

Culture and the Red Queen

Just at this moment, somehow or other, Alice and the red Queen began to run. They were running hand in hand, and the Queen went so fast that it was all she could do to keep up with her: and still the Queen kept crying 'Faster! Faster!' but Alice felt she could not go faster, though she had not breath left to say so. The most curious part of the thing was, that the trees and the other things round them never changed their places at all: however fast they went, they never seemed to pass anything. "I wonder if all the things move along with us?" thought poor puzzled Alice. And the Queen seemed to guess her thoughts, for she cried, "Faster! Don't try to talk!" And they went so fast that at last they seemed to skim through the air, hardly touching the ground with their feet, till suddenly, just as Alice was getting quite exhausted, they stopped, and she found herself sitting on the ground, breathless and giddy.

Alice looked round her in great surprise.

– Why, I do believe we've been under this tree the whole time! Everything's just as it was!

– Of course it is,' said the Queen, 'what would you have it?

– Well, in our country, said Alice, still panting a little, you'd generally get to somewhere else—if you ran very fast for a long time, as we've been doing.

– A slow sort of country! said the Queen. Now, Here, you see, it takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that!

This excerpt from Lewis Carroll is one of the metaphors most commonly used by biologists to explain the evolution of species: to keep them stable, their genes must constantly evolve and adapt themselves to a changing environment. The same goes for firms facing the digital revolution, especially in the cultural industries: they have to change their business models in continuity in order to uphold a sustainable development. Constant experimentation and innovation in the business model has become one of the key sources of firms' competitive advantage. As a result, cultural traditional business models, which were dominant and stable in their respective industries for centuries, have given rise to multiple disruptive models.

The music industry was the first concerned. It has been, as such, the subject of numerous studies. But other cultural sectors also face such profound changes. Thereby, after the music, Medias and newspapers have been most directly confronted with the transformations supported by information technologies and the Internet. Majors developments lead to a rebalancing of the sector: destruction of the traditional value of cultural goods, emerging competition from numerous newcomers, arrival of new intermediaries providing new selection process and distribution channels. In particular, the successful free online information websites and the corresponding growth in internet advertising create a destructive economic squeeze for the traditional newspapers: sales and turnover are falling while investments in digital are steadily increasing, according the technology renewal rate.

Beyond these very general effects, it is interesting to note that cultural enterprises can develop very specific responses to such issues. An empirical study of 149 press websites, elaborated for the French Ministry of Culture substantiates the co-existence of such various strategies. This analysis demonstrates significant differences and discriminating criterion in terms of the business models components (offerings structure, partner network, revenue streams, interactivity with readers and modes of distribution). It points more particularly to the presence of three classes of online strategies.

The class “a Minima Digital” marks a strong desire to protect a traditional model, and seems less concerned with the technological innovation, adopting instead a follower attitude in the matter. Therefore, actors in this class are not putting significant effort into the new digital offering, interaction tools, revenue categories and distribution channels. Online content just displays the full or partial print version in its original layout. The second class – “Pure Players” – brings new entrants. Their objective is to position themselves in the press industry through original offerings and business models. They often make an accent on gratuity of their offerings, strong relationships with readers’ and contributors’ network, new distribution channels. At the same time, one can notice that the complementary online services and revenue categories are not necessarily technically advanced. Finally, the class “Leaders explorers” is represented by the newspapers willing to protect their leadership: they explore, consequently, the new configuration that has been made possible by the Internet. Media actors in this class are highly dependent on traditional revenue models and therefore strive to generate new revenues, while preserving the old ones. In this Class the focus is clearly made on the exploitation of various revenue streams and distribution channels, as well as on drawing the maximum from the new technologies for the development of original high-quality offerings.

Far from being specific to the newspaper industry, the three identified strategy classes are very inspiring to understand the other cultural industries. New configurations call for new means and strategies on the part of cultural industries stakeholders. In many cases, strategies aim at capturing audiences, increasing growth and market share, even more than profitability. A great number of sites defend and justify – do they not? – the relevance of their economic “model” by the number of their visitors, advertising campaigns, page views... not to mention the turnover or economic performance resulting from such audience performances. This leads ultimately to high opacity regarding prices and business profitability requirements, and gives full weight to the free offerings dynamics.

The hypothesis of the metaphor of Alice and the Red Queen is thus verified again. There is a multiplicity of business models to the point that in some cases, in some cases, innovation and competition are not set on the information and editorial model in the strict sense but on the business model itself and the structure of the offerings designed to deliver content.

[1] Through the Looking-Glass, and What Alice Found There (1871) is a novel by Lewis Carroll (Charles Lutwidge Dodgson), the sequel to Alice’s Adventures in Wonderland (1865).



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