



FIPP
INSIGHT
SPECIAL REPORT



FIPP WORLD CONGRESS
13-15 October 2015, Toronto

fippcongress.com



**FIPP INSIGHT SPECIAL REPORT:
An in-depth look at the themes from the FIPP World Congress
13-15 October 2015, Toronto, Canada**

“We are in the most exciting time for content producers in the history of media!”

The most memorable quote from the keynote speech at the 2015 FIPP World Congress in Toronto came from industry veteran Joe Ripp, chairman and CEO, of legacy magazine company Time Inc.

If the Digital Innovators’ Summit in Berlin in March 2015 illustrated that multi-platform offerings from publishers were starting to bear fruit, the FIPP World Congress in Toronto highlighted that the rate of change was speeding up. But also that publishers who had began to make the cultural shift from print to multiplatform, were now starting to see a wealth of opportunities in both content creation and monetisation of that content starting to emerge.

The main event took place on 13-15 October in Toronto, Canada and included a number of ancillary networking events, such as a country-themed barn dance and an evening at Toronto’s key landmark - the CN Tower.

Overall, the main story of the FIPP World Congress was the way in which publishers are continuing to discover new ways of engaging and monetising audiences. There was a palpable air of optimism among the delegates, reinforced by a series of inspiring presentations and case studies from the stage.

This report, compiled by Ashley Norris, highlights some of the key discussions in Toronto included the following sections:

1. Data/Consumer focus
2. Multiplatform
3. Culture trumps strategy
4. Content innovation
5. Integrated platforms
6. Video
7. Revenue streams

DATA/CONSUMER FOCUS

The importance of a data-centric approach to business came through in many of the sessions at the Congress.

Michael Finnegan, executive director, strategy and operations at Atlantic Media

Everyone agrees that data collection is central to any contemporary publishing business model. “In the modern world you can collect data on everything and let the data speak and inform your decision making,” said Michael Finnegan whose organisation has been one of the fastest growing media companies of recent years.

“We have constantly been able to improve our products and grow new products,” Finnegan concluded. “We think it will enable us to continue our growth trend over the next ten years.”

Marcus Rich, CEO of Time Inc. UK and Colin Bodell, executive VP and chief technology officer of Time Inc.

Data isn’t just central to digital companies either. Data is the new competitive advantage for magazine sales, said Marcus Rich, CEO of Time Inc. UK. “Data is a huge competitive tool in our arsenal,” he said. “We have the ability to develop cognitive behavioural models.”

In particular, Rich related the importance of data to the way his company drives its advertising propositions.



Going forward, ad sales operations must provide insight-led value, who are able to marry print, experiential, digital and sales together. "Sales roles must evolve for solutions," he said. "To bring the right solution at the right time."

Kevin Delaney, editor-in-chief, co-founder and co-president, Quartz

Data is also important as an editorial tool. Kevin Delaney of Quartz explained how important data presentation is to its news offering.

"The website's wide-ranging use of charts is another of its unique features." Delaney says that the company developed its own tool – chart builder – which means that any of its journalists can create their own charts.

"Charts are very efficient at conveying information, especially for the business community," added Delaney. "We also have a home for the charts called Atlas, where the charts can be downloaded, embedded etc. One day anyone will be able to create their own charts via Atlas."

Jokke Nurminen, global head of sales of Engage Media, CINT

For many publishers though, the central use of data is to be able to measure and prove results in advertising. Jokke Nurminen, global head of sales of Engage Media, CINT, spoke about built-in and cross-platform tools to measure advertising impact.

CINT, which has offices around the world and global digital reach, aims to simply "link buyers and sellers," Nurminen said.

"We don't like to do anything ourselves," Nurminen said. "We like to have everything automated."

This ease of use is of value to publishers, who can use the tools to show the unique reach for their users and "not just the clicks, but the people," which is what advertisers are looking for from publishers, Nurminen said.

"It doesn't have to be expensive or time consuming," he closed. "The key to the future is to measure and prove results."

Johnathan Davis, chief content officer, co-founder of IBT Media and Etienne Uzac, co-founder and CEO of IBT Media

The two founders of International Business Times, which owns several key sites and now has *Newsweek* magazine in its stable, stressed how important it was to be among the early adopters of data especially in developing new properties.

