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**Executive summary**

Mobile and social trends will continue to drive technical, product and content innovation in 2014. Overall we see a continued move towards more visual ways of communication.

To note in particular:

* The further atomisation of news and erosion of narrative storytelling. The shine may go off lists, but our interest in weird and bite sized sharable news will remain undimmed
* The emergence of significant investigative reporting that does not come from traditional media organisations e.g. First Look Media, Vice and (surprisingly) Buzzfeed
* More people will pay for news directly via digital or bundled subscription, or indirectly through the growth of mobile, native and video advertising
* Continued disruption of TV with Netflix and Amazon leading the content charge and Facebook and Google launching an assault on television’s advertising revenue
* Drones provide dramatic new angles for television news but will not save built news programmes from an alarming slump in viewing
* A further switch to digital video for journalism and marketing with innovation in short form and interactive video formats
* Consolidation and M&A activity: Tech companies will buy content skills and legacy media companies will buy tech
* We’ll see an intensification of the debate about privacy and trust in the wake of the Snowden revelations and over-enthusiastic attempts by business to use big data
* In technology expect more hype around wearable computing (iWatch), smart home appliances and the coming of age of 3D printing and virtual reality headsets (Oculus Rift)
* Software, companies and technologies you’ll have heard of this time next year include …

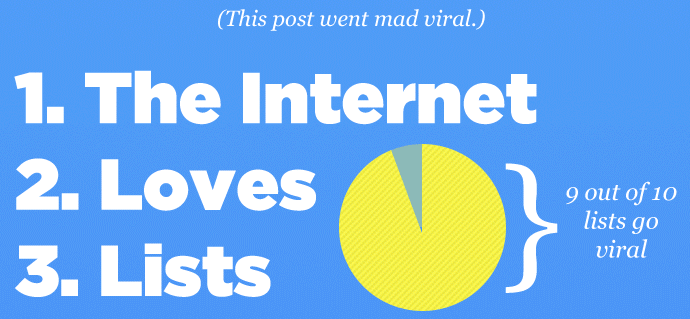
Line, Xiaomi, 4K and Tor

**What did we learn in 2013: Surprises, triumphs and disasters**

It was the year of the **listicle** and the **selfie** – but beneath the froth it was also another year of **substantial and** **intriguing change** in the shape of the media industry. So who were some of the winners and losers and how did this match up to what we predicted a year ago? Here’s a list of 7:

**1. Buzzfeed, lists and the rise of social sharing:**

Our endless appetite to share pictures of animals and photoshopped celebrities helped Buzzfeed to end the year with around 100m visitors a month, more than 50% coming from mobile phones and 75% from social media. The company has expanded into French, Spanish and Portugese and founder Jonah Peretti noted in August that “by this time next year we should be one of the biggest sites on the web. In the UK, Trinity Mirror spin-off **Us vs Th3m** repeated the formula with some innovative twists reaching 7m UK users in December[[1]](#footnote-1). Not forgetting Upworthty, Distractify and ViralNova and all the rest.



By the end of the year, pretty much everybody was at it from the BBC to the Guardian and Time magazine leading to a **growing backlash** against the phenomenon[[2]](#footnote-2). By the end of the year, lists were eating themselves – witness Rolling Stone’s **‘20 Best Lists of 2013’**[[3]](#footnote-3).

**2. Snapchat, sexting and selfies**

We picked out Snapchat as a company to watch a year ago but the scale of the success has been staggering. The service has created a new category of **ephemeral messaging** – tapping into the idea that maybe it’s more fun to throw things away rather than keep everything for people to pick over. There are more than 400m snaps sent every day using the platform – more than Instagram and catching up fast with Facebook[[4]](#footnote-4). Given that, the big surprise was that CEO Evan Spiegel reportedly turned down an offer of $3bn in cash for the company.[[5]](#footnote-5)



Meanwhile, **selfie** becameword of the year– evolving from a niche social media tag to mainstream term for self-portrait photograph, according to Oxford Dictionaries. Its frequency in the English language increased by 17,000% in the last year. Barack Obama and assorted political leaders took them at Mandela’s funeral; even the Pope posed for this one in August with the resulting image going viral. Self-published or self-adapted pictures are increasingly becoming part of our every day media use. Together with listicles they are consuming huge amounts of our time putting new pressure on traditional news companies.

**3. Edward Snowden, surveillance and privacy concerns**

**It wasn’t listicles or ephemeral media that rocked the most powerful government and security service in the world; it was a whistleblower backed by small number of independently minded media companies who worked to expose mass surveillance on an unprecedented scale.**

Once again, *the Guardian* has been at the heart of this story. Journalist Glenn Greenwald was one of those who received the leaks and who then befriended Snowden, becoming in the process a de-facto spokesperson against the NSA practices. Editor Alan Rusbridger was condemned by fellow journalists for putting lives at risk and harming national security before being grilled by MPs. But in December, a federal judge ruled the NSA’s surveillance was ‘significantly likely’ to be unconstitutional — a vindication of Edward Snowden, who had both been initially reviled as a traitor.

For a number of reasons this was the most important media story of the year and the implications will continue to play out powerfully:

* There has been a much-needed debate about the ability of traditional media companies to deliver investigative journalism and rock the status quo. Greenwald in particular has been an outspoken critic of the kind of journalism practiced at places like *The New York Times*, and an advocate of a more activist, **more partisan kind of journalism** (see the excellent discussion between Greenwald and Bill Keller[[6]](#footnote-6)). One outcome of this tension is a new investigative reporting venture for 2014 backed by eBay founder Pierre Omidyar to the tune of $250 million – a new route for whistleblowers that bypasses traditional media.
* Equally important has been the **passive role played by technology companies** in protecting our data from government. The joint letter by 8 of the biggest technology companies including Google and Microsoft marks a remarkable change of tone. “The balance in many counties has tipped too far in favour of the state and away from the rights of the individual”. Expect to see stronger encryption and a much more open and robust approach in the future.
* Thirdly there are growing questions about US centric nature of the internet. Brazil is demanding **internet independence.** That involves repatriating its citizens’ data to storage sites in Brazil and building a link with Europe so traffic no longer has to go via Miami. [[7]](#footnote-7)

* Finally there’s evidence that more of us are **taking steps to hide our digital activities**. Following the Snowden revelations, the Pew Centre found that 86% of US internet users took steps to remove or mask their digital footprints – ranging from clearing cookies to encrypting email. Over half say they have taken steps to avoid observation by specific people, organisations or the government.

**4. Tipping points for mobile; Blackberry consigned to dust**

In terms of media disasters, it didn’t get much bigger than **Blackberry**. As recently as 2010, Blackberry was the undisputed global leader in mobile, but a cover of Business week towards the end of the year declared the firm a relic (see right). Following the market failure of the new operating system BB10 and top end handset Z10 - as predicted last year - revenues crashed. Only 1.9m new phones were shipped. Going forward, the company will stop making physical handsets and focus on services such as cyber security for businesses.

All this just goes to show how hard it has been to compete in a smartphone business increasingly dominated by Apple and Samsung.

In terms of news, we predicted 50% of traffic on many news sites would be coming from mobile phones by the end of 2013. During the Boston Bombing at least half of the website traffic was coming this way and as early as April the Guardian and the BBC were reporting 50% of traffic from a combination of mobiles and tablets at various points. Optimised websites, responsive design and adaptive content have been the buzzwords for many news companies this year and suspect the same will be true for 2014.

**5. Jeff Bezos and the new breed of tech owners**

The era of the family owned newspaper in the US came to an end with Jeff Bezos’s surprise purchase of the Washington Post for $250m – small change for a tech titan worth $25bn. Bezos has already hinted at change ahead, pointing to the internet’s role in transforming almost every element of the news business: shortening news cycles, eroding long-reliable revenue sources, and enabling new kinds of competition. At Amazon, Bezos may have built a next generation company complete with drones to your doorstep, but bringing the Post into the 21st century could be his biggest challenge yet.

