service acknowledges the Traditional Custodians of the lands where we work and live. We celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of NSW.

We pay our respects to Elders past, present and acknowledge the Aboriginal and Torres Strait Islander people that contributed to the development of this document.

We advise this resource may contain images, or names of deceased persons in photographs or historical content.

### Multicultural Media Review and Policy Report 2023

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# Definitions

## CHANNELS

Digital and social combined	Combined channels including digital, digital programmatic, digital advertising, digital tech, data fees, search, and social media.
Press combined	Newspapers and magazines.
Programmatic	The use of automated technology to buy advertising through digital platforms.

## MEDIA AGENCY

Leba	A specialist multicultural media sales agency and intermediary used by NSW Government contracted media agency OMD for buying traditional multicultural media advertising.
Optimum Media Direction (OMD)	NSW Government contracted media agency responsible for all media planning, buying and campaign implementation.

## MEDIA TYPE

Independent multicultural media	A subset of multicultural media that refer to media outlets and platforms in NSW that are privately owned and operated. It excludes media that receive public funding like SBS and ABC or multinational digital platforms like Meta, YouTube, Weibo, and WeChat.
Multicultural media	Media outlets that target specific communities in NSW and may publish in a language other than English, reflecting the experiences, perspectives, and interests of their communities.

## OTHER

Culturally and Linguistically Diverse (CALD)	This term describes the culturally, religiously and linguistically diverse population.
English language proficiency	Data from the Australian Bureau of Statistics Census 2021 of people in NSW who self-identify that they speak another language at home other than English, do not speak English at all and do not speak English well at home. Also factored in the dataset is age and local government area (LGA).
Media impact	The effect or response of the audience to content in the media. Metrics may include time spent with the channel, sentiment, behaviour change, or actions taken as a result of the content.
Master Media Expenditure (MME)	Reports from the media agency showing paid media (advertising) spend data. It does not include market research, translation services, creative production, and expenditure towards non-advertising communication activities.
Media planning	The process of planning the placement of advertising in available channels to achieve the advertising objectives.
Media reach	The number of people exposed to a particular media channel.

# Executive summary

New South Wales is increasingly diverse. 1 in 4 people speak a language other than English at home, which increases to 1 in 3 people in Sydney<sup>1</sup>.

In NSW there are more than 190 languages spoken at home, with nearly 70 languages spoken by more than 1,000 people. Arabic and Mandarin are spoken by more than 200,000 people, while Cantonese and Vietnamese have over 100,000 speakers.

It is essential that NSW Government advertising campaigns reach all communities of NSW with important messages. This was highlighted by the COVID-19 pandemic, where the safety of the NSW people relied on effective communications to the whole community.



One way government can connect with these communities is through multicultural media outlets. The state is home to at least 87 independent multicultural publications and 209 radio programs in more than 56 languages. There are also national in-language services such as SBS and ABC, multinational digital platforms such as Meta, Weibo and YouTube, and international media channels.

The Department of Customer Service (DCS) has conducted a review across four areas:

- Government spending on multicultural media.
- The policy guiding spending on multicultural and Aboriginal advertising.
- The process for booking advertising with multicultural media.
- Opportunities to develop the sector.

Findings for these areas and 10 recommendations DCS has developed are summarised below and detailed within the report.

## Government advertising expenditure in multicultural media

In the last two years, NSW Government departments spent more money on multicultural and Aboriginal channels. They increased their investment in traditional multicultural media (radio, newspapers, magazines) compared to FY2019, FY2020 and FY2021.

However, in FY2023, the proportion of the total multicultural media budget to traditional multicultural media dropped, while digital media increased. A factor driving this shift includes advertisers preferring platforms that allow them to measure and report on advertising campaigns. Another is delivering campaigns with small budgets and short timeframes, which benefit from the flexibility of digital platforms. Some independent multicultural media do have digital products but these were rarely booked by government for advertising.

The vast multicultural media landscape and the lack of in-language media consumption surveys make it difficult to plan multicultural advertising. Media and audience data are key inputs for media agencies and advertisers when making decisions about channel selection and media planning. This data is not available for most independent multicultural media.

It is recommended that media consumption behaviour research is completed with multicultural communities to develop media and audience data that can inform government campaign decisions.

## Review of the NSW Government CALD and Aboriginal Advertising Policy

The NSW Government has a policy to spend a minimum of 7.5 percent of an advertising campaign media budget on direct communications with multicultural and Aboriginal audiences. DCS has reviewed the policy, informed by a comprehensive consultation process with government departments, multicultural media, the media agency and review of other jurisdictions.

<sup>1</sup>ABS Census 2021.

DCS recommends the policy increases the minimum spend to 9 percent for all advertising campaigns. It is estimated that moving from 7.5 percent to 9 percent will allow for targeting 1 to 4 more communities per campaign, depending on budget, media channel, language, and duration of campaign through lightweight communications.

Government departments should tailor their media spend towards people with low English proficiency or multicultural audiences more broadly depending on their advertising campaign objectives. The process of selecting the targeted multicultural communities should continue to be dependent on the campaign strategy, target audience knowledge and campaign messaging.

### **Review of workflows for booking multicultural media advertising**

The NSW Government currently has one contracted media agency, Optimum Media Direction (OMD), to deliver all media planning, buying and campaign implementation.

OMD uses a combination of direct buying and buying through intermediaries to activate campaigns. When buying advertising with multicultural media, the intermediaries utilised by OMD are media sales agencies Leba, Spots and Space and S & J Media. Leba is the primary intermediary used for traditional multicultural media.

The diversity of the NSW multicultural media landscape is the primary driver for OMD utilising intermediary sales agencies. These agencies provide expertise, long standing direct relationships and systems to place advertisements with multiple multicultural and Aboriginal media outlets effectively.

The current process was compared with alternative media buying models with reduced intermediaries. The review concluded that utilising the contracted media agency and an intermediary sales agency, remain the most effective workflow.

### **Support for the multicultural media sector**

The review also looked at opportunities to provide direct support to multicultural media outlets. Past grants programs supported outlets who could play a critical role in sharing public health messaging during the COVID-19 pandemic.

Multicultural NSW (MNSW) is funding a pilot partnership project with a priority NSW Government campaign. The purpose of this pilot is to increase awareness across the sector of how independent multicultural media can reach communities beyond simple advertising placements.

## **Report recommendations**

- 1.** NSW Government departments continue to target select multicultural communities and languages on a case-by-case basis based on specific campaign objectives and strategy, considering whether to target a broader multicultural audience or focus on those with low levels of English proficiency.
- 2.** NSW Government to increase the required paid media campaign expenditure targeting multicultural and Aboriginal communities under the Multicultural and Aboriginal Advertising Policy from 7.5 percent to 9 percent with a review to be conducted in two years, informed by the completion of community media consumption behaviour research.
- 3.** Improve data and understanding about the media consumption behaviour of NSW multicultural communities via research, including the reach and impact of multicultural media channels to inform government campaign decisions.
- 4.** NSW Government should retain current arrangements for placement of government advertising (via the contracted media agency and intermediary agency) based on the comparison with alternative models (detailed in the report).
- 5.** NSW Government to develop an action plan for increasing consideration of traditional multicultural media to stem steep decline.
- 6.** NSW Government to increase the total number of languages targeted across advertising campaigns overall.
- 7.** NSW Government should report on multicultural and Aboriginal advertising spend annually (to increase transparency on delivery to the Multicultural and Aboriginal Advertising Policy).
- 8.** NSW Government to require its contracted media planners and placement agents to increase their knowledge and consideration of local digital multicultural channels.
- 9.** Increase NSW Government's understanding and consideration of independent multicultural media (actions may include annual supplier roadshow event, survey inviting media outlets to have their say every two years).
- 10.** Department of Customer Service to report on the proposed approach to reach multicultural audiences in the Cabinet Submissions for campaigns over \$1 million.

