

POLICY BRIEF #17

21 August 2018

The MediaHub Brussels has officially launched: Get involved and benefit from the new initiative

On June 19, the MediaHub Brussels was launched in the presence of the Flemish Minister for Culture, Youth, Media and Brussels Affairs, Sven Gatz, and the Rector of the Vrije Universiteit Brussel (VUB), Prof. Dr. Caroline Pauwels. The MediaHub Brussels is funded by the Flemish government. Coordinated by SMIT, it aims to strengthen the cooperation between local and international players in the field of media. The initiative's main goal is to stimulate the innovative capacity and longer-term economic viability of the media industry in Brussels and Flanders. In this Policy Brief, Prof. Dr. Karen Donders, Prof. Dr. Pieter Ballon, Olivier Braet, and Marlen Komorowski explain the MediaHub's strategies and objectives and how media professionals can benefit from them. We at the MediaHub call on every reader who is interested in getting involved to get in touch with us.

Brussels as MediaHub: The central point for local media players

Brussels was chosen as the best-suited location for the MediaHub, because of its existent prominence of media activities and because it is, as the capital of Flanders, Belgium, and the EU, the most logical place to further stimulate cooperation between all media industry stakeholders. The MediaHub builds on existing academic and business activities instead of attempting to create a cluster ex nihilo.

SMIT's latest research, within the Media Clusters Brussels project¹, shows that almost 40% of Belgian media activity is located in the Brussels-Capital Region. This includes both traditional media, such as broadcasting, print, and advertising, and young firms that focus on new media (see Figure 1).

The local media industry has a yearly growth rate of 2.5%, which is higher than the average growth rate of the Belgian or Brussels economy. The net added value of media firms in Brussels amounted to 1.67 billion euro in 2014.² The Brussels media industry employs over 16,000 people, which is 2.7% of the active population.³

¹ See www.mediaclusters.brussels for more information.

² Komorowski, M. (2017) "Report on Data Analysis: Brussels' media industry", Media Clusters Brussels, Work Package 2: Media organizations' characteristics and value chain, Deliverable 2.3a, April 2017.

³ Wiard, V. and Domingo, D. (2017) "Report of analysis: first census of media workers in Brussels", Media Clusters Brussels, Work Package 4: Media workers' skills, profiles and social networks, Deliverable 4.2a, April 2017.

