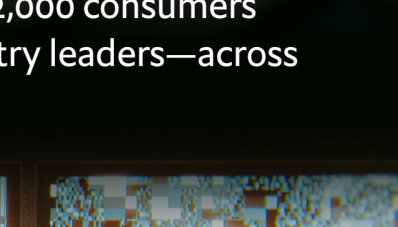


News sustainability

Investing in the future of Asia-Pacific's info-ecosystem



What can news media executives do to secure the future of the news media industry and the vital information it publishes in Asia-Pacific?

To investigate, Economist Impact surveyed over 2,000 consumers and 500 executives—including news media industry leaders—across 12 Asia-Pacific markets.



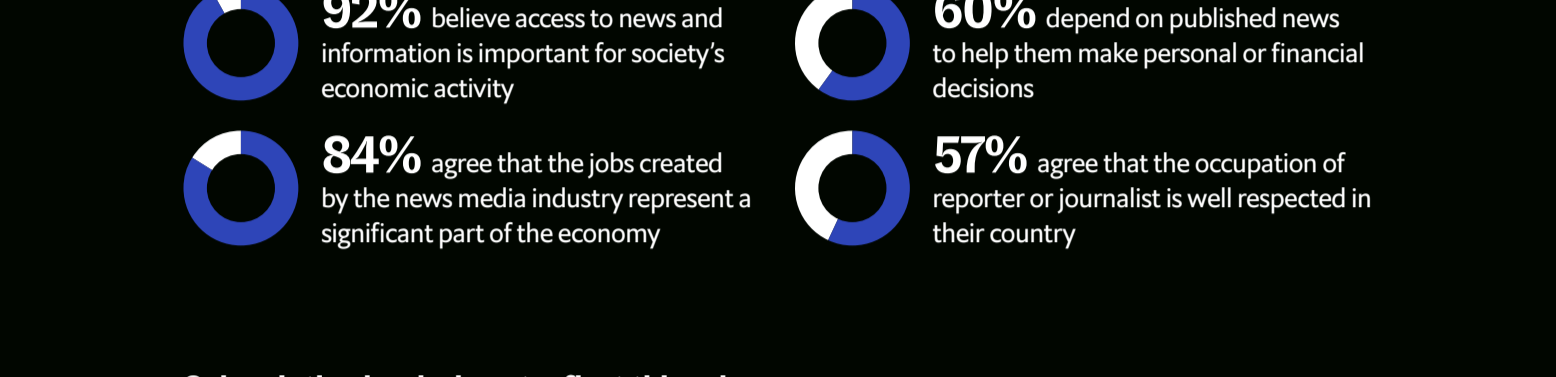
I. A disrupted news media landscape

Digitalisation and its acceleration due to the covid-19 pandemic have completely transformed the news media landscape. The entire way that news is researched, produced and shared has changed, as has consumer behaviour. In response, news media companies in Asia-Pacific need to find new ways of operating to be sustainable in the future.



“I’m not sure why anybody should be breaking news anymore. With digital media, news breaks itself.”

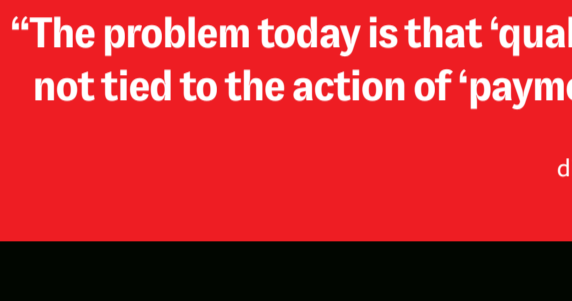
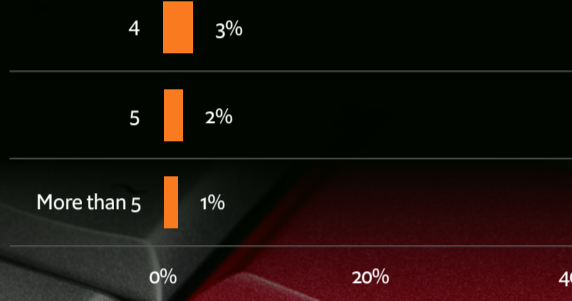
Ross Settle, adjunct professor, Journalism and Media Studies Centre, The University of Hong Kong



