

How to Write About the Future

Jyrki Alkio

Staff writer, Business and Economics
Helsingin Sanomat, Helsinki, Finland
Innovation Journalism Fellow 2006, Stanford,
Hosted by Red Herring
E-mail: jyrki.alkio@sanoma.fi

1	INTRODUCTION.....	3
2	STATE OF THE ART.....	5
3	TRACK RECORD.....	8
4	NEW TOOLS FOR JOURNALISM.....	11
5	RISK MANAGEMENT	16
6	CONCLUSIONS	16
7	ACKNOWLEDGEMENTS.....	17

How to Write About the Future

This paper points out the opportunities and threats in writing about the future. Different players in the innovation process have varied expectations about how and when journalists should write about innovations. These interests may conflict with media's own interests of right timing.

I propose that journalists could learn from other professions working with the questions about the future. The uncertainty related to the unknown cannot be resolved with one universal solution or methodology, but can work as a tool to put new innovations into the right context.

An innovation journalist writing about the future should be aware of the risk related to his approach. The more future-oriented the writing the more risk that he or she may be wrong. Experienced colleagues recommend, in trying to avoid wrong bets, finding an independent evaluation in defining whether a new innovation, technology or startup is worth writing.

1 Introduction

Recently I have heard arguments claiming that journalism is about yesterday. Daily headlines tell readers what happened yesterday instead of giving an idea of what is ahead. In these arguments journalism is seen as a cornerstone for the status quo, providing stability and constancy in societies, a finding that several researches in communication studies have supported.¹

It is risky to speak about journalism as a concept without putting it into a historical or geographical context, as it has changed constantly over place and time. Nevertheless we may say that by its nature the concept of news is mainly about something that has already happened. I would not, however, say that writing about yesterday is the whole picture of journalism as a lot of attention is paid to, say, proposals or decisions influencing our near-term future.

¹ H. Luostarinen, T. Uskali: Suomalainen journalismi ja yhteiskunnan muutos 1980-2000 in *Artikkelikokoelma tutkimushankkeesta sosiaaliset innovaatiot, yhteiskunnan uudistumiskyky ja taloudellinen menestys*. Suomen itsenäisyyden juhluvuoden rahasto Sitra.
<http://www.sitra.fi/Julkaisut/Heiskala.pdf>

The introduction of innovation journalism², a new concept, can be seen as an ambitious attempt to seek a better future for journalism.³ Innovation journalism, as I understand it, can also question the role and premises of traditional journalism.

By simplest definition, innovation journalism is journalism covering innovations; innovations in turn are market introductions of inventions. In a more sophisticated definition, innovation journalism covers technical, business, legal and political innovations and innovation systems.⁴ The definition of the concept is still ongoing, as conflicting ideas about its scope are put forward.⁵ I find the stricter definition of the concept as a satisfactory starting point.

Innovation journalism is, or at least should be, more future-oriented than journalism in general; the object of innovation journalism—innovation—is about change. Innovation journalism can study fields where new inventions revolutionize whole industries or others where new ideas transform slowly into innovations and finally come out as new gadgets.

Nevertheless, innovation journalism is a field of uncertainty, so I think caution is needed. How can an innovation journalist find out what is really important or revolutionary, while others working with these questions have failed? The more future-oriented journalism becomes, the more risks of error, as will be shown later.

The simplest solution for journalists willing to avoid risks is to avoid writing about the future and report only on the latest announcements or press releases. In my paper I intend to reveal tools and methods that could help us to write about future without moving into science fiction.

² D. Nordfors. The Concept of Innovation Journalism and a Programme for Developing it, *VINNOVA Information* VI 2003:5, Oct. 2003. Also published in *Innovation Journalism*, Vol. 1 No. 1, May 2004. <http://www.innovationjournalism.org/archive/INJO-1-1.pdf>

³ Turo Uskali. Paying Attention to Weak Signals – The Key Concept for Innovation Journalism. *Innovation Journalism*, Vol. 2 No. 11, August 2005. <http://www.innovationjournalism.org/archive/INJO-2-11.pdf>

⁴ D. Nordfors. The Role of Journalism in Innovation Systems. *Innovation Journalism*, Vol. 1 No. 7, 8 Nov. 2004. <http://www.innovationjournalism.org/archive/INJO-1-7.pdf>. This definition was first suggested in the internal discussion between the Innovation Journalism Fellows 2004.

