

Adapting organizational structure to cross media production in the Italian Public Service Television¹

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ABSTRACT

Traditional television corporations have found the way to take the first step towards cross-mediation, establishing specific departments for the production, adaptation and distribution of their content on the internet and on different platforms. Public service companies follow the same trend in order to fulfill their mission of public service as well as to compete in the new environment. This research aims to learn about the organizational structure of the Italian public service company Rai in relation to cross-media production. This work aims to study how the company adapted its organizational structure to the new 360° production and to describe the organizational structure of the company for the production of cross-media content. The methodology is based on participant observation in the departments involved in the production of multiplatform content and in-depth interviews with various professionals.

KEYWORDS: Public radio and television, *RAI*, Internet, organization, innovation, cross-media multiplatform.

This work is part of the tradition of studies on cultural industries by Richeri (1994), Syvertsen (2003), Bustamante (2003), Bustamante, Franquet, López, García and Pereira (2008) and by authors who have been interested in the evolution of the media in the context of convergence, such as Moragas and Prado (2000), Guillén and Suárez (2001), Prado and Fernández (2006), Cebrián (2004), Jenkins (2008), Prado (2010). It follows the line of researchers who have addressed creativity, innovation or multiplatform production such as Doyle, (2010), Poettschacher (2005), Sawhney and Lee (2005) or Wilson and Stokes (2005), and business models in the new media such as Banks, Calvey, Owen and Russell (2002), Berman, Abraham, Battin, Shipnuck and Neus (2007).

All these contributions will help focus the analysis of a complex phenomenon such as media convergence, which includes changes in technological, industrial,

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cultural and social aspects (Jenkins, 2008). In the ongoing process of convergence, multiplatform productions proliferate in order to make the companies' assets profitable. Some productions have, as a special element, the integration of management systems of digital content (Jeffery-Poulter, 2002). In a nutshell, digital integration allows one to redistribute the content produced for television, adapt and modify that content and/or create original content aimed at online platforms which complements the television broadcasting (Doyle, 2010). These multiplatform strategies raise new questions. As suggested by Guerrero Pérez, referring to Doyle's reflection "the debate about the format of the content should not be reduced to the platform through which it is distributed, given that one of the characteristics of digital content is its capacity and versatility to transcend the borders of one media to another" (2011, p. 88).

Thus, it is necessary to make progress in the concept of cross-media production that differs from the concept of multiplatform (Erdal, 2011). Cross-media content, although they use different technological platforms, provide richer and more complex relations of integration that go beyond those set out in the multiplatform distribution. On cross-media scenario, the audience participation plays an important role (Enli, 2008) and these interactions require an adaptation of the organizational and productive structures of the media. The work of Bødker and Bechmann (2007) distinguish two types of productive practices: some have to do with each media independently while others work transversally or in a crossed way. In cross-media production, planning and coordination between teams is essential.

Our research tries to distance itself from technological determinism to delve into the deep causes of the transformations that the media are experiencing, in the line of Jenkins (2008), who considers that media convergence goes beyond technological change. From this critical stance we focus on the specific case of the Italian public broadcasting. The adoption of a distribution platform in *RAI* continues the same line adopted by other public operators of radio and television in Europe, similar to the one undertaken in relation to DTT, which intends to make productive resources profitable, by creating a multichannel and theme offer, based in part, on the adaptation and packaging of content (Bustamante, 2003).

INNOVATION AS AN ESSENTIAL PART OF THE NEW PROJECTS

The dynamism that characterizes the audiovisual and television sector in terms of competitiveness and technological changes imposes innovation as one of the strategic values and forces television companies to adapt to the new competitive environment by responding flexibly and incorporating relevant technologies into their processes.

From these technological innovations, digitization and the internet have made a substantial impact on the television sector (Said, 2008). Despite the fact that the barriers to enter the television market are high, which favors players that already operate in the market, these innovations have led to the entry of new actors on the media landscape and to new business models (Kung, 2008), but above all they have

forced traditional companies to restructure (Hass, 2011), developing production units for the production in new media. This entrepreneurial behavior is what Hass has called "defensive business strategy" (2011, p. 48).

Changes arising from the new technologies are affecting the structures of the media rather than the contents (Hass, 2011). The effects on the contents are marginal since they materialize, mainly in the forms of distribution (Kung, 2008; Picard, 2011). New productive structures dealing with cross-media production for different platforms develop productive activities aimed at the exploitation of the contents (Hess, 2005; Andersen, 2006). They can also associate that content to marketing operations aimed at the construction of a brand identity (Caldwell, 2006) as well as making their audience loyal to them (Doyle, 2010). In the case of public service television companies, the objectives that go beyond profitability must be added and, therefore, the implementation of their structures can also respond to the need to maintain their relevance in the market and their social relevance in the new environment (Prado y Fernández, 2006).

Public television companies –which continue to be the main players in the market of each country in the European context– have remodeled their structures, creating new departments which, in some cases, have been true autonomous subsidiaries (Hass, 2011; Villa, 2011), with new production processes. Structuring workflows imposes staff changes, because of the professional profiles involved and specific productive structures.

In companies, restructuring processes involves the coordination of activities and needs the motivation of the different company heads to activate them and make them possible (Hass, 2011, p. 55). Undertaking these processes of transformation –determined by the rapid adoption of the technology–implies a strong capacity of adaptation and flexibility by companies, which in the case of the traditional ones, and in particular in the case of public broadcasters, is an elusive challenge. The processes of introduction and assimilation of changes by the various groups of a company are especially slow (Picard, 2004) –particularly in the television sector, because of the structure of the market, - and in the public service broadcasters- because of their history– which is reflected both in the structure and the companies' organizational adaptations.

What is proposed in this research is to explore these dynamics of organizational change at the heart of *RAI*, the Italian TV public broadcaster. The purpose is to know how a public television service adapts its organizational structure to meet the challenge of offering its products through different channels, sometimes television itself. To this end, the historical evolution of the subsidiary *Rainet* –responsible for the development of multimedia content for internet and mobile platforms–and its relationship with *Nuovi Media* – the department responsible for developing, monitoring and coordinating all the multiplatform offer (DTT, Internet, mobiles)– will be described.

METHODOLOGY, DIFFICULTIES AND LIMITATIONS OF THE STUDY

The method used in this research is based on two types of data collected in the organization: on the one hand, the organigram drawn up from the data provided by the entity, reconstructed from observation; on the other, in-depth interviews with different members of the management team and professionals of the departments involved in the productive processes of the multiplatform distribution, both in *RAI* and in *Rainet*. These interviews² allowed us in addition, to establish contacts with workers from other departments, as well as with those in charge of *Rai Nuovi Media*, facilitating further observation in the *RAI* internet newsrooms. The interviews and observation were conducted during the period between February 19 and March 30, 2011. There were 11 *Rainet* respondents, among executives and professionals, and a director from *Rai Nuovi Media*.

