A Preliminary Analysis of Development Strategies for Trade Media in the Converged Media Era: Postprint

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Abstract

The advent of the mobile internet and all-media era has confronted industry newspaper organizations with unprecedented survival challenges while also harboring development opportunities. From the perspective of traditional print media, the erosion of newspaper organizations' traditional print media by the macro media environment of the mobile internet era constitutes an irreversible trend. Confronted with the all-media wave, industry media must adapt to the new media ecology by leveraging the enterprise restructuring of newspapers and periodicals and the national media convergence strategy. This necessitates comprehensive integration across strategic, institutional, product and service, and operational management dimensions to establish sustainable competitive advantages for industry media and achieve transformation into the modern media industry.

Full Text

Preamble

Research on Convergence and Development: An Analysis of Development Strategies for Industry Media in the Era of Media Convergence

Abstract: The advent of the mobile internet and all-media era has presented unprecedented challenges to the survival of industry newspaper organizations, while simultaneously embedding development opportunities. From the perspective of traditional print media, the erosion of conventional newspapers by the broader media environment in the mobile internet age represents an irreversible trend. Faced with the all-media wave and to adapt to the new media ecology, industry media must leverage the transformation of press institutions into enterprises and the national media convergence strategy to achieve comprehensive integration across strategy, institutional mechanisms, products and services,

and operations management. This integration aims to establish sustainable competitive advantages and facilitate the transformation into modern media enterprises.

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1. Survival Status of the Media Industry

In this broader context, industry media have not remained immune and must confront this reality. The continuous development and application of digital technologies, the internet, mobile internet, big data, cloud computing, online video, and new media in information dissemination, communications, social interaction, and daily life have driven transformative changes in the media landscape. Various media forms have begun breaking down their previously distinct boundaries, exhibiting a trend toward multifunctional integration, thereby ushering in the "all-media era." In this environment, new media technologies such as the internet and mobile internet have been rapidly adopted, while traditional print newspapers and magazines have gradually declined.

Industry newspaper media have not escaped the broader crisis facing Chinese journalism. Advertising has long been the primary revenue source for newspapers and serves as the most direct indicator of their financial health. Industry-wide data reveals a stark reality: newspaper advertising has experienced consecutive years of dramatic decline, described within the industry as a "cliff-like drop." Compared with 2011, cumulative advertising revenue had plummeted by 55% by 2015. The situation remained grim in 2016, with newspaper advertising declining 41.4% year-over-year in the first half alone. The downturn in real estate and automotive industries constituted the core driver of this overall advertising slump, while the rise of e-commerce and the decline of brick-and-mortar businesses further accelerated the drop.

Circulation and readership figures paint an equally concerning picture. Monitoring data shows that total retail sales of all newspaper categories nationwide fell 47% in 2015 compared to 2014, with financial newspapers experiencing the smallest decline at 7.3%. Newspaper readership dropped from 65.7% in 2011 to 38.4% in 2015, representing a total decline of 41.6 percentage points. More troubling is the lagging public response to timely newspaper delivery, reflecting diminished media appeal—current subscriptions appear to be merely habitual. While newspapers' value as a mobile medium distinguished them from television, film, and PCs, the rise of mobile internet, WeChat, and news apps has made personalized information fulfillment the defining characteristic of the new media era. From a distribution channel perspective, the abandonment of newspapers appears entirely logical.

However, a closer analysis reveals a more nuanced reality. Despite widespread pessimism about traditional newspapers, the actual audience scale for periodicals has increased rather than decreased. More people now read "newspapers and magazines" through digital terminals such as WeChat public accounts, Weibo, and apps than ever before. The combined audience across these platforms has even surpassed that of the original print media. Data indicates that in 2015, over 40% of news content on national news portals originated from newspapers. Major portals reposted 3.19 million news articles from 415 mainstream newspapers that year, averaging 290,000 reposts per publication monthly. On WeChat public accounts, 394 mainstream newspapers generated over 100,000 news posts monthly. Traditional newspapers have thus achieved increasingly significant domain-specific dissemination through internet technology.

As an authoritative and professional media outlet in China's petroleum and chemical sector, China Chemical Industry News exemplifies these trends. In 2016, the newspaper's WeChat public account accumulated over 1.55 million reads, while its *Agrochemical Guide* WeChat account surpassed 6.55 million reads. While general audiences may not consciously recognize China Chemical Industry News as their information source, the organization undoubtedly serves as a primary news and information provider for the sector. Its industry influence and credibility remain widely recognized both within and beyond the petroleum and chemical fields. Consequently, despite the broader newspaper crisis, industry media like China Chemical Industry News continue to enjoy substantial market opportunities and development prospects, maintaining leading advantages in authority, influence, and dissemination capacity across the extensive petroleum and chemical sectors and numerous professional market segments.