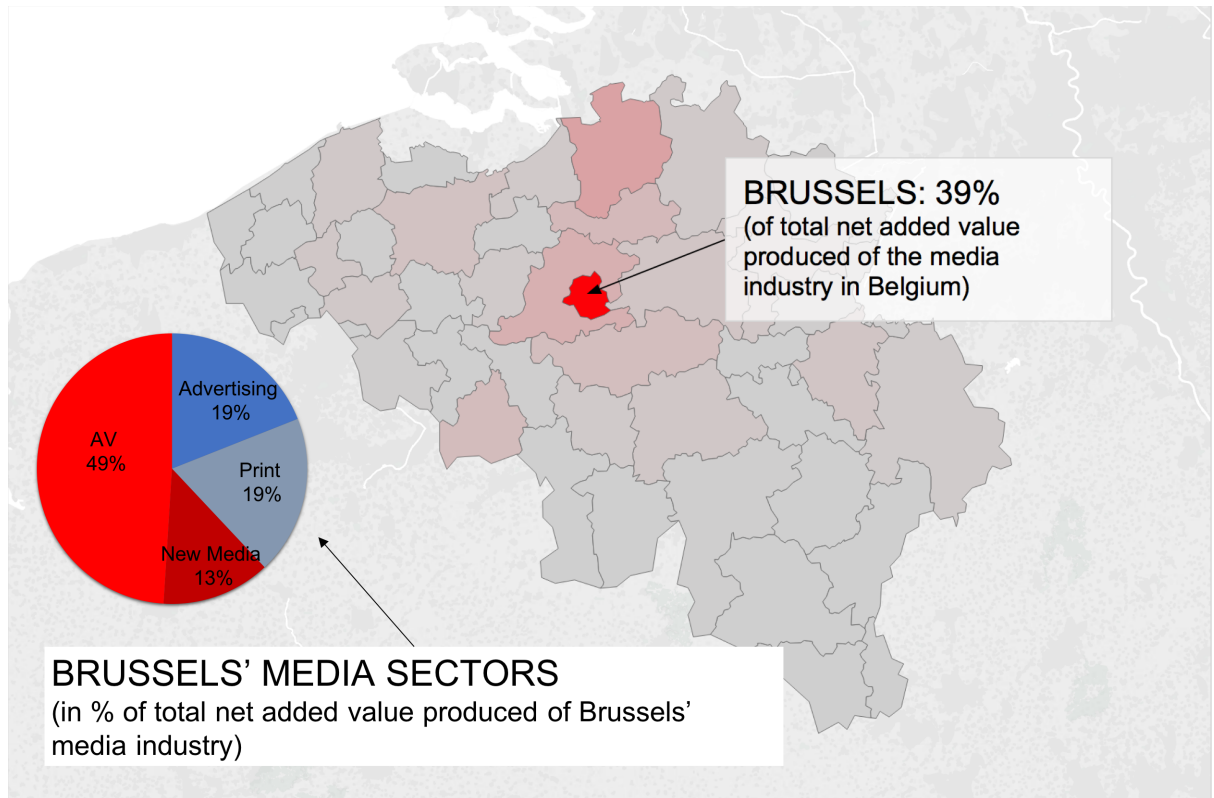


Figure 1: Brussels' media industry in numbers (based on Bel-first data from 2014).

Bringing partners together: The MediaHub's four stakeholders

The MediaHub initiative's main objective is to bring together all stakeholders in the domestic media industry and beyond. This includes the media-related research community, the media industry and adjacent industries that affect the media industry, the various relevant levels of government (city, regional, federal, and EU), and the citizens that use these media products and services (see Figure 2).

These different actors have different stakes and interests in how the media industry functions. Researchers develop the digital standards of the future and want to better understand what drives new forms of media production and consumption. Research tracks have a long-term horizon of five to ten years. Media firms aim to serve their audiences better and want to deliver innovations in the short term, up to five years. Government defines the regulatory framework the media industry has to comply with and plays a supporting role through innovation subsidies or other forms of direct or indirect support. Finally, citizens have varying expectations in terms of what media should offer, be it information, entertainment, or other forms of interaction. At the same time, not everything that makes sense from an individual consumer angle or an economic perspective contributes to improving society through a pluralism of views, diversity of content, trustworthy news, etc. The MediaHub will bring the different interests of the abovementioned stakeholders together.

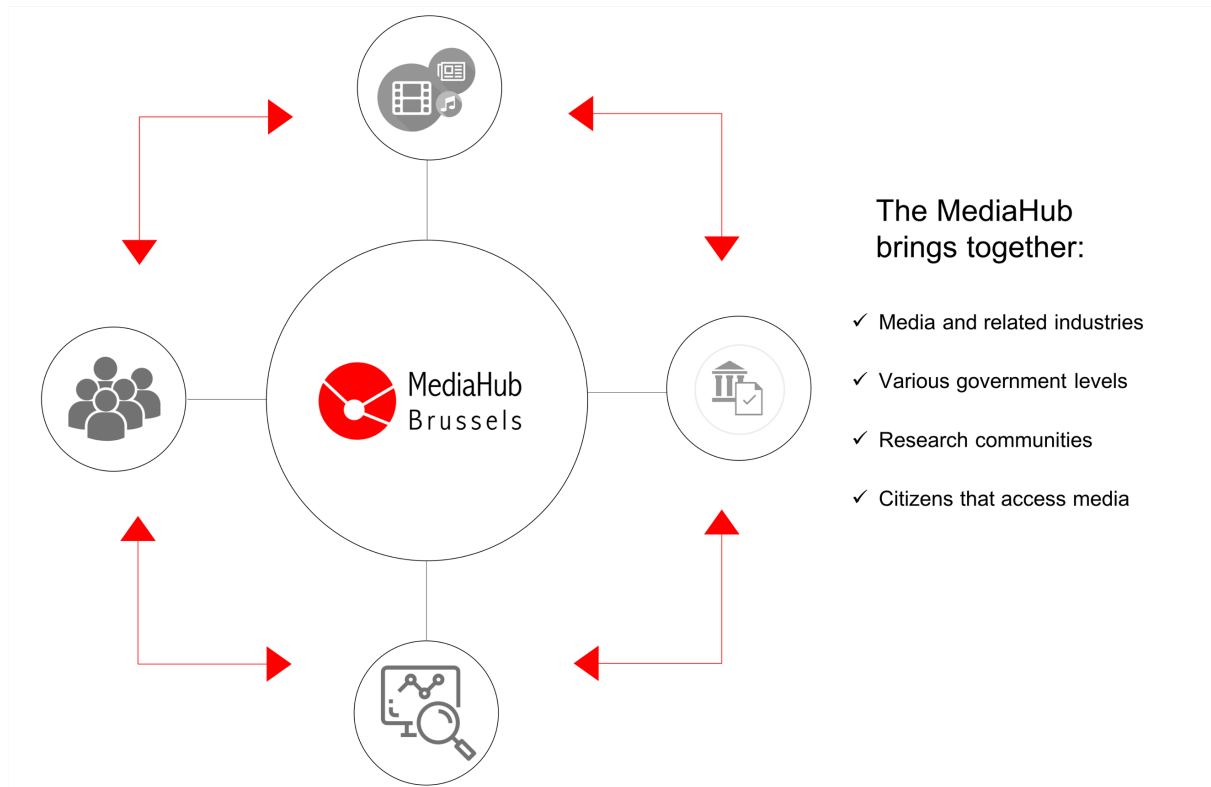


Figure 2: The MediaHub's four stakeholders

The MediaHub's three spearpoints

In order to serve its stakeholders, the MediaHub will focus on three spearpoints: KNOW, SHARE, and GROW (see Figure 3).