One of the first difficulties about learning how major audiovisual public groups act, lies among other things, in unraveling the complexity of its structures. The hierarchical complexity of *RAI*, the entity dimensions and the continuous adjustments to economic and technological circumstances, make it difficult to see the organizational structure of the corporation clearly and how the departments responsible for the alternative distribution platforms of radio and television content fit into it. The contributions to the Italian television sector by Menduni (2002) and Richeri (2003), and the organizational transformations of audiovisual companies by Hawkins (2004), Doyle (2002), Kung, (2008), Nardello and Pratesi (2010) have helped to clarify relevant issues applicable to the specific analysis of *RAI*.

Another remarkable aspect is that, while the information should be public and, therefore, of easy access, it is not transparent. In addition, the fact that the departments implicated were involved in a process of fusion made observation more difficult, since it could not be done directly from the departments involved. To get the required information, we chose primarily observation from inside *RAI*, as well as personal interviews with various employees at different levels within the intricate institutional hierarchy. As a result, we have been able to establish an up to date organigram of *RAI*'s organizational structure and locate therein the *Nuovi Media* department, which depends on *Rainet*, still a subsidiary of *RAI*. We have also been able to obtain an idea of the relationships and dynamics (or, often, their absence) between departments of the same corporation.

THE ITALIAN CONTEXT: WHEN THE PUBLIC TV SERVICE SUFFERS FROM POLITICAL INTERFERENCE

The Italian general interest television³ market is led by two operators: a public one (*RAI*) and a private one (*Mediaset*)⁴. This duopoly is fundamental in understanding

² The initial project envisaged a stay of observation within the subsidiary *Rainet*, in its two departments, with in-depth interviews to workers and executives. This could not be conducted due to the process of fusion between *Rainet* and *RAI Nuovi Media*. However, this obstacle was overcome by making the interviews originally agreed.

³ Here we refer to generalist television, while the data on earnings refer to the television market including operators such as *Sky Italia* that operates in the sector of pay television.

⁴ The other national groups, both analogue and digital (including *Telecom Italia Media* with the *La7* channel) represent only the 9.94%.

the Italian television market and the participants' working dynamics (Richeri, 2003). The duopoly situation began with the opening of the market to private companies in 1975 (Mazzoleni, Vigevari and Splendore, 2011) and was legitimized in 1990 by the Law of regulation of public and private stations, known as The Mammi Law⁵.

The figures of the Italian television sector show the strength of the RAI-*Mediaset* duopoly in terms of audience: RAI had, in 2010, 41.4% of the television audience and *Mediaset* attracted 39.4% of it, while other competitors reached, in the best cases, 10% of the share. Regarding income, and according to Agcom (2011), RAI generated 2.553,84 million Euros in 2010, which places it after *Mediaset* (2.770, 6 million) and Sky Italia (2.630, 76 million). This third place is commendable since "other broadcasters", the category in fourth place, only amounted to 861, 09 million Euros.

The process of de-regulation and liberalization experienced by the European television sector –and the telecommunications sector in general– during the 1980s and 1990s, led to a duopoly being set up in Italy. Owing to a lack of rules and regulations suitable for the organization of the new competitive scenario, this duopoly has ended up becoming the natural context of the country's television sector (Menduni, 2002; D' Arma, 2009a). The legislative efforts that have been made to reorient the television sector have focused on solving political issues, and not on regulating an industry going through a transformation process (Menduni, 2002; D' Arma, 2009a). Legislators, facing the constant changes in the television sector, due mainly to digital convergence –this is, a progressive integration of television and telecommunications– have chosen to leave technologies off the agenda of priorities. Rather than interpret the new environment, promote the development of technology and of public service television to promote competitiveness, the attitude of the different Italian Governments has been –in general terms– to prioritize the protection of RAI's monopoly in order to maintain its control (Richeri, 1992; D' Arma, 2009b). To this attitude, that has characterized the policies of the Italian television sector, has been added the conflict of interest⁶ posed by the fact that the owner of the second private television operator –*Mediaset*– which is a direct competitor of the national public service television –RAI–, has occupied the post of Prime Minister on more than one occasion during the past 18 years.

The political interference in the Italian media system in general, and to a greater extent in the television sector –as well as the effects of the never resolved conflict of interest existing in the market structure– is the cause of the lack of implementation of technological infrastructure, and of weak public service policies, conditioning the operator of the public television service company RAI decisively.

The subordination of the Italian media system to the political system and the consequent lack of media independence led Mancini and Halling (2004) to classify the Italian radio and television system as an example of a "Mediterranean model". The

⁵ Law of regulation of public and private stations known as Law Mammi, no. 223 of 6 August 1990, *Gazzetta ufficiale*, no. 185 of 9 August 1990.

⁶ For more information see D'Arma, A. (2009a) Padovani, C. and Tracey, M. (2003)

strong relationship of the media with politics in ideological terms and the strict control over the public service television by the Government and the Parliament, together with a low level of professional journalism, condition not only the policies related to the public service but also the operator of the public service company.

The interference of the political system in the public service company is specified in the phenomenon known as *lottizzazione*. The term refers to the distribution system of the political influences on the Italian public service television, according to which the biggest political parties –the Government and the opposition– distribute between themselves the areas of influence on the channels and programs of RAI (Mancini 2009).

...the distribution of influences on the public service television can be synthesized in the mechanism for the appointment of RAI's Board of Governors and of the Director-General, based on the practice known as *lottizzazione*. This system has been consolidated since the 1990s in conjunction with authorizing the duopoly of RAI and *Mediaset*. With this practice, the major political parties of the Government and the opposition distribute between themselves the areas of influence of public television, in terms of the channels and the programs"(Mazzoleni, Vigevani and Splendore 2011, p. 34).