⁵ See E. Kauhanen: Innovation is much more than business and technology. The Finnish Innovation Journalism Research Program. *Innovation Journalism*, Vol. 2 No. 4, April 2005. http://innovationjournalism.org/archive/INJO-2-4_split/INJO-2-4%20pp.147-164.pdf For Mr. Kauhanen innovations are not only technical or commercial by nature but also political, ideological, cultural and even artistic.

2 State of the Art

If journalism is a key player in contemporary societies, journalism about innovations should be a driving force in technology development. Unfortunately, that seems overstatement, as journalism's current role in innovation processes is, if not marginal, limited, according to people I interviewed for this paper. In Silicon Valley, the questions of technology and business seem to be more intertwined in journalism than in Finland.

"Compared to the financial and social importance that innovations have, journalists have left them relatively untouched. Articles focus mainly on a single product or a company and do not reveal the innovation process itself or how the innovation could be exploited. It is not uncommon that stories are based on the information by one company only," said Jari Romanainen, executive director for activation in Tekes, Finland's main public funding organization for research and development.⁶ He would like to see stories delve into cases more deeply, analyzing critically why an invention did not turn into a successful innovation, why markets did not develop as expected and what went wrong in the process.

To improve the quality of innovation journalism, I will focus first on the timing of innovation journalism. Two sometimes conflicting ways exist of answering the question of when the time is right to write about innovations.

For media, whether radio, television, web, newspaper or magazine, timing is crucial, as the media provide content that appeal to readers and viewers. Decisions within newsrooms are based on assumptions of what the audience (readers, listeners, viewers) of that particular media want. Consumer-oriented magazines focus on products in stores, while bloggers could write for weeks about new ideas that may change the world.

Whatever the focus, every editor and journalist must decide what is a right 'time to market' for any story in his or her medium. Usually, in daily work, this is not an issue as publishing is an ongoing process with a steady flow of stories. In the news world, the question of timing with special stories is also simple: most editors want to publish a scoop as soon as it is available and verifiable.

The right timing in innovation journalism is not, however, always obvious; innovation processes are slow and sometimes unpredictable, something I learned years ago. I have covered telecommunication industry in my home newspaper Helsingin Sanomat for five years. Just before I started, a colleague wrote a thorough story about VoiP (Voice over Internet Protocol).⁷ The article was ahead of its time as the technology was then in its early stages. I concluded that we have

⁶ Unpublished interview with Jari Romanainen by email March 7 2006 for this paper.

⁷ T. Sutinen: Cisco myy internetin ideaa puheluihin. Helsingin Sanomat. 4. July 2000.

covered VoiP well enough in the paper and neglected the topic for two or three years, then realized finally that I had missed the boat.

The worst thing for a newspaper or any other medium is to miss something big. That has happened often over the years, and will happen in the future (see comments from Fred Barnes in Turo Uskali's paper)⁸. But the question is not only of being late or missing something totally, as my own experience demonstrates—we can also report too early.

The timing issue looks totally different when viewed from outside, from the players involved in the innovation process. While journalists are looking primarily for good stories, players in the innovation field have different goals.

The concept of innovation journalism has emerged from a system-level approach where journalism is seen as one actor in a complex structure. According to Nordfors, "Innovation is a primary driving force for economic growth in most OECD countries; its importance is increasing. Innovation systems must be improved and introducing innovation journalism can do this."⁹ and "Business journalism has taught people to discuss the relationships between interest rates, currencies and stock prices. Innovation journalism is needed to enhance public debate through better common knowledge and understanding of productivity and innovation issues, including how innovation affects the national economy. We need to discuss how to become more productive."¹⁰

Similar outlines can be found from Mr. Romanainen's answers. The role of innovation journalism is essential as "the better the understanding of innovation, the more enlightened are the decisions related to it both in companies and in the public sector."¹¹

These kinds of formulations do not determine the time frame for innovation journalism but, nevertheless, contribute in creating an overall understanding of the question. The system-level approach has gained ground in countries like Sweden and Finland, where governments tend to boost innovations with well defined policies, while in Silicon Valley innovation is considered to be more market driven.

