

THE ROLE OF JOURNALISTS IN A DIGITAL AGE

Strategy and Structure for Online News Production
– Case Studies of CNN and NRK

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The International Symposium on Online Journalism
April 2008

Abstract

This cross-national comparative case study of online news production analyzes the strategies of Cable News Network (CNN) and the Norwegian Broadcasting Corporation (NRK), aiming to contribute to the understanding of the implications of *organizational strategy* on the *role of journalists* and explaining why traditional media organizations have a tendency to develop a *cross platform* approach (distributing content on several platforms, such as television, online, mobile, etc) rather than developing the *cross media* (with interplay between media types) or *multimedia* products anticipated by both scholars and practitioners.

Author biography

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Introduction

The initial interest of the topic was the observed practice of online journalism in large traditional media firms, in contrast to the revolution in journalism assumed by many new media researchers due to the introduction of hypertext, interactivity and multimedia (Deuze 2001; Engebretsen 2001; Harper 1998; Pavlik 1999). Technological assets of new media were for the broader part are ignored in online journalism (Domingo 2004; Matheson 2004; Schroeder 2004) or at least implemented at a much slower rate than earlier suggested (Boczkowski 2004). The interrelationship between the strategy of the firm and the development of online journalism were de facto ignored by most media researchers.

The purpose of this project is to contribute to the understanding of the implications of corporate strategy and organizational structure on the journalism production process within the context of digitalization and convergence by conducting a cross-national comparative case study of online news production analyzes the strategies and structures of Cable News Network (CNN) and the Norwegian Broadcasting Corporation (NRK).

News production and distribution has been the core activity of journalism and often the most cost intensive part of the in-house production in traditional television corporations. Due to the level of investment and prestige in this content, strategies for news distribution and development are central to these corporations overall strategies.

Internet is quite different from broadcasting, but for TV and radio channels it has been a matter of course to establish online activities (Rasmussen 2002). Because of their traditional content these players have been the frontrunners in developing multi media services in the same framework as online newspapers. And because of their ability to use more of the possibilities of new media with less need to invest heavily on new equipment and skills, broadcasters are interesting objects of study in the current phase.

Theoretical Framework

The organization, more specifically corporate strategy, represents the independent variable of this study. The focal point is how strategy at the corporate level influences the role of the journalist.

Companies' adjustments to altered external conditions are complex and dynamical processes. By studying different industries, Miles and Snow (2003) identify four archetypes. Each of these has its own strategy in responding to changes in the surroundings, and its typical configuration for technology, structure and process consistent with its strategy. Three stable situations are named "*Defender*", "*Analyzer*" and "*Prospector*", where the company is

competitive over time if organized according to its strategic type. The last category is called “*Reactor*” and represents an unstable situation (Miles and Snow 2003:29):

Defenders are organizations which have narrow product-margin domains. Top managers in this type of organizations are highly experts in their organization’s limited area of operations but do not tend to search outside their domain for new opportunities. As a result of this narrow focus, these organizations seldom make major adjustments to their technology, structure, or methods of operations. Instead, they devote primary attention to improving the efficiency of their existing operations.

Prospectors are organizations which almost continually search for market opportunities, and they regularly experiment with potential responses to emerging environmental trends. Thus, these organizations often are the creators of change and uncertainty to which their competitors must respond. However, because of their strong concern for product and market innovation, these organizations are not completely efficient.

Analyzers are organizations which operate in two types of product-market domains, one relatively stable, the other changing. In their stable areas, these organizations operate routinely and efficiently through use of formalized structures and processes. In their more turbulent areas, top managers watch their competitors closely for new ideas, and then they rapidly adapt those which appear to be most promising.

Reactors are organizations in which top managers frequently perceive change and uncertainty occurring in their organizational environments but are not able to respond effectively. Because this type of organization lacks a consistent strategy-structure relationship, it seldom makes adjustments of any sort until forced to do so by environmental pressures.

