

# US media sector braces for brutal year for jobs

3 July 2019



Job losses are accelerating in the US news media amid more newspaper closings and difficulties in monetizing online news sites

The struggling US media industry is facing its worst year for job layoffs in a decade as news organizations continue to cut staff and close shop, according to a new survey.

The consultancy Challenger Gray & Christmas reported this week that media companies, which include movies, television, publishing, music, and broadcast and print news, announced plans to cut 15,474 jobs so far this year, of which 11,878 of which were from [news organizations](#).

That is nearly three times more than the 4,062 cuts announced in the media sector in 2017 and the highest total since the [economic crisis](#) in 2009.

"Members of the media, especially journalists, have had a tough few years," said Andrew Challenger, vice president of the Chicago-based firm.

"Many jobs were already in jeopardy due to a business model that tried to meet [consumer](#)

[demand](#) for free news with [ad revenue](#). As [media outlets](#) attempted to put news behind pay walls, in many markets, consumers opted not to pay."

Some of the notable events this year included the closing of the Youngstown Vindicator, the only daily in the Ohio city, with 144 jobs lost, and the sale of the New Orleans Times-Picayune resulting in the loss of most of the 250 newsroom jobs.

But the troubles have also impacted the digital sector with BuzzFeed cutting 200 employees in January and Verizon eliminating 800 jobs in its media division, which includes Yahoo, AOL, and HuffPost, the Challenger report noted.

The report noted that media companies have been unable to keep pace with Facebook and Google in tailoring ads for customers based on their interests, making it hard to generate online revenue.

It also noted that a rise in browser ad blocking extensions has made it increasingly difficult to monetize online news.

"Job cuts and consolidations are likely to continue until these companies are able to find ways to create growth in revenue streams," Andrew Challenger said.

He added that subscription-based models will only work if news organizations can convince consumers of the importance and value of their news.

"Another possibility for [media companies](#) is to monetize users' personal data, as Facebook and Google have," he said.

"There are obvious ethical implications and potential legal issues, however, especially as privacy laws begin to pass in various jurisdictions across the country. Ultimately, the quality of the country's news will start to decline if we as users

refuse to pay for it."

© 2019 AFP

APA citation: US media sector braces for brutal year for jobs (2019, July 3) retrieved 13 November 2019 from <https://phys.org/news/2019-07-media-sector-braces-brutal-year.html>

*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.*