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Digital transformation of the global media market: in search for new media formats

KEYWORDS
media sphere; media market; media business; digital transformation; advertising; new media format; streaming platforms; podcast; media content

ABSTRACT

Introduction. The relevance of the study is caused by the transformation of the media market in the context of global digitalization, where traditional media are dying off and replaced by new media formats and new opportunities.

Materials and Methods. In the course of the study, general and special methods of scientific knowledge were used: systemic, structural analysis, analysis and comparison of quantitative data obtained as a result of studying the media market. The study of the digital transformation of the global media market through the prism of new media formats is considered from an economic point of view. The economic approach includes consideration of resource constraints that impede the development of new media formats, assessment of their efficiency in the context of global digitalization, pandemic threats and challenges.

Results and Discussion. The media market in the 21st century, with the advent of new digital technologies, is actively developing in new media formats such as blogging and podcasting. Pandemic threats and challenges have formed new global trends in the media sphere, for example, podcasts are gaining popularity in the modern world. The growing popularity of podcasts is characterized by the development of streaming platforms and podcast clients (podcast managers). The media market combines information and resource markets that are aimed at promoting media content in the modern world. The article analyzes the market components of the media business: media market regulators, the specifics of media formats, media products and advertising services in the media sphere. The value of the digital transformation of the media market is important both for consumers of media content, which is associated with the ability to meet individual needs, and for the country as a whole and companies in particular.

Conclusion. The authors came to the conclusion that today the high demand for new media products, new media trends, new media formats in the modern world among users of digital media content leads to the development of the media market and media business in the context of digitalization and transformation. Podcasting as a new media format provides new opportunities for the development and existence of podcasters, listeners, advertisers and other media professionals in a market economy.

INTRODUCTION

Media market is a complex of all media that create content for the needs of specific target audiences. The media market can be divided into two blocks: the resource market and the information market, where the resource market is the elements of the production of information media content, for example, finance, media materials, media texts, and the information market is a space with media products (press, audiovisual and electronic media, publications of information agencies, documentary films, etc.), which is involved in the process of buying and selling.

Since 2020, the global media market has been in a new environment related to the COVID-19 Pandemic, e-commerce, the transformation of media content and the development of new media formats. In 2020, global media trends are undoubtedly associated with pandemic threats and challenges, the digital transformation of media channels, and a giant leap in the development of online resources and streaming platforms. It was global digitalization that transformed radio during the pandemic, the consumption of new media formats has skyrocketed, from video to audio content, as a result of which audio advertising is being modified into a digital audio format.

In connection with pandemic threats in 2021, an interesting list of global trends in the media sphere can be distinguished: the politicization of social media, the development of audio formats (voice assistants, voice search, podcasts) and VR / AR (virtual and augmented realities), the strengthening of the subscription model in the media and competition among TV channels, channel trust of professional media brands on different platforms, return on investment of brands in image placements, creation of sincere content, a small number of world premieres.

MATERIALS AND METHODS

In the course of the study, general and special methods of scientific knowledge were used: systemic, structural analysis, analysis and comparison of quantitative data obtained as a result of studying the media market. The study of the digital transformation of the global media market through the prism of new media formats is considered from an economic point of view. The economic approach includes consideration of resource constraints that impede the development of new media formats, assessment of their efficiency in the context of global digitalization and pandemic threats.
LITERATURE REVIEW

The rapid development of digital technologies is becoming a defining vector for the functioning of market relations, the largest business figures are actively using the latest technologies to promote their product.

Commercial organizations are actively using the online space for the purpose of self-promotion in the market and the fight against competitors. E. B. Kmet notes that with the development of social networks, a large business solves a whole block of strategic marketing tasks, among which branding issues are mentioned, increasing loyalty to their own brand, interacting with the target audience and tracking consumer feedback [1, p. 136]. The possibility of selecting contextual advertising and automatic mailing is also noted [2]. As O. O. Nikitina rightly notes, companies that are in a situation of searching for the most effective methods of promotion, dictated by the characteristics of the free market, the high level of competition and the social consequences of the pandemic, need to quickly optimize their communication strategy, taking into account current trends in this area [3].

The media market does not stand aside either, it is changing dramatically, adapting to modern forms of communication with the audience, new areas of activity in the online space are emerging. More and more companies, combining the information and resource markets, create their own media to promote the brand. Podcasting seems to be on the rise at the moment. Many researchers emphasize that the traditional advertising campaign is fading into the background in terms of brand promotion, at least due to the availability of a web resource for companies [4]. Research by Midroll Media on podcast advertising has shown that the percentage of brand recall due to an advertising campaign in podcasts is 4.4 times higher than the effect of traditional advertising [5]. Social networks are a comfortable basis for building or destroying company brands [6]. Social media allows you to build an image of a potential consumer of a product, find out his interests, hidden desires and real needs.