Miles and Snow’s model was an important contribution to the development of strategic management as a field of study, founded, inter alia, on the works of Alfred Chandler (1962). Chandler’s analysis of large American enterprises documented how changes of strategy are followed by changes of structure. Miles and Snow’s contribution has been vital in the formation/development of what is known as “the configurational view of strategy”, which explains that there is not an infinite number of alternative routes towards the goal, but rather a handful of fundamental alternatives to choose between in order to achieve what one wants. Porter

(1980) is among those who, following the typologies developed by Miles and Snow, has presented his set of generic strategies (*cost leadership*, *differentiation* and *focus*) (Hambrick 2003).

The core activity of a broadcasting corporation seems basically to fit in with the *Defender*-category. The focus is on publishing television and radio, and the executive's are usually experts on precisely that, besides having worked a long time in the business. The executives do not actively seek opportunities outside of their domain or line of business, and the main focus remains on improving management of the core activity. The large investments that have been made to digitalize the production process seem mostly to be about producing the same thing in a more efficient way.

However, the digitalization of production, storage and distribution of media content paves the way for a new understanding of the line of business within which one operates, and the competition ones partakes in. In this situation, the broadcasters have an advantage because of their rich content and well established channels for marketing new products and services. The establishment of online news services can be seen as a shift towards the category *analyzer*, with operations in one relatively stable part of the market and one rather unstable. In the traditional line of operations focus is on routine and efficiency, whereas one in the new line of business seeks to adapt good and promising ideas. Based on the historical development and the typology designed by Miles and Snow, a hypothesis of *analyzer* as the chosen main strategy will be a reasonable supposition. The structure and processes of the organization are differentiated to be able to account for both stable and dynamic spheres of activity.

Production of online news

The dependent variable of this study is the production *process* of online news, more specifically the role of the producers (journalists) on the basic level of job content and the use of technology. The aim is to better understand how changes in corporate strategy and organizational structures affect cultural production.

Research suggest that technological assets of new media for the broader part are ignored in online journalism (Domingo 2004; Matheson 2004; Schroeder 2004) or at least implemented at a much slower rate then earlier suggested (Boczkowski 2004).

Bolter and Grusin explain this phenomenon through the process of *remediation*. New media remediate old media, and old media is remediated by new media. A criticism of Bolter and Grusin is that they "consider the evolution of media as an automated process driven forward by the strive for transparent immediacy. It is almost as if they forget the ones operating media: People." (Steensen 2005).

To understand the human factor on the development of journalism, media scholars turn to social theory and the view of news production as acts of social construction. Ottosen uses Gofman's understanding of the role as a starting point to understand the development of the role of the journalist, as part of the actions performed by a person in line with the normative demands directed towards the level of status that person has (Ottosen 2004).

To study actions performed by the journalist in reliance to the duties and rights established by the profession, the sociological dichotomy of structure and agency is included in the theoretical approach. Giddens defines structure as "rules and resources, recursively, implicated in the reproduction of social systems" (Giddens 1984). The structure provides both opportunities and limitations for actions – this duality is what Giddens labels social practice.

In a modern industrialized society and democracy media development will be a compromise between the market, political decision processes (ownership limitations), local news room culture and social institutions, including unions. (Ottosen 2004).

Nygren (2008) presents a model for analysis of the role of journalists on four levels:

1. Journalist's role in the news production, what they do in their daily work and their relations to other groups in the media organization.
2. The norms and routines developing in the daily work, both conscious norms built in to the work flow and unconscious norms in the silent knowledge of the profession.
3. Conscious ideals and values of the journalist, giving meaning to the work and direction for decisions taken in the work process.
4. The role of the journalist in society outside the daily operations in the news room. Journalism has created a role in society both as actor and an arena in the democratic processes, and as narrator of contemporary history. Each journalist is a carrier of this role, and it is an important part of the values influencing professional decisions.

