

Media need multiple platforms, revenue streams to thrive

March 11 2010, by Chris Lefkow



Attendees play video games at the Sony Playstation booth during the Electronic and Entertainment Expo (E3) in Los Angeles in June 2009. Sony on Wednesday unveiled a hotly anticipated motion-sensing controller that it hopes will fuel new interest in its PlayStation 3 videogame consoles.

Multiple platforms and revenue streams are going to be key for media industry players hoping to survive and thrive in the fast-changing digital landscape, top media executives said here Wednesday.

With [advertising revenue](#) eroding and free content abundant, media companies are going to need to adapt their strategies to the new

environment ushered in by the Internet, they said at the Bloomberg BusinessWeek 2010 Media Summit.

"The brand has to transcend all of the different platforms," said Renee Plato, the vice president of digital video distribution at Walt Disney Co., whose properties include the ABC television network and sports giant ESPN.

"Our main goal is to reach the fans wherever they are on the best available screen," Plato said, whether that be on mobile screens, computer screens or TV screens.

"Perhaps there's a way that consumers are paying for that access, that convenience, and perhaps not," she said.

ESPN's assistant general counsel Raphael Winick said the goal is to make ESPN "the place you come to get sports and sports information."

ESPN outlets include six TV networks, radio stations, a website, ESPN.com, mobile [phone applications](#) featuring live-streaming of sporting events, a magazine and even ESPN branding on videogames published by [Electronic Arts](#).

"We're trying to be the place where anyone who's interested in sports, anyone who's watching sports, anyone who's talking about sports, goes to consume, watch, talk, interact with sports," Winick said.

"Whether it's in their living room in front of their TV screen, whether it's on their phone, whether it's just with their friends or reading the magazine on an airplane," he said.

While ESPN may be thriving, ABC News just announced huge cutbacks in its newsroom and US newspapers and magazines are struggling to find

new revenue amid the advertising slump and migration of readers to free news online.

"There's no doubt news is a challenged model," Plato said, but "old media's not dead, it's evolving.

"The companies that learn how to evolve quickly will survive."

Pam Horan, president of the Online Publishers Association, said "advertising will continue to be a very important revenue stream but the reality is in order for publishers to make this transition they have to find new revenue streams.

"How do we continue to build great content, which in most cases consumers are used to getting for free, and find a model that will allow us to sustain that in some fashion and be able offset those costs through other programs?" she asked.

One revenue-raising approach being considered by a number of US newspapers is charging online readers, like The Wall Street Journal has done successfully with its website, WSJ.com, and The New York Times intends to do next year.

Julie Michalowski, vice president for business development at Conde Nast, said erecting a pay wall is not a move being considered by the publisher of The New Yorker, Vogue, Wired and other magazines.

"All of a sudden walling off our content and saying you can't have it, I don't think that's the right strategy," Michalowski said.

"What we want to continue to do is to build digital relationships so that we can have a multi-channel relationship with our consumers that includes print and includes other ways that they want to access us," she

said.

Jon Klein, the president of Cable News Network US, said it is "no secret" that "everyone in the media business is actively looking for multiple revenue streams."

CNN for its part has invested heavily in its ad-supported website and recently launched a news application for Apple's iPhone which costs 1.99 dollars to download.

"Online is a big growth area for us, mobile has enormous growth potential and domestic US cable is actually a growth area," Klein said. "There's a lot of room to grow.

"We're in a lot of places and I think that's the model that can be very successful for us," Klein said.

(c) 2010 AFP

Citation: Media need multiple platforms, revenue streams to thrive (2010, March 11) retrieved 27 April 2024 from <https://phys.org/news/2010-03-media-multiple-platforms-revenue-streams.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--