According to O. S. Terentyeva and N. R. Javrshyan the advantage of podcasts compared to writing an article or editing a video is the saving of time and financial resources [7]. Repeated studies confirm that the creation of podcasts, although laborious, is an affordable process. For example, students at the University of Cincinnati College of Medicine were able to create quality podcasts without having any practical experience or special education to begin with. In describing the process of creating podcasts, the authors noted a relatively low threshold for entering the field of podcasting, the need to first obtain a unique set of technical skills for recording and editing a podcast [8]. Such skills can be acquired using online learning resources (Speech Genre Society [9] and other platforms [10]).

Pandemic threats form the foundation for podcasts to gain a foothold in the media market. Creating podcasts does not require a constant face-to-face presence – digital technologies allow recording remotely: only special equipment is required [8].

The popularization and commercialization of podcasting has led to the massive emergence of podcasts on platforms designed not only for podcasts, including streaming platforms such
as Spotify and Amazon, podcast platforms (Podimo, Arzamas), streaming platforms (Netflix, KinoPoisk) [11]. Studies note the combination of entertaining and analytical content, which at the same time is accessible to the average user [12], and the attention of researchers is also attracted by this quality, relevance and information content of carefully crafted material [13]. It is no coincidence that K. S. Fedonenko and D. A. Dubover note that “the goal of any media content in the modern world is to convey this information in an accessible, large-scale and creative way” [14].

In addition, O. N. Tomyuk et al. on the quality of the podcast [15]. This thesis clarifies the reasons for the higher popularity of large podcast platforms and streaming services. This is also confirmed by the results of a study by O. V. Shershneva, according to which podcasts of radio stations have a greater advantage in the media market than author's podcasts [16].

A feature of the sources of funding for podcasts is their variability. The creator or owner of the podcast, at its sole discretion, can choose how it will receive income. L. A. Kruglova identifies such methods of monetization as advertising (considering this method the most common), donations from listeners, a paid subscription to the platform, production of podcasts for customers and podcast platforms [17]. A. S. Nikitina concludes that funding sources depend on the chosen form of interaction between players on the platform [18].

RESULTS

The media market in the 21st century, with the advent of new digital technologies, is actively developing in new media formats such as blogging and podcasting. Pandemic threats have formed new global trends in the media sphere, for example, podcasts are gaining popularity in the modern world. The growing popularity of podcasts is characterized by the development of streaming platforms and podcast clients (podcast managers). The media market combines information and resource markets that are aimed at promoting media content in the modern world. The article analyzes the market components of the media business: media market regulators, the specifics of media formats, the specifics of media products, the specifics of advertising services in the media sphere. The value of the digital transformation of the media market is important both for consumers of media content, which is associated with the ability to meet individual needs, and for the state as a whole and companies in particular.

The media market is a dual market for goods and services, like any other, aimed at commercial results (profit), so new media formats are constantly being created to attract more attention and the maximum number of users, and thereby increase income and profit. In 1977, the American researcher D. Smythe began to assert that the “commodity” of the mass media is the audience [19]. In his opinion, mass media arise when media companies produce, design and “deliver” an audience to advertisers. D. Smythe in his concept describes a model of three interrelated elements: the media, the audience and advertisers. The market economy in the media sphere works as follows, that is, the mass media, old and new media form a mass
audience for advertisers. Interesting data for analysis can be identified by examining popular streaming platforms and their various metrics (see Table 1).

### Table 1

<table>
<thead>
<tr>
<th>Rank</th>
<th>Streaming platform</th>
<th>Popular content</th>
<th>Supported devices</th>
<th>Monetization options</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Twitch</td>
<td>Games, IRL</td>
<td>PC, Mac, PlayStation, Xbox, Android, IOS</td>
<td>Paid subscriptions, internal donations, advertising</td>
</tr>
<tr>
<td>2</td>
<td>YouTube</td>
<td>Games, IRL</td>
<td>PC, Mac, PlayStation, Android, IOS</td>
<td>Paid subscriptions, internal donations, advertising</td>
</tr>
<tr>
<td>3</td>
<td>VK</td>
<td>IRL</td>
<td>PC, Mac, Android, IOS</td>
<td>Advertising, donations through third-party services</td>
</tr>
<tr>
<td>4</td>
<td>Instagram</td>
<td>IRL</td>
<td>Android, IOS</td>
<td>Absent</td>
</tr>
<tr>
<td>5</td>
<td>OK</td>
<td>IRL</td>
<td>PC, Mac, Android, IOS</td>
<td>Internal donations</td>
</tr>
<tr>
<td>6</td>
<td>Facebook</td>
<td>IRL</td>
<td>PC, Mac, Android, IOS</td>
<td>Donations through third-party services</td>
</tr>
<tr>
<td>7</td>
<td>GoodGame.ru</td>
<td>Games</td>
<td>PC, Mac</td>
<td>Paid subscriptions, internal donations, advertising</td>
</tr>
</tbody>
</table>