# Introduction

In 2023, the New South Wales Government pledged to review government advertising practices with independent multicultural media across the following topics:

- Audit multicultural advertising expenditure and where it was spent.
- Review the use of consultants and intermediary agencies to increase the share of spend reaching local multicultural media.
- Examine opportunities for direct negotiation with local multicultural media as a way of delivering better value to taxpayers.
- Examine the benefits of a procurement panel for multicultural advertising expenditure.
- Analyse how to reduce multinational social media platforms in favour of home-grown digital media channels.
- Explore ways to support digital transformation and journalistic excellence in the multicultural media sector.

The Department of Customer Service (DCS), in partnership with Multicultural NSW (MNSW), have completed a review of these topics as well as review of the NSW Government CALD and Aboriginal Advertising Policy.

DCS has consulted with a range of stakeholders throughout the reviews including:

- A survey to multicultural and Aboriginal media outlets that received 85 responses on opportunities they can provide to NSW Government and challenges they are facing.
- 10 in-depth interviews with stakeholders. The interviews included the government contracted media agency OMD, the multicultural media sales agency Leba, the multicultural radio program peak body National Ethnic and Multicultural Broadcasters Council (NEMBC), and 7 other independent multicultural media outlets across 5 communities, which were the Arabic, Chinese, Vietnamese, Greek, and Spanish communities.
- Engagement of NSW Government agencies on the proposed changes to the NSW Government CALD and Aboriginal Advertising Policy.
- A working group with a cross section of government agencies to inform the policy review.
- Discussion with the Victorian Government and Australian Government on their advertising policy to the multicultural and Aboriginal communities.

This report provides the findings and recommendations from these reviews.

## A note on terminology

Throughout this report, the term 'multicultural' will be used when referring to the diverse communities and/or media in NSW. The term 'CALD' (Culturally and Linguistically Diverse) will not be used, except when it is in the naming convention for a policy. While many government institutions use the term CALD, this acronym is only familiar to a specialist audience.

This report utilises the term 'multicultural media' when referring to publications that target non-English communities, are community-centric in their approach, or may publish in a language other than English. A subset of this group is 'independent multicultural media', which must be privately owned and operated, often by members of their target community. The independent outlets are not publicly funded such as SBS and ABC, or multinational digital platforms such as Meta, YouTube, Weibo, and WeChat.





# Government advertising expenditure in multicultural media

NSW Government uses its contracted media agency Optimum Media Direction (OMD) for all media planning, buying and campaign implementation. When buying advertising with independent multicultural media, OMD uses the multicultural media sales agency Leba as a primary intermediary to place advertising.

DCS has used the data from the Master Media Expenditure (MME) report to analyse multicultural media spend. This includes media expenditure data from previous and current contracted media agencies by the NSW Government. This data captures paid media (advertising) spend only. It does not include market research, translation services, creative production, and expenditure towards non-advertising communication activities.

## The NSW Government Culturally and Linguistically Diverse (CALD) and Aboriginal Advertising Policy

The NSW Government CALD and Aboriginal Advertising Policy requires at least 7.5 per cent of a campaign media budget to be spent on direct communications to multicultural and Aboriginal audiences. The current policy states that spend may be on paid media (advertising) or non-advertising communications activities (events, participation at cultural festivals, direct mail, competitions, and websites) as deemed as most effective for the campaign.

Figure 1 (Page 9) shows a year-on-year increase of multicultural and Aboriginal media spend from 4.6 percent to 8.5 percent from FY2019 to FY2023. Multicultural and Aboriginal media spend exceeded the policy requirements of 7.5 percent in FY2022 and FY2023.

The figure also shows that in FY2019, FY2020, and FY2021, the policy minimum spend was not met through media spend alone. The analysis does not include non-advertising communications activities, as this spend is not available centrally.

It is also worth noting that the figure shows the combined spend value of multicultural and Aboriginal media, as current media reporting sums these together.

## Selection of media channels

To allocate spending to multicultural media, the NSW Government, advised by specialist contracted media agency OMD, must decide on the number of communities each campaign will target and the most efficient and effective channels to do so, within available budget.

There are a range of media channels to reach multicultural audiences that include traditional media such as newspaper, magazines, radio, and digital channels such as social media platforms.

The independent multicultural media landscape reflects the diversity of the communities they serve. DCS notes there are at least 87 print publications and 209 radio programs across 56 languages in NSW. From available information, there does not appear to be significant changes to the media landscape in the past 5 years.

## Limitations with available data on reach and impact

Media and audience data are key inputs for media agencies and advertisers when making decisions about channel selection and media planning.

DCS notes there are limitations on sourcing verified and audited data for the reach of the traditional multicultural media channels. DCS also recognises that in many cases it is not feasible for independent multicultural media to finance surveys to validate their readership.

Indicative media reach information collated by Leba includes:

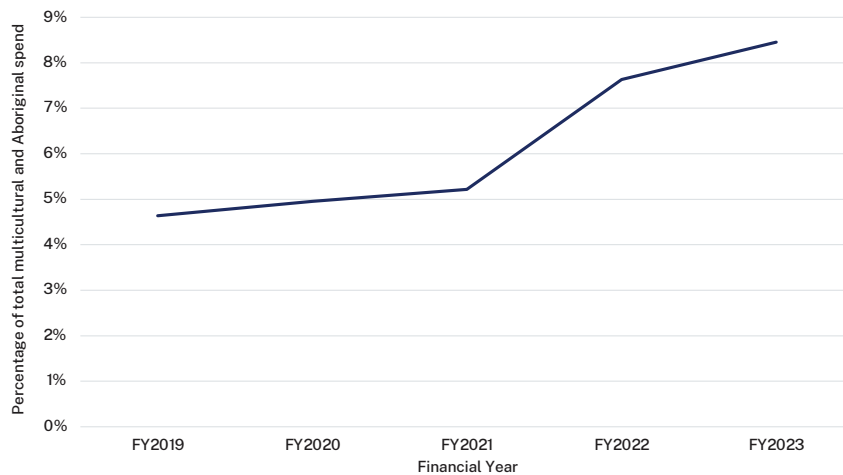
- Proof of the number of printed copies from multicultural newspaper publishers.
- A media industry estimate of 2.5 readers per printed publication as a guide for readership of multicultural press.
- Australian Communications & Media Authority (ACMA) data shows that the physical coverage of radio stations overlaid on ABS data for people who speak a language other than English in that area to produce a potential audience figure for in-language programs.

DCS found there is not enough information about the impact and consumption of these publications within communities. Roy Morgan research is a primary source of data to inform advertisers of audience behaviours across media channels including TV, digital, press and radio. This data is influential for media agencies in their channel planning based on the objectives of each campaign. Roy Morgan research is not conducted in-language nor includes specific multicultural media outlets.

To understand the media consumption behaviour of multicultural communities, research should include multicultural media and be completed in multiple languages.

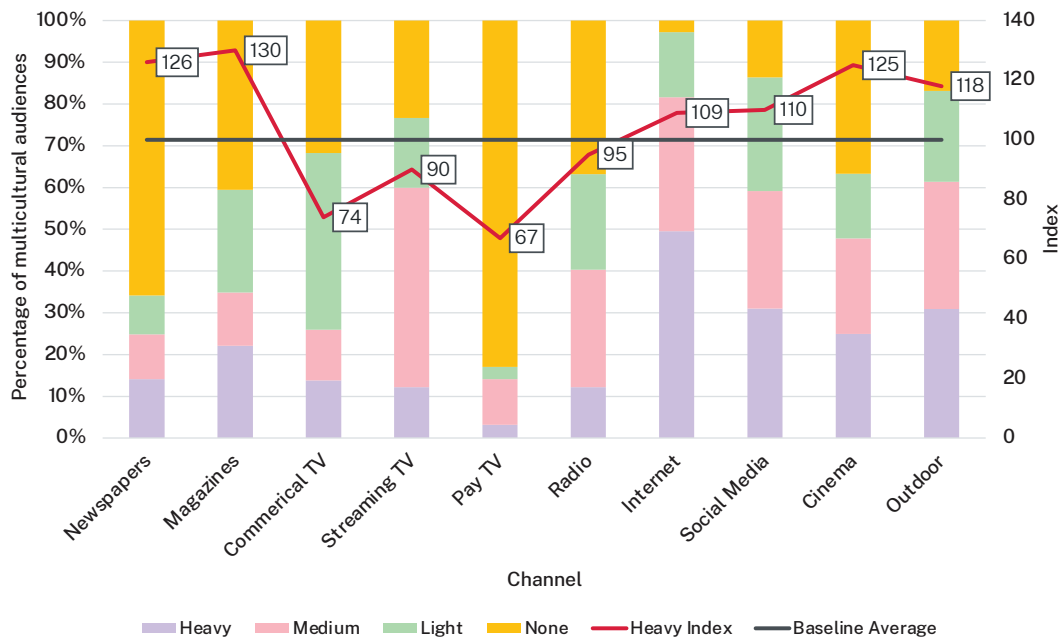


Figure 1: Percentage of multicultural and Aboriginal media expenditure of total media expenditure



