
AI translation · View original & related papers at
chinaxiv.org/items/chinaxiv-202310.00561

Breaking Through in Journalism Under a Buyer's Market: A Case Study of The Paper (Postprint)

Authors: Liao Yuanzhi

Date: 2023-10-08T00:00:00+00:00

Abstract

A buyer's market is a market model dominated by buyer bargaining power, and China's journalism industry has already become a buyer's market. Under the pressures of the journalism industry's dual market and the buyer's market, China's journalism sector has experienced transformations and crises in various aspects such as operations and management. This paper analyzes the development trajectory of The Paper, summarizing how it mitigates crises under the intense pressure of the buyer's market, pursues development, and earns the trust of both consumers and advertisers. Furthermore, The Paper's development trajectory holds significant guiding significance for the operations and management of China's journalism industry; this paper conducts its analysis through the theoretical lens of peripheral communication.

Full Text

Preamble

Journalism's Breakthrough Under the Buyer's Market: A Case Study of The Paper

(School of Journalism and Communication, Peking University, Beijing 100871)

Abstract: The buyer's market is a market model dominated by buyers' bargaining power, and Chinese journalism has already become such a market. Under the pressures of journalism's dual-market structure and the buyer's market, China's journalism industry has experienced various operational and managerial crises. This paper analyzes The Paper's developmental trajectory to summarize how it mitigates crises and achieves growth under the strong pressure of the buyer's market while gaining the trust of both consumers and advertisers. The Paper's path also holds significant guiding value for the operation and management of Chinese journalism, which this paper examines through the theoretical lens of peripheral communication.

Keywords: buyer's market; bargaining; The Paper; media management; Chinese journalism

Classification Code: G222

Document Code: A

Article ID: 1671-0134(2021)12-134-04

DOI: 10.19483/j.cnki.11-4653/n.2021.12.043

Citation Format: Liao Yuanzhi. Journalism's Breakthrough Under the Buyer's Market: A Case Study of The Paper [J]. *China Media Technology*, 2021(12): 134-136, 154.

1. The Shaping and Crisis of Chinese Journalism Under the Buyer's Market

In its most general sense, a market refers to the aggregation of buyers and sellers seeking to conduct transactions. The relationship between buyers and sellers is built upon several elements: the goods or services provided by sellers, the geographic location of both parties, and their willingness to transact. The interplay of these elements determines the locational advantages of a market and shapes its specific configuration [1]. Ultimately, all market entrants are driven by profit, though profits may be pursued over the long or short term.

Therefore, as long as Chinese journalism contains market elements, it necessarily includes these buyer and seller components and is subject to profit-driven motives—this is its commonality with other industries. However, the media market possesses exceptional heterogeneity. First, the degree of market competition in the media industry differs from that of other sectors. Due to the relatively short history of marketization in China's journalism industry, market competition remains incomplete. Second, because journalism in China—as in many modern nations—requires media to serve the public interest, it is not purely a profit-driven industry. Instead, it is subject to strong policy influences, cultural factors, and ideological operations. Third, to ensure that media fulfill their role as public interest agents, legislative bodies have enacted relevant laws.

More specifically, beyond these macro-level differences, Chinese journalism also differs in terms of its practitioners and products. From an economic perspective, what makes the media industry unique is that it operates within a dual-product market: it produces one product but participates in two distinct markets—the product market and the service market—with these two markets interacting and influencing each other. A product's performance in one market affects its performance in the other. Research topics such as the “double sale,” “multiple sales,” and “emotional labor” have all developed based on this dual characteristic of journalism products [2]. Media economics holds that when media products are sold to audiences, the primary goal is to capture their attention, which is then sold to advertisers, thereby forming the advertising market. The size of advertising revenue depends on the scale and characteristics of the media's audience [3]. Additionally, Chinese media practitioners and operators possess a special iden-

tity and ideology. China's media belongs to the "Party-managed media" system, and practitioners inevitably exhibit distinct political characteristics. Moreover, through interaction with policies, journalists have shaped their own professional ideals, such as viewing journalism as "the eyes, ears, and throat of the Party and the people" and believing it "must serve the public interest and social welfare." The longer journalists work in the industry, the more they value exclusive reporting, novelty, engagement, fairness, and accuracy [4]. Beyond profit-driven motives, journalists' actions are also driven by a sense of social responsibility and professional honor.

