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- ARTICLE -

# The Rise of Tactical Partnerships: Media Converging Beyond Ownership

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**Abstract**

This qualitative research article explores New Zealand media convergence in an increasingly digital media environment. It considers media ownership convergence in the context of the Commerce Commission's merger rulings in 2017. However, the focus of the research is on other kind of convergences. There is a lack in New Zealand academia of research in this field, and this article aims to help fill the gap. The research maps evolving convergences within New Zealand media sector by utilising Rick Gordon's (2003) concepts of convergences as its analytical framework. It utilises document analysis method, and the primary data is collected from academic reports, corporate and government documents and news articles. The article finds that beyond ownership convergence, tactical and structural convergences are rapidly expanding in New Zealand media sector, and these arrangements may well expand as the Commerce Commission has denied major mergers. Content-sharing between media organisations has become more common because of the increasing importance of audience size and website traffic.

## Introduction

This article examines convergence in the New Zealand media sector. Convergence is understood as a process and phenomenon which affects media work as well as media corporations' operations and structures (Erdal 2007; Gordon 2003). Doyle notes that 'digital convergence has become very much a reality in the twenty-first century', and that it 'stems

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from a migration towards common digital technologies right across the communications industry and in all stages of production and distribution of media content' (2013, 24). In 2017, the idea of convergence became more prominent in New Zealand because of the 'merger mania' in the media sector: two of the country's largest news publishers, NZME and Fairfax, applied for the merger approval, and similarly, pay television company, Sky TV sought to combine its operations with telecom company, Vodafone. The Commerce Commission turned both mergers down, but the fate of these will be decided in the High Court.

In 2017 the revenue problems of New Zealand media companies continued, and their dire financial situation encouraged them to seek new ways to collaborate. In June 2017, NZME's chief executive Michael Boggs stated that partnerships will be a part of the local media's future. He said that content-sharing was the 'only way to save resources for deeper, more exclusive journalism' (Smellie 2017). In this context, this article aims to map and critically evaluate what kind of convergences are emerging within New Zealand media. The main research question can be formulated as, 'Is there evidence that the New Zealand media is converging beyond ownership?'. New Zealand academia lacks convergence research, and this paper aims to fill that gap. There is no research concerning other kind of convergences - such as structural and tactical - in the media sector, although some aspects of collaboration have been discussed in the earlier academic reports. For example, the 'JMAD New Zealand Media Ownership Report 2015' covered some of the aspects of contemporary alliances. The report noted that media companies have developed new kind of partnerships in response to their shrinking earnings and to enhance their future revenue (Myllylahti 2015a). A year later, the 'JMAD New Zealand Media Ownership Report 2016' predicted that there was further consolidation and convergence ahead in the media sector. The report noted that the New Zealand media institutions were facing 'major changes in ownership, management and structures, but it is not clear what combinations will eventually emerge' (Myllylahti 2016, 2).

As mentioned, the trends and patterns in New Zealand media ownership convergence have been well-documented since 2008. Academic reports and articles have examined how the media ownership has shifted from family to transnational corporate ownership; from corporate ownership to public ownership; from shareholders to media moguls; and from moguls to financial institutions (Rosenberg 2008; Myllylahti 2015, 2016; Hope and Myllylahti, 2011, 2013; Hirst et al. 2016). Therefore, the focus of this article is not in ownership convergence, although this will be examined in the context of recent media merger decisions.

