Developing Digital News Projects in Private Sector Media

Alessio Cornia, Annika Sehl, and Rasmus Kleis Nielsen
# Contents

About the Authors .................................................. 5
Acknowledgements .................................................. 6

Executive Summary ............................................... 7
Introduction ................................................................... 9
1. Projects for Digital News: Case Studies from 12 Media Organisations in Six Countries .............................................. 11
2. Direct and Indirect Benefits of Investing in New Projects .............................................................................. 24
   2.1 Reaching New Audiences to be Monetised in the Advertising Market ............................................. 26
   2.2 Boosting Digital Subscriptions and Better Serving Existing Audiences ...................................... 28
   2.3 Building Image/Being the First Mover into a New Platform ........................................................... 30
   2.4 Experimenting with New Forms of Storytelling ........................................................................... 32
   2.5 Fostering Organisational and Cultural Change ........................................................................... 34
Conclusion ...................................................................... 39

References .................................................................... 41
List of Interviewees .................................................... 43
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Executive Summary

This report investigates how private sector legacy news organisations across six European countries are developing new digital news products, and focuses on the different motivations driving investment in various projects.

Based on analysis of interviews with 41 editors and managers involved in projects across a sample of 12 major legacy news organisations coming out of broadcasting and newspaper publishing, we identify the editorial, commercial, and organisational considerations behind investments in new digital news products.

Examining a range of projects – from investment in content designed to drive subscriptions over mobile- and social-oriented initiatives in pursuit of scale, to experimentation with virtual reality (VR)/360-degree video and voice-activated speakers – we show how most projects are based on a combination of different motivations: editorial and commercial, or editorial and organisational.

We show how media organisations often seek a combination of both direct and indirect benefits when investing in new digital news projects.

The most commonly sought direct benefits are:

- reaching new audiences (most frequently to be monetised through digital advertising, sometimes seen as a funnel for conversion to subscription)
- better serving existing audiences (to enhance loyalty and engagement and, where relevant, retain subscribers)
- boosting digital subscriptions (an increasingly important part of the digital business model, especially for newspapers).

Often equally important, and sometimes more so, are the indirect benefits sought:

- building an image as innovative/being the first mover into a new platform
- experimenting with new forms of storytelling for editorial purposes
- fostering organisational and cultural change to facilitate ongoing adaptation and innovation.

Innovation, the introduction of new ideas, methods, and technologies, is thus not always narrowly tied to the pursuit of clearly defined editorial and/or commercial ends. It is also frequently pursued to enhance the reputation of an organisation, to let journalists experiment with new forms of storytelling, and, perhaps most importantly, as part of wider attempts at driving organisational and cultural change. Most of the organisations covered maintain and evolve portfolios of projects, making a series of investments in new opportunities to hedge their bets in an uncertain environment. The legacy news organisations covered here are thus more enterprising in their approach than their reputation for conservatism may suggest.

Our interviewees are generally proud of their organisations’ past and present, but they are also conscious that audience and technological developments mean that the media environment is often changing faster than most legacy news organisations are. Conscious of how past successes can lead to inertia that seriously undermines the ability of otherwise high-performing organisations to adapt to and succeed in a changing environment, many new digital news projects are part of wider attempts to foster organisations and cultures that facilitate ongoing adaptation and innovation.
It is clear that cost-cutting can help legacy news organisations ensure short-term profitability, but equally clear that long-term sustainability requires the ability to continually change, experiment, and adjust to an often rapidly evolving media environment. Investment in new digital news products is therefore sometimes oriented towards realising clearly defined direct benefits through new and innovative approaches, but equally often towards ‘innovation for innovation’s sake’ – attempts to change the very organisation and culture of a given newspaper or broadcaster. In a changing environment, adaptability can be a means to an end – or an end in itself.
Introduction

As the media environment becomes increasingly digital and competition for audience attention and advertising revenues intensifies, private sector legacy news organisations are investing in a range of different initiatives to reach new audiences, experiment with new platforms, and explore new sources of revenue (Cornia et al. 2016). This report investigates how private sector legacy news organisations in six European countries are developing new digital news products and focuses on the different motivations driving investment in various projects.

The report is based on interviews with 41 editors and managers at 12 legacy news organisations with a background in newspaper publishing and television broadcasting, conducted between April and June 2017. Their legacy provides them with assets that few digital-born news organisations can match, including audience loyalty, newsroom resources, and revenues from offline operations. It also represents a liability, however, as adapting an established organisation to a changing environment is hard, and inherited cost structures are often unsustainable in a more competitive market (Küng 2017; Nielsen 2016). The organisations covered are proud of their past and their present, but they also explicitly recognise the need to change – and to continue to change – in order to sustain their editorial and commercial operations in an increasingly digital, mobile, and platform-dominated media environment.

Our aim in this report is to explore how our sample of major private sector legacy media organisations across Europe are developing new digital news products and to understand the direct and indirect benefits they seek. The six countries we cover are Finland, France, Germany, Italy, Poland, and the UK, representing a range of different European media systems and market sizes. In each country, we selected two major legacy media organisations: one national newspaper and one commercial television broadcaster (in Finland, where it was not possible to include a commercial broadcaster, we included two national newspapers). The report follows a previous study focused on how public service media in these six countries develop digital news products (Sehl et al. 2017). We asked each of the 12 organisations to suggest a project they considered a best-practice example of how they develop new digital news products. The projects vary in their nature and scale, from the implementation of changes in the news websites and apps in Finland and Italy to the launch of news editions for Snapchat Discover in France and experimentation with VR in Germany.

We show, first, that most projects are motivated by a combination of editorial and commercial objectives. As Alan Hunter, head of digital at The Times and The Sunday Times, says: ‘We want to put a lot of emphasis on telling stories in new ways digitally, but we recognise that we have to make money.’1 Second, in many cases organisational objectives and indirect benefits – such as demonstrating a willingness to embrace new technological platforms, experimenting with new ways of storytelling and, frequently, using individual projects to foster wider organisational and cultural change that favour continued adaptation and innovation – are seen to be equally important as more immediate and direct benefits such as increasing audience reach or boosting digital subscriptions. As Lutz Knappmann, head of editorial innovation for digital products at Süddeutsche Zeitung, puts it, a central question is often: ‘What can our company learn from the project? How can I learn to do things differently in the next projects we develop?’2 Faced with a challenging and uncertain environment, most of the organisations covered here are developing a portfolio of different digital news projects. No one claims to have found a silver bullet; no one project is seen as the solution to the problem. Instead, most organisations combine cost-cutting with a series of calculated bets intended to deliver various direct and indirect benefits in terms of audience development, digital revenues, and ongoing organisational change. This reflects a

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2 Lutz Knappmann, head of editorial innovation for digital products, Süddeutsche Zeitung, interviewed by Annika Sehl in Munich on 19 May 2017.
more enterprising approach than the conservatism that is often said to characterise legacy media (Kalogeropoulos and Nielsen 2017), an approach where news organisations seek to combine editorial, commercial, and organisational innovation (Anderson 2017; Küng 2015).

The projects covered are analysed on the basis of interviews with people who have been involved throughout their development and implementation. The interviewees are mainly managers and senior editors, but some come from other professional backgrounds, such as design. All but one of the interviews have been conducted face-to-face (see the list of interviewees in the appendix). The focus of the interviews was on specific examples of projects recently developed by the organisations, and the motivation behind the various projects, including serving targeted audiences better, increasing digital revenues, and driving change within the organisation itself. In almost every instance, we were able to interview a range of different people involved in each project to get multiple perspectives. In some cases, organisations shared internal data and documents but, generally, we had to rely on material provided in interviews.

It is important to emphasise that the projects discussed here are not a representative sample; they do not include any failed projects, for example. Instead, we combine a quota sample (different kinds of organisations in different contexts) with a purposive approach dictated by pragmatic considerations (projects that the organisations sampled were willing to talk about). As our focus is on how private sector legacy media organisations are developing new digital news products, and the main direct and indirect benefits they seek, not to evaluate the success or failure of any one given project or organisation, this approach does not affect the validity of our findings. Overall, the various projects and organisations covered provide a broad indication of how private sector legacy news media organisations are adapting to a continually changing media environment.

The report is structured as follows. In Chapter 1, we describe the 12 case studies and provide key information on recently developed products and the reasons why they have been considered strategically relevant by editors and management. In Chapter 2, we analyse the direct and indirect benefits that our interviewees argue the projects will provide. And in the conclusion we summarise the main findings and what they tell us about the strategic responses of private sector legacy news organisations to a changing and uncertain environment.
1. Projects for Digital News: Case Studies from 12 Media Organisations in Six Countries

In this chapter, we illustrate our 12 case studies. Key information is provided on the products that have been developed, the reasoning behind the investments made, and what the people who have worked on them consider the most distinctive aspects. The motivations for investing in new projects are further discussed in Chapter 2.

As already mentioned, these projects were suggested by the selected media organisations because they are considered good examples of how the product development process is organised within their companies. Given the variety of digital developments that media organisations are focusing on, as well as the specificities of the individual organisations we selected, the nature and scale of the projects is mixed. As summarised in Table 1, some of our case studies involve the creation of new digital products, such as the VR/360-degree video section launched by Süddeutsche Zeitung in Germany, the evening newsletter published by Gazeta Wyborcza in Poland, and the web series and documentaries based on journalistic investigations developed by La Repubblica in Italy. In contrast, other projects involve making changes to existing products, such as the new version of the mobile app of Iltalehti in Finland and the news website of Mediaset in Italy. Some projects have a strong editorial component, such as the new features developed by The Times and The Sunday Times in the UK to improve their coverage of the UK election in June 2017, whereas other projects are more concerned with the news organisations’ business models, such as the change in the paywall solution adopted by Helsingin Sanomat in Finland. In some cases, the projects on which our news organisations have been working are related to developments launched by US-based technology companies, such as the Snapchat Discover team established by Le Monde in France and the news bulletins for Amazon Echo developed by n-tv in Germany.