Etienne Uzac emphasised how important data has been to the development of the company. "Data is one of the crucial things that has helped us get to where we are today. And it's continuing to help us as we have launched new properties. In 2012 we felt like we were quite successful with *International Business Times*, growing a large audience. But our offering was quite broad in the sense that we were focused on business but covering sports, society, politics, business, and even entertainment. We identified that there was an appetite for narrower properties. That was when we launched *iDigital Times* – focused on gadgets, design, tech culture etc – *Medical Daily* for the health audience, and *Latin Times*. Those moves have allowed us to tap into advertising dollars we weren't previously able to access and to capture a bigger slice of the market pie. Of course, it also allows us to spread our risk."

Meanwhile Johnathan Davis explained how data is increasingly being used to power content

"We use data a lot on the content side. The company is also starting to use it more broadly and I think this was part of the challenge we faced in the beginning. There was an assertion of what we thought it meant to be a media company and what good content was, but there was also a real need for us to pay the bills. Because of that, we were able to do a deep dive into the data to see what was working and what wasn't working. This was part of the cultural challenge we had in building a newsroom in the beginning – to come in with a kind of 'ivory tower, gut feeling' approach for what works versus what people are really interested in and why are they arriving at our website. Us being really connected to market forces allowed us to galvanise that data-driven culture really early on.

“You’re right that we were early adopters. We built into our proprietary CRM system real-time data. It meant that although there might have been a traditional way that you wanted to tackle a story, our analytics could tell us exactly how to do it in a way that would draw audiences. It helped solidify a culture that was data-centric and that stays with us today – even as we bring on new brands that are revered and respected and as we start new brands. It’s part of our culture.”

Frances Evans, director of international licensing and advertising for Burda International

At the Congress Evans explained how data had helped Burda, a 65 year-old media business, with a strong print legacy, evolve into a multi-platform business.

“The economic climate presented a need to adapt,” she said. “Tech and data are at the heart of our business transformation. Innovation is only innovation when it is money in the bank,” she said. “Ideas must be turned into profit.”

So Burda used data and analytics to change its brand and also create tailor-made offerings for consumers. They wanted to figure out what people wanted and determine the next steps for the company.

MULTI PLATFORM

The journey from being a print only content business to one that publishes on a multitude of platforms was a story told many times at the Congress.

Simon Carrington, publishing director of Top Gear magazine

This transition was perhaps best exemplified by the story of the UK’s *Top Gear* magazine. Simon Carrington, publishing director of *Top Gear* magazine spoke of the magazine’s journey from a monthly print publication to a constantly updating, interactive app.

He explained that *Top Gear* is published in 32 different countries and has 12 websites across the world. The magazine’s first foray into the digital world saw them publish PDFs of the print edition online. Although they saw moderate success in terms of downloads, the team at *Top Gear* knew they could better attract and engage readers with a more interactive approach.

In December 2012, the magazine partnered with Adobe to launch its first interactive online edition. This new edition of *Top Gear* got tremendous engagement from readers and pushed the editorial team to consider the kinds of extra content they could produce.

The interactive edition was largely a success and won several awards. *Top Gear* incorporated a successful ad model into the edition and saw a 255 per cent increase in paid downloads. But despite its initial success, it was a static business with no real growth over the course of the year, said Carrington. The interactive edition also did not keep up with *Top Gear*’s 24/7 publishing cycle as it only updated once a month.

About three or four per cent of people who downloaded the app made in-app purchases and in that remaining percentage, Carrington saw a huge opportunity to figure out how to convince readers to spend money.

So far, the *Top Gear Magazine Extra* app has broken the monthly publishing cycle with the creation of a newsfeed that updates as new content is created. Their statistics show an increase in user engagement, and they believe that they have been successful in creating a dynamic mobile product. In terms of production efficiencies, they have a team that creates HTML content for the app. *Top Gear* has also been successful in harnessing customer feedback and they have tested some new ideas.

Carrington said that in the future, *Top Gear Magazine Extra* would like to further explore the creation of new commercial and revenue opportunities and expand the types of content offered beyond just news.

Yulia Boyle, senior vice president of international media for the National Geographic Society

Another company which has transitioned from print to multi-channel in an innovative and highly effective way is *National Geographic*.

Yulia Boyle, senior vice president of international media for the National Geographic Society explained that the move will “ensure the future of the National Geographic Society for years to come.”

Boyle said that it is those types of moves that have allowed *National Geographic* to amass a huge audience from all over the world, to inspire them to learn about the planet and of course stay with and return to all of the platforms available.

“The ingredients to our success are supreme content and multi-platform distribution,” she said.