There are multiple factors driving convergence: the financialisation of media ownership is one key factor, while digitalisation of media is another substantial factor because it has severely affected news publishers' income structures. First, in 2016, New Zealand media corporations were exclusively owned by financial institutions, and there was an increasing pressure for consolidation: 'the main motivation of media companies was to seek profit, revenue and shareholder value, and this [was] the driving force behind media mergers' (Myllylahti 2016, 61). Secondly, digitalisation has changed the way news is produced, consumed and delivered (Anderson et al. 2014). News consumption and delivery has largely shifted on social media platforms, and this has broken down barriers between news media corporations and social networking sites. As Birkinbine et al. note, new technologies have 'ushered in an era of convergence, whereby the lines of previously separate business activities become blurred or altogether broken down' (2017, 2). Digitalisation has also affected news publishers' revenue streams. Earlier academic research, for example, shows that the business models of media organisations such as APN (now NZME) and Fairfax Media broke down in a ten-year period from 2004 to 2013 because of declining print revenue and slow pick-up in their digital earnings (Myllylahti 2016). This failure in business models drives collaboration between NZME and Fairfax, and the arguments presented in their merger application are primarily economic in their nature. The two companies argued that their need to join their forces merged because the joined company would be better equipped to compete for advertising dollars against Google and Facebook. Also, in some of the Western economies, such as New Zealand, Australia, the United Kingdom and the United States, shrinking print revenues have forced news publishers to tweak their operational structures and to seek collaboration with other companies, including their competitors. The Pangaea Alliance offers an example. In 2015, *The Guardian*, CNN, the *Financial Times*, Reuters and *The Economist* formed this programmatic advertising sales collective to advance their digital advertising and to compete against Google and Facebook, which dominate the digital advertising space.

## Conceptualising Convergence

The term 'convergence' is commonly used in the academic literature, but definitions of it vary, and the term itself is somewhat contested. As Quinn notes, 'it probably has as many definitions as the number of people who attempt to define it' (2005b, 30), and Larrondo et al. adds that 'there does not exist a single and unanimous definition for convergence' (2017, 560). Dwyer (2010) believes that convergence is a process where media companies adopt and accommodate new technologies, and this shapes the media industry and its practices. However, he also points out that economic, political, cultural and social factors should also be considered. He states that

> convergence is a new media ideology too: that is, a way of thinking that facilitates the operation of neoliberal global markets. Media owners in the twenty-first century strive to continuously expand their output across media platforms. In this sense, the economic and ideological dimensions of media convergence work together in the interests of a further consolidated ownership (Dwyer 2010, 2-3).

Quinn (2005a) agrees and argues that other factors such as social, technological and legal/structural factors need to be considered when analysing convergence. For example, Australian government regulates media ownership, but New Zealand government doesn't. In this article, Gordon's (2003) concept of convergence is adapted. He believes that technological convergence shapes organisational structures of newsrooms as new positions and new hierarchies are created, and new techniques in newsgathering are deployed. He asserts that 'the word convergence can be applied to these: the companies, their operations, and the way their employees do their jobs' (2003, 63). Gordon identifies five different meanings of convergence – ownership, tactical, structural, storytelling, information-gathering – and these are explained in more detail below. Erdal (2007) agrees that convergence is a phenomenon which affects technological, professional, structural and operational dimensions of communication. García Avilés and Carvajal note that convergence 'often consists of partnerships among media organisations to meet a variety of technological, editorial, regulatory, and market-based challenges' (2008, 222).

Most of the academics mentioned here accept that convergence is related to technological change or adaptation. Allan believes that convergence theories are too technologically deterministic because they assume that technology – on its own – would radically change how media corporations operate. He notes that 'excited claims have been made about technology-driven 'revolutions' risk obscuring what is really happening' (Allan 2010, xii). He argues that the use of new technologies does not necessarily lead to the abandonment of old norms and practices: 'The appeal of this illusion, where one startling breakthrough follows another in a logical, rational sequence unfolding under the rippling banner of progress, is difficult to resist' (Allan 2010, xii).

However, some academic studies have found that convergence does impact some practices. In their study of newsroom convergence in the public broadcasting corporations, including BBC Scotland, CCMA (Spain), EITB (Spain), NRK (Norway) and VRT (Flemish-Belgian), Larrondo et al. (2017) found that convergence was impacting journalistic work. In all the organisations studied, journalists reported having 'a heavier workload as a result of convergence', and they worried that this would increase as the consequence of cost-cutting and multi-platform news production (562). Their study also found that journalists and management had a different understanding of convergence and its implications. They note that

> while for management convergence is understood to flow in a natural way once the journalists of radio, television, and online share common newsroom physical space and common content-sharing platforms, journalists see convergence as a somewhat more difficult process that requires effective coordination between media (Larrondo et al. 2017, 560).

