

Journalism 101

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Chapter 3

Due: September 27 2013 (Extended to: October 4)

Assignment 1

Walt Disney's guidance with regards to the making of *The Jungle Book* are representative of his ability to grow his company in several regards - He demonstrated the ability to find and use top-notch talent, to delegate responsibility, and to provide targeted focus and guidance, in order to execute his ideas.

Disney was able to recruit exactly the people he wanted and thought would excel in certain roles - such as the voice talent that he envisioned as being 'perfect' for the role - for example, Phil Harris as Baloo. The deep, signature voice added a perfect depth to the character. The ability to recognize and recruit talent is one of the most needed skills in running a company - no company is run by a single person, and having talented people that are using their skills in exactly the right roles is key.

A second ability that was clear was his ability to delegate responsibility for specific needs - such as specific animation tasks, supervising animation, and story writers. He had a group of people that he considered to be top-notch, and he utilized them by delegating specific tasks. A good example of this is how Walt Disney was able to delegate the story development for several entire films to Bill Peet, including the first drafts of *The Jungle Book*. Although he was eventually removed, the ability that Disney had to delegate important tasks to the proper people is essential to running a large company.

The final ability that Disney demonstrated was the ability to provide focused guidance to those working on these projects. During the videos, there were multiple people who mentioned that Disney was pushing the story guidance and artists to focus on specific items - such as having very strong characters and character definitions, including mannerisms and animations. This

provided a specific direction for all the people involved, and consistently helped them move towards Disney's grand vision. This is a key component to running a corporation as well - people need to be autonomous, but in addition, they all need to have the same vision, so targeted guidance, and the ability to direct people's focus is critical.

Synergy continues to be an essential component for growth at Disney, and in fact may be becoming even more important as time goes on. As we have been discovering, the concept of mass media is reducing, and with more and more channels to deliver content, the interplay between all these channels. As more people move from watching broadcast television and towards online media, the importance of having a presence there increases. Children will want to be able to access disney media via these sources, such as Netflix and iTunes. Adults will want to be able to get information about theme parks, and even book their vacations and tour the parks online. With these interplays between the different disney products growing, the synergy between new media and the distribution of the Disney brand, as well as it's products becomes more and more essential.

Assignment 2

Apple is very nearly a perfect example of a long tail media company, as it fulfills on each of the six main characteristics, to greater or lesser extent.

- 1) High number of goods. In 2012, Apple announced that the number of songs that were available in it's iTunes store exceeded 26 million¹, spanning dozens of genres of music. In addition, they offer over 200,000 television shows and movies. The breadth of it's offerings has increased by a huge amount since launching, and in addition to all the mainstream, studio-based offerings, Apple has created a very low bar to entry, allowing virtually any individual or independent musician or filmmaker to submit their works to Apple's stores.
- 2) Low cost of reaching markets. At some level there is a primary investment needed by anyone who wishes to distribute media on a large scale - the company needs to buy or rent servers, find physical storage to hold the servers, hook up internet connections, and write or buy the software needed to run them. This is similar to the bar for entry for a newspaper, book, or magazine publisher - someone, somewhere needs to buy and run a printing press or machinery needed. Although Apple owns and operates their own servers and distribution networks, the cost of these is amortized over the sheer volume of delivery. If Apple had spent even a half billion dollars on these physical items, this would work out to less than two cents overhead on each song sold thus far (based on Apple's revelation of over 25 billion songs sold, as of February 2013²). In addition, once the systems have been built out, the cost of adding new songs, television shows, books or other media become negligible. Because of the high penetration of broadband and internet access across the US and worldwide, the cost of delivering content via the internet has become virtually meaningless.
- 3) Ease of finding niche products. Apple's iTunes store has multiple ways of helping consumers identify both specific selections that they are looking for, as well as assisting them in finding similar artists or music in a specific genre. The most basic idea is a global search - a user can type a name, or part of a

¹ <http://www.apple.com/pr/library/2012/09/12Apple-Unveils-New-iTunes.html>

² <http://www.apple.com/pr/library/2013/02/06iTunes-Store-Sets-New-Record-with-25-Billion-Songs-Sold.html>

name, and find artists, songs, TV, albums and movies that match that string. If a consumer wants to find everything by a known artist, they could easily find all albums, movies and books published both by and about that artist. Next, the iTunes store provides a way to search and browse by genre (such as Jazz, or Hip Hop), as well as refining the search inside those parameters. Finally, iTunes provides multiple ways of searching out new music that is similar to current music - via iTunes Genius. By picking a single song, a consumer can find other songs or artists that are similar, based upon other user's choices and specific algorithms that Apple runs on their servers.

- 4) Flattening of demand curve. As time goes on, we see more and more of the niche players selling, and as more niche products are available, we see less 'mainstream' hits, and we have less need for such hits. At this time, we see a large quantity of sales for non-mainstream artists, yet the top demand still seems to be weighted towards mainstream acts. If we are to look at the current top 10 songs on iTunes for the US³, an unsurprising 8 out of 10 would be considered 'mainstream' acts - such as Katy Perry, Lady Gaga and One Republic. This could easily be attributed towards the mass-media penetration of these artists, such as on broadcast TV and radio. However, even a 20% penetration in the top 10 songs is notable.
- 5) Size of collective market. Due to the huge amount of material available (26 million songs alone) on Apple's iTunes music store, we can draw some conclusions - this works out to an average of 1000 copies of each song being sold. While we can (and should) assume that there are some songs that are incredibly popular, and some that may only sell a few copies, it would appear to be obvious that the breadth of works available are huge factors in the number of songs sold. A smaller store that would only sell a few thousand of the most popular works would never be able to sell millions of copies of each song or album.
- 6) Tailoring to personal tastes. People will generally prefer to purchase the exact items that they want - but in the cases where such items are unavailable, they may have settled for what was available,

³ <http://www.apple.com/euro/itunes/charts/top10songs.html>

instead of what they personally preferred. By having such a wide variety of media available, and by providing ways to discover new media that closely matches a consumer's taste, Apple has made it easy for each person to tailor their buying to their wants.