National Geographic finds audiences wherever they congregate and brings them the information that they want. Boyle finds that they are eager to engage with content beyond the regular offering of the television channel and the magazine. Across all platforms more than 700m people are reached on a monthly basis and one in four readers can read the magazine in their own local language.

Boyle also said that the multiplatform approach allows for content to be created with a digital audience in mind. That means shorter, more conversational and visual content.

She stressed that stories are not told the same way on all platforms, said Boyle. It is important to tailor each story to its intended audience to make it relevant and appropriate.

Michael Finnegan, executive director, strategy and operations at Atlantic Media

Michael Finnegan of Atlantic Media underlined how important it is for publishers to follow their readers.

“Follow the user is a big one for us,” said Finnegan. “We want to follow the user where they go, to new devices, on portals, on platforms like Facebook Instant Articles, Apple News and Google AMP. We want to be everywhere that the audience is. We are going to pursue as many of those ways to reach consumers as possible.”

CULTURE TRUMPS STRATEGY

One of the more surprising themes to emerge from Congress 2015 was that of the importance of culture. Several keynotes were based around the concept that moving a print-based media company to a digital one required not just strategy but a wholesale change of culture.

Joe Ripp, chairman and CEO, Time Inc.

A core part of the keynote from Time Inc’s chairman and CEO Ripp was the way in which changing the culture of a company has become central to the way that publishers innovate. He argues that “culture trumps strategy.”

Ripp then explained how legacy media company Time Inc. regularly has brainstorming sessions with its youngest and most idealistic staff under the banner of Media Upstarts.

“They don’t know why it won’t work,” he says. “They are not jaded by the changes, but very excited about opportunities and where we can go. Tapping into that mindset is how you go for transformation.”

Ripp then dissected how his company has begun to engineer that change in the last few years.

“There’s no silver bullet,” he argues. “We live in a time of continuing turbulence, disruption and change. Instead we enhanced our core business and asked how we can extend their reach and find new ways of monetising them.”

Another element of strategy that was widely discussed at the Congress was the way in which publishers were keen to work with tech companies, platforms and indeed each other.



Ripp issued a challenge to the delegates stressing that his business was open to discussion, partnerships and more.

Peter A. Kreisky, chairman of the Kreisky Media Consultancy

Several of Ripp's key points were echoed in the speech by Peter A. Kreisky, chairman of the Kreisky Media Consultancy.

His presentation, titled "Digital-First: The Challenge of Culture Change" opened with a brief overlook of the history of reshaping the magazine industry.

"The most striking sign that digital first is here," Kreisky says, "lies in the new content models, format and delivery platforms as well as new subscription models and revolutionised marketing skills and advertising formats."

He then outlined why changing the culture at publishing companies was so pivotal to their future success. Kreisky went to 14 companies and interviewed 16 CEOs and other top executives in seven countries. He visited companies like Axel Springer, Hearst Magazines and Immediate Media.

He asked each company a series of questions to open discussion: What is the importance of culture change? What is the scale of the difficulty in doing so? And, how much progress has the company made?

Eighty per cent agreed that changing the culture was extremely important, most agreed it was going to be difficult and all companies felt the process was incomplete. Changing the culture remains a work in progress.

Kreisky created a scale of proactivity from low to high and classified the companies he interviewed as 'disruptors' (high proactivity), 'accelerators' and 'fast followers' (low proactivity) in leading cultural change.

Kreisky suggested strategic disruption can advance culture change – evident in Axel Springer's strategic transformation and Hearst Magazines' "From Months to Moments" – encouraging top executives to repeat, relentlessly so, their messages whether it's subscriptions or transforming into a digital content company.

In closing, Kreisky said leaders must continue to move swiftly and boldly and quoted his friend, Fabrizio D'Angelo, CEO of Burda International: "We are already on the Titanic lifeboats" and if we don't move quickly to acquire digital speed we won't reach the shore."

Michael Finnegan, executive director, strategy and operations at Atlantic Media

The way in which companies need to change their culture was also the core of the presentation by Atlantic Media's Michael Finnegan.

He explained that a decade ago Atlantic Media was a largely print-driven media company struggling to make sense of the emerging digital publishing world. Yet in 2015 the company is one of the most celebrated examples of how a legacy publisher can not only pivot to a multiplatform strategy, but also protect its long-standing core brands.

Finnegan stressed that it is the "culture and operational structure that enables us to adapt to new challenges and keep up with the pace of modern media."

Over the decade the company doubled its revenues and in the last two years achieved 50 per cent revenue growth. Finnegan confirmed that the company's legacy brands had "bottomed out" and that had enabled Atlantic Media's new products to drive new growth.

