

# Riding the digital wave in Barcelona

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The View From Barca

What next for the creative industries? How can they ride the digital wave? [The annual conference of the International Institute of Communications in Barcelona](#) is asking the big media questions. Here are my notes for my attempt to look at it from a journalism point of view.

I want to talk about three key areas.

1. How public participation and the data explosion make this both the best and most challenging time for the media industry in the digital economy.
2. Journalism as an example of how 'new' and 'old' media are becoming networked and how that is changing both the patterns and principles of production.
3. what we can learn from How the news media sector is being restructured and how organisations themselves are having to redefine their identity and roles.

If you have any doubt about the need for journalism – and any doubt about how it has changed – just ask yourself these questions.

When you woke up today, what are the three things that you thought you will need to know to get through through the day.

Then ask yourself WHERE you will get that information from.

It may be you need a map to get to the conference centre, the latest gossip on Barcelona football players or a guide to the UK government Comprehensive Spending Review. But where you go for that information is different now in so many ways to how it was before.

Then think about all the other people on this panel or in this city and the different answers they will have to that question.

And so you see we need journalism more than ever, but journalism will never be the same.

What place for the media industry in the digital economy?

Well, if use my iPhone to take a picture of you now, I can put that image online instantly through Twitter at virtually no marginal cost – someone else will distribute it if it has any value.

It's all thanks to technology – this iPhone has more productive computing power than the whole of the Channel 4 Newsroom when I first joined it back in 1999.

I think that this is a golden age for media industry – thanks to the new digital economy.

That might sound strange when you consider my industry journalism – especially in the United Kingdom but across Europe the old model for delivering journalism is in crisis. The advertising revenue and the public's attention are declining as fast as new ways of creating and sharing information are being created.

We are living through an explosion of data, information, discussion, commentary and analysis: all it needs are

journalists to make sense of it all: as filters, editors, networkers.

We are living through an explosion of sharing and free creation by the public – they link, connect, comment and produce for the media industry – what other business would worry that people want to create material for free?

Our research at Polis shows how quickly journalists have adapted from seeing new media as the enemy. It is clear that most UK news organisations are now practicing networked production – as detailed in our latest report launched at our conference in June.

Yet – we estimate that about 40-50% of 2006 levels of old MSM capacity will disappear by 2012 – but the volume of news media will grow – it's just that much of it will not be profitable. Some might be 'amateur' hyperlocal, or provided by companies or civil society organizations.

The sector itself is being restructured – but here's what is unique about the change in the news business – the institutions are being restructured because the product and the market is being restructured.

Revenue and pricing mechanisms are all changing. We are moving from a production industry to a service industry – from creating goods to curating relationships.

At the same time there is huge value in existing news organizations. Firstly they have legacy value. People will keep buying newspapers in big numbers for some time for example. I look at European newspapers and many are better than ever before. But also, these are the brands that have profile, reputation and communities.

We should bear in mind Riepl's Law – coined by a Nuremburg newspaper editor back in 1913 – which tells us that new technologies and platforms tend to add to old ones rather than destroy them.

The evidence is that we are seeing a shift away from homogenous mass media towards a split between top end quality (WSJ – FT – Economist – Huffington Post] – a few massive middle rank mass media brands – and a vast amount of diverse specialism – the bloggers, the NGOs, corporations such as football clubs, universities etc.

But these will all be journalistic organisations – networked journalism organisations. Instead of the old fortress newsrooms, we will see a mixture of global and local, where search and geo-location may be as important as speed and exclusivity are supposed to be now.

What worries me is that so many news organisations fail to understand how profound these shifts are. I think it is dawning on us that some of them will not be able to make the shift, despite the creativity and urgency being shown. Luckily, new ones will arise to ride the digital wave and provide the vital function of journalism in society. Because in news – perhaps in all digital media – we need to stop thinking of the public as just a consumer – they are now participants and creators – but they are also citizens.

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