I addressed the question of timeframe in innovation journalism to several people in different roles in the innovation process, both working in the Silicon Valley and outside of it.

For a startup, the question of publicity is simple as public relations is considered one of the most cost-effective and reliable marketing channels, says Ari Backholm,

⁸ T. Uskali, see footnote 3

⁹ D. Nordfors, see footnote 4.

¹⁰ Same

¹¹ J. Romanainen, see footnote 6.

vice president of mobile email provider Seven.¹² Many Valley startups operate in the ‘stealth mode’ or ‘under the radar,’—these companies try to avoid publicity. But as the startup moves to the next phase, any publicity is good publicity.

The right timing for stories depends on marketing needs. If the startup is seeking venture financing, it is good to be noticed in the business media and among analysts, Mr. Backholm said. If the startup’s market is a business-to-business market it is good to talk about the future openly while in a business-to-consumer market companies tend to do big launches where they could surprise the media.¹³

Venture capitalists think more or less along same lines. “My object is to create awareness for my portfolio company,” John Malloy, a partner from BlueRun Ventures said.¹⁴ In any story involving companies in VC’s portfolio, venture capitalist firms should help make the technology understandable. Ideal timing for a story from private investor’s perspective would be the official launch or “post beta at commercial readiness,” according to Mr. Malloy.

I cannot say how well these answers represent the whole field of startups or venture capitalists as other respondents may have different opinions. Obviously, however, the strategies managing media vary remarkably within larger corporations.

Every company has its own way to communicate. In a recent study by an international correspondents’ press club, Intel’s communication was considered most open of the big Silicon Valley corporations. But some corporations try to minimize all information related to their innovations and limit the communication to product launches only, not hinting of what would be coming in the future.

Intel’s strategy is to talk early about general developments, to signal the direction to the industry. In some technology fields, the company keeps a low profile until patents have been filed; and in the case of new manufacturing methods or processes, the company must keep the technology secret even longer. Finally, when a new technology transfers from R&D to business units for final development, Intel will not break the silence until the product is launched.¹⁵

Nokia is moving along the same lines as the world leading handset maker communicates its long-term vision openly while in product launches its policy is strict.¹⁶ Yrjö Neuvo, Nokia’s former chief technology officer, would like to see

¹² Unpublished interview with Ari Backholm February 21 2006 for this paper.

¹³ See footnote 12

¹⁴ Unpublished interview with John Malloy March 3 2006 for this paper.

¹⁵ Unpublished interview with Agnes Kwan, Manager, International & Marketing Programs at Intel, by email March 13 2006 for this paper.

¹⁶ Unpublished interview with Arja Suominen, Communication Manager at Nokia, by email March 9 2006 for this paper.

articles about new innovation even in their early stages.¹⁷ “When journalists write about innovations they are involved, one way or another, in defining the hype curve (see Ch. 4, page 12-13). Despite that, I would like to see stories from the early stages of the innovation process, knowing the potential overexcitement. While writing, journalists should have the understanding of realism.”

For public funding organizations, the question of goals and timing are more complicated than for a single startup or a VC company. The current time frame for innovation journalism is “pretty much here and now,” according Mr. Romanainen, though there may be a more future-oriented approach taking help from science.¹⁸ “A future-oriented writing, with a realistic ground and evaluation of different evolution paths could serve better the needs of companies, research and political decision making, as well as individual citizens.” For him, the ideal timeframe of innovation journalism would be a balanced mix with stories looking to the future, to today’s issues as well as to the past.

These answers may be a snapshot rather than a whole picture of ideas and expectations. Most likely they do not surprise anyone involved in the innovation or journalistic processes but, hopefully, provide understanding of the scope of different expectations. Different players have different and sometimes also conflicting views and ideas how and when journalism should come into picture. The outcome, I would argue, an article published in a paper or magazine or web site, is a result from journalist’s work but also a reflection of how successfully different players were able to articulate their interests. In the end, the journalist is working primarily for the reader, not marketing a new product, helping a startup get more financing, promoting a venture capitalist’s portfolio company prior to an IPO, or improving the quality of national innovation policy. Nevertheless, he or she might end up doing all that.

