

Digital Media: Reinventing the Wheel

Leah Cooper

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Professor Carol Nahra

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The topic of news is complex; it is complicated. The way that people receive news has evolved over the course of the 21st century. Stories that began in print or on television are coming to life online in record time. What began as traditional news media has transformed into digital news media. Not only are news sources utilizing their original media, they are also expanding to new platforms. This paper will focus on how the ongoing shift to digital media in newspaper, magazine and television industries has impacted organizations' business models. Through case studies on *The Guardian*, *The Economist* and *the BBC*, it is clear the shift to digital media by businesses is dynamic, and each organization approaches this change in a different way.

The way in which people engage in news has changed as a result of the introduction of digital media. Originally, people engaged in news content through one platform whether it be in print or on television. However, with the advent of the modern technology, there became a multiplicity of platforms including mobile and tablets (Rashbass, 2013). Publishers were noticing it was easier to release breaking news stories on these platforms rather than through traditional journalism (Rashbass, 2013). Thus, a shift to digital media occurred. News organizations began to send the management teams to Silicon Valley, converge newsrooms and adopt digital-first strategies (Küng, 2015). During this process, these news organizations faced a daunting challenge. They would now have to cater their stories to two distinct markets: their original platform of engagement and online (Digital Revolution, 2013). *The Guardian*, *The Economist* and *the BBC* prove there is no set formula for the adoption of digital media as they created innovative strategies in varying ways.

The Guardian began as a print source and expanded into an online source. The newspaper was founded in 1821 by a group of liberal manufacturers in Manchester (Küng,

2015). It adopted digital media earlier than most. In 1994, former CEO Alan Rusbridger visited Silicon Valley (Küng, 2015). This visit introduced him to the rapidly growing world of digital media. Over this time, the organization began to think ‘digital first’ (Küng, 2015). Therefore, *The Guardian* took many steps of incorporating this strategy into its media including, the 1999 release of its website, guardian.co.uk (Küng, 2015). This website later became theguardian.com as the publication set its sights global (Küng 2015).

Eventually, ‘digital first’ became the official mantra of *The Guardian* (Küng, 2015). Many factors led to this adoption including the implications of The Scott Trust and the state of the company financials. The Scott Trust allows *The Guardian* to function as a profit seeking enterprise (Küng, 2015). In an attempt to protect the journalistic freedom and liberal values of *The Guardian*, The Scott Trust secures financial and editorial independence for writers (Küng, 2015). Therefore, when the company was struggling financially, digital media served as a way out.

In 2010, *The Guardian* lost £33 million in cash revenue (Sabbagh, 2011). The publication was clearly struggling financially. CEO Andrew Miller was quoting saying “doing nothing was not an option,” (Sabbagh, 2011). Miller warned that the company could run out of funds over the next five years (Küng, 2015). This event was the catalyst for the official ‘digital first’ strategy. The strategy sought to double digital revenues to nearly £100 million and save £25 million by 2016 (Küng, 2015). Though digital was viewed as unconventional for the traditional print publication, it proved effective.

The Guardian gained popularity following this shift. By May 2013, the website became the U.K.’s second biggest national newspaper website (Küng, 2015). It had 4.7 million unique browsers a day worldwide and 470 million page views per month (Küng, 2015). In 2014, digital

revenues were £69.5 million (Küng, 2015). This figure marked a 24% increase from the previous year (Küng, 2015). The structure of *The Guardian* began to change. Now, the editorial and technical staff sit together (Küng, 2015). This convergence allows digital culture to mix with the journalistic mindset (Küng, 2015).

Today, digital media remains at the forefront of *The Guardian*. While the organization still serves loyal to print, it considers digital to be central and primary (Küng, 2015). Rusbridger summarizes the reasoning for this transformation by *The Guardian* (Sabbagh, 2011):

Every newspaper is on a journey into some kind of digital future. That doesn't mean getting out of print, but it does require a greater focus of attention, imagination and resource on the various forms that digital future is likely to take.

The adoption of digital media by *The Guardian* serves as an archetypal case study of how creating digital media can be successful for legacy media companies. Though not every legacy media company has incorporated digital in the same process as this organization nor reached the same level of success, *The Guardian* is an example of how print media can stay relevant with the advent of digital news.

Founded in 1843, *The Economist* is a magazine focused on business politics, technology and culture around the world (The Economist Group, n.d.). Its adoption of digital media was a gradual process sparked by charismatic leadership but the implementation is still not without critique. A few years before 2013, former CEO Andrew Rashbass realized digital would become a big issue for *The Economist* (Rashbass, 2013). He realized that *The Economist* would have to expand from the single platform of print to a multiplatform world (Rashbass, 2013). Rashbass's realizations on the industry sparked many changes in the way the magazine delivered news. He argued that even in the digital age, the magazine would still thrive (Rashbass, 2013). However,

this statement is questionable. Today, The Economist Group includes *The Economist Magazine*, *The Economist Online*, *The Economist Digital Edition*, *The Economist Espresso*, *The Economist Global Business Review*, and *The Economist Film* (The Economist Group, n.d.). Although the magazine has expanded to these platforms, it still struggles to perfect this digital strategy. It may have spread itself too thin.

