



**Reuters Institute Fellowship Paper  
University of Oxford**

**What can Kenya's Nation Media Group learn from international media organisations to improve business reporting?**

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**Sponsor: Wincott Foundation**

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Finally, to my Parents and more particularly the Njagi family for providing the moral support and guidance in getting through UK's winter period. I dedicate this research to the Business Journalists in Kenya who work tirelessly and risk their lives to living the course of journalism.

## **ABSTRACT**

The advent of new media has disrupted the old order on how news is being presented and consumed. Media in Africa have been forced to relook at audience engagement strategies to ensure they remain afloat in murky waters. How do they remain profitable? Engage sustainable business models and stick to the main course - delivering the news.

In the United Kingdom, the adaption to new technology has been slow and sure and this has enabled it to be the trailblazer in new media adaptation in Europe. The rise of mobile and continued wide television viewership (especially among the elderly) is worth noting.

In East Africa, the use of traditional media is still prevalent but mobile technology is threatening to tilt the scales. Over time, news has been consumed in a new fashion especially through mobile platforms, increasing the need for speed and agility in delivering the news.

Social platforms have not been left out. A look at how digital platforms can maximise on social media has the potential of creating a unique force that will ensure media houses can leverage on and take full advantage of these technologies while upholding the ethics and standards of journalism.

A comparison between East Africa and the United Kingdom reveals that business news is more prevalent in the developed markets - particularly in the UK. This can be attributed to the nature of such news which was previously seen to be a reserve for the few as it influenced market movements.

This research attempts to look at how the UK covers business news in a multi-platform scale and what the Nation Media Group can learn. The research draws key learning points from the Financial Times and what the Business Daily can draw from the Media House as it targets a similar audience.

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## CHAPTER ONE

### Overview

Media Houses in East Africa have been faced with the reality that hit developed markets a few years ago, that is the digital wave. Traditional media such as print and radio are still the main channels used to access news with organisations investing resources to protect them. This is despite the rise in digital media that has seen developed markets adapt to the new technology and change their way of serving the news.

The continuous generation and consumption of news in the traditional media versus the rise in online reporting has caused the media houses sleepless nights trying to grapple with the question of how to handle this new, fast, complex and unique way of delivering the news. The developed market has seen a steady shift of news consumption from the traditional media to the digital front.

Are these developments in Europe and the United Kingdom a replica of what is to come and hit Africa? Indications of a full shift to “the new way” are already underway in several parts of the African continent but what will be the full effect and what points of similarities or differences can be drawn?

In the world today there is a plethora of news outlets championed by social media which have challenged the old order. It has been termed the digital age with many news outlets grappling with how to deliver news to their audience in a fast and most convenient way. In journalism schools today, students and lecturers alike are brainstorming on this unique way of news delivery and the future of it.

The developed world has been the first to draw the attention to what the new media has meant in terms of redefining journalism. Buzz feed, Facebook Live, Twitter, Quartz and YouTube have been key examples of disrupters. For instance, the Reuters Digital Report for 2016 showed that 51% of the selected sample said they accessed the news through social networking sites, and particularly Facebook. (Newman et al., 2016)

Smartphones too have disrupted the old media channels with 53% of the selected sample across the world saying that the phones are the key sources of their news. A few years back this was not the case as television, print and radio were the primary sources. There is a new order that has topped them all - digital media.

In Kenya, the headwinds are catching up. According to the Communications Authority of Kenya, Internet penetration reached 85% in 2016 and this has been attributed to a rise in smartphones over feature phones. (Communications Authority Sector Report, 2016)

This has tilted the traditional market which had an average of 70% access news via radio platforms, 20% via print and 10% on television.

## **Research introduction and question**

This research focuses on both old and new media. It entails drawing a blueprint to project happenings in the future with a focus on the current. It analyses disruption caused by new media and how this can be adapted to Africa.

The research also narrows down to the Nation Media Group, East Africa's largest integrated and independent media house and how the company can draw lessons from the developed markets, and particularly, the United Kingdom. It looks at case studies provided by media houses operating globally and how they are adapting to technology. It also focuses on research findings by the Reuters Institute for the Study of Journalism (RISJ).

This research attempts to give a clear picture of world trends in news reporting and draw a point of focus for news in Kenya. A special focus is given to business journalism, a growing profession in East Africa's journalism spheres. It will mainly look at secondary data and draw industry examples from visits and talks by industry players at the RISJ.

The key research question is: **"What can Kenya's Nation Media Group learn from international media organisations to improve business reporting?"** This research was undertaken during Michaelmas Term 2016 at the University of Oxford. These are only three months and due to the time constraints, it only focuses on media trends in the United Kingdom. The study looks at print, television and digital platforms, and less emphasis is given to radio.

## **CHAPTER 2**

### **Media trends in the UK**

#### **Overview**

The UK has cut out a niche for itself as one of the world's major producers of globally consumed content. Multimedia corporations such as the BBC has a diversified product offering to suit different parts of the world. These include BBC Asia, Africa, and America for example. Other media houses and social media giants have chosen cities such as London, Dubai and Dublin as a base for their Europe, Middle East and Africa Operations.

#### **TV and Digital**

A report by Deloitte UK notes that the top 100 media houses in the UK generated a combined annual revenue of £87 Billion in 2016 and this amount is expected to reach £100 Billion in the next five years. (Deloitte, 2016 Media Metrics & State of UK Media & Entertainment)

The report says this is due to UK's positioning as a home of the creative sector – basically mentioning the key aspect of media content generation. In the listing, Deloitte notes that television accounts for 40% of revenue for 100 selected companies. The growth recorded was fastest in social media largely attributable to Facebook and Google as the leading media companies included in the study. The Compound Annual Growth Rate for their revenue for the period 2011-14 was 73% and 44% respectively for the two companies, as Table 1 shows.