Back in 2005 Atlantic Media was three business units and six brands, Now it is four business units, 22 brands, and a digital audience of 50 million. Even print circulation has grown by 20 per cent bolstered by the success of the company's digital products.

Finnegan believes that it was the company's culture that enabled them to avoid some of the pitfalls that legacy media companies had to deal with, and he outlined four core pillars of the culture - premium content, sales culture, talent and decentralisation.

Finnegan then moved on to describing Atlantic Media's sales culture - suggesting that "premium content is great but if you can't monetise it you haven't got a sustainable business."

The company tripled its sales team from 2010 to 2015 - and now boasts a "fully modern digital content and native advertising sales team." He added that "we celebrate our sales team as much as our editorial team."

Finnegan then explained that Atlantic Media has a "relentless pursuit of talent." He then described the Atlantic Media Fellowship programme - a one-year programme for people straight out of school. He said that 17 per cent of the company's staff are current or former fellows.

Finally Finnegan discussed the company's mantra of innovation through decentralisation: "We had a business model with a corporate core and strategy and innovation came from a few people. As the pace changed we shrunk the role of corporate and pushed strategy, innovation and execution to the business units. Everyone is accountable for growth and keeping tabs on what else is going on in the industry."

CONTENT INNOVATION

Reimagining print products for the digital age was another on-going theme. How do publishers innovate in the content they produce?

Kevin Delaney, editor-in-chief, co-founder and co-president, Quartz

"We were given a brief to be as bold and creative as possible," said Kevin Delaney, editor-in-chief, co-founder and co-president of Quartz. "We took that brief as literally as possible."

Delaney then explained the genesis of the Quartz site. "Our goal was to serve business professionals around the world with smart content designed to be read on whatever device they had near to hand," explained Delaney. "And to do this we started with the question: 'What would the Economist magazine be if it were created now?'"

The site now boasts 16 million monthly readers and issues a daily email with 160k subscribers.

Delaney explained that the growth has been fuelled by laser-like focus on three key things. "The site is mobile first, secondly it is a global site (our reporters speak 25 different languages) with a focus on the new global economy and thirdly it is journalistic in its approach." Delaney explained this as a complete focus on "creating quality content."

From day one, Quartz was different. "We could have called the website the international business news journal," said Delaney, "but we took a different approach and named it Quartz."

Controversially, Quartz was the first high profile content website that was created without a traditional home page.

"Any focus on the homepage would be a distraction," said Delaney. "Even big brands are seeing homepage traffic declining. So our focus is on the article page and the ability to share content."

Interestingly, a few years down the road, Quartz does now have a homepage - but again it is not just a list of links of latest stories. Rather it is a news briefing page which Delaney describes as "experimental."

Many of the Congress delegates spoke about how images and video content were increasingly becoming central to their editorial output.

Sandi McKibbon, director account management creative services group, Rogers Communications, Canada

"The adage, 'a picture is worth a thousand words,' has never been more true today," according to Sandi McKibbon, director account management creative services group, Rogers Communications, Canada. In 2015, images are an integral part of social and mobile web, and the number posted, shared, liked and tweeted online is growing. An estimated one trillion photos will be taken in 2015, McKibbon said.

McKibbon sat down with Ash Barhamand, photography director for WWD and Michele Stueven, assignment manager: entertainment with Shutterstock Rex at the FIPP Congress, to discuss how they've been using video and images to make the most of social, mobile and the visual web.

Images are essential to WWD, Barhamand said. "They're very important to us as a way of advertising the content we have and the magazine."

A platform like Instagram is a great brand-building platform, Barhamand said, adding that the trick was not to give everything away when posting content.

At photo agency Shutterstock, gifs, which are sequences of photos animated, are gaining more traction. Search on Shutterstock has grown 70 per cent for gifs over the last couple of years, Stueven said. "If you have one on your story, it draws you into the story and is very shareable."

Stueven, the former deputy photo chief at *People*, said that Shutterstock is also seeing an increase in search for cinemagraph, a combination of photo and video, where a single image is transposed with moving images around it.

Keeping pace with the rapid pace of change is a challenge, though Stueven and Barhamand say publishers can use the digital sphere to their advantage.

"They can pretty much put a story together from the time Taylor Swift put up a tweet, and an anchor photo," Stueven said. "Celebrities speak to their fans directly through social media, you just have to be the first person to catch that."

