

Local Advertising Segmentation in Balinese Online Media: A Case Study of Kilasbali.com

Xenia Angelica Wijayanto¹, Lestari Nurhajati²

^{1,2} LSPR Institute of Communication and Business, Jakarta, Indonesia

ABSTRACT

The growth of local online media in Indonesia has encouraged them to develop business strategies that rely on digital advertising. At the local level, advertising not only serves as a source of revenue but also reflects segmentation patterns tailored to the region's characteristics and its audience. This study aims to identify and analyze local advertising segmentation in Balinese online media through a case study of Kilasbali.com. This study uses a descriptive quantitative approach with a single-case study design. Content analysis methods were used to examine digital advertisements appearing on the main page and news pages of Kilasbali.com. The unit of analysis in this study was digital advertisements, classified by advertiser type, ad scale, theme, and ad format. The results show that the advertisements displayed are dominated by local advertisers, particularly from the local government and the tourism sector. This finding indicates that Kilasbali.com implements locality-based advertising segmentation by tailoring commercial content to the social, economic, and geographical context of Bali. This research contributes to the understanding of advertising practices and business models of local online media at the regional level.

KEYWORDS

local online media; digital ads; ads segmentation; bali; local media

INTRODUCTION

The growth of online media in Indonesia has been significant, in line with increasing internet penetration and the use of digital devices. The Press Council reported that by 2023, more than 921 media companies were operating in Indonesia, with online media the most dominant form (Press Council, 2023). This growth is also supported by changes in public news consumption patterns. The Digital News Report indicates that 77% of Indonesians access news via smartphones, while social media is also a primary source of online news consumption (Newman et al., 2021).

Increasing internet penetration has also strengthened the position of online media within the Indonesian media ecosystem. Data from We Are Social and Hootsuite indicate that in 2022, internet penetration in Indonesia exceeded 70%, with the number of social media users continuing to increase (We Are Social & Hootsuite, 2022). This situation demonstrates that online media serves not only as a means of information but also as a digital business entity dependent on advertising revenue.

At the regional level, local online media face different challenges than national media. Limited market, audience reach, and resources encourage local media to develop more segmented and contextual business strategies. Local advertising is a key source of revenue for local online media and reflects the relationship between media outlets, advertisers, and audiences in specific regions. Through advertising, local media tailor their commercial content to the geographic, social, and economic characteristics of their audiences.

Bali Province is one of the regions with a growing local online media ecosystem that aligns with the dynamics of the tourism sector, local government, and community-based economy. Despite the relatively high level of media consumption in Bali, the number of local online media outlets verified by the Press Council is relatively limited. As of 2023, only 18 online media outlets in Bali had been verified by the Press Council (Press Council, 2023). These outlets comprise national media outlets with regional networks as well as local online media outlets operating independently.

One prominent characteristic of local online media in Bali is the dominance of advertising from the local government, the tourism sector, and local businesses. These advertisements often appear in various forms, from banners to advertorials, and specifically target Balinese audiences. This condition indicates the presence of locality-based advertising segmentation practices, in which the media tailors its advertising content to regional context and the needs of local advertisers.