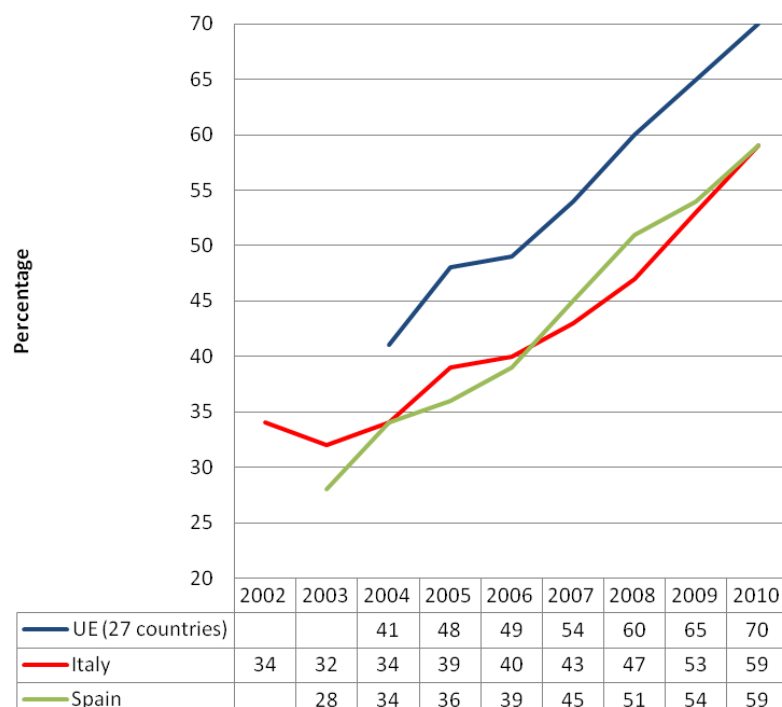
The dynamics through which RAI has faced the changes that have affected the television market depend on, and are the product of, this *lottizzazione* system, which continues to operate nowadays and is proof that the Italian political system is not willing to let public service television be independent and that, as Mancini says provocatively, is the Italian way of coping with the demands of pluralism (2009). However the *lottizzazione* deeply influences the entire public service company and interferes in all its processes and functions, since when there is any technical, structural or organizational requirement, the company and its executives must respond to political power (Brevini, 2010).

INTERNET AND THE MOBILE TELEPHONE IN ITALY: PENETRATION AND MEDIA CONSUMPTION

Before analyzing how RAI has structured itself to be able to cope with a multimedia strategy and offer, it is interesting to know the extent of the internet and mobile telephone penetration, as well as the media consumption. In this way it is easier to understand the actions carried out by the company, placing its strategy in the context in which it operates (Picard, 2004).

According to data from Eurostat (2011), the percentage of households with internet access in Italy has followed a path very similar to Spain, and has been in continuous growth since 2003. It surpassed the barrier of 50% in 2009 and reached a record 59% in 2010. Despite that, Italy belongs to the group of countries that are below the European average (70%).

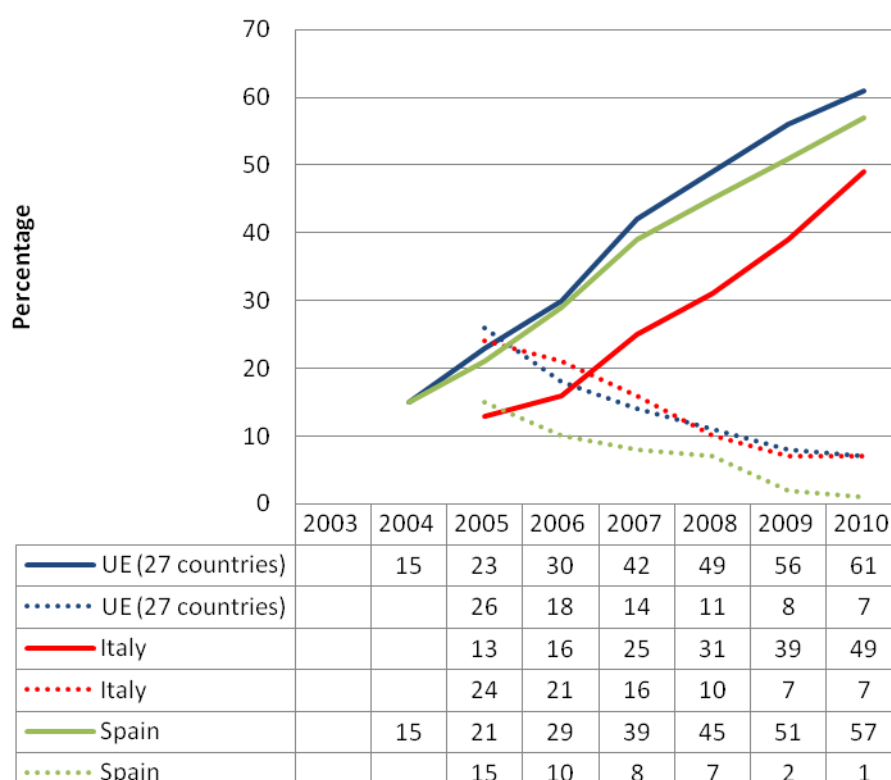
Figure 1. Households with Internet access (in percentages)



Source: drawn up based on data from Eurostat (2011).

Regarding the Italian internet access speeds, it should be noted that, although the difference of between 10 and 15 percent with the European average has been maintained since 2004, the pace of growth of ADSL lines (and the consequent abandoning of modem use) has followed the European trend.

Figure 2. Types of Internet access in households (in percentages)



Source: drawn up based on data from Eurostat (2011).

The penetration of the mobile telephone has also been increasing around the world. In 2009, Italy had 90.613.000 mobiles, which meant a total of 151 devices per 100 inhabitants. In Spain the number of devices reached 111 for each 100 inhabitants, and the European average was 125 per 100. In this ranking, Italy shares second place with Portugal, surpassed only by Greece, with 180 devices per 100 inhabitants.

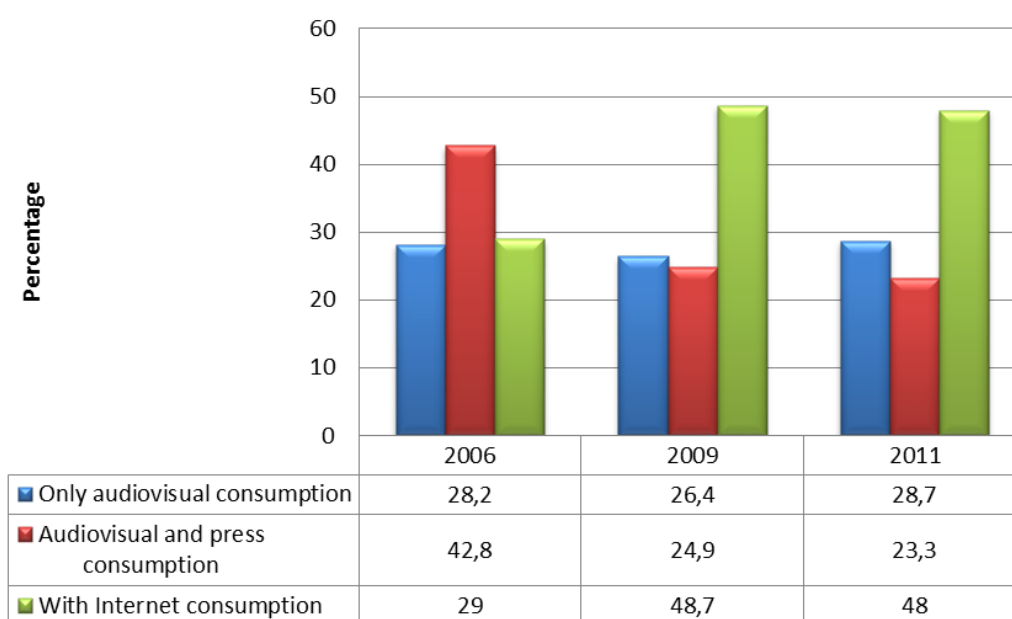
In addition, it is noteworthy that 25% of Italians used WiFi connections from their phone to access internet in 2010 and 5% did it by UMTS-3G technologies. The European average stands at 27% and 7%, respectively. This means that in both cases they are only slightly below the average.