It should be noted that every year the number of streaming platforms has been increased, as well as the audience and the number of channels. The means of maximum information, especially new media formats, appear on the market and are regulated by disseminated mechanisms. The media market is a space where there are buyers, and a set of conditions under which you can buy and sell goods (services). The media business begins when a product can be brought before the content marketing law. It is the media market that today is engaged in the regulation of supply and demand, the creation of competition between manufacturers and between models. The market nature of the media industry means that all of its elements can be commodified and purchased in the aisle. The media industry of crime related to buying and selling also has access to observations that advertisers and sponsors are interested in. In 2021, in the context of digital transformation, it is possible to capture a large target audience in the Internet space. Today, there are several main types of online advertising:

- media advertising is aimed at placing text or graphic materials on websites, forums and portals;
- contextual advertising is a text-graphic or text block, which is displayed taking into account the content of the advertising platform. This type of advertising is well suited for introducing brands and is well received by users of Internet spaces;
- advertising in social networks is most often placed either in the form of banner and contextual ads on the user page or in the form of creating thematic communities with the active involvement of a few subscribers, that is, the interested public of consumers;
- search promotion using SEO promotion services to advertise goods or services on the intended site, which is included in the top 10 search engine results;
- publication of press releases on thematic and news sites, or article promotion. This is a sudden type of advertising, especially on prefabricated portals [21].

At RBC's request, Yoloco used artificial intelligence to analyze bloggers' social media accounts and calculate the average cost of advertising in stories on Russian Instagram (see Fig. 1).

![Figure 1 Median price per story [22]](image)

Studying the global media market in the context of digital transformation, it is necessary to single out a relatively new media format – the TikTok video service with a video streaming function, which is used by almost every seventh Russian. Percentage of TikTok users by age: 10–19 years old – 32.5%, 20–29 years old – 29.5%, 30–39 years old – 16.4%, 40–49 years old – 13.9%, 50+ – 7.1%. The target audience of TikTok has “grown up” over the past year, these are solvent users over 25 years old. This fact attracts the attention of advertisers. Large corporations such as Coca Cola, PepsiCo, MegaFon, McDonald's, Mail.ru started using TikTokers to promote their brand among TikTok users. Forbes presented the Rating of the highest paid TikTokers in Russia and the Rating of Russian bloggers who earn from advertising on Instagram (see Tables 2–3).

![Table 2](image)

<table>
<thead>
<tr>
<th>Rank</th>
<th>TikToker</th>
<th>Number of subscribers, mln.</th>
<th>Age, years old</th>
<th>Income in TikTok, million rubles</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Abramov Rakhim</td>
<td>9.5</td>
<td>22</td>
<td>10.47</td>
</tr>
<tr>
<td>2</td>
<td>Saeva Dina</td>
<td>16.4</td>
<td>21</td>
<td>4.93</td>
</tr>
<tr>
<td>3</td>
<td>Savko Alexey</td>
<td>6.5</td>
<td>23</td>
<td>4.81</td>
</tr>
<tr>
<td>4</td>
<td>Gavrilina Julia</td>
<td>7.2</td>
<td>18</td>
<td>3.32</td>
</tr>
</tbody>
</table>

* Comscore, Inc. URL: [https://www.comscore.com/](https://www.comscore.com/).
As the TikTok platform is popular and actively gaining momentum, many advertisers have changed their strategy and are looking to promote their products and services within it. For TikTok users, the community atmosphere that the brand creates around itself is important. Recently, the feeling of being part of the TikTok community has become pervasive and motivates a large number of users to purchase goods and services that young TikTokers advertise. A more status situation can be traced on Instagram, where the most popular and richest bloggers, according to Forbes, influence a different age group of users.

