Disappearing Boundaries: The Challenge for Media Research

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Structure-Conduct-Performance

- Media Industry Groups
  - Products or services that are close substitutes for each other

Differentiation Elements

- Timeliness (Production/Delivery).

Differentiation Elements

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- Portability (Consumption Technology)

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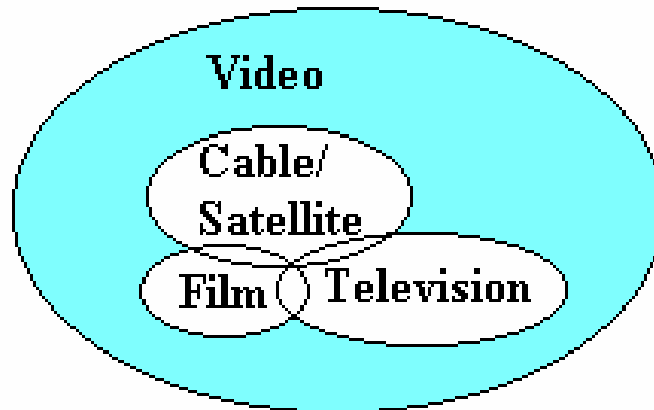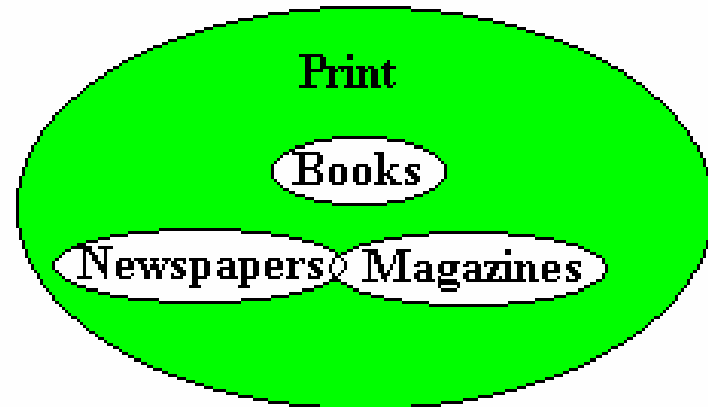- Richness (Sensory/Audience Involvement)

Differentiation Elements

- Timeliness (Production/Delivery)
- Portability (Consumption Technology)
- Richness (Sensory/Audience Involvement)
- Utility (Needs and Expectations)
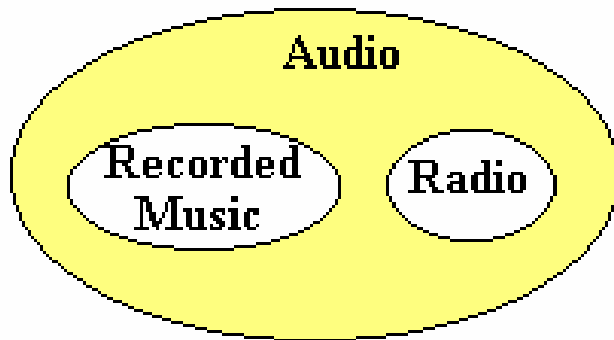
Differentiation Elements

- Timeliness (Production/Delivery)
- Portability (Consumption Technology)
- Richness (Sensory/Audience Involvement)
- Utility (Needs and Expectations)
- Technology also differentiates commercial messages.