Table 1 – Media organisations covered in this study and overview of the selected projects

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Project description</th>
<th>Main aim</th>
<th>Launch date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helsingin Sanomat</td>
<td>'Diamond stories': Change in the paywall model and production of premium content</td>
<td>Fostering conversion of users into digital subscribers</td>
<td>Sept. 2016</td>
</tr>
<tr>
<td>Le Monde</td>
<td>Establishment of a Snapchat Discover team, which publishes news editions on the messaging app</td>
<td>Reaching young audiences</td>
<td>Sept. 2016</td>
</tr>
<tr>
<td>TF1</td>
<td>One Info: Creation of a single digital offering for TF1, LCI, and MetroNews, with an emphasis on video production</td>
<td>Integrating different newsrooms and journalists with backgrounds in broadcasting and print media</td>
<td>Sept. 2016</td>
</tr>
<tr>
<td>n-tv*</td>
<td>Production of news bulletins for Amazon Echo</td>
<td>Being first mover on a potentially important new platform</td>
<td>Sept. 2016</td>
</tr>
<tr>
<td>La Repubblica</td>
<td>Super 8: Production of long-form reports, web series, and documentaries</td>
<td>Delivering investigative and quality journalism by using new multimedia formats</td>
<td>Mar. 2017</td>
</tr>
<tr>
<td>Mediaset</td>
<td>New version of the news website TgCom24</td>
<td>Extending online reach</td>
<td>Dec. 2016</td>
</tr>
<tr>
<td>Gazeta Wyborcza</td>
<td>Creation of an evening newsletter with a journalist’s personal introduction and recommendations on the most important articles of the day</td>
<td>Providing a better service to readers and increasing their loyalty</td>
<td>Apr. 2017</td>
</tr>
<tr>
<td>TVN24</td>
<td>Production of entertainment-focused social videos and launch of a dedicated website</td>
<td>Reaching young audiences</td>
<td>Feb. 2017</td>
</tr>
<tr>
<td>The Times and The Sunday Times</td>
<td>New features for the 2017 UK election coverage</td>
<td>Better serving existing subscribers</td>
<td>Apr. 2017</td>
</tr>
<tr>
<td>ITV</td>
<td>Changes in how social video production is organised</td>
<td>Increasing the quantity and quality of social videos</td>
<td>Sept. 2016</td>
</tr>
</tbody>
</table>

*In addition to the interviews conducted at the news channel n-tv, two interviews were conducted at the main German commercial TV channel RTL, which belongs to the same media group (Mediagruppe RTL Deutschland). These interviews did not focus primarily on a specific project; rather, they focused more generally on how project development processes are organised within RTL.
‘Diamond Stories’ at Helsingin Sanomat (Finland)

Change in paywall model and production of premium content to boost digital subscriptions

In September 2016, the Finnish upmarket newspaper Helsingin Sanomat implemented a hybrid paywall solution by adding premium content to the pre-existing metered model. Editorial and marketing departments now work together on producing and promoting three to five premium articles per day: these are the ‘diamond stories’, which can only be accessed by subscribers and users who register and activate a trial subscription.

As explained by Petteri Putkiranta, senior vice president of Helsingin Sanomat, the project is part of a wider strategy focusing on expanding the digital subscription base of the Finnish quality newspaper and attracting younger audiences. The aim is to strengthen the contribution of digital subscriptions to the organisation’s overall revenues and to better insulate their digital business from the fluctuations of the advertising market. Putkiranta adds that this change in the payment model led to ‘a dramatic growth’ in the number of people who hit the paywall and subscribed for a trial version.3

The ‘diamond stories’ project has involved not only a revision of the monetisation strategy, but also significant changes in how news is produced within the editorial department. As described by Kaius Niemi, senior editor-in-chief of Helsingin Sanomat, pre-planning and producing the ‘diamond stories’ is now one of the key issues discussed in the afternoon editorial meeting, and the whole newsroom now puts greater emphasis on the production of content that creates value for the users and favours ‘converting people into subscribers’.4

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3 Petteri Putkiranta, senior vice president, Helsingin Sanomat, interviewed by Alessio Cornia in Helsinki on 8 May 2017.

IL, the Mobile App of Iltalehti (Finland)

*News app 'refreshed' to reach youngsters and to better serve existing audiences*

In December 2016, the Finnish tabloid *Iltalehti* launched a new version of their mobile app IL. Changes in the structure and user interface of the app were implemented to extend its reach among consumers under 30 years old and to better serve and engage the existing audiences.

The changes include a new user interface, new content sections, and a stronger emphasis on personalisation tools. As explained by Antti Haarala, head of digital services at *Iltalehti*, two newly introduced sections were designed with their younger target group in mind: one section aggregating content that is popular on social media and one presenting news through pictures.5 Johanna Savinen, the UI/UX designer,6 says the project development team has been looking at how young people use news on social networks and working on ‘new, interesting, and lighter ways to present [their] news to them.’7 Moreover, a section aggregating lifestyle content has been given higher prominence within the app to make this content accessible to users. Finally, changes were implemented to facilitate the personalisation of the app and to promote personalised push notification services. These features were, in fact, already present in the previous version, but they had not been used as expected.8

The IL app redesign is an example of how editorial, commercial, and technical staff can work together on developing products (Nielsen 2012; Küng 2015), and of how longer-term editorial and strategic decision-making is informed by the use of analytics (Cherubini and Nielsen 2016).

Jonna Wikström, marketing director of *Iltalehti*, explains that ‘the app is the most important channel’ by which *Iltalehti* delivers its news today. Indeed, its apps account for 40% of the Finnish newspaper’s page views,9 and app users are the most loyal and engaged of their audiences:

> [The app users] are more engaged, they usually come more often and spend more time in our application [as compared to website users]. So, that’s why we now see the app as our most important channel and we want to continue to improve it.10

Haarala adds that they have also been promoting use of the app as much as possible because, on the app, they can exploit opportunities such as geo-targeted advertising, avoid the intrusion of ad blockers, and keep control of their users’ data. To encourage downloading and use of the app, they recently introduced a new initiative: the premium content that is normally available only for subscribers on their browser websites is now available free of charge on their mobile app. Once their readers encounter the paywall on the website, they are asked to either become subscribers or download the app for free. The use of the app is also boosted through advertising campaigns and endorsements by social media personalities.11 After the launch of the new version, the number of downloads increased by 63% and the average time spent on the app grew by 17%.12

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6 User Interface (UI) and User Experience (UX) designers work on enhancing user satisfaction with a product such as a website or an app by improving the usability of the product and the pleasure the interaction provides.
9 Internal document provided by the news organisation.
12 Internal document provided by the news organisation.
Snapchat Discover Team at Le Monde (France)

Establishment of a team of journalists and designers to publish daily news editions on the messaging app used by millennials

In mid-September 2016, the messaging app Snapchat introduced Discover to the French market. Discover is a designated area within the app containing channels of short-form content from selected publishers. Le Monde was asked to be part of the project and, after negotiations with the US-based platform, established a team of seven people that publishes the most important news on Discover every day at 5 pm. Jean-Guillaume Santi says that the Snapchat Discover team he leads is composed of two motion graphic designers, two video-journalists, two editors, and himself. Pauline Croquet, one of the team’s editors, explains that every day they select 12 stories from news published by the French newspaper. These are generally hard news stories, covering topics such as politics, terrorism, and immigration, that are adapted for the young users of Snapchat. Other topics that are considered particularly interesting for millennials, but are generally less prominent on Le Monde’s website, are also included.

Nabil Wakim, director of editorial innovation at Le Monde, explains that, considering the number of people involved in the production of news for Discover, this is a particularly costly project. However, it is considered to be a strategically important investment because it allows the French legacy newspaper to reach a particularly young audience group and to experiment with new formats. Moreover, the project has been supported by Google’s Innovation Fund. Finally, Wakim adds that many millennials have subscribed to their Snapchat edition, which reaches 400,000 unique visitors per day. During important events, such as the US and French presidential elections, the number of daily unique visitors rose to more than a million per edition.
A Single Digital News Offering from TF1, LCI, and MetroNews (France)

Merger of the newsrooms of different news outlets and creation of a single digital offering with an emphasis on online video

In August 2016, the French broadcasting group TF1 merged the digital news offering of the TV channels TF1 and LCI with the digital news offering of MetroNews, the website of a free newspaper that had previously stopped its print editions. TF1 and LCI, the main French commercial TV channel and its all-news sister channel, had already integrated their news websites and digital newsrooms some time before the merger with MetroNews. The new website is called lci.fr.

Nicolas Moscovici, editor-in-chief of lci.fr, who was responsible for the project, explains that the goal was to integrate approximately 50 journalists with backgrounds in both broadcasting and print media into a single newsroom. Harmonising their expertise in writing text and producing video was a necessary step in creating a news offering that is consistent with the two different media legacies:

[The aim of] our project was [...] to build an online news offering by blending two different groups of journalists. [...] We just created a single newsroom by bringing together people coming from print journalism [i.e. those previously working for the free newspaper and its website] and people whose expertise is more in video journalism [i.e. those previously working for the news website of the two TV channels]. We accomplished this to create an editorial offering that is consistent with the two media that we have combined.18

Moscovici also says that the main challenge was ‘to organise the newsroom in a way that allows these two groups of journalists to work together’, and to concentrate in particular on ‘online video, because online video is the focal point and the revenue driver in today’s media environment’.19 Maud Bannier, head of marketing at TF1/LCI, says whereas before there was a ‘distinction between TV and digital people, now they [...] are all part of the same big family’.20 An important part of this project is thus fostering collaboration across the organisation.

18 Nicolas Moscovici, online editor-in-chief, TF1/LCI, interviewed by Alessio Cornia in Paris on 8 June 2017.
19 Ibid.
20 Maud Bannier, head of marketing, TF1/LCI, interviewed by Alessio Cornia in Paris on 8 June 2017.
VR/360-Degree Videos at Süddeutsche Zeitung (Germany)
Production of VR/360-degree videos to explore new ways of telling stories

In 2016, Süddeutsche Zeitung began producing VR and 360-degree videos. The first story they produced was launched during the 2016 Olympic Games and was about the favelas of Rio de Janeiro. Other topics published include a rescue operation in the Mediterranean during the refugee crisis, and an interactive immersion within the Munich Philharmonic, where users can decide whereabouts in the orchestra they prefer to experience the concert. A new VR/360-degree video is published every six to eight weeks.

In line with other experiences in Europe (Watson 2017), monetisation is a key challenge for VR journalism in this case, too. Fabian Heckenberger, managing editor print and digital, says that key motivations for developing the VR project at Süddeutsche Zeitung have been experimenting with new ways of storytelling, bolstering brand innovation credentials, and positioning for the future.²¹ However, as pointed out by Lutz Knappmann, head of editorial innovation for digital products, the project was integrated within a more general strategy to boost digital subscriptions.²²

²¹ Fabian Heckenberger, managing editor print and digital, Süddeutsche Zeitung, interviewed by Annika Sehl in Munich on 19 May 2017.
²² Lutz Knappmann, head of editorial innovation for digital products, Süddeutsche Zeitung, interviewed by Annika Sehl in Munich on 19 May 2017.
Audio News on Amazon Echo at n-tv (Germany)

Production of news summaries made available on the voice-controlled personal assistant developed by Amazon

In 2016 in Germany, Amazon launched Amazon Echo, a smart speaker that connects users in their homes with the voice-controlled personal assistant Alexa. When activated with ‘wake words’, the device interacts with users and offers a range of services, including music streaming, device control, and real-time information such as traffic, weather, and news bulletins. n-tv is among the first media organisations to offer news on Amazon Echo, which, so far, has been launched only in the US, UK, and Germany.