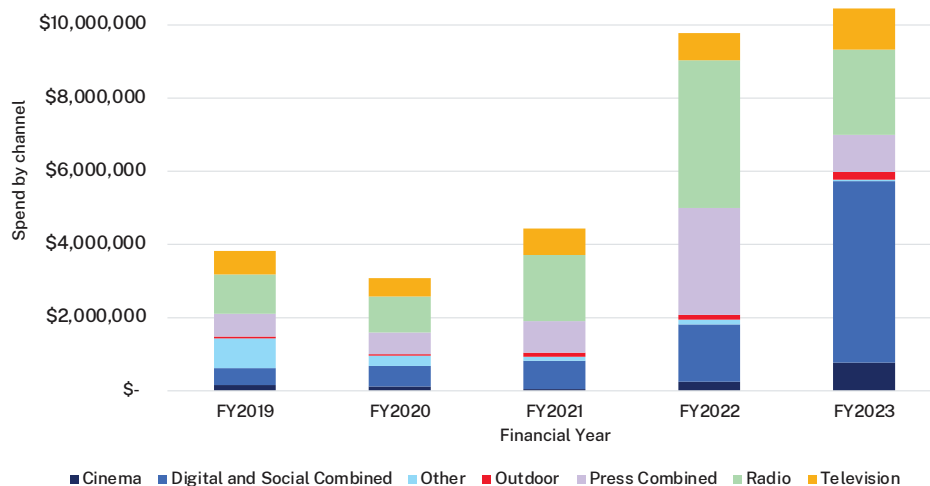
Source:  
DCS MME data,  
2018-2023

Figure 2: Channel consumption behaviour of NSW multicultural audiences



Source:  
Roy Morgan  
Single Source  
Australia:  
October 2018 –  
September 2023.  
Note: this research  
is not conducted  
in-language nor  
includes specific  
multicultural  
media outlets.

Figure 3: Multicultural and Aboriginal media spend by channel



Source:  
MME data from  
DCS, 2018-2023

## The change in spend on traditional media channels and rise of digital advertising

Independent multicultural media publishers consulted for this review raised concerns about the decline of NSW Government advertising in traditional multicultural media.

Figure 3 (Page 9) shows total spend with multicultural and Aboriginal channels across the last 4 years has increased. The figure indicates a significant increase from FY2021 to FY2022, which was driven in large part by the major campaign during the COVID-19 lockdown and focus on south-west Sydney areas. During this period, there was a strong need to communicate with all multicultural audiences to ensure they were aware of the lockdown and safety measures with the outbreaks of COVID-19 cases in south-west Sydney which has a large population of multicultural communities.

This figure also shows that the combination of press and radio was \$1.7 million in FY2019, close to \$7 million in FY2022 at the height of COVID-19 and around \$3.35 million in FY2023.

Figure 4 (Page 11) shows the proportion of multicultural and Aboriginal media by channel. The sharp increase in the proportion of digital advertising in FY2023 correlates to a decrease in the spend on traditional multicultural media. Comparison of Figure 4 and Figure 5 (Page 11) data shows that the level of spend in digital and social media for multicultural and Aboriginal audiences in FY2023 is now similar to the level of spend in total digital and social media (excluding multicultural and Aboriginal media).

DCS analysis of total media spend excluding multicultural and Aboriginal media spend (Figure 5) showed that digital and social media accounted for between 40 percent to 50 percent of the total media spend since FY2019.

Press was proportionally lower for this audience, at 3.7 percent in comparison with 9.7 percent for multicultural and Aboriginal audiences in FY2023. Similarly, radio spend was 13.4 percent compared to 22.3 percent for multicultural and Aboriginal spend.

Digital and social media spend includes multinational digital platforms such as Google, Meta, Weibo, as well as local digital publishers.

Possible explanations for the sharp increase in proportion of spend to digital and social media spend for multicultural and Aboriginal audiences from FY2023 include:

- General audience media consumption behaviour moving towards digital channels over time. Digital can provide the opportunity to deliver high reach in a cost-efficient manner with the ability for specific targeting including demographic, interest based, contextual, language and geographic area.
- Increasing industry wide preference with advertisers for communication channels that can deliver data about audience reach and engagement.
- During FY2023, NSW Government ran a higher volume of advertising campaigns, and many of these campaigns were implemented quickly and had a low budget. Digital advertising can be a key channel for these type of campaigns as it has low-cost placement options, ability for quick launch and real-time insights.

- Between FY2020 and FY2022, NSW Government spent \$6.6 million of advertising on multicultural and Aboriginal channels across 22 languages in the COVID-19 campaign, including \$2.8 million in press. The same level of investment was not maintained in FY2023.

## Local multicultural digital products

DCS is aware that many multicultural media have been building their digital capabilities to include websites, social media handles, news applications and eBooks over the past few years.

Multicultural media interviewed for this review said they have not received advertising from the NSW Government on their digital products, only their traditional outlets. They said their digital offerings are used by other advertisers and provide meaningful reach to their communities.

Examples given include:

- The Greek Herald reports they have 300,000 unique users a month for their website and 2 to 3 million visits a month on social media, according to their publisher Dimitra Skalkos.
- The Chinese Herald owns 1688.com.au which is “the highest ranked Chinese news website in Australia”, according to its publisher Wendy Huang. She reports to have nearly a million visits each month equating to 30,000 to 35,000 unique visitors per day.

During this review, DCS has found that local multicultural digital and social media options could be better promoted to NSW Government and its media buyers. This demonstrates an opportunity for independent multicultural media to publicise their digital advertising options more widely so they can be considered for NSW Government advertising campaigns.

## Multinational digital platforms

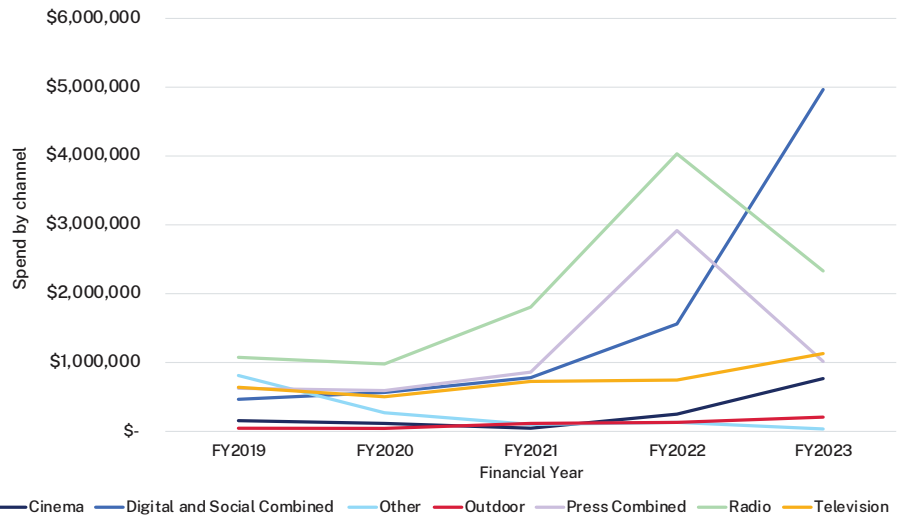
Multinational digital platforms such as Meta, YouTube, Weibo, WeChat, and others have well established audience reach and reporting systems.