**Table 1 Rank and Revenue Compound Growth Rate 2011-14**

|            |  |            |
|------------|--|------------|
| <b>1.</b>  | <b>Facebook UK</b>                       | <b>73%</b> |
| <b>2.</b>  | <b>Google UK</b>                         | <b>44%</b> |
| <b>3.</b>  | <b>Fox UK Productions</b>                | <b>40%</b> |
| <b>4.</b>  | <b>The7Stars UK</b>                      | <b>38%</b> |
| <b>5.</b>  | <b>Vancouver Topco</b>                   | <b>37%</b> |
| <b>6.</b>  | <b>John Wiley &amp; Sons</b>             | <b>36%</b> |
| <b>7.</b>  | <b>Tinopolis</b>                         | <b>28%</b> |
| <b>8.</b>  | <b>Liberty Global plc</b>                | <b>25%</b> |
| <b>9.</b>  | <b>Discovery Communications Europe</b>   | <b>23%</b> |
| <b>10.</b> | <b>Thomson Reuters (Professional) UK</b> | <b>22%</b> |

SOURCE: Deloitte: State of UK Media 2016 and Analysis 2016

### **Newspaper circulation in Europe**

A study by the RISJ's Digital News Project showed a steady reduction of newspaper circulation in Finland, France, Germany, Italy, Poland and the United Kingdom (see Table 2). The percentage drop ranged from 15% in France, to 37% in Poland.

|   | Finland | France | Germany | Italy | Poland | UK     |
|---|---------|--------|---------|-------|--------|--------|
| <b>Population</b> (millions)  | 5.5     | 66.8   | 81.4    | 60.8  | 37.9   | 65.1   |
| <b>MEDIA USE</b>  |         |        |         |       |        |        |
| <b>Television viewing per person (2013)</b> (minutes per day)                             | 174     | 226    | 221     | 261   | 247    | 232    |
| <b>Change in TV viewing 2012–13</b> (minutes per person per day)                          | -1.7%   | -1.7%  | -0.5%   | 1.6%  | 1.6%   | -3.7%  |
| <b>Newspaper circulation</b> per 1000 adult population                                    | 338     | 117    | 232     | 61    | 61     | 185    |
| <b>Change in newspaper circulation 2010–15</b>  | -22%    | -15%   | -17%    | -35%  | -37%   | -31%   |
| <b>Internet penetration</b>   | 94%     | 84%    | 88%     | 62%   | 68%    | 93%    |
| <b>Facebook use</b> (of all internet users)   | 64%     | 57%    | 52%     | 71%   | 67%    | 63%    |
| <b>Social media as a source of news</b> (of all online news users)                        | 45%     | 40%    | 31%     | 54%   | 58%    | 35%    |
| <b>Smartphone use for news</b> (of all online news users)                                 | 59%     | 44%    | 40%     | 53%   | 58%    | 46%    |
| <b>Combined online reach of private sector legacy news organisations</b>                  | 62%     | 43%    | 49%     | 61%   | 70%    | 59%    |
| <b>Combined online reach of public service media</b>                                      | 44%     | 15%    | 23%     | 15%   | 11%    | 51%    |
| <b>ADVERTISING EXPENDITURE</b>  |         |        |         |       |        |        |
| <b>Size of the national advertising market</b> (€ millions)                               | 1,122   | 10,046 | 19,409  | 7,003 | 1,571  | 18,588 |
| <b>Advertising expenditure per capita</b> (€)   | 205     | 150    | 238     | 115   | 41     | 285    |
| <b>Advertising expenditure per media</b> (share of the whole national advertising market) |         |        |         |       |        |        |
| Newspapers (print)  | 37%     | 8%     | 24%     | 9%    | 3%     | 13%    |

SOURCE: Private Sector Media and Digital News 2016 Pg. 13

| ADVERTISING EXPENDITURE   |       |        |        |       |       |        |
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| Newspapers (print)  | 37%   | 8%     | 24%    | 9%    | 3%    | 13%    |
| Television  | 23%   | 32%    | 23%    | 47%   | 53%   | 25%    |
| Internet  | 23%   | 31%    | 30%    | 26%   | 24%   | 47%    |
| <b>Change in advertising expenditure</b>  |       |        |        |       |       |        |
| Change in TV advertising 2010–14  | -0.4% | -6%    | 9%     | -27%  | 5%    | 17%    |
| Change in newspaper advertising 2010–15   | -25%  | -26%   | -20%   | -50%  | -63%  | -31%   |

SOURCE: Private Sector Media and Digital News 2016 Pg. 13

## Media trends in Kenya

Kenya's media landscape is the most vibrant in East Africa buoyed by internet penetration, a relatively stable regulatory environment and press freedom. The opportunity to take advantage of the smartphone uptake has created numerous avenues for news and content generation through bloggers, social media pages and multimedia texting services.

On the other hand, despite the increase in technology and disruption in the traditional reporting channels, Kenya, as a middle income country, is still not devoid of users of traditional media including print, television and radio. Due to a wide base of low income earners in the country, radio continues to top the list as the highest used medium to reach over 45 Million Kenyans. According to local research company Ipsos Synovate, it is estimated that an average adult (above 17-years-old) will spend an average of 34 hours per week listening to radio. This can be translated to 5 hours per day (Mzungu. T, 2012 IPSOS Synovate Report on Media Engagement)

Television has faced major headwinds in Kenya beginning with digital migration laws which required broadcasters to migrate to digital platforms. It has however, maintained a steady audience reach in

both rural and urban locations. It is estimated that an average viewer will spend three and half hours watching television on a weekly basis. News continues to top viewership appetite and this is attributable to the working hours of between 8 am and 5 pm. Viewership peaks between 6 pm and 9:30 pm (Mzungu. T, 2012 IPSOS Synovate Report on Media Engagement)

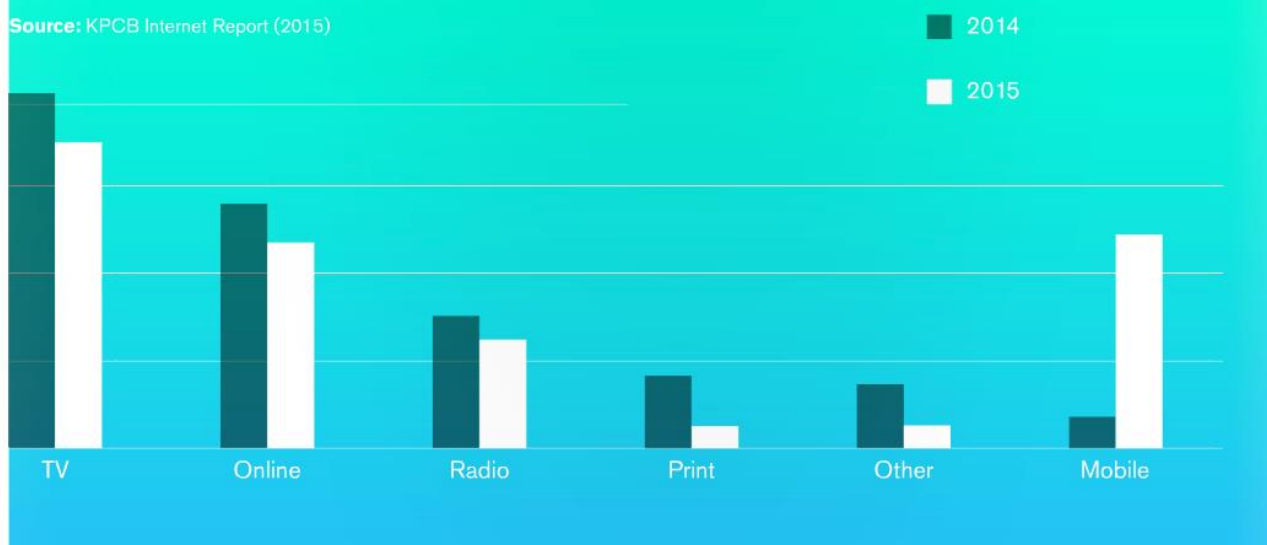
The IPSOS Synovate Report also notes that print is seen as having the lowest audience reach per week as it continues to face major obstacles with dwindling circulation numbers by the day. This can attributed to the cost factor with a paper going for approximately half a US dollar per day. Some media houses have tried their hand at free copy distribution – though the profitability of this is unknown.