Bezos is just the latest of a line of tech and other cash rich entrepreneurs putting money into the media industry - see also Facebook founder Chris Hughes buying The New Republic and Pierre Omadyar’s funding of First Look Media. Understanding technology and distribution is becoming increasingly critical to the survival of traditional media companies so more new media entrepreneurs into the boardroom may push the industry faster in the right direction.

**6. Good journalism creates value – shock!**

2013 saw a number of highly focused content-led journalists turn their start-ups into multi-million dollar acquisitions. Turi Munthe’s sale of the user-generated photography agency Demotix to Corbis, the brilliant creation and almost immediate sale by Bobbie Johnson of Matter to Evan Williams’ Medium and most recently the $25million sale of Storyful to News Corp by former RTE journalist Mark Little. As CNN’s Peter Bale points out: “It just goes to show that while we predict the death of conventional media those with great ideas, good execution and some bespoke technology can still do well. Journalism is at the heart of all three of these projects and none are frivolous”.

**7. Wearables and peripherals**

We correctly predicted a year of hype around wearables with a focus on connected watches. In September Samsung's Galaxy Gear introduced smart watches to the masses to a muted critical reaction. It will take time to find the apps and uses for these new devices but wearables are here to stay with the market likely to be worth $50 billion over the next five years.

**In other news**

This time last year we said watch **Circa, Quartz, Matter and Now This News –** all of which have been at the cutting edge of content and experience innovation (of which more below)**.** Two of our picks from 2012 **Summly** and **Waze** got acquired by Yahoo (£30m) and Google respectively ($1bn)

There was much that we got right - more that we didn’t. A more detailed list of last year’s predictions is in the appendix of this report.

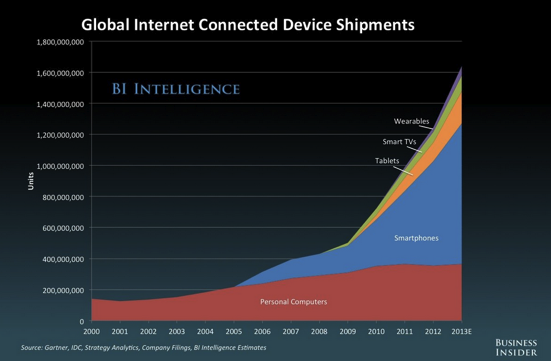
**Predictions for 2014**

**Multi-device and multi-screen future**

Mobile was winning, but ‘now it’s won’ says Google’s Executive Chairman Eric Schmidt[[8]](#footnote-8) pointing out that smartphones and tablets are already outselling traditional PCs (see chart below).

In 2014 the number of mobile-phone subscriptions will overtake the number of human beings, according to the International Telecommunication Union. Much of the growth will come from Africa and Asia where getting a mobile phone is also a route to getting millions more online. Both India and China launch 4G mobile broadband services this year at prices as low as $2 a month.

Meanwhile in the west, as the market gets closer to saturation, the emphasis is increasingly on a multiscreen future, albeit with mobile phones at the heart. Tablets are booming and new device categories such as Smart TVs and Wearables are expected to take an increasing share of media time and revenue over the next five years.

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In the UK, tablets became mass-market devices in 2013. Household ownership rose from 22% in February to 32% in November. With Tesco, Aldi and Argos entering the market with a range of inexpensive devices, more than 20m extra tablets were expected to be sold over Christmas and New Year[[9]](#footnote-9). YouGov predicts that this year over 50% of households will own at least one tablet device. 15% of existing owners are looking to get an additional device.



In the mobile space, the other big story has been the growing dominance of Samsung as a company and Android as a platform in terms of market penetration. For 2013, the larger screen phablet was on the march - especially in Asia – further strengthening the position of Samsung, LG and ZTE, companies that have been quick to adopt that new trend.

Globally, 80% of smartphones and 60% of tablets now run the Android[[10]](#footnote-10) operating system and in some markets (China) iPhone market share is less than 5%. Until now Apple and iOS has been the main platform for publishers to monetise content but for the first time developers report that the majority of new app projects are for Android.[[11]](#footnote-11) In terms of app downloads, Google Play is already neck and neck and will overtake the Apple Store in 2014.

There are also signs that Android is beginning to get to grips with the fragmentation that has often made it a nightmare to develop for. Over 45% of devices are now running the latest version (Jelly Bean) up from 10% at the start of the year. All this will give much more confidence for publishers to focus on Android as the primary platform.

But improved JavaScript performance will begin to push HTML5 in the browser as a mainstream enterprise application development environment[[12]](#footnote-12). Richer and more immersive web mobile experiences will raise more questions- for news sites in particular - about the value of maintaining native apps that cost money and increasingly replicate their standard offering. As the browser improves, expect a burst of creativity and new thinking around ‘news app’ experiences that are far more focussed on the user and the capabilities of the device.

**Specific predictions**

* Google Play becomes dominant app store in 2014. Android becomes primary platform for apps and commercialisation.
* A number of news providers commit to HTML5 for mobile and tablet – focussing on enhancing their core responsive site offerings.
* Others experiment with new single purpose apps and mobile first brand extensions that open up new markets for traditional publishers (news providers as "conglomerates of apps"[[13]](#footnote-13))
* Battery life becomes significant differentiator and Apple announces much needed step change in performance in the autumn (it requires an upgrade to a new phone!)
* Amazon launches low cost phone/phablet
* Samsung loses sheen and faces fierce competition from Chinese manufacturers and Google backed Motorola

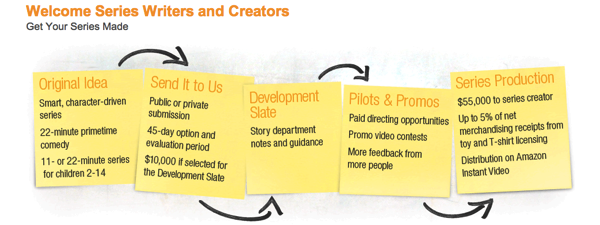
**TV disruption gathers pace**

****The year began with House of Cards, an original production from Netflix that has been going all out to disrupt traditional ways of viewing and distributing TV.

It was the first major TV show to completely bypass the usual television ecosystem of networks and cable operators.  It was the first time a series has released all the episodes at once for viewers to watch at their own pace.  And it was the first time that programming has been influenced by big data. Netflix’s knowledge of the shows and actors people like to watch helped sway the decision on where to invest their money.

Of course creative hits can’t be guaranteed but evidence will increasingly be brought to bear as companies like Netflix, Google, and Amazon, start to become forces in the creation of original programming.

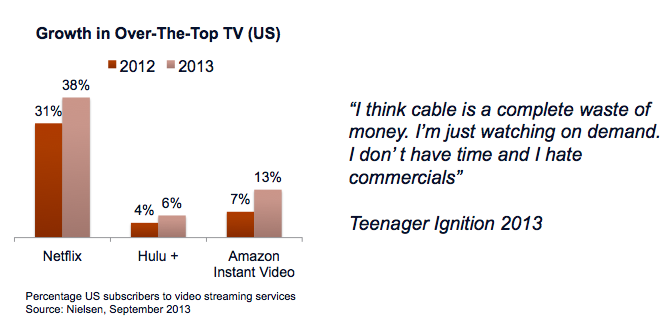
Other online streaming companies Amazon/Lovefilm and Hulu have been trying to repeat the magic with mixed results. Amazon’s twist has been to try to crowdsource ideas for hit TV shows. They are looking for original comedy and children’s shows; plan to select the best and then to rigorously test these with online audiences before investing in the full show development.



Its first offerings *Alpha House* and *Betas* launched to mixed reviews in late November. The distribution model for these Amazon Originals is also slightly different. Amazon offers three (of 11) episodes for free. Then you have to sign up to Amazon Prime – which costs $79 a year - to get the rest.



