

What Can Media Companies Learn from Top Retailers?

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*One unfortunate trend many media companies and retailers seem to share these days is a declining audience or customer base. In this opinion piece, author and branding expert [Denise Lee Yohn](#) explains that despite lower in-store sales, some retailers are blazing successful new marketing trails that engage customers and improve the bottom line. Media companies could learn from these new models. Yohn is author of the book, *What Great Brands Do: The Seven Brand-Building Principles that Separate the Best from the Rest*. She is also the former general manager of brand and strategy for Sony Electronics, and former marketing leader and analyst for Jack in the Box restaurants and Spiegel catalogs.*

After Medium's founder and CEO Ev Williams recently [announced](#) that the company was laying off a third of its staff and moving away from an ad-driven business model, many suggested that the online publisher needed to figure out a better way to monetize content. But it's unlikely that trying to do so will yield an effective or sustainable solution. A more viable approach would be for Medium to adopt a role as a "retailer" of content.

Others have tried to monetize content and have generated only limited success because attaching a value to content tries to solve the wrong problem. The media industry faces disruptive forces that cannot be addressed by thinking about content — or readers, publishers, channels and advertisers — in the same way and just trying to do more in a better way. Media needs to undergo a fundamental transformation. Instead, Medium and other media channels struggling with generating sustained revenue can derive better solutions by thinking like a retailer and learning lessons derived from the transformation of the retail industry.

Consider the following parallels between the media and retail industries. Media channels are like stores — venues through which customers (readers) access products (content). Just like retailers, media companies have long prided themselves in providing access to quality products, but, also like retailers, most products have become commoditized so quality no longer sustains demand or provides enough differentiation.

The similarities between media and retail extend to other parties in their business models. In media, advertisers are like real estate owners and brokers. They're usually more concerned with productivity of space and quantity of traffic (eyeballs and clicks) and less with the quality and sustainability of relationships with shoppers (audiences). Media channels, like retailers, seem beholden to these stakeholders whose strong financial orientation further strain the effectiveness of competing on quality content.

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Writers and publishers are like product manufacturers in the retail industry in that most want to "sell" as much "product" as possible — that is, get as many readers or viewers of their content as possible. In recent years, some product manufacturers have taken more responsibility for customer relationships and taken on the role of a retailer (either in the physical or digital world), as some writers maintain their own blogs or cultivate their own followers, but most still rely on retailers to facilitate product exposure and delivery. Writers and publishers may be producing a quality product, but if the channel doesn't draw readers in, their impact is limited.

Ultimately this analogy points to media channels like Medium as retailers. And just as retailers have had to dramatically change in order to remain viable in the new reality of e-commerce, channels must undergo a fundamental transformation in order to thrive in the current media environment.

Retailers used to be valued for providing access to quality products. Foot traffic was the measure of success and companies like Walmart were hailed for getting as many people through their doors as possible. But retailers have learned that quantity of traffic doesn't necessarily translate into quality of customer relationship, and media channels are discovering that large numbers of eyeballs don't guarantee valuable user engagement (Medium had [60 million monthly visitors, according to Digital Trends](#)). Now, in retail and in media, the most successful ones design and deliver valuable experiences.

The innovations that progressive retailers have introduced suggest opportunities for media companies, including the following strategies:

Offer services. Beauty products chain Ulta offers not only retail products but also salon services; retailer J. Crew's 'Very Personal Stylists' provide personal shopping appointments and help track hard-to-find items. Likewise, media services could include personally curated collections, research, access to sources, archiving and more.

Personalization. From the algorithm of personal style service Stitch Fix to Target's predictive analytics, retailers have learned to use data and technology to customize their offerings to specific customers' needs and wants. Media could commission content based on specific readers' interests and deliver it based on their personal time, channel and format preferences.

Facilitate community. Athletic clothing retailer Lululemon hosts events, deploys brand ambassadors, and creates exclusive products to make their customers feel as if they're not just buying a brand, they're joining a community of like-minded friends. Media could facilitate communities of writers, readers, editors, and subject matter experts who collectively create, consume, and advance content.

Deliver omnichannel. Sporting goods chain REI breaks down organizational silos to ensure consistent pricing, communication, product availability and seamless service across all channels. Media could enable customers to read, watch, or hear content seamlessly on multiple devices, in various formats, through new distribution methods.

Become more interactive, entertaining and stimulating. Customers like to hang out in Apple Stores and Wegmans grocery stores because they offer multi-dimensional, sensorial and engaging experiences. Media could stage in-person events, offer interactive experiences and create rich engagement.

Media companies still have plenty of opportunities to create unique value and retain their viability as businesses, but doing so requires some important changes. Just as retailers serve two customers — vendors and shoppers — media can no longer cater to advertisers and content producers alone. Medium earned a reputation as one of the best channels for writers because of the tools and interface it offered to them, and as a desired partner for publishers because of the advertising reach and support it delivered to them.

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For readers, however, the ease of publishing that Medium offered resulted in a lot of mediocre content and the reader interface offered little help in navigating through it. It also neglected features like the ability to read articles offline on its mobile app. If it had operated with a retail customer orientation, it would have delivered the same level of innovation and quality standards to its readers as it did to its suppliers.

Medium isn't the only media company that needs to adopt a different philosophy. The industry must start treating readers and viewers as customers with whom valuable, sustained relationships must be pursued. And they must do more than simply provide access to quality content; they must deliver extraordinary customer experiences. In fact, they need to learn what today's leading retailers now know: The most valuable product they deliver is actually the

experience.

People reward great retailers with their brand loyalty, reviews and recommendations, and in many cases willingness to pay a premium. These outcomes are exactly what media needs now — and they can produce them if they're willing to re-think what business they're in.