According to OMD, multinational digital platforms provide “sophisticated, measurable and agile products that enable more robust investment decisions into multiple communities”. OMD highlights benefits for their media planners and advertisers on these platforms including:

- Verified and audited media data.
- Sophisticated systems and reporting, and transparent and flexible advertising formats and options.
- Ability to target through mobile devices, geolocation and mobile language settings.
- Real-time tracking of campaigns, comprehensive analytics, and cost-effectiveness via reduction in production and translation costs.
- Options to buy programmatically which allows for a quick media plan execution across multiple communities. Programmatic digital advertising buying is the dominant way of trading digital media in the industry and according to OMD this is often an efficient and effective solution.

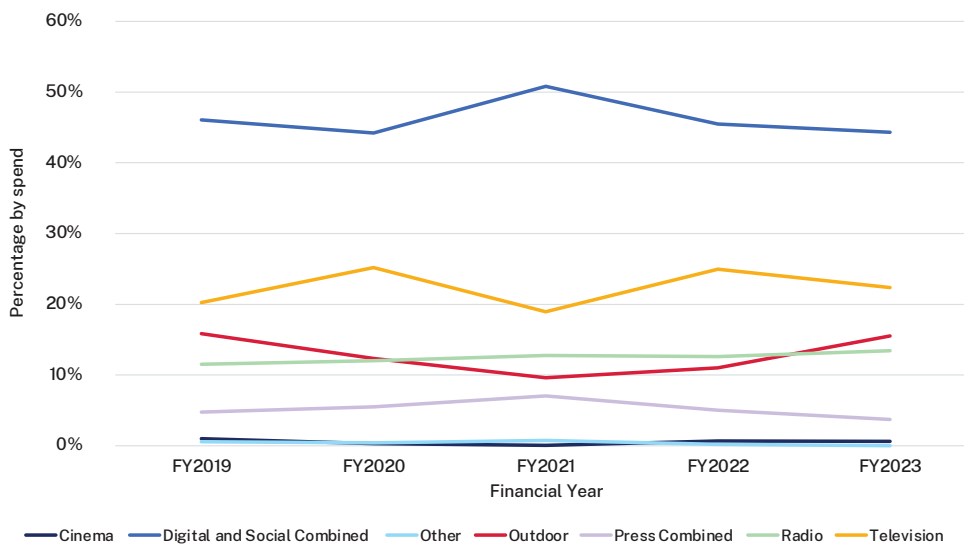
It is also worth noting that the independent multicultural publishers DCS spoke to do not believe it is feasible

Figure 4: Multicultural and Aboriginal media spend by channel



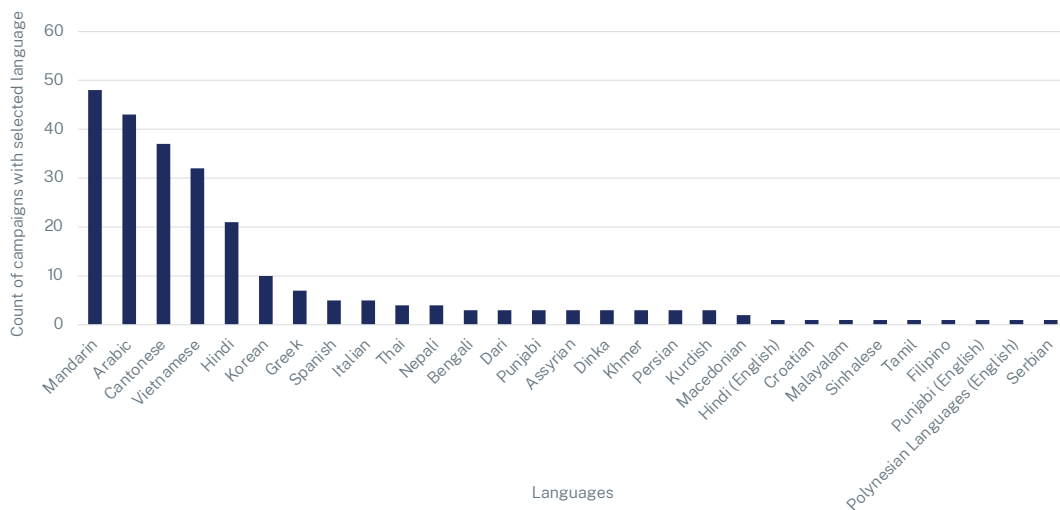
Source:  
MME data from  
DCS, 2018-2023

Figure 5: Media spend by channel – as a proportion of total media spend excluding multicultural and Aboriginal media spend per year



Source:  
MME data from  
DCS, 2018-2023

Figure 6: Number of campaigns by language submitted in DCS Peer Review plans for FY2022-2023



Source:  
DCS data,  
Campaigns plans  
submitted to peer  
review process,  
from 2021-2023

for them to trade their digital advertising placements via programmatic platforms. According to Leba, many publishers feel that programmatic advertising is “not worth it” as they end up with a fraction of the actual spend, because of a longer chain of intermediaries in addition to the commission of the programmatic platform. DCS notes that there are different programmatic approaches used across the media industry. Media outlets evaluate the advantages and disadvantages of implementing options to sell their digital media via different methods. Programmatic buying is not essential for NSW Government campaigns.

### **The balance of digital vs. traditional multicultural media advertising**

This review heard from independent multicultural media on how they can effectively deliver government messages to their communities. Their readers are loyal, trusting, primarily in-language, primarily residing in Australia and are actively seeking information when they engage with their publications. Their digital platforms can offer context and relevance with advertising even if they cannot compete with the reach of multinational digital platforms.

According to the NSW Parliamentary report from January 2023, “Improving crisis communications to culturally and linguistically diverse communities”, traditional media is “trusted and important.” DCS also recognises that advertising through independent multicultural media benefits communities directly as they are generally owned by the community.

Through this review, DCS found there was not sufficient evidence to make a recommendation on budget allocation to channels (independent multicultural media vs. digital/social). Budget allocation needs to be planned according to specific campaign objectives. However, DCS notes the steep increase in digital and social spend in FY2023 and recommends that an action plan is developed by NSW Government and OMD to increase the consideration of traditional multicultural media in briefing, planning and buying media.

### **Multicultural audience selection for advertising campaigns**

NSW Government departments currently select multicultural communities and languages to target based on a combination of campaign objectives, population size or populations with lower English proficiency. There is no ‘one size fits all’ across all government campaigns in how multicultural audience should be selected.

Figure 6 (Page 11) shows the count of campaigns targeting each language. When reviewing the number of languages targeted in FY2023 government advertising campaigns over \$250,000, DCS found that 72 percent of campaigns include 1 to 5 languages groups.

This analysis suggests an opportunity to increase the number of languages targeted in NSW Government advertising campaigns to include more communities.

An examination of cost and implications of this approach is detailed in the review of the NSW Government CALD and Aboriginal Advertising Policy section.



## Closing the media data gap in multicultural media planning

This review has discussed the role of media and audience data in effective media planning and outlines the gap in data with multicultural media compared to mainstream channels. Three options were considered to develop the required data. Analysis of the options is summarised below.