Boosted by original content Netflix, Hulu+ and Amazon Prime Video have all grown strongly with 38% of US homes using Netflix alone. Many young people in particular have largely stopped watching live television preferring to watch on demand shows on a laptop or tablet.



In the UK, Netflix is also making inroads with 1.5m subscribers - equating to the audience for a medium sized TV channel – and a proposition that allows consumers to watch *Breaking Bad* and *The Killing* before mainstream channels.

The market is more competitive in the UK with strong channel propositions such as iPlayer and 4OD dominating over the top viewing.

In terms of paid services, **Sky’s Now TV** is set to have the biggest impact. It launched in 2012 with an entertainment offer but has now started unbundling the sport offer to drive extra revenue and compete with the new threat of BT Sport.

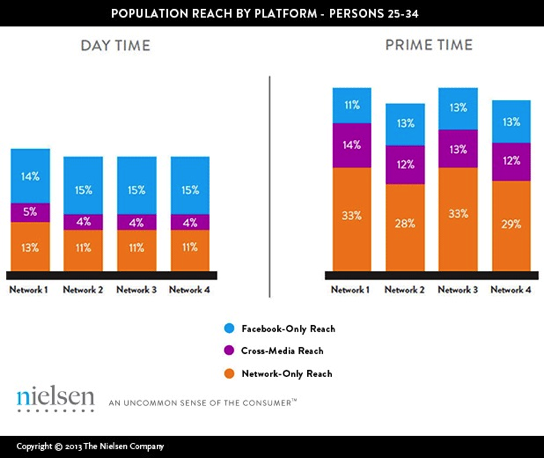
Football fans can buy pay-as-you-go day passes at £9.99 and its £10 **Sky Now box** (right) turns any TV into a smart one.

**Facebook , Twitter and Google target TV ad dollars**

The biggest threat to traditional television in the medium term, however, comes from the assault on its advertising revenues. Television still accounts for around 60% of total ad spend (US figures) but ratings for traditional television delivery are beginning to fall while new competitors, which include Facebook, Twitter, and YouTube are growing.

Big brands have been experimenting with YouTube for several years but in November Publicis, which represents some of the world’s biggest brands, announced it would buy tens of millions of dollars- worth of YouTube advertising over the next year[[14]](#footnote-14). But this is not just about online video, which is still just a small percentage of total TV viewing, it is an argument about the most efficient way to reach mass audiences. Facebook have started to suggest that the sheer size of its user base makes it a TV-sized mass medium all by itself. IVP for marketing, Carolyn Everson pointing out that 100m Americans log onto Facebook every night between 8 and 11pm, an audience larger than watching primetime on all the major networks combined.

A Nielsen study, commissioned by Facebook, shows Facebook with a larger reach in daytime for younger age groups with networks still winning in prime time except with the 18-24 demographic[[15]](#footnote-15).

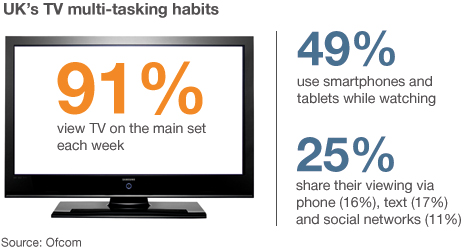


Meanwhile Twitter hopes to win advertising dollars by making itself an integral part of the television-watching experience. In the run up to its IPO, Twitter launched Amplify, which partners with TV channels to push promoted tweets and short video clips (co-branded by an advertiser and network) into feeds.

Nielsen reported that these content related ads translated to 58-percent-higher purchase intent for consumers[[16]](#footnote-16).

Twitter is also targeting major UK and European broadcasters. In December the company teamed up with ITV to recreate an enhanced commentary of the Rugby World Cup victory, a decade on. Members of the England team used their Twitter accounts to provide insights on their thoughts on the match – some of which were displayed on screen.

Ofcom published research in 2013 that showed the extent of second screen activity in the UK. 25% are participating in ‘media meshing’ - using social media, text or phone to discuss what they are watching on the TV. Overall, though, they find that audiences are spending more time with media but with more **fragmented attention**. Almost half are ‘media stacking’ – using smartphones and tablets to do something unrelated like checking Facebook or browsing the web.



One consequence of all this dual screen activity will be new ways of measuring programmes. Twitter is partnering with Nielsen to publish Twitter TV ratings using data from smartphones and tablets. Facebook’s adoption of the hashtag and trending topics, both of which started with Twitter, is also a strategy to harness social conversations. The company is offering broadcasters weekly updates on how conversations about shows translate into comments, likes, and shares.

The implication for news is the **increasing battle for attention in the living room**. Serious news and current affairs programmes will find it ever harder to find an audience; squeezed between live-event television on the one hand and tablet based viewing of comedy and dramas on the other.

Overall, these developments put media companies that make and screen TV in a dilemma – not unlike that faced by the music industry and newspapers before them. Do they partner with Facebook, Google, Apple and Amazon in the hope of maintaining reach and revenue? Do they sell content to Netflix and their like? Or are they just playing into their hands by driving traffic to services, which will eventually undermine their existing subscription and advertising business?

**Connectors and the tablet-TV bridge**

Right now, watching internet video content is still a minority sport despite the proliferation of internet-enabled TVs and part of the problem for consumers is getting that content easily on the big screen.



**Chromecast** dongles (a big hit in the US in 2013), Apple TV and the Roku all have the ability to send video to TV screens. Add the iPad and Android Tablets and the Kindle Fire’s ‘throw to TV option’ using new standards like Miracast[[17]](#footnote-17), and there is suddenly an easy way to bridge internet content to the big screen leading to more on demand viewing and more mainstream adoption. Google will add a Nexus set top box in 2014 that will act more like an Apple TV combining content with streaming games as well as providing an easy connector for all those new Android tablets.

The beneficiaries are likely to be those OTT streaming providers like Netflix and Sky Now. In News, Digital Strategist Kevin Anderson says companies like **WatchUp**, that allow you to create your own TV newscasts, stand ready to take advantage of this trend.

**Specific predictions for 2014**

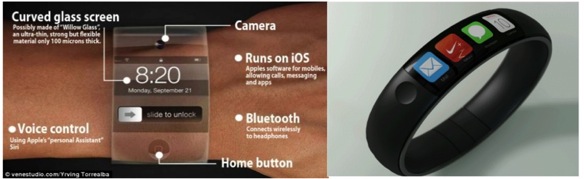
* In the UK, Tesco announces plans to create original TV content to feed its Blinkbox platform
* Apple finally makes its big move into TV with a stream based video approach –reversing the broadcast led models of the past. Full integration with iPhone and iPad is part of the deal
* New scramble for cross platform measurement of TV shows throws up confusion with multiple (and often contradictory) numbers emerging. In turn, this drives more TV advertising revenue online
* Public Service TV news programmes show dramatic loss of audiences – down 10% year-on -year

**Wearables**

Wearable technology will form part of the ‘Internet of Things’ – a growing network of devices that connect to the internet to share data in real time. Only one in ten consumers say they are interested in using them, according to TNS, but that may change if Apple gets into the game this year as expected.

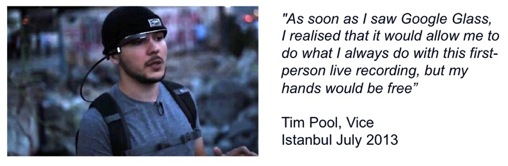
The **iWatch** would be the first major new product line since the iPad. Expect surprises; this won't be a me-too product and will look to drive new interaction possibilities just as Apple did with the touch and swipe tablet.

