



The Experts vs. the Amateurs: A Tug of War over the Future of Media

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A tug of war over the future of media may be brewing between so-called user-generated content -- including amateurs who produce blogs, video and audio for public consumption -- and professional journalists, movie makers and record labels, along with the deep-pocketed companies that back them. The likely outcome: a hybrid approach built around entirely new business models, say experts at Wharton.

According to a recent *Newsweek* article titled, "Revenge of the Experts," and books such as Andrew Keen's *The Cult of the Amateur: How Today's Internet Is Killing Our Culture*, the pendulum between user-generated content and the professional variety has swung too far in favor of amateurs. In response, professional fare is gaining renewed favor.

User-generated content encompasses discussion boards, blogs, social networking outlets such as MySpace, websites like Digg that rank news items based on popularity, customer review aggregators, photo sharing networks and any other property that "offers the opportunity for consumers to share their knowledge and familiarity with a product or experience," according to Wikipedia, itself a user-authored site. YouTube, eBay, MySpace and Flickr are well known sites largely fueled by user-created content.

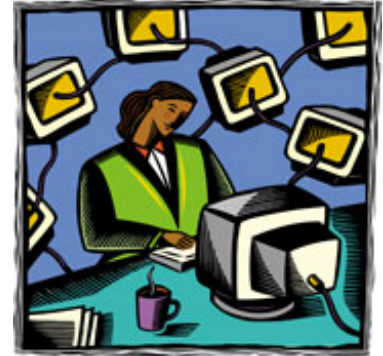
But the user-generated revolution is clearly not over. Professional content companies are betting on the longevity of user-generated sites by acquiring them. News Corp., the parent company of Fox Broadcasting, owns MySpace; AOL, owned by Time Warner, paid \$850 million for social networking site Bebo on March 13; *The New York Times* owns About.com and Blogrunner, a site that aggregates and ranks prominent blogs.

Experts at Wharton disagree on where the Internet content pendulum sits and whether it's worth fretting over the short-term swings between professional and amateur content. Wharton marketing professor [Peter Fader](#) and Wharton legal studies and business ethics professor [Kevin Werbach](#) say fears about user-generated content are misplaced. "It's absurd to say the pendulum is swinging back to professional content. User-generated content has just been born," says Fader. There is little evidence to suggest that it takes market share from the professional variety, he adds.

Others, such as [Joel Waldfogel](#), Wharton business and public policy professor, and Kendall Whitehouse, senior director of IT at Wharton, say that while amateur content may not always favorably compare to its carefully vetted and professionally produced cousin, both play key roles in public discourse. And [Joseph Turow](#), a professor at the University of Pennsylvania's Annenberg School for Communication, suggests this alleged tug of war between professional and amateur content on the web is largely moot because the lines are so blurry between the two categories in the first place. "Amateur content is not easy to discern," says Turow. "Someone posing as an individual on message boards or blogs may be representing a company. Is that an amateur? There are too many forces at work trying to spin things."

Indeed, the process of separating the good information from the bad is easier said than done. Part of the problem is that user-generated content encompasses a broad set of categories. Can you trust a YouTube video more than a blog post? Does a consumer review of a product have more credibility than a first-hand report of an event? What is the definition of amateur content? What is considered 'professional,' and who decides?

Navigating the Content Barrage



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These questions defy easy answers largely because the phenomenon of user-generated content is so broad. Werbach notes that even the professional media can't establish a definition. For instance, *Newsweek* cited Mahalo, a people-enabled search engine, and About.com, an information resource that features individuals as guides on various topics, as examples of how vetted content is regaining favor. However, Werbach doesn't consider those sites to be professional. "It's amusing that two of the examples the *Newsweek* article cites as examples of the 'revenge of the experts' -- Mahalo and About.com -- are what I would call amateur sites. They don't use professional journalists or researchers; they use knowledgeable enthusiasts to serve as human filters. The fact that those human filters get paid doesn't change anything. What makes someone an amateur isn't the absence of money; it's the absence of traditional credentials."

Whitehouse distinguishes professional content on the basis of its editorial process. "Carefully checked sources and consistent editorial guidelines are key differences between most professional and amateur content," he suggests, while noting that, "Both bring value. The latter brings quickness and a personal viewpoint and the former provides analysis and consistent quality. The world I want to live in includes healthy doses of both categories."

The professional vs. amateur debate has arisen due to an explosion of content on the Internet, Werbach adds. "Before the web, most user-generated models simply couldn't match the scale of professionally produced content because aggregation and distribution were significant bottlenecks. Now it's so much cheaper to publish content and pull together user input."