As with Le Monde’s investment in its Snapchat Discover team, this project was in part launched in response to a prominent platform company approaching n-tv and offering them an opportunity to partner, illustrating how large technology firms increasingly directly and indirectly influence investments made by news organisations (Nielsen and Ganter 2017). Julia Wegeler, head of digital products at n-tv, explains that the project was triggered by Amazon’s proposal for n-tv to be among the few German news organisations to develop content for the new platform; others include Bild, Spiegel Online, and Tagesschau (ARD):

Amazon came to us before [the smart speaker] was launched on the market. They showed it to us very confidentially, and just asked if we wanted to provide some content for it. […] And then, of course, we said yes. [We found the product was] really exciting and we wanted to be part of it, because, in general, we want to be the first mover. This is our general approach. 23

Wegeler also stresses how interactive news provision works on the new platform. Users ask the personal assistant for news, and then choose from different available offerings. When the n-tv bulletin is selected, Alexa reads ten news items taken from the news outlet’s most recent stories via RSS feeds. The programmers of n-tv have also developed a feature allowing users to interact with their application and choose between different types of content. A distinctive feature of the offering delivered by n-tv is the possibility of having some news content read by their own professional newsreaders. Wegeler considers this to be an asset that sets n-tv apart from other news outlets that only offer news read by Alexa. 24

As in the case of other projects based on the use of recently developed technologies, the emphasis is on experimenting with innovative ways of delivering news content, rather than on generating revenues in the short term. This will be further developed in Chapter 2, when the indirect benefits provided by the selected projects are discussed.

23 Julia Wegeler, head of digital products, n-tv, interviewed by Annika Sehl in Cologne on 1 June 2017.
24 Ibid.
Long-Form Multimedia Journalism at La Repubblica (Italy)

Long-form reports, web series, and documentaries to be monetised on La Repubblica’s properties and third-party platforms

In March 2017, La Repubblica launched ‘Super 8’, a series of long-form reports published in different multimedia formats. The reports are often based on journalistic investigations and are produced in several ways: eight-page reports that are published weekly in the print version of the newspaper, web series composed of several short episodes that are published on social media and La Repubblica’s website, and long-form documentaries that are sold to broadcasters in Italy and abroad. One of the first topics covered by the project was a journalistic investigation into the death of Giulio Regeni, the Cambridge Ph.D. student who was tortured to death in Egypt in February 2016.25

Massimo Russo, managing director of the digital division of GEDI publishing group,26 says that the project is well integrated within a more general video strategy they have recently developed to create distinctive digital products and generate new sources of revenue. He also adds that the main aim of the project is to deliver La Repubblica’s investigative and quality journalism to a younger and more international audience by using multimedia formats.27

Regeni was an Italian, studying at the University of Cambridge in the UK, and the circumstances of his death had several implications for diplomatic relations between the Italian and the Egyptian governments.

GEDI (previously Gruppo L’Espresso and ITEDI) is the publishing group of La Repubblica, La Stampa and other Italian news outlets.

Massimo Russo, managing director digital division, GEDI, interviewed by Alessio Cornia in Rome on 22 May 2017.
Restyling of the News Website at Mediaset (Italy)

Changes in the structure and design of TgCom24 to better serve its users and expand its reach

In December 2016, the Italian broadcaster Mediaset launched a new version of its news website TgCom24. The changes implemented include a stronger focus on mobile consumption, online video, and infotainment content, as well as the restyling of the user interface. The project also involves increased content exchanges between different parts of the organisation. Stefano Ventura, responsible for digital news at Mediaset, points out how the new version of the website has been designed by adopting a ‘mobile-centred’ and ‘minimalist’ approach:

New digital products are often designed starting from the desktop website. It’s only at a later stage that they are adapted for mobile consumption. In contrast, we have designed the mobile website before the desktop version. So, mobile news consumption is not an add-on for us, rather it is our central focus. [..] Accordingly, the new user interface is much cleaner, simpler, and more minimalist than the previous version, which was packed with lots of graphical elements and information. [..] With this lighter user interface, visual elements such as pictures and videos stand out more.28

The increased focus on online video and infotainment content is realised through solutions that favour the exchange of video material with other parts of the organisation. Domenico Catagnano, editor of tgcom24.it, explains that, while the online videos previously published on the website came mainly from their news bulletins, a significant portion now also come from other Mediaset programmes and websites which produce infotainment, sports news, and weather forecasts.29 As explained by Ventura, the aim of the project is to expand their audience reach:

The more you integrate your properties, the more you create synergy, and the more you succeed. On digital platforms, one plus one is three. [..] The digital advertising market is dominated by big players, so we have to pursue scale. [..] We want to be leaders in the Italian digital news scene [..], and we want to get there by offering the best product and taking advantage of our asset, which is video.30

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29 Domenico Catagnano, TgCom24 editor, Mediaset, interviewed by Alessio Cornia in Milan on 4 May 2017.
Evening Newsletter at Gazeta Wyborcza (Poland)

Creation of a newsletter with recommendations about the most important articles of the day

In April 2017, Gazeta Wyborcza launched a newsletter containing a journalist’s personal introduction and recommendations on the most important articles of the day. In the initial phase, the newsletter was sent only to subscribers of the Polish quality newspaper; eventually, the offer was opened to the general public. About 22,000 people have subscribed to the newsletter, which is sent out daily at 7 pm.31

The newsletter is compiled by a different journalist every day to guarantee a variety of perspectives coming from the different desks in the newsroom. Its concept is based on the outcomes of a phase of benchmarking and the results of a survey conducted among users. Mateusz Szaniewski, head of social media at Gazeta Wyborcza, explains that the distinctive feature of their newsletter is how the recommended six or seven news articles are selected:

[The selection of the articles we recommend to our subscribers is the main difference between our newsletter and others [similar products that are available on the market]. A survey we carried out showed that 77% of people expect recommendations from us. This was what we had already experienced, and people confirmed that what they want from us, what they expect, is a product written specifically for them. Not just a ‘technical’ email with a list of links, but something more structured, something that can add value.32

The main aims of the project are to better serve the readers, improve their loyalty, and support the paid content strategy of the newspaper organisation.

31 Danuta Breguła, director of online strategy, Gazeta Wyborcza, email communication with Alessio Cornia on 22 August 2017.
32 Mateusz Szaniewski, head of social media, Gazeta Wyborcza, interviewed by Annika Sehl in Warsaw on 10 May 2017.
Entertainment-Focused Social Videos at TVN24 (Poland)

Production of vertical videos to be published on social networks and a dedicated website

In February 2017, TVN24 began publishing social videos with captions and subtitles. These vertical videos are specifically produced for social networks and a dedicated website, toteraz.pl, which was created to host them. A dedicated app is also planned. About ten social videos are produced daily, and they focus on entertainment topics, including human stories, severe weather conditions, car accidents, and ‘funny cats’. The material used to produce these vertical videos is generally found on the internet, and no TVN video material is used in order to avoid competition with the mainstream outlets of the broadcasting group.

Maciej Słomczyński, editor-in-chief of ToTeraz, says that the project is aimed at reaching young audiences.33 Monetising ToTeraz social videos is challenging. The strategy is to expand their reach among this target group first, and then to develop more defined monetisation strategies. Bartosz Skalski, producer of ToTeraz, explains that digital advertisement on social media is still quite problematic in Poland, because ‘nobody is producing six-second ads’ in a vertical format.34 That’s why ‘we have also launched a [dedicated] website’, adds Słomczyński, ‘so we can put the old-style advertisements there’.35 However, native advertising is seen as a promising option, and, actually, in the words of Skalski, ‘the only way to make some revenue’ with social media distribution.36

Skalski reports that in just a few months the ToTeraz brand has built a community of 60,000 people on Facebook,37 and Słomczyński says that the video views generated by their new products exceeded their expectations: ‘We wanted to have 60 million video views in the first year. After two and a half months, we already have 30 million video views. That’s half our goal in less than a quarter of the given time!’38 Like several other projects, TVN24’s work here is focused on reaching young people, emphasises video, and is heavily influenced by the opportunities provided by platform companies.

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34 Bartosz Skalski, producer of ToTeraz, TVN24, interviewed by Annika Sehl in Warsaw on 11 May 2017.
37 Bartosz Skalski, producer of ToTeraz, TVN24, email communication with Annika Sehl on 7 August 2017.
Coverage of the UK Election at The Times and The Sunday Times (UK)

New features for the election coverage to attract new subscribers and better serve the existing ones

In April 2017, just after UK prime minister Theresa May called a snap general election, the digital team of The Times and The Sunday Times started to define how they would cover the political campaign and the vote. As explained by Alan Hunter, head of digital, the main challenge was to work out, within a very tight timeline, how to ‘make the best possible coverage’. As the election date was set for 8 June 2017, the editorial plan needed to be in place within a few days.

One of the aims of the project was to better serve their existing digital subscribers by creating new features, widgets, and interactive tools that would help them to make sense of the electoral campaign and the vote.

Alongside their reputation for strong political commentary, The Times and The Sunday Times developed several new features specifically to cover the election. These included: the ‘poll of polls’ (a graph summarising all the results of all the available polls, which was constantly updated and ready to be placed in individual news articles both in print and on the website); ‘Five at Five’ (a special section of their website and app, where the five most important stories that users ‘needed to know’ were published daily at 5 pm); a special page for the election night (with infographics showing live the evolution of the exit polls and results data); and other features such as explanatory guides, ‘the picture of the day’, and ‘the constituency of the day’.

The UK election project was integrated within a wider business strategy, and the new features were used to boost the digital subscription base of the newspaper. Hunter says that the digital subscription figures significantly increased during the election week. Nick Petrie, deputy head of digital, points out that the project had a very positive impact in terms of audience figures and engagement. In two days, the election results page alone generated about 100,000 page views, 50,000 unique visitors, 20,000 postcode searches for the results in individual constituencies, and a nine-minute average time spent.

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40 Ibid.
In September 2016, ITV News implemented changes in the way its video production is organised. A training programme was introduced for all digital editors to teach them how to produce social videos, which are videos with captions and subtitles that can be consumed on mobile devices without sound and shared on social media. ITV News distributes these videos offsite on Facebook, Twitter, and Instagram, as well as onsite via their own website, as seen elsewhere (Cornia et al. 2016).

Given the growing trend towards video consumption on social media and mobile devices, the aim of the project was to increase the quantity and improve the quality of videos produced specifically for social media and mobile platforms. As explained by Chris Achilleos, acting head of digital at ITV News (at the time of interview), the training programme has allowed a reshaping of the way social videos are produced, without adding new staff:

> We saw that the growth of video consumption on Facebook was increasing, and we needed to find a way to also increase our video production made for social. But [we needed to do so] within the existing staff structure, without any additional head count. [...] Instead of [only] one person having the responsibility for producing social videos, everyone is now able to do it. This gives us 24/7 coverage on our team to be able to provide content made for social and mobile. [...] So we don’t have separate teams like other newsrooms may have, where you’ve got a video team and a team working on text.