Content + Delivery --> Differentiation

Audio

Recorded Music

Radio

Print

Books

Newspapers Magazines

Video

Cable/ Satellite

Film Television

Factors Limiting Competition

- Regulation

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- Economic Barriers to Entry

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- Power of Content Creators

Other Factors Affecting Traditional Industry Structure

- Mergers and Acquisitions

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- Mergers and Acquisitions

- Increased Public Ownership

- Increased Concentration Traditional
  - Concentration Ratios/Market Share
  - "Across-Industy Concentration"
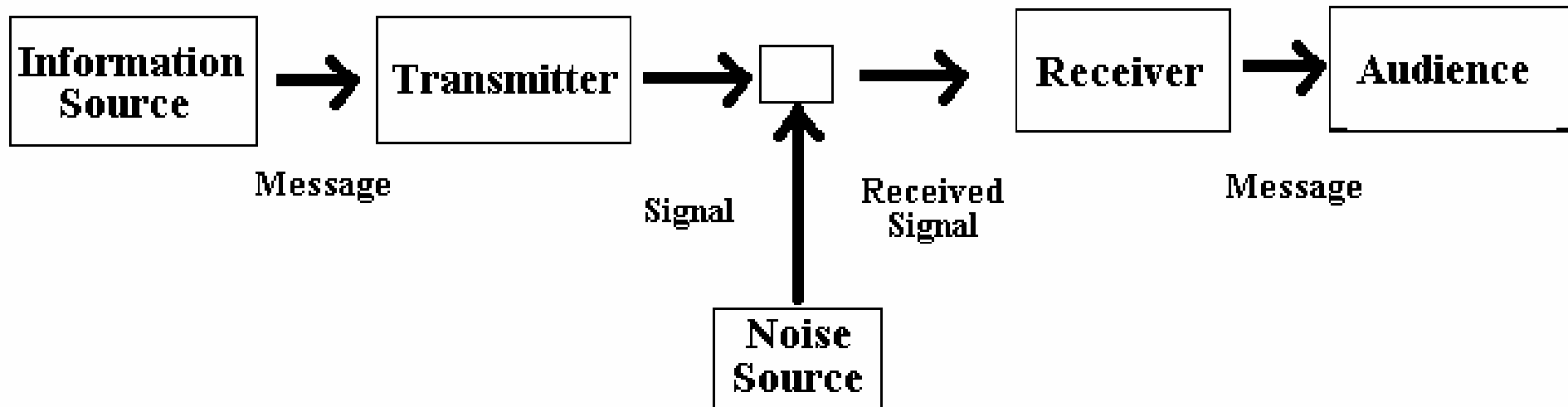
Economies of Multiformity

- Diversification
- Content Repurposing
- Using Existing Resources to Create New Content