Quinn states that convergence and multimedia reporting require from management and journalists 'a change of mindset and attitude', and therefore news organisations need to invest in training (2005b, 32). He also points out that convergence is not as cost-effective as managers and publishers tend to think: they think that their organisations should be able to cut costs because of increased productivity: more multi-skilled reporting means the organisation needs fewer reporters. This is one popular myth about convergence' (2005a, 16).

## Research Design

The article utilises document analysis method, and the primary data was collected from: the media corporates' documents; announcements; industry and academic reports, and news articles. It utilises Rich Gordon's 2003 convergence framework as its analytical tool, and critically evaluates New Zealand media convergence by using his concepts.

Gordon's five categories describe convergence from the perspective of media ownership and newsroom structures, and he identifies five different meanings of convergence:

- Ownership
- Tactical
- Structural
- Storytelling
- Information gathering (Gordon 2003, 63)

Ownership convergence refers to the ownership of multiple content or distribution channels, but it does not 'necessarily require shared editorial decision making or other kinds of collaboration across distribution platforms' (Gordon 2003, 64). Tactical convergence relates to alliances and partnerships in content and marketing (including cross-promotion). Gordon notes that 'in most markets, the primary motivation for – and initial results of – these partnerships seemed to be promotional', efforts to sell advertising and promotional packages across multiple platforms (Gordon 2003, 67). In the area of content and marketing, the most typical partnerships are those between television stations and newspapers, which are under a different ownership. Structural convergence happens when media companies reorganise newsrooms or introduce new positions, and it is more related to patterns of news production and newsgathering than management. Gordon states that 'the more aggressive the goals of convergence, the more likely is it that job descriptions and organisational structures will change' (Gordon 2003, 68). Convergence in information relates to changes in reporting, and refers to the multi-skilling of reporters (mobile journalists, backpack journalists). The fifth convergence category is that of storytelling or presentation which affects journalistic work in the way they tell stories (multimedia storytelling). Gordon asserts that in 2002, the most prevalent convergences were in ownership and tactical forms, but structural convergence started to emerge as media was searching new ways to operate (Gordon 2003, 71-72).

## Findings

The approach taken in Gordon's article has its limitations and is somewhat problematic. There is a danger that without newsroom and management interviews the findings of this mapping study are mainly descriptive. This kind of the research cannot evaluate how the journalistic work is affected by convergence, including the possible benefits of convergence such as content-sharing, and how managerial decisions about partnerships and alliances are formed. The findings are presented below and each of Gordon's convergence concepts are considered.

## Ownership Convergence

The evidence here confirms that the New Zealand media market has remained highly concentrated even when the Commerce Commission denied further ownership consolidation in 2017. The commission ruled against Sky TV-Vodafone and NZME-Fairfax mergers. However, the companies in question have taken the Commerce Commission decisions to the High Court, and at the time of writing the outcomes of court decisions were not known. In the case of NZME-Fairfax merger, the commission stated that 'plurality considerations are particularly important in New Zealand given that current concentration levels of media ownership are already high by international standards' (Commerce Commission 2017b). According to Molineaux et al. (2016), the NZME-Fairfax merger would have made the New Zealand's print newspaper market one of the most concentrated in the world after China (state-owned). In its final determination, which is 357 pages, the commission pointed out that if the NZME-Fairfax merger had been allowed, the new entity would have controlled 'the largest network of journalists in the country, employing more editorial staff than the next three largest mainstream media organisations combined' (Commerce Commission, 2017b). The merger decisions will be explained below.