The technological framework for the development of journalism and the role of journalists represents one of several lines of conflict in relation to the commercialisation of media (Ottosen 2004). McManus argues there are four interested parties in the production of news: news sources, advertisers, consumers and corporate investors. Market-driven theory of news production has fundamentally different goals than the traditional journalistic theory of news production. The market-driven theory is economically-centred around pleasing advertisers and attracting the largest possible audiences while minimizing newsroom labour and production costs, McManus asserts. (McManus 1994)

My objective is to develop this further by introducing the role of corporate strategy in the equation. In order to understand how new media development in a traditional media organization is affecting the journalism production process, it is necessary to understand the strategic role of new platforms, and the commercial rationale for multi platform product portfolio development¹.

Research Questions

Starting out with the production *process* of online news as the dependent variable, the interest of this study is the interplay between strategy and process – in the context of external factors changing technology, regulation and values in society (Roos and van Krogh 1996).

Q1) How does the strategic role of new media development in a traditional media organization affect the journalism production process?

Q2) What kind of journalists and journalism are shaped under changing individual, institutional and technological frameworks?

Methodology

A multi-disciplinary approach in developing new concepts, within the traditions of empirical sciences such as communication studies, sociology and economics, places this thesis, in terms of Mjøset's six notions of theory (2006), in a *pragmatist tradition of social science*, with an explanation based notion of theory.

This cross-national comparative case study of online news production analyzes the strategies and structures of Cable News Network (CNN) and the Norwegian Broadcasting Corporation (NRK), based on 40 in-depth interviews in 2005-07 with current and former managers of CNN, NRK, academics, and industry specialists.

The main reason for choosing these traditional television organizations as objects of study is their positions as leading news gathering organizations. NRK is Norway's largest news organization, while CNN controls the world's largest news gathering network. This represents a "most different cases" approach. The focus of the study will be on specific scope conditions, while the contiguous variables are very different: public service² vs. commercial,

¹ Picard (2005) identifies five rationales for the development of media product portfolios: Risk Reduction, Managing Product Life Cycles, Market Exploration and Company Growth, Breadth of Market Service, and Efficiency.

² While NRK traditionally is a public service broadcaster of radio and television, the online activity is defined as a commercial activity since 2000.

Scandinavian vs. American, national vs. global, traditional terrestrial vs. cable and satellite, online pioneer vs. late starter, etc. The aim is then to discover decontextualized stable patterns, indicating general coherence.

The cases

CNN.com, launched in 1995, is among the world's leaders in online news and information delivery³, relying heavily on CNN's global team of almost 4,000 news professionals. The site is updated continuously through a “follow the sun” model by the production facilities in Atlanta, London, Hong Kong and Sydney.

The NRK (the Norwegian Broadcasting Corporation) is Norway's major broadcasting institution with nine radio channels and three TV channels. There are NRK offices in 50 different places in Norway in addition to 10 correspondents abroad.⁴ The NRK began experimenting with the World Wide Web in 1995, starting with offering a selection of programme related material. Due to advice from the European Broadcasting Union (EBU) not to invest too much on internet activities, they started rather low scale. This was later used as an explanation of why NRK is not in a leading national position, as is the case in every other market they operate.

The first phase (1993-1999)

CNN's online activities started on the proprietary online service CompuServe in 1993 with an online forum set up around the live Talk Back program. In 1994 CNN started to deliver news headlines to CompuServe, and this activity initiated a process of setting up a business plan for the online activities of the CNN. At the time, projecting forward was either CD-ROM based or online services based. It was not until March 1995 CNN discovered the World Wide Web as an opportunity to reach the whole world, which was important for CNN, and something they could not achieve in an offering to the contained audience of CompuServe. The DC-ROM production cycle was also less compelling to the style of CNN reporting.

The web answered the concerns of production cycle and market reach, and in August they launched CNN.com. The CNN Interactive staff had grown from five people in March to about 60 at the time of the launch.

³ In 1980, Ted Turner launched CNN, the world's first live, 24-hour global news network.