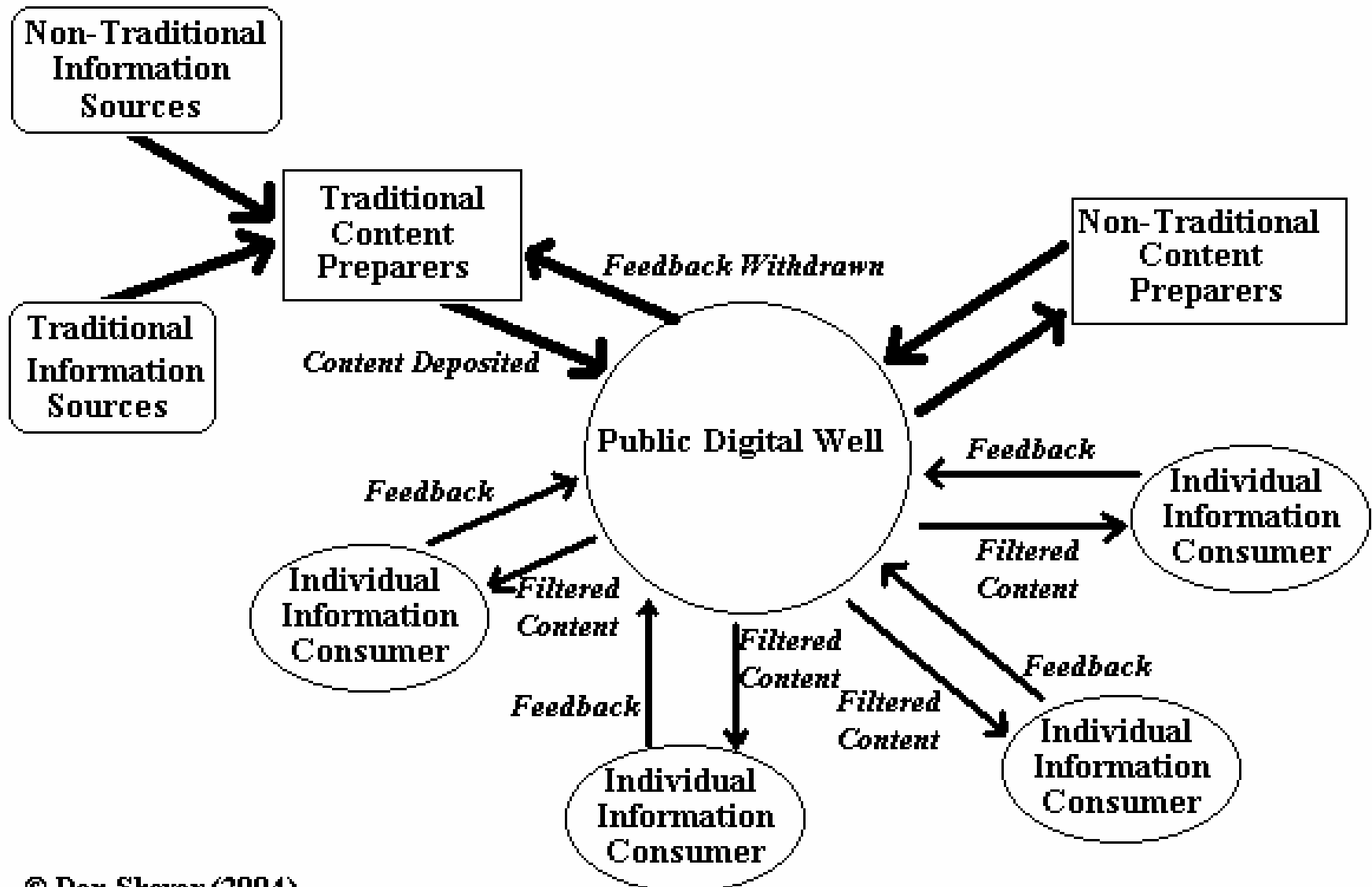# Mechanics of Across-Industry Concentration