Table 1: Options to close the media data gap

	<b>1</b> <b>Direct information-gathering program – with OMD/Leba.</b>	<b>2</b> <b>Engagement program – build NSW Government qualitative understanding of media value.</b>	<b>3</b> <b>Multicultural media consumption behaviour research.</b>
<b>Detail</b>	<ul style="list-style-type: none"> <li>An interview program with approximately 100 multicultural media suppliers in NSW.</li> <li>Collaboration to gather information required to close the gap.</li> </ul>	<ul style="list-style-type: none"> <li>Annual supplier roadshow with OMD in which suppliers are invited to share, and is attended by Leba and cross-government communications staff.</li> <li>Annual government communications event with Leba, through sharing government communication priorities to the industry and inviting media outlets to attend.</li> <li>Annual Have Your Say survey for media.</li> </ul>	<ul style="list-style-type: none"> <li>NSW Government to conduct research to understand current media consumption behaviour of communities, and establish reach and impact of multicultural media channels.</li> </ul>
<b>Pros</b>	<ul style="list-style-type: none"> <li>Potential for direct engagement between NSW Government and OMD with media.</li> <li>All multicultural media can be involved.</li> <li>Information gathered can be executed in media buying with OMD.</li> </ul>	<ul style="list-style-type: none"> <li>Potential for increased direct engagement between NSW Government and OMD with media.</li> <li>Multiple ways that media can be involved.</li> <li>All multicultural media can be involved.</li> <li>Less resource intensive than extensive interviews.</li> </ul>	<ul style="list-style-type: none"> <li>Build understanding of how to effectively reach communities with government communications.</li> <li>Independent measure of media impact.</li> <li>Evidence based to help influence efficient and effective media buying decisions.</li> </ul>
<b>Cons</b>	<ul style="list-style-type: none"> <li>High resource required from DCS, OMD, Leba and multicultural media.</li> <li>Low likelihood of solving data gaps in 1 conversation and would require multiple sessions.</li> <li>Small publishers may struggle to resource this engagement.</li> </ul>	<ul style="list-style-type: none"> <li>Does not close the data gap but increases government general knowledge and awareness about publishers.</li> <li>Less engagement than 1:1 direct conversations may provide.</li> </ul>	<ul style="list-style-type: none"> <li>Costs.</li> <li>May not be inclusive of all communities.</li> </ul>

Based on analysis of these options, this review recommends Options 2 and 3 are pursued to develop data needed to effectively plan multicultural media. These options in combination will deliver meaningful data to direct media planning and provide opportunities to engage multicultural media directly in a resource efficient approach.

# Review of the NSW Government CALD and Aboriginal Advertising Policy

The NSW Government has maintained a policy requiring all government departments to address multicultural and Aboriginal audiences in advertising campaigns since 1996.

The current policy states:

At least 7.5 percent of an advertising campaign media budget is to be spent on direct communications to multicultural and Aboriginal audiences. Spend may be on media or non-media communications activities (for example, events, participation at cultural festivals, direct mail, competitions and websites) as deemed most effective for the campaign.

DCS determined that a review and update to the policy is due for multiple reasons:

- NSW is more diverse than ever, and this will only increase. From the 2021 Census data, 1 in 4 people in NSW speak a language other than English and 1 in 3 people in Sydney speak a language other than English at home.
- Crisis scenarios have emphasised vulnerabilities that exist within the community.

With bushfires, COVID-19 and floods over the last few years, multiple crisis scenarios have demonstrated the need and urgency to communicate with multicultural and Aboriginal audiences quickly and efficiently.

NSW Parliamentary report January 2023 *Improving crisis communications to culturally and linguistically diverse communities* stated:

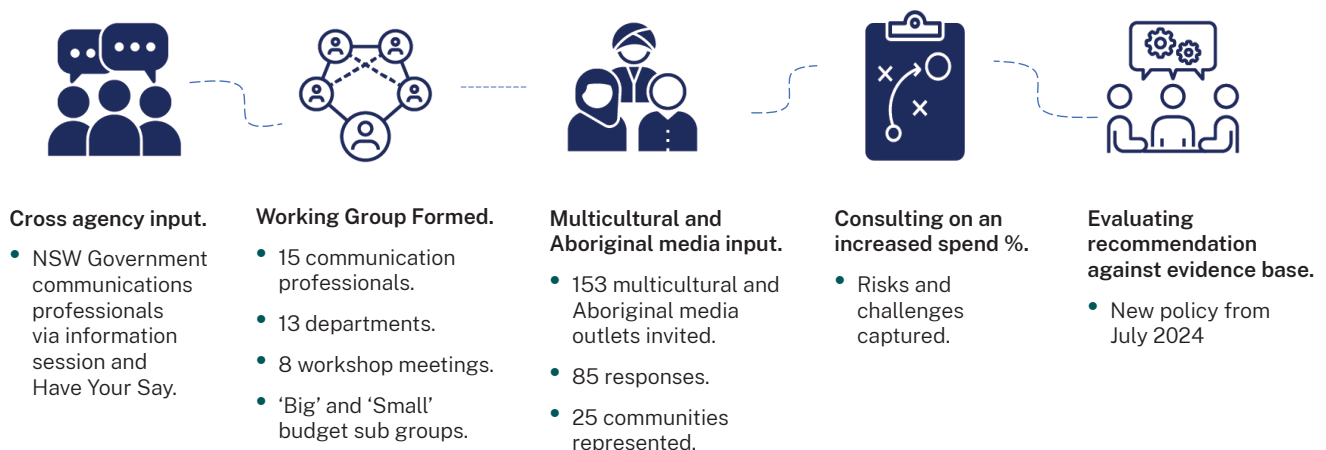
“Effective communication is essential during crises like the COVID-19 pandemic and recent natural disasters. Ensuring that people have access to crisis-related information can mean the difference between life and death.”

- The last update to this policy was in 2016 where spend on non-media activities was included as part of the 7.5 percent. Prior to 2016, the 7.5 percent only included paid media activities.

## Approach to review the Policy

To effectively review the existing policy and provide a consultative approach for an update to the policy, a thorough engagement process was completed which included government agencies, multicultural and Aboriginal media outlets and the contracted media agency, OMD.

Figure 7: Consultative approach for policy update



## Comparison with other Australian jurisdictions

A review of available published information shows that NSW and Victoria are the only two jurisdictions in Australia that have policies on the proportion of advertising to be directed to multicultural and Aboriginal media.

Table 2: Comparison of policy review with other Australian jurisdictions

Jurisdiction	Policy
<b>Australian Government</b>	<p>Advertising guidelines<sup>3</sup> state that campaigns are to reach multicultural and Indigenous audiences, although no specific proportion of campaign spend is given. Where appropriate, a rationale for not including multicultural or Aboriginal and Torres Strait Islander media must be published in the campaign reports.</p> <p>Published FY2022 advertising expenditure shows the Australian Government spent 7.4 percent on multicultural media and 2.7 percent on Aboriginal media as a proportion of total media expenditure.</p>
<b>Victorian Government</b>	<p>Published policy<sup>4</sup> that states from 1 July 2023, Victorian Government departments and agencies must spend at least 15 percent of their campaign media spend on multicultural media. This policy has been updated from 5 percent of spend prior to July 2023.</p>
<b>Queensland Government</b> <b>South Australia Government</b> <b>Tasmanian Government</b> <b>Western Australia Government</b> <b>Australian Capital Territory Government</b> <b>Northern Territory Government</b>	<p>DCS was not able to see any published policy in place or advertising spend data to multicultural and Aboriginal audiences publicly available.</p>

<sup>3</sup> <https://www.finance.gov.au/government/advertising/australian-government-guidelines-information-and-advertising-campaigns-non-corporate-commonwealth-entities>

<sup>4</sup> <https://www.vic.gov.au/ensuring-we-reach-all-Victorians-with-our-communications>



## Themes arising from consultations with government departments

Common themes raised from the Have Your Say survey and working group discussions have been captured below. DCS notes that these themes may not capture all government departments.

### Need for flexibility in policy requirements

Departments are seeking increased flexibility in the application of the policy and made suggestions in several areas.

- Inclusion of creative production and translation costs in spend under the policy.  
Currently production, research and translation costs are excluded from meeting the NSW Government CALD and Aboriginal Advertising Policy. DCS acknowledges that costs for bespoke research, creative development and translation may be significant but do not themselves provide direct communications to communities. Multicultural NSW would also not support a change that could mean that fewer messages are shown to multicultural communities as a result of lower media allocations.
- Consideration for campaigns targeting geographic areas with smaller multicultural populations, for example, some areas of regional NSW.  
DCS notes that audience data should guide campaign strategy and recognises that multicultural audiences are a smaller proportion of population in regional NSW. However, the policy has flexibility for directing a larger proportion of media spend towards Aboriginal audiences in regional areas as appropriate.
- Splitting the policy into percentages for multicultural and Aboriginal communities.  
DCS notes this would decrease flexibility as different campaigns have different objectives and target audiences. It will be difficult to agree a 'one size fits all' split to the percentages.