⁴ NRK's programme activities are organized according to a so-called broadcaster model. One section of the organization, Broadcasting, plans programmes and the contents of the programme schedules. This part of the organization sends requests and is responsible at all times for what is actually transmitted via television and radio and for what is published on the Internet. Another section of the organization, the Programme Division, develops and produces programmes and contents according to the requests from the Broadcasting section.

Due to the lack of a content management system for online publishing, the number of staff continued to grow. Every web page was made and updated manually by webmasters. At the most, CNN.com employed 45 technical staff members in Atlanta.

CNN.com expanded internationally with special editions for Europe, Asia, Middle East, and in association with partners, local language editions was launched in Arabic, Danish, Italian, Norwegian, Spanish, Swedish and Turkish.

NRK's first online organization had three employees. They got financial resources to finance their own salaries, and a "licence to beg" for production funding from the other departments at NRK. This led to an online offering dependent on the willingness to pay in various parts of the organization. The most prestigious part of the programming felt no need to invest in new media development, hence there was no online news offering the first five years (1995-2000). For a licence financed broadcaster, the income was fixed, and new ventures had to compete alongside existing activities for resources.

The second phase (1999-2004)

After the Time Warner/America Online merger⁵ and the dot com downfall in 2001, a major downsizing of the CNN Interactive organization took place, and the activities of CNN.com was refocused.

In 2005 the technical staffs were reduced by more than 70 per cent, to 12 of the 60 people then employed in Atlanta and the international desks in London, Hong Kong and Sydney in total had an editorial staff of eight senior news editors. In addition to the domestic CNN.com, CNN's international editions are comprised in one international website. All local language initiatives were closed down after the internet crisis in 2001, but an edition translated into Arabic was launched after 9/11.

"I always viewed it as another channel, just like you [...] might use CNN headline news to get a quick take on the news versus watching CNN where you might spend more time. I thought of CNN.com as a place you can go when you are online or you want to search for something, interact with the news. I think when I left it certainly shifted more to being a support mechanism for the television channels, which I think is the wrong direction to go, because [...] it should not be the primary purpose, it really needs to stand alone. And I think the successful sites out there, BBC News is the one I would point to the most, does

⁵ AOL purchased Time Warner for US\$164bn in 2000. Each original company merged into a newly created entity, where the shareholders of AOL owned 55 % and Time Warner shareholders 45 %. After the merger, the profitability of the former America Online decreased, and the market valuation of similar independent internet companies fell. This forced a goodwill write-off, causing AOL Time Warner to report a loss of \$99 billion in 2002 — at the time, the largest loss ever reported by a company.

not have a channel identity at all, it really does stand alone.” (Scott Woelfel, founding Executive Producer of CNN.com, interviewed in Atlanta, 2005)

Some of the online staff laid off in Atlanta had news wire⁶ background, and was recruited to the internal CNN Wire service, then growing to become a 24/7 operation servicing all CNN channels and shows. This service has become an important part of the centralized news production at the CNN.

The general online optimism leading up to the millennium, and advertising financing of parts of selected BBC products online, led to a new strategy at the NRK. There was a need to allocate more resources to the online service, and advertising was identified as the solution. In order to open for such revenue, the online offering had to be defined outside the public service mission of NRK. A new division named NRK Futurum was established with a mission of creating new streams of revenue for the public broadcaster, and an ambitious goal of taking a dominant place in the online space was proclaimed in 2000. News then became a part of the online offering.

The dot.com downfall of 2001 limited the potential of online revenue, and the online organization was reorganized. Online production became an integrated part of the various production departments. The text-tv organization was expanded with some temporary employment to serve the new online channel, and became a part of the radio organization. A niche channel for news was also launched for terrestrial radio based on repurposing of material from the traditional radio operation, and these activities was located on the same floor. Original news reporting for NRK.no was prohibited due to the fear of exhausting sources needed for radio and television.

