Loyola University Chicago

The Evolution of Vice

A look at how a punk magazine became a global news and media organization.

Abhinav Kini

COMM 279

Professor Beth Konrad

12/05/15

When one thinks of Vice, they usually think of edgy content. In the last month alone, some recent articles from the website are about the booze gangsters used to drink, a writer's struggle to overcome sexual activity and even an interview with a baggage handler asking if it was possible for someone to smuggle a bomb onto an airplane. While these controversial articles do remain interesting for Vice's audience -- which is a very hard to reach 18-34-year-old male-dominant demographic -- the company is now expanding its empire in more ways than one. This paper will look into the evolution of Vice and how they have transitioned from a punk magazine into a global news organization and media giant.

1. Background

It was in 1994 when Vice started off as a simple punk magazine called "Voice of Montreal" by Gavin McInnes, Suroosh Alvi and current CEO Shane Smith. Smith looked back on the old days in an interview with NPR Morning Edition's Steve Inskeep, "All we had been really concerned about was rare denim, rare sneakers and supermodels," (NPR Morning Edition). Now based in Brooklyn after moving their headquarters from Montreal in 1999, Vice wanted to see if they could make it on the world stage. Vice soon progressed from denim, sneakers and supermodels, posting about a number of topics with an emphasis on sexual themes. Several articles were published on the site such as a feature called "Gays or Girls" where two blindfolded men received oral sex from a man and a woman and had to guess their gender or a feature called "Gross Jar" where all sorts of disgusting things were put in a jar and was observed for days (Ip, CJR). Recent articles on the website include "The Fast-Growing Business of Penis Enlargement" and "I Spent a Day on an Australian Porn Set and Ate Sushi". Sexually explicit and taboo topic content has become a regular feature for Vice and while it might come across as offensive or vulgar, it was the type of controversial content that got Vice readership, or to be more specific, a millennial audience. However, Vice decided to undergo a metamorphosis. Venturing away from their original roots, the company expanded into news in 2013.

2. The beginning of Vice News

Vice migrated to video and documentaries in a partnership with HBO in early 2013. A 10-episode season of a 30 minute documentary show called *Vice* was a result of this partnership which focused on drug lords, terrorists, crimes and protests. Vice later joined YouTube in November 2013 (Jarboe), making an account called Vice News which uploaded all these documentaries. A month later, a separate division for Vice News was launched on Vice's website as the company hired more than 60 additional journalists, increasing the size of its formal news team to more than 100, covering everything from Middle East war zones to health-care reform through an expansion of its digital video offering (Launder). This expansion greatly increased Vice's reporting of worldwide matters as news articles and videos were uploaded daily. And so, began Vice's steady expansion into digital, television and film with the company's main goal being very clear; to be a leading global news brand across all major media platforms.

Vice later expanded its news operation in 2014 and recently made headlines with a documentary series about the Islamic State in Iraq and Syria (Steel). It turned out that long form documentaries were Vice's trump card. Their documentary on The Islamic State was something that no one did before; go in depth into the workings of ISIS. A remarkable documentary that gives exclusive insight into how things work at the Islamic State, all Vice had to do was ask if it was possible to shoot through their Al Jazeera freelance client as no one else dared to try. Smith touched upon the documentary on NPR Morning Edition, "We went in and said, hold on a

second, there's all these stories that are going on and no one cares. There's Iraq fatigue. And that's how we got into ISIS" (NPR Morning Edition). The documentary was well received, still being Vice's most popular documentary on YouTube with over 9.6 million views.

Vice has continued with this model, uploading daily documentaries with recent uploads focusing on the air pollution of Beijing and the banning of Syrian refugees in America. To put the success of Vice News into context, its account on YouTube currently has over 1,500 videos, 329 million views, and 1.6 million subscribers (Social Blade) and counting in just over two years. And according to Tubular Labs data, close to 80% of the channel's audience is 18-34 years old (Jarboe). Paul Kontonis, executive director of the Global Online Video Association, praised the news organization, "Vice News looks and feels and smells very different from traditional news. It's about the experience," he said. "Millennials love opinions and shared experiences, and Vice fits perfectly within that mold," (Bilton). Vice News is also getting so popular that even YouTube is pushing it with hopes of getting more advertisers. Since YouTube is still regarded as a website where users upload home videos, by being affiliated with Vice News, YouTube can be taken more seriously and attract more advertisers (Bilton). Steve Carbone, managing director at MediaCom stated, "Vice is a hot property right now, any affiliation to Vice helps other properties associated with it. A rising tide raises all boats," he said (Bilton).