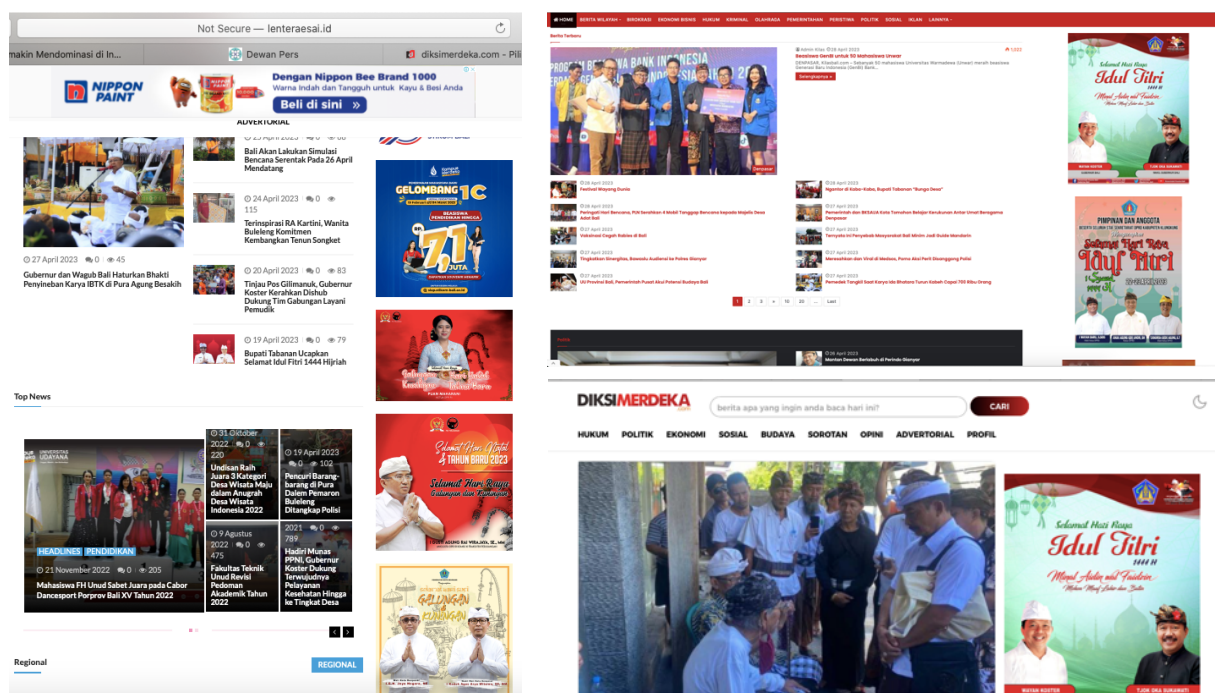


Figure 1. Online news media in Bali are filled with local government advertisements

On the other hand, digital advertising spending in Indonesia continues to increase. Nielsen data shows that in 2022, digital advertising accounted for approximately 15.2% of total national advertising spending, reaching approximately IDR 20 trillion in the first

half of that year (Nielsen, 2022). Although national media still dominate the digital advertising market, local online media continue to play a crucial role as advertising distribution channels targeting specific geographic audiences.

However, academic studies on advertising in local online media remain relatively limited, particularly research that empirically maps advertising segmentation patterns using quantitative methods. Most previous studies have focused more on the political economy of media, press independence, or power relations between media and advertisers (Amazeen & Muddiman, 2018; Shoemaker & Reese, 2013). These approaches generally require access to internal media and in-depth interviews, which are often difficult to obtain in local media. Given these circumstances, this study adopts a more measured approach, focusing on digital advertising that can be directly observed through content analysis. This study aims to identify and analyze the local advertising segmentation displayed by Balinese online media, using Kilasbali.com as a case study. This media outlet was chosen because it consistently runs advertisements featuring local content relevant to Bali's social, economic, and geographical context.

Using a single-case study design and descriptive quantitative content analysis methods, this study aims to provide an empirical overview of local advertising segmentation practices in Balinese online media. The findings of this study are expected to enrich local media studies, particularly by clarifying the role of digital advertising within regional online media business models.

Online media has emerged as a key player in the contemporary media ecosystem, in line with increasing internet penetration and changing news consumption patterns. Unlike print and broadcast media, online media operate in a highly competitive digital environment and rely on the sustainability of advertising-based business models (Newman et al., 2021). Digital advertising has become a primary source of revenue for most online media outlets, both nationally and locally, as it enables more specific, measurable audience targeting.

In the context of digital media, advertising not only serves a commercial purpose but is also integrated into the content's structure and presentation. Emerging forms of digital advertising, such as banners, native advertising, and advertorials, allow advertisers to reach audiences through a more contextual approach (Amazeen & Muddiman, 2018). This suggests that advertising practices in online media should be understood as part of both business strategy and structured communication.

In media studies, advertising is often understood as part of the media's economic structure that can influence content production and distribution practices. The political economy of media approach emphasizes that media dependence on advertising can influence their independence and editorial orientation (Mosco, 2009). However, this approach generally requires internal media data and interviews with key actors, which are not always accessible in local media research.

An alternative to this approach is to analyze advertising as a directly observable media product, without assessing the internal relationships or motives of media managers. Analyzing digital advertising allows researchers to empirically map media commercialization patterns through open data, such as advertiser types, ad themes, and

visual formats (Amazeen & Muddiman, 2018). This approach is considered more measurable and appropriate for examining advertising practices in local online media.

Several studies in Indonesia have examined online media from the perspectives of press independence, political economy, and the media's relationship to political and economic interests (Hajad, 2018; Khotimah, 2019; Ritonga, 2021). These studies show that advertising and advertisers' interests can influence media practices, particularly in online contexts. Within the framework of free market principles, independent news media operations are heavily dependent on advertising revenue as their primary source of funding. This dependence becomes even more significant when advertising revenue declines, making advertisers economic actors with significant bargaining power over media companies. Under these conditions, advertisers have the potential to use their financial influence to influence the content produced and broadcast by media outlets, particularly regarding news coverage that could potentially harm advertisers' business or political interests.

