The media is changing

9 major media disruptions business leaders need to know about



Jamie Veitch October 2017



Project Management Marketing & Communications Business Development Research

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Thanks for downloading this short report. The media landscape has changed dramatically over the past ten years – and continues to change, at an increasingly rapid pace.

And you might ask, "so what?" Good question. Why should you care when you've got your own challenges and your own organisation to run?

If you run (or you're a leader in) a business or social enterprise, it's enormously beneficial to understand the pressures that journalists are under, the disruptions that are impacting on media, and the new opportunities that these changes do present.

Because if you do understand what's going on you've got a better chance of engaging with the readers, listeners, viewers and users of media in 2017 and beyond. And with increasing segmentation and microniches available to access through media, effective engagement offers you a great route to communicate, building relationships with your future (and current) customers, clients, stakeholders and supporters.

I've deliberately kept this report as brief as possible to give you an overview of some of the most important developments in media. It includes links to sources and references and you're welcome to contact me if you have any questions. I hope this report will make you think – and I look forward to your comments.

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1. Robots in the newsroom

Humans have opinions. What about machines? Can they distinguish verifiable facts from opinions – and do they know what makes a news story? After all, one definition of news is "what people talk about over a pint."

Well AI (artificial intelligence) powered journalism is already in use by respected worldwide media.

Wired magazine reported¹ how *The Washington Post* (now owned by Jeff Bezos, founder of Amazon) published coverage generated by Heliograf in "*the most sophisticated use of artificial intelligence in journalism to date.*"

And whilst many reporters believe automated news lacks the context and creativity of traditional reporting (but they would say that, wouldn't they), they do value the speed it can offer, according to Neil Thurman, Konstantin Doerr, and Jessica Kunert. Their paper, *When reporters get hands-on with robo-writing*², analysed professional journalists' experiences with (and opinions of) the technology, with input from participants from a range of outlets including CNN, Thomson Reuters and the BBC.

"Journalists believe that automated journalism will become more common, increasing the depth, breadth, specificity, and immediacy of information available," according to the paper, which states that while some news organisations and consumers may benefit, "such changes raise ethical and societal issues and, counter-intuitively perhaps, may increase the need for skills — news judgement, curiosity, and scepticism —that human journalists embody."

It chimes with coverage elsewhere. AI and news writing or aggregating bots like Heliograf, Wibbitz and BuzzBot, are likely, according to Wired, to play "*a larger and larger role in creating journalism"* as newsrooms struggle with dwindling resources.

Recently Google made a grant of €706,000 to the Press Association to fund its **Reporters and Data and Robots** (RADAR) project, a local news automation service. The project is set to "*explore ways to help journalism survive in the digital age.*"

It will use open government and local authority databases and story templates to create automatic stories about crime, employment, health and other subjects.

RADAR aims to provide up to **30,000 data-driven stories** each month for hundreds of local media outlets; a team of five journalists will oversee the project to identify, template, and edit the generated stories.

What this means to you:

Can you offer commentary on data and statistics, especially open government, health, financial and employment data? Then you're giving journalists who use AI-powered journalism, but need to add context, an easy story. Give them nuanced commentary, then they will still have something exclusive and unique to their publication or outlet.

2. Impact Journalism Day

Depressed by the news? You don't have to be. Every 24 June since 2012 it's been **"Impact Journalism Day"** when a growing international alliance of newspapers and magazines publishes supplements, all dedicated to rigorous reporting about solutions to social and environmental problems.

50 publications (across 40 countries) were involved this year, including the magazine *Positive News*; they say that:

"the media should take greater responsibility for how the framing of stories can disempower or empower people...that doesn't mean the media should advocate for particular solutions nor should it neglects its 'watchdog' function, but to genuinely serve the public interest, it should not only expose problems; it has an equal duty to rigorously expose the ways people are responding constructively to those problems."

What this means to you:

Media like The i (in the UK), USA Today, Positive News, Pioneers Post, and many more (including plenty of regional BBC radio channels), really want to cover positive stories - ideal for businesses when you are

¹ https://www.wired.com/2017/02/robots-wrote-this-story/

² http://neilthurman.com/hands-on-with-robo-writing.pdf

making an impact and for social entrepreneurs. Don't forget to contact them early enough with bespoke pitches about you!