Under the buyer's market model, Chinese journalism inevitably faces stronger bargaining power from consumers and advertisers, who demand higher-quality news products and lower-cost information services. Simultaneously, consumers and advertisers have become more difficult for any single news organization to satisfy, and the stickiness of news products is disappearing—an inevitable result of expanding market competition. This also explains why news products have become increasingly diverse and their design increasingly sophisticated.

However, the shaping force of the buyer's market has also brought crises to the journalism industry, manifested primarily in two aspects: operational difficulties from a media management perspective, and talent "hollowing-out" from a media governance perspective. These two dimensions of crisis influence each other, even forcing some media organizations to exit the market. With technological empowerment, journalists can no longer maintain their gatekeeping authority. In the 21st century, Chinese journalism has entered a process of "de-professionalization," "de-vocationalization," and "de-premium compensation." Against this backdrop, many journalists have resigned or transitioned vocations with high public visibility, while those remaining often 自嘲为 "新闻民工" (self-deprecatingly call themselves "journalism laborers"), suffering from severe professional identity crises and the collapse of journalistic professionalism. The rise of platform journalism and fragmented news has further plunged journalistic ideals into confusion and self-doubt [5].

Furthermore, for Chinese journalism, the industry's crisis involves not only "the impact on discourse power" and "the dissolution of professional ideology among operators," but also a more special circumstance: "When the forces of de-professionalization arrive with such momentum, journalism practitioners cannot effectively negotiate with these forces, nor have they completed professionalization internally" [6]. This means that not only has the buyer's market disrupted the industry's original model, but a new production model has yet to fully emerge, leaving the entire industry oscillating in uncertainty. This may affect not only journalistic practices and reporting styles but also the social functions and organizational goals of media institutions—a phenomenon some researchers have summarized as "the integration of commercialism and the departure of journalistic professionalism" [7].

2. The Game of Journalism in the Buyer' s Market: The Paper' s Breakthrough Path

Chinese journalism is already in crisis; the next question is how to “turn crisis into opportunity” and achieve industry development. In a significant sense, The Paper (thepaper.cn) has provided an excellent demonstration and a replicable methodological path for Chinese journalism as a whole.

Founded in 2014 as part of Shanghai United Media Group' s *Oriental Morning Post*, The Paper transitioned fully to its digital platform when the print publication ceased operations in 2017. The Paper is a full-media news platform focusing on original journalism, holding a Class I Internet News Information Service License. It produces and aggregates high-quality political, ideological, financial, and cultural content 24 hours a day for Chinese internet users. According to its official website, The Paper maintains a substantial editorial team of over 400 journalists and editors, employing comprehensive new-media communication methods including text, video, VR, and animation to establish a complete content service system. As of June 2020, The Paper' s client had exceeded 178 million installations, with 10.6 million daily active users and over 450 million daily reads across all platforms [8].

Since its founding in 2014, The Paper has evolved from a municipal morning newspaper into a media platform with a national news consumer base. More importantly, while the entire Chinese journalism industry faces widespread pessimism, The Paper has maintained stable development, making it an extremely valuable research subject.

Rapid Adaptation to Converged Media News Production Contexts.

In terms of media form, The Paper has not only developed its own client but also established deep presence on Weibo, WeChat, and portal websites. Unlike other news organizations that simply maintain a presence on these platforms, The Paper has adapted its approach to each information aggregation platform to achieve broader dissemination. For instance, its client emphasizes firsthand reporting and comprehensive news coverage, while its WeChat platform focuses on curated content, leveraging the platform' s inherent capacity for wide dissemination to achieve multiple rounds and vertical distribution of content. While media management traditionally emphasizes how platform forms curate information content, the concept of cross-media prompts us to further ask: How should media operators adapt to and utilize information curation to achieve the broadest possible dissemination of information? The Paper serves as an excellent case study. In terms of content, The Paper positions itself as a “platform for thought and politics,” producing comprehensive and extensive news content across 17 channels including “Headlines,” “Video,” “Current Affairs,” and “Finance,” with dozens of columns under each channel. With the development of visual journalism and data journalism, The Paper' s H5 and “Mei Shu Ke” (Data Journalism) sections have also gained widespread attention. While promoting product visualization, The Paper has also facilitated greater interaction among

news consumers.