Again, collaboration and organisational change is central to this project. Moreover, Achilleos stresses how, in a market context where many newspapers and digital-born outlets are buying video material from external agencies, ITV News is in a position to exploit the audiovisual material that is broadcast daily and to transform it into bespoke content for social and mobile media. Finally, as reported by Achilleos, the project has successfully led to a significant increase in video views on Facebook: from 86.9 million views in January–March 2016 to 136.6 million views in January–March 2017.\footnote{Chris Achilleos, acting head of digital, ITV News, interviewed by Alessio Cornia in London on 26 April 2017.}
2. Direct and Indirect Benefits of Investing in New Projects

In this chapter, we identify the main direct and indirect benefits our interviewees argue that their projects will deliver. All projects serve several purposes, often across editorial, commercial, and organisational considerations. There are almost always multiple motivations. Some projects are mainly aimed at providing direct benefits, such as growth in audience numbers and monetary returns, which are easily quantifiable and can show results in the short term. This is the case, for example, with the change in the paywall model of Helsingin Sanomat and TVN24’s investment in social video. By contrast, other projects are driven by other considerations and more indirect benefits. Take, for example, the case of n-tv’s news bulletins for Amazon Echo, aimed at presenting n-tv as a first mover to external stakeholders as well as internally. Some projects are thus aimed at providing direct monetary benefits in the short term, whereas others are initiated because they provide indirect benefits in the long run and allow legacy news organisations to invest in their future. Most organisations invest in both kinds of projects and maintain an evolving portfolio. As explained, for instance, by Lutz Knappmann, head of editorial innovation for digital products at Süddeutsche Zeitung, the German newspaper is continuously pursuing multiple projects in parallel, some expected to provide direct monetary benefits, and others more focused on improving the quality of its journalism and favouring learning processes within the organisation.\footnote{Lutz Knappmann, head of editorial innovation for digital products, Süddeutsche Zeitung, interviewed by Annika Sehl in Munich on 19 May 2017.}

Similarly, Massimo Russo from La Repubblica argues many projects are evaluated not only in terms of key performance indicators and audience metrics, but also in terms of their external and organisational impact. Several previews of the first documentary produced by the project were organised in Italy and abroad, and the Italian public broadcaster RAI showed it in prime time. As Russo puts it: “We realised that [the new project] has an external relevance that goes beyond its monetisation, which helps us build our brand”.\footnote{Massimo Russo, managing director digital division, GEDI, interviewed by Alessio Cornia in Rome on 22 May 2017.}

Thus, direct benefits often tied quite closely to commercial considerations play an important role in decisions to invest in new projects and experiment with new technologies, but this is not the only driver. Other indirect benefits are often sought and, in some cases, these are the main purpose of new projects. From the analysis of our 12 cases, three main direct benefits and three main indirect benefits emerge. The direct benefits more frequently stressed by the interviewees are:

- reaching new audiences (most frequently to be monetised through digital advertising, sometimes seen as a funnel for conversion to subscription)
- better serving existing audiences (to enhance loyalty and engagement and, where relevant, retain subscribers)
- boosting digital subscriptions (which is an increasingly important part of the digital business model, especially of newspapers; see Cornia et al. 2017).

The main indirect benefits emerging from our analysis are:

- building an image as innovative/being the first mover into a new platform
- experimenting with new forms of storytelling for editorial purposes
- fostering organisational and cultural change to facilitate ongoing adaptation and innovation.

\footnotesize{44 Lutz Knappmann, head of editorial innovation for digital products, Süddeutsche Zeitung, interviewed by Annika Sehl in Munich on 19 May 2017.}
\footnotesize{45 Massimo Russo, managing director digital division, GEDI, interviewed by Alessio Cornia in Rome on 22 May 2017.}
### Table 2 – Direct and indirect benefits sought through various projects

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Project description</th>
<th>Direct benefits</th>
<th>Indirect benefits</th>
</tr>
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<tbody>
<tr>
<td>Helsingin Sanomat</td>
<td>Change in the paywall model</td>
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<td>![Checkmark] ![Checkmark]</td>
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<tr>
<td>Iltalehti</td>
<td>New version of the news mobile app</td>
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<tr>
<td>Le Monde</td>
<td>Establishment of a Snapchat Discover team</td>
<td>![Checkmark]</td>
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<tr>
<td>TF1</td>
<td>Creation of a single digital offering for TF1, LCI, and MetroNews</td>
<td>![Checkmark]</td>
<td>![Checkmark] ![Checkmark]</td>
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<tr>
<td>Süddeutsche Zeitung</td>
<td>Production of VR/360-degree videos</td>
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<tr>
<td>n-tv</td>
<td>News bulletins on Amazon Echo</td>
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<tr>
<td>La Repubblica</td>
<td>Production of long-form reports, web series, and TV documentaries</td>
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<tr>
<td>Mediaset</td>
<td>New version of the news website</td>
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<td>Gazeta Wyborcza</td>
<td>Creation of an evening newsletter</td>
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<tr>
<td>TVN24</td>
<td>Production of entertainment-focused social videos</td>
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<td>The Times and The Sunday Times</td>
<td>New features for the 2017 UK election coverage</td>
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<tr>
<td>ITV</td>
<td>Changes in how social video production is organised</td>
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</table>

Note: up to three main benefits stressed by the professionals involved in the project development have been coded. ![Checkmark] indicates that the direct or indirect benefits correspond with the main aim of the project, while ![Checkmark] indicates other relevant benefits identified by interviewees.

Table 2 summarises the main reasons and other relevant motivations that led legacy media organisations to invest in new projects. These correspond with the direct and indirect benefits that the projects are expected to provide. Up to three main benefits stressed by the professionals involved in the project development have been coded. The analysis is limited by the need to rely on the interviewees’ statements about the reasons that have led them to start new projects. The selected projects may be also motivated by other reasons not mentioned during the interviews. However, in most cases, the stated reasons are very consistent across the interviews conducted with different professionals involved in the development of the project.

In this chapter, we analyse the motivations leading legacy private sector media organisations to invest in new projects, and the expected direct and indirect benefits. First, we discuss
the motivations associated with direct benefits, such as reaching new audiences, boosting digital subscriptions, and better serving existing audiences. The last two benefits are often interconnected, and are thus discussed together. Second, we discuss motivations associated with indirect benefits, such as building image, experimenting with new forms of storytelling, and favouring cultural and organisational change within the organisation.

2.1 Reaching New Audiences to be Monetised in the Advertising Market

Reaching new audiences and monetising them in the advertising market is a direct benefit pursued by several projects highlighted in Chapter 1. As Table 2 shows, reaching new audiences was the main aim of the projects developed at Iltalehti, Le Monde, Mediaset, and TVN24.

Attracting younger audiences is critical for private sector legacy news organisations, whose audience base on both traditional and digital platforms is getting older. Social media platforms are seen as a possible solution. Jean-Guillaume Santi, head of the Snapchat Discover team at Le Monde, explains the difficulties in establishing a relationship with millennials and how this was the main aim of the project:

The goal is finding a way to talk to young people. […] [They have] lost the habit of typing www.lemonde.fr when they look for news. Rather, they look for news directly on social media feeds and arrive at Le Monde through a link on Facebook. Given the difficulties in establishing a direct relationship with this generation, Snapchat offers us the opportunity to have high visibility on the social media platform they use most frequently.46

Similarly, Michaël Szadkowski, online editor-in-chief at Le Monde, explains the strategic considerations that have led the French legacy newspaper to invest significant resources in order to be on the messaging application used by millennials:

The average age of the users of our website is 45 years old, and users of our mobile apps are between 35 and 40. In contrast, Snapchat users are between 15 and 25. These are people who are just starting to read the news […] Thus, our aim is to provide them with […] our way of doing journalism. We offer them a first news experience with Le Monde […] It is possible that, later on, if they are satisfied with the way we present our news to them, they will grow accustomed to the idea that Le Monde is a good place to look for news.47

Reaching young audiences is challenging not only for newspaper organisations, but also for broadcasters. Chris Achilleos, acting head of digital at ITV News, explains that, through videos that adopt an informal style and the most common formats on social media, ITV aims to make sure they are relevant to the younger generation:

We wouldn't be able to adopt the tone that some of the newer publishers do, for example, when they use social videos to cover certain political issues. […] We're a neutral, impartial broadcaster. So we need to sort of stick to that identity on digital [platforms] too. […] But that's not to say we can't do things in a slightly more informal, different way compared to our TV output. That is the challenge, because we need to make sure that we're relevant to the younger generation of news consumers who will not automatically migrate to watching TV bulletins when they get older.48

Social media platforms, and the formats and styles associated with them, are thus used by legacy media organisations to target younger audiences. Focusing on entertainment content is considered an additional strategy to reach the same goal. This is the case for Mediaset in Italy, which has increased the publication of infotainment content on its news website to enlarge its audience base, and of TVN24 in Poland. Maciej Słomczyński, editor-in-chief of ToTeraz, says the

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46 Jean-Guillaume Santi, head of the Snapchat Discover team, Le Monde, interviewed by Alessio Cornia in Paris on 7 June 2017.
new platform created to host the social video they produce is ‘designed for young people looking for interesting content on their mobile phones’. He also explains that the focus on entertaining topics is meant to attract young people between 10 and 16 years of age, with the aim of turning them into future users of their main news outlet, TVN24:

We want to get to the young audience, which is not really interested in politics yet. […] We want to reach them before they become interested [in more serious topics], and then migrate them to our news outlets which are aimed at a more mature audience.\(^{49}\)

Business considerations play an increasingly important role in a media environment where legacy revenues are under pressure (Cornia et al. 2016). It is therefore not surprising that many of the projects aiming to reach new audiences have been designed by defining, from the very beginning, how they might contribute to expanding the revenues generated by digital advertising. As explained by Stefano Ventura, director of digital news at Mediaset, the new version of their news website has been developed in cooperation with the advertising sales unit of the Italian broadcasting group, which helped define how to better integrate advertising formats in the new website structure:

When we define a [new] product, we always think about how to get the most value from advertising. […] We start to think about how to integrate advertising formats from the very beginning of the product definition process.\(^{50}\)

Similarly, Antti Haarala, head of digital services at Iltalehti, says that ‘in everything we do, [the related business model] is one of the first things that we take into consideration: ‘What’s the business model there? How do we get the money?’\(^{51}\) Jonna Wikström, marketing director at the Finnish tabloid, explains how business considerations have contributed to defining several elements of the new mobile app, starting with the aim of addressing younger audiences with the new project:

We wanted to serve younger customers. This emerged from our surveys, but I think the most important input for that was from the sales department. […] [The input was] that advertisers are willing to reach younger and younger audiences, and we should have more young people visiting our sites. So, that’s why we started to think: ‘What kind of content would be interesting to this specific group?’\(^{52}\)

In line with this input from the sales department, a social media section was introduced within the Iltalehti app to attract younger audiences. Wikström adds that the prominence given to the lifestyle section within the app was also driven by business considerations:

[We knew from the sales department] that it is easier to monetise lifestyle content, but that section didn’t attract enough users. So how do we get more users? We made our application in such a way that navigating to this section is easier.\(^{53}\)

Business considerations have also contributed to Le Monde’s investment in their Snapchat Discover team. Nabil Wakim says that when Snapchat’s representatives proposed Le Monde’s presence on its platform during a visit to Paris, the senior management discussed the opportunity with both the editorial and the advertising sales departments. The project was started after they agreed with Snapchat how to share the revenues of the ads placed on the news editions. Nabil Wakim remembers some of the internal discussions that went on as they were evaluating whether to invest in the project:

\(^{49}\) Maciej Słomczyński, editor-in-chief of ToTeraz, TVN24, interviewed by Annika Sehl in Warsaw on 11 May 2017.