While *The Economist* has digital users, the publication struggles to retain these readers. In an effort to retain readers, the organization has shifted its focus to trends digital in nature (Moses, 2017). The publication hopes to double its circulation profits by 2020 (Moses, 2017). Two trends need to happen in order for this growth to occur. First, the magazine needs to grow digital subscriptions and second, the magazine needs to keep subscribers from canceling their subscriptions (Moses, 2017). Currently, 350,000 out of the 1.5 million subscribers have digital subscriptions (Moses, 2017). This data means approximately one quarter of its subscribers are digital subscriptions. With a large emphasis on subscriber revenues and retention, separate departments are now working together on projects to improve retention rates (Moses, 2017). These employees have focuses in products, analytics, marketing, design and other departments (Moses, 2017). However, although they have different expertise, they are coming together for one common project: the app.

The Economist sees its app as a way to improve its digital media influence. The new converged newsroom is working together to redesign the app so that people use it more regularly (Moses, 2017). Through pattern recognition, the publication realized that app users tend to stick better (Moses, 2017). Therefore, instead of focusing its efforts on all of *The Economist* publications previously named, the publication wants to focus mainly on the app. One idea the team is discussing is the possibility of consolidating the journalism to the app (Moses, 2017).

With all of the stories in one location and not spread across print, online and mobile media, users would not have to worry about missing a story (Moses, 2017).

It is clear that *The Economist* has taken many measures over the years to adopt a digital strategy. However, the magazine serves as an example of the challenges that many publications face during this process of creating digital media.

The *BBC* serves an example of how the television industry can adopt digital media into its news media. In 1995, John Birt, the BBC Director General, went to visit Silicon Valley (Küng, 2015). This visit led to the adoption of the BBC digital first strategy. One of the first points of this strategy was the creation of BBC online (Küng, 2015). The website was launched in 1997 followed by the mobile app that was launched in 2010 (Sehl, 2016). Since then, the *BBC* has continued to create programs across various platforms that engage digital users.

The *BBC* recognizes that the days of developing an idea for a single platform are long gone (How To, n.d.). Now, the best ideas have the potential to be adapted for television, radio, online and social media (How To, n.d.). For example, the *BBC* did a short video on the dangerous mountain, El Capitan (Digital Innovation, n.d.). The video was successful online because it complimented the text that was already used in an article (Digital Innovation, n.d.). Additionally, the video would have been able to be made a package for television (Digital Innovation, n.d.). Stories like this one can be told across multiple platforms; therefore, these stories engage with the largest possible audience (How To, n.d.).

The *BBC* created more digital media through the creation of BBC Trending. Creator Mukul Devichand saw that the most interesting conversations were happening on social media (How To, n.d.). By thinking about how stories would work with multiple platforms and existing resources, Devichand made BBC Trending attractive to many users (How To, n.d.). This digital

media platform shows how the organization used what is popular to engage with audiences on multiple platforms.

With stories on so many platforms, it is easy to think that the *BBC* may have spread its resources too thin. One challenge plaguing the *BBC* is how to tell the story of the day to different audiences on different platforms (Digital Innovation, n.d.). The amount of time that a user engages with a story varies depending on the platform. Therefore, the *BBC* has done research to determine how long a story should be (Digital Innovation, n.d.). Currently, the *BBC* knows that users are on the page for about 30 seconds before clicking away (Digital Innovation, n.d.). Gauging how long users engage with digital media content is useful for the *BBC* because it allows them to attract larger audiences. In fact, 52% of internet users seek news from the *BBC* website when searching online (Lewis, 2013). Additionally, of users who use their smartphones as the main way of accessing online news, half of them say they use the *BBC* app as their main source of news (Sehl, 2016).

In 2008, it introduced an integrated newsroom (Sehl, 2016). The transition from separated broadcast bulletins to one multimedia newsroom that emphasized integrated leadership, co-location and sharing of information, allowed for the *BBC* to create various digital content like *BBC Trending* that was previously discussed (Sehl, 2016). It also allowed stories like the one on *El Capitan* to run on multiple platforms. Another formula that the *BBC* has seemingly perfected is the balance between the number of digital platforms and the content on each platform. Through these strategies, the *BBC* has made itself a leader in television industry in regards to digital media.

Digital media is complex, and these three news organizations are not the only examples that demonstrate how complex the transition has been. Organizations such as *Buzzfeed* and *Vice*

are threatening traditional news media (Küng, 2015). Since their origins are inherently digital, they have had different success in terms of engaging online users.

However, many conclusions can be drawn when examining the relationship between *The Guardian*, *The Economist* and the *BBC* and digital media. These three media share many common characteristics but also are very different. One behavior that these three news media have in common is the creation of an integrated newsroom. These three news organizations are also U.K. based. Though they have expanded globally, their roots are based in the behavior of U.K. news consumers. Additionally, each of these organizations have their original platform, an app and a website. The degrees of each platform are varying, but they are still present. However, there is no set formula to reaching success in the digital media industry.

From *The Guardian*, *The Economist* and the *BBC*, it is evident that there is no true definition of successful digital media. *The Guardian* was the first news media to think digitally, but one can argue that the *BBC* has surpassed them in the creation of content for the digital age. Despite the fact that *The Economist* felt as though it was the most prepared for the digital age, it still struggles to maintain retention rates. From this, it is clear that all news organizations should become digital in some form or another. However, the manner in which they shift to digital content is varying.

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