Anne Kofol Hogarty, vice president of international business at BuzzFeed

One of the highest profile media success stories of recent years is the viral driven social savvy publisher BuzzFeed.

Anne Kofol Hogarty, vice president of international business at BuzzFeed, described how the site has grown to have more than 200m unique visitors per month, from 40m. "It began with the idea that high quality content is measured by how shareable it is," Hogarty said.

"Animal content isn't popular everywhere," Hogarty says. "In the UK market, audiences prefer "snarky and satirical content."

Hogarty says there's no "rinse and repeat cycle" you can use to develop new markets. "You have to change the tone."

Internet culture is global, but this does not mean US content is successful everywhere.

Each new market targeted is approached in a nuanced way. "We have grown organically," Hogarty said. "We look for great local talent and adapt the model to the market."

This includes the advertising – which is all native and developed for the site.

"We have no template," Hogarty says. "Every new editorial team begins with an editor and expands to a small team that is nurtured in an individual way."

The one lesson to take away from today? "Approach each market differently and get to know the talent and the nuances of a culture. Discuss if a partner would help launch the model in a place," Hogarty says. "Evaluate each place separately."

Tom Gierasimczuk, publisher and general manager of Vancouver and Western Living magazines

Being sympathetic to local audiences was also a theme of a panel, hosted by Tom Gierasimczuk, publisher and general manager of Vancouver and *Western Living* magazines, featured Ruth Devlin, executive editor of Studio Classroom in Chinese Taipei, Robert Goyette, editor-in-chief of Reader's Digest, Canada, and Carole Beaulieu, publisher and editor-in-chief of L'Actualité, Canada

They discussed the notion that publishers need to be aware of local culture and nuances.

In Canada, for example, there are cultural and religious differences magazine publishers have to be aware of. According to Beaulieu, 57 per cent of Quebecers speak French, 43 per cent are bilingual.

"Arguably, 40 per cent of the population would like their own country, so they wouldn't like a magazine called *Our Canada*, so we decided not to launch in French," Goyette said. "You have to be aware of local differences and cultures."

Sélection, a Quebec magazine featuring content curated for francophone Canadians, is a good example, Goyette continued. "Seventy per cent of the content is translated into French, but 30 per cent is local content."

Technology has allowed languages to transcend borders in North America, said Carole Beaulieu. "It has widened our opportunities to find readers outside our borders," the publisher of French-language L'Actualité said. "There are moments we have more readers in Florida during the year than we do in Quebec. It's been an exciting moment to see our readership grow. We have a really solid pocket of French-speaking individuals in Florida because there are a bunch of Quebecers who go down for six months."

There can be nuances and challenges in multi-language magazine sales. Goyette's *Reader's Digest* mostly deals with national advertisers who want to deal with both English and French audiences, he said. "We find a lot of advertising is pure translation," he said. "We have a role of making sure that the advertising is up to the editorial standards of our publication."

Koda Wang, COO of the Huffington Post

Many of the delegates also spoke about their plans for global expansion. One company that has led the way in which it has extended its brand across the globe mainly through partnerships is *The Huffington Post*. What began as a largely politically focused blog in 2005, has established itself as an important news and lifestyle content site in the US. And then it went global.

Following its acquisition by AOL in 2011 it embarked on an aggressive expansion plan, which was outlined in detail by the company's COO Koda Wang in one of the afternoon sessions at the FIPP Congress.

Describing the journey as "fun and fast but not easy," Wang explained that *The Huffington Post* was now active in 15 global markets and that international audiences now account for half its total traffic - which is around 200 million visitors per month.

To achieve this growth the company has executed a fairly unique strategy in that it has in most territories chosen to work with partners. Wang suggests that the model's strength is that "it combines the global expertise of *The Huffington Post* with the localised knowledge of partners, to create a global operation with local strengths."

Its partnerships have been very successful with the site being in the top ten, and in many instances top five, news sources for almost all its territories. It most recently launched in Japan and within a year had already become a top five news site.

Wang then expanded on why he thinks that *The Huffington Post* has struck a chord with so many international readers.

"Our vision and essence have stayed the same no matter where we go. We aim to inform, inspire and entertain audiences. In particular our focus on positive stories, a layer that goes across almost

our editorial sections, and defines *The Huffington Post's* voice, clearly chimes with readers." He added that he wanted the websites to enable readers to live better more fulfilled lives.

Finally Wang underlined how attractive the concept of a worldwide network is to brands. "*The Huffington Post* offers global advertising solutions for global brands. We can activate campaigns at a global level - 15 markets 200k UVs, premium audience. At the moment it is global display, but we will be able to soon have a similar offering for native advertising."