\(^{50}\) Stefano Ventura, director digital news RTI business digital, Mediaset, interviewed by Alessio Cornia in Milan on 4 May 2017.

\(^{51}\) Antti Haarala, head of digital services, Iltalehti, interviewed by Alessio Cornia in Helsinki on 17 May 2017.

\(^{52}\) Jonna Wikström, marketing director, Iltalehti, interviewed by Alessio Cornia in Helsinki on 18 May 2017.

\(^{53}\) Ibid.
There were also business reasons to invest in this project. One of them is: ‘Can we basically earn money in Snapchat? Is our ad department able to convince advertisers to come in to our Snapchat edition?’ […] We quickly realised that the project would be very costly because we needed to have between six and eight people to publish a news edition every day. We had a lot of conversations with our CEO. […] The newsroom editors and the ads department were both involved. […] We [all] decided to try it for a six-month period, and then see how it was going. […] [After the first six months, we evaluated the results] and decided to go on for one more year.54

Although the main aim of La Repubblica’s project was to experiment with new formats for news video, direct monetary benefits are also being pursued. Massimo Russo, managing director of the digital division, says that the web series are monetised through sponsorship, whereas the long-form documentaries are sold to legacy broadcasters. The documentary on the death of Giulio Regeni, for example, was bought and aired by the Italian public service broadcaster RAI. The story is of international interest,55 and negotiations with broadcasters in other countries were taking place when the interviews were conducted. Russo also explained that La Repubblica plans to publish five new documentaries by the end of the year, and even before work on them has started, negotiations with traditional broadcasters to buy or co-produce them have already begun.56 These are all examples of efforts at editorial and commercial innovation going hand in hand (Anderson 2017).

2.2 Boosting Digital Subscriptions and Better Serving Existing Audiences

Boosting digital subscriptions is a second direct benefit expected by several projects we have analysed (see Table 2). This coincides with the main goal pursued by the project developed at Helsingin Sanomat, whose premium content (the ‘diamond stories’) was expressly introduced to enlarge the digital subscription base of the Finnish quality newspaper. As explained by Petteri Putkiranta, senior vice president, Helsingin Sanomat has had a metered paywall since 2012. However, internal marketing research showed that this model alone was not fully effective in converting their users into digital subscribers.57 Kaisu Niemi, editor-in-chief of the news outlet, remembers that, before developing the ‘diamond stories’ project, they knew their content was ‘highly valued’ by their users but, with a metered model limiting users to five articles per week (and per device), ‘people were not bumping into the paywall’ as expected.58 After benchmarking the pay solutions adopted by other newspapers and testing different options, they decided to add premium content to the metered model. Kaisa Aalto, head of strategy and business development, explains how the new model is used to boost digital subscriptions:

The ‘diamond wall’ is [a sort of] hard paywall that you cannot bypass by changing browsers or deleting cookies, or by coming from Facebook or [other platforms]. [To read the diamond stories,] you have to log in and be a subscriber. We also offer two-week free trial subscription deals. These trial subscriptions have been a great source of sales leads for us.59

Boosting digital subscriptions is often associated with projects aimed at improving services for existing audiences. Two projects we analysed are expected to provide both types of benefits (see Table 2). The first example is the case of The Times and The Sunday Times. The main aim of their project was to better serve existing subscribers by creating new features that would improve the digital coverage of the 2017 UK election. However, given the positioning of The Times and The Sunday Times as quality newspapers specialising in commentary and news on political issues, the

54 Nabih Wakim, director of editorial innovation, Le Monde, interviewed by Alessio Cornia in Paris on 8 June 2017.
55 Regeni was an Italian, studying at the University of Cambridge in the UK, and the circumstances of his death had several implications for diplomatic relations between the Italian and the Egyptian governments.
56 Massimo Russo, managing director digital division, GEDI, interviewed by Alessio Cornia in Rome on 22 May 2017.
57 Petteri Putkiranta, senior vice president, Helsingin Sanomat, interviewed by Alessio Cornia in Helsinki on 8 May 2017.
election was an important opportunity to attract new readers and try to convert them into new subscribers when they encountered the news outlets’ hard paywall. Alan Hunter, head of digital, remembers how they started to think strategically about how to set up their coverage and how to use the project to attract new subscribers:

> When Theresa May called the surprise election, we thought: ‘Okay, we’ve got six weeks. How can we make the best possible coverage for our existing readers? How can we make it something that will attract people to The Times and The Sunday Times?’ Because we know that political reporting is a big strength of ours, as well as the analysis of politics and the opinions that we also have. So, we know these are key pillars of what makes us attractive to subscribers.60

In order to attract new subscribers, the new special features were strongly promoted on radio and social media. The five top stories, for example, were used in daily news bulletins on the radio stations belonging to the same publisher, and listeners were invited to visit the website of The Times and The Sunday Times for more information. Registered users could read up to two articles per week before bumping into the paywall.61 Nick Petrie, deputy head of digital, says that the promotion on social media particularly emphasised their commentaries and columns because these distinguish The Times and The Sunday Times from other British news outlets.62 Hunter adds that, in a media environment where news is becoming increasingly commodified, strategies to boost digital subscriptions have to focus on products that are clearly differentiated:

> Our key focus had always been to push the comments and analysis, rather than breaking news stories. Because we think breaking news is a commodity. And if we’re charging people to read us, they expect to get a lot more. […] What is different now is that we have much more awareness of our need to do things that are clearly differentiated and therefore worthwhile subscribing to. So, we try to stay away from things that we think everybody else will be doing.63

Hunter also stresses that the strategy of promoting their election coverage to attract new subscribers has worked well, and during the election they had the ‘biggest subscription sales week for two and a half years’.64

The newsletter developed by Gazeta Wyborcza is another example of a project aimed at providing better services to the newspaper’s readers and, at the same time, boosting digital subscriptions. During a test phase, the newsletter was sent only to existing subscribers, but now the Polish newspaper uses the offer to attract new users and turn them into a loyal and paying audience. Danuta Breguła, director of online strategy, says that the newsletter aims to set up an additional direct channel of communication with their readers to encourage them to read their news every day, and to support the paid content strategy that the Polish newspaper has developed since the implementation of a metered paywall in 2015:

> The main goals were to bring in new paying readers and, even more importantly, to make [our subscribers] more loyal, so that they come back [more frequently] to our website. This is in line with the discussion about how […] social media and big platforms are detaching our content from our brand. Because the only thing that people remember is that they saw an interesting article on Facebook. […] So we wanted to create a new channel for our readers, so they know that […] the news they receive is coming from us. […] We do all this work to support our paid content strategy, which is the main goal for us.65

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61 Ibid.
64 Ibid.
65 Danuta Breguła, director of online strategy, Gazeta Wyborcza, interviewed by Annika Sehl in Warsaw on 10 May 2017.
Projects that are mainly aimed at pursuing indirect benefits, such as experimenting with new ways of storytelling, can also be integrated with business strategies intended to grow digital subscriptions. This is the case of the VR/360-degree videos developed by Süddeutsche Zeitung. Lutz Knappmann, head of editorial innovation for digital products at Süddeutsche Zeitung, explains how the main aim of the project was to experiment with new technologies and formats, but business issues were also addressed from an early stage:

The starting point [for this project] is quite clear: there is an exciting technology out there, what can we do with it? […] [We have approached the VR project from] a purely journalistic perspective. But, of course, when you discuss it with colleagues, you very quickly address business issues. […] [We ask ourselves:] ‘How can we develop our journalism with VR?’ But we also ask: ‘How could this become an economically viable journalistic offer in the near future?’

The project was therefore integrated within a more general strategy to boost digital subscriptions. Cardboard headsets, which are used to enable the users’ immersion within VR/360-degree videos, were bundled with four-week digital subscription packages and offered to potential customers. As explained by Knappmann, with about 1,000 packages delivered to new subscribers, the results of this promotion exceeded the management’s expectations. Future opportunities to integrate advertising in VR videos are also being considered.

**2.3 Building Image/Being the First Mover Into a New Platform**

For other projects, often involving very recent technological developments, investments in new projects were mainly aimed at providing indirect benefits (see Table 2). This is the case, for example, with the news bulletins created for Amazon Echo by n-tv. Positioning on a new platform, enhancing the brand image, and exploring future opportunities were both the expected indirect benefits and the main aims of the project. Eva Messerschmidt, vice president sales and digital products, says that, as yet, there is no clear revenue model for their voice-controlled audio news, but they consider it a promising development that, in the future, could open additional opportunities to generate revenues. She also explains how they more generally approach innovation and monetisation issues in their digital development process:

We have a so-called double pillar strategy for our digital development. In the first pillar, we work on our core products, which are relevant to generating revenues. The other pillar is more about [designing for] the future, being first movers, occupying positions and working on new trends, with the hope that some of the product developed within this approach eventually migrates into the first pillar.

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67 Ibid.
68 Eva Messerschmidt, vice president sales and digital products, n-tv, interviewed by Annika Sehl in Cologne on 1 June 2017.
Messerschmidt describes the project as strategic because it allows n-tv to act as a first mover and to present the company as an innovator. Positioning on a recently introduced platform also provides high visibility for the company:

[We seized the opportunity] to position ourselves on this platform before everyone has a smart speaker like this. [...] That was definitely successful for us. Some projects are successful because they monetise well, and others because they allow you to occupy a position before other players get there. [...] [Moreover], the fact that we moved on to this platform so early has led to press coverage.  

The approach, in this case, is to establish a position on a new platform and the assumption is that if the demand increases, opportunities for monetisation will follow. If the use of the new platform grows, being first movers may also allow media organisations to establish a dominant position, as well as to accumulate greater experience and a better reputation than later entrants. Meanwhile, the positive impact in terms of image, together with future business perspectives, helps to offset the investment outlay.