According to the 2011 data of CENSIS (*Centro Studi Investimenti Sociali*), there is a generalized migration towards the use of smartphones, which reach a penetration of 17.6% among the general population, a figure that increases to 39.5% among young people.

Eurostat (2011) information about the uses of the internet indicates that Italian internet users do not pay for audiovisual content (the European average is 5%), although 15% recognizes that they download or consume audiovisual material from the internet (as opposed to the European average of 28%). When it comes to consuming radio or television through the web, 16% of Italians also represent a rate lower than the European average, which is 26%, which places them in the group of the least advanced cyber consumers.

According to Censis, (Centro Studi Investimenti Social) 48% of digital users are made up of 52.7% men and 47.3% women. The audience with a high level of education (66.7%) exceeds users with a lower level of studies (37.8%). Another fact to be highlighted is the composition of this group according to their age: most are young people aged between 14 and 29 (84.6%), followed by adults between 30 and 64 years old (46%) and finally, by seniors, aged 65 to 80 (11.4%).

Figure 3. Evolution of Italians' media consumption (2006-2011)

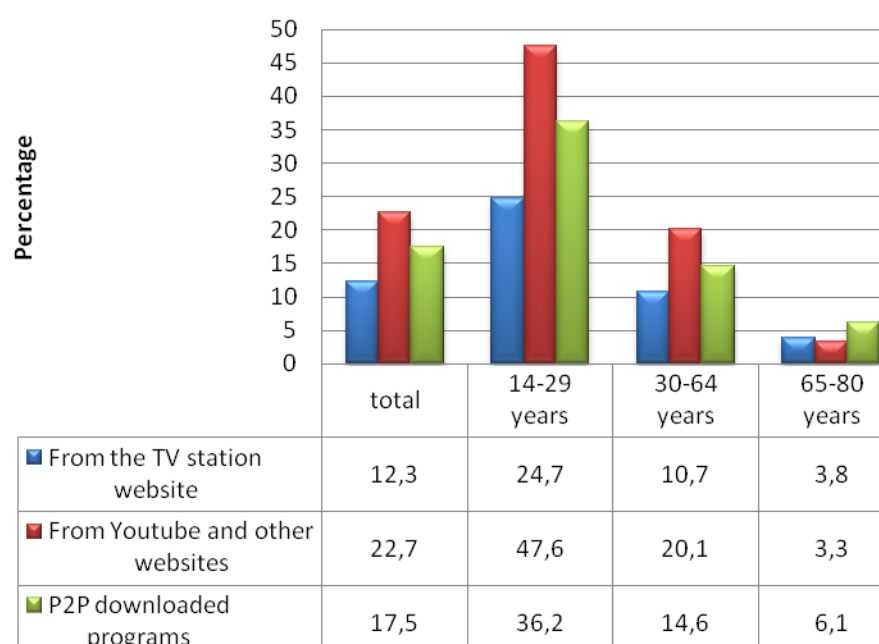


Source: drawn up based on data from CENSIS, 2006, 2009 and 2011

The data show that there is a trend towards a personalized selection of television content: 12.3% of the population uses the channel websites to watch programs, 22.7% connects to YouTube and 17.5% watch programs downloaded from internet.

When observing the data on the consumption habits of young people, those who seek television programs on YouTube reach 47.6% (of these, 20.1% do it on a regular basis). 36.2% of youth consumes downloaded programs from P2P networks, whereas 24.7% watch programs from the television station websites.

Figure 4: Television consumption on the internet according to its distribution



Source: drawn up based on data from CENSIS, 2011

User preferences, as far as TV downloads show, are musical (18.3%), sports (11.7%) and films (9.9%). Their preferences in terms of cultural product downloads are music (46.2%), films (27.1%), sports content (25.6%), fiction series (21.2%), animation (14.3%), reports on recent events (13.4%), reality shows (11.6%), investigation journalism (10%) and the news (8.7%).

The data shows the importance of internet as a source of media consumption and the role played by the media in this process. Public broadcasting services provide a very important volume of information on the network and lead the available content on multiplatform distribution.

Table 1.Type of television content consumed over the Internet

	Total	Aged 14-29	Aged 30-64	Aged 65-80
Music/videoclips	18,3	46,2	13,8	1,9
Sports	11,7	25,6	9,9	1,9
Films	9,9	27,1	6,8	0,8
Reports : recent events	9,7	13,4	10,9	1,8
Investigation journalism	8,8	10	10,6	1,9
News	7,6	8,7	9	1,5
Shows	6,9	14,5	6,1	0,8
Fiction and series	6,6	21,2	3,3	0,9
Animation	5,8	14,3	4,2	1,5
Documentaries	4	8,4	3,5	0,8
Reality /Talent Shows	3,9	11,6	2,1	1,1
Quiz/Games	3,3	5	3,7	0,1

Source: drawn up based on data from CENSIS, 2011

RAI AND RAINET: FROM ONLINE NEWSROOM TO SUBSIDIARY RESPONSIBLE FOR DIGITAL SUPPLY TO INTERNET AND MOBILE

The guidelines of the national public service are established with a bi-annual contract between RAI and the Ministry of Communication. This contract has been changed over the years since the digitalization of content has altered the offer and at the same time multiplied it⁷, extending it to different platforms such as DTT, Internet or IPTV (Brevini 2010; Mazzoleni, Vigevari and Splendore, 2011). The Agcom (2010) annual report data reveal that RAI is struggling to get the same market share on the new platforms as the one it has on the analogue platform. Even so, RAI is in a process of change and is adapting and innovating to cope with the new digital landscape, despite the political influences that constitute a structural characteristic of the media system and that, as already mentioned, condition the development of the public service television in the new context (Mazzoleni, Vigevari and Splendore, 2011).

