

CNN is giving streaming another shot

Article

The news: CNN is laying off 6% of staff amid a broader restructuring as the news network attempts to make a broad pivot to digital channels.

In a memo to staff, CEO **Mark Thompson** also said that **CNN will launch a subscription-based streaming product** with content distinct from the movies, TV shows, and documentaries currently offered on Max.

The switch to streaming: Since the **Warner Bros. Discovery** merger three years ago, CNN has attempted to adjust its strategy for a viewership increasingly switching to digital video and

streaming.

- Despite **CNN+**'s failure, the network remains committed to streaming. WBD brought CNN content to Max in 2023, with a dedicated live news stream now available in beta for all Max subscribers.
- In October 2024, the company launched a \$3.99/month paid subscription for its website in an attempt to increase revenues as TV viewership declined. The announcement of an upcoming streaming service positions CNN to earn more from subscriptions.

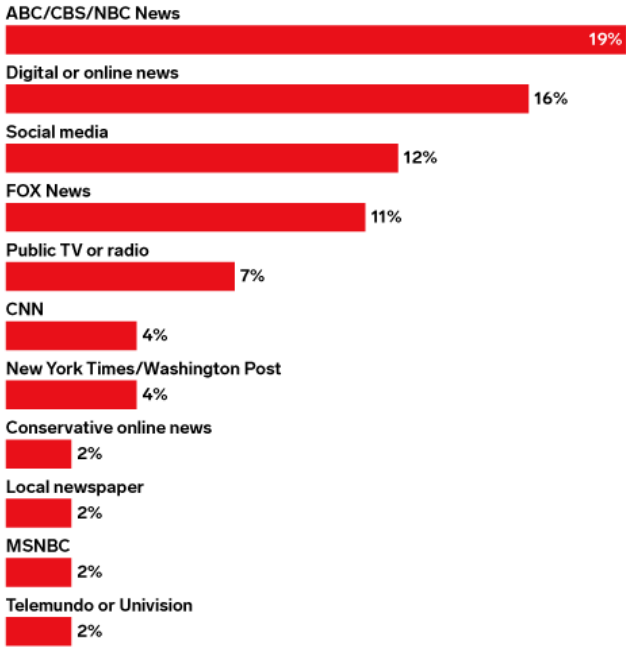
The time is now: The second Trump administration will be awash with news, making this a crucial period for news networks and publishers to refine their strategies to capture a potential surge in viewership. Several networks are experimenting with separating linear and digital video, as well as launching standalone streaming services.

- WBD, **Comcast**, and **Disney** have all announced plans to separate linear and digital assets to free digital channels to invest without being weighed down by linear losses.
- Comcast also plans to launch a streaming service for financial news network **CNBC** in Q1 2025, per Variety reporting. Unlike CNN or other news networks, CNBC's financial focus and presence in office buildings could allow it to build a unique streaming asset operating separately from news' digital struggles.
- **Amazon** is reportedly also considering a news streaming offering after its 2024 election night broadcast featuring **Brian Williams** drew significant viewership.

Our take: With three years in the rear view, CNN+ is looking less like a doomed-from-the-start failure and more like a rough draft of what news might resemble in the streaming era. It's unclear how many competitors can survive in the prickly and crowded field, but whichever network makes the transition unscathed could see significant gains.

Main Source of News Among US Adults, Dec 2024

% of respondents



Note: ages 18+

Source: Ipsos and Axios, "American Health Index Wave 7," Dec 13, 2024

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