Research conducted by Maria Petrova shows that advertisers not only serve as a source of revenue but can also influence news media's editorial agendas and processes. Petrova (2011) found that advertisers can exert economic pressure, including media boycotts, that directly affect coverage, news agendas, and issue framing. These findings are based on interviews with journalists from major European media outlets, which revealed that outlets frequently withhold or alter news stories to avoid upsetting major advertisers, potentially resulting in a loss of advertising revenue (Petrova, 2011). Although Petrova's study focuses on major media outlets in a European context, the findings are relevant for understanding advertising dynamics in online media, including at the local level. Economic dependence on advertising makes it not just a commercial element but also a crucial indicator of media business orientation. However, directly exploring advertisers' influence on editorial content often requires internal access and in-depth interviews, which are not always possible, particularly in local online media.

This study takes a cautious methodological approach by focusing on advertising as a directly observable media product. It examines segmentation patterns such as advertiser type, scale, theme, and format, aiming not to evaluate editorial intervention normatively but to chart the commercial structure of local online media within their business models. This strategy provides an empirical perspective on local advertising practices without asserting a direct impact on news content. Nevertheless, the majority of existing research uses a critical qualitative methodology and emphasizes power relations, leading to few studies that quantitatively map advertising patterns in local online media. Research on how local advertising is displayed, categorized, and segmented in regional online platforms remains limited, especially regarding content analysis.

Based on this literature review, it can be concluded that there remains a research gap in the empirical mapping of local advertising segmentation in regional online media. This study fills this gap by using descriptive quantitative content analysis within a single-case study design, focusing on directly observable digital advertising. By studying Kilasbali.com as a case study, this research presents a novel methodological approach that is more measurable and grounded in open data, and provides empirical

contributions to local advertising segmentation practices in Balinese online media. This research not only enriches the study of local media and digital advertising but also provides an empirical basis for developing contextual and sustainable regional online media business models.

METHOD

This research employs a descriptive quantitative approach with a single-case study design to examine local advertising segmentation in Balinese online media. A single-case study design was chosen to enable focused, contextual analysis within a single local online media outlet, without the aim of generalizing to other media platforms (Tracy, 2019). The object of this study was Kilasbali.com, selected because it consistently displays ads with a strong Balinese local context.

Sampling employed purposive sampling based on ads that were visually detectable, had identifiable sources, and clear themes (Patton, 2014). Ads were collected via snapshot throughout 2023, 2024, and 2025, with one randomly chosen month each year. The unit of analysis was a visible digital ad on the homepage or news article pages, including only those with identifiable advertiser attribution; blank, failed-to-load, or unidentifiable ads were excluded. Data were gathered through non-participant observation by capturing screenshots, with all captures performed on the same device and browser, with ad-blockers disabled, in incognito mode after clearing cookies/cache, during a fixed daily time window. Each observation was recorded with timestamp, URL, page type, and screenshot ID. A codebook classified each ad by geographic scale (local, regional, national, international), ad type (greeting vs. local business), greeting ad sources (local government, local leaders, local politicians, DPRD members), and business categories (fashion, tourism, culinary, services/others). Results were summarized using descriptive statistics (frequencies and percentages) to map segmentation patterns over time without asserting editorial influence (Shoemaker & Reese, 2013; Amazeen & Muddiman, 2018).

RESULT AND DISCUSSION

This study examines local advertisement segmentation on local online media through a single case study of Kilasbali.com. The digital advertisements displayed on the homepage and news page were analyzed across three periods (2023, 2024, and 2025), with one randomly selected month per year. This longitudinal data collection enables the study to observe not only the composition of advertisements but also their consistency over time.



Figure 2. Sample of Ads Picture on Kilasbali.com

Figure 2 presents illustrative examples of the advertisements captured during the observation periods to provide visual context for the coding and classification process. The figure demonstrates that ads on Kilasbali.com typically appear as clearly recognizable display placements with identifiable sources, such as institutional names, political figures, or business brands, enabling consistent categorization into greeting and local business advertisements. Including these examples also clarifies the practical basis of the content analysis, showing that the dataset was derived from directly observable ad creatives preserved through screenshots, along with their accompanying page context (homepage or news page) at the time of capture.