Meanwhile, Turow points out, navigating the morass of Internet content isn't easy. "Some things that look amateur are professional and vice versa. You never really know what's going on. And it's hard to track these things down without cross checking. The digital environment is putting an enormous responsibility on the consumer." Waldfoegel acknowledges that consumers have to become better judges of content and accuracy, but says that not everyone will be a discerning reader. "Some consumers can tell what is amateur, but it's not easy. A lot of amateur content is cut and pasted from professional content."

What would be helpful for navigating content, suggests [Kartik Hosanagar](#), Wharton professor of operations and information management, is a rating system based on consumer rankings that would verify accuracy and prevent user-generated sites from being manipulated. "A natural evolution of the user-generated content world is that users will soon have to earn their rights rather than take them for granted. If you are making contributions that most other users agree is useful to the community, you get more rights," says Hosanagar. "This does not mean that we are moving back to a centralized world run by experts. It just means that we have more effective filters in place to ensure that we can separate the wheat from the chaff."

Business Model Experimentation

Ultimately, the tug of war between professional and user-generated content will be resolved by their business models. Traditional media companies -- the ones behind professional content -- face a bevy of challenges, Wharton faculty point out. Newspaper companies must deal with higher production and staffing costs, movie and television studios have to pay talent and royalties, and the recording industry has been upended by digital distribution. The growth of new monetization efforts such as web-based advertising are not yet robust enough to offset the decline in these media companies' legacy businesses.

"Where the distinction between amateur and professional content matters is in business models," says Werbach. "For certain kinds of quality content, no blog can match *The New York Times*, but producing the *Times* is far more expensive than a blog. If users aren't willing to pay to support the kind of professional journalism the *Times* provides, something significant will be lost. And that's increasingly happening, because traditional business models for newspapers and TV rely on unrelated advertising revenues to fund quality content. The Internet is disintermediating those dollars."

The underlying business model is one reason that user-generated content is so attractive: You don't have to pay volunteer journalists and amateur talent. Waldfoegel, however, notes that even amateurs will face business model challenges as their content evolves. "What are the real economics of putting out something that's worth watching?" asks Waldfoegel. "Producing a blog that anybody wants to read is hard. To get content that people want to see requires investment."

The problem: It's unclear whether consumers will pay for content -- no matter how good it is.

All this suggests that the business models surrounding both amateur and professional content will remain in flux, at least for a while. "The old models just won't apply anymore," says Fader, adding that, today, "almost all content models include advertising, but the future will bring product placements, advertising and subscriptions."

The key thing for all producers of content is to keep experimenting, Fader says. He was disappointed that *The New York Times* gave up on a subscription service called *Times Select* so easily. "Does the *Times* have the right model now? No. Is there a better business model written on the back of a napkin somewhere at a Starbucks? Probably. Everyone should be experimenting."

Business model experimentation is one of the reasons why traditional media companies like News Corp. and Time Warner have acquired user-generated companies, such as MySpace and Bebo, respectively. Turow says that these acquisitions address two facts: First, advertisers are skittish about being associated with a user-generated site because of concerns about quality. "A lot of advertisers are nervous about amateur content because they are afraid to be associated with videos and content that are salacious. Advertisers would rather be next to content that's vetted," he says. Second, traditional media companies are hoping that they can fuse their long-standing advertising relationships with more targeted ads on fast-growing user-generated sites.

A Blend of Pro and Amateur

The mergers between traditional media companies and user-generated sites are indications of where Internet content is headed, say experts at Wharton. Despite hand wringing over professional and amateur content, the reality is that consumers will use and appreciate both.

"Pitting amateur and professional content against each other makes a good storyline, but it's misleading to see them as fundamentally opposed," says Werbach. "User-generated content will never match *The New York Times* for the overall quality of coverage of the Iraq war, for example, but reading Iraqi blogs, or political blogs about the war, provides some perspectives you won't get from any newspaper." And, he adds, "There's no way a traditional encyclopedia will ever match the coverage of Wikipedia, because there are so many more contributors. On the other hand, while the quality of most Wikipedia entries is surprisingly good, there are times you want the certainty of a reference work that is professionally edited and vetted, or a smaller set of resources that have been pre-selected by experts."

Whitehouse agrees, and sees a hybrid approach emerging that embraces both professional and amateur content. Professional content on the web often has a user-generated component to it, whether it's a complementary blog or a user discussion forum. "The big challenge is the economic problem. What funded the traditional content model is falling apart," says Whitehouse. "Ideally, I see Internet content being a blend of professional and amateur content, but how do we develop an economic model that supports both?"

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