Table 3
Rating of Russian bloggers who make money on advertising on Instagram, 08.26.2020 [24]

<table>
<thead>
<tr>
<th>Rank in TOP-10</th>
<th>Blogger Instagram</th>
<th>Age, years old</th>
<th>Instagram ad revenue, million dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sobchak Ksenia</td>
<td>7.7</td>
<td>1.48</td>
</tr>
<tr>
<td>2</td>
<td>Gagarina Polina</td>
<td>8.4</td>
<td>0.89</td>
</tr>
<tr>
<td>3</td>
<td>Galich Ida</td>
<td>7.1</td>
<td>0.85</td>
</tr>
<tr>
<td>4</td>
<td>Borodina Xenia</td>
<td>15.4</td>
<td>0.77</td>
</tr>
<tr>
<td>5</td>
<td>Levda Alina</td>
<td>5.3</td>
<td>0.76</td>
</tr>
<tr>
<td>6</td>
<td>Ivleeva Anastasia</td>
<td>17.7</td>
<td>0.61</td>
</tr>
<tr>
<td>7</td>
<td>Chekalina Valeria</td>
<td>6.5</td>
<td>0.61</td>
</tr>
<tr>
<td>8</td>
<td>Todorenko Regina</td>
<td>8.6</td>
<td>0.6</td>
</tr>
<tr>
<td>9</td>
<td>Temnikova Elena</td>
<td>5.2</td>
<td>0.6</td>
</tr>
<tr>
<td>10</td>
<td>Nurmagomedov Khabib</td>
<td>21.2</td>
<td>0.6</td>
</tr>
</tbody>
</table>

The rating of Russian bloggers who earn on advertising on Instagram in 2020 has almost completely been updated and is very different from the similar rating in 2019, where in 2019 Olga Buzova was in third place in the rating, in 2020 she did not even entered the TOP-10. In 2020, Ida Galich took third place in the ranking by launching a new Instagram show for schoolchildren “Such Parents” on “Friday!”.

As part of the digital transformation, new modern devices and new modern IT technologies are an important tool for the professional and everyday life of a modern person. Media content, media texts are in high demand among Internet space users. With the advent of new IT technologies, the media sphere is acquiring new formats and new opportunities, for example, in 2020, the previously known format, the podcast, is increasing its popularity rate. Viral audio content is interesting to listeners. The audio content of podcasts, like the video content
of blogs, is open, accessible, easily perceived, relevant to society and meets the needs of the
time, etc. Podcasting is an original and promising phenomenon of the modern media market.

The media market is built on profit not from the media content of new and social media, but
from related activities for the sale of advertising space and time in stories, videos, podcasts, etc.

DISCUSSION

The media market, thanks to modern IT technologies, the Internet space, new media
formats, has become global in the context of global digitalization and digital transformation.
The rapid development of digital technologies is a defining vector for the functioning of
market relations to promote their goods, products and services. We agree with the authors
V. O. Karass, A. V. Diachkova that “in the conditions of fierce competition in the modern
world, brands should follow modern trends in the field of advertising, especially if they focus
on a younger audience” [26]. The Internet space is the main advertising platform, where
advertising continues to develop and take root in various new media formats. At the same
time, we emphasize the statement of E. B. Kmet that social networks in the context of global
digitalization and pandemic threats and challenges solve a whole block of strategic marketing
tasks aimed at brand development and brand loyalty [1]. Today, the media market offers a
wide range of opportunities aimed at generating income for bloggers, podcasters, TikTokers,
small and large companies due to the huge number of platforms, applications, services, social
networks and various media formats that are developing every day with the advent of new
digital technologies. One cannot but agree with O. O. Nikitina, who writes that companies
are constantly monitoring and searching for the most effective types of advertising, promotion
methods in order to adapt and optimize strategic development tracks, considering global
trends and trends [3]. The media market is radically changing, adapting to modern forms of
communication with users, for example, the Internet space, all this leads to the emergence of
new areas of activity and new media formats. Pandemic threats and challenges in the context
of global digitalization have given a new impetus to the active development of the podcast
media format.

CONCLUSION

The authors concluded that today the high demand for new media products, new media
trends, new media formats in the modern world among users of digital media content leads to the
development of the media market and media business in the context of digital transformation.
Podcasting as a new media format provides new opportunities for the development and
existence of podcasters, listeners, advertisers and other media professionals in a market
economy. The media market is constantly evolving due to the emergence and implementation
of new media formats that provide new ways and opportunities to get big money, which we clearly demonstrated in the Rating of the highest paid TikTokers in Russia and the Rating of Russian bloggers who earn on Instagram ads, which are presented by Forbes for 2020. As a result of the study, it should be emphasized that new media formats are positively reflected in the positive dynamics of the development of the global media market.

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10.1007/s11846-020-00438-5


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