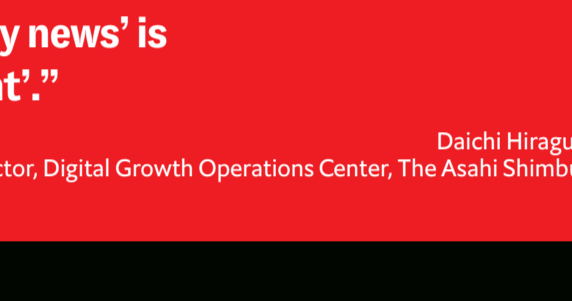
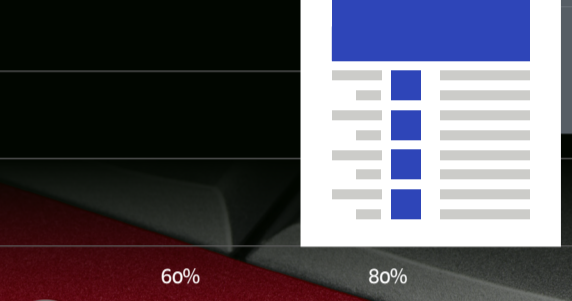
II. The value-payment disconnect

Asia-Pacific executives and consumers rely on news and information to help them make decisions, and place great value on its role in societies and economies, but subscription levels do not reflect this value.

Executive respondents

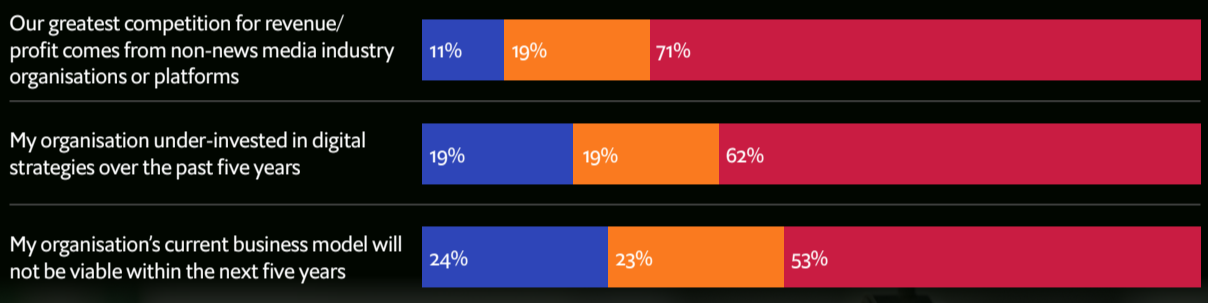
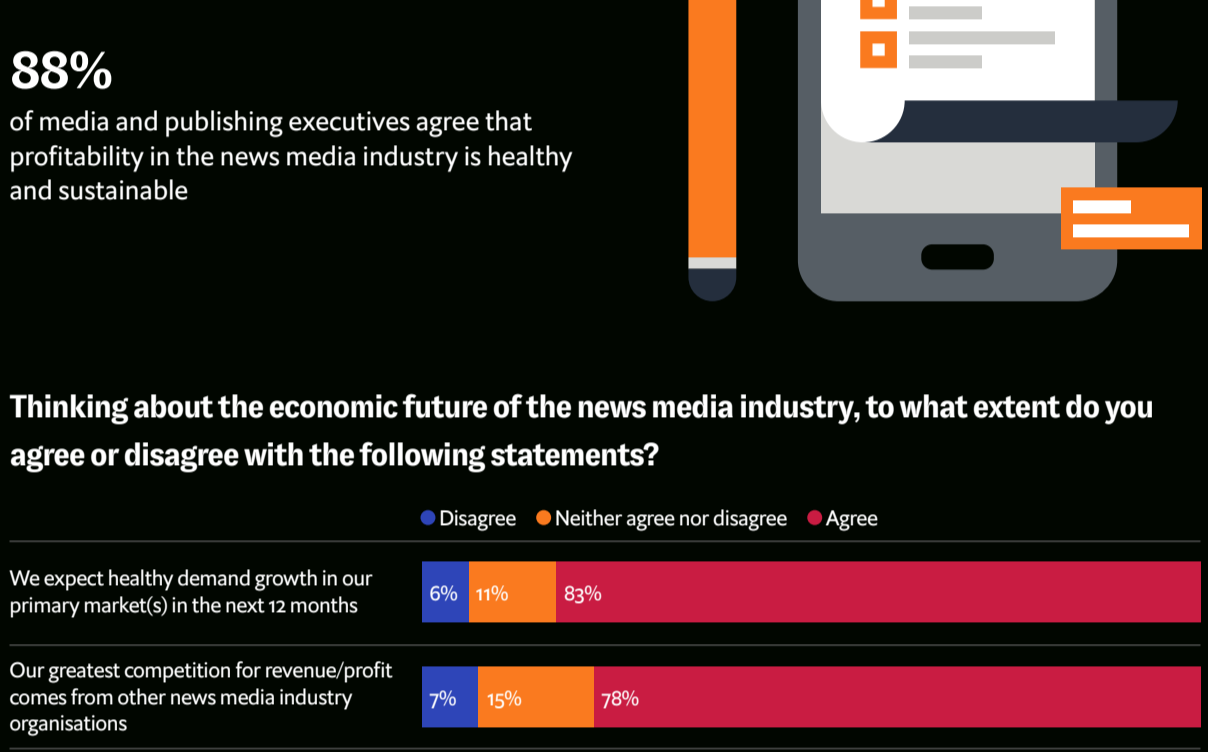