3. Are local newspapers in decline? If so, does it matter?

Pioneers Post (the global social enterprise magazine) has published an interesting piece³ in which Anna Merryfield of Social Spider CIC argued that "*local newspapers are seemingly in terminal decline. But they're essential to enable communities to remain politically engaged and be involved in decisions that will affect them."*

Anna quotes stats from The Press Gazette, which reported that 198 publications (in the UK) have closed since 2005 (a similar decline in local newspapers has taken place in the USA and elsewhere).

Meanwhile at Google's DNI Fund conference in Amsterdam this July, Lydia Polgreen, editor-in-chief of HuffPost, pointed out *that* "*in the US, most journalism jobs that have vanished are in local journalism.* News organisations are relying more and more on wire services and inexperienced stringers, and the world is poorer for that."

Anna Merryfield believes "this trajectory...will leave us with a situation where, more often than not, the news will come from journalists not living and working in the area, or there will be no news at all."

But she says a "grassroots publishing phenomena is emerging to fill the gap...independent community media outlets are popping up, revolutionising the way they report by offering a positive and community-focused angle on local news."

Incidentally, whilst the circulation of traditional print media is declining (with some exceptions), readers of national newspapers say they spend substantially more time reading print publications than they do with their digital counterparts.

Could hyperlocal media be the future?

Well, maybe. In the UK, fifteen community and hyperlocal news publishers have successfully partnered with the BBC, according to the Centre for Community Journalism⁴.

This is part of the BBC's new 11 year Local Democracy Reporter Scheme, which aims to fund 150 local democracy reporters across the UK; Press Gazette says up to £8m per year will be invested⁵.

What this means to you:

Engaging with reporters on a hyperlocal level is increasingly important.

Example: Aizlewoods Mill, the co-operative office space, appeared on Sheffield Live's local TV channel and, as a result, on the BBC's regional Look North programme whose editor picked up the story after seeing it on Sheffield Live. Local democracy reporters on a hyperlocal level will increasingly feed up the media chain.

4. Media Trust, fake news and digital literacy

Let's start with Ofcom's "Adults' Media Use and Attitudes Report $2017^{6''}$ – well worth reading, in all its 174 pages(!) But I've read it so you don't have to.

There's loads in the report about whether (or not) social media is an echo chamber, and whether (or not!) consumers can spot fake news. Just to tangent, one section I thought fascinating was whether internet users are able to recognise the difference between organic and paid search results:

From the report:

While the majority of internet users are confident they can recognise advertising online, **only half of search engine users** could recognise adverts on Google.

³ https://www.pioneerspost.com/news-views/20170626/local-newspapers-social-enterprises-fostering-community

⁴ https://www.communityjournalism.co.uk/blog/2017/07/04/fifteen-hyperlocals-to-partner-with-the-bbc-2

⁵ http://www.pressgazette.co.uk/applications-open-for-local-democracy-reporters-as-part-of-bbcs-multi-million-pound-local-news-partnership

⁶ https://www.ofcom.org.uk/__data/assets/pdf_file/0020/102755/adults-media-use-attitudes-2017.pdf

A majority (84%) of internet users are either very or fairly confident that they can recognise advertising online.

However, when shown an example of the results returned by Google for a particular online search and with their attention drawn to the adverts that appeared in these results, just half of adults (48%) only gave the correct response by identifying them as sponsored links, despite their being distinguished by a box with the word 'Ad' in it.

Wow. If you're snobby about PPC (pay per click) ads, don't be.

Meanwhile, there's a fightback against fake news and "post-truth" political discourse. In the UK, Full Fact, an independent fact checking organisation, checks claims made by politicians (of all parties), pressure groups, charities, and journalists.