However, as pointed out by Julia Wegeler, head of digital products at n-tv, the lack of short-term revenues generated by this project limited the opportunities to seriously invest in voice-controlled audio news in the beginning:

[Amazon] asked us to update the news every hour, and they monitor that. But we are not such a big newsroom for audio only and we also have to work out how to monetise it. So you cannot establish a whole new team just for this purpose. [...] Instead, we decided as a first step to take the RSS feed from our online news.

n-tv plans to have more news read by human voices from October 2017, based on user feedback since n-tv news launched on the Amazon Echo one year ago.

Enhancing the brand image by investing in technologically advanced developments is an indirect benefit also experienced by the project developed at Süddeutsche Zeitung. The positive impact in terms of branding is clearly explained by Lutz Knappmann, head of editorial innovation for digital products at the German newspaper:

The innovation effect [triggered by our VR video project] is huge at the moment. In the last few months, all the people involved in the project have been invited to give presentations in various contexts. [...] They have explained to the outside [world] why SZ is working on VR, and why we are [...] a very innovative company.

Building the image of an innovative news organisation has a positive impact on the advertising market, too. Nabil Wakim, director of editorial innovation at Le Monde, explains how being on the most important application for millennials improves the image of the French legacy news organisation with advertisers and helps in selling advertising space:

[We] use the fact of being on Snapchat as a general argument to say to the advertising market: ‘Hey, we are Le Monde. You may think of us as an old legacy media organisation, but look at what we are doing. We’re on Snapchat: the youngest, coolest, brightest, whatever, app there is.’ [...] The ad market loves the idea of us being on Snapchat. [...] Advertisers really like it. [...] The ad department have been using this very successfully to win some advertisers in the market by saying: [...] ‘Hey, we [are still applying the standards of our traditional quality journalism], but we also are where the audience is.’ That’s a very important message to get to the ad market too.

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69 Eva Messerschmidt, vice president sales and digital products, n-tv, interviewed by Annika Sehl in Cologne on 1 June 2017.
70 Julia Wegeler, head of digital products, n-tv, interviewed by Annika Sehl in Cologne on 1 June 2017.
71 Ibid.
72 Lutz Knappmann, head of editorial innovation for digital products, Süddeutsche Zeitung, interviewed by Annika Sehl in Munich on 19 May 2017.
73 Nabil Wakim, director of editorial innovation, Le Monde, interviewed by Alessio Cornia in Paris on 8 June 2017.
2.4 Experimenting with New Forms of Storytelling

Experimenting with new ways of telling stories is another expected indirect benefit in several projects we have analysed. In the cases of Süddeutsche Zeitung and La Repubblica, this tallies with the main declared aim of the project. In other cases, as at Le Monde, it was among the main goals of the project (see Table 2).

Key motivations for investing in VR at Süddeutsche Zeitung were exploring the potential of new technology and opportunities to create extra value for the users. As explained by Lutz Knappmann, head of editorial innovation for digital products, the German newspaper has started to ‘tell journalistic stories in 360-degree format [...] with the aim of learning [from their experiments] how to provide extra value with new technologies to [their] users.’74 Similarly, Fabian Heckenberger, managing editor print and digital, stresses how, throughout this project, Süddeutsche Zeitung wants to explore new and more effective ways of telling stories:

> New media formats are emerging, and we want to deal with all of them. The first question that we ask ourselves in these cases is: ‘How can this new medium be meaningfully used by Süddeutsche Zeitung?’ And then: ‘Can we tell stories differently?’ ‘Can we use VR to tell our stories in a better way, or more impressively?’75

Exploring new ways of telling stories with multimedia formats was the main aim of the web series and documentaries produced at La Repubblica. Gianluca Di Feo, deputy editor-in-chief responsible for journalistic investigations, says that the project aims at developing long-form journalism formats that are specifically created for web and audiovisual media and can be fruitfully adopted to deliver journalistic investigations.76 Massimo Russo, managing director of the digital division, adds that the Italian newspaper experiments with new audiovisual languages and formats ‘to extend the value of [its] quality journalism beyond the text form’:

> We produce high value journalism and our investigative journalists have huge know-how, but these assets were previously confined to the pages of our print newspaper or within the text form of our website news. I was really happy when I showed our first web series and the documentary on the Regeni case to young people who normally don’t buy our newspaper. They told me: ‘If you were publishing all your journalistic investigations this way, we would get into journalism again.’77

Carlo Bonini, a senior journalist who has investigated the Regeni case and produced the related multimedia products, emphasises that experimentation with long-form journalism is seen as ‘the only way out, the only lifeline’ in a digital media environment where news is increasingly perceived as a commodity:

> Legacy media have to find a way to produce content that is seen as essential by digital users. [...] Newspapers are losing their [traditional assets], their promptness and freshness. They are irredeemably becoming outdated. [...] They can become essential [again] only if they focus on content that is original and is able to communicate to the users [the paper’s] distinctive approach to a story. [...] So, long-form journalism, the journalism that retrieves the dimension of time, the time necessary to produce and read a good story, is the only way to recover the foundational element of journalism, the foundation of its relationship with the users.78

Despite Le Monde’s project being mainly aimed at reaching younger audiences, exploring new formats and ways to tell stories was a relevant indirect benefit pursued by the establishment of a

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74 Lutz Knappmann, head of editorial innovation for digital products, Süddeutsche Zeitung, interviewed by Annika Sehl in Munich on 19 May 2017.
75 Fabian Heckenberger, managing editor print and digital, Süddeutsche Zeitung, interviewed by Annika Sehl in Munich on 19 May 2017.
76 Gianluca Di Feo, deputy editor-in-chief, La Repubblica, interviewed by Alessio Cornia in Rome on 12 June 2017.
77 Massimo Russo, managing director digital division, GEDI, interviewed by Alessio Cornia in Rome on 22 May 2017.
78 Carlo Bonini, investigative journalist, La Repubblica, interviewed by Alessio Cornia in Rome on 12 June 2017.
Snapchat Discover team. Nabil Wakim explains that, by putting its news on the messaging app, *Le Monde* has an opportunity to think about and work on how its quality journalism can be adapted to the standards, expectations, and user experience of a platform used by millennials:

> [We now have the opportunity] to transform our serious quality journalism and make it much more accessible, much more explanatory. As we are targeting a much younger audience, the idea is: how can we transform *Le Monde*’s journalism – for example, a news story that is maybe 2,000 or 3,000 words long – into something more accessible to a wider audience? [...] Then there is also a more technical goal: how can we be more visual in our journalism? Because one of the rules is that on Snapchat everything, especially video, has to be vertical.\(^\text{79}\)

When experimenting with new formats, finding a balance between the usual ways of telling stories on new platforms and the traditional journalistic style of a legacy news organisation is described by several interviewees at *Le Monde* as a key challenge. For example, Jean-Guillaume Santi, head of the Snapchat Discover team at *Le Monde*, remembers that when the project was developed his team worked hard to sort out a way of preserving the paper’s editorial identity while adapting to the user experience of the messaging app:

> [It has been a bit challenging to] find a position [on the new platform] which remains coherent with the editorial identity of *Le Monde*. [We needed to find a new style] that was Snapchat-like (visual, focused on vertical video, necessarily a bit more ‘pop-culture’ in the way we present the news) [...] but, at the same time, keeping *Le Monde*’s identity, an identity that is also based on giving our readers an overview of international and national politics.\(^\text{80}\)

Wakim also thinks it is crucial to adapt to a different user experience by simultaneously preserving the newspaper’s editorial identity and focus on hard news stories, and adds that this was also suggested by Snapchat representatives during the negotiations:

> I guess one of the key issues about this project is about our editorial identity. It is about making people understand your editorial identity, and playing with it in a way that allows you to fit well into the platform. [...] I remember one of the first meetings, when they said that their stance is that, on Discover, news outlets have to be their true selves. They mentioned people from [other news organisations in the US] wanting to look younger or cooler than they really were, and therefore being a little bit lame and off-topic.\(^\text{81}\)

The analysis of our cases shows that experimenting with new ways of distributing news and telling stories often requires collaboration with other media organisations and external companies – especially platform companies (Nielsen and Ganter 2017). This is the case, for example, with *Le Monde*, whose Discover team is constantly in touch with product managers at Snapchat to discuss how different formats work on the platform and other technical issues. Moreover, before starting the implementation phase, several exchanges were undertaken with US media organisations already present on Snapchat Discover. As explained by Michaël Szadkowski, online editor-in-chief at *Le Monde*:

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At the beginning of the project definition process, I got in touch with CNN, Vox Media, and Mashable. They were already on the US edition of Snapchat Discover. I asked them how it was working, how many people they needed to produce the news editions, what was their editorial line, and what were the generated figures? I had several talks with them, and they explained precisely how their processes were organised.\(^{82}\)

Other external partners can provide the technical expertise which makes it possible to realise projects involving the use of new technologies and formats. The experimentation undertaken at Süddeutsche Zeitung and La Repubblica has been realised by involving companies specialising in VR platforms and video production. Lutz Knappmann, head of editorial innovation for digital products at Süddeutsche Zeitung, explains why the German newspaper has decided to rely on external collaborations rather than develop technological solutions internally:

> The question you have to ask yourself about these projects [...] is: ‘How much of that can we do on our own?’ [...] In the case of VR, [...] we had the storytelling skills in house, [...] but it was also clear that we were unable to build the player, the technological infrastructure for distributing the VR stories.\(^{83}\)

2.5 Fostering Organisational and Cultural Change

Virtually all our interviewees argue that legacy news media, characterised by deeply held professional values and norms, entrenched routines, and a long history of only incrementally evolving standardised workflows and technologies, have over the last two decades changed too slowly to keep up with a continually and rapidly changing media environment where audiences have increasingly embraced digital, mobile, and platform media. This kind of organisational inertia has been identified across many different fields (Johnson et al. 2014; Padgett and Powell 2012; Scott 2008) including news media (e.g. Boczkowski 2004). It is therefore important to underline that a central indirect benefit often sought as part of some of the projects we analyse here, or even as their main aim, is organisational and cultural change meant to facilitate ongoing adaptation and innovation in the future (see Table 2). Innovation – the introduction of new ideas, methods, and technologies – is here seen not only as a means to clearly defined editorial and/or commercial ends, but also as a way of driving organisational and cultural change.

For this kind of change to take root it needs to permeate the wider organisation, but it is generally seen as hinging on senior leadership embracing change. Chris Achilleos, acting head of digital at ITV News, stresses how the motivation to change conveyed down through the organisational hierarchy is the key factor that makes certain legacy media keener to experiment and innovate (a view supported by research, including Küng 2015 and Sehl et al. 2017). In Achilleos’s view, this approach, which becomes evident when new organisational solutions and products are tried out, differentiates more innovative media from other companies considered to have a more traditional approach to digital news. Triggering the spread of a ‘disruptive culture’\(^{84}\) within the organisation is key:

> I think the real driver of innovation within traditional publishers is the message that comes from the leadership, that [digital media] is an area we need to absolutely go into and experiment, innovate, and secure our future. [...] I have worked in different media organisations and I have seen [this approach also] in legacy newsrooms, where the mindset has been changed from a TV-dominated mindset to a digital-focused one [...] But that comes down to restructuring, a real

\(^{82}\) Michaël Szadkowski, online editor-in-chief, Le Monde, interviewed by Alessio Cornia in Paris on 8 June 2017.