3 Track Record

Before introducing a new school of journalism I would like to consider the achievements so far in the field of future-oriented journalism. Unfortunately there has not been that much evaluation of what has gone right or wrong in writings—a pity, as such reflections might help to avoid repeating the same mistakes.

The Economist, however, took a self-critical approach in its recent *The World in 2006* issue where the magazine asked Niall Ferguson, professor of history in Harvard University, to evaluate previous *The World in...* issues.¹⁹ *The World in...* is

¹⁷ Unpublished interview with Yrjö Neuvo by email March 9 2006 for this paper.

¹⁸ J. Romanainen, see footnote 6.

¹⁹ The Economist: *The World in 2006*. Niall Ferguson offers a historian’s perspective on our record.

an annual magazine predicting likely events of the coming year, avoiding more future-oriented visions.

The accuracy of these predictions cannot be compared simply—no other magazine or newspaper has done such work. So one cannot say that the magazine did better or worse than others. For this paper's purposes, that kind of result would be irrelevant.

The journalists working for *The World in...* got many things right over the years. The magazine foresaw in 1988 major changes in central Europe, especially in East Germany, anticipated the non-violent end of apartheid a year later and predicted post-Soviet chaos in Russia in 1991, to name a few of their correct predictions.

However, *The Economist* has also missed several significant political and economic events, like the collapse of Communist rule in Eastern Europe in 1989 and the descent into civil war in Yugoslavia. The Japanese stock market crash of 1990 came out of the blue for the magazine, as well as the crises in Mexico, Asia, and Russia later in 1990's.²⁰

Financial crises are by their nature hard to predict, Mr. Ferguson admitted, but *The Economist* had difficulties in noticing bigger macroeconomic trend as well. The magazine's Asian experts were pessimistic about China's prospects both in their 1989 and 1991 editions but changed this view a year later. *The World in...* missed the Internet revolution as well as its potential, fully realized in the 1995 edition but not earlier.

In the first edition of the magazine in 1987, one contributor predicted that Nomura Securities would take over Merrill Lynch. Currently that writer is an editor of *The Economist*, which for Mr. Ferguson is a proof that getting your predictions wrong is no obstacle to success in journalism.

My aim in spotting hits and misses of *The World in...* is not to show how beautifully or badly *The Economist* has done but to show how difficult it is write about the future. The magazine should have all the resources but despite that they went wrong at least as often as they got things right. What, then, about others?

As I am not aware of other analysis of this kind, there is not much to add to observations made by Dr. Ferguson. Nevertheless, a study by Heikki Luostarinen and Turo Uskali (researchers in communication studies in Finland), made interesting remarks related to the writing of Helsingin Sanomat, the biggest daily newspaper in Finland, more than a decade ago, when the country hit its worst recession since the 1930s.²¹ The newspaper could not anticipate the recession well in its top stories though the business and economics section followed carefully different symptoms of the recession's development.

²⁰ See footnote 19.

²¹ H. Luostarinen, T. Uskali, see footnote 1.

Moving from politics to business and technology, it can be argued that most visible and influential predictions come from investors. The share price of a given company basically reflects future expectations, as discounted cash flows are key valuation tools.

The valuation is an ongoing process. New information is available constantly because companies report their results quarterly and investors can change their views rapidly based on new data. Contrary to this, at the turn of the century there was a more profound change where old valuations—that is, old predictions—were found incorrect and irrelevant. There was a firm belief in a new momentum for business and technology.