Facebook and Google have both been criticised for helping to facilitate the spread of fake news. Both are now (albeit too slowly for many) taking action to filter or remove stories that are fake or fabricated. Facebook (which has 31m users in the UK) has deleted tens of thousands of fake profiles and launched a 3rd party fact checking tool; Google has banned at least 200 publishers from its AdSense network (so they can't receive revenue next to stories they make up. Wired magazine's exposé of a fake news "factory" in Macedonia (motivated by making money) is a riveting read⁷.

In October 2017 Facebook introduced its new feature to give context to articles within news feeds⁸. A useful tool, perhaps, because even though Ph.D. historians and Stanford University undergraduates consider themselves to be digitally literate and competent at evaluating sources, they struggle to do so accurately⁹ when compared with professional fact checkers.

And new platforms and tools are being introduced to newsrooms. For example, Truly Media, which offers reporters a single "verification interface" which integrates with other services and is designed around collaboration, across multiple organisations. It's particularly focused on user-generated content coming out of social media, where fake news and information are most likely to emerge and spread.

Fake news isn't new, though. It's just that our digital literacy (and our competence at spotting it) runs slightly behind the use of new tools and platforms to spread misinformation. And remember – many humans do know that an article is, or could be, fake –and don't care. Some of us love gossip and hyperbole. Our ability to learn means we do catchup with dubious stories and sources, and we always have done – just read Tom Standage's excellent book "*Writing on the Wall: Social Media – the first 2,000 years*¹⁰," to hear how.

Do you know what the most trusted media is? It's radio, not only according to research from across the EU¹¹, but also according to Ofcom's "*Adults' Media Use and Attitudes Report.* The least trusted? Social media.

Trust in the media is going to be crucial if good quality, rigorous journalism is to survive. Two years ago reader revenue (ie from subscriptions / paying for access) outstripped advertising revenue for the first time for news publishers. This year's World Press Trends 2017 report shows that trend has continued: 56 percent of newspapers' overall revenue came from circulation sales (print and digital) in 2016, according to the report¹².

What this means to you:

Pitches that include emotion and opinion but are backed up by verifiable (or verified) facts make for a powerful combination – and demonstrate your credibility to editors and journalists who are conscious that building loyal audiences depends on people trusting their reporting.

And securing radio media coverage – sometimes viewed as "ephemeral" – gives your business the stamp of credibility and is a powerful way to position yourself as an expert (I can train you for your radio interviews if necessary).

⁷ https://www.wired.com/2017/02/veles-macedonia-fake-news/

⁸ https://newsroom.fb.com/news/2017/10/news-feed-fyi-new-test-to-provide-context-about-articles/

⁹ https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3048994

¹⁰ https://www.amazon.co.uk/Writing-Wall-Social-Media-First/dp/1408842068

¹¹ https://www.journalism.co.uk/news/european-news-consumers-trust-tv-and-radio-social-media-written-press/s2/a704677/

¹² WAN-IFRA World Press Trends 2017, www.wan-ifra.org/wpt_2017

5. Crowdsourcing

More and more publishers are now using crowdsourcing to shape (or feed into) editorial projects. This has created business opportunities: for example Hearken is a business helping traditional publishers deploy "people powered journalism." The HuffPost's "influencer blog" and Guardian Witness are good examples; The Times' newly launched business clinic will be another.

Traditional media like the BBC in the (UK's) regions now often post on their Facebook pages about the stories or topics they want to cover, inviting people who want to come forward as potential guests, especially for their drivetime and breakfast programmes.

And subscription media such as the Financial Times, which publishes its articles online behind a paywall (plus plenty of professional and trade media which do the same) want to foster an active, engaged crowd and community. Commenting at the bottom of a Financial Times article that was relevant to a client of mine once secured that client a great piece of editorial coverage in the FT about their business.

What this means to you:

It opens new routes through which you can secure coverage of the work, and impact, of your business, charity or social enterprise.

6. Immersive storytelling

Google News Lab, Knight Foundation and the Online News Association have awarded \pounds 221,700 to 11 projects that "*aim to accelerate the use of immersive storytelling in news,"* through the Journalism 360 Challenge.

The recipients of the funding were announced in July 2017. They include projects that will explore the "formats, ethics and production of virtual reality (VR), augmented reality (AR), and 360-degree video," and include tools that incorporate data and information visualisation with immersive storytelling.