Site management and editing of the home page of NRK.no became the responsibilities of the Online Broadcaster. In principle the Broadcaster defines the offering and contracts content from the production departments, but in practice a conflict of front page space raised as the richness in content grew. Partly as a compromise the home page was divided in three sections: (1) program information and promotion, (2) online news, and (3) live and on-demand distribution of radio and television.

In 2004 the decision was made to make all regional transmissions, both radio and television, available on the Internet across all national borders. In the case of major news events, the NRK web site transmits live from the sites where events are taking place.

⁶ Wire services supply news reports to newspapers, magazines, and radio and television broadcasters. These news agencies can be corporations (Reuters and AFP) or cooperative organizations (AP, UPI).

The same year NRK became one of the most visited web sites in the country, but still not on the top 10 list. The Online Broadcaster had high hopes for better market positions as video consumption was expected to grow substantially due to increased online penetration.

The third phase (2005-07)

In 2005 no channels, including CNN.com, any longer had their own reporters and correspondents. All news packages were delivered to the main news room in Atlanta, and approved, before being available to all CNN channels simultaneously.

This can be seen as consistent with the traditional CNN approach to efficient news productions, which has made it possible for the CNN organization to deliver several 24 hour television channels for a far lower total cost than the resources available for news departments at the traditional US television networks with only a few hours air time (Küng-Shankleman 2000). All original reporting for CNN.com follow the same approval process via the senior editors at “The Row” in Atlanta.

“A broadcast network is very much about polished news, and that’s what we have to rely on, [...] what’s legally been approved [...] We still have to meet that standard, because it is a brand promise”. (CNN interviewee, Atlanta 2005)

It is an important part for CNN’s strategy to be available for the consumer at any given time:

“CNN is about communicating news and information to as many people as possible and in as many ways as possible. And what CNN stands for is giving people accurate, reliable, timely, comprehensive news and information, and that there are multiple ways to do that. CNN does that over the cell phone, we do it over the computer, we do it over televisions, we do it over radio, [and] we do it in pre-programmed features that run in doctors’ offices. CNN is about communicating news and information regardless of the vehicle through which it is communicated.” (Mitch Gelman, Executive Producer, CNN.com, interviewed in Atlanta, 2005)

Even though the core reporting is standardized, the packaging is individual for each channel, based on the target group and the consumer’s needs in the various situation of consumption. Broadcasting on the CNN Airport Network is delayed in order to avoid reports of aviation disasters, and on CNN.com you do not find talk shows.

In New York a new edition of the CNN Money section was relaunched in February 2006 as a online joint venture with Fortune, Money, Business 2.0 and Fortune Small Business. All Time Warner properties joined forces to increase the market share in the lucrative niche market for business news and information, and CNN.com is used to generate traffic to the new site, that is both a section of the domestic CNN.com and at the same time marketed as CNNMoney.com.

Online video had its break through in 2005 when CNN introduced free video on CNN.com. This was possible to do in a very efficient manner due to the centralized news production. But adding to the portfolio of channels has some consequences for traditional television.

“[Internet] has changed forever the dynamic of television journalism, because no longer do most people get their news when they get home in the evening or on the radio in the car on the way home. They are peeking at it at work during the day. They know what the news is when they get to the house. So, if you are going to deliver something in primetime, you have to deliver something that takes the viewer beyond basic news, the commodity news of the day.” (Richard T. Griffiths, Editorial Director CNN, Atlanta, November 2005).

Prime time shows are now demanding stories going behind the news in contrast to what Griffiths define as “here-they-come-here-they-go journalism”.

“...in prime time, they do not really seem to care about speed. They care about quality of the storytelling, is it a compelling story, is it an interesting story, is it well told, is it pulled together well? [...] What is the choice of the story? Is it going to draw an audience, is it going to draw the prime time audience? And some of that is in play, whereas the website, and daytime programming and headline news are all about speed, and getting the information on very, very quickly. So, we have two different customer styles happening within the company right now.” (ibid).