The tech bubble flowed from unrealistic expectations as share prizes rocketed as investors changed suddenly their views about the future. Journalism had a role in this development as well, though I would not hold the media responsible for what happened. Nevertheless, I got the impression that many journalists working in Silicon Valley still have some kind of trauma from that time. They feel journalism was a key player in the bubble, as papers and magazines accepted the slogan of new economy without constantly asking enough critical questions.²²

The reasons behind the bubble and the burst were not related mainly to technology. Many innovations made during the turn of the century are still present. The issue is that business models disintegrated as companies and investors had unreal projections about the future. “Journalism failed at that time as journalists forgot one golden rule of journalism, the need for scepticism and balancing things,” Tom Murphy, the editor-in-chief at RedHerring.com, said.²³

The consequences from the bubble are still around us, Mr. Neuvo from Nokia said. “We are having a hangover from the Internet bubble, though it is over now. Information technology has moved forward regardless of the bubble.”²⁴

The Red Herring magazine lived the highs and lows of the bubble. In its heyday, the monthly magazine had more than 600 pages in one issue in 2000. Three years later it stopped publishing and was sold at auction by the VC firms that owned the magazine. Red Herring started up again as a Web site in September 2003 and as a weekly publication in January 2005 under new ownership and management.

In the old Red Herring there was too much enthusiasm as every enterprise was just great, Joel Dreyfuss, the editor-in-chief, said.²⁵ “Now we are much more sober and careful.”

²² Unpublished interviews with Mike Langberg, technology columnist at San Jose Mercury News, March 1 2006, Tom Murphy, editor-in-chief at RedHerring.com, February 28 2006, and Lee Bruno, editorial director at the 451 group, March 8 2006.

²³ T. Murphy, same.

²⁴ Y. Neuvo, see footnote 17.

4 New Tools for Journalism

Journalism's goal is to serve readers, tell them something they didn't know, or even didn't know they didn't know. To redeem their role, journalists should be able to write about something that helps readers understand where the world is going. The big question in innovation journalism is how journalists should handle the uncertainties related to the future and turn them into stories that would add value to the reader.

Science fiction writers take typically a lot of freedom and create realities of their own. At their best, the most skilful sci-fi writers can also give an input to researchers and stimulate the way of thinking with their visions. Despite that, journalism has not taken sci-fi seriously—journalists have more to do with facts than visions.

For journalists, the art of writing about the future lies in the ability to understand the past and make projections based on it while in the same time remain sensitive to new, disruptive innovations that may question old rules. But we could learn something from sci-fi writers as well, if we can put their visions into realistic perspective.

I assume there are several lessons we journalists could learn from other professionals dealing with these same topics. So I have addressed questions related to their working methods to find out if there is something we could try to use (I did not, however, interview any sci-fi writers).

Over the years several people forecasting the future have developed sophisticated tools to analyze relevant trends. I have not been able to study systematically those methods used in future studies, so the following presentation is incomplete but it should give the reader ideas to consider.

To understand where the world is going, journalists need a frame of reference in their work. A good starting point would be to spot relevant trends—mobility or globalisation just to name two obvious ones. The greenhouse phenomenon could be another megatrend because it will most likely affect our daily lives as well as businesses. A deep understanding of underlying trends could give journalists better tools to put new innovations in context. At their best, these kinds of analysis could help in understanding where future innovations likely will occur or are needed.

The ability to put new phenomena into a context is essential but the context differs depending on the time frame, said Paul Saffo, Director at the Institute for The Future. In context, five-year questions are very different from 50-year ones. “We