The iWatch will take advantage of the M7 motion co-processors (already in new iphones) which an also detect whether you are walking, running or travelling by car. Health and fitness apps can take advantage of that data to give users performance and workout results, and navigation apps can use it to change the type of directions they provide. Sensors are going to be key to the future of mobile, and Apple wants to be a key player this area[[18]](#footnote-18). The device could also use new bendable glass and **cost around £220** (see two gorgeous concept images below that may hint at what may be to come)



While Apple has become the master of the big ‘reveal’, Google prefers the long beta test. The **Google Glass** ‘explorers’ programme gave early access to techies and developers to explore potential applications for their futuristic headset.

In news, reporter Tim Pool showed what was possible in his reporting for Vice with his live streams during the Turkey protests attracting an audience of up to 750,000 in a single day. Pool tweaked his version of Glass to run Android apps, including Ustream for live video and a translation app that proved invaluable for this non-Turkish speaker[[19]](#footnote-19).



Elsewhere a group of enterprising filmmakers raised $6000 to make a [documentary film](http://project2x1.com) using Google Glass to explore the Hasidic and West Indian communities in Crown Heights.

During 2014 we can expect this technology to be adopted by mainstream media companies both with adapted version of the headsets for professional journalists and by incorporating citizen footage into their own coverage. In combination with use of drones, technology will help journalists get ever closer to the action. Google will release the product commercially at Google I/O in the late spring with a **price tag of around £250**

The **Oculus Rift** is a new virtual reality (VR) headset that will change the way you think about gaming. I tried it over Christmas and it blew me away with a ‘truly immersive’ experience. With wide field of view, high-resolution display, and low latency head tracking, the Rift will allow you to explore new worlds like never before[[20]](#footnote-20). In December 2013, Oculus raised $75 million from venture capitalists to develop the consumer version of the Rift. As yet, there is no date for its launch, but it is expected to happen in 2014 with a **price tag of around £250**.

Also shipping in 2014 are the first **Space Glasses** from **Meta.** They cost twice the price but they do much more. The prototype (left) has 15x the display of Google Glass and runs 3D instead of just 2D. Unlike the Oculus Rift it doesn’t immerse you completely in a make believe world, Meta glasses overlay digital objects onto the real world.

More immediately, the biggest consumer interest will be for lower cost wearables - **health and** **fitness apps and wrist bands**. The UP app and accompanying wristband from market innovator Jawbone helps you understand you sleep move and eat – so you can make smarter choices. Samsung and LG will also launch smart fitness bands this year.



Although the technology is still clunky and prices are still too high, analysts say smart bands, watches and glasses will take off in the next two or three years: “Imagine using your wrist to pay for lunch or to buy movie tickets,” says Tom Buerher of TNS: “Imagine having information that literally is right in front of you that reminds you of important information that you should already know, like a colleague’s name or important anniversary dates”

A new study by the Centre for Creative and Social Technology (CAST) at the University of London says more than two thirds (71% in the UK and 82% in the US) believe wearables have “boosted their intelligence, confidence, health, fitness and even their love lives”; 47% felt more intelligent and 61% more informed says the study.[[21]](#footnote-21)

All this will lead to the usual concerns about privacy and who might be doing what with all the ever increasing explosion of pictures, motion and location data. In the TNS survey, nearly a third of consumers (31%) cited privacy as a barrier to adoption of wearable devices. But the fact the number isn’t higher suggests consumers are already accustomed to the losses and gains inherent in the connected, shared experience of the Internet. Celebrities, however, will not be so sanguine. Expect more Huw Edwards- like complaints in 2014 about being snapped ‘without a by-your-leave’.[[22]](#footnote-22)

**Social and sharable media**

There were some big changes in 2013 with teenagers in particular apparently ‘leaving Facebook in droves’ for the cooler and more ephemeral worlds of WhatsApp, Snapchat and Instagram. For the most part though, they are **not** abandoning Facebook just experimenting with *additional* spaces where they can express themselves privately, without every move being watched by their parents. As social networking matures, it is inevitable that the big ‘general’ social networks will sit alongside tools catering for a particular demographic or interest group.

But 2013 was also a year that shone a spotlight on the downsides of this social, sharable revolution.

* Beeban Kidron’s must-watch documentary [InRealLife](http://inreallifefilm.com/) (available Jan 14 on DVD) revealed the often intense pressures of social and digital media on teenagers – including sexting, cyber bullying and mobile addiction.
* A 14 year old teenager from Leicestershire took her own life after being bullied on a Latvian based social networking site, Ask.fm which has around 70m users worldwide
* A number of women including feminist Caroline Criado-Perez were subjected to rape threats on Twitter, after a campaign to put Jane Austen on the new £10 note. Twitter has belatedly promised to do more to prevent abusive behaviour
* During the Boston Bombings, Reddit admitted it helped to fuel "online witch hunts" when an attempt to track down the bombers online ended up wrongly naming several people as suspects
* Social media has been dripping with increasingly outrageous hoaxes such as the [twerking girl that burst into flames](http://www.youtube.com/watch?v=HSJMoH7tnvw) to the [Thanksgiving Day plane row with a rude passenger](http://www.dailymail.co.uk/news/article-2517314/Elan-Gale-Thanksgiving-note-battle-played-Twitter-hoax.html) named Diane. These stories have spread virally at great speed and were picked up by both mainstream and new media before being exposed as fakes.

As social media becomes more and more central to our lives, there will be more calls to ‘do something’ about both online safety and the quality of information within these networks.

The publicly listed Facebook, Google and Twitter will lead the way in 2014 with a host of new buttons for reporting abuse backed up by initiatives around teenage digital education in particular. Their commercial future depends on keeping the trust of their users.

Expect too **more activity in the verification space** particularly around news in an effort to detect hoaxes and spot important stories early. Other social platforms will follow Twitter’s lead in appointing news chiefs (NBC’s Vivian Schiller[[23]](#footnote-23)) and will be drawn to hiring more journalists and policy experts to manage their increasingly important role in the media industry.

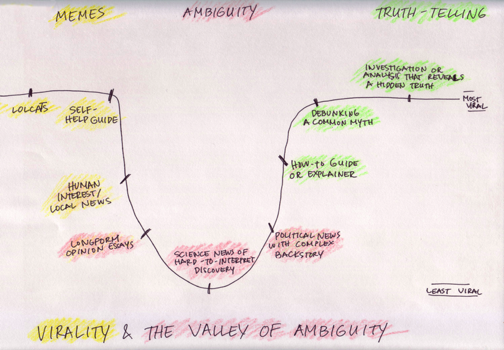
Meanwhile **NewsCorp’s purchase of Storyful** is a reminder that verification and **negotiating rights for pictures and videos** in social media is becoming a key competitive advantage for media companies in the social age [[24]](#footnote-24). As Raju Narisetti notes, Storyful gives NewsCorp “an opportunity to take viral video and not only use it in our global newsrooms but offer it to third parties (with) significant revenue potential”.

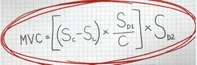
**Content made to share**

Buzzfeed founder Jonah Perettiargues that the web has transformed from an age of portals to a place where social now defines access to content. All this is leading to much soul searching about what virality means for journalism and how it can be replicated.



One explanation comes from Annalee Newitz, editor of the io9 blog. Her back-of-a-napkin sketch suggests that people don’t like to share stories that are ambiguous or are overly complex. On the left side of the napkin stories about LOL cats or TED talks amuse or enlighten but don't ask us to think critically. Stories on the right such as how to guides, explainers and truth telling investigations are the polar opposite – and yet they get shared for the same reason; they are not open to interpretation. And then in the middle are stories that lie in the valley of ambiguity. People read them (sometimes) but don’t feel comfortable sharing them.