Overall, Kenya's media landscape is at the tail end of what is happening globally in the news arena. The wide listenership radio, the fall of print, and a steady rise in television viewership numbers is a general format of Kenya's media landscape.

The graph below is taken from the Bloomberg Media Initiative Africa which gives an overall picture of the global outlook in these media. The activity around digital migration and smartphone uptake continues to draw opportunities for Kenyan media houses to innovate. Increasingly it is seen that news is consumed in a unique manners driven by audience taste and preferences. The sharp rise in mobile has presented low hanging fruit for many media houses.

## TIME SPENT ON MOBILE DEVICES IS SKYROCKETING

Source: KPCB Internet Report (2015)



SOURCE: Bloomberg Africa Media Innovators 2016 Pg. 4

### The Nation Media Group

The Nation Media Group is East Africa's largest integrated and independent media house. The Media Company operates one of the region's oldest newspaper brands, the Daily Nation, amongst many other publications which have unique audiences. These include Business Daily, Taifa Leo, the East African, Daily Monitor and Mwananchi.

NTV is 3rd in Kenya's 2016 television ranking with a focus on Kenya's burgeoning middle class. NTV's Twitter handle is Africa's most followed news handle having hit one million followers in recent rankings. (GeoPol Kenya Media Analytics 2016)

The News has over 20 webpages, 25 million sessions per month and 100 million page views per month. In particular, [www.Nation.co.ke](http://www.Nation.co.ke), has attracted the highest number of visits, mainly from

Kenyans in the diaspora who would like access to news back home. Business Daily is the region's top publication in business news under the nation media group.

According to Joe Muganda, Nation Media Group's CEO, the Group's strategy is to shift focus from a traditional media house to a digital first media house. The CEO's focus is to look at how to maximise on mobile platform as it has presented a challenging yet unique way of audience reach. In a recent investor briefing, Mr. J. Muganda said:

***"Given the changing consumer trends we are reorganising ourselves with the objective of transforming the Group from a legacy newspaper publisher, into a modern digital content company. This will entail embracing a digital/mobile first business model; using appropriate technology to support this model, offering the consumer a 360-degree communications solution for obtaining real time information. This will allow us to maintain our leading position in both digital and traditional media in the region."***

Joe Muganda, CEO - Nation Media Group (2016 Nation Media Group Investor Briefing CEO Commentary)





## **CHAPTER 3**

### **Profile of the Financial Times**

#### **Overview**





The Financial Times is one of the world's leading print and digital business media houses, with a combined circulation of over 800,000. According to the media house, mobile has become an increasingly important channel, now accounting for more than half of its online traffic. Readers of the FT include corporate leaders and other decision makers in diverse fields.

It traces its origin from the year 1888 as the London Financial Guide. More than a century later, the FT (as it is commonly referred to) is an authority in business, financial and international news online and in print. The FT has 600 editorial staff and with representatives or offices in over 40 countries.

The Financial Times also operates a number of other services. It has a conference management business (FT Live), and specialist publications including The Banker, Money Management, Financial Advisor, This is Africa, and FDI Intelligence.

The FT has long focused on generating revenues from subscriptions rather than advertising. Its estimated total daily readership in print and online exceeds 2m [<http://fttoolkit.co.uk/d/audience/statistics.php>] with over 12m unique users each month reaches over 2 million a day compared to the New York Times at 73m. How can the FT be profitable in the face of such competition? "If people need something, and you're the only place they can get it, then they'll be quite happy to pay for it," says Rob Grimshaw, former managing director of FT.com. (Doctor K., Nieman Labs, 2015)



| NEWSPAPER + PREMIUM DIGITAL  | PREMIUM DIGITAL   | STANDARD DIGITAL<br>LIMITED TIME OFFER  | PREMIUM DIGITAL TRIAL  |
|--|---|---|--|
|  <p><b>£ 13.50</b> per week *</p> <p>Select</p> <p><b>All the benefits of Premium Digital, plus:</b></p> <ul style="list-style-type: none"> <li>✓ Free delivery to your home or office, Monday to Saturday</li> <li>✓ FT Weekend - a stimulating blend of news and lifestyle</li> </ul> |  <p><b>£ 7.75</b> per week *</p> <p>Select</p> <p><b>All the benefits of Standard Digital, plus:</b></p> <ul style="list-style-type: none"> <li>✓ Unlimited access to all content</li> <li>✓ Instant Insights column for comment and analysis as news unfolds</li> <li>✓ FT Confidential Research - in-depth China and Southeast Asia analysis</li> <li>✓ ePaper - the digital replica of the printed newspaper</li> <li>✓ Full access to LEX - our agenda setting daily commentary</li> <li>✓ Exclusive emails, including a weekly email from our Editor, Lionel Barber</li> <li>✓ Full access to EM Squared - news and analysis service on emerging markets</li> </ul> |  <p><b>£ 3.99</b> per week *</p> <p>Select</p> <ul style="list-style-type: none"> <li>✓ Access to FT award winning news on desktop, mobile and tablet</li> <li>✓ Personalised email briefings by industry, journalist or sector</li> <li>✓ Portfolio tools to help manage your investments</li> <li>✓ FastFT - market-moving news and views, 24 hours a day</li> <li>✓ Brexit Briefing - Your essential guide to the impact of the UK-EU split</li> </ul> |  <p><b>£ 1.00</b> for 4 weeks *</p> <p>Select</p> <ul style="list-style-type: none"> <li>✓ For 4 weeks receive unlimited Premium digital access to the FT's trusted, award-winning business news</li> </ul> |

\* [Terms and conditions](#) apply

Source: [www.ft.com](http://www.ft.com)

The FT maintains a tight paywall, with most of its content available only to subscribers – although some are made more widely available including via social media. It periodically experiments with discounts and trial subscriptions. As well as the basic individual consumer subscription, it offers a premium subscription to individuals and a B2B service at a higher rate, in exchange for additional content such as the Lex column, EM Squared, Instant Insight columns and specialist newsletters such as Authors' Note and Free Lunch.