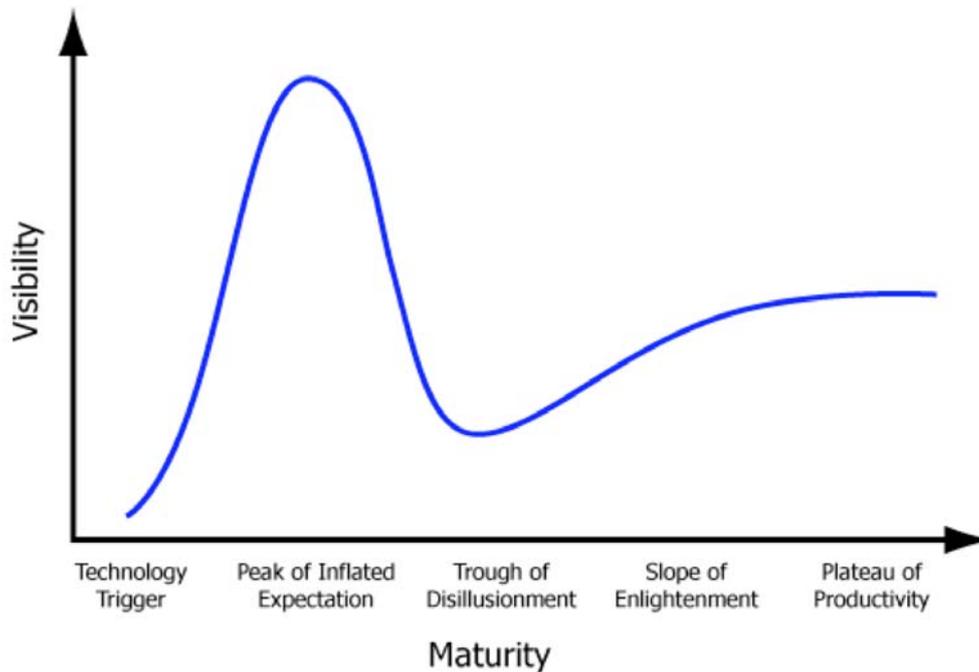
²⁵ Unpublished interview with Joel Dreyfuss, February 27 2006.

need to reframe our conversation so that people understand that. Otherwise we are not going to make right decisions.”²⁶

A collaboration of journalists and people doing future studies could improve the level of understanding about future trends. One tool that future research operates with is scenarios, usually providing at least three different visions of the future. Traditionally there has been room only for one scenario in a journalistic story, but in innovation journalism this could be different, Turo Uskali suggested in his paper about weak signals.²⁷ I find his suggestion interesting but instead of putting all scenarios in one story I would prefer to see a series of articles where different scenarios are covered, realizing that this kind of emphasis may be beyond the resources of any newspaper, magazine or web site.

Within any trend or rather megatrend, several technologies and innovations are under development. One task for a journalist is to try to understand where they are going, to define where they are in the hype curve (a curve presented by Gartner in 1995, see below), said Mike Langberg, a technology columnist at San Jose Mercury News.²⁸

Hype Curve



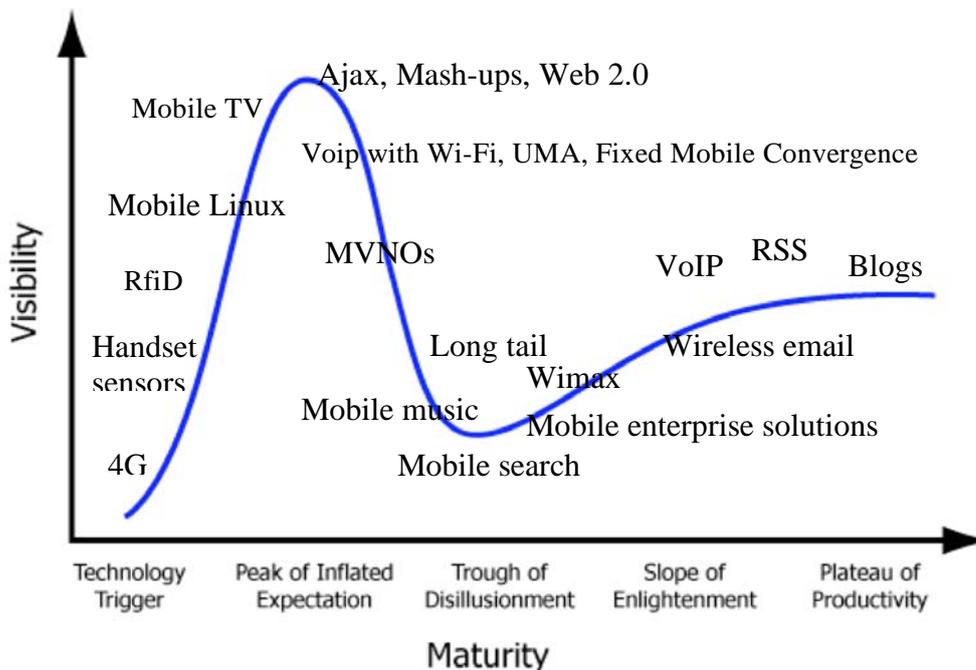
²⁶ Unpublished interview with Paul Saffo, March 13, 2006 for this paper.