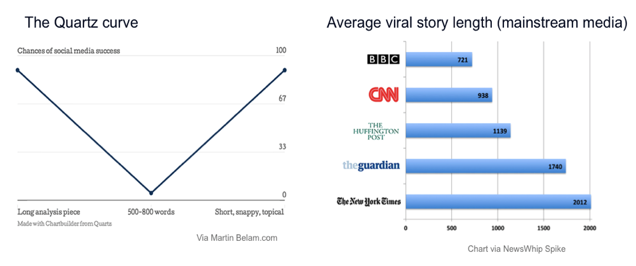
At Gawker media, Neetzan Zimmerman is the viral king, generating around 10-15 stories a day - on average about FIVE times as many page views as his most productive colleague. In terms of bringing science to the process of journalism Zimmerman is this year’s Nate Silver. He’s worked out a formula (above) for defining the [most valuable content](http://gawker.com/5912376/this-is-how-you-make-something-go-viral-an-impractical-guide) (MVC) for any particular day. Recent examples include:

* [This Pizza Has a Crust Made Out of Cheeseburgers](http://gawker.com/5904630/this-pizza-has-a-crust-made-out-of-cheeseburgers)
* [Husband Leaves Wife Because Her 550 Cats Kept Stealing His Food](http://gawker.com/5913042/husband-leaves-wife-because-her-550-cats-kept-stealing-his-food)
* [Crappy Teacher Tells Kindergartner Who Pooped Her Pants To Sit On It](http://gawker.com/5903087/crappy-teacher-tells-kindergartner-who-pooped-her-pants-to-sit-on-it)

For some, this approach amounts to the death of journalism but Gawker says Zimmerman argues pay the bills so others can focus on original storytelling[[25]](#footnote-25). Buzzfeed, Huffington Post and others are now following the same approach - hiring more specialist reporters and focussing on more original investigations. Quartz has another interesting take on the same idea - a slightly adapted version of the napkin diagram and a different view of what Most Valuable Content looks like. Editor-in-chief Kevin Delany says Quartz readers like[[26]](#footnote-26):

* Short creative takes on stories that say something new
* In-depth articles that provide a strong narrative or insightful analysis

**What they don't like is the stuff in the middle**- 500 to 800 word articles that provide detail but no insight. They call this phenomenon the Quartz curve and are shaping their editorial processes to create content for both ends of it and ignore the commodity middle ground. In the process, the 25-person team of editors amassed 1.8 million uniques in October 2013, compared with 2.2 million for the Economist.



The data does seem to back up some of these observations. With the exception of the BBC, most of the most viral successes in Facebook tracked by Newswhip (above) were for longer or most distinctive journalism[[27]](#footnote-27).

Martin Belam one of the founding spirits behind Trinity Mirror’s [UsVsTh3m](http://usvsth3m.com/) was heavily influenced by Quartz thinking, which has required building new skills in a traditional publisher. Staff had been used to keyword stuffing SEO but had never created content designed for virality. The product principles of UsVsTh3m encourage journalists to write every sentence as if it was made for tweeting. “We’re interested in reverse engineering the magic of things that go viral, to work out how to consistently tap into that,” says Belam.

The FT’s response to these ideas has been to hit the short, snappy, topical part of the Quartz curve with a new product fastFT. A dedicated team delivers up to the minute reporting and commentary designed for the active user, while the rest of the team focuses on more in depth journalism.

What all this amounts to is a long-overdue **rethink of the value of the standard news article**. This format was designed over a century ago for the printed newspaper and the specific production and distribution constraints that surrounded it at the time. The switch to digital requires a fresh approach to formats and delivery focussed on the platforms of the future.

**Long-form and the new taste for substance**

Most recent content innovations have been on the left hand side of the Quartz Curve/Newitz Napkin, but in 2014 we can expect more innovations in long-form, both from a content and experience point of view. The move to social, ‘peer-to-peer’ distribution means that good content rises to the top regardless of length. An improved reading experience on tablets and tools that let you save content for offline reading are also contributing to a revived taste for substance.

To some extent this is also a reaction to a ‘**collapse of narrative’**, one of the central themes of Douglas Rushkof’s new book *Present Shock[[28]](#footnote-28).* Rushkof argues that we live in an ‘always-on’ world, where the**priorities of the moment** are distorting good judgement. Here are a few of those who’ll be trying to turn back the tide in 2014:

**1. Narratively:** Was named as one of Time magazine’s 50 best websites of 2013. Founded by a former New York Times journalist Noah Rosenberg, it sets a different theme each week and publishes one in-depth local story a day around that idea. Its strategy is designed to “slow down the news cycle” and focus on stories about people you don’t hear about every day. Text is broken up by bold, full-screen images and mini-documentaries to take full advantage of the innovative possibilities of Internet storytelling.

**2. First Look Media:** Ebay founder Pierre Omidyar has put the first $50 million into his new journalism venture (yet to be named) which “will publish robust coverage of politics, government, sports, entertainment and lifestyle, arts and culture, business, technology, and investigative news”. The new team is still being built but includes former lawyer and Guardian journalist Glenn Greenwald and New York University professor Jay Rosen as an advisor. Rosen says Omidyar has been impressed by Greenwald's driven, partisan style on the NSA revelations but he believes a broader organisation is needed to help support this kind of journalism. "You need editors, you need other eyes on the stories, you need lawyers, ways to withstand the pressure. You need plane tickets!" First Look Media hope the non-profit journalistic enterprise will be at least partly funded by a media technology enterprise. Far from killing investigative journalism, Rosen says the internet is “creating more ways to fund it”.

It’s a fresh start and an opportunity to create a news organisation that is not weighed down by the legacy and culture of print. With more high profile signings on the way, this could just be the big media story of 2014.

**3. Medium:** Twitter founder Evan Williams founded Medium just over a year ago as"a new place on the internet where people share ideas and stories that are longer than 140 characters and not just for friends". Unlike other blogging platforms like Tumblr, an invite was initially required to write for Medium to help establish its reputation as a place for great writing.



The experience is all about simplicity for writers and readers but there are some nice innovative touches such as the ‘reading time’ at the top of the screen and comments as annotations (similar to Quartz annotations) that need to be approved by the author before they appear on the page. The purchase of Matter (long form for science and technology) was an indication that Medium is much more than just a platform but like First Look Media an investor in original content. Expect to see more content acquisitions in 2014, existing traditional publishers and brands moving to the Medium platform[[29]](#footnote-29)

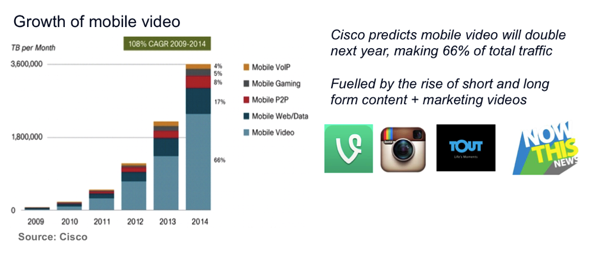
**The shift to video storytelling**

The other big content trend is the continued move from text to video. This is partly driven by technology - new web standards like HTML5 and the capabilities of mobile phones - but also by digital video’s increasing flexibility and attractiveness to advertisers.

The **New York Times** is one publisher investing heavily in online video, recruiting Rebecca Howard (formerly AOL/Huffington Post) and adding almost 20 new staff members to working on new news formats and long documentaries such as Christina Quinn’s failed bid for New York mayor (right).

These videos have now been moved outside the paywall to allow them to maximise advertising revenues. It’s a smart move with an IAB study suggesting 75% of senior US executives were planning to switch revenues from television to digital video and an eMarketer report showing **mobile video** accounting for around $520m in advertising spending, about 13% of total video spend[[30]](#footnote-30). Through 2014 Facebook is expected to launch its own video ads format, which Morgan Stanley expects will generate $1 billion in 2014 (1% of total US TV revenues).

We mentioned **NowThisNews** last year as one example of sites focussing on creating **short videos** for the mobile and social generation. It has spent the past year building out its audience and content and now has between 15 million and 20 million views per month through its app, and more via Instagram and Vine - for which it cuts separate versions. Expect longer documentaries from this innovative start up in 2014 along with more branded content which is how it makes its money.



