

The future of quality journalism in a digital world

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With the rapid pace of change it would be the brave soul that would try to predict with certainty the future of journalism. However, I would like to start on a positive note and say that I believe, to paraphrase Mark Twain...Reports of the death of quality journalism are greatly exaggerated.

But it is a time of huge transition, and there are major risks and challenges for media-owners and for journalists.

One sign of the changing face of journalism came earlier this year when the Huffington Post – a website arguably better known for news aggregation and celebrity photo galleries than quality reportage – became the first so called blog to win a Pulitzer prize for national reporting in the US.

There were grumbles – but in the Pulitzer committee’s defence, it’s worth noting that it did receive the award for national reporting for what was frankly a superb series Beyond the Battlefield by David Wood, which explored the challenges faced by severely wounded war veterans. It was really superb campaigning and public-interest reporting.

So that high quality reportage may turn up in places we might not expect. While I’m one of those that does believe quality journalism will prevail, I would emphasise that there are massive risks and challenges for media owners and for journalists alike.

Management has a huge responsibility here in my view. The survival of quality journalism will depend greatly on management’s ability to adapt their business models, to constantly learn...and embrace new platforms and new technologies.

Just an idea to how much the world has changed. This may have made great sense when George Bernard Shaw first said it! “The reasonable man adapts himself to the world; the unreasonable one persists in trying to adapt the world to himself. Therefore, all progress depends on the unreasonable man.”

However, today’s progress will depend on the reasonable man (or woman) who adapts to today’s new publishing realities.

Take for example the New York Times, which has managed to get its core readers to pay to subscribe to its news online. But management hasn't stopped there. They are constantly re-examining their models, experimenting with new third party platforms and more. Just last week they announced that New York Time's subscribers will now be able to read the entire paper (as well as related video and blogs etc) on Flipboard.

For those of you unfamiliar with Flipboard – it's a popular aggregation/recommendation app which over eight million people have downloaded onto their iPhones/android phones and tablets. The model here is for the platform - Flipboard - and the newspaper to share advertising revenue. It may also encourage those who have not been willing to pay for NYT subscriptions to do so (subscribers get automatic access to the Flipboard version).

Some question who will be the winner in this deal - NYT or Flipboard - but, in any case, the New York Times have been working hard to adapt their models and to keep TRYING new models – with a stated recognition that some initiatives will fail.

There's a responsibility for journalists here too. Survival will also require a new kind of journalism – adaptable and flexible – comfortable with all forms of digital content, and with the technologies used to create the content AND distribute it.

Given the constant rate of change, where does the product development team literally sit in the organisation?

At El País, in Madrid, they put the product development team right in the middle of the newsroom, where they could interact with editorial team else on a daily basis.

Ourselves at Silicon Republic, our head of online and new media sits in on our editorial meetings and liaises regularly with the editors and journalists. That is the reality of today's publishing world.

It's this kind of innovative thinking by management that will ensure the survival of those news organizations willing to change, But, as I say, it is also a challenge for journalists who will need to adapt to this new news environment.

Take video. Today, with the growth in popularity in video, all media organisations are becoming broadcasters – no longer just about TV and radio stations. This of course presents challenges both for the broadcasters and for traditional what we might have called 'print journalists'.

But video ain't going away. Take the attractive c-suite audience. According to recent research from Forbes, 75pc of c-suite executives are watching business-related video on business news sites at least weekly.

Mobile presents another huge shift, and will only continue to do grow rapidly. We're all accessing our news on the go, as well as at our desktops. This is Rob Grimshaw, managing director of FT.com. Grimshaw recently said The Financial Times expects 50 per cent of its digital audience will be accessing its content via mobile devices within three years.

Around 30 per cent of FT.com subscribers currently access digital content via mobile. This is Grimshaw's prediction: "We have to get used to the idea that the future of news publishing is on mobile".

This presents another challenge I'll come back to but for now I want to talk briefly about advertising. Regardless of the move towards paywalls for the likes of FT and NYT, advertising remains the lifeblood of most media businesses, and it is going to continue to play a significant role in their ability to support and promote quality journalism.

The bad news for traditional publishers is that their print share of the advertising dollar will continue to shrink. The good news is that it continues to move online, as do they – and at a rapidly growing rate.

In the US, Internet advertising grew 15pc in the first quarter this year to US\$8.4bn, the highest first quarter revenue every measured by the Interactive Advertising Bureau and PwC.