Gordon states that ownership convergence refers to the ownership of multiple content or distribution channels. Doyle (2002) has identified three kinds of ownership convergences: horizontal, vertical and diagonal convergences. There is evidence of all these in New Zealand marketplace. Horizontal convergence refers to the convergence between two companies which are at the same stage in supply chain and operate in the same activity; vertically-integrated firms control everything from content creation to distribution; and diagonal convergence refers to the activities when companies diversify outside their conventional business area (Doyle 2002). APN and Fairfax Media offer examples of diagonal convergence. In 2010, APN bought a stake in the group buying site GrabOne, and later increased its stake in the company to 100 percent. In August 2016, Fairfax's news site *Stuff* announced that it was entering into the New Zealand ultrafast broadband market with an internet provider, Stuff Fibre, which is aiming to compete with telecommunications companies Spark and Vodafone. The new venture is majority-owned by Fairfax Media. Simon Tong, Fairfax's New Zealand chief executive at the time, said that the company had to expand its revenue sources outside advertising, and the company was hoping that Stuff Fibre would give Fairfax a large audience to promote its content offerings (Pullar-Stecker 2016). The case of Fairfax Media and *The Huffington Post* offers a recent example of horizontal ownership convergence in the Trans-Tasman setting. In 2015, Fairfax Media and *The Huffington Post* launched an Australian joint venture, *The HuffPost Australia*, of which Fairfax owns 49 percent. Greg Hywood, chief executive officer of Fairfax, said that the joint venture would expand its audience reach and potentially also its advertising revenue (Fairfax Media 2015a). Fairfax offers also an example of vertical convergence. In 2014, the company invested in neighbourhood website *Neighbourly* to expand its brand and advertising opportunities. The site offers people a platform to connect and share content and services with others in their local community.

As noted in the JMAD New Zealand Media Ownership Reports, the country's media market is highly concentrated. The print, online and broadcasting markets are dominated by five commercial media corporations: NZME, Fairfax, MediaWorks, Sky TV, and Bauer Group. Additionally, the ownership of media corporations is mainly in the hands of powerful financial institutions. As noted, in February 2017, the Commerce Commission ruled against the merger of the pay-television company Sky TV and the mobile/broadband service provider Vodafone New Zealand. In its decision, the commission argued that the combination of two companies would have created a new media-telecom conglomerate which would have substantially lessened competition in the marketplace. The commission's chair, Mark Berry, stated that the merger between the two would have created a vertically-integrated company that would have owned most of the premium sports content in New Zealand, creating a barrier for any newcomer in the market (Commerce Commission 2017a).

In May 2017, the commission declined the NZME-Fairfax merger. The news outlets of the NZME and Fairfax include *The New Zealand Herald*, its regional newspapers, the nzherald.co.nz website, and radio stations including Newstalk ZB. Fairfax papers include the *Dominion Post*, *The Press*, the *Sunday Star Times* and news website, and stuff.co.nz. In its decision, the commission ruled that 'we are not satisfied that a substantial lessening of competition is unlikely, nor that there is likely to be such a benefit to the public that authorisation should be granted' (Commerce Commission 2017b). The commission pointed out that the two companies have too much market power, as approximately 2.4 million New Zealanders visited nzherald.co.nz and stuff.co.nz on a monthly basis, and in print the two companies had circulation over 370,000 – 'equivalent to nearly a quarter of all households' (Commerce Commission 2017b). It further stated that the merger would most likely reduce plurality in the media market, which would not benefit democratic society (Commerce Commission 2017b). The New Zealand public and the competitors of the applicants were against the mergers. The Commission received 56 responses to the NZME-Fairfax merger application, of which only three were in support, and it received 16 submissions to the Sky TV-Vodafone merger, all opposing the formation of a new television and telecom giant (Myllylahti 2016). A nationwide poll, published in February 2017 by a commercial market research company, Horizon, showed that 44 percent of New Zealanders opposed NZME-Fairfax merger compared to 15 percent supporting it. The rest of the participants in the survey were undecided or neutral (HorizonPoll 2017).