It has gradually reduced the size of its print circulation, while raising the price in different markets with the aim of ensuring that each copy of the paper covers its production costs.

# FINANCIAL TIMES – 2015 RESULTS

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## 30 March 2016:

The Financial Times grew its revenues in 2015. The FT's [new access model](#) of paid trials underpinned a strong increase in content revenues and digital subscriptions.

Digital content revenue **grew 15%**, and the FT now makes nearly **60% of its revenue from content**.

**8%**

The FT's total circulation **grew 8% year-on-year to more than 780,000** across print and online (assured by Deloitte, Q4 2015).



[FT Live](#) drew **21,000 attendees to its 200 events around the globe**.

The FT 125, a forum for senior executives, grew its membership by 88%. Recent speakers include Mark Carney, Jack Dorsey and Bill Gates.



Digital subscriptions **grew 12% to 566,000**, with digital now representing almost three-quarters of the FT's total paying audience.



The FT's Financial Publishing arm, made up of over 20 products, including The Banker, Investors Chronicle and Ignites, **grew total**

**2.1m**

The FT's combined print and digital readership **grew**

**Source:** (2016, Financial Times Results <http://aboutus.ft.com/2016/03/30/financial-times-2015-results/#axzz4UjzBBRYX> )

Advertising – in print and online – remains an important source of revenue. Digital tools have allowed innovative approaches including precise targeting of content and readers, and payment dependent on measured “dwell time” on articles.

## **Financial Times Digital Strategy 2015/6**

### **1. Redesign FT.com and make it Mobile First**

During 2016, the FT introduced a sophisticated new website, allowing new functionality including a “responsive” design for use on mobile, greater personalisation and far more rapid download times. It is adapting presentation and time of publication of articles with enhanced use of metrics to analyse reading patterns – with the result it now publishes more content at peak use periods notably in the early morning and early evening.

The Nieman Lab has conducted research over the years and they have carved out a niche as thought leaders in Journalism. It is also a platform to share ideas on media future and interesting trends. This is how it analyses the FT’s redesign, and other recent aspects of the FT’s development (Doctor, *ibid.*):

**NiemanLab Perspective:** Yes, expect more scrolling, more experiments with contextual, auto-customizing discovery. It’s the bane and hope of all big news companies: how to expose all the current, including relevant archival content, to members of its audience. Expect the FT to leverage what it knows of its most engaged users’ habits.

### **2. Boosting Ad Revenues**

As with Point 1., with more online visits and clicks, information on article reading patterns and dwell time provide new tools for targeting readers and impact with advertisers.

**NiemanLab Perspective:** The FT categorizes 15 percent of all its digital ad revenue as “mobile,” which compares to 10 percent for The New York Times. Even that categorization is slippery. Given

generally lower ad rates for mobile, the FT mainly tries to sell its affluent audience across all platforms. Clearly, it's having some success doing that. This year, it will launch a number of mobile niche ad programs, including rich-media full-screen ads.

### 3. Improving Audience Engagement.

The FT has an active audience engagement unit both to help boost engagement by existing readers and to increase reach to showcase content to a wider audience with the aim of converting them to subscribers.

**NiemanLab Perspective:** Its definition of engagement: someone who has visited FT.com at least once in the past week, visits on average twice per week, and consumes on average eight pieces of counted content per month. FT's formula for success here is clear, and undergirds all its strategies: Engagement drives both subscriber acquisition and retention — and satisfies advertisers. Consequently, it feels good about one metric its analytics have gleaned: The amount of time paying subscribers spend with the FT is up 10 percent year over year.

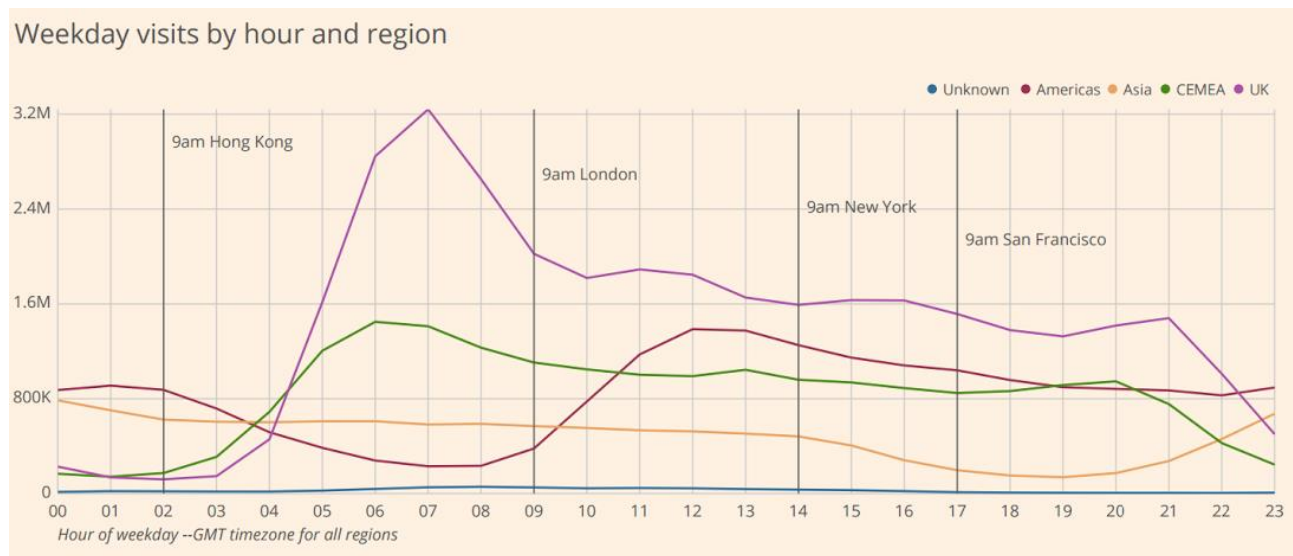
The FT has increased investment in video, which includes many 3-5 minute videos on its website and shared on external platforms including Facebook and YouTube. It also has a partnership with Facebook Live to provide longer daily discussion videos on topical issues. The newsroom has a mini studio at one end where journalists can comment or interview experts to create short videos. It also has fully equipped audio and video studios.