What this means to you:

The principles of great storytelling are going to be as important as ever, even if the technology to tell and to access stories is evolving. Read <u>my storytelling tips</u> for more and listen to <u>this interview</u> with Deborah Bullivant, founder of Grimm and Co., to hear superb storytelling in practice.

7. Podcasting

There are several hundred million websites and blogs but only around 300,000 podcasts in the world. Well over eight million adults in the UK have downloaded a podcast, with almost half listening to one at least once a week.

Podcasting enables you to reach a wider audience thanks to increasing your "discoverability" to people interested in your niche through iTunes and Google (and other podcast platforms).

You can approach podcast producers in your niche to offer commentary or a guest interview. My usual rules and suggestions around media pitching continue to apply (get in touch for tips and ideas).

You could even start your own podcast; it is worth podcasting if you want to build deeper connections; grow your email list; speak as an industry expert; open doors; and inject your personality into your messages.

The podcast industry is evolving: publishers are seeing the revenue opportunities and increasingly, larger brands, alongside niche producers, are developing specialist podcasts.

And from Autumn 2017, one of Podcasting's biggest problems – measurement – will be tackled because Apple are launching in-episode analytics for podcasts.

This means that podcast publishers will receive data that tells them just how much of their episodes are actually being listened to (rather than measurement only through downloads).

This new data will have an impact: currently podcasts that attract ads, mainly attract direct response ads (because they can measure their ROI). But this analytic tool might open up podcast sponsorship to bigger brands. **The Vulture** reports that:

"some people in the industry are uneasy about what could happen to podcasting...worries include, among others, content and programming being cynically driven by metrics, the introduction of Big Business that would wipe out the freedom and experimentation afforded by the space, and the death of the medium's independent spirit."

What this means to you:

Appearing on podcasts offers you a great opportunity to engage with appropriate, relevant and wonderfully niched audiences. What podcasts cover your industry, sector, or specialism? Do they interview guests? Can you offer any unique expertise?

8. "Video killed the radio star" but Netflix hasn't killed TV – yet

Despite boxsets, streaming through Amazon Prime, Netflix, YouTube, and other technologies – which *are* capturing audience share (but also creating new audience viewing opportunities), 92 percent of television is still watched live or recorded by British viewers. Adults in the UK still watch around 216 minutes (wow!) of TV, on average, every day; even 16 to 24 year olds still watch nearly two hours of television a day, only 40 minutes less than a decade ago.

Same deal in the US; "TV was such a dominant form of media for young people that its decline has many, many years to go before mobile advertising supersedes it. Indeed, the latest data from Nielsen in America suggests that **the decline is starting to flatten** even among younger demographic groups," according to Professor Mark Ritson.

Many folk expected cinemas to be killed off by television years ago (then by Betamax and VHS video, then by DVDs, then by streaming) – it's not happened.

And what is both popular and highly trusted (nearly as much as radio) on live TV: local and regional news.

What this means to you:

A 30 second local news story can be as valuable as ever for your business (especially if you want to engage with people over 65 who are watching more live TV than before). Irrespective of age, TV isn't in terminal decline: it is still watched, and crucially it is trusted. Do you have a story with a really strong visual element? If so, it could be ideal for your regional TV news.

My clients Sentinel Brewery and Grimm and Co have received wonderful television coverage, and it's really not in my interest to pitch my TV (or radio) contacts with stories that are not strong enough. I can help you decide what's appropriate and what's not for a TV (or radio) pitch.

PLUS – there's more! We can't cover video without mentioning **video advertising**, the fastest growing ad format in the UK. In the first half of 2017, advertisers spent £699 million on video ads – a 46% year-on-year rise – whilst spend on traditional website banner ads increased by just under 2% to £685 million. This means spending on video ads has outstripped that on banner advertising for the first time.

The stats come from the (October 2017) Internet Advertising Bureau UK / PwC Digital Adspend report; Within video advertising, spend on outstream ads (which are video ads which automatically play when users navigate to them; they're often embedded within say the middle of text articles online) and social in-feed ads has nearly doubled and now accounts for 52% of video spend (£363 million), overtaking preand post-roll ads (ads which appear at the start / end of publishers' video content) which account for 44% (£309 million).