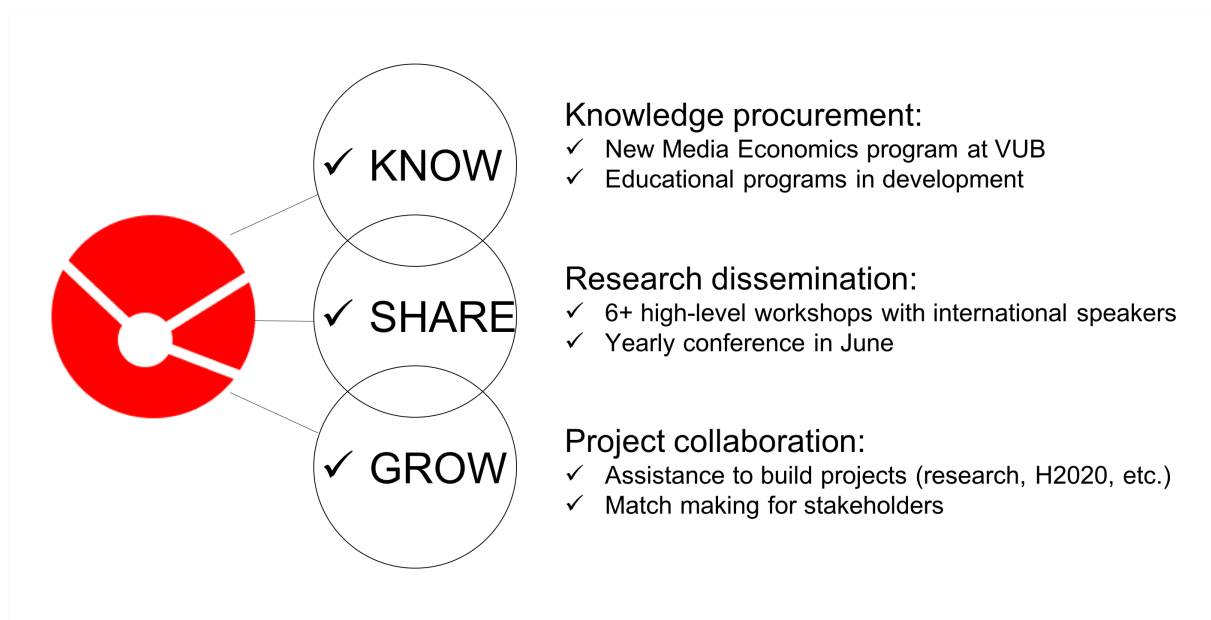


Figure 3: The three spearpoints of MediaHub Brussels

✓ Know

The KNOW spearpoint focuses on creating new forms of cross-disciplinary education. In the first year, a new international, English-language Media Economics programme will be launched at the Vrije Universiteit Brussel. The degree focuses on media economics, but is also

resolutely cross-disciplinary in its inclusion of courses on media policy and new technologies. This will enable economists to learn about media regulation and important technological developments, whereas technologists could strengthen their knowledge of policy or business aspects. Legal or policy-oriented people will be able to broaden their horizons with insights into how the market functions and which technological tools are becoming increasingly relevant. Participants can join the programme by applying for a full postgraduate degree or by joining specific courses in the programme.

The Media Economics programme is aimed at professionals or recent graduates from various disciplines, and studies can easily be combined with work. Each class is presented by internationally renowned academics, with complementary presentations by industry experts from local companies such as Mediaaan or Telenet, or international firms, such as Spotify, Netflix, YouTube, ProSiebenSat.1, Discovery Communications, Deloitte, Nielsen, and many others.

Topics covered include platformisation, the economics of journalism, data, commercial communication, the interplay between media economics and policy, mergers and acquisitions, and audiovisual production. The coming three years will see additional new forms of education that will be developed in response to demands from industry.

✓ **Share**

The SHARE spearpoint aims to more effectively circulate knowledge and insights among researchers, industry professionals, and the relevant public actors. Planned events include workshops and an annual conference.

At least six high-level workshops per year are envisaged, with international experts presenting their thoughts on media topics under the banner 'Smart Media Meetups'. The yearly conference will be held in June, with parallel tracks on cross-disciplinary topics that are relevant for the viability and innovative capacity of the media ecosystem. The conference will also have informative white papers or infographic reports on the state of the media industry or developments in media as outputs.

