

COMMENTARY

When Media and Management Collide: An Interview with Lucy Küng, July 2016

Dinara Tokbaeva

CAMRI University of Westminster, UK
d.tokbaeva@my.westminster.ac.uk

A new field of academic research in media management has developed from an embryonic stage over the past two decades, and is now rapidly developing. There has been a lot to discover, both topic-wise and in terms of global market research. Moreover, new trends in the industry are often outdated far faster than they are being analysed, so there is an endlessly disruptive turnover in ideas and practice. It is debatable whether in such an environment media management theory can keep up with the application of relevant theories to a fluid reality. This academic field often finds itself as challenged as the organisations and leaders it observes.

Professor Lucy Küng, an expert on leadership in disrupted industries, is noted for being one of the major theoreticians of this research field, which encompasses both media and management. In May Professor Küng was appointed as Google Digital News Senior Research Fellow at the Reuters Institute for the Study of Journalism, University of Oxford. She brings to the post versatile academic and industry experience in organisational management, that is nourished by her advisory work with leading companies worldwide, including the BBC and Ericsson. 'Change that needs investigating and explaining is everywhere,' says Küng. 'Deep reflection and extensive preliminary discussions with industry are key for relevant media management research', she continues. As she prepares her revised volume on strategic management in the media for publication (Küng: 2016), in an interview to WPCC Professor Küng shares tips for media companies on surviving disruptiveness and talks about future prospects for academic research.

Keywords: media management research; Lucy Küng interview; technology transitions; media industry studies

Dinara Tokbaeva: In a preface to *Strategic Management in the Media* (Kung: 2008) you call it a book 'on an emerging discipline that straddles academic and practitioner perspectives'. How have things changed since 2008?

Lucy Küng: The term 'emergent' still holds, in fact more so than ever. However, this is no longer because the academic field of media management is still embryonic (as was the case in 2008), but rather because the media industry itself is emergent, or evolving very rapidly

indeed. A fully revised second edition of *Strategic Management in the Media* will be published in November 2016, and while researching the new edition the scale and scope of the changes taking place in the sector became glaringly apparent. The endpoint is still open, although the trajectory of change and contours of the new sector are increasingly visible, notably the convergence between the technology and media sectors, with media increasingly a 'specialist division' inside the tech industry.

DT: Professor Robert Picard suggested in 2010 (Moro: 2010) that journalism is safe, but news organisations aren't.¹ What is your assessment for now?

LK: I would love to agree – but can't entirely. Yes, news organisations are clearly under threat – their revenues are shrinking, their costs are increasing (partly as a result of financing the digital transition), and their consumers are shifting towards digital platforms and away from home pages and print editions. News organisations face the double whammy of needing to continue to finance their old legacy operations while at the same time build out entirely new digital businesses to compete with the clean sheet digital news providers. And in this task they are not only under-financed but in a broader sense under-resourced in terms of their digital capabilities.

But I'm not so sanguine about the safety of journalism. Clearly journalism will endure, but I am not sure whether the robust diversity we have grown up with will prevail. I don't doubt the commitment and conviction of the journalism community to produce journalistic content that informs citizens, and serves society in a broader sense. But their ability to do this is becoming increasingly constrained. Established news organisations are growing poor relatively rapidly (with staff cuts are an inevitable corollary). The new digital players are active in news, but their motivation for engaging in the field is different to that of classic news organisations: in many cases news is valuable for new digital players not because of its intrinsic worth, but because it boosts engagement and can be skewed to attract specific categories of 'eyeballs'. Further, as algorithms select the content we are served, news scope and serendipity recede. While the new digital news providers are investing seriously in news and investigative journalism, they are concentrating on a relatively restricted palette of subjects that are particularly interesting to gen y-ers and millennials - climate change, LBGT, activism, terrorism – for example. I would love to see Vice or BuzzFeed take on issues related to local government, but can't see it happening.

DT: One of your most recent studies concerns news organisations struggling with technology transitions. What are the top disruptive forces impacting on the media industry?

LK: From my perspective there are four key disruptive forces:

1. The what feels like unceasing evolution of digital technologies in the widest sense. This development has many dimensions, ranging from the emergence of new hyperscale digital platforms such as Facebook and Google and new digital consumer devices, to advances in data analytics, AI, digital story telling formats and tools and so on.
2. Derived from (1) above, new patterns of media consumption.
3. The sheer scale of the new tech giants. This is probably the biggest strategic challenge, since these disrupters pose a number of threats all of which impinge on media organisations' strategic sovereignty. These include loss of control over distribution, over the context in which content is consumed, of a direct relationship with consumers, and of data relating to that relationship.

4. The enormous financial resources, expertise and single minded innovation focus of Silicon Valley venture capitalists, their bias towards disruption and disinclination to consider longer-term and broader societal implications of their activities (this issue will become more important as innovation around automation and robotics gains pace).

DT: Based on your experience of consulting a wide range of media companies, what are the ingredients of an effective 'surviving disruptiveness' strategy?

LK: 'Survival' is setting the bar very low. The majority of established media organisations are surviving, but few, if any are thriving. And the time dimension is important too: survival in the immediate term is a different thing to ensuring a viable market presence in the long term.