## Tactical Convergences

As defined by Gordon, tactical convergence refers to the alliances and partnerships in content and marketing. The evidence in this article suggests that content-sharing and joint distribution of content has become a prominent type of convergence in New Zealand. NZME has formed content partnerships mainly with other print/online-based news and content producers, whereas Fairfax has extended its partnerships to broadcasting. The difference may be explained by the fact that NZME owns The Radio Network, which operates more than 130 radio stations across New Zealand, and it can create content synergies across its different platforms. In 2014, Edmonds and Mitchell observed that the 'news providers [are] teaming up in new ways' because legacy news organisations need to produce content with smaller newsrooms, and the digital news organisations are 'eager to place their work before a wider audience and figure out roads to sustainability' (Edmonds and Mitchell 2014). The researchers note that these arrangements do not require monetary investment, which may explain their popularity (Edmonds and Mitchell 2014). The most prominent content-sharing arrangements within New Zealand media (as in May 2017) can be identified as:

- NZME-*The Daily Mail*
- NZME-Allied Press
- NZME-*The Spinoff*
- Fairfax-RNZ
- Fairfax-*One News Now*
- Fairfax-*Newsroom NZ*
- Bauer Media-RNZ
- MediaWorks-NBCUniversal
- MediaWorks-Vevo
- Sparks-Netflix

NZME's leading newspaper, *The New Zealand Herald*, shares content with other news outlets including *The Daily Mail* (Rupar et al. 2014). NZME also has a content-sharing agreement with Allied Press, which is the largest independent newspaper publisher in the country. The company's newspaper, the *Otago Daily Times* uses NZME as a source of news, but at the same time supplies NZME with news stories, photographs and videos from Otago and Southland (Allied Press 2016). NZME has an additional content-sharing partnership with the new digital media venture *The Spinoff*, which is completely funded by sponsorships and native advertising. Its sponsors include telecom company Spark, Heart of the City, Big Pipe, AUT University, and media agency MBM. *The Spinoff* offers content, such as TV critics, for *New Zealand Herald* readers. Editor Duncan Greive says that the agreement allows NZME to pick up posts from *The Spinoff* without a fee, and in the process the digital outlet gains in traffic and profile (Fahy 2015). NZME managing editor Shayne Currie does not regard other publications as its enemies, and expects similar kinds of partnerships to expand. He explains that NZME's real competition is not coming from the local players, but from the social media platforms and search engines (mainly Google and Facebook), and this requires it to partner with other local media outlets (Venuto 2017a).

In July 2016, Fairfax Media partnered with the public broadcaster RNZ (Radio New Zealand). As a part of the deal, RNZ provides Fairfax's online news site *Stuff* with video content from the radio's main site and from its youth-focused site *The Wireless*. Fairfax Media group's digital and visual editor Mark Stevens explains that Stuff has 'grown to be a significant source of video news for Kiwis in recent years' (Fairfax Media 2016). RNZ chief executive Paul Thompson notes that RNZ gets some revenue from content-sharing deals, but gaining revenue is not its main aim: 'Primarily the content-sharing is designed to grow and diversify audience, raise our profile and create more value for the public' (Smellie 2017). Fairfax has also partnered with the commercial television broadcaster TVNZ to add video content to *Stuff*. Rick Ellis, TVNZ chief executive at the time, noted that 'carefully chosen partnerships are the way for us to achieve our primary goal of having our content available on every platform and every screen' (TVNZ 2016). In March 2017, after the launch of a new digital-only news and current affairs site *Newsroom*, *Stuff* signed a content deal with the outlet. The partnership between the two media outlets allows *Stuff* to share two *Newsroom* stories and videos each day, and the two parties share advertising revenue from the video content. *Newsroom* co-editor Tim Murphy commented that the arrangement gives the new digital outlet potentially 'a vast audience', and this can help to expand its brand awareness (Venuto 2017b). Additionally, the privately-owned German publisher Bauer Media, which publishes magazines such as *The Listener*, *Metro* and *North & South*, has launched an online platform, *Noted*, which offers articles from its own magazines and from RNZ.