This leads to a situation where the American prime time shows aired from Time Warner’s New York Headquarter are asking for more control of the correspondents controlled by the centralized news operation in Atlanta.

2005 became the break thru for online video. But NRK did not manage to realize the potential. Mandatory registration of video users was removed to enhance usability, but the

automated production was detached from the online news staff, and the integration of video in online news developed slowly.

The Norwegian online market is unique in the sense that newspapers have a strong national position. Three of the top 10 sites are national newspapers with a wide range of service. All started web-tv offerings in 2006, and the largest newspaper, VG, also became the leading online broadcaster, to the frustration of the nation's dominating broadcaster, NRK. The leading commercial broadcaster, TV 2, had become a major player in online news through the purchase of the online only Nettavisen (Online Newspaper) in 2002, but this was a first generation online news service with limited multimedia content. TV 2's strategy was to offer online video as premium service requiring a paid subscription. As the dominant player in this niche, this became a profitable venture based on on-demand news and entertainment previously aired on television. Hence the traditional major newspapers took the lead in development of original multimedia news content for the web.

NRK had the richest video content offering, but presented mainly in an archive format. The online news department was moved from the radio organization to television in an attempt to facilitate breaking news video production for NRK.no. The access to moving images has become better, but all interviewees agree that this has not reached its potential.

As digital terrestrial television (DTT) is about to be introduced and analogue shut off is decided, a new situation emerges for the traditional television channels. NRK and TV 2 will not be the only channels with full distribution. In preparing for increased competition the traditional market leaders introduce niche channels. TV 2 went from being a family channel to offering a family of channels, with sport, news and movies as part of the new portfolio.

NRK decided to re-launch NRK2 as a news channel in competition with TV 2 and to establish a children's channel in addition. As TV 2 launched the news channel in February 2007, NRK did a soft launch of their news channel online and reorganized the news department in order to realise the new strategy on continually publication of online news in all three channels.

Internal conflicts led to a compromise of two news organization, one responsible for all traditional prime time news shows on radio and television, and the other responsible for the new continuously updated news offerings in all channels. The latter was supposed to control the news gathering resources, but the traditional shows were struggling for control over dedicated reporters.

One of the objects of reorganizing was to produce more without increasing the total resources. As more people are dedicated to specific program offerings, fewer resources are available for a centralized multi-channel production. At the same time the union at the prime time Dagsrevyen is struggling to stop proposed strategic alliances with a major business daily in the business coverage in new channels. Strong unions demand more resources for the new news

operation. But for a public broadcaster the revenue stream is still fixed. The definition of online to be outside the public service domain in order to sell advertising has not resulted in a revenue stream substantially to finance new ventures.

The Online Broadcaster and the online news department are integrated in the public service organization, and the commercial NRK Aktivum is selling advertising on the offerings made available. There is no tradition for developing business plans before launching news concepts online.

Discussion

Q1) How does the strategic role of new media development in a traditional media organization affect the journalism production process?

Economies of scale and scope provide a compelling case in favor of providing media content online (Doyle 2002). By utilizing a system of centralized news gathering to serve a growing number of channels, CNN are able to hold the marginal cost of each new channel in check.

Historically CNN comes out of a tradition of business development that might be characterized as a *prospector* strategy. Ted Turner inherited his father's business of advertising boards in the South Eastern USA, and built a media empire by responding to emerging trends. He is still an entrepreneur continually in search for market opportunities.⁷

In 1995 CNN was the world's news leader, and ran a global news operation with several output channels very efficient. Even with an innovating approach to news gathering (one man teams with satellite phones in war zones, etc.), it might be argued that the main focus was on improving the efficiency of their existing operations, and therefore should be analyzed as a *defender*. However, the innovative approach also in the development of new output channels, suggests an *analyzer*-strategy.

The analyzer would operate routinely and efficiently in their stabile area through use of formalized structures and processes, and in their more turbulent areas watch their competitors closely for new ideas, and then they rapidly adapt those which appear to be most promising (Miles and Snow).