Consumer respondents



Subscription levels do not reflect this value

To how many news or media publications (magazines, newspapers, news services, etc) do you currently maintain a paid subscription?



“The problem today is that ‘quality news’ is not tied to the action of ‘payment.’”

Daichi Hiraguri, director, Digital Growth Operations Center, The Asahi Shimbun

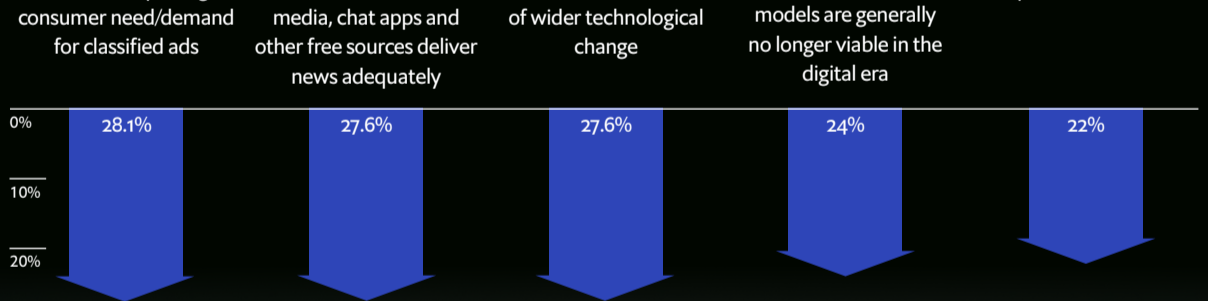


III. Executives are bullish

Despite the challenges, executives in Asia-Pacific are upbeat about the news media industry's future.



Thinking about the economic future of the news media industry, to what extent do you agree or disagree with the following statements?



“The improvement in the quality of [digital] translation has improved exponentially. So in that world, local media companies will potentially become global media companies.”