Local Advertising Dominance and Geographic Segmentation

The results show that all advertising on Kilasbali.com is local in scale, with local actors as the sole advertisers throughout the observed period. There were no advertisements at the national or international level. This implies a very strong, intentional use of geographic segmentation; the platform was positioned as a local news outlet targeting Balinese audiences at both the editorial and commercial levels.

From the standpoint of media sociology, this segmentation indicates that external factors, especially the market and the availability of advertisers, influence media routines and organizational practices (Shoemaker & Reese, 2013). In local digital media

environments, where audience numbers and advertising markets are small, dependence on nearby advertisers is not merely a habit but often a condition for the survival of the news outlet. Similar tendencies were confirmed by international studies of digital news revenues, which found that advertising remains the most significant source of income for local and digital-native news organizations (Vara-Miguel et al., 2021).

Table 1. Advertisement scale at Kilasbali.com (2023–2025)

Advertisement scale	2023	2024	2025	Average
Local	100%	100%	100%	100%
Regional	0%	0%	0%	0%
National	0%	0%	0%	0%
International	0%	0%	0%	0%

Table 1 (Advertisement scale), therefore, provides clear empirical evidence of a deliberate and stable hyperlocal positioning: Kilasbali.com is commercially oriented toward Bali-specific audiences, and its advertising inventory is filled by Bali-based institutions, leaders, and businesses.

Advertisement type: dominance of greeting advertisements as symbolic communication

A key finding of the research is that nearly 80% of advertisements on Kilasbali.com are greeting messages (see Table 2), primarily for religious holidays and national days of commemoration, whereas local business advertisements constitute 20%. The main advertisers in such ads are local governments, political leaders, regional political parties, and members of local legislatures (DPRD).

Table 2. Advertisement type at Kilasbali.com (2023–2025)

Ads Type	%
Greetings ads (government, politician, DPRD)	80%
Local business ads	20%
Total	100%

Greeting ads, unlike conventional commercial ads oriented toward the sale of goods or services, primarily emphasize symbolic communication. They are a means of confirming one's presence in public space, of gaining proximity to society, and of gaining social recognition, especially when associated with the most significant moments in religious and cultural life, such as Nyepi, Galungan, or Indonesia's Annual Independence Day. Political and governmental actors in Bali, where the religious and cultural calendars are of foremost significance in social life, can approach the use of their greeting advertisements as a means to inculcate themselves into the community's collective narratives.

From a political economy of communication perspective, the advertising space can be understood as the commodification of public attention, in which, through market mechanisms, visibility and symbolic presence are the subject of exchange (Mosco, 2009). Importantly, this study does not evaluate editorial influence or claim that advertising dictates news decisions. However, the advertising composition strongly indicates that Kilasbali.com's commercial environment is dominated by symbolic messaging rather than transaction-oriented marketing.

Sources of Greeting Advertisements: Institutional and Political Concentration

Government and political advertising play an important role in the development of a country's media system. Research on state advertising conducted across different political settings has found that how governments allocate advertising can dramatically alter the media market, creating a structural dependence among smaller or local news organizations (Bátorfy, 2020; Yanatma, 2021).

Table 3 further clarifies the primary users of Kilasbali.com's advertising space. Among greeting advertisements (80% of all ads), the leading sources are:

Table 3. Source of greetings ads

Greeting Ads Source	%
Local Government	45%
Local Leaders	15%
Local Politicians	10%
DPRD Members	10%
Total	80%

This distribution highlights the structural centrality of institutional and political advertisers within the local advertising ecosystem. Literature on state advertising across different media systems has shown that public-sector advertising can function as a powerful market-shaping mechanism, particularly for smaller or local news organizations that depend on stable advertisers (Bátorfy, 2020; Yanatma, 2021). While Indonesia's political and media context differs from the cases emphasized in that literature, the underlying economic logic is comparable: local government bodies and political actors typically have relatively consistent communication needs and budgets, which can make them reliable advertisers for local publishers.

Petrova (2011) argues that large or dominant advertisers may exert influence primarily through economic leverage, such as the ability to withdraw advertising. Again, this study does not test editorial decision-making or causal influence; however, the advertising structure itself suggests a potential structural vulnerability commonly discussed in political economy scholarship: when a local outlet's advertising inventory is heavily concentrated among government and political actors, the outlet may be more exposed to shifts in institutional budgets, political cycles, or reputational risks.

Local business advertising: limited share and implications for diversification

Local business advertisements represent 20% of the observed ads (Table 2). As shown in Table 4, the business categories are below.