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2. New Opportunities for Industry Media Transformation and Upgrading

Examining the overall operational situation of national newspapers, while traditional mainstream media have experienced declining primary business revenues, their new media operations have yet to generate revenue increments that impact the overall picture. However, with the continued advancement of mobile internet, new media will inevitably enter an accelerated development phase. Therefore, promoting the integration of traditional and new media to facilitate industry media transformation represents both an inevitable trend and a survival imperative.

In recent years, media convergence has received high-level national attention and support. In 2014, the central government issued the "Guiding Opinions on Promoting the Integrated Development of Traditional and Emerging Media." President Xi Jinping's important speech spirit of "2 · 19" and Minister

Liu Qibao's address at the 2017 symposium on advancing deep media integration have pointed the way forward for healthy media development under new circumstances. Some media organizations have already demonstrated strong development momentum. The People's Daily Research Institute's "2016 China Media Convergence Communication Index Report" notes that traditional media have strengthened their presence on PC and mobile internet platforms, achieving significant progress in content convergence and channel integration. In 2016, central media outlets such as People's Daily, China National Radio, and China Central Television led the convergence trend, while various media types in Beijing, Guangdong, Zhejiang, and Shanghai outperformed other regions. Media convergence processes in central and western China have also accelerated markedly.

The "China Industry Media Convergence Development Practice Report" released by the China Industry Press Association in 2016 shows that over 80 central industry media organizations have actively promoted new media development, essentially establishing presences on Weibo and WeChat while expanding toward mobile terminals. China Chemical Industry News has similarly embraced bold innovation and transformation, making substantial efforts to reshape perceptions among its own staff and industry enterprises. The traditional image of a "single-publication news organization" is gradually changing, and the newspaper's future operational direction has become increasingly clear: transforming from a single industrial news and information platform into a comprehensive industrial news and information platform and full industrial chain solution provider. The organization will continue adhering to journalistic principles while operating according to market principles for cultural and creative enterprises.

Currently, a three-dimensional media structure centered on "two newspapers and one journal," "four portal websites," and "two microblogs and one app" has taken shape. During major events, a new operational model featuring "integrated front-end collection, diversified terminal distribution, and timely comprehensive dissemination" has achieved remarkable results. Through close online-offline coordination and extensive promotion across its all-media platform, the newspaper's communication capacity and comprehensive influence have been effectively enhanced.

In the all-media era, industry media possess certain advantages while also facing distinct disadvantages. The key lies in identifying their proper positioning within the national media convergence strategy to seize healthy development opportunities. The following analysis examines this using the example of media development in China's petroleum and chemical sector.

3. Strategic Positioning and Goals for Petroleum and Chemical Industry Media Development

3.1 Strategic Positioning

The strategic positioning requires both adherence to journalistic principles and operation according to market principles for cultural and creative industries. The transformation involves evolving from an industrial news and information platform into a comprehensive industrial news and information platform and full industrial chain solution provider. This means the platform will not only focus on the industry itself but also emphasize upstream and downstream sectors, providing authoritative news and information across all links of the industrial product chain. Beyond news and information, it must deliver high-quality solution services for full industrial chain clients.

3.2 Strategic Objectives

Near-term goal: Build a mature and comprehensive new media terminal product matrix to promote the transformation and upgrading of traditional media. Focus on developing a vertical service platform for petroleum and chemical new media, providing industry development services and establishing a converged media brand image to gradually build authority within the sector.

Medium-to-long-term goal: Enrich and expand communication channels, continuously improve converged news production capacity, and construct a complete media convergence development system for China's petroleum and chemical industry. Transform media construction from a single industrial news and information platform into a full industrial chain news and information platform and full industrial chain solution provider. Through sustained development and operations, enable multiple platforms to achieve capital market financing capacity.

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4. Business Direction and Market Strategy for Petroleum and Chemical Industry Media

4.1 Business and Product Development Strategy

Implementing an all-media strategy in petroleum and chemical industry media requires developing vertically segmented media convergence platforms and products to capture market share substantially. This involves two major aspects:

4.1.1 Grasping the Main Direction of Business and Products Business and products should focus on two primary directions: first, excelling at "Internet Plus," and second, achieving breakthroughs in capital operations.

