

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

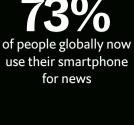
## news is researched, produced and shared has changed, as has consumer behaviour. In reponse, news media companies in Asia-Pacific need to find

I. A disrupted news media landscape

new ways of operating to be sustainable in the future.

Digitalisation and its acceleration due to the covid-19 pandemic have

completely transformed the news media landscape. The entire way that





"I'm not sure why anybody should be breaking news anymore. With digital media, news breaks itself."



Ross Settles, 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.

## society's overall functioning 92% believe access to news and

and information is important for

93% agree that access to news

60% depend on published news information is important for society's to help them make personal or financial decisions economic activity 84% agree that the jobs created **57%** agree that the occupation of by the news media industry represent a reporter or journalist is well respected in

**Executive respondents** 

significant part of the economy

their country

**59%** 

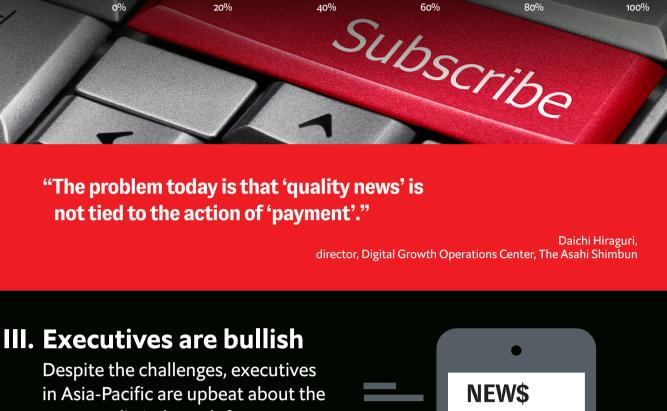
**Consumer respondents** 

82% agree that access to news and

information is important for society's

overall functioning

More than 5



6%

19%

Thinking about the economic future of the news media industry, to what extent do you agree or disagree with the following statements? DisagreeNeither agree nor disagreeAgree

83%

78%

71%

62%

**Executive enablers** 

87% believe digital technologies

media companies

helped increase the profitability of news

83% believe technology has helped

the news media industry create more

83% believe the news media

industry is innovative

Traditional ad and/or

subscription business

models are generally

Eroding public trust in published news

Agree

100%

100%

60%

My organisation's current business model will 53% not be viable within the next five years 20%

"The improvement in the quality of [digital] translation has improved exponentially. So in that world, local media companies will potentially become global media companies." Hiromi Ohnishi, chief technology officer, The Asahi Shimbun

"Technology is a critical pillar of news media companies today." Ritu Kapur, co-founder and managing director, Quint Digital Media Limited

## E-commerce or online Reduced consumer Changing consumer demand because social behaviour as a result

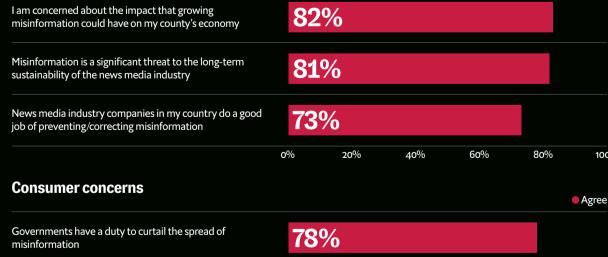
media, chat apps and

**31%** said technological change

digital era news adequately 28.1% 27.6% 27.6% 24% 10%

of wider technological

challenge for media companies and for quality journalism." Damien Cave, bureau chief, Sydney, Australia, The New York Times



**76%** 

the fabric of society and democracy itself. I'm afraid the problem is just going to get bigger with deep fakes." Saša Vučinić, co-founder and managing partner, North Base Media

Establish digital micropayment or microdonation systems

New revenue sources or business models beyond ads and/ or subscriptions 20% 80% 100%

"Every single player in this space must be able to work across multiple revenue lines, whether that's subscriptions, Alan Soon, co-founder and CEO, Splice

e-commerce, I think, will be the key thing that is under explored in

eyeballs that they attract through content. Linking it to

memberships, events, consulting, and understand all of those."

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

news media industry's future.

88%

Our greatest competition for revenue/profit comes from other news media industry 7% organisations Our greatest competition for revenue/ profit comes from non-news media industry organisations or platforms

We expect healthy demand growth in our

(responses by media and publishing executives)

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**  ${f 53\%}$  agree that digital technologies

represent a threat to the business viability of the news media industry 35% believe competition from new digital media sources could be the most disruptive force to the news media industry in the next five years

20%

"I think of social media as an enabler, competitor, and a problematic

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

I worry a lot about misinformation I am concerned about the impact that growing misinformation could have on my county's economy

VI. Rethinking business models organisations to explore.

Reduce prices for products/services Consolidate (mergers or acquisition) Seek government subsidy/ assistance

Intensify efforts to expand ad sales and/or subscriptions

Thinking creatively will be key.

"Misinformation goes far beyond media. It attaches itself to

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

20% 23% 26%

"News media companies need to focus on monetising those

17% 3

of media and publishing executives agree that profitability in the news media industry is healthy and sustainable

primary market(s) in the next 12 months My organisation under-invested in digital strategies over the past five years









Raise prices for products/services

Asia-Pacific so far."

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? 0

system that often undermines the best journalism and the ability of more people to see the best journalism...that's a serious V. Misinformation costs

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? markets displacing consumer need/demand