3. How Vice News does things differently

So why are young people, more specifically, the 18-34 years old demographic so attached to Vice? Smith believes it's because they're doing things their way, "When we started doing online and especially with YouTube, people would say, young people don't care about international news. They don't have an attention span, so keep it short. Of course, that was all wrong," (NPR). Smith would go on to say that while most news organizations are covering news one way, Vice seeks to do it another way (NPR). Smith also believes that the way traditional news is covered is a turnoff for today's young people. When asked in an interview on CBS This Morning how interested young people were in foreign news or even news in Washington, Smith responded, "Tremendously. Because young people are very interested --- it affects their lives. They're just not interested in the way it's presented to them," (CBS This Morning). Smith believes that through documentaries, Vice allows stories to evolve rather than just the usual reporting that includes going to the scene and getting a picture (CBS This Morning).

Vice News' attraction for its valuable millennial audience also comes from the notion that their documentaries are real and raw unlike the plastic and prepackaged news (Ip) conveyed by the more traditional media outlets. Eddy Moretti, Chief Creative Officer of Vice believes the company is attracting a millennial audience because video is making these consumers care about the news. Moretti claims video is an empathy machine and that as opposed to skimming a headline that says "23 people died in Fallujah," Vice's goal is to show the raw, and real reaction on the ground of such a tragedy (Papandrea). As stated by Vice's general manager, Sterling Proffer, "Young people have powerful bullshit detectors. When they don't feel an affinity with the person reporting a message, it makes it harder to really align with that message," (Bilton). That's not to say that Vice is the only news organization whose content is real and raw or is consistently of high quality, but as mentioned in "The Cult of Vice" on the Columbia Journalism Review, it may be truer to say Vice packages itself more deftly than almost any other big media company (Ip). Eunice Shin, the director of Manatt Digital Media believes Vice has been very smart and strategic in how it positions themselves and how it is reflected in the media which is all purposeful (Ip). Through daily news documentaries, Vice has pretty much mastered the mass production of authenticity for profit (Ip).

4. Further expansion and the millennial audience

Vice's growing popularity with Vice News saw the company acquire a host of deals at a rapid pace. In September 2014, Vice landed a pair of investments totaling \$500 million to fuel the expansion of its media empire (Steel). The company closed a \$250 million investment from Technology Crossover Ventures, the same company that invested in Facebook, along with a \$250 million investment from A&E Networks, the television group owned by Hearst and Disney. Chief executive of A&E Networks, Nancy Duboc praised Vice's ability to reach a millennial audience following the deal, "They are a very powerful brand, and it cannot be underestimated their ability to reach a very hard-to-reach audience," (Steel). In November 2015, A&E expanded on the \$250 million investment by landing Vice a 24-hour cable network called *Viceland* which will air in 2016 (Hagey), featuring original programming with a focus on lifestyle and culture. Planned programming includes comedian Marc Maron having an interview show to actress Ellen Page, who recently came out, hosting a LGBT travel show called "Gaycation" (Ip) to a food show called "Fuck, That's Delicious", hosted by rapper Action Bronson.

Vice also expanded their existing relationship with cable channel HBO in March 2015 which will now use Vice as its sole daily news source, giving them a 30 minute newscast every weekday (Ip). Vice's newscast will be featured on HBO, both on its linear TV channel as well as streaming service, HBO Now. The key motivation for HBO was not only Vice's content but their younger demographic, especially as HBO Now targets those consumers who don't pay for a cable or satellite TV bundle, a group which likely merges with Vice's younger demographic (Boorstin).

It didn't stop there for Vice as they teamed up with 20th Century Fox on Vice Films -- a joint venture film label for movies from emerging directors that will produce at least two films a year (Durrani). Vice's reach is a big reason for their continued growth as 20th Century Fox chairman and CEO Jim Gianopulos said, "Vice not only knows how to reach that audience but markets to them better than anyone else out there." (Durrani). The common denominator between all these deals Vice are acquiring is that the companies want to make use of its demographic. It's a win-win situation for both parties as Vice rakes in money from the deal, allowing for further expansion and more content creation while companies like A&E and HBO raise their profiles among Vice's coveted millennial audience (Ip).