Fast FT is the organisation's breaking news platform, containing newswire-like content mixed with rapid analysis. The platform teases its headlines in a strip on the main FT homepage.

FT's Engagement Team tracks the performance of stories online. Its team includes social media and SEO experts and analysts, who explore how to boost page views.

James Lamont, the FT's Managing Editor, says the organisation is looking at how to leverage its coverage, widen its subscription base and brand equity.

In particular, the company is now operating a “Broadcast Schedule” that aims to increase the amount of content published at times when its audience is online during transit to work, with a secondary evening peak as people travel home. This is illustrated and supported by detailed data analysis showing when readers click on articles and in each time zone, as illustrated below.



SOURCE: Financial Times Audience Engagement Team 2017

## CHAPTER FOUR Project Interviews

This chapter is based on a mixture of interviews with representatives of media organisations, and information drawn from the RISJ seminar programme. The broad areas covered were:

1. The current state of the media organisation and strategies employed in adapting to the digital age, including the level of resources and an analysis of the returns received from the resources invested (time, labour and technology).
2. Opportunities arising from the boom in video consumption online.
3. News in the digital age.
  - 3.1 How long does it take to reach audiences from news occurrence to audience reception?
  - 3.2 Audience engagement with the story. A calculation of audience time spent on a piece.
  - 3.3 Opportunity that data and pictures have presented.
  - 3.4 How to monetise content in light of the digital age.
4. The challenges experienced in reporting business news in the age of digital media, including key trends noted in audience appreciation of business news, changing trends in sources for business journalism, and the firewall between editorial and advertising.
- 5 The future of news consumption across the various platforms (print, television and digital), including the level of convergence to ensure complementarity / convergence / syndication and the future technologies

## **Interviews**

**John Casey, senior vice president, Middle East and Africa, CNBC**

**CNBC.com** is ranked among the top online access sites for business news according to ComScore's 2015 rankings. The Channel covers a wide range of business news especially in the financial sector with a keen interest from investors, stock brokers, analysts and a niche public with a business appetite.

John Casey believes that there has been an evolution of business news. Initially, it was only accessed by the chosen few - known as "information asymmetry". The digital age has given this information to the public, investors and corporate owners alike.

As to modes of communication, Casey believes that audiences cannot be reached in the usual "Front Door" approach. That is, audiences do not have a set time at which they access news. It has changed. News gets the audience and this he calls "the back door" approach to news. This new way of audience communication has been aided by social media which has provided several platforms to highlight news.

It is this sort of approach that Casey says has caused media houses to be innovative in the way they operate so as to follow the new order / approach in news.

**John Edwards III, Deputy Business Editor, the Wall Street Journal, EMEA**

**Q. You have worked with the Journal for over 16 years, what do you see as the future of media?**

A. Where are we headed? That is a big question that we are all wrestling with and struggling with. It is clear that the world more than ever needs trusted and reliable and professional information. The real question is, what are the business models going to be? and as well how to use new media.

We are looking at adjusting our paywall so as to have a sort of guest viewership model. To look at content links that are also free. We are looking at new media partnerships - such as Facebook Live, Twitter. We are trying to see how to reach our audience in different ways.

So we are trying to be creative and innovative. But we do face some real uncertainties. Print advertising is still in decline and that is something we are wrestling across the industry. We are hopeful and think we are in a good position given our reputation, staff and traditions but it is going to be a challenging future for us.

**Q. So how has this impacted on the quality of journalism, and particularly on content?**

A. The quality has remained very strong and very high, obviously, we have had to adjust some of what we do as we adjust our cost base but within doing that, we have tried to be mindful on what our core mission is and we continue to fulfil it. We have had to adjust some of what we do.

**Q. What would your advice be to current and prospective journalists on the future of media?**

A. Always pay attention to standards and ethics. Fairness, completeness and accuracy. Take advantage of media opportunities out there. It is now easier to create a blog, and it is a time for opportunity. But keep reading the Wall Street Journal and paying for it.

**James Lamont, Managing editor, FT**

“I attended a few RISJ sessions at Oxford, which included a meeting of news editors in different media houses. The last one I attended stood out for me, where we looked at Fake news. It is a big issue and becoming very important. Media houses need to fact-check before publishing, it is called the post-truth era. The most important thing for us is audience engagement, video, citizen journalism. That said, what was becoming critical was the issue of fake news becoming truths. Take for instance the US elections where information that was false was becoming truths. This is mainly fired up by social media sites. Notice, this not only based in the US. This is quite a big concern among media houses now. As trusted media organisations, we feel our values lie in reporting in facts rather than fiction.

**Q. Is there a space for slow news?**

A. There is absolutely a space for slow news. We find out that our best read journalism is often long-form journalism. This is over 1,500 words and gives content to what we say. There is value for long-form of journalism. These are pieces of journalism which are highly valuable. It is not commodity



news; it is not short form. Value content is most popular with our readers. So I think if there is value in it, people will go for quality always but it is how you distribute the content and have people pay for it. There is a real convergence on the journalism, the technology, and the business model.

**Q. In your view, is print media in its sunset years?**

A. Print isn't dead. We are doing more and more editions of the paper. It is high production value and there is a higher production market for this too.

**Q. I presume there is prestige in having the physical copy of paper, and particularly the FT?**

A. Some people like this print quality product because it is not digital. For the FT, the brand means something. People would like to be seen with it, it's a statement of some kind. I would like to feel that print will still have a value. Recently we had Google advertise with us on Print and this is a digital company choosing print media for advertisement to a certain audience.

**Q. How does this fare worldwide?**

A. Before I took up my current job I was working in Delhi, India. Print is not dead in India, in fact, there are all sorts of possibilities in print because of growing literacy levels. Your print product can get lots of new markets of people who are becoming new readers (based on literacy levels). As literacy levels go up then your market expands. So the economy of print in different parts of the world is very different. You would know your market better but I believe there are lots of possibilities in Africa - particularly in emerging markets. Also, there are different products you can have in print. We have things called the Special Report - well supported by advertisers. So it is how you segment your print offering.

