

Sustainability of News Broadcast Archives

Jill O'Neill, NISO

March 2, 2018

Market Forces Driving Change in the Broadcast Industry

Change I: Consumer Behavior

The 2017 Reuters Digital News Report found in its analysis of survey respondents in the United States that mobile devices were used with equal or slightly greater frequency as television for purposes of taking in news content. The Pew Research Institute had a similar finding in 2017. While true that the behavior is predominant among the younger demographic of those below 35 years of age, the shift is occurring across all age and income groups. Perhaps associated as a behavior is that use of mobile devices is just as apt to occur in personal home spaces (bedroom, bath, etc.) as in public spaces, such as when commuting.

The same youthful skew is apparent in format. Those under 35 are more likely to pull up a digital online news source, paying less attention to whether that be a branded digital newspaper (such as the New York Times) or a digital broadcast (such as CBS News). Social media platforms may be used as the initial point of discovery (such as seeing a shared link on Facebook or a Tweet containing embedded video) but mobile access to either a branded destination site or to a mobile app is increasingly how the news is consumed.

While populations over the age of 35 are more likely to view over-the-air (OTA) broadcasts, those under 35 tend to go online to follow the news using over-the-top (OTT) online access, taking advantage of Internet connections and public WiFi, while consuming both text and video (usually favoring shorter clips of under 5 minutes). Research firm Park Associates noted in 2017 that 63% of U.S. broadband customers subscribed to at least one OTT service. Depending upon the particular setting (home, public space, in transit mode), content may be streamed to a device or delivered to a branded app on the device using either a proprietary telecommunications network or over public Wi-Fi.

Based on the work done by Reuters Institute and the Pew Research Institute, it seems that consumer behaviors are reaching or have reached a tipping point.

Sources: <http://www.digitalnewsreport.org/survey/2017/united-states-2017/>
<http://www.pewresearch.org/fact-tank/2017/09/07/americans-online-news-use-vs-tv-news-use/>

Takeaway: While still utilized by some percentage of viewers, the morning or evening television news broadcast no longer serves as the dominant framework for absorbing a daily digest of current events. While the conventional practices of television news gathering may remain, dissemination to the younger audience is moving towards a model that reflects a more dynamic, more personalized model than that which is being archived.

Challenges for News Providers: The key concern for all news organizations is how to accommodate the preferences of an audience whose preferences for news consumption are not geared to television.

Challenge for Existing Archives: If anchored morning or evening broadcasts from major television networks are no longer the model for delivering the news, archives may need to rethink the particular news format being archived as it is delivered in new formats and across new platforms.

Change II: Packaging of News Content

Because mainstream news casts are less likely to attract young viewers and because the corporate entities behind those news casts may be viewed as less trustworthy, those responsible for the transmission of news are re-thinking content presentation as well as the financial structure needed to support the re-formulated presentation. This opens the field to new entrants, both small and large. Regardless of preference for Android or iOS operating systems, users can take in news just as easily from non-traditional branded news outlets (Cheddar, NowThis, etc.) as from traditional broadcast sources (BBC, CBS, NBC, ABC, etc.).

Relevant examples include:

(1) **NowThis**, owned by Group Nine Media, is moving from its original format of short form news video production to longer formats, such as hour-length video specials with public figures such as Senator Bernie Sanders. NowThis (with the tagline *Stories That Move*) gets 2.5 billion monthly video views by streaming video news stories over the Web and specifically to the Snapchat and Facebook apps; while some news footage may be supplied by organizations such as Reuters, there is a drive to create original content. Content on the NowThis site is generated through multiple sources; one video transmission recently featured a story covered by the Orlando Sentinel, combined with video footage from the Kissimmee Police Department); entirely original journalism is prominently labelled as such. Stories are subsequently grouped according to specific audience interest and appeal (legalization and addiction, immigration, LGBTQ+, etc.). One curious omission? The NowThis site is browseable, but not searchable.

(2) Launched in February of 2016, **Cheddar** characterizes itself as a “Post-Cable Network”, broadcasting from the floor of the New York Stock exchange, focusing on business news in technology, media and entertainment. Cheddar has been successful in attracting venture capital funding (\$32 million in Sept 2017) and in rapidly expanding its reporting staff to 100 employees. Cheddar content appears on a variety of platforms (Amazon’s Twitch, Dish Network’s SlingTV, etc.). While Cheddar may lack the immediate brand recognition of well-known television networks, their content has found acceptance in the targeted viewership.

(3) At the other end of the provider spectrum, the **BBC Global News** organization in 2016 began offering specifically tailored video content on their mobile app, shorter in length to be more readily absorbed or “digested” and designed to be viewed vertically on mobile devices.

(4) Bloomberg, a globally-renowned news organization, introduced its own social-first, streaming video news channel when it launched Tic-Toc in December of 2018. Within one month of its launch, the service averages 1 million daily views, featuring five-minute segments on global news at the top of the hour while throughout the day offering live coverage of events while providing context and conversation surrounding those events.