Regarding "Internet Plus," the strategy addresses three key issues:

(1) **Solving the decline in media influence caused by shrinking print circulation.** Influence constitutes a newspaper's foundation and vitality. Leveraging "Internet Plus" methods to comprehensively enhance influence should be the top priority. Modern information transmission methods must address the single-channel distribution problem. Future media influence should encompass not only newspaper circulation but also website traffic, electronic editions, apps, WeChat engagement, digital publishing, and other metrics. Meanwhile, major events with industry or even social influence—particularly significant activities in segmented vertical domains—should be strengthened at the media level through enhanced organizational planning and implementation. Proactive expansion of cooperation with enterprises and social organizations possessing broad social influence, combined with extensive online-offline promotion across all media platforms, will collectively enhance the influence and industry appeal of petroleum and chemical media.

(2) **Solving layout limitations.** By employing diverse media methods, the strategy focuses on adding value in vertically segmented industrial domains to strengthen media-industry stickiness. The professionalism of specialized media must be reinforced through "Internet Plus" means while extending deeper into vertical domains to achieve value enhancement across the full industrial product chain.

(3) **Solving the problem of upgrading client service methods.** Media operational efficiency should be improved by meeting clients' intrinsic needs. Special attention must be paid to media-reader, media-client, and media-industry interactions, particularly through interactive mechanisms that satisfy clients' customized service demands.

Regarding capital operations breakthroughs, the strategy addresses:

(1) **Solving funding bottlenecks constraining business development.** Industry media development requires new projects, which necessitate essential investment. However, relying solely on the newspaper's modest profits for investment is unrealistic in the short term. Therefore, capital operations represent a necessary leverage for future media development.

(2) **Solving institutional and mechanism issues.** The transformation from public institution to enterprise provides an advantageous opportunity to address systemic problems. The first step is enterprise conversion; the second is structural reform. This transformation will further liberate productive forces at the institutional level, particularly improving human resources. The caliber of talent determines the quality of endeavors, and the quality of endeavors determines talent retention.

4.1.2 Strengthening the Building and Operation of All-Media Platforms and Products

(1) **Developing all-media and media convergence plans based on media characteristics.** In the petroleum and chemical sectors, each vertical segment possesses distinct characteristics and sufficient economic scale. All-media and media convergence planning must consider both overall influence enhancement and segmented vertical industries, balancing influence and economic returns. The guiding principle should be "harmonious yet distinct"—respecting the essence of different media and internet platforms, vertical industry characteristics, while maintaining media and content commonalities and pursuing differentiated, specialized development.

(2) **Following internet thinking to build all-media operation platforms and products.** After years of new media development, the petroleum and chemical industry newspaper has faced challenges including inflexible mechanisms, insufficient internet professional talent, and operation of new media with traditional media thinking. All-media and media convergence inevitably involves collision between old and new thinking. In building all-media operation platforms, the architecture must fully follow new media and internet principles, reorganize products by segmented domains, identify core products representing the newspaper's image in vertical domains, break through traditional product design and marketing thinking, and supplement functions in product planning, dissemination (including online marketing and promotion), and operations management.

4.2 Marketing Strategy

All-media marketing requires greater integration of internet thinking, specifically manifested in the following aspects:

4.2.1 Sorting Out Products and Identifying Core Products in Vertical Domains In recent years of new media development, externally offered products have multiplied, but product design and marketing remain traditional. Internet thinking advocates the concept of core products. What are core products? Core products are those prioritized and strategically developed and marketed by enterprises. For example, Yonghe King's core product is soy milk.

Core products shape corporate image in users' minds. Therefore, any enterprise must identify its core product and concentrate resources on promotion. Only when core products achieve user recognition can they capture users' hearts and establish category positioning. After successful positioning, product derivation and diversification can follow.

When operating in segmented vertical domains based on special editions and issues, each vertical segment exhibits different industry characteristics—some are B2B-oriented while others are B2C-oriented. Consequently, each vertical domain must develop its own core product.

How should core products be selected? Three main criteria exist: First, core products must represent category characteristics, demonstrate organizational strength and core technology, possess competitive advantages, provide communication elements, generate derivative consumption, and create lasting impressions. In short, they should offer advantages, attract attention, and generate profit—this represents the optimal state for core products. Second, even if profits are modest, products with competitive advantages that can attract and gather audiences should not focus solely on immediate gains. As the saying goes, "take a long view." For instance, in B2B-oriented industrial chains, core products could be summit forums or training programs that build communities and generate revenue through derivatives. Third, products that offer advantages and attract substantial attention despite not being highly profitable are valuable, as they often conceal enormous market opportunities and business potential.

4.2.2 User-Centric, All-Network Integrated Marketing in Product Marketing All-media products and services can be understood as the integration of offline traditional media and online network new media under the "Internet Plus Media" framework. Internet thinking's user-centric approach requires "putting users first" across all value chain segments. In all-media product and service marketing, different users can be reached through different communication platforms, or all-network integrated marketing can be employed for specific user groups to ultimately achieve integrated marketing objectives, enhance brand image, and improve overall marketing effectiveness.

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