
Media in 2020

WINNING IN 2020

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Digital has transformed how we work, how we play and how we consume content. It hasn't always been pretty, but - for a media owner - success in the digital space goes to the very heart of the organization's mission. MailOnline and Vice both know this, and are taking different routes to the future.

Traditional readership and viewership have declined, as have ad revenues. Faced with rapid change and a new set of intermediaries (both for revenue and content distribution), not all organizations have moved swiftly and successfully into the new age. The big question at the heart of the content producer model remains: how can you make unique content for which an attractive target group will either pay or at least visit in large numbers?

Digital abilities

Many have invested time and money to answer this question. La Presse, the French-language daily newspaper published in Montreal, has spent millions on a tablet edition designed to help readers and advertisers take advantage of the interactive abilities of digital, and the Financial Times is still tweaking its business and editorial practices after introducing metered access way back in 2007. Two different media companies that continue to adapt to the rapidly changing digital universe are Vice, a new-model media owner valued at \$1.4 billion, and MailOnline, the website of the Daily Mail, a tabloid newspaper in the UK. With 10 million daily unique browsers, MailOnline is the world's largest English-language newspaper website.

Organizational focus

One could argue that Vice's challenge is easier because it doesn't have legacy issues; global growth has been driven by the disintermediation that digital invariably produces. According to Matt Elek, Vice's EMEA managing director, "The companies that rely on distribution to create audiences rather than pushing themselves to produce amazing content will eventually be weeded out." To nurture that kind of proactive development, MailOnline formed a separate team that's part of the same UK-based newspaper publishing group. "We've never been integrated at all beyond working alongside each other, and we've always allowed the digital side to grow organically and naturally according to its needs," said Martin Clarke, editor and publisher of MailOnline. "Not being integrated has been a big plus for us, and being able to hire the right digital people has been critical to our success."

A competitively-superior proposition

Both Vice and MailOnline are determined to keep their propositions distinct, feeling that this provides a barrier to entry. For Vice, this means remaining focused on its core younger consumer. "We're not locking in on our 22-year old customers and following them for the rest of their lives," explains Elek. "We need to be constantly replenishing our base because, fundamentally, we make content for a younger millennial audience that's always shifting."

For MailOnline, competitive advantage may just come down to style. While news and celebrity images can be found all over the Internet, “The one thing Daily Mail and MailOnline can never be accused of is being bland,” says Clarke. “So long as we keep our distinctive editorial voice and style, it will be very difficult for anyone to imitate us.”

Expansion strategy

MailOnline’s expansion is centered on English-speaking markets while the Vice portfolio looks to hit influencers wherever they are. “All of a sudden, kids in Berlin know what’s cool in New York, and knowing what’s cool in Paris is pretty much a fact of life,” said Vice’s Elek. “As a result, their attitudes towards what’s cool and trendy are a lot more global than they used to be.” And MailOnline? With 168 million monthly global unique visitors, the franchise has built up a global audience that should be attractive enough to advertisers to fund a free-to-view business. “We’re still committed to an ad-funded model,” insists Clarke. “But what changes for us by 2020 is that we’re expecting increasing amounts of revenue to come from outside the UK. We have big audiences and editorial operations in the United States and Australia, and we’re setting up a joint venture with Mi9, a leading digital media company in Australia. We could be operating from many other regions within the next six years, either in partnership with others or on our own.”

Universal takeaways

So what does the success of Vice and MailOnline teach us as advertisers?

1. Digital eliminates the power of incumbency. MailOnline has taken on established celebrity titles around the world, while Vice has challenged existing content makers and built an attractive audience of influencers. Advertisers need to look beyond their current go-to media outlets.
2. A unique voice is important and impactful. Advertisers should put a higher priority on distinctive platforms.
3. Success requires a combination of both old and new skills. Having the ability to harness

data that can help optimize content and performance will become essential. Brands that want to take a newsroom approach to content marketing also need these skills.

4. As we head towards 2020, we should be looking to the media brands that have identified new ways to build attractive audiences.

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