

# THE FUTURE IS DIGITAL

## Changes in online News

After experiencing a boom over the last decade it looks as though digital news might be in decline as many online-only news platforms find themselves in financial difficulty. Alex Hudson from *metro.co.uk* asks: where does digital media go from here?

It is a difficult time to be a digital journalist. In early 2019, *Buzzfeed* made 200 of its journalists, about 15% of its workforce, redundant. *Buzzfeed* has a total global audience of 650 million. *Vice* has lost around 250 staff despite reaching over 200 million. Verizon, which owns Yahoo, *HuffPost* and AOL, announced over 800 job losses at the start of the year, *HuffPost* by itself accounts for 166 million users. Female lifestyle site *The Pool* announced its closure in February 2019 despite millions of subscribers. These are audience figures traditional

media could only dream of. Even the biggest-selling newspaper in the UK, *The Sun*, sells just 1.4m copies a day.

So 2019 may well be seen as the year of the dot media crash; over 2,200 media jobs were lost in the first two months of 2019 alone.

### What's Going On?

The internet was meant to be the saviour of media. It was going to be this great platform where more information was more available to everybody, removing the barriers to news and making stories more accurate and more engaging than ever before.

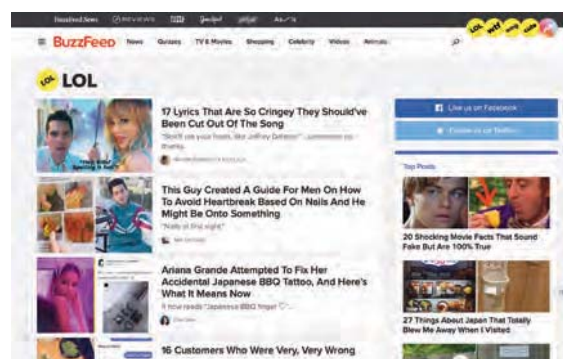
The traditional publishers threw money into it, having been promised audiences and riches beyond their wildest dreams. New digital publishers were founded and they disrupted the way news was told, the way stories

were created and promised being able to lead the agenda. But just as numbers of newspapers fell away before them (the American Society of News Editors stopped counting the closures of daily newspapers in the US after it reached 500 in 2016), the digital news platform reduction is coming.

### Why are the Number of Digital Platforms Reducing?

Far too often, all this digital information was given away for free without a sustainable business plan or advertising strategy behind it. Venture capitalists (people who invest in new, potentially risky 'growth' markets) started up a variety of new media companies that made a financial loss based on the assumption that eventually they would begin to make a profit (the same model Netflix is

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— Ian Hislop, editor of *Private Eye*, to the Leveson Inquiry



Alex Hudson speaking at the MediaMag conference in January

Public domain

using now – investing money in content that it doesn't actually have based on the assumption that it will soon make enough to cover its costs). However, this era is coming to an end as the two elephants in the room continue to run the show.

## The Elephants in the Room: Google and Facebook

The duopoly of Facebook and Google dominates the digital landscape. These two organisations account for nearly 60% of the total money spent on digital advertising. Publishers like *Buzzfeed* and *HuffPost* keep handing their content over to these platforms for a slice of that pie.

But media companies, before the online boom, were used to getting 100% of that pie. Historically, newspaper scoops were rewarded with higher sales and, in an era when people were willing to pay for their news, higher sales meant more advertising investment so if you had good content, companies would want to advertise their products and services

in your paper. In the new online model, companies get a better reach if they advertise with Google or Facebook – the platforms through which most people get their information and news.

Journalism is expensive. Content is often cheap but journalism, the stories that really punch you in the gut and really change things, is difficult, time-consuming work that involves research and skill. In the digital world, it seems like this sort of content – thoughtful, well-researched and backed up by evidence – is the least lucrative to advertisers.