\(^{83}\) Lutz Knappmann, head of editorial innovation for digital products, Süddeutsche Zeitung, interviewed by Annika Sehl in Munich on 19 May 2017.

\(^{84}\) Many interviewees talk in terms of ‘innovation’, ‘disruption’, and ‘culture’ in ways that are sometimes at odds with academic definitions. We will not enter into that discussion here.
drive from the top and shaking up teams. [...] I think that’s the key driver. [...] It’s down to leadership and the willingness to really try things out, and getting that sort of disruptive culture into a newsroom.\textsuperscript{85}

Similarly, Kaius Niemi, senior editor-in-chief of Helsingin Sanomat, stresses how, in order to enable innovation, legacy organisations ‘have to reject the idea that things would continue to be as they are, that success would continue as it was before.’\textsuperscript{86} In some cases, relevant changes in organisational set-ups coincide with changes in the leadership of the organisation. As reported by Gianluca Di Feo, deputy editor-in-chief of La Repubblica, changes in the top management of the Italian newspaper contributed to shifting the organisational focus from print to digital:

[Legacy newspapers] have to move their focal point towards multimedia developments. The print [business] is still relevant, but we have to move our resources into multimedia development. Consider that when [in 2016] [...] [our editor-in-chief] arrived here, La Repubblica had 400 journalists working for the print newspapers and 40 for the web. Today the proportion is, I think, two-thirds working for print and one-third for the web.\textsuperscript{87}

Andrea Delogu, deputy general director of the information directorate at Mediaset, says that the arrival of a new head of the Italian broadcaster’s digital operations has led to the development of new digital projects and, more generally, the introduction of a ‘new digital culture’:

We need to further develop a digital culture. Today, much of our content is still primarily designed as TV content, and then adapted and turned into web content. [...] The arrival of [...] [the new head of digital operations] and his managers has contributed to the spread of a new digital culture. This is not irrelevant. You have to mix with people coming from the outside world, otherwise you remain within your own world, that is a TV world. We are native TV people.\textsuperscript{88}

An important indirect benefit of new projects is that they can be used to demonstrate not only to the audience and the external world, but also internally, how the whole organisation is actively committed to innovating and adapting its journalistic approach to a changing media environment. Gianluca Di Feo explains that the project developed at La Repubblica had the important effect of demonstrating within the organisation that new multimedia formats can be fruitfully used to deliver the high-quality journalism that, previously, was predominantly considered the prerogative of the part of the organisation that focused on printed products. This sort of demonstration triggered a fresh impetus to change throughout the Italian newspaper and facilitated collaboration between different professional profiles:

[The new project] is like a breath of fresh air, spreading new motivation throughout the newsroom. It has triggered the idea that we can make multimedia products that are good, and modern. It has also unblocked career paths and motivations which weren’t going anywhere. The project has mapped out a new route towards a mature multimedia approach: a way for professionals from different backgrounds to compare and exchange [ideas and expertise] together. They learn to talk to each other and to think in a multimedia way. This is very important for us.\textsuperscript{89}

Similarly, Andrea Galdi, editor-in-chief of the Visual Desk of GEDI publishing group, says that the project has allowed La Repubblica to demonstrate internally that it is possible to combine the quality of traditional print journalism with new video formats:


\textsuperscript{86} Kaius Niemi, senior editor-in-chief, Helsingin Sanomat, interviewed by Alessio Cornia in Helsinki on 8 May 2017.

\textsuperscript{87} Gianluca Di Feo, deputy editor-in-chief, La Repubblica, interviewed by Alessio Cornia in Rome on 12 June 2017.

\textsuperscript{88} Andrea Delogu, deputy general director of the information directorate, Mediaset, interviewed by Alessio Cornia in Milan on 4 May 2017.

\textsuperscript{89} Gianluca Di Feo, deputy editor-in-chief, La Repubblica, interviewed by Alessio Cornia in Rome on 12 June 2017.
Journalists who previously worked mainly for the printed newspaper have been able to enter a new [multimedia] environment and see that they can still tell stories with the same intensity. They have found a way to do great high-quality journalism using video formats. [...] People have realised that in this new medium there is space to try things out.90

Laura Pertici, deputy editor-in-chief of the Visual Desk, adds that the project is a good example of what the Italian legacy newspaper is doing to integrate its traditional structures, cultures, and staff with the part of the organisation that experiments with digital developments; two environments that were previously quite separate.91 Interviewees at The Times and The Sunday Times also stressed how new projects allow legacy media organisations to demonstrate internally the value of developing new digital products. Nick Petrie, deputy head of digital, says that this sort of ‘demonstration effect’ helps in getting buy-in for further digital projects from the newsroom:

[It’s important] that we develop digital projects that the newsroom can be proud of. [...] When they see digital work that they consider to be high quality, that’s very good for us and for the relationships we have in the newsroom. It’s that trust that helps us try bigger and better projects next time.92

New projects can be an opportunity to experiment with new organisational solutions and break down walls separating departments or professional roles that previously operated in a more isolated way. In many cases, alternative solutions are initially explored during the development of new projects and later adopted in other organisational set-ups. Karsten Jentsch, vice president of TV sites and verticals at RTL interactive, explains how the subsidiary for digital offerings of Mediengruppe RTL Deutschland is promoting cultural change within the organisation by involving different divisions in project development processes and moving from ‘waterfall’ to ‘agile’ methods:

At the moment we are working on establishing a cultural change so that everyone realises how important it is to work together on topics. ‘Design Thinking/Sprinting’ [is a method that] helps because it brings a lot of people together in a very focused way. [...] We are changing [our product development processes]. We come from a world that might have been called ‘waterfall’ [...] and we are now going all together towards very, very much faster development cycles. [...] When we talk about ‘agile’ [project] development, we are talking about the fact that we bring together product managers, developers, marketers, and editors who exchange on a regular basis.93

Like many other interviewees, Petteri Putkiranta, senior vice president of Helsingin Sanomat, stresses the importance of agile product development processes to continuously improve the company’s digital operations. He also adds that the ‘diamond’ project led to significant changes in the way content is marketed. Helsingin Sanomat created the new role of content marketing manager, filled by a professional with a background in TV broadcasting. She worked closely with journalists to use TV programme promotion techniques to market forthcoming ‘diamond stories’ and other premium content.94 Several interviewees brought up the importance of news

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93 Karsten Jentsch, vice president of TV sites and verticals, RTL interactive, interviewed by Annika Sehl in Cologne on 31 May 2017.
94 Petteri Putkiranta, senior vice president, Helsingin Sanomat, interviewed by Alessio Cornia in Helsinki on 8 May 2017.
organisations embracing ideas like agile product development, minimal viable product, and design thinking – concepts that come from the world of technology start-ups and design and are very different from how large bureaucratic organisations have historically thought about project development.

Increased collaboration between different parts of the organisation has been described as an important indirect benefit by many other interviewees involved in project development. Collaboration and cross-functional teamwork is frequently brought up, and research supports the view that this is an important enabler of innovation (Küng 2015; Sehl et al. 2017). Antti Haarala, head of digital services at Iltalehti, explains how developing new projects within cross-functional teams favours an exchange of ideas from different divisions and buy-in by the whole organisation. He also points out how this solution was introduced for the first time thanks to the new mobile app project:

Before [this project], the product development of our apps was pretty much driven by the tech unit. I think that this was the first time more people and different parts of the organisation, [like the tech, editorial, marketing, and sales departments], were involved. [...] When you deal with digital [developments], everybody needs to be involved. [...] The more people we get generating ideas, the better it is. [...] We wouldn't have been able to develop the same features with the involvement of the tech unit alone. [...] [Involving different parts of the organisation] enabled us to make changes to the editorial workflows. It wouldn't have been possible to develop this within the tech unit and then tell the journalists what they were expected to do [as a consequence of the changes implemented].

Similarly, Fabian Heckenberger, managing editor print and digital at Süddeutsche Zeitung, explains that projects developed in recent years have more generally favoured collaboration between technical and editorial professional roles. He also stresses how this helps to spread a sort of culture of collaboration that benefits the whole German media organisation and facilitates the development of further projects:

There are fewer and fewer clashes between worlds. [Different professional roles] start to [...] work together, and this is a very important process for us as a media house. [...] If you look back five years, when, for example, we experimented with the first digital reportage, [...] the journalists and the IT developers were actually in two completely different worlds. The more often they work together, no matter in what kind of project, the more developers learn how journalists think. They acquire more and more knowledge about how a good story works. [...] And the other way around. [...] And that is exactly the effect you need. It would be fatal if this editorial competence remained strictly separated from the technical competence and had to be recombined for each project.

The Snapchat Discover team established at Le Monde is another example of how the whole organisation can benefit from the spread of an innovation culture; an innovation culture that is triggered by a specific project but then permeates other editorial activities. Nabil Wakim, director of editorial innovation, explains how the experimentation undertaken by the new team was an opportunity for the French legacy newspaper to catch up with a changing media environment and to develop a more visual journalistic approach that can be applied also on other platforms:

What we do on Snapchat can benefit [more] generally what we do on our own platforms and on other platforms. [...] We have been doing video and infographics for a long time, but we are still mainly a text-based organisation. Because we are Le Monde, because we have been editing a newspaper for 70 years, because this is where we are coming from, and this is how we tell stories.

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95 Antti Haarala, head of digital services, Iltalehti, interviewed by Alessio Cornia in Helsinki on 17 May 2017.
96 Fabian Heckenberger, managing editor print and digital, Süddeutsche Zeitung, interviewed by Annika Sehl in Munich on 19 May 2017.
[...] We know that we have to better understand how to tell stories using visual tools. So we saw that having a Snapchat edition could help us to do that [...] We are experimenting with formats and now we are starting to think of how we can use them on other platforms.97

Similarly, Jean-Guillaume Santi, head of the Snapchat Discover team, defines his team as a ‘construction site’: a laboratory where they test new formats and develop new skills that will also be used to deliver news on other platforms:

We are thinking about how we can re-use the skills we developed on the Snapchat project for other platforms. We were forced by the constraints of the platform to build formats we didn’t use before, such as vertical videos. Voilà, we started with Snapchat, but perhaps tomorrow we will use what we learned on our apps.98

The change in the paywall solution adopted at Helsingin Sanomat is one final example of how a new project can help permeate a culture of change thought the whole organisation. The introduction of premium content has led to significant changes in editorial workflows. In particular, figures showing how individual news articles contribute to generating new subscriptions are now widely used within the newsroom. As explained by Kaius Niemi, senior editor-in-chief, this solution enabled journalists to autonomously decide how to create content that generates new subscriptions. Moreover, it helped them to understand how much their daily work contributes to the success of the whole organisation:

My biggest [lesson] learned is that: ‘Put the number on the table and then let the journalists be very creative and find their way to those numbers’. [...] You need goals and parameters that you can follow every day [...] in order to get people understanding the need for change [...] [and] that their work actually affects the whole newspaper. [...] Everybody is working in their own fields towards the strategy. And now we can see that there is a lot of enthusiasm, in the sense that the newsroom understands that its work creates more and more subscriptions.99

97 Nabil Wakim, director of editorial innovation, Le Monde, interviewed by Alessio Cornia in Paris on 8 June 2017.
98 Jean-Guillaume Santi, head of the Snapchat Discover team, Le Monde, interviewed by Alessio Cornia in Paris on 7 June 2017.
Conclusion

In this report, we have analysed how major private sector legacy news organisations across six European countries are developing new digital products, and we have focused on the motivations driving their investment as well as the direct and indirect benefits sought.