That said, digital advertising in total in the UK was worth £2 billion (again, in the first six months of 2017) – of which over £1 billion was spent on social media sites (no wonder traditional publishers are suffering); and on top of this the market for search ads was worth £2.8 billion – a 15% growth. So you might expect your bids for PPC (pay per click) keywords to get more expensive.

9. Journalism-as-a-Service

You're probably really used to SaaS (software as a service - eg online accounting, CRM or project management platforms), though it was hardly commonplace a decade ago. The Future Today Institute says (in their annual tech trends report¹³) that the same model "*could work for news, and in the near-future might be an inevitability,"* enabling news organisations to "*fully realise their value to everyone*

¹³ http://futuretodayinstitute.com/2017-tech-trends/

working in the knowledge economy—universities, legal startups, data science companies, businesses, hospitals, and even big tech giants."

What this means to you:

High quality, authoritative, expert content and analysis will have increasing value to publishers. Your data has value too. Whilst you need to ensure you're acting within all relevant (and forthcoming!) data protection regulations, if you are undertaking research you can decide whether you will publish traditionally or publish data trends supported by your opinion and insight through a single media outlet as your partner – perhaps even on a revenue share basis.

What next?

I hope these nine media disruptions have provoked you to consider how you can engage with the changing needs of a rapidly evolving media industry.

Remember, though: media channels do change, but the principals of effective communication remain. And if you need help, then I can offer you:

- Free and valuable tips, advice, interviews and analysis to help grow your business or social enterprise, achieve your goals, and secure the media coverage you deserve – all via my regular emails – sign-up here <u>http://www.jamieveitch.co.uk/valuable-advice-for-your-values-drivenbusiness/</u>
- Practical workshops to help your business define and communicate your key points of difference and achieve your goals. These include media interview skills, marketing and communication strategy and more; in house and bespoke to your needs.
- Communications support to tell your story, engage your customers, and secure media coverage for you. An effective communication strategy doesn't just build awareness of your brand, it is part of your brand, and it supports all of your strategic goals. From partnership building, to stakeholder engagement, to winning contracts or sales, your <u>communications activity</u> might encompass PR, events, newsletters and more.

About the author, Jamie Veitch

Jamie Veitch is a rock-climber, coffee addict and aficionado of dark chocolate. He runs his own communication business, <u>Jamie Veitch Consulting</u>, and is a senior associate to <u>Keep Your Fork Ltd</u>, a marketing and communications company.



Jamie works with businesses, charities and social enterprises helping them to communicate more effectively, earn the media coverage they deserve, and engage with clients and stakeholders.

He's launched then ran a magazine publishing business for 12 years, looked after a portfolio of media for The Mirror Group, presents a weekly radio show, and has recently secured media coverage for clients in The BBC, The Independent, The Guardian, The FT, Forbes, Bloomberg, numerous local and regional newspapers, and a wide variety of trade and professional publications.

After a career as a children's magician paid Jamie's way through University (and enabled him to travel to Russia, China and Kazakhstan while taking his psychology degree), Jamie moved to London and worked for a small publishing company which became part of the Mirror Group. There Jamie ran a profit centre encompassing a number of magazines and events, before leaving with two colleagues to launch their own magazine publishing company which they grew to a £1m-turnover business and ran for 12 years.

For the past 7 years Jamie's been consulting to help his clients communicate more effectively. He also presents a business radio programme and speaks at events across the UK and as far afield as Malaysia.

Go to <u>http://www.jamieveitch.co.uk/valuable</u> to get Jamie's free report, *The media is changing: 9 major media disruptions business leaders need to know about* and to request Jamie's emails containing valuable tips, advice, interviews and analysis to help grow your business or social enterprise, achieve your goals, and secure the media coverage you deserve.

Aside from rock climbing, cycling and travel, Jamie plays piano (badly), guitar (even worse) and sings (until threatened with violence). Jamie and partner Claire live in Sheffield with one teenager, two cats, and an indeterminate number of books.