

Building multi-channel Media

The world of print media has changed forever. As devices like smartphones and tablets become more pervasive, so the way that we consume media is changing the economics of the media industry.

- We access media in many different ways – we are moving away from print towards online: 90% of our daily media interactions are screen based, with only 10% non-screen based (like radio and newspapers)
- We have a different attitude to paying – we see news as “free”, and we are much more demanding with content we pay for
- We want our content to be tailored - we are becoming accustomed to seeing personalised content that appeals to our own interests and situation

This move online has created a vicious cycle: cover sales and display advertising spend are falling, so revenues are falling, driving cuts in editorial budgets, making content less compelling, resulting in lower sales. The industry needs to adapt to the multi-channel world, finding new business models allowing growth and prosperity in a digital world – but how?

DEMOCRATISE YOUR CONTENT

We have a more democratic view of the content we consume. We all enjoy reading the news and the editorial that goes with it, but we are no longer happy for this to be a one-way information flow: we want to join the discussion, add our comments, and read the views of others.

Social media is now a mainstream tool to cover unfolding events globally, reflecting changes in the way people consume news: the Egyptian uprising broke on Facebook; news of the Hudson River plane crash broke on Twitter before the mainstream news reported it; more recently, social media was used by the police to share news updates after the Boston Marathon bombings, but also allowed the public to help to find the perpetrators. Take care though – often “breaking news” via social media turns out to have been erroneously reported. In Boston for example, the suspects were initially reported on Twitter as Czech rather than Chechen!

Using collaboration tools, explore ways to harness these sources alongside traditional journalism. Can you do this in a way that makes your site an important destination to find breaking news and verify its accuracy? Can you use social media sentiment analysis to identify trends and emerging themes? Can you crowd-source editorial content from a network of trusted contributors, whilst maintaining the quality of your brand?

Making it happen:

- Social Media is not just a business add-on - it's an opportunity to transform. Exploit social media sentiment analysis and develop a social



DID YOU KNOW?

According to “The State of the News Media 2013” report, major news magazines saw declining audiences in 2012, with sales of newsstand copies falling 16%, compared with an 8.2% decline for the magazine industry overall.

strategy alongside your business strategy

- Build collaboration tools to make use of crowd-sourced content and to get the best out of geographically dispersed staff
- Design your websites to clearly differentiate content from conversation

BUILD YOUR COMMUNITY

In a world where news is freely and instantly available, having great content is no longer enough. The future of your business depends on a sustainable relationship with your paying customers – building a community of consumers who return to you, engage with you and who are willing to share their content with you.

If your customers are to register, and to stay registered, they need to see real value in membership of your community: so your content must be relevant, exclusive, personalised, localised and engaging. The registration process must be quick and easy, and any fears about the security and use of personal data should be allayed. Using new offers and premium content to surprise and delight your members once they have registered will always help, especially if they can then refer new members in return for further rewards.

Making it happen:

- Explore ways to use your social networks to help build your community
- Develop ways to introduce your content to new customers – reward referrals
- Examine the registration process to ensure it is as quick and easy as possible, and utilise analytics to understand why drop-outs occur
- Review your information security protocols, ensuring all personal data is protected
- Use analytics to build insight about users and their preferences, and deploy this to build a fully tailored experience

KNOW YOUR CUSTOMER

A detailed understanding of your customer base is critical when taking decisions about developing new content and services, or generating new products, promotions and pricing; it can also significantly improve your advertising potential. These profiles can be built and enhanced over time using analytics to supplement more traditional market research methods. By mining this data, you can start to predict customer behaviours, serve appropriate content, deliver a unique customer experience, and build more valuable and enduring relationships with your subscribers.

Making it happen:

- Create a “single customer view” linking all your data together; consider enhancing this with externally available data
- Ensure you are compliant with the Data Protection Act, and respect your subscribers' preferences
- Deploy analytics skills and tools to help you make sense of the data

CREATE A COMPELLING CUSTOMER EXPERIENCE

We consume media across multiple formats – Print, TV, online and audio. How we interact is driven by personal choice as well as context (i.e. where we are and what we're doing). Our consumption across devices may be sequential or simultaneous, with our attention being split between them.

DID YOU KNOW?

- Advertising revenues continued to decline in 2012, with these losses far exceeding digital ad gains: for every \$16 in print ad revenue lost, only \$1 in digital ad revenue was gained. That was even worse than the \$10-to-\$1 ratio in 2011 ("The State of the News Media 2013", Pew).
- Of those expecting to buy a tablet or e-reader in the next three years, nearly 75% of consumers in the US, Italy, Spain, France, Japan and China expect to use them to read magazines, whilst 66% expect to read newspapers on them (Boston Consulting Research, 2012)

Smartphones are increasingly forming the backbone for this use – they are always with us and can be used almost anywhere.