While strategy is always context-dependent, and every organisation is different, the slim cadre of organisations that are succeeding in digital markets do share some common characteristics:

1. They started engaging in digital markets early – this brought valuable insights into how digital markets operate, alerted them to the importance of digital competencies and infrastructure, brought industry links and partnerships, and accustomed them to the fierce pace of the digital media sector.
2. Strong leaders, who understood the scope of the digital transition underway and of its potential implications – positive and negative - for organisations.
3. An understanding of the strategic importance of technology for the future of the media sector, a readiness to invest in digital and to blend digital competencies with traditional media industry ones.
4. A degree of protection from market forces (which could take many forms including strong finances, private ownership, trust financing or public service status) that permitted significant investment in and experimentation with digital.
5. A digital-friendly culture. Legacy organisations that have succeeded with digital tend to view it as a huge challenge, but also as an opportunity for expanding reach and relevance. Critically, they do not correlate digital with lower quality, and are not nostalgic about the analogue past.

DT: According to your recent tweet², your recent volume is on the shelf at BuzzFeed. One tends to think online-only organisations are less disrupted than the other. Is that so?

LK: As the digital pure-plays age, they too will succumb to the forces of inertia that affect all established organisations. The pattern by which large established market leaders at one stage of technological development slip down the food chain at the next is very, very hard to buck. Thus Facebook in the future will probably find itself in the position of Microsoft today (unless Mark Zuckerberg is a truly exceptional leader). In today's accelerated digital markets, legacy status comes fast. *The Huffington Post* is a legacy media organisation in many respects.

But that having been said, some of the large new digital players have proved capable of pivoting very fast, a trick classic organisations can seldom pull off. Facebook's *volte face* on to mobile only days after its IPO, and BuzzFeed's speedy embrace of distributed platforms are excellent examples here. So, the most strategically alert and organisationally agile digital pure plays may prove capable of resisting inertia and of morphing into different entities. BuzzFeed's current shift into TV and movies (note its joint venture movie deal with Warner Bros) is interesting in this respect. This echoes the Bleacher Report's parallel shift into television (and both developments heralded the convergence between new digital pure plays and established media and telcos, evident in AT&T's planned merger with Time Warner, and Discovery Communication's acquisition of four digital properties.)

DT: Which would you say are the most promising areas for media management research in the next few years? And which methodologies or empirical studies do you think it would be most exciting to see developed?

LK: I hesitate to suggest promising areas to research – there are too many to list. The purpose of research is to explain the world around us, and given the current level of transformation in the sector, there has never been a more pressing need to do this, nor a wider range of subjects to investigate – from strategy to structure, from culture to competencies. Change, and change that needs investigating and explaining, is everywhere.

Even at the most basic level, the field is changing so rapidly there is a great need to simply map, analyse and interrogate developments, to refine existing or develop new categorisations and definitions such that they reflect and explain the emerging realities in the industry.

The downside however is that there has also never been a more challenging environment in which to research management in the media. Media management is an applied science; it seeks to apply theory to real situations. But the scope and velocity of change in those situations makes scholarly investigation difficult: change is endemic, boundaries are being redrawn, the next ‘new thing’ becomes old very fast.

My core advice is that in such a hectic context, the key to high calibre research with relevance for industry lies, ironically, in slowness at the start, in deep reflection on central issues enriched through extensive preliminary discussions with industry. The more basic premises, precepts and hypotheses are interrogated, the greater the contribution the resulting media management research is likely to make in explaining the fundamental changes taking place in the industry.

Competing Interests

The author has no competing interests to declare.

Notes

The interview was conducted via email in July 2016 with the understanding that some revisions or clarification might be made before publication via email correspondence.

¹ Robert Picard, the then fellow at the Reuters Institute for the Study of Journalism at University of Oxford and Hamrin Professor of Media Economics at the Jönköping International Business School in Sweden, was interviewed in mid 2010 by Nikhil Moro, an Associate Professor of Mayborn School of Journalism, University of North Texas. The interview was conducted for a Civic & Citizen Journalism Interest Group online blog.

² On May 10, 2016 Lucy Küng tweeted that her book had made it to a bookshelf at BuzzFeed (Tweet available from <https://twitter.com/KuengLucy/status/729971724259889152>).

References

- Küng, L.** (2008 and 2016, forthcoming). *Strategic Management in the Media: From Theory to Practise*. London: Sage.
- Moro, N.** (2010). News organisations will reply upon a greater variety of revenue streams . . . and their proportions will vary. *Civic and Citizen Journalism Interest Group*, 12 August. Available from <http://ccjig.blogspot.co.uk/2010/08/news-organizations-will-rely-upon.html> (Accessed 25 August 2016).

How to cite this article: Tokbaeva, D. (2016). When Media and Management Collide: An Interview with Lucy Küng, July 2016. *Westminster Papers in Communication and Culture*, 11(1), 26–30, DOI: <http://dx.doi.org/10.16997/wpcc.233>

Submitted: 26 September 2016 **Accepted:** 04 October 2016 **Published:** 15 November 2016

Copyright: © 2016 The Author(s). This is an open-access article distributed under the terms of the Creative Commons Attribution 4.0 International License (CC-BY 4.0), which permits unrestricted use, distribution, and reproduction in any medium, provided the original author and source are credited. See <http://creativecommons.org/licenses/by/4.0/>.

 *Westminster Papers in Communication and Culture* is a peer-reviewed open access journal published by University of Westminster Press

OPEN ACCESS 