**Q. As Managing Editor, what do you spend most of your day doing?**

A. Two things, one, I work a lot with the Editor on strategy. So what is our Print to Digital Strategy? What are our growth products for the future both in terms of content and what we think will be commercially successful in the future? So a lot of our time goes into forward-looking strategy. Where is the FT going to be in 2, 3, 4 years' time? On a day to day basis, we try to implement that strategy. So we put out a strategy note every end of the year, announcing to the staff where the

strategy will be. I also look at team placement (managing talent across nations). It is a people business. I manage over 600 journalists worldwide. How do you cover Europe, Latin America, US? Many people come to us to read about the world, without it coming from a particular position. We also look at our news agenda. Take for instance, our Russia, Washington DC newsrooms are some of the key focus areas now more than ever because of current news hooks surround them. This is a people business, so also focus a lot on talent management.

**Q. What is your advice on “silo-ed” journalists becoming multimedia journalists?**

A. We have always taken an integrated approach. I would strongly recommend an integrated approach. Don't have your print guys on one corner because in 10 years' time you may want your print guys to be digital people or video people. I think silos make management issues harder. The Audience is looking for an integrated product. As a reader, you read print, on mobile and watch videos. You access all these platforms. The current crop of journalists want to be multi-skilled. You want to have a newsroom that covers all these areas. Perhaps there might be some very new medium coming up, which we don't know of. We are looking at data visualisation, podcasts etc. We graze in a lot of pastures and see what other media houses are doing too. There is no rising apart, there is convergence going on. It is not easy in terms of people management, this is not easy stuff because people are quite conservative and they don't like change but we have managed to convince people to be a bit bolder and experiment more. Also not to get into these silos or to break down these silos. Our big initiatives at the moment is to adopt the broadcast schedule. This means that rather than publish content at one time of the day, we now have a much larger schedule during the day. We now want to turn the model entirely on its head. Upload stories at specific times during the day when the audience is actively online. Change your habits to reach your audience better.

**Q. What keeps you awake at night?**

A. The business model I would say. We have managed to establish a pay model where people pay for our journalism. Our subscriptions are rising; we are becoming a subscription business as much as we are an advertising business. In the past it always used to be advertising driven - now it is not

a simple picture. We have 850,000 paying subscribers - probably more than the FT has ever had in history. But I worry about the business model and for the media industry as a whole, as we are trying to support business models where revenues are much more fragile than they were in the past

## **RISJ Seminars**

### **Roopa Suchack, Head of Digital, BBC Asia**

"I think right now we should classify ourselves as multimedia digital journalists, the days of operating silos (this is your TV team, this is your social team, this is your digital team) are over. People need to understand the relationship between all the platforms, because ultimately everything informs the other. You have one story and if you are treating it, radio in one way, TV the other way, digital in another way, you need to be joined up in your thinking. People need to understand they can take interaction from social and use that on TV and Radio platforms. So everything does link up. So I think that the way newsrooms have to focus now is on a multimedia digital level rather than being in silos.

### **Jane Barrett, Global Head of Multimedia, Reuters**

"We are now not fighting against Bloomberg and AP; we are fighting against 6.5 billion smartphones around the world. Everyone is a journalist; everyone can be a journalist now by telling their story from a smartphone. It is highly unusual now for big story to break out of the blue and for a journalist to be the first person to get footage.

We are in a totally different world and I'm sure our founder (Paul Reuter) would be quite delighted by it, probably rubbing his hands in glee asking what can we do next?"

"Multi-media is not a new project; it is simply the way that we need to work. It is the way we are going to tell stories. People are expected to read the news on their mobile phones. We are now training people not to just write but to be able to take photographs and video. All our correspondents by next year will be trained on how to report on text and report visually. We are training people on what questions they need to ask in what they need to report visually. All our colleagues on the desk will be trained on visuals. How do I cut video? How do I use video? Our

biggest challenge is how do you make “multimedia” the way we work? People want to stay with what they are used to? Our clients are going through the biggest and most tumultuous change. The media is going through such enormous reductions. How do we make money out of digital?”

### **Summary of interviews and seminar content**

1. **Channels** – Audiences cannot be reached using the “old” back door approach as technology has caused them to source their news from wherever that suits them. The public are well informed and will source for information effortlessly. This has pushed media houses to develop a new approach to news while at the same time not losing sight of the original media platforms.
2. **Social media complementing mainstream media** – Social media is tilting the scale as the main and number one source of news for audiences, who often then go to main stream media for fact checking and a detailed analysis. Traditional media is also seen to follow up on news that has otherwise broken on social media. Further, in the new age, it is difficult to break news through traditional channels. Hence, a simple model can be: break news on social media and give the newspaper and television a detailed analysis of the news after it has broken.
3. **Multimedia Vs Silo Journalist** - Gradually, organisations are breaking work walls and silos created in the past such as print, online and television. The “multimedia Journalist” has replaced the old guard. As in the case of Reuters, the media house has embarked on a marathon training journalists in newsrooms to be multi-skilled in order to give a “360 Degrees” approach to news.
4. **Competition with Technology** - Competition has moved from media house vs media house to media house vs technology. Innovation is what will enable them to stay afloat. The war for audience has shifted from looking at competition strategy to more of a look into how organisations can stay ahead of the technology curve.

5. **Reputation** - Despite disruption, names that organisations have kept will enable them to draw in more audiences on the basis on reputation. As a case in point, social media users will often fact check analysis with trusted media outlets that have built a name over time. The rise of fake news has also enhanced the reputation of traditional news organisations in ensuring the validity of news.
6. **Digital Monetization** - As the war for numbers online proceeds, the underlying issue is how you recoup investments from online platforms. Media houses have turned content creators for digital spaces such as YouTube, but the key question is how this will impact on the bottom line. Take for instance, YouTube gives you an opportunity to monetize content on its platform and content creators have a chance of investing in revenue generation from media houses. Online advertising and its revenues will make it to the in tray of most CEOs in the new age.
7. **Ethics and Standards** – Despite disruption, upholding of sound journalistic practice remains constant. Technology has threatened the ethics that have underpinned journalism overtime. The rise of fake news, sharing of explicit pictures, video or graphic scenes have threatened ethics and standards that traditional media solidly upheld.
8. **Citizen Journalism** - This has given power to the public. The power to determine what will make it to the first story in the news has moved at times from editors to the citizens. A breaking news piece by citizen journalists can be followed up by media houses with more information and analysis.
9. **Speed and Accuracy** – To get their first and release the news before the rest has distinguished media houses who have held top positions. Aside from speed, accuracy of facts has played a critical step in ensuring media houses remain trusted.
10. **Content Creation** – YouTube, Vimeo, Facebook Live are just examples of video sharing platforms, which have traditional media can take advantage of, and embrace to expand audience reach.