### Support needed to quantify community engagement activities

In many cases government departments have non-media activities linked to their campaigns to engage and disseminate messaging to multicultural and Aboriginal audiences. These include emails, collaboration with community and religious leaders, information sessions, community events and more. These activities can be resource intensive. Although the policy states non-media activities costs can be included in the 7.5 percent, quantifying the costs of these activities is difficult and are therefore often not captured and reported. Departments are interested to have guidance in this space.

### Uncertainty about the effectiveness of reaching multicultural and Aboriginal audiences via some media channels

DCS heard from departments that limited evidence and reporting for many traditional multicultural and Aboriginal media channels impacts their confidence in effectively reaching target audiences. Departments are unsure if traditional media channels such as print and radio are as effective as social and digital channels that can deliver performance results and audience reach data.

Departments also highlighted it was challenging to know if their digital advertising is reaching Aboriginal audiences, as major social network platforms have removed the ability to target based on ethnicity, due to major privacy and social policy updates.

### Need to uplift knowledge and capability in communicating with multicultural and Aboriginal audiences.

Government departments would like to upskill to deliver more effective communications to multicultural and Aboriginal audiences. Development areas identified include:

- Selecting multicultural communities to target in NSW for their campaigns.
- Effective use of limited budgets for these audiences.
- Learning from various case studies and use of different media channels.

DCS and Multicultural NSW provide a range of supports to government departments including a regular Community of Practice, information sessions and webinars, communications playbook and a CALD communication working group for cross-agency collaboration and information sharing. DCS and Multicultural NSW will continue to deliver support to departments.

### Delivering to advertising budget reductions

NSW Government has committed to reduce government advertising spend by \$30 million from FY2024. Concerns were raised by departments that the impact of reduced advertising budgets exacerbates some of the other themes raised above.

Advertising budgets may change over time but the policy commitment as a percentage remains the same, setting a minimum commitment regardless of budgets to ensure there is still reach to multicultural and Aboriginal communities.

### Potential saturation of multicultural or Aboriginal channels

Government departments queried whether increasing the policy could lead to oversaturation of government messaging within the same multicultural or Aboriginal media program/publication. OMD confirmed this would not be an issue as there are many print publications and radio stations that have availability for government advertising even if the policy increased. OMD have suggested there is an opportunity to plan across more languages and titles which will allow increased reach.

## Feedback from multicultural and Aboriginal media consultation

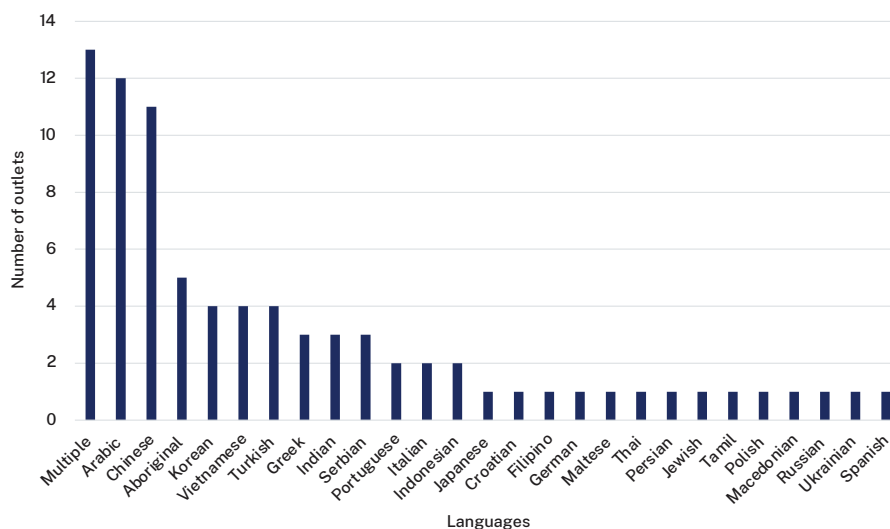
In collaboration with OMD and Leba, DCS invited multicultural and Aboriginal media outlets in NSW to give us their views (via a survey) about challenges and opportunities in the current media landscape and with NSW Government advertising.

Reponses received by DCS are shown in Figure 8 (below) with 'Multiple languages' referring to media outlets that communicate in multiple languages, for example, radio stations that broadcast in several languages.

## Policy scenarios examined during the review

DCS reviewed various policy scenarios with the cross-agency working group, ranging from keeping the 7.5 percent unchanged to doubling the required spend to multicultural and Aboriginal audiences to 15 percent, such as the Victorian Government. Pros and cons were captured for each scenario and robustly discussed across the working group. A unanimous consensus was difficult to achieve due to unique concerns from departments, however a majority alignment was reached to the following recommendation.

Figure 8: Multicultural and Aboriginal media responses



Source:  
Survey to  
multicultural  
and  
Aboriginal  
media outlets  
in February  
2023.

### Opportunities identified by multicultural media

- Advertisement and media partnerships.  
Media outlets highlighted there are other opportunities they could provide apart from paid media placements. This includes editorial content, interviews, podcasts, videos and live-reads. They are also able to leverage distribution networks online and in person, such as with supermarkets, newsagencies, and community centres.
- Campaign-specific services.  
Media outlets can provide translation and production services and source talents. They can also organise focus groups and provide cultural consultations.
- Connections to the community.  
Multicultural media organise and sponsor community events, attend many cultural events and have strong connections with community leaders and influencers.

### Challenges identified by multicultural media

Multicultural and Aboriginal media outlets also highlighted challenges they are currently facing such as:

- The rising costs of print and distribution.
- Competition from other well-resourced outlets and digital platforms.
- General decline in advertising revenue from NSW Government.

DCS recommends the policy is changed to require that 9 percent (from 7.5 percent) of campaign media spend is to be spent on direct communications to multicultural and Aboriginal audiences, to be implemented from July 2024. The increase in the policy and application of the policy would be from the approved campaign budget and would not require departments to request for additional budgets. It is recommended that this is reviewed again in 2 years' time, in 2026, with evidence from further research into multicultural and Aboriginal audience media consumption behaviour.

The rationale for the proposed increase to 9 percent is outlined below:

- Most departments represented in the working group were in agreement about increasing communication to multicultural and Aboriginal audiences and a move to 9 percent is workable despite budget reductions.
- Consultation with departments outside the working group confirmed this increase was achievable.
- From Figure 1, NSW Government exceeded the policy and spent 8.5 percent in FY2023, the 9 percent represents a continuous growth in communicating with multicultural and Aboriginal audiences.
- It is a realistic and achievable change with some agencies already at this level. For FY2023, DCS found

approximately 37 percent of campaigns with total campaign budgets of \$250,000 and above spent at least 9 percent of media budgets targeting multicultural and Aboriginal audiences.

- An increase in policy means a decrease in mainstream spend. OMD evaluates this will have minimal impact to mainstream audience reach, while having a meaningful impact to multicultural media spend.
- It would enable consideration of additional language groups in campaigns. In consultation with OMD, DCS estimates that the increase from 7.5 percent to 9 percent may afford advertising in at least one additional language in traditional media channels for approximately one week of light-weight activity for campaigns with a \$250,000 media budget, depending on media channel, language and duration of campaign.

The table below demonstrates the media budget difference between 7.5 percent and 9 percent and the approximate number of additional communities it can reach with an increase in the policy.

DCS also recommends the policy is renamed from ‘CALD and Aboriginal advertising policy’ to ‘Multicultural and Aboriginal advertising policy’ as this terminology is more inclusive, as agreed by Multicultural NSW.

**Table 3: Media budget differences with different policy percentages and the additional communities it can reach**

Media budget	7.5% policy	9% policy	Spend difference	Approx. number of additional communities reached via media buy*
\$250,000	\$18,750	\$22,500	\$3,750	1
\$450,000	\$33,750	\$40,500	\$6,750	1-2
\$700,000	\$52,500	\$63,000	\$10,500	2-3
\$950,000	\$71,250	\$85,500	\$14,250	3-4

Source: OMD, 2023

\*Depending on media channel, language and duration of campaign. Assumed costs here would be lightweight and short duration (1-2 weeks).

# Review of workflows for booking multicultural media advertising

## Media agency services contract

In October 2022, after a rigorous procurement process, NSW Government moved to one contracted media agency (OMD) from the previous contract with five media agencies.