From a historical perspective, it should be noted that the domain www.rai.it was created on January 19, 1996. RAI followed the trend of other operators who saw the possibility of expanding and publicizing their activities and stars on the Internet. This first stage was characterized essentially by offering corporate information and it was not until the middle of 1998, after several changes of design, when that phase was surpassed and the news was incorporated. Also, in 1999, apart from the 'all news' channel of RAI *RaiNews24* was born, an informative website dedicated to delivering the news. These first initiatives were developed within the RAI newsrooms. Once the network activity acquired greater presence and prominence, a department to manage new tasks was set up. In these early stages, this department had the structure and the function of a newsroom responsible for producing online content. In that first stage, the internet division of RAI followed the same trend as other major media in which "the online project has subordinated to the characteristics of the origin company and therefore, to its culture and organizational model" (Franquet, Soto, Ribes and Fernández-Quijada 2006, p. 97). When the volume of information, work and billing that the internet will provide begins to be realised, RAI designs a parallel structure, subordinate to the company, to manage its online presence, which is how Rainet was born.

At the beginning, when I wanted to take care of the development of the Rainet project, nobody in the company understood its potential. Then, when Rainet worked very well and everything was set up, being the DA of Rainet began to be a desirable position. (Interview, ex DM⁸ of Rainet 11/10/2011)

RAI was organized to reposition itself in the new media landscape, creating subsidiaries such as Rainet and Rai Click, whose aim to organize the activity on different platforms and face the new markets. These subsidiaries were created to develop projects and products mainly for the web and mobile. Rainet was created in June 1999 as a division of Radiorai called SPM (Sviluppo Prodotti Multimediali, which developed multimedia products). It was later organized as a subsidiary with the

⁷ Véanse los datos de la oferta RAI 2009 ofrecidos por Agcom (2010)

⁸ DM responds to the initials of Delegate Manager.

purpose of creating and maintaining the presence of the Italian broadcasting corporation on the internet and mobile platforms, multiplying the possibilities of exploitation of the audiovisual content produced by RAI, by distributing them through new channels.

At the beginning, Rainet focused on the editorial area, i.e., it acted merely as a newsroom and without much to do with the rest of the company productive team. The first web pages of RAI programs had emerged on the initiative of different editors who, addressed external companies, performed and managed their Internet presence, investing part of their resources.

At the beginning, Rainet worked on its own, as an independent newsroom, while the editors of the various programs, using their budget, had begun to organize their websites on their own... One of the first actions that we proposed was to encompass all the editorial projects undertaken by different editors. (Interview, ex DM of Rainet 11/10/2011)

Rainet's first step was to internally assume control of all the RAI online publications and take care of the creation and implementation of technical support for the different platforms. Around 2002 a first reorganization was produced in the subsidiary: the first editorial structure was dismantled, dividing into two departments, one technical and the other editorial. After the burst of the technology bubble, Rainet's mission re-shaped, focusing on ensuring the presence of RAI on the new digital platforms. In 2005 Rainet suffered a new restructuring in order to organize the audiovisual supply on the internet platform, which was to be structured round the newly self-created websites (Rai.it and Rai.tv), as well as its presence on YouTube. Two years later, in 2007, *Rai Nuovi Media*, which was a new department integrated into the organizational structure of RAI whose operational objective was the development of the DTT platform, started its activities.

Rai Nuovi Media has been created for the development of the DTT (...) however, now the whole issue of DTT is has been postponed and my *Sviluppo offerta* department collaborates with Rainet in the production of content for web TV. (Interview, Director of Sviluppo Offerta Nuovi Media 02/14/2011).

The creation of this department was justified within the context of technological convergence affecting broadcasting in Europe and also by the impending migration to digital television. However, in the final stage of digital migration and when the process of convergence was advanced, this separation of departments –one for activity on different platforms (Rainet) and another focused on the development of DTT (*RAI Nuovi Media*) – was overtaken by other events.

Rainet's Duties: RAI's available content on the internet and mobile

As mentioned above, Rainet is responsible for developing the strategy and the offer on RAI's internet and mobile platform, which has adapted to the trend of personalized consumption. The presence of RAI on the web is structured round three main sites; *Rai.TV*, *Rai.it* and *RaiReplay*. The RAI television offer concentrates mainly on Rai.tv, which offers television contents on live streaming, audiovisual content of

thematic television webs and video-on-demand (VOD) content. The offer of live TV (live streaming) consists of 16 television channels, 8 radio channels, 3 radio bitcasters and 16 thematic web channels. Among the VOD contents many programs of general interest are accessible, some specialized and unique web productions (some 800 titles that can be seen online and 80 for downloading). Rai.it, on the other hand, could be defined as an aggregator of content. It includes the informative websites, the websites of main radio and television channels, as well as an area dedicated to children. From this website, it is also possible to access other services such as radio and television channels programming guides or the so-called Community RAI. More than 600 websites of RAI's programs also depend on Rai.it. RAI's online offer is completed with RaiReplay, a 'catch up' that allows users to access the programming of RaiUno, RaiDue and RaiTre broadcasted in the last seven days, and watch them entirely on streaming. The expansion of programs on RAI's mobile platform is almost non-existent. At the time of analysis, RAI did not have any *Internet Mobile* website available and from the interviews conducted we understood that there was not an immediate intention to fill that gap. However, they did have widgets for the iPhone and iPad and were developing the application for the Android platform. With regard to mobile apps, there was a double strategy: the one of news (TG1, TG3), channels (RadioRai and Rai Sport) and services (Rai.tv, Uida Programmi and Rai Community), which are free; and the rest, which have to be paid for (except for those dedicated to reality shows, *Isola dei famosi* and *X-Factor*). Paid for applications include the series *Un medico in famiglia* (€1.59), the games *L' eredità* and *Ghigliottina* (€3.99) and the cooking program *La prova del cuoco* (€0.79).

Table 2. Applications for iPhone

RAI Applications for iPhone	Release date	Access conditions
TG1	19/10/2010	FREE
TG3	11/12/2010	FREE
Rai.TV Guida Programmi	11/12/2010	FREE
RAI Community	16/02/2011	FREE
Prova del Cuoco	26/02/2011	PAID FOR
Italia 150	02/03/2011	FREE
Radio RAI	15/02/2011	FREE
L'isola dei Famosi	16/02/2010	FREE
X-Factor	07/09/2010	FREE
Ghigliottina	14/01/2011	PAID FOR

Source: drawn up from data of Marketing Rainet

The applications allow access to the contents of the programs both in text format and video. In the case of the *Game* program, users can play with the *Ghigliottina* and watch extra content; in the case of the series *Un medico in famiglia*, users can access trailers of the upcoming chapters.