Based on examples of new projects from 12 different organisations and interviews with 41 managers and senior editors, we have shown how most projects are driven by a combination of editorial, commercial, and organisational motives, and are rarely oriented towards just one goal. Direct benefits – such as reaching new audiences, serving existing audiences better, and increasing digital revenues through advertising, auxiliary revenue streams, or subscriptions – are often important. But indirect benefits – such as demonstrating a willingness to embrace new technological platforms (e.g. Amazon Echo or Snapchat Discover), the chance to experiment with new ways of storytelling such as VR/360-degree videos and, especially, attempts to foster a wider organisational and cultural change that enables further adaptation and innovation – are often seen as equally important, or even more so. Some projects are primarily focused on direct benefits, often in ways that are clearly tied to an established business model for digital news – like Helsingin Sanomat and The Times and The Sunday Times, both working to increase subscription revenues through premium editorial content, or Mediaset and TVN24, which pursue audience scale and advertising revenues. But many projects go well beyond established models and have no immediate commercial objectives, although they are still seen as ways to experiment with editorial and organisational change. As Michaël Szadkowski, online editor-in-chief at Le Monde, says about their investment in a Snapchat Discover team, even if in the future they decide to discontinue the project, they will have learned a lot anyway:

"Editorially, the results are [getting] better and better. Our news editions are more and more beautiful. [...] Our team members have greatly improved their skills. We say that even if we were to stop the agreement with Snapchat [...] at least we have a team of seven people who have learned to create pure-mobile formats [...] in a way that they were not able to do before starting the project."^{100}

Our analysis thus demonstrates how major legacy news organisations, often characterised as conservative (Boczkowski 2004), are, in many cases, willing to take calculated risks and embrace a more enterprising and experimental approach to digital news (Anderson 2017, Kalogeropoulos and Nielsen 2017). Most of the organisations covered here pursue a portfolio of different projects in parallel, evaluating them along the way, ending some, and starting new ones. (This approach is partially premised on the resources available – major organisations, whether national ones like those we focus on here or large local or regional groups such as Funke Mediengruppe or Trinity Mirror, can do this kind of thing, but smaller organisations or groups may struggle to find the resources to maintain a wide portfolio of ongoing investments and projects. See Cornia et al. 2016.)

While editorial and commercial innovation often go hand in hand, and business development is a central objective in many cases, indirect benefits like experimentation with storytelling and organisational change are, in some cases, seen as equally or more important. ‘Innovation for innovation’s sake’ may not lead to immediate direct benefits, but many of the organisations covered here see important indirect benefits in showing a willingness to experiment – to demonstrate a willingness to be a first mover, to develop new ways of telling stories, and to foster an organisational culture that enables adaptation and innovation. Even if specific projects do not always deliver direct benefits, and sometimes have to be aborted, if they help organisations

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^{100} Michaël Szadkowski, online editor-in-chief, Le Monde, interviewed by Alessio Cornia in Paris on 8 June 2017.
develop the capacity to facilitate efficient and flexible cross-functional teamwork, respond quickly to new opportunities, and scale down or exit other activities as they become less relevant, the project may still have been worthwhile (Küng 2015).

Both senior leadership and the people involved in many of the projects analysed here feel they often have to contend with significant organisational inertia when they try new things, and reducing that resistance to change is a long-term goal for many. Many management scholars argue that past successes can lead to inertia that seriously undermines the ability of organisations to adapt and succeed in a changing environment (e.g. Christensen 1997; Tushman and O’Reilly 2002). This is a problem most of our interviewees are keenly aware of, and a broad attempt to overcome it is often among the motivations behind any given project. While innovation is not always the same as improvement (Kreiss and Brennan 2016), as long as the costs of experimentation can be kept down and the organisation can develop to become flexible enough, adaptability may well be a key long-term competitive advantage (Reeves and Deimler 2011). Efficiency may ensure short-term profitability, but long-term sustainability requires ongoing adaptation and innovation – hence the legacy media sector’s growing interest in ideas of agile product development, minimal viable product, and design thinking, as brought up by several interviewees.

Private sector legacy news organisations operate in a changing and uncertain environment, where they know that their legacy audience and revenues are in long-term structural decline and digital, mobile, and platform media are on the rise, but where it remains unclear what kinds of sustainable business models might work for professionally produced journalism in this environment. In many cases, the strategic response to this change and uncertainty is a combination of (1) cost-cutting meant to ensure existing operations remain profitable, paired with (2) ongoing investment in a range of different new digital news initiatives aimed at delivering both direct and indirect benefits. In a rapidly changing and uncertain environment, adaptation can be both a means to an end and an end in itself.
References


**List of Interviewees**

Positions are those people held at the time they were interviewed.

<table>
<thead>
<tr>
<th>Country</th>
<th>Publication</th>
<th>Interviewee Name and Position</th>
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<tbody>
<tr>
<td><strong>FINLAND</strong></td>
<td>Helsingin Sanomat</td>
<td>Kaisa Aalto, head of strategy and business development, Helsingin Sanomat</td>
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<td>Esa Mäkinen, managing editor digital, Helsingin Sanomat</td>
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<td>Kaisu Niemi, senior editor-in-chief, Helsingin Sanomat</td>
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<td>Petteri Putkiranta, senior vice president, Helsingin Sanomat</td>
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<td>Iltalehti</td>
<td>Antti Haarala, head of digital services, Iltalehti</td>
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<td>Joonas Partanen, sport editor and IL-TV project manager, Iltalehti</td>
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<td>Johanna Savinen, UI/UX designer, Iltalehti</td>
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<td>Jonna Wikström, marketing director, Iltalehti</td>
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<td><strong>FRANCE</strong></td>
<td>Le Monde</td>
<td>Pauline Croquet, editor at Snapchat, Le Monde</td>
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<td>Robin Gasser, graphic and motion designer, Le Monde</td>
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<td>Jean-Guillaume Santi, head of the Snapchat team, Le Monde</td>
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<td>Nabil Wakim, director of editorial innovation, Le Monde</td>
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<td>TF1/LCI</td>
<td>Maud Bannier, head of marketing, TF1/LCI</td>
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<td>Nicolas Moscovici, online editor-in-chief, TF1/LCI</td>
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<td><strong>GERMANY</strong></td>
<td>Süddeutsche Zeitung</td>
<td>Fabian Heckenberger, managing editor print and digital, Süddeutsche Zeitung</td>
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<td>Lutz Knappmann, head of editorial innovation for digital products, Süddeutsche Zeitung</td>
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<td>Wolfgang Stelzle, CEO and founder of RE’FLEKT GmbH</td>
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<td>RTL and n-tv</td>
<td>Eva Messerschmidt, vice president sales and digital products, n-tv</td>
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<td>Julia Wegeler, head of digital products, n-tv</td>
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<td>Karsten Jentsch, vice president of TV sites and verticals, RTL interactive</td>
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<td>Jan-Hendrik Rudolph, managing editor, RTL</td>
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<td><strong>ITALY</strong></td>
<td>La Repubblica</td>
<td>Carlo Bonini, investigative journalist, La Repubblica</td>
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<td>Gianluca Di Feo, deputy editor-in-chief, La Repubblica</td>
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<td>Giuliano Foschini, investigative journalist, La Repubblica</td>
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<td>Andrea Galdi, editor-in-chief of Visual Desk, GEDI</td>
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<td>Laura Pertici, deputy editor-in-chief of Visual Desk, GEDI</td>
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<td>Massimo Russo, managing director digital division, GEDI</td>
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<td>Mediaset</td>
<td>Domenico Catagnano, TgCom24 editor, Mediaset</td>
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<td>Andrea Delogu, deputy general director of the information directorate, Mediaset</td>
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<td>Stefano Ventura, director digital news RTI business digital, Mediaset</td>
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<td><strong>POLAND</strong></td>
<td>Gazeta Wyborcza</td>
<td>Danuta Bregula, director of online strategy, Gazeta Wyborcza</td>
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<td>Monika Lech, program director and publisher of Wyborcza.pl, Gazeta Wyborcza</td>
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<td>Mateusz Szaniewski, head of social media, Gazeta Wyborcza</td>
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<td>TVN24</td>
<td>Antonina Dlugosinska, editor at ToTeraz, TVN24</td>
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<td>Monika Prus, graphic designer, TVN24</td>
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<td>Bartosz Skalski, producer of ToTeraz, TVN24</td>
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<td>Maciej Słomczyński, editor-in-chief of ToTeraz, TVN24</td>
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<td><strong>UK</strong></td>
<td>The Times and The Sunday Times</td>
<td>Alan Hunter, head of digital, The Times and The Sunday Times</td>
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<td>Nick Petrie, deputy head of digital, The Times and The Sunday Times</td>
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<td>ITV</td>
<td>Chris Achilleos, acting head of digital, ITV News</td>
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Digital News Report 2017
Nic Newman, Richard Fletcher, David A. L. Levy, and Rasmus Kleis Nielsen

Online Video News
Antonis Kalogeropoulos, Federica Cherubini, and Nic Newman

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Rasmus Kleis Nielsen and Richard Sambrook

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Annika Sehl, Alessio Cornia, and Rasmus Kleis Nielsen

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Federica Cherubini and Rasmus Kleis Nielsen

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Nic Newman

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Zillah Watson

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Tom Nicholls, Nabeelah Shabbir, and Rasmus Kleis Nielsen

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Nic Newman

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Lucas Graves and Federica Cherubini

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Kruakae Pothong and Rasmus Kleis Nielsen

Private Sector Media and Digital News
Alessio Cornia, Annika Sehl, and Rasmus Kleis Nielsen

Digital News Report 2016
Nic Newman, Richard Fletcher, David A. L. Levy, and Rasmus Kleis Nielsen

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Francis Lee et al.

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