- Decreased Regulation + Increased Concentration --> Increased Institutional Ownership-->Reduced Management Control
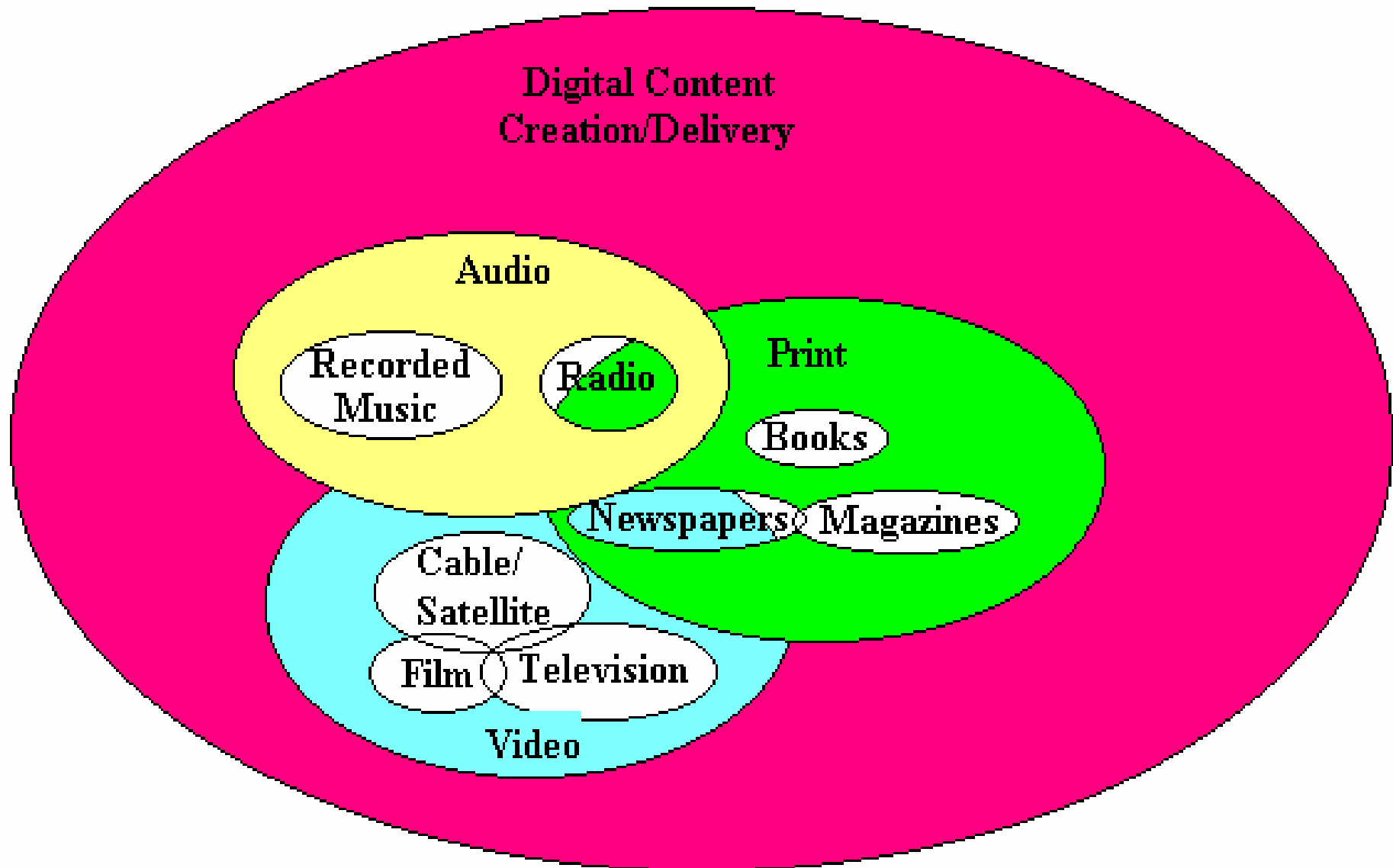
In the Old Days, Creators Ruled

Information Source → Transmitter → □ → Receiver → Audience

Noise Source

Message | Signal | Received Signal | Message

Digital Media Flows

Digital Competition vs. Traditional Media Technologies

Digital Content Creation/Delivery

Audio

Recorded Music

Radio

Print

Books

Newspapers Magazines

Cable/ Satellite

Film Television

Video

Consumer Variables on Business Models

- Technological Adoption
- Use of Influence
  - Pull vs. Push
  - Feedback/Reaction
- Content Creation

Implications for Theory

- Models Drive Questions
  - Shifts in power/technology change the models
- What is "media"?
  - Games?
  - iPhones?
- Innovation, Diffusion and Adoption

Implications For Managers

- Reassess Assumptions
  - Segments no longer dominate as industrial groups or "close substitutes"
  - Audiences must be pulled
  - New market paradigms
  - Revisit value chains

More for Managers…

- Are economies of multiformity and synergies real or an illusion?
- How effective are resource allocation and strategic decisions in multi-media conglomerates?
- New business models
  - Long-tail strategies vs. mass simultaneous audiences
  - Reorganizing traditional assumptions to generate value

Measures Beyond the Bottom Line

- Effectiveness of adaptation

- Competency development in non-traditional skills

- Ability/willingness to modify traditional business models

- Ability to understand/measure audience