The RAI Community application manages the participation in programs that have a "Community". If that option is not available, participation is managed through text messaging. In some cases there is a system of self-promotion by mobile (ringtones, games for iPad or iPhone...). In other cases, there is the possibility of downloading a gadget for the web.

The absence of subscription tools for information services is noteworthy. This possibility is only implemented for fiction series such as *Un medico in famiglia*, thanks to which, and as we have seen, trailers and extra content can be obtained.

As for reality shows, iPhone and iPad applications from *L'isola dei famosi* and *X-Factor* are informative: they allow one to receive news about the program, information and extra contents about the participants, videos and photo galleries.

Rai Nuovi Media and Rainet: two production units face to face

As stated above, *Nuovi Media* has been established since 2007 as an internal department of *RAI*, with the task of production for DTT. Meanwhile, the subsidiary *Rainet* continued dealing with the offer aimed at the internet, IPTV and mobile. The general organizational chart of *Rai Nuovi Media* (Figure 5) shows that the new department was required not only to manage the DTT offer, but also to coordinate the area of the new media. Its fundamental mission is the defining of objectives and the development of part of the content for these new media. More specifically, its goal, as stated in official documents⁹, is to support the Directorate General, involving business directors, publishing structures and the companies within the group in order to establish editorial strategies and to draw up and implement the publishing and technological development plans, also intervening in the positioning of contents and multi platform services on the market.

In this new structural layout, *Rainet*, which continued as an independent subsidiary (until the end of 2011, when the integration of the subsidiary within *RAI* was expected), was subordinate to the new department of *RAI Nuovi Media*. The chart shows that the strategy of organization and the production of the multiplatform offer depends on the division 'Coordinamento Gestionale', whose task is to plan the goals and verify *Rainet's* economic performance; the coordination and optimization of the development of the new media in the structures of *RAI*; the definition and modification of service contracts between *RAI* and third companies; the relationship with the different directors for the allocation of resources; the purchasing of goods; the acquisition of the rights and the productive resources and the management of

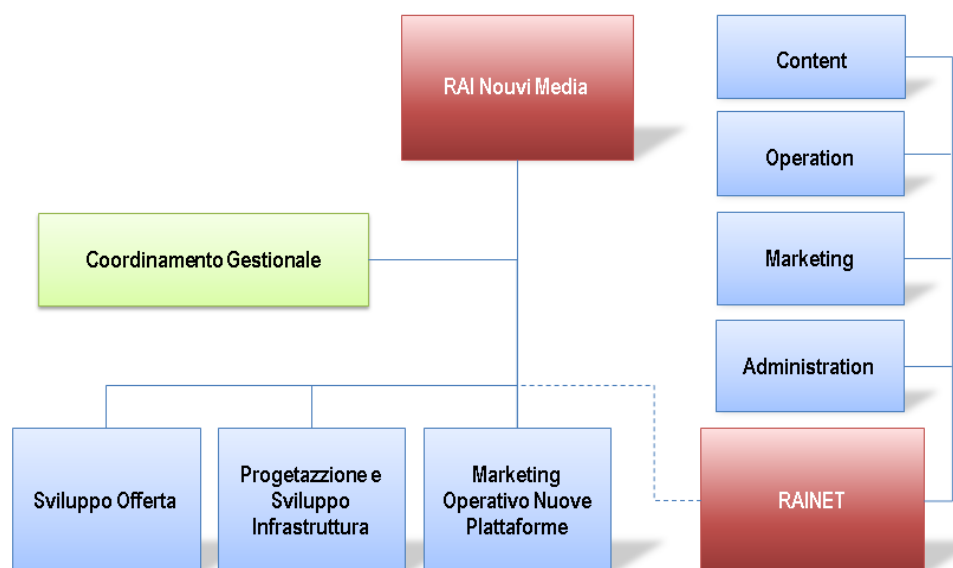
⁹ We refer to the documentation provided by the company and, in specific, to the documentation relating to the organizational chart.

personnel. According to the structure of the organigram, it is clear that through this division the *Nuovi Media* department coordinates all the activities related to the development of the multiplatform strategy and offer, while *Rainet*, although an independent subsidiary, has to respond to the department.

However, *Rainet* was created eight years before the *Nuovi Media* department, and during that time it built up its own structure, its own organization and production processes, operating autonomously. Therefore, understanding how the coordination between the two units works has been complicated, as those in charge admit.

Honestly, the relationship we have with Rai *Nuovi Media* is not clear [...] we consider ourselves autonomous, since we take the strategic decisions and the relationships with the newsrooms are ours (Personal interview, Rainet editorial manager 03/17/2011)

Figure 6. Organization chart of Rai *Nuovi Media* and Rainet



Source: drawn up from data provided by RAI in February 2011

The initial mission of the *Nuovi Media* department was to set up the offer for DTT. However, following the decline of this technology, it lost its original purpose and re-adapted, changing from being a department in charge of production to becoming a prominent division of Rainet's editorial department, as one of the heads of *Sviluppo Offerta* admits:

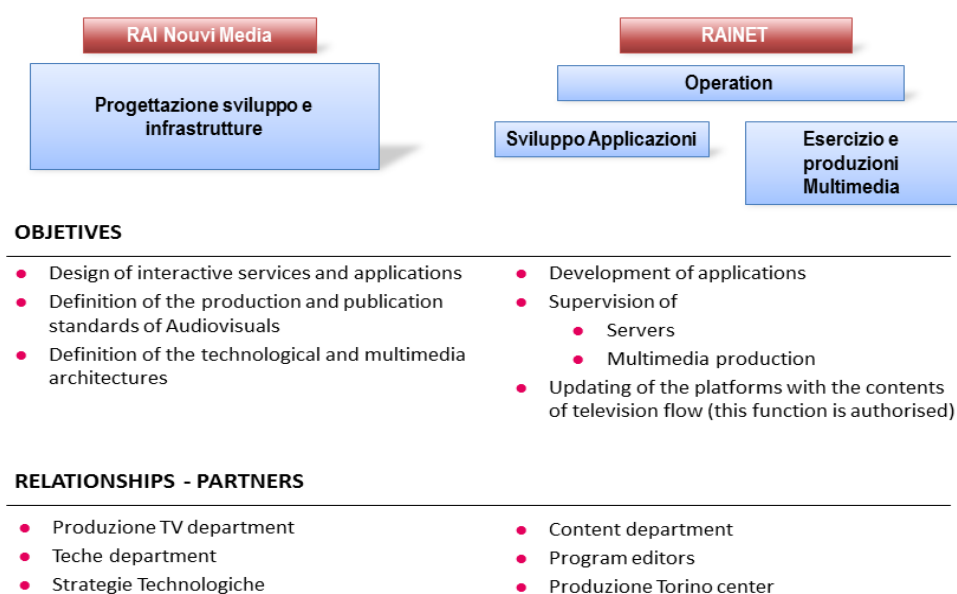
Our department produces content in collaboration with the editorial department of Rainet for RAI's web TV offer... What we have done in this department is to create content from the great patrimony of Teche¹⁰ for the company web channels (Zoppeddu interviews the head of 'Sviluppo Offerta' Rai *Nuovi Media* 03/15/2011)