The problem with such an analysis is the period when CNN.com was launched. In 1995 there was no proven business model for online activities. CNN was not the only large media organization to launch major online operations at this time, but the first major television operation to invest heavily in this new field. Rather than watching out for success-stories to copy, CNN was

⁷ A restaurant chain serving fresh bison meat is one of Ted Turners last ventures.

a creator of change in the whole industry – playing part of the same role as it did in the traditional television market, especially with the emphasis on breaking news.

In relation to the continuously experimentation with new output channels, it might be argued that CNN to a certain degree remained a *prospector*.

The merger AOL/Time Warner might represent a moment of significant change. Ted Turner did not any longer play a part in the development of CNN, and a major downsizing led to streamlining of the total news operation. Promotion of CNN television and other Time Warner products became an increasingly important part of the CNN.com product. And new revenue was created by introducing sponsored special reports.

CNN is keeping the brand promise of delivering polished content in every available channel. And television content is an increasingly important part of the product offering online. They do have plans to continue development of new market opportunities in digital television, but the need to operate within the limits of a brand promise does prohibit a typical *prospector* strategy.

Using new technology primary as a tool for distribution, with very little emphasis on the development of original online journalism, CNN strategy today will be classified as a *defender*.

In comparison, NRK entered the online market with a *defender*-strategy. The focus was on publishing television and radio, and based on advice from the European Broadcasting Union, the online activities was limited and the funding led to a product funding a not-so-coordinated portfolio of promotional activities.

The second phase represented a rhetorical shift towards an *analyzer* strategy. A new market had emerged and NRK had the content and competence needed. Online was defined outside the area of public service, and a new commercial division had high ambitions of creating new revenue from a rapidly growing online market.

However, the structure of production and publishing remained integrated in the traditional organization with dedicated resources for every platform and online on a third place in prioritization behind television and radio. Journalists were internally recruited. New talent started in radio and aspired to television. There is a strong consensus in the editorial staff of public service as the brand promise in all platforms; hence the commercial online zone consisted of public service content with advertising.

The commercial division is limited to advertising sales in a strong church and state separation from concept development and production. The strategy might be formulated as an *analyzer*, but the structure remains that of a *defender*. Their lack of success in the Norwegian online market led to a conflict where the news department, the online broadcaster and the

commercial division played a typically blame game rather than cooperating to gain the expected market share.

This may suggest that the formula is yet to be found and that the balance between traditional and new activities in an *analyzer* model has not been established in a satisfactory way. Hence it is possible to discuss whether NRK is a *defender* with some symptoms of a *reactor*. Miles and Snow (2003:93) identify three main reasons why an organization acts as *reactor*:

1. Top management may not have clearly articulated the organization's strategy.
2. Management does not fully shape the organization's structure and processes to fit a chosen strategy.
3. There is a tendency for management to maintain the organization's strategy-structure relationship despite overwhelming changes in environmental conditions.

Rapid reorganization processes indicates the willingness to shape the organization's structure and processes, but the strategic choice to define online as a commercial field outside the public service domain has not led to major changes to the overall strategy-structure relationship.

"An organization is seldom able to veer substantially from its current course without major structure-process alternations". (Miles and Snow 2003:8)

A major downsizing in 2001 led to changes in the CNN production structure towards a centralized news production, efficiently serving a growing number of platforms. CNN has developed from a *prospector* tradition experimenting with new technology of production, distribution and content formats to a *defender*, using new media channels primarily for distribution of centralized produced content. NRK came to the game as a *defender*, and are struggling to find organizational structures to balance traditional and new platforms in a news productions moving towards a centralized model.

Despite all differences between CNN and NRK, both have developed *defender* strategies. The operationalization of this strategy is to develop an organizational structure to realize the efficiency of centralized news production, enabling an increased *breath of market service* and to hold the marginal cost of each new channel in check.