In February 2019, the National Union of Journalists (NUJ) wrote that

**The latest cuts at *Buzzfeed* highlight the crisis facing journalism around the world and the ongoing risks to public interest reporting...Even the media organisations successfully engaging with large and younger audiences feel they can no longer afford sizeable workforces or dedicated newsrooms.**

Google and Facebook are partly responsible for this. They not only hold the keys to advertising revenue but also to audiences finding content either through their Google searches or through their Facebook timelines. If Google and Facebook change their algorithms to favour one news service over another it can have devastating consequences.

Any changes to the algorithms send shockwaves through newsrooms, whether good for publishers or bad. And the problems run even deeper: when audiences visit from those platforms, the Reuters Institute found that less than half could remember the name of the news brand for a particular story they'd just read:

'Where'd you read that story?'  
'Facebook.'

## Back to Traditional Methods?

This is the biggest problem facing media today and it leaves traditional publishers pivoting back to putting their energies into traditional

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products. Many commentators, such as Ian Hislop, editor of *Private Eye* magazine, feel strongly that content shouldn't be given away for free

**I cannot see why journalism, which, at its best, is a terrifically noble craft, should be given away, and people who can analyse information, write well, entertainingly, informatively, should have everything they do just taken from them.**

He cites examples from abroad where traditional print forms continue to flourish.

**I mean, if we're looking at other countries, I was hugely heartened to see *Le Canard Enchaîné* has a website which just says literally: 'go and buy the paper.' They're doing very well.**

But surely a physical publication cannot be the future of journalism.

Digital news offers an infinitely better experience (or at least it should) and a wealth of storytelling options that traditional media could only dream of. You can watch a video of a person speaking about data you can dig through yourself before listening to a podcast about what the figures mean to you. The content is more dynamic, the journalism is sharper and the stories told should be more memorable than ever before.

This should be the golden age of journalism and innovative storytelling.

Instead, so many publishers are making tough decisions about their staff numbers, about the sort of stories they cover and about how they make their business plan make sense.

This is because the competition is no longer other publishers, it is every phone game, it is YouTube, it is the weather app, Twitter, Snapchat or a million other easier things to advertise around.

### Difficult Questions

Advertisers make decisions based on maximising exposure to their products and services. Why advertise around a sex crime story when you could have the safer option of advertising on Candy Crush? Why partner with a specialist news site reaching one million people focusing on really troubling human rights abuses when Angry Birds would get you 60 million pairs of eyeballs?

If difficult content is difficult for advertisers to sit next to, then news publishers are left with difficult questions:

- Should digital publishers soften content to attract higher advertising revenue?
- Should page views be chased at all costs?
- Should the harder or more expensive news stories be left behind?

The answer to all those questions is no. What is the point of a news publisher who is scared of doing hard news? Of finding real stories? Of real journalism?

### The Future is Digital

The future of storytelling is digital. It has to be. The business model of digital publishers is going through some pretty horrible growing pains at the moment but it will

find a way to work. It has to.

There can be no debate about the importance of digital journalism and its future. The breadth and variety a digital treatment can offer far outperforms old media. The single most important thing is still the story. Good stories told well will always find audiences: it's a skill that will be a valued for as long as journalism continues. It just needs some thinking about.

The answers definitely aren't there yet. We think we have a good handle on where digital media is going – into the freemium or premium model of charging for content rather than advertising but nobody has the 'right' answer at the moment. It's up to the journalists of the future to have better guesses than we do.

The future is filled with stories we can't imagine yet. It's filled with powerful stories about the struggles of everyday life and we're only at the start of it. And part of this is just widening the sorts of stories that are told and the sort of people telling them. The tricky thing is finding enough people willing to fund the stories that need to be told rather than just the stories that people want to read.

Digital journalism will find the answers, it'll just take a little while longer than we initially thought.

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 from the MM vaults

The Guardian Online – Neil Paddison, *MediaMag 30*

Can the Guardian Survive? – Neil Paddison, *MediaMag 57*