Digital Journalism – Waves of Disruption

1. **Portals**
   - 1990–1997
   - *America Online*, *msn*, *Yahoo!*

2. **Search**
   - 1997–2006
   - *The Huffington Post*, *boston.com*, *SFGate.com*

3. **Social**
   - 2006–2015
   - *BuzzFeed*, *Taboola*, *Outbrain*, *Upworthy*

4. **SaaS**
   - *Stories as a Service*

Audience at the centre
Built on a new relationship with readers
Using data to optimise reader engagement and loyalty
Global newspaper revenue

Source: WPT Analysis, E&Y, Zenith, PwC Global Entertainment and Media Outlook: 2016-2020
Global newspaper traditional revenue sources

Source: WPT Analysis, Zenith, PwC Global Entertainment and Media Outlook: 2017-2021
Global newspaper digital revenues

Source: PwC Global Entertainment and Media Outlook: 2017-2021
ATTENTION is the OLD currency TRUST is the NEW ONE
Total Facebook Engagements in the US for Top 20 Election Stories

*Engagement refers to the total number of shares, reactions and comments for a piece of content on Facebook.
Source: Facebook data via BuzzSumo
Moving the focus from REACH to LOYAL COMMUNITIES willing to PAY for content

"NEWS NEEDS TO BE A BUSINESS THAT BUILDS VALUE FOR THE COMMUNITIES IT SERVES AND SUSTAINS ITSELF AS A RESULT OF THAT VALUE."
- Jeff Jarvis
Global newspaper digital circulation revenues

Source: PwC Global Entertainment and Media Outlook: 2017-2021
## Snapshot of Digital Subscription success stories

<table>
<thead>
<tr>
<th>Title</th>
<th>Digital Only Subs</th>
<th>% Subs that are pure digital versus total daily circulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>NYT</td>
<td>1,600,000 +</td>
<td>69%</td>
</tr>
<tr>
<td>The Times</td>
<td>185,000 +</td>
<td>44%</td>
</tr>
<tr>
<td>Süddeutsche Zeitung</td>
<td>40,000 +</td>
<td>13%</td>
</tr>
<tr>
<td>Aftenposten, regionals incl</td>
<td>110,000 +</td>
<td>38%</td>
</tr>
<tr>
<td>Le Figaro</td>
<td>60,000</td>
<td>20%</td>
</tr>
<tr>
<td>El Mundo</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FT</td>
<td>566,000 +</td>
<td>75%</td>
</tr>
<tr>
<td>WSJ</td>
<td>1,000,000 +</td>
<td>50%</td>
</tr>
<tr>
<td>FAZ</td>
<td>40,000 +</td>
<td>20%</td>
</tr>
<tr>
<td>Les Echos</td>
<td>31,000 +</td>
<td>33%</td>
</tr>
<tr>
<td>The Economist</td>
<td>303,500 +</td>
<td></td>
</tr>
<tr>
<td>Boston Globe</td>
<td>80,000 +</td>
<td>29%</td>
</tr>
<tr>
<td>Schwäbische Zeitung</td>
<td>15,000 +</td>
<td>10%</td>
</tr>
<tr>
<td>Amedia (entire group 62 titles)</td>
<td>110,000 +</td>
<td>23%</td>
</tr>
<tr>
<td>Sud Ouest</td>
<td>14000 +</td>
<td>6%</td>
</tr>
</tbody>
</table>

Source: WAN-IFRA Global Advisory
Younger generation is willing to pay

Age distribution for new subscription sales per project
Schibsted Norwegian subscription papers

Source: Schibsted Norway
3 COLLABORATIONS

pooling masses of **reader data** to feed into a single platform to ultimately create highly targeted, quality audience segments.
Winners of the attention economy aggregate largest audiences & capture most of ad revenue

64% combined share

89% their share in new ad spend

Source: WAN-IFRA
Who else captures $ in digital ad ecosystem?

Source: AEMII – Future Media Lab / European Magazine Media Association 2016
+30% GLOBAL INCREASE

62% ON MOBILE

Source: PageFair 2017 Ad Block Report
Ad Collaboration
Selling National Content at Scale

Intent
Ad sales based on search

National Content

ID
Ad sales based on audience
THE WAY FORWARD

WHAT DO SUCCESSFUL MEDIA COMPANIES PRIORITISE?

4 STRATEGIES for SUCCESS
What is the **Greatest Risk** to your Company’s Future Success?

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reluctance to innovate</td>
<td>26%</td>
</tr>
<tr>
<td>New revenue / Business model</td>
<td>24%</td>
</tr>
<tr>
<td>Competition / Business environment</td>
<td>15%</td>
</tr>
<tr>
<td>Political instability</td>
<td>12%</td>
</tr>
<tr>
<td>Consumers</td>
<td>8%</td>
</tr>
<tr>
<td>Leadership</td>
<td>8%</td>
</tr>
<tr>
<td>Google &amp; Facebook</td>
<td>5%</td>
</tr>
</tbody>
</table>

Organisations whose leaders model the right innovation behaviours for others to follow are more than 4 times as likely to be reporting significant increases in revenues, compared with organisations which do not.
Booming firms (who report overall revenues up of more than 10%) are more likely to invest in

- Paid-for content websites
- Paid-for mobile phone services
- E-Commerce
Successful Organizations* consider the following to be **high priorities** over the next 5 years:

- Events and conferences
- Podcasting / Streaming audio
- Special reports
- Web TV / Video

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*Successful Organisations are both reporting financial growth and are seen to be innovative by their executives.*
Thank you

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