John Harris, editor in chief, Politico

Taking a similar approach to global expansion is the site *Politico*. John Harris, editor in chief, spoke about how *Politico* came to be a niche political magazine, noting that the idea for the publication came from asking themselves what was next for media. Now, with its European expansion, it has aspirations to become a global brand with Axel Springer as their European partner.

Harris said they believed there was a robust future for both editorial content and business success, and there was a way to tie those two things together.

"We went to a niche model instead," said Harris. "You cannot come to *Politico* and read a word about what's happening in Hollywood. We aimed to be good at two things; national politics and the creation of policies."

Although they have expanded on the model idea, those main points are still what they focus on. Harris said that there are so many consumers but it's difficult to monetise on those masses with broad information publications. To combat this problem, Harris says that they are not trying to build mass following but they're trying to build intimacy with their consumers and be indispensable to that group.

Harris said that journalism that stands for excellence is key to business growth, he said that there is an audience for high quality long-form journalism when it is done right.

Finally, Harris spoke about the new partnership with Axel Springer, saying that there is a promising opportunity in Europe. *Politico* and Axel Springer share the same base journalistic values. He said that it is about moving forward since there is no going back to the old form of journalism.

"The key to what we do (in the United States) and (in Europe) is by being very focused on who we are and what we do well," said Harris. "We're not trying to cover every story, we're focused again on intimate relationships with our audience."

INTEGRATED PLATFORMS

The rise of Snapchat's Discover, which has generated huge traffic for its first generation of publishers, as well as offerings from Facebook, has once again left publishers mulling the rise of integrated platforms and the pros and cons of sharing content with them.

Jacob Weisberg, chairman of The Slate Group

"There are some destination sites that are growing in the US," suggests Jacob Weisberg chairman of The Slate Group, "but a lot of them are seeing declines. It is becoming very hard to build an organic audience for a destination site anymore."

Slate continues to post excellent traffic and revenue figures, "a validation of what we have always believed about quality content" he argues, but he also reckons that changes to content delivery might be very good news for publishers.

"Content creators returned to quantity of publication rather than quality. Each piece of content you publish is a lottery ticket, so you need to provide more to get viral lottery tickets."

Going forward Weisberg sees the big changes in publishing as being driven by the tech companies and the way they are pioneering integrated, distributed content.

“Distributed content - which is a term that’s coming into use – describes the way social platforms like Twitter and Facebook offer content in a natural and integrated way. It has been developed for mobile and is a way that the social platforms can serve quality content, but keep readers on their sites.”

Weisberg cites Snapchat whose Discover program, which has so far seen 15 publishers provide bespoke content for the platform, as a key pioneer. Since then Facebook has experimented with its own distributed content format Instant Articles, Twitter launched Moments last week, Apple has its own offering, while Google has AMP. All integrate content seamlessly and all deliver it in a speedy way on the social platform.

Weisberg believes that one of the main reasons for the tech companies offering the platforms for content - fast loading times of articles on mobile devices -will have profound implications for publishers.

“The platforms eliminate the latency or lag time that it takes a page to load on your phone. With Instant Articles it renders instantly. I expect it will be a standard and people won’t tolerate eight second latency which could pose problems for publishers.”

As Weisberg explains, “Publishers have a range of views about working with the tech companies in this way.” He points out that “some see the downside that you don’t get the data from users and most importantly you are building your treehouse in someone else’s tree.” He adds that at the moment Facebook is offering a favourable deal to publishers in that they can keep 100 per cent of the ad revenues associated with the content, but warns this might change.

The upside is that this is where the growth is for publishers. The downside is that: “You are holding hands and jumping off a cliff as you are hostage to the plans of the giant tech companies”.

Ultimately though the new way of consuming content on mobile devices via social platforms is sure to have a profound effect on the future of publishing.

VIDEO

Over the last couple of years video has moved from being an interesting sideline for publishers to one of their core products in terms of both engagement and monetisation. The ongoing battle between Facebook and YouTube has pushed advertising rates up, while publishers have started to experiment with Virtual Reality, longform and instant video.

Koda Wang, COO of the Huffington Post

The company which arguably has the most aggressive video strategy is *The Huffington Post*. COO Wang explained that as much as 50 per cent of its content will soon be video based. Using a mixture of bespoke and bought in tools the website’s employees can see what’s trending then move content across the blog systematically to make video content go viral at a global level.