As Gianopulos praised Vice about their marketing, Vice News has also expanded to various other countries. In October 2015, they debuted Vice Italy and plan to continue expanding to other countries (Mullin), already boasting country specific websites in Japan, UK, Serbia, Australia, Portugal and Brazil. There is little Vice can do wrong as the advantage of international operations speak for itself; it allows Vice to operate for 24 hours, with employees in various parts of the world while each edition can also cultivate local sources by writing primarily for the country where it's based (Mullin). Those news stories can then be exchanged by international outposts and translated into multiple languages for maximum exposure (Mullin).

5. The present

Vice now boasts over 750 employees -- with an average age of 26 to 27 (Ip) -- and over 3,500 contributors situated in over 36 different nations. They bring in over 200 million unique

visitors per month and have won numerous awards including a 2015 Emmy for Outstanding Informational Series or Special as well as 10 Webby awards in 2015. From a valuation of \$2.5 billion in 2014, it is believed that after the recent deal with A&E that led to *Viceland*, Vice is now currently valued between \$4.2 billion and \$4.3 billion (Hagey). It's not only their news coverage which is capturing audiences -- the company also has a wide range of verticals on the site such as Munchies, dedicated to food and its global purpose, Vice Sports, focusing on sports from around the world, Motherboard, a science and technology magazine, Fightland, dedicated to mixed martial arts and Noisey, dedicated to music. And while old media struggles to adapt to new technology, Vice embraces it, venturing into technologies like Google Glass and virtual reality news (Ip). Vice can only get bigger from here on out.

6. Criticisms and controversies

No company is perfect and Vice have had their fair share of critics and controversy. Smith has been criticized by the "old guard" of journalism for covering news his way rather than the traditional way (CBS This Morning). With "raw and sometimes, tasteless reporting" according to Rick Edmonds, a media and business analyst at the Poynter Institute (Goldner), this criticism goes hand in hand with the perception of Vice as a lightweight player in the media world (Goldner). This is because many of its news stories focus on sexual themes and taboo topics (Goldner). Other critics of Vice such as Robert Nolan, an editor of the New York-based Foreign Policy Association say that its journalism is more akin to entertainment while traditional media aim to seek a balance in a story (Goldner). This can be argued for Vice's documentaries but on the flipside, it can be argued that these documentaries give an immediate sense of first-person experience that is often missing from American journalism (Byers). If a young viewer for example, researches on an issue covered by a Vice documentary, they are invested in the news and Vice can be thanked for that (Byers).

Smith retorted arrogantly by saying the old guard can continue criticizing him because every time they do, Vice gets a million more followers (CBS This Morning). This arrogance can also turn into hostility as when Nick Denton, founder of Gawker Media, claimed Smith placed an emphasis on lucrative sponsored content streams, Smith responded by saying, "Nick Denton has accused me of fucking Hiroshima," (Nolan). Whether Vice admit it or not, advertising has been at the very core of the company (Ip) despite their claims of authenticity. Intel sponsors "The Creator's Project", one of many verticals on the site while Skype pay Vice to use their services on a YouTube show called "On The Line," (Ip). Former Vice associate editor, Charles Davis was let go in 2014 and posted an email from a Vice editor stating that every story of his that involved a large brand had to be "run up the flagpole," (Ip). Even though Vice admitted to killing Davis' stories, it had nothing to do with conflicts between the news and business sides of the company (Ip).

While Smith states that Vice News' documentaries are transparent as they can be double or triple checked since they don't follow the 24 hour news cycle (NPR), much remains to be said about transparency when it comes to Vice's bridge between editorial and advertising. When Jason Prechtel of web magazine, Gaper's Block didn't get a response from Vice about a gang violence documentary that was sponsored by the violent game, "Dishonored", he said Vice's use of a communications associate and press spokesperson instead of letting him speak to the filmmakers is exactly what he'd expect from a PR firm as opposed to a news outlet that believes in transparency and accountability (Ip). This is just one of the many growing pains Vice will have to deal with as they strive to maintain its authenticity and make strides towards its future as a media giant (Ip).