¹⁰ Le Teche Rai is the archive of all the audiovisual material owned by RAI

Looking in more detail and comparing the structure of the *Nuovi Media* department with the structure of the subsidiary Rainet, it is detected that there is – apart from an area of general coordination– an area of production development, another of marketing and an area of screening services for the different platforms. In parallel, the two main departments of Rainet are Operation –a technical area– and Content –an editorial area dedicated to the planning and editing of the contents apart from a management unit and a marketing department. In the framework of relations maintained by the two production units, some duplication of functions is noted and it is important to point out the fragmentation of both the decision-making process and the productive process. It seems clear that the role of the subsidiary Rainet is more operational (since the development and updating of the web platform depends on it, with the television contents derived from the RAI offer and those created ad hoc for various websites –Rai.tv, Rai.it and ‘catch up’ RaiReplay– as well as the management of the specific content on IPTV and mobile content platforms –iPhone and iPad–) while the *Nuovi Media* department seems to have functions related to strategic organization. Comparing and analyzing the objectives and missions of the main divisions of *Nuovi Media* and the main departments of Rainet, as well as the workflows deriving from them, the existence of a duplication in functions and a fragmentation in the productive processes is evident, as mentioned above.

Comparing Progettazione sviluppo Infrastrutture in *Nuovi Media* and Operation in Rainet (Figure 7), we can notice that the first aims to design services and interactive new media, and to define technological and multimedia architectures. The Operation department, organized into two divisions with different functions and different bosses (Sviluppo Applicazioni, dedicated to the development of applications, and Esercizio e Produzione Multimedia, which aims at monitoring servers, multimedia production and updating the platforms with television contents), is in charge of developing the technical activities related to the multiplatform offer.

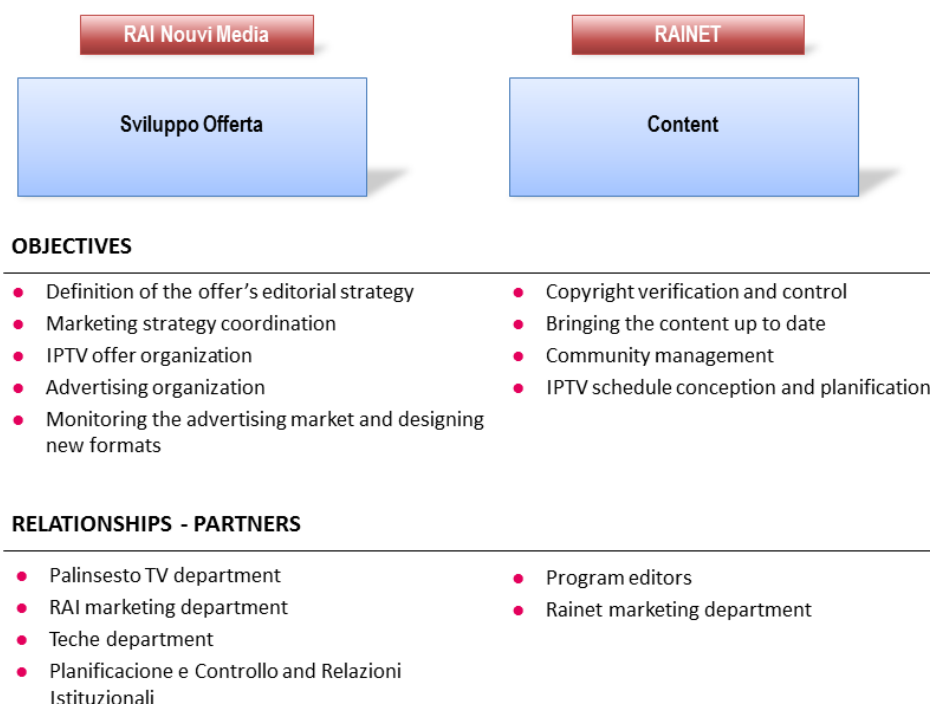
Figure 7. Progettazione Sviluppo and Infrastrutture y Operation



Source: drawn up from data provided by RAI in February 2011

As can be seen in Figure 7, the two production units report to different partners. While the workflows of *Nuovi Media* division are carried out with other technical departments of RAI –Produzione TV, the department that manages the audiovisual archive of RAI, Teche and the technological strategies department-, Operation reports to the editorial department of Rainet and program editors with whom it collaborates to organize the supply of content on the internet and on mobile phones.

Figure 8. Sviluppo Offerta and Content



Source: drawn up from data provided by RAI in February 2011

The division Sviluppo Offerta of Rai *Nuovi Media* is coordinated with RAI's departments Palinsesto TV and Marketing. Its main objectives are the definition of editorial strategies for the offer of the new media; the coordination of marketing strategies; the organization of the Fastweb¹¹ IPTV offer in collaboration with the editorial department of Rainet, with Teche –the archive department of RAI's television content - and with the television resources department, with which it collaborates to purchase the exploitation rights on the IP platform. Sviluppo Offerta also collaborates with Sipra, RAI's advertising dealer, for the organization of a harmonious and coherent advertising offer in the new media and also to monitor the advertising market and design new formats for the new platforms. It also maintains a relationship with the Pianificazione e Controllo department in order to define the economic objectives; and with the Relazioni Istituzionali department, to draw up the contracts of service in the IP offer. The Content area manages the editorial part of RAI's multimedia platform contents. It is organized into working groups which are differentiated according to

¹¹ FastWeb is an Italian media company specializing in terrestrial telephony, broadband connections and cable TV
<http://company.fastweb.it/index.php?sid=3>

content development areas. The verification and control of the rights to all contents of RAI's web platforms depends on Content, as well as updating the content, managing the Community, conceiving and planning the IPTV platform guide, which is set up from general interest television channels, theme channels, and some of the original production of web TV.