The workshops and conference will be co-organized by research institutes and industry: the SMIT and imec research institutes, on the one hand, and the industry associations MediaNet Vlaanderen (for the media industry) and the Belgian Association of Marketing (for the advertising and marketing industry), on the other hand. Later, this network will be expanded to include involvement from parallel sectors such as the software, telecommunication, or retail industries.

The workshops and conference aim to better distribute insights that might be stuck in industry silos -news media, radio- and TV broadcasting, audiovisual production, news and photo agencies, pre-media, advertising and marketing, telecommunication, and digital-only media-, or only available within the research community. As an example, the VUB will invest 900,000 euro in fundamental doctoral research tracks on media economics over the next five years, and the research findings need to be distributed throughout the industry. Likewise, many Flemish and Brussels-based research groups and institutes are involved in local and European research projects and sharing insights from these projects to all stakeholders can strengthen the local ecosystem. The agenda for upcoming events can be found here: <http://smit.vub.ac.be/events>.

Upcoming MediaHub Brussels events		
Dates 2018	Title	Content
24 September 10h-13h, at imec-SMIT	Platform power and TV markets	Prof. Karen Donders and Prof. Tom Evens present their new book on platform power. International guest speaker: Matt Stoller from the Open Markets Institute.
26 October 10h-13h, Location to be announced	Matchmaking day with Mediamatters (www.mediamatters.vc)	Meet-up day between media companies and international start-ups, organised for the MediaHub by Mediamatters.
7 December 10h-13h, at imec-SMIT	Content diversity as a media strategy	Attractive diversity of content as a core component of the product differentiation strategy of media companies.

✓ **Grow**

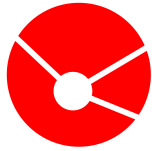
In its GROW spearpoint, the MediaHub assists companies in finding their way in the sometimes daunting labyrinth of support instruments at the local level (VLAIO in Flanders, Innoviris in Brussels) or the EU level (Horizon 2020). In our experience, only the largest companies find their way in to consortia of multi-annual EU projects, while many small or medium-sized companies or younger start-ups and scale-ups experience difficulties in accessing the many existing support mechanisms.

The MediaHub will act as a matchmaker to help create logical and balanced consortia for projects, acting both between firms and support instruments appropriate to them and between the academic community and industry. Matchmaking will also take place on a national and international level. Cooperation between local media players and Flanders Investment and Trade will also be explored.

Conclusion

Not only our domestic media companies but all European media firms have trouble responding to the efficiencies of scale seen in some foreign platforms. Witnessing the torrent of merger and acquisition activity in the US (fueled by historically low interest rates), such as AT&T's approved bid for Time Warner, or CBS's ongoing bid for Viacom, these global scale efficiencies are intensifying even further. It remains exceedingly hard to achieve similar efficiencies of scale locally because of Europe's fragmented linguistic landscape, which is also present in Belgium's multilingual market. It is clear that the media industry will face serious challenges in the coming years, but new forms of cooperation and knowledge exchange can help industry players and policy-makers to prepare for the future.

By creating and sharing expertise between industry, government, and the academic world, companies will be able to create new paths to profitability and policy-makers can help to enable innovation and growth. In-depth cooperation between all stakeholders can ensure that new forms of education, knowledge, and access to support, including capital, find their way to the parties who need it.



MediaHub Brussels

Prof. Dr. Pieter Ballon is the director of SMIT and director of imec's Society & Innovation department. He specialises in media economics research and is also well known for his groundbreaking work in smart city development.

Prof. Dr. Karen Donders heads the SMIT's Media unit. She specialises in the interplay between media policy and media

economics. She is the director of the postgraduate in Media Economics programme at the VUB. Together with Prof. Dr. Pieter Ballon, she supervises the MediaHub Brussels initiative.

Olivier Braet is a senior researcher in SMIT's Media unit. He specialises in determinants of media market potential. He is in charge of the MediaHub Brussels' operational management and your contact person in case of ideas for collaboration and research. (olivier.braet@vub.be)

Marlen Komorowski is a PhD researcher in SMIT's Media unit. She specialises in media clusters, economic geography, and sector analysis. More information is available at Media Clusters Brussels, www.mediaclusters.brussels, an Innoviris Anticipate collaborative research project of the VUB, ULB, and USL-B.

The Media unit of SMIT, a research group at imec and VUB, consists of 40 junior and senior researchers. The researchers are specialist in various policy, market, and user research methods. Their work spans the fields of national and European media and competition policy, cultural diversity, public broadcasting, the sustainability of creative industries, immersive media, data and valorisation, privacy, media literacy, and digital inclusion. The unit is headed by Prof. Dr. Karen Donders.