Respecting News Producers' Value and Promoting Market-Oriented Management Transformation. In previous research on media operation and management, scholars have focused excessively on technological transformation, speculating about where the media industry is heading under technological impact and guidance, while paying little attention to media practitioners—the crucial component that makes the media industry distinctive. This is precisely why, as we increasingly emphasize the crisis of journalistic professionalism, journalists' ideals seem to be overlooked in media management discourse. This paper seeks to address this gap.

First, under the “convergence of newspaper and web” system, The Paper has integrated traditional editorial systems with converged media editorial systems, ensuring that practitioners' professionalism is respected while also driving skill enhancement, compelling them to upgrade their capabilities in interaction with the journalism industry (or risk being eliminated by the market). The most critical issue in newspaper-web convergence is how to bridge “the last mile of news production” —enabling journalists to quickly adapt to the new media environment while ensuring news product quality and preventing them from becoming purveyors of clickbait. The Paper' s “Morning/Evening News” column exemplifies this approach. It adopts the traditional topic selection and submission system from conventional news production, refining topics and carefully selecting content to present the most important news of the day in a curated manner, creating a professional news service column against the backdrop of information overload. Simultaneously, “Morning/Evening News” delivers news through rolling, multi-media broadcasts using video and audio formats, enhancing information dissemination efficiency.

Second, The Paper does not intend to rebel against journalistic professionalism but instead utilizes it to guide news production as much as possible. The Paper' s journalists and editors adhere to four principles: be accessible but not vulgar, understand both criticism and construction, listen to public opinion without pandering, and discuss both problems and ideologies [9]. This indicates that The Paper' s editorial team has a mature content production mechanism: using the most sober thinking to analyze the most vivid cases, guided by in-depth investigation, and striving to report as objectively and fairly as possible to serve public life. More importantly, The Paper has carved out a possible “dialogue space” for China' s journalism market. It fully accesses public power information, actively invites experts and scholars to provide knowledge for the public (such as its “You Ask, I Answer” column), and provides channels for citizens to voice their concerns (such as its “Government Inquiry” column), enabling interaction, resonance, and convergence between the “official public opinion field” and the “civilian public opinion field” [10].

Third, The Paper' s editorial team operates under a relatively democratic management system, with editors enjoying considerable independent authority to freely determine news length, curatorial aspects, and other elements. The 24-

hour rotating editorial teams exchange news opinions and perspectives, enabling the content production end to select the most representative news events as much as possible while respecting facts and producing news that consumers appreciate.

The Paper has continuously reformed its media operation and management, focusing on technology, concepts, and personnel allocation. Through systematic operation and management, The Paper has completed its brand building and cultivated a large base of loyal news consumers. During its formation as a traffic hub, The Paper has also upgraded its services for advertisers, further enhancing their recognition. This is primarily reflected in The Paper' s decision not to include advertising production in its business scope but instead to outsource it to ensure advertising quality. Aligning with its news product positioning, The Paper has undertaken numerous high-end advertising campaigns, creating dynamic and static advertisements according to client requirements and distributing them across multiple media platforms to form an advertising dissemination matrix [11].

Overall, under the impact of the buyer' s market on Chinese journalism, The Paper has closely aligned itself with the needs of news consumers and advertisers, adjusting its industrial structure, content layout, and personnel arrangements. However, The Paper has not allowed the buyer' s market to deprive it of developmental autonomy—that is, it does not produce news entirely according to market demands. It continues to conduct independent production in areas such as in-depth reporting, maintaining its serious, high-end, and professional market positioning, thereby attracting consumers and advertisers and successfully achieving survival and development in the buyer' s market.