Here in Europe, last year the online market grew 14.5pc year-on-year and is now valued at €20.9bn. By comparison, the overall European advertising market – excluding online – grew at just 0.8pc.

According to IAB Europe's annual AdEx Benchmark survey, one in five advertising euro in Europe is now spent online.

After search advertising (over 17pc), display ad spend came a close second at 15.3pc. However, newer formats including video and mobile helped lift the value of display advertising

Randall Rothenberg, President and CEO of IAB says: "Marketers and agencies are clearly - and wisely - investing dollars to reach digitally connected consumers."

But how wise are they?

If you look at research from end 2011, and you compare the ad spend by marketers/advertisers with where consumers are spending their time, you'll see just how the world is going to have to change. But look at how much time the consumer is spending on mobile – 23pc of their time, compared to just 2pc of ad spend.

This presents major challenges when it comes to content provision, and to advertising reach. It is not easy to do display advertising on a small screen, and not to intrude on the reader experience. There are many mountains to climb for publishers and media owners when it comes to paying for the quality journalism we all want to see thrive.

Today I know we also want to ask how regulation and public policy can support that quality journalism.

Ben Hammersley, Editor at Large of WIRED magazine and also David Cameron's Ambassador to TechCity, London's effort at creating a Silicon Valley, is also a member of the European Commission's High Level Expert Group on Media Freedom. Indeed he was here at the Institute last April. Ben makes some very valid arguments on the area of policy.

"I've argued that the media organisations that will flourish are the ones that are able to adapt quickly to change, to try and to fail along the way, and to innovate both their business models and their journalism."

When it comes to policy Ben argues that Innovation really comes from getting out of people's way and allowing them to continue forward.

And the most common method of getting into people's way as policymakers is to fundamentally not understand the implications of this sort of technology because the implications are - as Ben puts it - "terrifying".

"There isn't an industry the internet has touched that hasn't been utterly destroyed by that contact and completely rebuilt – everything from travel to music to journalism to politics. But that's going to happen and the quicker you relax into that and allow it to happen then the quicker the pain will be over."

I believe he has a point. We've seen the results of trying to legislate without adequate

understanding in very recent times. Take SOPA in the US, where the industry and the man on the street - or in this case on the internet – rebelled. US Legislators recounted sitting at breakfast with their teenage kids who were telling them, “What are you doing Daddy, you’re killing my internet.”

The pressure worked!

Even more recently, the controversial Anti-Counterfeiting Trade Agreement (ACTA) sparked a wave of protest in Europe after various governments signed it including Ireland - without any great public consultation. ACTA was designed to fight the trade of counterfeit goods but also encourages ISPs to take co-operative measures to fight copyright infringement. Indeed, back in February the EU's principal rapporteur MEP Kader Arif resigned in protest and slammed the whole process as a "charade".

Now it appears to have been dealt a deathblow by the EU's International Trade Committee. Members of the committee recently voted 19 to 12 against enacting this. That result will act as a final recommendation to the European Parliament when it makes its final decision...I believe this week. (TheJournal.ie editor note: Since Ann delivered this speech to the IIEA, the European Parliament did indeed reject the enactment of ACTA legislation on Wednesday of this week.)

Alec Ross, Senior Advisor for Innovation, to US Secretary of State Hillary Clinton, and his administration have been struggling with this area of digital policy like all governments. However, at the recent LeWeb conference in London he advised all governments to proceed with extreme caution when it comes to lashing back on the freedom of the Internet

In his words, “The control you had 5, 10, 15, 20 years ago is gone....and it’s not coming back. Do not fight this loss of control. Do not fight this empowerment of citizens. Harness it for your country’s well-being. Make your government more open and participatory. Make it easier for people to become entrepreneurs.”

We need that entrepreneurial spirit from our incumbent media companies, from our new media companies – and even from the very journalists we are discussing here today.

It’s vital that well-meaning policy makers listen to the experts, the stakeholders, and do their research. Yes there will be a need to legislate and to regulate, but this needs to be done with

very light touch. We must not regulate to such an extent that we kill the creativity and innovation of the industries we seek to protect.

Governments are going to have to - to some extent - learn to let go, lose control - and that's a good thing. Alec Ross put it well at LeWeb:

"The 21st Century is a lousy time to be a control freak."