Beyond these content-sharing partnerships, telecommunication company Spark had partnered with Netflix to expand its content offerings. Similarly, MediaWorks has partnered with the music and entertainment platform Vevo and formed a joint venture with NBCUniversal. MediaWorks states that the collaboration with Vevo alone makes it the largest online video content provider in New Zealand, with 50 million monthly video streams (MediaWorks 2016). More importantly, the company states that the partnership expands its reach and has therefore a potential to boost its advertising revenue (MediaWorks 2016). Before the Vevo deal, MediaWorks announced a joint venture with American media conglomerate NBCUniversal to launch a free-to-air television channel, Bravo, which mainly produced unscripted, reality-television programs such as *The Real Housewives of Auckland*. In 2017, the state-owned commercial broadcaster TVNZ indicated that it was looking for new alliances. Chief executive Kevin Kenrick noted that local media companies will need to collaborate one way or another in order to compete with global competitors. He stated that 'whether that is “commercial deals, mergers or takeovers” is probably less critical than the fact there is going to need to be a level of partnering and working together' (Pullar-Strecker 2017).

Not all the convergences identified in this research paper fit seamlessly into Gordon's concept of tactical convergence. Many contracts are in their nature technological, and are related to software and platform development. For example, in 2015 NZME, TVNZ, MediaWorks and Fairfax joined forces by forming a new advertising exchange, Kiwi Premium Advertising Exchange (KPEX). The platform uses algorithms to advance the purchase of online advertisements – its main purpose is to advance revenue, not to cross-promote. In 2016 NZME partnered with *The Washington Post* to license the use of its publishing software. In its 2016 annual report, NZME stated that the software enables it to launch a new platform that will deliver further cost-savings 'as the time to produce a piece of content will reduce significantly, touch less hands, and be easier to use across our assets without incurring incremental cost' (NZME 2016, 15).

## Structural Convergences

Structural convergence happens when a media corporation reorganises newsrooms and introduces new positions, and is related to patterns of news production and newsgathering. Gordon states that 'the more aggressive the goals of convergence, the more likely is it that job descriptions and organisational structures will change' (Gordon 2003, 68). This paper finds that structural convergences have become more common within New Zealand media, and they have resulted in job losses, changes in the editorial hierarchy, the dismantling of old job titles and roles, and the creation of new job titles.

The *JMAD NZ Media Ownership Report 2015* observed that as the media companies were integrating newsrooms across the print and online platforms, newsroom layoffs continued (Myllylahti 2015). All the leading news corporates – including NZME, Fairfax, MediaWorks and TVNZ – have reorganised their newsrooms since 2014, and they have merged their print, online and broadcasting operations into a single, converged newsroom (Myllylahti 2015). A report by Hollings et al. (2016) about the state of New Zealand journalism in 2015 found that newsrooms were facing substantial challenges with constant restructuring and redundancies (Hollings et al. 2016, 136). More importantly, the researchers observed that cost-cutting was affecting the quality and credibility of news, and journalists' ability to influence editorial decisions (Hollings et al. 2016, 136). The study revealed that journalists increasingly worked across different platforms, approximately 86 percent of journalists providing content across print and digital platforms (Hollings et al. 2016, 128). Mulla has observed structures of the new integrated newsrooms of MediaWorks (*Newshub*) and NZME. She notes that these newsrooms are focusing on delivering content via different digital platforms, and that in the newsrooms, '[the] mantra is one of integration, speed and digital streamlining' (Mulla 2017, 322). She states that the creation of these new digital-first newsrooms has enhanced the conglomeration of the news companies in question, and the aim of the integration is to advance synergies and collaboration (Mulla 2017, 322). In 2015, NZME announced that it would move all its digital, print and radio workers into one integrated newsroom in central Auckland. In the process, approximately 15 full-time positions were lost. *The New Zealand Herald* editor Shayne Currie said that the newsroom convergence was necessary because the company's strategic shift was moving to 'audience-first', and as the newsworkers needed to collaborate closely 'alongside social media and audience analytic experts' (The New Zealand Herald 2015). Currie also said that NZME would introduce new roles in the areas of digital and data journalism (*The New Zealand Herald* 2015). Similarly, Fairfax Media announced in 2015 that it was creating 'a modern newsroom' which was digital-first and audience-centric, and noted that 'the proposal underpins a fundamental shift in the way its newsrooms are geared to serve its audience' (Fairfax Media 2015b). Sinead Boucher, executive editor at Fairfax Media, commented that 'this proposal [will] change the structure within our editorial teams, creating a modern newsroom and allowing us to be perfectly positioned to deliver content in all its forms to our audiences' (Fairfax Media 2015b). This meant that some old jobs and titles disappeared, and some new ones were created. New job titles created included news and channel directors, bureau chiefs, production coordinators and visual operations managers (RNZ 2015). All the examples here suggest that there are significant structural changes taking place in New Zealand newsrooms.