²⁷ T. Uskali, see footnote 3.

²⁸ M. Langberg, see footnote 22.

If we can add sub-trends or different technologies in this picture, as I have tried to do in the following in the fields of Mobility and Internet, we may have a beautiful starting point in putting different new innovations and technologies in perspective. With the overall picture in mind, journalists may have better qualifications to cover any innovation or technology with a more realistic view.

Hype Curve in Mobility and Internet



It is, nevertheless, unrealistic that any journalist could draw a picture like this on his or her own, even less in today's media environment where there is more need for fast reporting and less demand for highly specialized journalists. So how can a journalist draw these pictures, adding relevant technologies and neglecting irrelevant ones, and know what are the most important stories of the day?

The common answer from almost everyone I interviewed is about finding the right people, and that in turn is also about networking.

We all have our own ways of finding the right people, sometimes with systematic work but often from people we happen to know or have heard about. In contrast to this Mr. Romanainen from Tekes suggests a much improved—and time

consuming—way to find the true professionals in any field. Researches use strategies called co-nomination and sociogram where a group of specialists are given a questionnaire and asked to name highly rated scholars or professionals they themselves respect. The same questionnaire is given to these new specialists and this process continues until no new names emerge. The real gurus are those whose names are most often on the list.²⁹

There is, however, a risk in this method as scholars representing different views may be omitted. If this kind of a systemic search for talent is taken seriously, there is a need to keep in touch with dissidents as journalism has the tendency to favour elites in societies, whether in business, politics, administration or culture.³⁰ If dissidents can be found, the challenge is to put their view in the right perspective.

Obviously there is no simple answer nor one method or final solution, telling how to write about the future. “It is about getting multiple input,” said Lee Bruno, currently an analyst and previously an innovation journalist at Red Herring.³¹

Many tools are available to help to foresee the future, but they are only tools, Mr. Saffo said. “At the end of the day this is applied into intuition. Tools are there to create a discipline that gets you to where you can make intelligent intuitions. In one extreme, if you make just wild speculation, you go nowhere. That is bad science fiction. The other extreme is that you demand everything to be quantified but then you will not see the discontinuities and they are the hardest thing the to see.”³²

When covering technology, Mr. Bruno would have venture capitalists, vendors, analysts and integrators as sources. They have their different ideas, their own biases and own objectives as well, but journalists should build an unbiased picture after talking to several sources. “It is dangerous if you are just making the calls of your own.”

The task is challenging because one has only qualitative and no quantitative data to work with, Mr. Bruno remarked. Nevertheless, some tools may still be available. If new ideas come up, I want to have independent evaluation before writing about them, said Mr. Langberg from the San Jose Mercury News. Acceptable criteria would be that the company gets an investment from a big or a well-known venture capitalist firm or that the company gets a contract from a large technology corporation.³³ If the journalistic focus is in technology’s early stages, the risks of going wrong are bigger as independent evaluation may not be available.

²⁹ J. Romanainen, see footnote 6.

³⁰ H. Luostarinen, T. Uskali, see footnote 1.

³¹ L. Bruno, see footnote 22.

³² P. Saffo, see footnote 26.

³³ M. Langberg, see footnote 22.

Unfortunately I have not been able to touch on the role of universities, research institutes and laboratories in this paper. All they are working with questions of invention and innovation in very early stages and would undoubtedly be valuable sources for information and evaluation for journalists.

Financing from a VC is not a guarantee that a start-up will make a breakthrough—nine out of ten startups fail—but an investment from a big VC is a clear message that someone with strong resources has found the company or its technology compelling. Venture-capitalist metrics are a good tool for journalists, Mr. Malloy, partner at venture capital firm BlueRun Ventures, remarked, but even with them the probabilities of hitting the next big thing are relatively low.³⁴

A new source for journalism (as well as a new way of journalism) has emerged within the last couple of years as bloggers have entered the field, some with codes previously unknown to journalism. Venture capitalists, nevertheless, pay attention to blogs as new ideas or business models may find their first way from them. Anders Cervanka, an Innovation Journalism fellow a year ago addressed the question of the meaning of blogs for more conventional journalism.³⁵ Within a year the question has become more accurate. There is a lot of hype around blogosphere so the challenge in distinguishing relevant from irrelevant information is huge.

