Managing Electronic Media
Making, Marketing, and Moving Digital Content

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For almost 15 years, I wrote for the Special Issues section of the Hollywood Reporter, writing about the effects of digital technologies on the media industries. In the course of that reporting, I interviewed virtually all of the executives who were guiding the major media and entertainment companies through the choppy waters of a new media landscape. They were called upon to address the changes brought about by the introduction of digital content creation technologies – cameras, nonlinear editing, computer-generated imagery for animation and special effects, the Internet and peer-to-peer networks, and the proliferation of channels and media players, such as mobile, game consoles, DVRs, HDTV, Blu-ray, and all the other rapidly changing consumer electronics devices.

Not surprisingly, the ripples of changes in technology soon reached the public, which eagerly adopted many of the new ways to consume media, changing their media uses and habits. They also sent unceasing tides of change through the media industry itself, with which managers at every company and every level had to deal. It was a truly chaotic business environment – a sneeze in Chicago may not cause a tsunami in Beijing, but computer processors in San Jose certainly caused a tsunami in the media industry that has lasted for longer than two decades.

Digital content creation changed the speed, flexibility, and cost of content production, making it cheaper for consumers, but sometimes more expensive for blockbusters loaded with special effects, such as Titanic. Networked distribution enabled media companies to employ skilled creators from around the world, opened up global market for content products, and greatly lowered the cost of sending media to all corners of the globe. It also enabled consumers to send media files to all those same corners, undercutting existing business practices and valuable sources of revenue.

The speed and scope of change continue. The media industry is still coping with the effects of the Internet – Internet 1. But Internet 2 is coming, and it will arrive during the careers and lives of today’s generation of college students. Internet 2
is in development around the world. The universities and governments of many
countries are connected to it, and scientists and engineers are hard at work
building the technologies needed for its introduction and public adoption.

The purpose of this book is to lay a foundation for understanding and particip-
pating in the ongoing evolution of the media industry. It provides the concepts
and vocabulary that managers have devised to meet the challenges of today’s
market and to position their organizations to succeed in a dynamic future
business environment. At the same time, managers rely on many traditional
ideas and processes to guide their actions. In some ways, media businesses are
not so different from how they were in the past, or isolated from the practices
that govern modern businesses everywhere.

The book tries to keep one foot in the recent past, another in the near future,
without losing sight of the present, which demands knowledge of both past
and future dimensions:

- Chapter 1 introduces students to the media industries – their size,
  structure, segments, and role in society.
- Chapter 2 looks at media organizations, what they do, and how they
  create value to be successful and profitable.
- Chapter 3 examines leadership and management techniques, with brief
  bios of the business accomplishments of media industry managers.
- Chapter 4 details how media companies handle human resources, in
  industries that are highly dependent on skilled creative people.
- Chapter 5 shows students how to follow the money, giving them insight
  into the pervasive importance in media industry organization of financial
  planning, budgeting, and management.
- Chapter 6 explores the new paradigm of media consumers, who may be
  customers, viewers, listeners, readers, users, players, friends, and followers,
  depending on which media segment an executive manages.
- Chapter 7 discusses the revolution in media content, including traditional and
  new means of production, content acquisition, and user-generated content.
- Chapter 8 presents the Big Picture strategies for marketing media content,
  at the heart of organizational growth and profitability.
- Chapter 9 gets into the detail of marketing – readying content products
  and shaping them to succeed in the marketplace.
- Chapter 10 covers sales management, a key function in any organization,
  where the revenues flow into the cash register.
- Chapter 11 lays out the new world of content distribution as companies
  maintain the traditional means of delivering content to consumers, even
  as they try to seize the opportunities offered by digital channels.
- Chapter 12 considers the language of conducting media business,
  showing how every part of the industry creates value in the marketplace,
  allowing organizations to bring in revenue.
Chapter 13 presents ever-evolving media industry business models that serve as a shorthand way of describing the products the business will bring to market and how it will attract consumers. The business model also includes how the organization will deliver the product or service and derive revenue from it.

Chapter 14 provides an overview of the legal and regulatory issues that affect media enterprises that operate in both U.S. and international markets, including the new frontier of the Internet.

Chapter 15 asks some of the most difficult questions the media industries face: the ethical considerations brought up by their influential role in the public sphere and private consciousness of individuals.

Some readers may want to know why there is no chapter – perhaps even several chapters – specifically looking at communication technologies. To some extent, these topics are covered in Chapter 11, in the discussion of distributing content. The distribution infrastructure – wired and wireless networks – figure so large in all our lives that such a topic deserves its own book to estimate the likely future growth and capacity. Such projections are more or less impossible for consumer devices. There are probably college students at work in their garages and dorms right now figuring out some new fabulous way to consume content that no one has ever thought of before and will turn some part of the media industry upside down. I look forward to their products and the enchanting creations that will follow, but I will not attempt to guess what they might produce! Indeed, if I could, I would be out in my own garage.

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Joan Van Tassel

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**Lisa Poe-Howfield**

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**DAY IN THE LIFE FEATURES**

*Day in the Life* section feature top media executives and highlight their everyday routines, showcasing some of their key concerns and perspectives on today’s media. Each section includes a brief essay and a daily rundown.

**Craig Robinson** – President and General Manager, KNBC/TV-Los Angeles, California (Chapter 1)

**Lloyd Kaufman** – Co-Founder and President of Troma Entertainment; Chairman of the Independent Film & Television Alliance (IFTA); author of *Direct Your Own Damn Movie, Produce Your Own Damn Movie*, and *Make Your Own Damn Movie* (Chapter 2)

**Sam Bush** – Senior Vice President and Chief Financial Officer of Saga Communications, Inc. (Chapter 5)

**Debbie Carter** – Vice President and Director of Sales for Blair Television (Chapter 6)

**Ann Marie Gillen** – CEO and Founder of the Gillen Group, LLC; Film Producer & Entertainment Industry Consultant (Chapter 7)

**Dorothy Hui** – Vice President, Partnership Marketing & Sales, Wind-up Records (Chapter 8)

**Elliot Grove** – Director and Founder of the Raindance Film Festival and the British Independent Film Awards; author of *Raindance Writers’ Lab* and *Raindance Producers’ Lab* (Chapter 9)

**Wendy Y. Shelton** – Sales Manager, KVBC TV-3 (NBC), Las Vegas, Nevada (Chapter 10)

**Valerie Geller** – President, Geller Media International; Broadcast Consultant; author of *Creating Powerful Radio* (Chapter 11)
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Richard Conlon – Vice President, New Media & Strategic Development - Broadcast Music, Inc. (BMI) (Chapter 12)

Bob Kaplitz – Principal and Senior Station Strategies for AR&D, author of Creating Execution Superstars with Budgets Cut to the Bone (Chapter 13)

Vivi Zigler – President of NBC Digital Entertainment (Chapter 13)

Brad Williams – Vice President, Member Benefits and Developments – NAB (National Association of Broadcasters) (Chapter 14)