## Storytelling and Information Gathering

According to Gordon's concepts, convergence in information relates to the way journalists gather data, and storytelling convergence to the way journalists tell their stories. Anderson, Bell and Shirky have noted that journalists in contemporary newsrooms need to 'become more skilled at collaboration, with technologies, crowds and partnerships, to help scale the considerable task of reporting events' (Anderson et al. 2014). A University of Glasgow study found that multi-platform news delivery has in some cases improved audience experience, and it has also led to similar or standardised content being delivered across different platforms (University of Glasgow 2015). The study also suggests that the move to multi-platform news production and delivery has enhanced recycling of news content and has also blurred lines between news content and commercial content, such as native advertising (University of Glasgow 2015).

It is clear that multi-platform storytelling and information-gathering within New Zealand media also are expanding, but it is not possible to assess impacts on newsrooms without conducting interviews with editors and journalists. However, some examples may be useful to illustrate. In the past couple of years, New Zealand's only public service broadcaster, RNZ, has reinvented itself as it has become a multi-platform, digital storytelling platform. The broadcaster has now a separate youth-orientated website, *The Wireless*, and it produces its own video content. An RNZ press release states that its programme *Checkpoint with John Campbell* is a good example of its 'transformation from a traditional radio broadcaster to a multi-platform media organisation capable of delivering quality content to meet rapidly changing audience demands' (RNZ 2017). The programme is not only broadcast on RNZ, but it is streaming on YouTube, Facebook, Freeview Channel 50, and Face TV. John Campbell notes that 'suddenly people are engaging us through Facebook and that's new thing. They will watch clips and then they say, "Where's that from?" and then they find the show' (Harvey 2017). *The New Zealand Herald* offers another example. In February 2017, *The New Zealand Herald* launched a piece of long-form journalism, accompanied by a 30-minute video documentary, called *Under the Bridge*. The story, about Papakura High School, was a collaboration between the paper's reporter and Greenstone TV, a video production company, and it was funded by the funding agency New Zealand on Air. In April, NZME announced that it was launching a new series and two new video channels for news and sports content on its WatchMe platform. It offers short-form free video content to the paper's readers and to other audiences. Cameron Death, NZME's head of video, said that while traditional broadcasters are abandoning locally produced, original content, WatchMe has filled the gap and has gained in audiences and advertisers (NZME 2017). The business paper *National Business Review* (*NBR*) offers yet another example. The paper, mainly published online, has expanded its content offerings to the radio, and is in a process of adding video content to its website. In January 2017, the company hired former *Close Up* host Susan Wood to produce video interviews, and later on, TVNZ's newsreader Simon Dallow signed with the paper to read the news on the *NBR* platform (Nippert 2017). *NBR*'s head of digital, Chris Keall, noted that hiring a highly recognisable newsreader was expected to give an immediate boost to its audience traffic (Nippert 2017). All the examples here suggest that the lines between traditional print news publishers and broadcasters are blurring, as they all are transforming into digital, multi-platform content providers.

