

Refocused 24.com: good news for newspaper brands?

By [Herman Manson](#): @marklives

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24.com, the largest and one of the most important South African digital media players, earlier this week announced a significant strategic move that will see it [restructured and refocused](#). It will, in effect, move from being standalone to a division integrated with Media24 Newspapers. It will exit the ecommerce field, with Kalahari.net moving to MIH Internet Africa along with listing business Careers24. 24Games, a mobile and web destination offering free online games, will move to DSTv Online.



[24.com](#) operates a number of high profile websites, including [news24.com](#), [Fin24.com](#), [Food24.com](#), [Gotravel24.com](#), [Health24.com](#), [Sport24.co.za](#) Sport24.co.za, [Wheels24.co.za](#) and [Women24.com](#).

The group's previous CEO, JP Farinha, recently announced he will be [joining Korbitec](#) as GM of Property24. His replacement, Geoff Cohen ([@geoff_ink](#)), will be titled GM of 24.com.



Geoff Cohen, newly appointed GM of 24.com, which is now falls within Media24 Newspapers.

Reporting line remains unclear

At this stage the unit's reporting line to Media24's management team, of which Farinha was a member, remains unclear. According to Cohen, it remains too early to tell whether 24.com will retain such a direct link to the Media24's management board or whether it will be represented by Abraham van Zyl, CEO of Media24 Newspapers.

Social network developer Blueworld Communities stands out as a unit not naturally aligned with 24.com's publishing focus but, according to Cohen, negotiations with other shareholders (the other units that were moved around were wholly owned) as to the unit's future haven't yet been concluded.

Cohen says the original business originally represented a mix of digital business units. As the online market matured, the publishing business found itself operating outside of Media24's other content properties, which made little sense. Realignment with other content generating business was necessary, as did refocusing the company's attention on publishing, according to Cohen.

Cohen doesn't foresee any retrenchments as a result of 24.com's changed status, as the business is already properly scaled.

Act in close partnership

The refocused unit is expected to act in close partnership with its newspaper partners and will provide strategic guidance, sales support and technology platforms to Media24's newspaper brands, which includes titles such as *Die Burger*, *Beeld*, *Rapport*, *City Press*, *Die Son* and others. A key challenge has always been greater editorial integration with its offline partners but the new positioning closer to the individual newspaper titles is expected to benefit this process.

Cohen expects the News24 brand to maintain its focus on breaking news and content aggregation. He rejects criticism that individual newspaper brands traditionally played a subordinate role to the more generic News24 brand, while admitting that the newspaper brands will have to take a closer look at how their digital offerings are represented. Print companies tend to draw more attention to its print products than to digital, as Cohen puts it, but the market is forcing a rethink of this approach.

With a digital audience of between 9.5 and 10.5 million South Africans, coupled with the international decline in print media circulation, it becomes increasingly important for newsrooms to take ownership across all platforms. 24.com currently reaches around 3.5 million of these, which Cohen describes as unsatisfactory for a business that needs scale to turn significant profits. He will be happy with an audience of 8-9 million across multiple platforms.

Consumers increasingly medium-agnostic

Cohen would not commit to increased investment in the individually branded news properties, which is understandable given that 24.com is still developing its strategy, and the budgeting process is only now starting, but it should be a fair bet that greater integration between online and offline newspaper brands is in the offing.

Consumers are becoming increasingly medium-agnostic and newspapers need to reflect their brand positioning consistently across platforms. The one-size-fits all approach major content portals inevitably adopted doesn't necessarily suit the multiple audiences and brand nuances of individual newspaper titles.

Part of the refocusing efforts are driven by a need to position the company for growth in the smartphone and tablet market, according to Cohen, who believes smart phone functionality is 2-3 years away from being commoditised. Cohen is of the opinion that the pricing of these devices will decline dramatically and that usage is set to surge. 24.com is positioning to service this future market, says Cohen, while maintaining the ability to react as and if assumptions change.

Cohen is well regarded in the broader media industry and there seems to be a general agreement that this latest shift in strategy bodes well for the local online publishing industry.

Enthusiasm gap

Cohen's challenge will lie not only in maintaining the influence digital publishing has enjoyed over the last couple of years at Media24's senior management level but to also close the apparent enthusiasm gap digital faces from newsrooms and newspaper editors - something hopefully made easier by the new proximity of digital to its print cousins.

While the newspaper industry's destiny has increasingly been tied up in digital platforms, it would be interesting to see how a digital unit fares as it moves from its own sphere of influence to one tied together with the industry it's supposed to be saving.

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