Table 4. Local Business Ads

Business Type	%
Local Fashion	7%
Tourism	6%
Culinary	4%
Service & others	3%
Total	20%

Although smaller in volume than greeting ads, local business advertising still indicates that Kilasbali.com participates in Bali's community-based economy and tourism-linked commercial ecosystem. From the perspective of digital journalism sustainability, local commercial advertisers can be viewed as an important component of revenue diversification, thereby reducing publishers' dependence on a narrow set of institutional advertisers (Hardy, 2021). The relatively modest proportion of local business ads in this dataset may therefore reflect structural constraints common in local digital markets, such as limited advertising budgets among small businesses and competition from large digital platforms that offer performance-based targeting.

In this reading, local business advertisements represent a meaningful yet still underdeveloped pathway toward a more balanced advertising portfolio. Strengthening this segment could potentially reduce reliance on symbolic and institutionally driven advertising cycles.

Temporal Consistency and Commercial Routines

A notable contribution of this study is the stability of the observed pattern across three annual snapshots. The sustained dominance of local-scale advertising, alongside the consistent prominence of greeting messages, indicates that these advertising practices are not merely responses to a single event, campaign, or short-term market fluctuation. Instead, the pattern suggests a routinised commercial strategy embedded in Kilasbali.com's ongoing relationships with local institutions and community audiences.

Shoemaker and Reese (2013) describe routines as repeated organizational practices shaped by interactions among media organizations, external actors, and audience expectations. In this case, the repetition of greeting advertisements across years implies that advertisers and the outlet share a relatively stable understanding of "what works" as a local visibility practice, and that the media organization has likely institutionalized greeting ads as a predictable and manageable product within its advertising operations.

This routine also functions as a form of commercial standardization that benefits both sides of the local media market. For advertisers, particularly government and political entities, greeting ads offer a culturally accepted, low-risk means of maintaining

public presence during well-known ceremonial moments. For the media outlet, these ads provide a repeatable, easy-to-package, sell, and schedule inventory aligned with predictable dates, which lowers transaction costs compared to more complex campaign advertising. Over time, this can lead to path dependence, whereby the stable presence of institutional and political advertisers reinforces the outlet's reliance on this segment, and pre-established ad formats further increase demand from advertisers.

Importantly, the temporal stability observed here points to a broader structural dynamic: the local advertising market may be shaped less by competitive consumer marketing and more by cyclical, calendar-driven visibility needs. Bali's dense cultural and civic calendar can function as a recurring "advertising seasonality engine," generating repeated demand for socially meaningful and publicly recognizable symbolic messages. As a result, what appears in the advertising space is not random but patterned, reflecting an interaction among local cultural time, institutional communication routines, and publisher monetization practices.

Routinized dependence could affect long-term sustainability. While a consistent pattern may boost revenue predictability, over-reliance on a limited number of institutional advertisers poses risks if budgets, political leadership, or regulations change. Therefore, steady advertising composition indicates an established routine that ensures operational continuity. It also highlights the need for diversification to enhance resilience in a fluctuating digital advertising landscape.

Audience trust and advertising visibility boundaries

Although audience perception was not directly measured in this study, the dominance of greeting advertisements has implications for how advertising is understood within the site's broader communication environment. Research on native advertising highlights that blurred boundaries between editorial and advertising can undermine audience trust when disclosure and visual separation are insufficient (Amazeen & Muddiman, 2018). Greeting advertisements are typically recognizable as non-editorial symbolic messages, which may reduce immediate confusion. However, if local advertising increasingly shifts toward advertorial or native formats, clear labelling and ethical separation would become increasingly important for maintaining credibility.

CONCLUSION

Advertising on the digital media space is entirely localised and relatively stable. The majority of the advertising on Kilasbali.com is from the local government, political actors such as candidates running for elected office, and local businesses. More than 80% of the total advertisements on Kilasbali.com are government and political advertisements, with the remaining 20% local business advertisements, primarily in the fashion and tourism sectors. These findings indicate that Kilasbali.com is positioned as a 'media' company embedded in Bali's local social, cultural, and political environment through a strong geographic segmentation strategy. It is clear that Kilasbali.com is not operating as a

primarily commercial marketplace for products and services; rather, its advertisements primarily serve to represent and symbolize government and political actors in the local public sphere. From a political economy perspective, the predominance of government and political advertising illustrates broader structural issues facing local digital news organizations, particularly the limits of local advertising markets and their reliance on entities with stable communication budgets.

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