However, this cross-device consumption is not just a factor of where and when, but also what; the topics and subject areas will usually change through the day or over time. Recognising sequences and presenting topics and content in line with established behaviour patterns, at an individual level, will engender loyalty and drive advocacy. Understanding these patterns will inform product design, enabling segmented offers for disparate consumer segments. This view is reinforced by CGI research, which has confirmed that good customer experience is correlated with loyalty and average spend.

Linking together physical media with online – perhaps using tools like QR codes – can further enrich user experience and lead your customers to take virtual tours, watch videos, and provide feedback and comment. This leads to a more compelling experience and builds loyalty, but in turn provides more opportunities for your marketers to promote new goods and services.

Making it happen:

- Make sure you understand how your customers consume content, through the use of analytics and surveys
- Segment and track your customer base
- Monitor customer journeys, ensuring best fit and tailoring to different customer groups, across print- and screen-based channels
- Recognise loyalty and deliver appropriate rewards

BUILD YOUR RELATIONSHIPS

Delivering a compelling customer experience across consumers and subscribers needs a comprehensive CRM strategy. It brings together your business processes, your people and your technology solutions to make sure you have a clear view of who your customers are, how you interact with them, and what products and services they wish to buy. This involves:

- Combining research, reader advisory panels, social media sentiment analysis, and analytics to understand and segment your customer base
- Developing a number of methods of communication tailored to the tastes of your target segments
- Building a comprehensive campaign plan attract and retain your subscribers, and promote your portfolio of products and services
- Building a loyalty programme to track and reward valuable behaviours, such as referrals and cross-household consumption

The payback for this is not just about revenue from subscribers and product purchases: demonstrating the value and composition of your whole audience will be a key driver for advertising revenue too, especially if you have detailed information about their demographics, behaviour, value, net worth, and contact preferences.

Making it happen:

- Introduce Enterprise Marketing Management solutions alongside the “single customer view” to drive true multi-channel communication and offers to different segments
- Review your CRM strategy to identify and promote compelling customer experience across all channels and touch-points
- Develop a comprehensive database of customer contact preferences to avoid the adverse publicity associated with data protection complaints

DID YOU KNOW?

- 73% of 18-24 year olds actively use their smartphones as a 'distraction device' during commercials. The next generation will have no patience for commercials at all.
- 62% of people use social networks and forums on a weekly basis whilst watching TV (up more than 3 times the previous year).
- By December 2012, smartphone penetration in the UK had reached 60%. This is expected to exceed 75% by 2016.
- 450 out of the 1,380 daily newspapers in the USA have or plan to put in place pay-walls.

Sources: Pew/RealNetworks, Nielsen

- Use instant rewards to drive loyalty and develop advocacy programmes
- Put in place systems to audit the effectiveness of your CRM platform, which you can use to ensure your CRM strategy is a good fit

EXPERIMENT WITH NEW IDEAS

It is difficult to predict which new ideas will be successful in the digital world, or which is the optimal business model. It is clear though that your business does need to become more agile and responsive to changes in the market and to new customer needs. The winners in this dynamic marketplace will be those that experiment with new ideas in agile ways and can implement the successful ideas rapidly. We see three areas to explore:

- **Building new engagement models** – explore innovative ways to engage with your subscribers and to monetise your content, such as auto-curation, consumer-curation, citizen-journalism and collaboration with partners to provide content of choice
- **Building digital ad revenue** – ensure your online advertising is highly targeted, and make use of the right mix of paid-for, owned and earned media to maximise advertising inventory value
- **Building new revenue streams** – pay-walls, freemium services, premium content, database apps and bundled circulation/online offers are all examples of emergent revenue streams. Picking the right one will depend on understanding customer behaviour patterns, preferences and areas of interest in real time

Whichever of these ideas turn out to be successful for you, the key will be to implement them quickly at low cost. This will mean using partnerships, and building a more flexible business and technical architecture that allows for concepts to be tested at low cost, and then quickly implemented into the core business if successful.

Making it happen:

- Use analytics and profiling to really add extra value with other third party offers
- Use partner APIs to plug products into your existing online infrastructure and start offerings quickly
- Review your IT and data security policies, processes and technologies to make sure you protect yourself from any new risks
- Make use of cloud technologies and managed services to acquire agility, scalability and faster go-to-market capability with low capital investment risk

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For more information regarding Media propositions, please contact Ben Cooper via email: b.cooper@cgi.com, or call us on +44 845 070 7765.

ENTREPRENEURIAL IDEAS PROVEN IN THE MEDIA SECTOR

- Digitised magazine subscriptions for business waiting rooms
- Retail and restaurant receipts printed with the latest headlines
- Coffee chain cup sleeve printed with the hour's top headline
- Taster content provided free through QR codes
- "Paperboy" app image recognition technology lets users share, save and explore printed media online
- Newspaper staff work from branded café, open to the public
- City guides for travellers customised with tips from local 'soul mates'
- Book popularity analytics for publishers
- Employees rewarded for getting involved in brands' social media strategies
- App delivers geo-targeted and personalised news

Source: springwise.com