The decision to use a single media agency supplier was driven by key benefits including:

- Improved discounts on the government's aggregated media buy and a reduction in fees.
- Efficiencies from applying learnings and consistent ways of working across advertising campaigns.
- Portfolio management to ensure cut through of priority communications and reducing competing government messages.

In accordance with NSW Procurement directives, all government departments must use the media agency services contract and cannot buy media directly from a media supplier.

The contracted scope covers all media planning, buying, implementation and strategy for campaigns and non-campaigns (such as recruitment or consultation advertising).

Media planning and buying requires specialist planning tools, systems, and in-house expertise to recommend allocation of the campaign budget to different channels that best reach the target audience. The media planning takes into consideration available budget, audience demographic, geographic, and behavioural information, and the specific campaigns objectives. Media channel suitability and audience consumption behaviour are also major considerations.



## Buying independent multicultural media through an intermediary

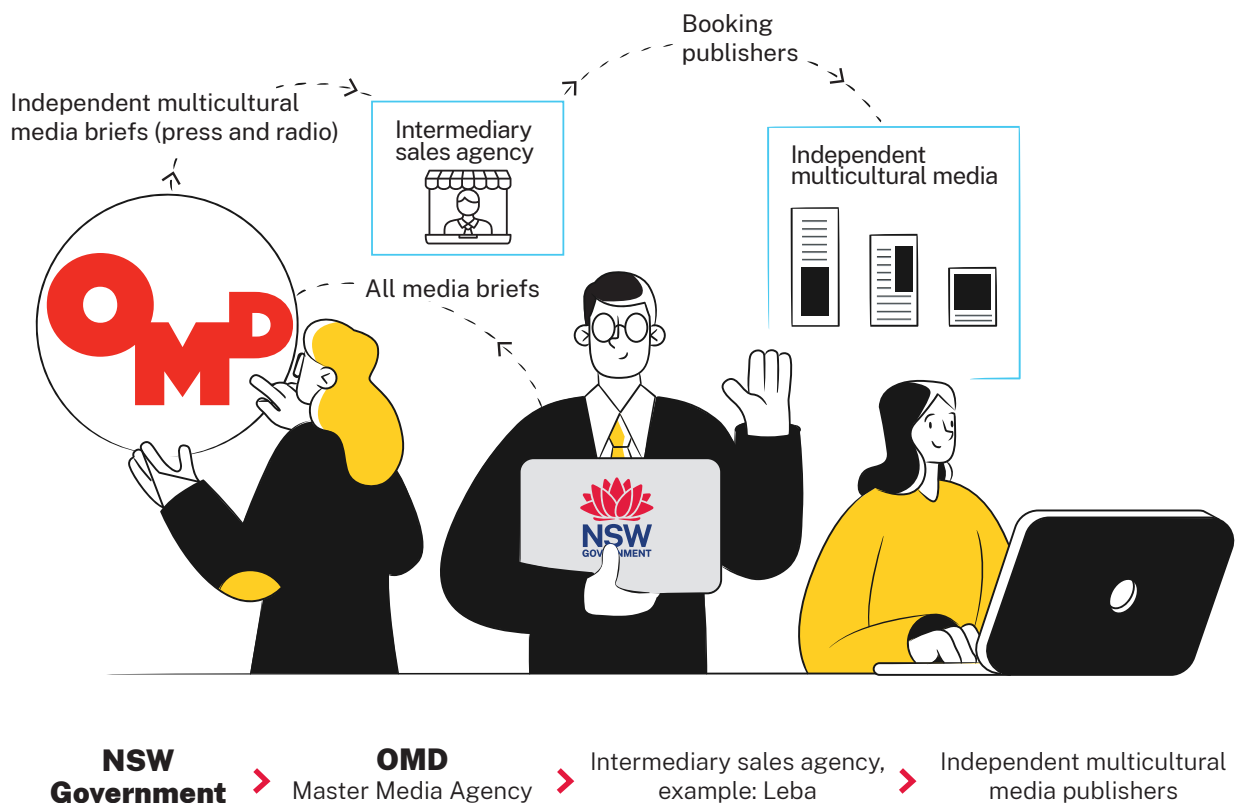
When buying traditional multicultural media advertising, OMD utilises multiple intermediaries, an example being Leba. Leba is a specialist sales agency which represents almost every independent multicultural media publisher in NSW.

DCS has found it is standard practice in the advertising industry to use an intermediary sales agency, including Leba, when placing advertisements with multicultural media. This is because of the quantity and complexity of independent multicultural media, and the expertise required to effectively plan and book media.

According to OMD, Leba's expertise, systems and knowledge enables OMD to navigate the landscape at speed across multiple communities. Allan Kaufman, Leba's director, explained Leba's value through "systems and processes, experience and being 100 percent focused on CALD media". Their services enable effective media booking and administration, with increased accountability for delivering advertising placements. He also added they can also provide translation and production services, with the ability to produce unified reporting.

Multicultural media publishers who talked to DCS as part of this review expressed their preference to continue receiving advertising via Leba. They recognise Leba's strong reputation, valuable relationships, established channels with publishers, operational knowledge, and on time payment.

Figure 9: The process of buying independent multicultural media



## Alternative models for buying multicultural media

DCS has analysed options for buying multicultural media based on knowledge and experience in the industry and insights from stakeholders. These options are overviewed in the table below.

Table 4: Options analysis for buying multicultural media

MODEL	ADVANTAGES	DISADVANTAGES
<p><b>Current model – buying via media agency services contract (OMD) and using an intermediary such as Leba.</b></p>	<ul style="list-style-type: none"> <li>• Streamlined, media planning, buying and implementation of campaigns.</li> <li>• Dedicated Diverse team at OMD with expertise in the multicultural media market.</li> <li>• Media agencies ensure cost efficiencies and consistency in approach.</li> <li>• Expert third party assessment of available market options.</li> <li>• Leverages Leba’s long-standing relationships and detailed knowledge and expertise in multicultural media.</li> <li>• Efficient management of invoicing, reporting and campaign management services for both multicultural media and government.</li> <li>• Access to leading systems and technology.</li> <li>• Seamless access to a range of translation and production services as part of the dedicated account team.</li> </ul>	<ul style="list-style-type: none"> <li>• Fees incurred for services supplied by both OMD and Leba.</li> <li>• Limited direct relationship between NSW Government and multicultural media publishers.</li> </ul>
<p><b>OMD to buy multicultural media directly from publishers on behalf of NSW Government departments.</b></p>	<ul style="list-style-type: none"> <li>• Potential for stronger OMD relationships and deeper understanding of each multicultural media publisher.</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced access to multicultural media agency expertise and nuanced market assessment.</li> <li>• Loss of process efficiencies and economies of scale.</li> <li>• Extra time required to plan and coordinate responses across a large amount of smaller suppliers.</li> <li>• Higher media agency fees to resource processes with multiple multicultural publishers.</li> <li>• Risk that advertising will have lower impact with target communities compared to current assessment of multicultural media publishers.</li> <li>• Multicultural publisher’s interests may not be as well represented without dedicated intermediary.</li> <li>• Ways of working including payment terms may be less beneficial for media.</li> </ul>