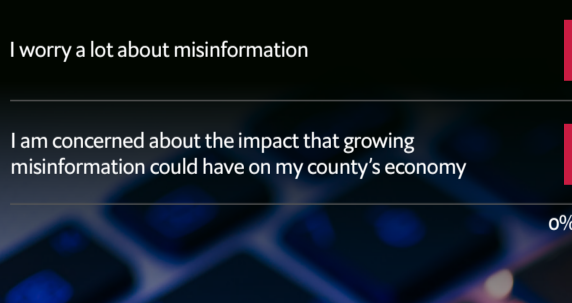
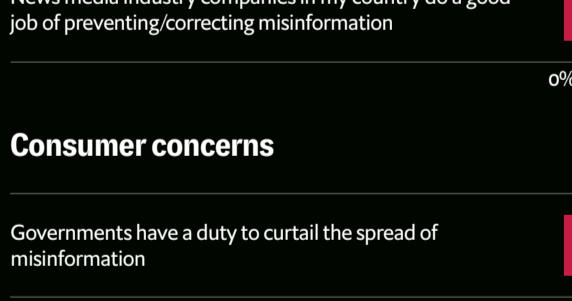
Hiroshi Ohnishi, chief technology officer, The Asahi Shimbun



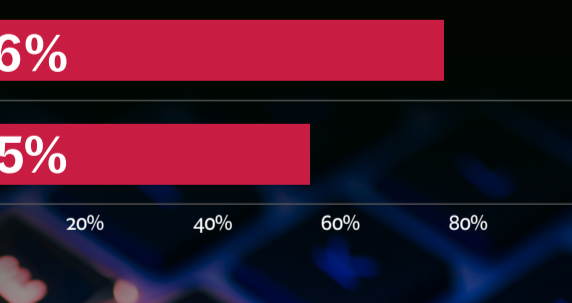
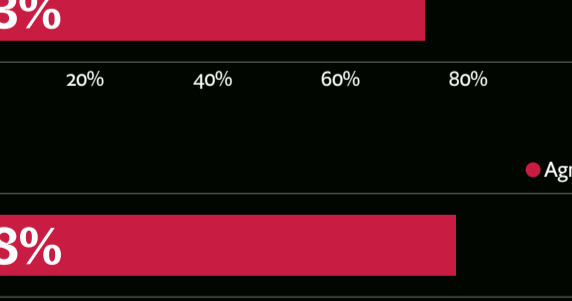
IV. Technology is the key to growth

Investment in new technology is vital to drive sustainability among news media organisations in Asia-Pacific. Executives and consumers have seen technology as a disrupter of industry growth. To move forward, news media companies need to adapt and focus on technology as an enabler.

Executive disruptors



Executive enablers



“Technology is a critical pillar of news media companies today.”