Kevin Delaney, editor-in-chief, co-founder and co-president, Quartz

Quartz is another company that has significant plans for video. Delaney admits that it is a work in progress. “We hired three polymaths and gave them six months to create all kinds of content to see what types of video people are interested in. We publish directly onto YouTube and Facebook and don’t yet monetise what we do. We have had 40 million views so far and will start monetising video content soon.”

Melinda Lee, VP, digital content and audience development at Hearst Magazines International

Melinda Lee, vice president of digital content and audience development at Hearst Magazines International stressed how central video is to Hearst’s strategic outlook.

“Video is quickly becoming the most powerful superhero of all the content types,” according to Lee. Year after year, video has a growth rate of over 100 per cent and offers content which engages an audience through audio, visuals and motion.

Video is also incredibly versatile, and Lee said that it is easy to take list information and turn it into a video by adding simple visuals. Although video is versatile and growing in popularity, if it is not planned out properly it can become quite costly to produce and store which then takes away from the budgets of other content formats.

REVENUE STREAMS

As ever delegates were focused on exploring new revenue models. With the jury seemingly still out on hard paywalls as practiced by the News Corp, a panel at the FIPP Congress explored alternative methods of getting users to pay for content.

Alexander Klöpping, founder of Blendle

Alexander Klöpping, founder of Blendle, talked about how his enterprise, which enables micro payments to read individual articles which are curated from a number of publishers in The Netherlands and Germany came together.

“What if there was one website and you only paid for stuff you are interested in, with money given back to you if you don't like it?” he asked. “And how about if we could filter stuff that we think you would like to read? It works for consumers and publishers, who get to keep 70 per cent of what we make, (they) like it too.”

Klöpping then described the type of content that works well on the Blendle platform. He noted that clickbait stuff tends to be widely read, but that is the type of content that people ask for refunds. “What works best are beautiful journalistic pieces, which are well researched. Vivid good journalism.”

He also explained that the most successful content in Blendle so far was exclusive content that was published on the platform before anywhere else.

Finally Klöpping argued that publishers needed to, at the very least, give the impression that content they produce is valuable. “If you instil a sense of value, that is at least a start. That is why we don't worry too much about refunds. At least people have begun to see that content has a value.”

Craig Barnwell, head of customer knowledge at Dow Jones

How you make more money from your existing audience was a core component of several panel discussions. Craig Barnwell demonstrated how to move an audience to become members from just subscribers.

“The difference?” He explained: “It's a relationship, not a transaction,” suggesting magazines should make more than one point of contact with their subscribers per year when they ask for money.

To engage new subscribers Barnwell said he would aim for ten points of contact in the first month. “Don't force it, but deliver your message persistently.”

The membership should be “a point of pride,” he said. “Think about it like a club where everyone feels comfortable. Where they all share a common attitude and values.”

But monetising the relationship is key in turning the subscription into a membership. “The product has to be valuable to customers and the value should outweigh the cost,” he said.

Regarding premium content, Barnwell says you have to release some free content to make the paid content seem more worth it.

To combat the challenges, Barnwell focuses on putting the customer first. He said, “they are the only constant we have.”

You have to show you value them, he said. “You can bring in volumes easily, charge US\$1 for a month, but you won't bring in the right people that way. You want to bring in the right people.”

John Harris, editor in chief, Politico

Harris discussed the work that goes into creating content that can have a premium cost and how brands can go about monetising it. "There are two ways to go about this," said Harris; "one is to produce content that is so valuable to the consumers that they're willing to pay for the content. If the content is important enough and is hard to find elsewhere, then consumers are more likely to pay more for this information."

Politico Pro is the company's premium information service. This subscription allows readers to gain access to articles that are not available on the regular website. Harris said that it is "quite challenging to have people subscribe to this service due to the high yearly cost, but he noted that once people have subscribed the re-subscription rate is above 90 per cent."

IBT Media's chief content officer and co-founder, Johnathan Davis

One unlikely trend that emerged during the FIPP Congress was the growing number of digital-only brands that are now embracing print. Chief among these is IBT Media, a digital-only publisher with a heavy emphasis on technological innovation which recently re-launched the *Newsweek* magazine

IBT Media's chief content officer and co-founder, Johnathan Davis, talked about having to re-think the magazine. "Newsweek had been a news digest, a review of the week with a deep understanding of what happened," explained Davis. "Yet that's available on the internet, so we needed to change it."