Q2) What kind of journalists and journalism are shaped under changing individual, institutional and technological frameworks?

The *multi platform* production leads to standardized content being adjusted for different output channels in the news room. If unique content is produced, the most prestigious channel will have priority. This leads to a situation where *cross media* concepts with interplay between media types are less likely to be developed in news operations, and

interactive *multimedia* content utilizing the full online toolbox rarely will be present. In the *defender* cases of CNN and NRK, the rationale for a product portfolio strategy (Picard 2005) is *breath of market service*, and *efficiency*.

Cross media concepts might be tools to move the user between platforms and maximize the total time spent on the brand portfolio – by creating a total experience cross media that each channel will not be able to offer by itself. The operationalization will however demand major organizational change in the news production. A defender strategy with a structure of integrated production will probably be preferred. But as we have seen, traditional news organizations adapting such strategies and structures are likely to be perusing the efficiency of *multi platform* production rather than matrix structures for *cross media* concepts. Hence the future for this approach to online journalism is not very bright.

The *defender* strategies of CNN and NRK do have implications for the professional role of the journalists. On the basic level the centralized and efficient approach to news production leads to the development of standard formats fitting a growing number of output channels. Rather than utilizing the comparative storytelling advantage of each channel or platform, there will be a higher focus on the lowest common denominator. The identity of the journalist working in a centralized news gathering organization will be strongest linked to the most prestigious output context (i.e. channel or platform) for the content produced. In broadcasting this tends to be the main television channel, while in newspapers the morning edition on paper.

Hence the professional role of the journalist on the higher levels (Nygren 2008), defined by the norms, ideas and values related to the main output channel, becomes part of the structure for the professional role in new and developing platforms for news mediation.

Conclusion

This cross-national comparative case study of online news production has demonstrated the importance of the strategy-structure relationship in developing new platforms within a traditional media organization.

Decontextualized stable patterns identified in the two most different cases of CNN and NRK might indicate general coherence in the strategy, structure and rationale for the development of media product portfolios in large incumbent news organizations⁸. *Defenders* tend to choose a structure of centralized and integrated news gathering, aiming to increase the

⁸ The competitive case of Norwegian national newspapers represents a deviant case in the same time period, with several players developing analyzer strategies resulting in different structures and processes (Krumsvik 2008). In 2008 also the majority of these players are integrating news gathering to gain higher efficiency.

breath of market service and to hold the marginal cost of each new channel in check. On a basic level of job content and use of technology, the implications of the role of the journalist is industrialized production of standardized content elements applying the lowest common denominator rather than the unique storytelling tools of each output channel – with the most prestigious output channel playing a defining role.

However, this Tayloristic image of the situation after the first ten years of online news production does not represent a static situation. Social structures are changing over time, and the CNN case illustrate how the new environment of multi platform portfolios leads to the need for product development in traditional prime time television.

Changes towards analyzer strategies and utilizing the unique storytelling features of each channel might be a scenario if a higher degree of product differentiation is needed to meet competition and increase the total time spent on own brand. But the conflict of the need for differentiation and limited resources to develop this attributes is typical for the situation of main stream online media in a time where digitalization has dramatically lowered the barriers of entry, and the fragmentation of the media market is increasing.⁹

The growing importance of online channels in attention and economic value does also have implication for the social structure of the development of online journalism. This might be the most likely scenario for a larger degree of utilizing the online toolbox. For new platforms to come, history might repeat: The journalists own understanding of their professional role will probably continue to be a conservative force.

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⁹ Chamberlin (1933) introduced the term Monopolistic Competition to explain a situation between the polar cases of perfect competition and monopoly. In this market structure there are many firms selling a differentiated product, and there are low barriers to entry and exit in the industry. It is similar to monopoly in the sense that the firm has some control over the price it charges, since products are differentiated. But because there are many sellers, it is similar with perfect competition in that the free entry and exit of other firms in the industry pushes each firm's net profit towards zero.

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