However, it should be noted that The Paper' s development still faces visible challenges. In terms of media operations, constrained by its geographic location and market positioning, how to become “the largest platform for current affairs and thought” remains uncertain. The Paper has yet to make strides in international news coverage and cannot directly report on some domestic political news. Additionally, as The Paper originated from *Oriental Morning Post*, it carries a strong Shanghai-style character, focusing its intellectual discussions more on literature and art rather than grand themes like “national affairs.” When conducting strategic research and path analysis on The Paper, these practical limitations and the applicability of its experience must be considered.

3. A Brief Analysis of Chinese Journalism' s Development Path

Kevin Kelly once described internet-era journalism as water—flowing everywhere, constantly restructuring, and continuously penetrating every corner of society [13]. This metaphor aligns with the path suggested by peripheral communication theory: precisely because everything can be accessed by news, we must locate the “periphery” that news can reach and treat it as a factor that may shape the

journalism market [14].

The Paper's practical path demonstrates that even under the immense pressure of the dual market and buyer's market, Chinese journalism can still develop and produce media management concepts and methods that resonate with the times. The Paper's development strategy broadly outlines this media management landscape: fully absorbing various factors related to the media industry to achieve transformation in both management and operation. The more critical question becomes how to identify these relevant factors and find practical methods to connect them. This issue offers at least two insights: first, methodologically, the development of converged media and the transformation of traditional media occur simultaneously, with overlapping professional talent and management teams. Therefore, when considering how to promote traditional media transformation or converged media development, we should discuss these two media forces in adjacent theoretical spaces, allowing for personnel mobility and idea exchange rather than advocating opposition and mutual elimination. Second, epistemologically, we must consider how to view Chinese journalism's development from a media management perspective. Chinese journalism bears an extremely important historical mission. During China's social transformation, the news industry plays a watchdog role—a value recognized by journalistic professionalism. Therefore, fields related to journalism, including economics, politics, and culture-education, must interact fully and provide valuable supplements to each other, with journalism serving as a connecting force to integrate society.

Adhering to Converged Media Thinking and Fully Integrating Traditional and New Media Characteristics. Some researchers have identified four trends in media convergence: mobilization, intelligence, visualization, and socialization [12]. Simply put, media operation and management will be increasingly penetrated by technology and eventually integrated into the social system. All news media can use these four aspects of media convergence as guidance, achieving technological access while simultaneously completing the transformation and upgrading of information products to fit reality.

User-Centered and Platform-Focused. Fully leveraging the utility of clients, Weibo, WeChat, and other platforms to serve news users. As the economic concept of bargaining suggests, news users include not only audiences but also advertisers, who form a powerful buyer's market that exerts tremendous pressure on news organizations' operations. Having developed to this market stage, news organizations should fully integrate into the marketization process and genuinely produce quality news products and advertising services to meet buyer demands. Additionally, while platforms and content are current focal points of academic discussion, with some researchers strongly denying the role of platforms and arguing they undermine the core competitiveness of journalism—quality content—the essence of media operation is to serve society and create profit. This requires operators and practitioners to combine platform thinking with news production to maximize the effectiveness of various information platforms. Rather than debating “platform is king” or “content is king,” the

more pragmatic and urgent issue is clearly “how platforms and content jointly affect the journalism industry.”

In summary, The Paper’s development path proves that even under the powerful pressure of the dual market and buyer’s market, Chinese journalism can still achieve growth and produce media management concepts and methods that correspond with the times.

References: [1] [Canada] Colin Hoskins, Stuart McFadyen, Adam Finn. *Media Economics* [M]. Guangzhou: Jinan University Press, 2005.
[2] Chen Shihua. “The Theoretical Origins and Future Direction of the ‘Audience Commodity Theory’ ” [J]. *Journalism Knowledge*, 2012(1): 3-5.
[3] [Canada] Colin Hoskins, Stuart McFadyen, Adam Finn. *Media Economics* [M]. Guangzhou: Jinan University Press, 2005.

Note: Figure translations are in progress. See original paper for figures.

Source: ChinaXiv –Machine translation. Verify with original.