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Evaluating Distributed Content in the News Media Ecosystem

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About the Author

As a 2016 Nieman Fellow at Harvard University, **Grzegorz Piechota** explores the transformation of the media business and the future of work in creative industries while working on a vision of the future news ecosystem.



Piechota is a former news editor of Poland's Gazeta Wyborcza. A law school graduate, he began his career at Gazeta Wyborcza in 1996 as a reporter at the tiniest provincial office, rising to head of its multi-media newsroom and vice president of Agora Foundation.

Before coming to the United States, Piechota was responsible for new product development at Gazeta Wyborcza and lectured on digital innovation and social change in Belarus, Russia, and Ukraine. He is a member of the International News Media Association (INMA) Board of Directors and previously served as the president of INMA Europe Division.

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About the International News Media Association (INMA)

The International News Media Association (INMA) is a global community of market-leading news media companies reinventing how they engage audiences and grow revenue in a multi-media environment. The INMA community consists of 7,000+ executives at 600+ news media companies 80+ countries. Headquartered in Dallas, INMA has offices in San Salvador, São Paulo, Antwerp, and New Delhi.

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Introduction: Publishers and the “toothbrush test”

“Don’t be a Google bitch, don’t be a Facebook bitch, and don’t be a Twitter bitch. Be your own bitch” — famously advised Fred Wilson, a New York-based venture capitalist, who invested early in Zynga, a social games developer. Zynga was the top business partner of Facebook — until it wasn’t and lost half of the user base.¹

News publishers wonder how to survive and thrive in a new mobile- and platforms-dominated ecosystem. Smartphones and social networks have revolutionised the ways we access and discover information. Increasingly, more people get their news on mobile and in apps. And they look for new content on Facebook rather than on news publishers’ Web sites. Some publishers feel they are losing the ground from under their feet. Social networks have dominated time spent on mobile. Adblockers have threatened publishers’ digital advertising business. And now Internet giants are calling on publishers to get rid of slow Web pages and clunky user experiences. When one’s value chain and business model are under assault, an invitation to stop the fight at home and migrate content to platforms sounds both suicidal and liberating. It is both unthinkable and intriguing.

There’s a reason Google, Facebook, and Apple line up at publishers’ doors and ask for news. As a content category, the news passes the famous Silicon Valley “toothbrush test.”

What is it about? As The New York Times once explained, “When deciding whether Google should spend millions or even billions of dollars in acquiring a new company, its chief executive, Larry Page, asks whether the acquisition passes the toothbrush test: Is it something you will use once or twice a day, and does it make your life better?”²

The main goal of this report is to inform strategic considerations at your company and those of INMA's 7,000+ members on the subject of distributed content. I have gone in-depth to profile and evaluate the latest initiatives toward news media industry proposed by digital leaders: Apple, Axel Springer, Facebook, Google, Snapchat, and Twitter.

I have analysed the opportunities and threats of adopting a distributed content strategy, which, basically, is about engaging audiences beyond publishers' Web sites or apps by publishing content directly to social media networks. I put these strategies into the context of mobile Internet and social networking trends and discuss the economics of digital platforms.

For the sake of this report, "platforms" mean networked marketplaces only — places where different users, individuals or companies, share or sell content, advertising, as well as other products or services. These platforms, like Facebook or Google, have become the destinations of billions of people, as they have dominated users' time and engagement as well as advertisers' money.

I provide benchmarks as diverse and extreme as BuzzFeed, a digital pure player and pioneer of the distributed content strategy; The Washington Post, a legacy media company that is being transformed into a global powerhouse; Libération and Agora, two national players of France and Poland, respectively; and Russmedia, a local publisher in the Austrian Alps.

To keep the report practical, I have included several matrixes that hopefully allow you and your company to make tailored evaluations based on your objectives and context.

The primary questions I attempt to answer in this report are:

- Can we thrive by publishing the news beyond our Web sites and apps? Or is distributed content strategy just a fad?
- What about all these digital news pure players like BuzzFeed, Vox, and Vice? Are they real disruptors or just inflated bubbles that will burst sooner or later?
- Is social media a tactic — a thing that we hire somebody young to do in the newsroom or marketing department? Or is it a strategic issue our management board should discuss?

- What do we risk when dealing with platforms?
- What is the role of data in all this?

And what is the value that we, news publishers, really create? I'm writing these words sitting at the Walter Lippmann House at Harvard University in Cambridge, Massachusetts, where I am a Nieman Fellow this year. Lippmann, a famous American journalist and an inventor of the concept of public opinion, once wrote: "The news of the day as it reaches the newspaper office is an incredible medley of fact, propaganda, rumor, suspicion, clues, hopes, and fears, and the task of selecting and ordering that news is one of the truly sacred and priestly offices in a democracy. For the newspaper is, in all literalness, the bible of democracy, the book out of which a people determines its conduct. It is the only serious book most people read. It is the only book they read every day."³

The bible? Is that what our readers really need? Legendary Harvard Business School professor Theodore Levitt famously repeated: "People don't want to buy a quarter-inch drill. They want a quarter-inch hole!"⁴ ■