<p><b>NSW Government departments to buy through Leba directly.</b></p>	<ul style="list-style-type: none"> <li>• Potential for a direct relationship and improved understanding of multicultural media publishers.</li> <li>• Direct access for departments to a broad range of translation and production services.</li> <li>• Leverages Leba’s long-standing relationships and detailed knowledge and expertise in multicultural media.</li> </ul>	<ul style="list-style-type: none"> <li>• Departments do not have required expertise in media planning and coordination and may require additional resourcing and upskilling.</li> <li>• Risk that advertising will have lower impact with target communities as departments not able to adequately plan, assess and manage media selection.</li> <li>• Extra time required to plan and coordinate responses across a large amount of smaller suppliers.</li> <li>• Lack of coordination with non-multicultural media buying leading to less efficient and effective campaigns.</li> <li>• Less efficient management of invoicing, reporting and campaign management services for both multicultural media and government compared to current model.</li> </ul>
<p><b>Department led (in-house) buying of independent multicultural media advertising via multicultural media procurement panel.</b></p> <p><i>A procurement panel is defined as a subset of pre-vetted and approved independent multicultural media. To cover 56 languages with suitable options, the panel could be between 80-120 media.</i></p>	<ul style="list-style-type: none"> <li>• Departments have direct relationship with publishers and can request customised advertising solutions.</li> <li>• No media agency fees or commissions in supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>• Higher workload for multicultural media to manage requests from many departments. Processes may be inconsistent and require duplication of effort.</li> <li>• Departments do not have required expertise in media planning and coordination and may require additional resourcing and upskilling, media booking and trading systems generally required and would be costly.</li> <li>• Risk that advertising will have lower impact with target communities as departments not able to adequately plan, assess and manage media selection.</li> <li>• Risk of higher media costs without media agency buying scale, comparison, and expertise.</li> <li>• Extra time required to plan and coordinate responses across a large number of smaller suppliers, leading to delayed messages to multicultural communities.</li> <li>• Lack of coordination with non-multicultural media buying may lead to less efficient and effective campaigns.</li> <li>• Lack of consolidated reporting, invoicing and execution of campaign.</li> <li>• Dedicated NSW Government resources needed to set up and manage a procurement panel.</li> </ul>

Based on the evaluation of alternative workflows, DCS recommends the current workflow is retained for placing government advertising via contracted media agency (OMD) and an intermediary sales agency such as Leba. The current workflow delivers benefits of having a contracted media agency through the media planning process, consolidating buying power, reporting, and shared market learnings. It also delivers the benefits of an intermediary sales agency providing experience, relationships, and systems of effective administration.



# Developing ways to support digital transformation and journalistic excellence in the multicultural media sector



## Multicultural media grants

Many multicultural media outlets, particularly those represented by the Independent Multicultural Media Association (IMMA) have advocated for ongoing grants funding to support their industry.

### Past programs

The multicultural media sector was significantly impacted by the COVID-19 pandemic, including a loss of advertising revenue. To support the sustainability of outlets who could play a critical role in sharing public health messaging, Multicultural NSW (MNSW) delivered two Multicultural Media Grants programs.

The grants funded operational costs, as well as projects that helped disseminate NSW Health information or tried to develop technology to help media reach new audiences.

- In 2020, Multicultural NSW supported 30 organisations with \$275,000 funding.
- In 2021 Multicultural NSW supported 74 organisations with a \$2 million grants program. Funding of up to \$50,000 per organisation was available.

### Pilot Partnership Project

MNSW is funding a pilot partnership project with a priority NSW Government campaign. The purpose of this pilot is to demonstrate how NSW Government can utilise independent multicultural media to reach communities beyond simple advertising placements. The results of the pilot will be shared across government for consideration in future campaigns.

## Premier's Multicultural Communications Awards

Each year, the NSW Premier's Multicultural Communications Awards (PMCAs) recognise excellence in the multicultural media and marketing industry through an annual award program and event.

The PMCAs recognise the valuable contribution multicultural media and marketing plays in our society by connecting people to their culture, identity and language.

These awards currently have funding for 2023-2024 and will continue to celebrate and recognise the important role journalists, editors and publishers in print, radio, television and digital media play. They also honour innovative and creative marketing campaigns that inspire social cohesion and community harmony.

# Appendices

## Appendix 1 - Media expenditure data

Table 5: Campaign media spend by audience type

Media Expenditure	FY2019	FY2020	FY2021	FY2022	FY2023
<b>Multicultural</b>	\$2,428,032	\$2,099,820	\$3,318,582	\$7,996,655	\$8,254,190
<b>Aboriginal and Torres Strait Islander Peoples</b>	\$1,394,386	\$977,731	\$1,119,641	\$1,781,876	\$2,200,590
<b>Total multicultural and Aboriginal media</b>	\$3,822,417	\$3,077,550	\$4,438,223	\$9,778,532	\$10,454,780
<b>Total excluding multicultural and Aboriginal media</b>	\$78,591,194	\$59,055,287	\$80,639,141	\$118,391,472	\$113,213,328
<b>Combined multicultural and Aboriginal media as % of total media spend</b>	4.60%	5.00%	5.20%	7.60%	8.50%
<b>Grand total media spend</b>	<b>\$82,413,612</b>	<b>\$62,132,837</b>	<b>\$85,077,364</b>	<b>\$128,170,003</b>	<b>\$123,668,108</b>

Source: Media Agency Media Expenditure data held by DCS, 2018-2023

Table 6: Multicultural and Aboriginal campaign media spend by channel

Channel	FY2019	FY2020	FY2021	FY2022	FY2023	Grand total
<b>Cinema</b>	\$154,432	\$116,425	\$46,436	\$253,074	\$767,749	\$1,338,116
<b>Digital and social combined</b>	\$466,254	\$567,955	\$778,891	\$1,563,380	\$4,967,456	\$8,343,935
<b>Other</b>	\$812,312	\$273,102	\$102,602	\$131,986	\$35,590	\$1,355,592
<b>Outdoor</b>	\$46,175	\$43,694	\$115,656	\$131,060	\$207,544	\$544,130
<b>Press combined</b>	\$626,000	\$593,217	\$862,432	\$2,918,259	\$1,014,874	\$6,014,782
<b>Radio</b>	\$1,075,718	\$979,595	\$1,804,798	\$4,033,609	\$2,330,650	\$10,224,369
<b>Television</b>	\$641,526	\$503,563	\$727,409	\$747,163	\$1,130,917	\$3,750,578
<b>Grand total</b>	<b>\$3,822,417</b>	<b>\$3,077,550</b>	<b>\$4,438,223</b>	<b>\$9,778,532</b>	<b>\$10,454,780</b>	<b>\$31,571,502</b>

Source: Media Agency Media Expenditure data held by DCS, 2018-2023

## Appendix 2 - Media and agency interviews conducted during the review

10 interviews were conducted including a mix of agencies and media outlets.

DCS interviewed a range of multicultural publishers including some that are members of the Independent Multicultural Media Australia (IMMA) organisation and others that are not members. Some publishers were radio outlets and some press. Publications represented 5 different communities, Arabic, Chinese, Vietnamese, Greek and Spanish.

Table 7: Interviewees

Organisation	Representative	Description
<b>Optimum Media Direction (OMD)</b>	Katy Eng – National Head of Diverse  Sneha Nair – Diverse Account Director	NSW Government contracted media agency
<b>Leba</b>	Allan Kaufman – Director	Specialist multicultural media sales agency
<b>National Ethnic &amp; Multicultural Broadcasters Council (NEMBC)</b>	Russell Anderson – CEO	A peak organisation representing ethnic community broadcasters and operating a number of different multilingual news services
<b>Australian Middle East Media – AME</b>	Hanadi Kalache – Head of Marketing and Advertising Department	AME owns three Arabic publications: <ul style="list-style-type: none"> <li>• El Telegraph – 3 x weekly newspaper</li> <li>• Al Anwar – Monthly Newspaper</li> <li>• Anoujoum – Monthly Magazine</li> </ul>
<b>The Sunrise Newspaper (Chieu Duong)</b>	David Giang – Managing Director	Daily Vietnamese newspaper
<b>The Chinese Herald</b>	Wendy Huang – Owner	Daily Chinese newspaper
<b>The Greek Herald</b>	Dimitra Skalkos – Publisher and Managing Director	Daily Greek newspaper
<b>Vision China Times</b>	Maree Ma – General Manager	Weekly Chinese newspaper
<b>The Middle East Herald</b>	Antonios Bourizk – Owner	Weekly Arabic newspaper
<b>Radio Austral – Extra Informativo</b>	Carmen Carle Quinteros – Owner	Spanish Weekly newspaper and radio program

## Department of Customer Service

2-24 Rawson Place  
Sydney NSW 2000

GPO Box 7057  
Sydney NSW 2001

Office hours:  
Monday to Friday  
9:00am to 5:00pm



[diversecomms@customerservice.nsw.gov.au](mailto:diversecomms@customerservice.nsw.gov.au)



[nsw.gov.au](https://nsw.gov.au)