## **CHAPTER 5**

### **Lessons from the media in the UK**

It is clear that several media houses do not have a clear idea on what the future will hold for the media landscape. This is due to the uncertain nature of technology in covering, reporting and delivering news. Research has been undertaken on what the future might be but this is yet to be tested on the ground where more and more journalists are grappling with new media.

The pointers below give a perspective that media houses in Kenya and the larger East Africa can employ so as not to lose sight of the wave of digital disruption taking place around the world.

#### **1. Revamp the Digital Strategy**

It is possible that newsmakers are so busy in newsrooms churning out newspaper or television content that they are not aware enough of the wave to come. One lesson taken from Reuters is to co-opt a few journalists to help draw up a plan on where the organisation is headed in coming years.

A strategy is imperative to assist the top leadership in devising a roadmap that is clear, practical, and based on a journalist's mind frame.

As witnessed, smart phones are a powerful tool in assisting organisations boost content and keep up with the times. In the current age it is becoming difficult for a journalist to break news while in the newsroom. Citizen journalism is taking centre stage and media houses have had to play catch up with social media.

#### **2. Audience Engagement and Tracking Readership and Viewership Views**

A learning from the international media houses is how they track news by the hour, and post reactions received from the viewers / readers. This is useful information to look at for areas to improve on, be it content or platform sharing. Further, this can provide useful content for online advertisers as clicks give helpful data.

It is also critical to note that this can only be done through measuring the impact of stories online or reprinted. The feedback given will also be necessary in informing some of the follow up items that journalists can embark on.

### **3. Social Media and Values of News Changed**

Facebook and Google represent two media houses that have revolutionized the way news is consumed. Facebook Live is looking to expand its content output through video and partnerships with media houses. This is seen as an opportunity to expand audiences' "touch points" in order to ensure eyeballs are maintained on social media and to expand footprints in the digital space.

### **4. Business Models**

The wave of this disruption has caused senior media organisations to relook at what will impact journalism in the future. Amidst adapting to the new age in journalism, what will be most impactful and generate the highest revenue? Be it through online spaces, print and television, the business model has been challenged and can only get more complex over time.

Close attention needs to be paid specifically as to how to commercialise digital content, and how to make money out of placing videos on social media platforms.

### **5. Training and Talent Development**

The new age journalism will also have to look into how to develop talent that is ready to take on the new media environment. Take for instance, the use of cell phones to capture stories and edit news pieces. This was a rare phenomenon a while back but this has changed. The Frontline Club, an association of Journalists in the United Kingdom, has engaged in mobile journalism training for its members who include scholars of various journalism institutions.

### **6. Newsroom Layouts**

Creative spaces are needed to offer an environment to promote out-of-the box thinking. In visits to the Financial Times, Google, CNN, CNBC, BBC and WSJ, there is a striking similarity on investments made to ensure spaces are clean, aerated and attractive to both in house, guests and clients.

Most of these newsrooms had a “media hub” which is a central working space and television studio integrating all outlets of news (online and offline). The hub space provides an area to produce any aspect of news that can go across the media houses’ platforms.

The design of the working areas also made easier communication among journalists. For instance, in BBC World’s new building, “the pit” (as often referred to) is designed to coordinate news from around the world to different desks compiling the news.

**CNN London Gallery**



**BBC Newsroom**



**FINANCIAL TIMES EDITOR MEETING**



**FINANCIAL TIMES NEWSROOM STUDIO**





**WALL STREET JOURNAL VIDEO HUB**



**GOOGLE & YOUTUBE SPACE**



## **CHAPTER 6**

### **Recommendations for the Nation Media Group**

The wave of digital migration is here and there being more than meets the eye in what is to come ahead. Companies have undergone a review of strategies due to this wave of change that has threatened market share.

The speed at which companies change strategy will determine how long they survive the digital wave. While it might not be as swift as expected, media groups should be encouraged to come up with policies that will allow organisations to stay afloat in murky waters.

Below are some recommendations in the short, medium and long term that can be used to draw up a strategy for Nation Media Group to apply across its East Africa Operations in Kenya, Uganda, Tanzania and Rwanda:

### **COLLAPSE THE WALLS**

The Nation Media Group has traditionally been known as a leading print media Group. The business diversified into television, courier and digital divisions which have registered mixed performances. The print division still remains the company's cash cow but the group has the opportunity to leverage on its resources in other divisions, including television. In light of the trends analysed in this research, it is imperative that the Group breaks the walls and leverages on synergies among its divisions.

This will ensure that journalists interact across circles and make it easier for the Group to leverage on created synergies. Take for instance, the headcount across the merged divisions, which can be adapted to create a multi-skilled newsroom boosting news content from the company.

News could be broken online by the digital division team, expanded later in the evening with the television team, and more analysis given by the print team in the printed newspaper. This is a suggestion on how the divisions can work together leveraging on the Group's strengths to stay afloat in the digital wave.

## **CULTURE CHANGE**

The breaking down of walls may be an outward strategy to move with the times but there exists a hurdle that management will have to face over time, which is journalistic culture. Most of the journalists are career journalists who have sacrificed years in the newsroom perfecting a craft, be it in print or television. The mere collapsing of walls may not bring forth the best in them without a complete mind set change. The old way of reaching the audience has been greatly threatened by the digital wave and a change of mind set and culture will ensure that journalists go with the times. Though difficult to do in the short term, editors and senior management can do this in phases ensuring talent or work motivation is not injured in the process.

## **A DIGITAL FIRST APPROACH**

The speed of news can arguably be fast as that of light. For the Group to cut its niche as “the go-to” news provider, the speedy wave of news has to be maximised. This will create an opportunity for social media and video maximisation. Contrary to a “Print First” approach, this “Online” approach will garner more subscribers and views. It’s these numbers that the advertisers can also look to gauge the level of advertising spend on the Group’s platforms.