It’s hard to believe that the **‘micro-video’** service Vine, with its six-second loops, launched less than a year agoand were widely derided at the time. Fast followers included Instagram video (15 seconds), MixBit (16 seconds), Tumblr GIFs (animated images, similar to Vine), and smaller players like Viddy, Qwiki, and Klip. Outside news, some of the most innovative uses have come from brands like **Nat West**, who’ve used it effectively for customer service.



Outside news, advertisers are using video everywhere to breathe life into digital advertising. New formats are emerging around interactive video to help engage users for longer (brand advertising) as well as directly sell products connecting inspirational messages with a direct purchase point.



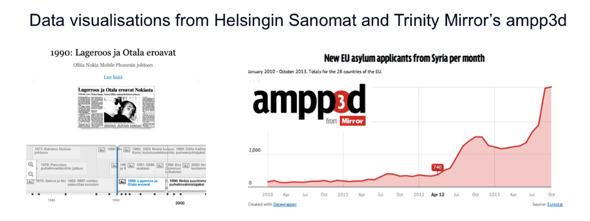
Google has been testing ‘shoppable videos’ for about a year, with advertisers such as Dyson vacuum cleaners and fashion brand Juicy Couture. The Canadian clothing chain Sport Chek (see above) is planning to switch its entire direct flyer budget to YouTube for a week in early 2014 (up to $400,000 spend) and is considering moving a far bigger sum if successful.

Brands and creative artists are also developing new formats for content marketing. Pharrell Williams created the world’s first **24 hours interactive music video** for his hit single Happy. Viewers can fast-forward or move backward using a clock interface that hovers over the display, and share specific moments on Twitter or Facebook. The dancers, meanwhile, include both anonymous extras and celebrities like Magic Johnson alongside Williams himself. The video has so far received over 5m views and the song became number one in the UK and several other countries.



The key message for traditional publishers and broadcasters is to think harder about the new capabilities of digital video and the growth of mobile video. Just as the news article was a product of its time, the TV news package/half-hour documentary is ready for an overhaul too.

**When content looks like data and is informed by data**

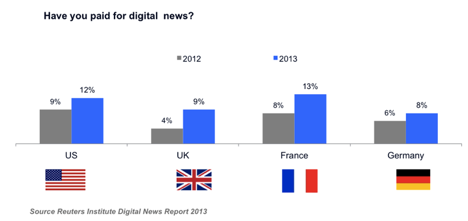
The growing availability of data combined with better ways to clean, combine and visualise that data is creating compelling new way of telling stories suitable for both the daily stream and longer investigations.   
  
One key driver is the availability of simple, open source tools like **Datawrapper** (a project from a German association training newspaper journalists) that enable anyone to create simple, embeddable charts in minutes. Datawrapper is used by data journalists at Finland’s leading newspaper Helsingin Sanomat, along with Timeline JS, a tool created by the Knight Lab to create a timelines quickly and efficiently. Many UK news organisations will investing heavily in data teams in 2014. Trinity Mirror has launched a new data-driven site ampp3d from the Daily Mirror, which aims to “make journalism more accessible through data visualisations and infographics”. 

These new open source tools and libraries (see also Highcharts, Quartz charts etc) promise to open up the world of data storytelling, filling up our social media timelines in the process. The BBC is getting in on the act; James Harding’s first public speech as Director of News highlighted new initiatives around data with the creation of a Newslabs team with new hires expected.

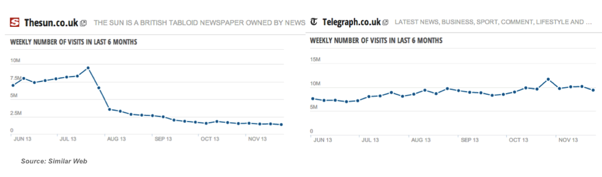
Data is not just transforming content it is transforming workflow and business strategies. Tools like **Chartbeat** are being deployed in newsrooms to provide **real time insights** around how content is performing in social networks and search. Such is the importance of these tools now, the Guardian (right), the BBC and the Huffington Post have built their own tools and many will be increasingly **employing audience editors** to deliver and interpret real time insights into the heart of the newsroom. This is beginning to change how resources are deployed and what new angles are explored during the day[[31]](#footnote-31)

**The business of journalism, paywalls and native advertising**

**Perhaps one of the biggest surprises in 2013 was a growing willingness to pay for news. This is partly because free news has become less available with most publishers looking to drive *some* kind of subscription relationship.**



**Two UK national newspapers put up a paywall in 2013 but with very different approaches. *The Telegraph* launched with the very loosest of metered models, while *The Sun* has gone for a hard wall backed by football goals to your phone. Traffic to *The Sun* website has fallen off a cliff (see chart below) with a bounce rate of over 60% but this does not take into account the highly successful Sun+ goals app. Chief marketing officer for News UK** Katie Vanneck-Smith gave initial figures of 117,000 subscribers to its £2-a-week Sun+ digital offering, which includes meal deals and cinema discounts. Over half of all subscribers had played Sun+ lotto. Enders Analysis calculates that the subscription income plus digital advertising revenue already accounts for around a third of the £50m annual revenues being made by Mail Online.



The Telegraph has not released new digital subscription figures but will be looking to build on 300,000 who already pay for the smartphone and iPad products, as well as drive more data about the newspaper’s most loyal readers.

2014 will all be about the bottom line and the combination strategies focussed on revenue. Website traffic will become less relevant as newspapers increasingly focus on pushing their tablet and smartphone offerings – individually as well as bundling access with print subscription and other perks.

Even The Mail is hedging its bets with its Mail Plus app and Lord Rothermere told the Newsworks Shift conference that DGMG were actively looking at premium content opportunities and potentially following News UK into sports rights acquisition[[32]](#footnote-32). Forrester has forecast online consumer spend on news content across Europe will grow by 77% from €158m (£126m) in 2013 to €279m in 2017 – mainly driven by tablets and smartphones[[33]](#footnote-33).

Elsewhere, the move to paid digital news is becoming a stampede. Around 80 per cent of the newspapers in Canada now charge readers for online content and that now includes the top selling Toronto Star. News Limited (formerly News Corp Australia) and Fairfax Media, which publishes the Sydney Morning Herald and Melbourne Age, added metered paywalls in the early summer without a noticeable drop in traffic. Germany’s top selling newspaper, Bild started charging for some online following in the footsteps of another Axel Springer daily Die Welt. Like The Sun, Bild is also using football to drive subscriptions (for an extra fee).

In the United States more than 450 newspapers use a paywall the Washington Post finally abandoning its hold out, although the San Francisco Chronicle erected one and took it down again within a few months. The New York Times reported it had reached 699,000 digital subscribers in September offsetting falls in digital and print advertising.

For those newspapers and magazines that haven’t yet begun charging, the key question is not when but how. Some may continue to pursue a free access policy for a time in order to build digital audiences (such as *the* *Guardian*), but at some point most will switch to some sort of pay system to remain economically viable[[34]](#footnote-34).

**Consolidation and acquisition**

**Allied to paywalls, we can expect publishers with cash to burn to start 2014 with a shopping spree for innovation.** Axel Springer divested itself of two regional newspapers as well as five TV programme guides to free up cash for acquisitions. It looks to be copying Schibsted’s strategy of combining content and **classifieds** and is hoping to move into TV with the purchase of the channel N24, assuming the deal is approved by the competition authorities[[35]](#footnote-35). News Corp ended 2013 buying social media aggregator Storyful and expect more eye-catching acquisitions - most likely in the data or advertising space where traditional publishers need most help in order to compete with Google, Facebook and Twitter[[36]](#footnote-36).