Davis put together a new team and a new content philosophy, but kept the facets of the brand that he felt made it great in first place - "great storytelling, great writing." What emerged was a shiny new platform for great opinion and analysis and not just a digest.

For Davis the purchase and relaunch of a print *Newsweek* made total sense. "Newsweek matches the DNA of IBT Media," he said. "We knew there was tremendous brand equity when we bought it and we wanted to add digital know-how and experience to the brand."

"We started to get a lot of correspondence from old subscribers asking for the magazine again. And once we understood there was some demand, we thought let's focus on re-launching with a superb editorially-driven product aimed at consumers rather than advertisers."

"We wanted to create a magazine that people would want to buy," he added. "So we went for amazing covers, high quality paper, perfect-bound, great photography. I believed that if we focused on the consumer, advertising would naturally follow."

Asked whether print was a short-term strategy and if *Newsweek* might become digital-only at some point in the future, Davis responded robustly: "As long as there is demand, we will continue to print."

"*Newsweek* still has tremendous brand equity. It is instantly globally recognisable. *Newsweek* speaks to the world. So we are looking for the right type of licensing partners to extend its reach. We are the stewards of the brand, the voice, tone etc. and we can partner with others on digital best practices, but they will know their market better than we will."

"With *Newsweek* we have a world class brand with world class content. We are still finding best practice for storytelling and journalistic rigour. And we see a lot more headroom. We are only getting started. We will have bigger teams on the business side, we are also going to focus on events and licensing and then of course, more partners."

Tom Bureau, CEO of Immediate Media Co

Tom Bureau described how his four year old company has shifted its focus from being a publication company to becoming a special interest content and platform company.

"We want to focus on world class content," said Bureau, CEO of Immediate Media Co. "But we don't think that's enough. We think you have to be a world class platform company as well."

Using its wedding publications as an example, Bureau showed the majority of sales in regards to weddings did not come from content, but instead from products that this content led brides to.



Bureau said Immediate Media Co decided to shift its strategy by investing in Hitched – a wedding marketplace that connects supply-to-demand. This way, people can read the content and right away go and purchase the items that they've been told about.

Bureau said that it is the best way to be successful; if you offer the content but are also offering a means for the audience to buy what the content talks about, then you will be more profitable.

In the past three years the company has increased its profits and staff, and has begun to bring in different types of employees, which Bureau says is very important. Bringing on board staff with retail and online backgrounds and a vast knowledge of content delivery among other skills, has allowed them to improve their versatility and help to strengthen their spot in the changing industry. "We've created an environment where our people can be their best," said Bureau. "We want them to be excited and we want to help develop them."

Kevin Delaney, editor-in-chief, co-founder and co-president, Quartz

The growth of native advertising has created a new revenue source for publishers. But with native comes new challenges. Publishers need to create teams to create and control that advertising, which means they need to equip themselves with new talent.

"All ads are bespoke ads," said Delaney. "We wanted to create beautiful ads that would be better for both readers and advertisers. We are also working with brands on native advertising and endlessly try and improve the quality of the ads we sell. We have passed up easy money by ignoring pre-rolls, pop ups, take overs, etc., as they are not what our readers want."

"Our ad team is unusual in that it includes a lot of creative people, some of whom have a background in journalism and content creation, as well as developers and designers."

CONCLUSIONS

After several difficult years magazine businesses are now starting to once again assert themselves, launching innovative products and discovering new monetisation options. In particular the growth of membership schemes, the potential of micro payments and the ongoing exploration of ancillary services, like conferences and events, are starting to become pivotal to publishers.

For more ambitious and wealthy publishers, acquisitions of complementary services is becoming a very attractive option and it is one that Immediate Media Co, which is snapping up ecommerce companies to integrate into its content offerings, is continuing to innovate.

Many publishers are also seeing the benefits of partnerships and acquisitions. The new wave of US publishers that emerged from the blogging boom of the mid noughties (*The Huffington Post* and others) are ambitiously eyeing new markets and seeking deals with established media groups in new territories. Legacy magazine publishers are also flexing their muscles with new purchases - like Axel Springer's acquisition of *Business Insider*, as well as aggressive moves into new territories such as Burda's expansion into Africa.

There are still many issues which media company execs continue to wrestle with - like the growth of ad blocking, the monetisation of native advertising and the opportunity afforded by the growth of video. And perhaps the most crucial of all, the change in culture from print to multiplatform. Ultimately though, the FIPP Congress 2015 will be remembered as an event where the possibilities for the future outweighed concerns about the challenges.

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