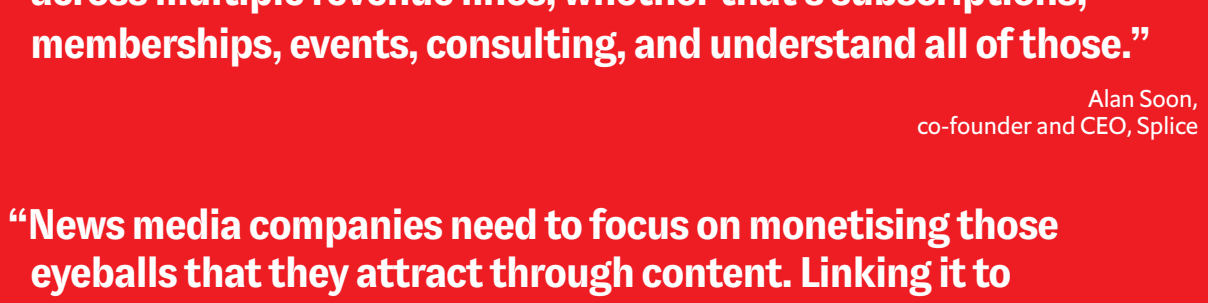
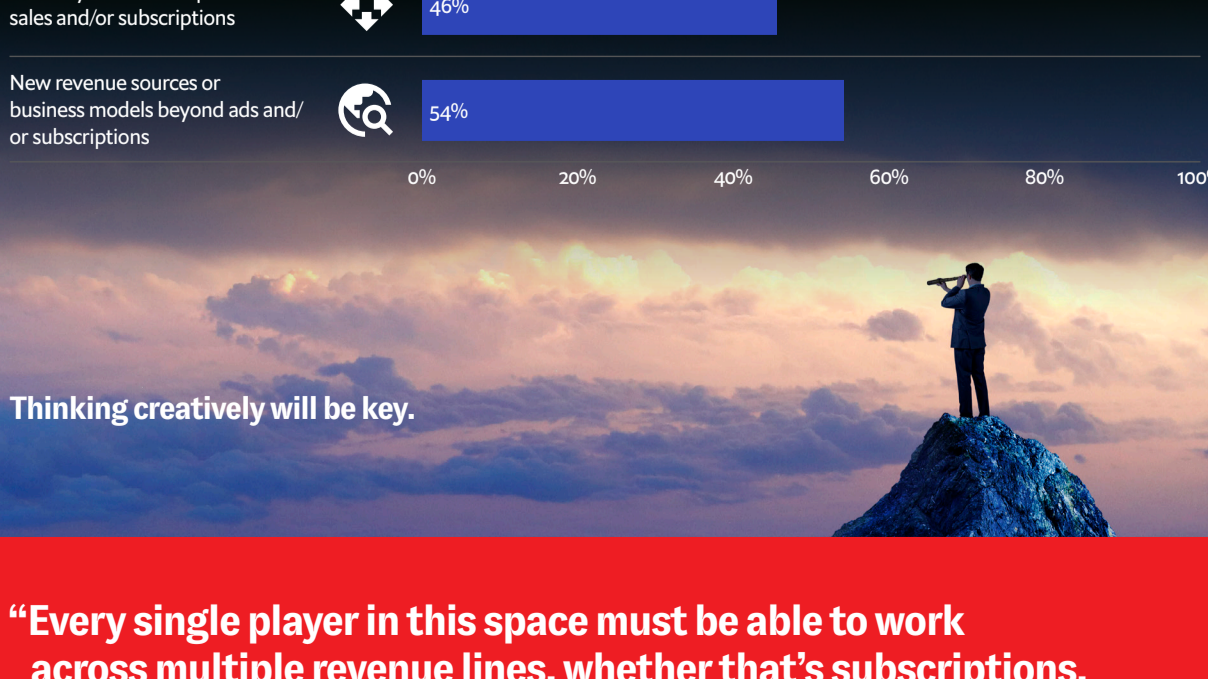
Ritu Kapur, co-founder and managing director, Quint Digital Media Limited



The consumer perspective

The top three factors that consumers believe will cause declining news media revenue in the next five years are technology-based. News media companies need resilient business models to survive.

Which of the following dynamics do you believe will be the most significant causes of revenue losses in news media companies over the next five years?



“I think of social media as an enabler, competitor, and a problematic force that often undermines the best journalism...that's a serious challenge for media companies and for quality journalism.”

Damien Cave, bureau chief, Sydney, Australia, The New York Times

V. Misinformation costs

The advent of social media has amplified the damage misinformation is causing to executives and consumers in Asia-Pacific.

Executives' top concerns

Consumer concerns

“Misinformation goes far beyond media. It attaches itself to the fabric of society and democracy itself. I'm afraid the problem is just going to get bigger with deep fakes.”

Saša Vužinić, co-founder and managing partner, North Base Media

VI. Rethinking business models

Change is hard. New business models will be vital to business success. But there is a wealth of opportunity for publishers, journalists and media organisations to explore.

In terms of business structures or operations for news media industry companies, which of the following strategies do you believe represent a significant opportunity to grow or revive revenue in the next five years?

Thinking creatively will be key.

“Every single player in this space must be able to work across multiple revenue lines, whether that's subscriptions, memberships, events, consulting, and understand all of those.”

Alan Soon, co-founder and CEO, Splice

“News media companies need to focus on monetising those eyeballs that they attract through content. Linking it to e-commerce, I think, will be the key thing that is under explored in Asia-Pacific so far.”

Oliver Wilkinson, partner and entertainment and media leader, PwC Singapore