Watch too in 2014 for more publishers **taking back control** **of their advertising inventory** – as News Corp did last year with over 50 sites and mobile properties - making better use of first party audience data via real-time bidding (RTB), instead of relying on low-yield ad networks.

The increased prevalence of **'native advertising'** and sponsored content formats will also raise new dilemmas for traditional media companies and pure players. There already disquiet about these new formats that could be heightened with a significant editorial screw up in 2014[[37]](#footnote-37).

**Specific predictions**

* **Buzzfeed and NowThisNews are acquired. It could be Yahoo or Tencent (or another Chinese media giant with plans to ‘go west’)**
* **The Guardian introduces a paywall trial for some specialist content** [[38]](#footnote-38) **along with at least two other UK national newspapers**
* **Washington Post offers to deliver its paper to paid subscribers by drone (more seriously expect eye-catching stunts around bundled distribution for the Post)**
* **News companies employ more data scientists/teams like those at the FT and New York Times to manage the paywall/advertising balancing act - and develop propensity models to inform digital marketing**

**Smart data and online marketing**

Google Executive Chairman Eric Schmidt, in his predictions for 2014[[39]](#footnote-39), says business is about to be transformed by the arrival of big data and machine intelligence everywhere. Combining existing business data with the trails left from smartphones, and other real time sensors give businesses the ability “to find people, to talk specifically to them, to judge them, to rank what they're doing, to decide what to do with your products. It changes every business globally."

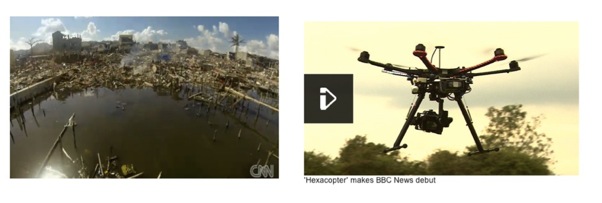
The reality in most companies makes that hard to achieve - with siloed structures and databases, a lack of technical skills hampering a holistic view. Marketing is set to become more scientific in 2014 with the use of mobile data in particular being used to drive location based messaging and in-store promotions, as well as using smart data (combining first and third party) to buy inventory more efficiently.

As online and mobile marketing explodes, consumers will become increasingly resentful about the intrusive nature of this. Tesco has already been trialling facial recognition based advertising[[40]](#footnote-40). Expect to see calls for greater regulation and more transparency in this area

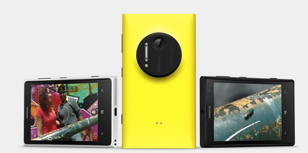
See also explosion of cloud-based solutions like **Gigya** and **Sumall[[41]](#footnote-41)** that can connect and visualise multiple data sources (web/social etc) allowing brands and small companies to drive actionable insights

**New technologies on the way**

**1. Drones:** Will become commonplace in media and journalism coverage by the end of the year. They were [deployed by CNN](http://edition.cnn.com/video/data/2.0/video/world/2013/11/18/philippines-drone-camera-penhaul.cnn.html) during the aftermath of the Philippines typhoon. In 2014, they’ll be routinely used in disasters and riots but also for sport and for documentaries too[[42]](#footnote-42). The BBC recently announced it had developed it’s own [hexacopter](http://www.bbc.co.uk/news/business-24712136) or flying camera which can replace a variety of complicated and expensive camera rigs, and eventually news helicopters.



**2. High definition smartphone cameras** are set to revolutionise citizen or user generated pictures. The Nokia Lumia 1020 delivers 41 MP shots while the Sony Z1 comes with two clip on lenses that turn the phone into a powerful digital SLR.



**Ultra high definition TV (4K):** We've seen the rapid rise and equally fast fall of 3D in the home, and now it's the turn of 4K or "ultra high definition" video.  This is another upgrade that is driven by the industry’s desire to sell kit rather than consumer demand but that won’t stop both Samsung and LG unveiling 105-inch ultra curved HDTVs at the annual CES show in Las Vegas. Not much content for 4K yet though although Netflix is to stream House of Cards 2 in 4K[[43]](#footnote-43) and Amazon has announced it will also make its original series in 4k too.



**3D printing:** Prices are coming down but consumer adoption is still a few years off. The first UK high street retailer will sell 3D printers in 2014, but most of the hype will surround high profile examples of how the technology can be used to reshape how physical goods are created. NASA will deploy a printer in space this year and there’ll be more scare stories about how guns can be reproduced without a licence. On the positive side, we may not have to wait so long for car parts. They’ll just be printed while you wait in at your local dealer. Meanwhile, a looming debate will emerge over intellectual property and rights management with physical items becoming almost as easy to copy as an MP3.

**Connected cars:** Often slow to innovate when it comes to smart technology, Mercedes-Benz will unveil a smartwatch at CES developed with Pebble that provides drivers with real-time road hazard updates and Siri activation. Google will announce a new partnership with Audi for an Android based system. Apple is working with BMW and General Motors to enable a range of smartphone functions hands free.

 **Smart appliances:** The internet of things will become surprisingly real, with a large number of home devices suddenly being able to "talk" and to connect, and several companies offering smart home service platforms, that give people control over their very own "internet of things". From smart locks to smart thermostats, there’ll be more ways to keep tabs on your home and control the comfort remotely. **Nest** (right), a startup that makes a thermostats and smoke detectors is now valued at $2 billion valuation.

**Mobile payment, wallets and coupons:** Apple’s rejection of **NFC** (Near Field Communication) technology is one of the reasons mass adoption of mobile payment is delayed, though the onward march of Android means 50% of all smartphones will contain these chips by the end of the year. Apple is betting on its **iBeacon** system based on Bluetooth Low Energy (BLE) because of its improved range, lower battery consumption and greater potential for in store marketing[[44]](#footnote-44). The delay and lack of a single standard means more retailers like Starbucks will lose patience and develop their own systems linked to loyalty schemes.

Meanwhile a number of interesting sticking plaster solutions are emerging that do not rely on NFC. [Loop](http://gigaom.com/2013/10/08/loops-interesting-twist-on-the-mobile-wallet/) tricks any magstripe reader into thinking a physical card is being swiped. [Coin](https://onlycoin.com/) allows you to load all your existing credit cards onto one physical card.

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**Online tuition:** Amazon’s Mayday button for the Kindle Fire opens a new world of possibilities around human/screen based education. Amazon has just bought a company delivering maths teaching programmes (TenMarks) so it’s a short hop to a Mayday mash-up involving equations and substitution.

**Security**All forms of attack on the internet grew in 2013, with significant impact (e.g. the hijacking of The New York Times DNS, the takeover of twitter accounts of media organisations through successful phishing attacks, the security breach at Snapchat, and the enormous DNS amplification attack against Spamhaus).  We can expect to see this trend increase, and a corresponding increase in the tools and behaviour required to defend against them. As one example in the e-commerce space, Trustev[[45]](#footnote-45) is a start-up that looks at digital trails to analyse customer’s activity to reduce fraud for suppliers.

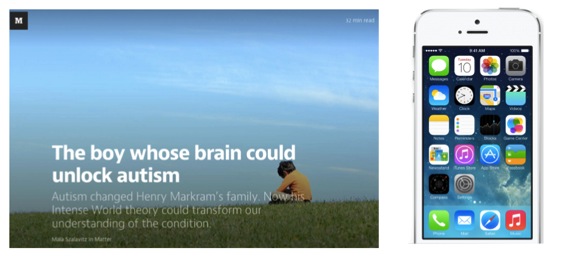
**Radio**

The UK radio industry and government will continue to tie itself in knots over DAB and a date for digital switchover. By the time they decide, wireless IP and ubiquitous broadband will have taken over and the smartphone and small tablet will have replaced the radio. Penetration of DAB is never going to be high enough for analogue switch off. (J Marks)

**Trends in web design**

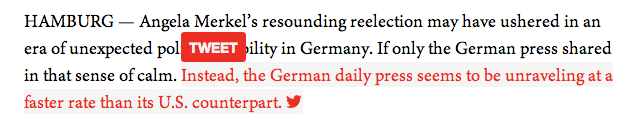
The biggest change over the past year has been the replacement of the hero carousel with the **single image hero panel,** which fills the screen on any device (think Matter and Medium) and is inspired by more tablet and smartphone reading. Long scrolling sites with plenty of white space are also back. On a mobile or tablet they seem preferable to multipage clicks.