## Discussion

This article offers evidence that New Zealand media is converging beyond ownership, and that the main driver of the convergence is to boost audience reach. Similarly, a study by García-Avilés et al. observed that in Spain, Austria and Germany, 'convergent newsrooms use the opportunities of digitisation to conserve or even to increase their reach within a highly competitive audience market' (2017, 452). Convergences, partnerships and alliances between media corporations are likely to intensify while news media is transitioning from print to a digital environment. Abernathy has observed that newspapers need to develop partnerships with each other – even with their competitors (Abernathy 2016). She asserts that these collaborations can take different forms and can happen between metropolitan and local newspapers, independent and commercial news outlets, as well as between nonprofits and for-profit news media, and this article suggests that all these forms of collaboration already exist in the New Zealand context. Erdal (2007) believes that the digitalisation of news production has changed news organisations and newsroom practices, and how the news is made, because technology enables easy sharing of content between different media platforms and different media corporations. Ryfe notes that 'compared to a decade ago, the journalistic work is more collaborative and distributed' and this seems to be apparent also in New Zealand (2017, 459). He also points out that in the past it was unheard of for national newspapers to cooperate, but now the collaboration has become a new norm. For example, *The Washington Post* partners with over 120 news organisations (Ryfe 2017, 459). García-Avilés et al. (2014) note that those news media organisations that integrated their newsrooms early are now rapidly changing their news production and work patterns to match requirements for the speedy digital delivery. It is clear that the remodeling within New Zealand media has started with the integrated newsrooms, but the process is still ongoing.

When it comes to ownership convergence, the final ruling on the NZME-Fairfax merger will affect New Zealand's regional and local newspaper markets one way or another. In a reaction to the merger ruling, Fairfax's acting managing director Andrew Boyle indicated that the publication days for its regional newspapers may be cut (Read and Pullar-Strecker 2017). Earlier, the company's CEO Greg Hywood has stated that the company may consider selling all its New Zealand newspaper assets, and that there is a threat of local news deserts emerging in New Zealand. Abernathy (2016) has warned that the cuts in the United States newsrooms have left many communities and regions without a local newspaper. Similarly, *The Shattered Mirror* report from Canada observes that the country has lost multiple newspapers because of mergers and closures, and that this has damaged 'civil discourse' (Public Policy Forum 2017). Additionally, a study by Ramsay (2017) found that in the United Kingdom 67 percent of local authority districts had no daily local newspaper coverage. The report notes that 'the decisions that the new, as well as long-time, owners of newspapers make in the near future will have implications both for the health of local journalism and for the vitality of their communities' (Ramsay 2017).

As mentioned above, this kind of mapping research has its limitations, as it can identify convergence patterns and trends in media, but it cannot properly evaluate the wider consequences of the convergences. For example, it is possible to examine how content-sharing affects content diversity. A University of Glasgow study observed that digital news delivery has aided news media's engagement with their audiences, but at the same time, it has contributed to 'recycling the same output across platforms' (University of Glasgow, 2015). This danger applies to content-sharing arrangements in New Zealand.

## Conclusions

As the evidence presented in this article suggests, tactical and structural convergences are rapidly taking place within New Zealand's media sector. The convergence is apparent as more content is shared between media outlets, and as the newsrooms structures are radically changing. It is clear that both tactical and structural convergence is audience and traffic-driven. The main reasons for the partnerships and alliances, as stated by the New Zealand media corporations, can be stated as:

- To increase revenue
- To increase audience size
- To defend against Google and Facebook
- To boost brand awareness and profile
- To advance multiplatform delivery
- Create cost-savings

The collaboration between New Zealand news organisations stems from the practical necessities to create revenue: increasing audience size and brand awareness is clearly targeted to advance advertising. On the other hand, partnerships and alliances can be seen as a defensive move against social media corporations and search engines – the logic being that the audience gains would give them a better footing in the digital advertising market. Content-sharing arrangements are also believed to deliver cost-savings, and this can enhance revenue as fewer people are needed to create content, and the same content can be pushed across news outlets and across different platforms. It should be noted that Gordon's conceptual framework is still useful for this kind of mapping exercise, but it does have some problems and limitations. It does not capture all the nuances of convergence in a digital, multi-platform media environment. For example, news organisations are increasingly entering into revenue-sharing arrangements and sponsorship deals, and these are not typically 'tactical convergences' as defined by Gordon. To exemplify, New Zealand media outlets *The Spinoff* and *Newsroom* are mainly funded by corporate sponsorships, and while these partnerships are promotional, they are business arrangements to support *The Spinoff*'s and *Newsroom*'s content production, and therefore their main purpose is not cross-promotion.

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