Sviluppo Offerta and Content are the two most strategic production units for cross-media production, because content development depends on them. As shown in the chart, the drawing up of the editorial strategy is done in the Sviluppo Offerta department of *Nuovi Media* and the operational functions are developed in the Content department of Rainet. This choice of separating the editorial strategy functions of the productive units into two departments (*Nuovi Media* and Rainet), which in addition have little relationship between them, may cause malfunctions. In fact, what emerges from the interviews with , managers (Zoppeddu interviews manager of Content Rainet 03/17/2011) and from observation is that actually, there is no such separation of functions and Rainet's autonomy, in terms of planning and management of the editorial strategy, is almost total. The Content department manages the editorial and productive activities autonomously, at the expense of the division Sviluppo Offerta of the *Nuovi Media* department which, rather than guiding and supervising the work of Rainet –as seen in the chart–, is limited to collaborating in the production of extra content for web channels.

The comparison of the division *Marketing Operativo Nuove Piattaforme* and the marketing department of Rainet is also interesting. The division *Marketing Operativo Nuove Piattaforme* could be defined as a section of the marketing department specifically for the new media. Its tasks include the analysis of the new media market and the design and development of opportunities for multimedia products on the market. The division is also linked to the Sviluppo e Coordinamento Commerciale department for the commercial distribution of RAI's multimedia products. Progettazione sviluppo e infrastruttura is the division within RAI *Nuovi Media* responsible for the design of services, applications and interactive products of the different new media platforms. Teche and Produzione TV set the production and publication standards for the interactive audiovisual productions. In order to define the technological and multimedia architecture, the division also works with Strategie Tecnologiche. Rainet's marketing department is responsible for monitoring and auditing the traffic data on RAI's websites and for giving this information to the programs' newsrooms. Another of its tasks is to study market trends and, together with the Marketing department of RAI, plan the new media strategy. To do this, it interacts with Sipra, RAI's advertising dealer, for the sale of advertising space.

Figure 9. Marketing Operativo Nuove Piattaforme and Marketing Rainet



Source: drawn up from data provided by RAI in February 2011

As explained above, the Marketing activities are not organized together in a single department either but rather divided between *Nuovi Media* and Rainet's marketing department. Within *Nuovi Media*, the division of Operational Marketing is responsible for the market analysis of the new media and the detection of opportunities for the multimedia products on the market. The coordination of overall strategies is managed by the division Sviluppo Offerta, also part of *Nuovi Media*. On the other hand, Rainet's marketing department draws up its own marketing strategy independently and it reports directly to the programs' editorial offices. Both *Nuovi Media's* division and Rainet's marketing department, in addition, have to coordinate with a third party: RAI's department of Marketing and General programming. Although, it was only possible to interview Rainet's marketing director in this area, and therefore it has not been determined if, in practice, the marketing operations are divided between the different departments, the theoretical fragmentation is evident in the charts.

Therefore, in organizational terms, the development of the different phases of the marketing process remains at the expense of a marketing strategy and 'branding' that may not be consistent among traditional media and digital support. Relations with Sipra, RAI's advertising dealer, are also complex. Sipra manages all the advertising spaces on the different platforms. According to the organigram, both the division Sviluppo Offerta of RAI *Nuovi Media* and the marketing department of Rainet have to report to Sipra. The division Sviluppo Offerta monitors the advertising market, creates formats for the new platforms and organizes a coherent and consistent supply of advertising on the new media and the Rainet marketing department sells the advertising spaces to the dealer Sipra, so the dealer also has different partners.

What emerges from the analysis of the objectives and workflows of the three main areas –technical production, editorial and marketing– of the two productive structures is that despite the alleged subordination of the subsidiary Rainet to the *Nuovi Media* department, the Rainet productive units are the key production centers on which the development of cross-media production depends. Rainet's mission continues to be the creation of specific content for the new media, reusing or adapting the material that was originally developed for television. The lack of leadership in strategic management by the new *Nuovi media* department means that the Rainet departments are the ones that maintain relationships with the newsrooms and television content production centers. The division Sviluppo Offerta and the Content area of Rainet, as well as the division of Operational Marketing and Rainet's marketing department have almost the same functions which suggest that the flexibility of the subsidiary's actions may be very limited when meeting its objectives. However in practice –as shown in interviews to those responsible– Rainet's autonomy is not threatened and the *Nuovi Media* department has lost its purpose of being. The fragmentation between the making of strategic decisions –of which *Nuovi Media* is the trustee – and the operational phase of the production process – which Rainet takes care of – makes the production process exceedingly difficult.

CONCLUSIONS

The development of content for non-traditional media has led to the creation of new departments and subsidiaries in the broadcasting organizational structures. As seen in the case of RAI and Rainet, there is a difficulty in integrating these new production units into the companies. It is essential for the institution to promote, within the broadcasting organizational structure, a strategy that will ensure the integration of new departments, favoring their productive and strategic capabilities. Coherent integration will require companies to carry out a coordinated strategic effort, which depends on the overall conditions of the environment, the specific conditions of the market, the specific policies related to the broadcasting sector and above all the attitude of the organizations in terms of their capacity to adapt and be flexible. (Picard 2004).

The fragmentation of the editorial and marketing strategy process, and in some cases, the duplication of duties found in the analysis RAI's organigrams, shows the complex relationship between RAI and its subsidiary. It becomes evident that the coordination of activities with the subsidiary Rainet has not been a priority. However, although discrepancies emerged from the analysis of the organigrams and the in-depth interviews, it can be seen that this confusing relationship, in organizational terms between Rainet and the *Nuovi Media* department, has been resolved in practice, in favor of the first.

Although on paper Rainet works as a company subordinate to RAI, in practice it has a degree of autonomy which is more important than the one established at a formal level. The interviews with the Rainet managers show the lack of integration and coordination with the *Nuovi Media* department. The operational duty of creating the multiplatform offer and, above all, the relationship with the news and newsrooms –on which the production of television content depends – is Rainet's responsibility. The

subsidiary is responsible for managing the integration of the traditional lines of business (in this case the television production of RAI) with the new (the reprocessing of television content for other platforms). For this reason, the organization of Rainet and its coordination with RAI is of crucial importance, as Hass points out (2011). On the other hand, the duties and targets established for the *Nuovi Media* department appear to be an attempt to centralize the elaboration of the multiplatform strategy, in a process of renovation of the organizational structure, which does not take into account the competences and the strategic know-how that the subsidiary Rainet has built up during its many years of activity.

In the current development phase, it is important to have flexible and innovative organizational structures, able to cope with the changes that occur in the context in which the companies operate. This process of restructuring raises important questions that should be addressed in subsequent research, which might focus on how the coordination and integration of new departments should be carried out –or subsidiaries– with the public service television companies, how the decision-making processes unfold, or how political interference affects the management of the processes being carried out by public service television companies.

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