As a frequent consumer of Vice, I can see why the company has become so successful in recent years. Like Smith said in his interview with CBS This Morning, I agree that young people are affected and interested by news; they just desire a better way for it to be presented and I think Vice News is doing a great job when it comes to bringing awareness about issues around the world through their documentaries. For instance, when I first stumbled upon its documentary on North Korea, I was simply amazed at the things I learned and I have been constantly keeping tabs on what's happening there ever since. What I also love about Vice is the lengths it goes to to get a worthwhile story, whether it's a Skype call with a member of ISIS or sneaking into Ukraine -- Vice simply knows how to get our attention. Previously, Smith spoke of his desire to make Vice "the next MTV, ESPN and CNN rolled into one," (Ip). Given the way Vice has progressed from a small punk magazine to to a global empire fueled with millions in investment (Ip) along with their unique methods of portraying the news, Vice is slowly but surely becoming just that. And with how Vice is continually expanding, Smith believes the days of old news is numbered (Reddit).

Works Cited

- Bilton, Ricardo. "Why Is YouTube so into Vice News? Digiday." *Digiday*. N.p., 05 Aug. 2014.
 Web. 16 Nov. 2015.
- Bilton, Ricardo. "The Vice Guide to Video News for Millennials Digiday." *Digiday*. N.p., 04 Mar.
 2014. Web. 05 Dec. 2015.
- Boorstin, Julia. "Vice to Launch Daily News Show for HBO." *CNBC*. N.p., 26 Mar. 2015. Web. 03 Dec. 2015.
- Byers, Dylan. "The New York Times vs. Vice." POLITICO. N.p., 5 Apr. 2013. Web. 08 Dec. 2015.
- CBS This Morning. "Vice CEO Shane Smith on the Future of Journalism." *YouTube*. YouTube, 4 Mar. 2014. Web. 05 Dec. 2015. https://www.youtube.com/watch?v=2BrZGDFCSCA.
- CBS This Morning. "Vice CEO Shane Smith on What's off Limits." *YouTube*. YouTube, 4 Mar.
 2014. Web. 08 Dec. 2015.
- Durrani, Arif. "Vice Films Partners 20th Century Fox." *Media News*. N.p., 9 Dec. 2014. Web. 03 Dec. 2015.
- Goldner, Tracey. "Vice News Thrives with Young Audience, Controversy Global Journalist."
 Global Journalist. N.p., 25 Sept. 2014. Web. 08 Dec. 2015.
- Hagey, Keach. "Vice Media Gets Channel on A+E Networks." *WSJ*. N.p., 3 Nov. 2015. Web. 03 Dec. 2015.
- Ip, Chris. "The Cult of Vice." *Columbia Journalism Review* (2015): 24-30. Web.
- Jarboe, Greg. "VICE News: Using Social Video to Engage Millennials." *ReelSEO*. N.p., 29 June 2015. Web. 05 Dec. 2015.
- Launder, William. "Vice Media Bulks Up News Division." WSJ. N.p., 12 Nov. 2013. Web. 03 Dec.
 2015.

- "Media Group Evolves From Covering Vice To War Zones." NPR Morning Edition. NPR, 25
 Sept. 2014. Web. 03 Dec. 2015.
- Mullin, Benjamin. "With Italian Debut, VICE News Continues Expansion Abroad." *Poynter*. N.p., 12 Oct. 2015. Web. 05 Nov. 2015.
- Nolan, Hamilton. "Vice Is Very Touchy About Its Wonderful Work on Behalf of Brands." *Gawker*. N.p., 3 Mar. 2014. Web. 08 Dec. 2015.
- Papandrea, Dawn. "How to Get Millennials to Love Your Content: VICE's Magic Formula | Newscred Blog." *Newscred Blog.* N.p., 22 Sept. 2014. Web. 08 Dec. 2015.
- Reddit "Shane Smith AMA." *Reddit*. N.p., 2012. Web. 5 Dec. 2015. https://www.reddit.com/r/IAmA/comments/tb89g/i_am_shane_smith_cofounder_of_vice_mag azine_and/c4l6idh>.
- Steel, Emily. "Vice Lands 2nd Investment, to Fuel Expansion." *The New York Times*. The New York Times, 03 Sept. 2014. Web. 03 Dec. 2015.
- "vicenews YouTube Stats, Channel Statistics" Social Blade. N.p., n.d. Web. 05 Dec. 2015.
 http://socialblade.com/youtube/user/vicenews>.