Takeaway: Video continues to be a key broadcast format but provided in a variety of lengths. There is markedly less emphasis on the authoritative figure of the news anchor to guide an audience through a linear arrangement of stories in a series of time blocks. The emerging model offers platform support to the viewer’s self-selected topics of interest rather than suggesting content in which the viewer should have an interest. There is also the assumption that viewing may be accomplished in brief pockets of availability (waiting for a friend, during a comfort break, etc.)

Challenges for News Providers:

- Enabling Content Discovery
- Video Indexing
- Rights Clearance
- Production Workflow and Quality

Challenges for Existing Archives:

- Streaming Video Quality (Note: NARA does not consider streaming video files to have sufficient quality for archival retention on the grounds of quality. Whereas broadcast files have a higher resolution, streaming files sacrifice that resolution due to file size concerns.)
- Rights Clearance

Change III: OTA, OTT & Financial Models of Broadcast

The three models for sustaining broadcast activities are subscription, advertising and transactional. OTA broadcasts have been sustained through cable subscription as well as by advertising. (Video on Demand fuels transactional revenue streams, but may be of less importance to news broadcasts.)

The convenience of mobile access to news content encourages the collection of user data by corporate entities who may then provide more detailed understanding of their viewership to potential advertisers. Apps for all of the major news outlets exist as the mechanism for collecting this much needed data.

Even though apps themselves may be free, streaming media quickly eats through mobile data plans, as younger and lower-income viewers quickly learned. Perhaps as a consequence, the 2017 Reuters Digital News Report notes that the recent US election fueled an increase in paid digital news subscription revenues from younger consumers. Greater selectivity over what they will agree to pay for (so-called “skinny bundles”) and greater comfort levels with streaming through Roku boxes rather than costly cable boxes indicate where a younger viewership is heading. In the meantime, broadcast companies work to protect existing advertising revenues. PwC (PriceWaterhouse Cooper) noted in 2016 that alternative platforms were steadily eating into broadcast television’s revenue from that source. The CEO of Dish Network noted of television advertising rates, “If they continue to raise prices, [and] continue to have 16 to 18 minutes of advertising per hour... then the acceleration [of the move from OTA to OTT] will increase.” As a counter, NBC Universal announced that it was planning to reduce advertising by 20% across all channels.

Advertisers (such Proctor & Gamble with 10 billion dollars in its advertising budget) in turn are experimenting with 2-6 second ad lengths to better fit into the shorter timeframes allocated by a younger viewer. YouTube has eliminated 30 second ads and is experimenting ads that range in the length of 6-20 seconds.

To satisfy business requirements, the strategy developed by OTA broadcasters and cable providers is a hybrid approach reliant on broadband as well as broadcast technology. The standard enabling this (ATSC 3.0) was approved by the Federal Communications Commission (FCC) in late 2017 and announced with great fanfare at CES 2018. Providers send audio and video files over the air, but targeted ads compatible with what is known about the individual device holder are delivered via broadband. Some portion of the televised coverage of the 2018 Winter Olympics operated on this model, at least in part to ensure global viewership. (The U.S. has been lagging in adoption of the model while other segments of the global market, particularly the Asian-Pacific regions, are well ahead in accepting it.)

Such a model is compatible with “smart televisions” – interactive, high definition televisions equipped with larger screens but with the same capabilities of their mobile, small-screen cousins. Their adoption is touted as offering a more immersive viewing experience and supports access to many of the same digital services familiar to Web users.

Large Internet players in the forefront of interactive, “smart devices” (Amazon, Apple, Google, etc.) are competing with cable and broadcast providers for viewer attentiveness and associated advertising dollars. Well-established streaming provider Roku in the fall of 2017 launched its own free, advertising supported channel and is currently partnering with Neilson to ensure that its advertising rates conform to what is currently guaranteed to advertisers by television broadcast entities. Mobile video advertising revenue is expected by 2020 to reach 13.3 billion. This critical source of revenue for broadcasting entities represents a key source of competition. No single entity dominates the space with regard to serving a younger (under 35) demographic.

There is a doomsday scenario for news content in this environment that was expressed by Rasmus Kleis Nielsen, Director of Research, at the Reuters Institute for the Study of Journalism at Oxford University, which he entitled the *Snapchat Scenario* (see <http://www.niemanlab.org/2017/12/the-snapchat-scenario-and-the-risk-of-more-closed-platforms/>). Nielsen expressed concern that 2018 would be the year that a major Internet platform might decide that providing access to news content was too problematic to continue, seeking instead to eliminate or reduce “the number of news organizations allowed to publish to the platform”. Platforms such as Facebook or YouTube face increased scrutiny due the potential for misinformation to be promoted through filtering by black-box algorithms. While influential, well-branded news organizations might not suffer, smaller (possibly, more innovative) news sources might. Access to the broadest possible range of news providers would have the unintended consequence of reducing public awareness and understanding of the world in which viewers live.