Overall there is a trend for simplicity in web design with simpler and more muted colour schemes and removing or hiding clutter wherever possible. Apple’s adoption of ‘**flat design’** in iOS7 means goodbye drop shadows and gradients most of the rest of us too.



Fonts are becoming more beautiful – we’re no longer so constrained by a limited set of serif or san-serif choices. We’re seeing **disappearing navigation bars** and **big responsive blocks** inspired by mobile but now on desktop too**.**

Some interesting ideas for **social media integration** including the Niemen Lab’s highlighting of the most sharable sentences for quick and easy tweeting



New **on-the-side annotations** that elegantly enhance but do not get in the way of reading the story (think Quartz and Medium) are becoming all the rage.



**Eight to watch in 2014**

**1. Line:** is just one of a new breed of cross messaging apps which has been making inroads in the Far East but is also picking up users in Europe Latin America and the US. Unlike What’s app, which is just does messaging, Line’s messaging is a hook for a set of further services such as games, photosharing, stickers, and more apps like camera and tools.

**2. Tor:** This software is designed to stop people – including government agencies and corporations – learning your location or tracking your browsing habits. Tor has grown from 500,000 daily users worldwide to more than 4 million users, provoking an increasingly public debate along the way. Public concern over government and corporate surveillance is likely to mean such tools will become more widely used – but will also be subject to attempts to crack its protocols. Tor is being used increasingly by journalists communicating with sources, human rights activists, and dissidents in war-torn areas such as Syria.

**3. Xiaomi**is a Chinese budget smartphone maker that aims to sell 40m handsets in 2014 – twice as many as this year. Xiaomi's holds "flash sales" of its e phones which generate have seen thousands sold in seconds. It recently tempted Hugo Barra (head of Android at Google) to work for the company as its head of global business.

**4. Cameo**enables the usual shooting of bite-sized video clips on your iPhone and then its cloud video-editing platform lets you turn those clips into two-minute long short films. Social features encourage sharing with the best bubbling to the top.

**5. ReadrBoard:** is betting that the future web will be an annotated web. It’s a customisable tool that captures reader reactions to any phrase, image video or whole page. It’s hoping to deal with frustration and poor user experience of existing commenting and annotation systems.[[46]](#footnote-46)

**6. Wibbitz:** One of a number of start ups looking to create short audio visual experiences out of text and related multimedia. It weaves together related images and video snippets and infographics to bring stories to life. [[47]](#footnote-47)

**7. Exaro**: Its data services business model could provide an alternative model for sustaining investigative journalism says Paul Bradshaw.

**8. Ampp3d.** Trinity Mirror showed that old dogs can be taught new tricks with UsVsTh3m - Ampp3d has that experience behind them - but can they combine hard with soft?[[48]](#footnote-48)

**With thanks to …**all of the below for their generous insights

Peter Bale (CNN), Edward Roussel (Wall Street Journal), Steve Herrmann, Richard Cooper, Dmitry Shishkin, James Montgomery, Jem Stone, Mark Friend, Mark Settle, Tristram Biggs, Tiffany Hall, Andy Wilson, Nick Reynolds (BBC),James Mickelthwait (ITV), Ashley Friedlein (Econsultancy), Mary-Beth Christie, John O’Donovan (FT), Alberto Nardelli (Tweetminster), Kevin Hinde (Nature Publishing Group), Paul Bradshaw (Academic, Help Me Investigate), Rasmus Nielsen (Reuters Institute), Patrick Lithander, Gregor Vogelsang (Burda Media), Jochen Spangenberg (Deutsche Welle), Joanna Geary (Twitter), Madhav Chinnappa (Google), Mark Coyle (BT Sport), Kevin Anderson (Digital strategist), Jonathan Marks (Critical Distance), Tim Weber (Edelman), Nick Cohen (MediaCom), David Corney (City University), Julio Romo (twofourseven), Richard Sambrook (Cardiff University), Jock Busuttil (Product People), Daniel Williamson (Media Briefing), Ilicco Elia (LBi), Charlie Beckett (LSE, Polis), James Price

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LinkedIn: http://www.linkedin.com/in/nicnewman

**APPENDIX A – Some of last year’s predictions assessed**

**1. Major news and sport websites report 50%+ of traffic coming from mobiles and tablets by the end of the year**

*HIT: This wasn’t obvious this time last year and many traditional publishers aren’t at that level – but some do more. For BBC News, mobile frequently now outperforms desktop especially at weekends but is nudging the tipping point at weekends too.*

**2. Android moves to 70% market share in Europe but Apple continues to drive most of the revenues.**

*YES AND NO: Android is comfortably ahead in European markets and is touching 70% in some markets like Spain. But is still less than 60% in the UK where the iPhone has had a good year.*

**3.****Blackberry bombs (in EU/US) despite excellent reviews for new operating system (BB10) and range of phones.**

*HIT: The new Blackberry OS did get* [*excellent reviews*](http://mashable.com/2013/01/30/blackberry-z10-review/)*. Bombs doesn’t quite capture the extent of their troubles in the past 12 months.*

**4*.* The term Phablet will enter dictionaries this year – describing the oversized smartphone/undersized tablet**

HIT: Yes Oxford Dictionaries announced this was going [into the dictionary](http://qz.com/119200/oxford-dictionary-adds-twerk-derp-selfie-phablet-and-more-voguish-vocabulary/) in August this year along with selfie and twerk

**5. Newspapers will start bundling distribution with content - 'free' tablets with annual subscription for about the price of an old print sub**



*HIT: Here’s that snap of the Daily Mail just before Christmas*

**6. Facebook and Twitter offer ‘paid for services’ to** consumers (e.g. paying Facebook for hi-res photos and fewer ads, added location based services)  
MISS

**7. Twitter heads for IPO in late 2013 making its founders and employees rich. Realistic pricing means share price goes UP after launch.**

*HIT* [*Shares soared 73% on first day of trading*](http://news.sky.com/story/1165342/twitters-share-price-rockets-in-nyse-launch) *as the company is valued at $31bn, exceeding even Wall Street's expectations*

**8. Take off for fun photo and video sharing services like Tout and also SnapChat and Poke (where messages self-destruct on viewing) especially with the young.**

*HIT: Snapchat went from niche to mainstream in 2013. In December alone, more than 400-million pieces of content were shared through the app*

**9 . The Apple TV will launch late in the year with a screen size of over 42” and a price tag of around $1500. The key selling point as the main interface for the living room across multiple devices**

*MISS AGAIN: Keep saying it and it will be true one day because we’d like it to be.*

**10. Watch Buzzfeed for the combination of a technology platform for detecting viral content with an editorial selection process to provide a snapshot of the best bits of the viral web.**

*HIT: One of the sites of the year (see above)*

**11. The Washington Post and at least two national UK newspapers join the metered paywall club in 2013**

*MASSIVE HIT: Almost uncanny. The WP paywall went up in June, the Telegraph in March for international users and later for UK ones. The Sun went behind its wall in August.*

**12. Further cost rationalisation across the media in 2013 as market realities drag down the offline and online advertising economies. We’ll see consolidation in the national UK newspaper market and more regionals will go from daily to weekly, following recent moves by Johnston Press and Newsquest, with yet more titles closing.**

*MAINLY RIGHT. Five Johnson Press daily papers switched to weeklies in May but profits were up*

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