## **AUDIENCE ENGAGEMENT**

The Group’s audience of both viewers and readers are diversified. As mentioned and shown in previous chapters, these numbers are in their thousands (Page 14). More than content the Group should look at ways of reaching out and taking a pulse check on its audience. What are some of the demands? How long are the viewers spending online per clip? How long are readers spending per article? This will give data to the Group on how to tailor news in the way the audience would like to consume it. The challenge here is how to combine views from the diversity of its audience, both geographically, economically and socially.

## **TRAINING**

Mobile journalism has given a new-shift on how to look at video. As opposed to the one camera man per person approach, the Group can leverage on a mobile first initiative and train all its journalists in video shooting, editing and uploading skills. In the interviews shown in Chapter 3, Reuters is training its journalist on video skills so as to give them skills and training as “Multimedia Journalists”. Further, in breaking down the walls, the print and television journalists can engage in peer to peer training on their skills and make it easy for the mind set and culture change to take place.

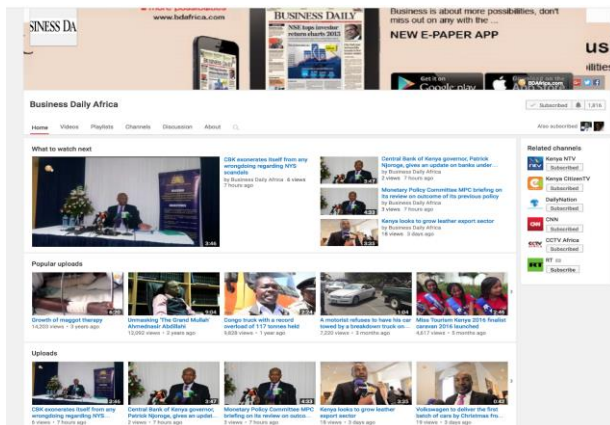
## **BUSINESS DAILY AND THE FINANCIAL TIMES**

The Business Daily and NTV Business have undergone the first phase of convergence under the Nation Media Group’s strategic reorganisation plan. This partnership is expected to bolster efforts in making the Group maintain its plan towards a digital first media group.

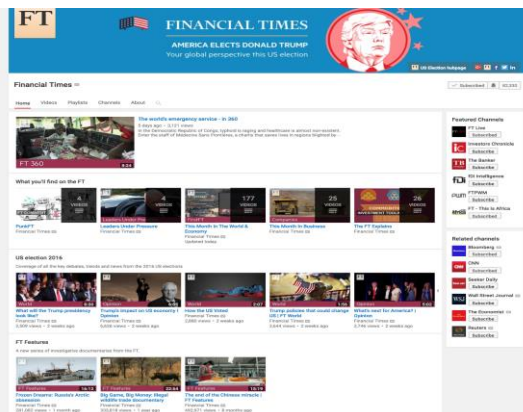
As is evident from Financial Times and the Wall Street Journal, a lot of attention is given to videos that can complement an online or a print piece. Hence, they often make use of YouTube. It is also worth noting that Google offers money to YouTube content creators who have over 50,000 subscribers. Further, its YouTube space in London is open for free to any of the content creators with more than 50,000 subscribers.

The Nation Media Group can leverage on this through its video (TV Platform) and print (Business Daily) to create news clips and videos to be shared online. Moreover, the duo can conduct interviews based on pieces ran by the paper to give more interaction to the story.

This can give an in depth perspective on the stories that have either been aired or printed. The length and sort of topic to go with will be informed by the audience research. Videos can provide an additional opening to advertisers.



**BUSINESS DAILY 1,816 SUBSCRIBERS**



**FINANCIAL TIMES 82,330 SUBSCRIBERS**

The Business Daily and NTV Script can be replicated on the Nation Media Group's platforms such as the Daily Nation, Taifa Leo, East African, Citizen and Daily Monitor. The major challenge is to look at how to take advantage of video, print and social media synergies, all on the Nation Media Group's platforms and under its control.

## Conclusion

This research has looked at the trends taking place in the United Kingdom and wider Europe and has attempted to draw lessons for what can be applied at the Nation Media Group. Through the RISJ's seminars, publications and visits to media organisations, it is clear that newsroom stakeholders all agree that the wave of technology and disruption is being felt right across the board.

Media owners have been left to grapple with the effects of these changes and their impacts on their newsroom environment. Unfortunately, most organisations have announced restructuring plans which have in turn led to job losses. Particularly for the Nation Media Group, this has led to several redundancies.

Are these the dark days for the media? I believe not. Technology has radically changed the picture on what is news, what makes news and how it is relayed. This has presented a different opportunity

for media houses to leverage on. The speed at which organisations adapt to this new technology will impact on the media houses' bottom line.

A recent report by the Reuters Institute highlights the opportunities that will shape the news in coming months. **(Newman. N, 2017 Journalism, Media and Technology Trends and Predictions for 2017)**

Below is a statistical outlook on what is going to keep media stakeholders awake:

- 70% said worries over the distribution of fake/inaccurate news in social networks will strengthen their position while 46% say they are more worried about the role of platforms than last year.
- 56% say Facebook Messenger will be an important or very important part of their offsite initiatives this year. 53% say the same for WhatsApp and 49% for Snapchat.
- 33% of respondents from a newspaper background are more worried about their company's financial sustainability than last year; just 8% are less worried.

Aside from this overall picture that paints a somewhat grim picture, key aspects expected to shape the modern newsroom are Engagement, Training, Convergence and Speed. Although technology is seen to disrupt the new age thinking, human interaction with the audience will be imperative for the audience to relate with stories.

Further, ethic practice in journalism remains constant despite the changes in media, and will influence which news will remain truthful and just. This is to dispel the steady and sudden rise of fake news. Facebook recently announced its strategies to discourage the spread of fake news on its platform by introducing fact checking processes through its users. That said, a true upholding of ethics in journalism is expected to be the true remedy for the spread of fake news.

Owners of social media have begun to spread increasingly into the traditional spaces of legacy media houses. Facebook recently launched its Journalism Project that creates a road map on areas of content generation placing the social platform on competition with media houses (now or in the future).

Google's YouTube Spaces also come to light. The opportunity for citizens to participate in news making has made it even easier to relay the information. The cost of receiving information has reduced over time.

Culture has also played a key aspect in media houses adapting to the new age media. The general audience culture and organisational culture has and will continue to influence news consumption.

Lastly, amidst the myriad of information, technology and changing audience preferences there is a future for a digitally driven news item. Imaginatively looking at a crystal ball, speed and adaptability are the two qualities that will shape newsrooms in the new age.

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