Takeaway: PriceWaterhouse Cooper has stated the problem for media businesses most clearly: *“Premium content is expensive, and getting more so. Distribution is a brutal battle for shelf space where only brands that are “most wanted” can hope to win. The steady march of digital technology has ushered in a direct-to-consumer environment characterized by greater choice and user control. There is simply too much competition...to allow businesses to survive on experiences that cater to casual “eyeballs” or infrequent users.”*

Source: <https://www.strategyand.pwc.com/trend/2017-entertainment-and-media-trends>

Broadcast news organizations are still feeling uncertain about how best to sustain their current operations. Their concerns center around brand visibility, understanding and retaining a viewer base, and control over content dissemination. Until stability is reached, those organizations are likely to be reluctant to extend privileges to third-party licensees until they are confident that they are not “leaving money on the table”. Their interest will be in ensuring that theirs is the optimal viewing experience.

Service Enhancements Sought by OTA and OTT Broadcast Entities:

- Single Sign On and IP-Based Services
- Video Indexing Services (Microsoft is working in this realm)
- Voice Activated Services (38% of viewership turns off the device if they can’t find content immediately. Service providers hope to use voice recognition to allow systems to show individuals options of preferred content not previously seen.)
- Personalization (BBC iPlayer expects to be able to use voice detection to determine appropriate viewing selections for a mix of ages in the room.)
- Discovery tools (facial recognition, robust metadata, etc.)

Sources: <http://go.ooyala.com/rs/447-EQK-225/images/Ooyala-State-Of-The-Broadcast-Industry-2017.pdf>

Challenging Questions for Existing Archives

Given the ephemeral nature of news content as well as the on-going shifts in the media marketplace, *for archival purposes*, what program represents the most complete version-of-record of the day's news? Is that what is being captured?

What formats are consistently archived? What percentage of effort must be given over to migration of formats to current technology?

What functional services are available to users at their initial point of access? Can the user watch a clip? Can they search the archive?

Is the archive offering material in the format best suited to the needs of academic researcher engagement? Beyond the viewing of television content, examples of current research applications might include: (a) sentiment extraction; (b) facial recognition or detection; (c) image search; (d) text or data mining; (e) story segmentation; (f) concept detection; (g) topic clustering.

How is the archive branded and made visible to potential users? For example, in a standard LibGuide, is the link to your archive located under News and Newspapers or under Multimedia? What does that categorization imply to the user?

Given that broadcast entities might be looking for potential partners with whom to experiment, how might an archive partner with media outlets? (Note: The Internet Archive is working with the Washington Post, supplying data for use with a Washington Post visualization tool. A credit line appears in the graphic published in the specific Post story. That specific attribution results in branded visibility for that archive.)

Bibliography

Research and Data Resources

Preserving State Government Digital Information: Digital Audio and Video White Paper

Minnesota Historical Society, May 2009

http://www.mnhs.org/preserve/records/legislativerecords/docs_pdfs/DigitalAudioVideo052009_001.pdf

Predictions for Journalism 2018

Nieman Lab

<http://www.niemanlab.org/collection/predictions-2018/>

The Transformation of Network News, June 15, 1999

“How Profitability Have Moved Networks out of Hard News”

Nieman Reports

<http://niemanreports.org/articles/the-transformation-of-network-news/>

Ooyala State of the Broadcast Industry 2018

<http://go.ooyala.com/wf-whitepaper-state-of-broadcast-2018>

Ooyala State of the Broadcast Industry 2017

<http://go.ooyala.com/rs/447-EQK-225/images/Ooyala-State-Of-The-Broadcast-Industry-2017.pdf>

Ooyala State of the Broadcast Industry 2016

<http://go.ooyala.com/rs/447-EQK-225/images/Ooyala-State-Of-The-Broadcast-Industry-2016.pdf>

State of the News Media

Pew Research Institute

<http://www.pewresearch.org/topics/state-of-the-news-media/>

Fact Tank: Growth in Mobile News Use Driven by Older Adults

Kristine Lu, June 12, 2017, Pew Research Institute

<http://www.pewresearch.org/fact-tank/2017/06/12/growth-in-mobile-news-use-driven-by-older-adults/>

PriceWaterhouse Cooper 2017 Outlook for Entertainment & Media

<https://www.pwc.com/gx/en/industries/tmt/media/outlook/segment-insights/tv-advertising.html>

Digital News Report 2017 Overview Key Findings

Reuters Institute for the Study of Journalism, University of Oxford

<http://www.digitalnewsreport.org/>

Nielsen, Rasmus Kleis and Sambrook, Richard, *What is Happening to Television News?* (April 6, 2016). Digital news project, Reuters Institute, 2016. Available at SSRN: <https://ssrn.com/abstract=2771080>