On the other hand, it is fair to question whether bloggers are today's real innovation journalists or blogs merely marketing tools creating hype around new technologies.

Innovation journalism—journalism combining business and technology—should be a good starting point in putting any technology into a business perspective. While majority of tools discussed so far have been qualitative, there are, however, quantitative ways to measure a company or a technology as well. Best practices from the traditional field of financial journalism should be used to measure the performance and prospects of any technology or company.

Revenues are a good starting point in evaluation as they provide proven facts, not just promises or expectations. The relevance of the company or its technology becomes even more apparent when the revenue is put into the context of market opportunity.³⁶ Writing with numbers is a way to avoid writing science fiction.³⁷

³⁴ J. Malloy, see footnote 14.

³⁵ A. Cervanka: Roles of Traditional Publications and New Media in Innovation Journalism. *Innovation Journalism*, Vol. 2 No. 4, April 2005. http://innovationjournalism.org/archive/INJO-2-4_split/INJO-2-4%20pp.121-134.pdf

³⁶ J. Malloy, see footnote 14.

³⁷ T. Murphy, see footnote 22.

Journalists are—or should be—professional sceptics, as Mr. Langberg said.³⁸

5 Risk Management

Innovation journalists are players in the same field as venture capitalists, start-ups and public financiers. Though everyone has his or her unique role in the game, there are, however, similarities as well.

Both venture capitalists and journalists are making investments. VCs study different technologies and companies before investing in them, to make profit. The same applies to journalists as well, though we invest different assets. Instead of money, journalists invest thought and words but, nevertheless, the purpose is the same, to invest in champions to get the best return on investment.

Risk management is an important tool in every corporation and any journalist should consider it seriously. It is preferable to write an article about successful emerging technology, not waste words on something that is fake or turns out to be a failure. It is better to write a big story about something that will change the world than to invest a lot of words into something that will not make a breakthrough.

Journalism, like venture capitalism or public funding, is a business of credibility. Right investments, money or words, build credibility, essential for journalist as well as financiers. Risk aversion is a good strategy not to lose credibility but not a good one if one is trying to get biggest returns. In context, just as financiers must put their money at risk to advance, journalists must put their words forward.

“The worst thing that can happen is to be too early as then you are burning your cash every day. The second worst thing to happen is to be too late. The whole business we are in is all about timing,” Mr. Malloy said.³⁹

I would accept his words but change the order: the worst thing that could happen to a journalist is to be too late.

6 Conclusions

With these remarks I have tried to demonstrate what kind of a task journalists have if they aspire to move their focus more to the future.

³⁸ M. Langberg, see footnote 22.

³⁹ J. Malloy, see footnote 14.

The excitement in writing about the future is that no one possesses the secret information of what will happen. As shown in chapter 4, journalists have guessed wrong but they are not alone. Big corporations have spent billions on innovations that never succeeded, either because the technology was bad, the market was not there, then timing was wrong, or consumers just did not need new toys.

To write relevantly one should have deep understanding in the area. Future-oriented journalists must understand both technology and business as a prerequisite to evaluating the information provided and—essential—to write clearly.

To me the more future-oriented innovation journalism is like a mindset. The challenge is to be curious and sceptical simultaneously. How to keep these opposite attitudes in balance? It is easy to get (over)excited or even easier to be just cynical.

When writing about the future, journalism can also play an important role in influencing what the future will look like. The more future-oriented or active role a journalist takes in the innovation process, the more deeply he or she is involved in determining the outcome. That, in turn, begs the question of whether innovation journalism is challenging the boundaries of traditional journalism.

7 Acknowledgements

I wish to thank Tom Murphy, editor-in-chief at RedHerring.com, for giving me the time to prepare this paper, my colleagues at the magazine who must have wondered what I was doing, editor-in-chief Joel Dreyfuss and publisher Alex Vieux for taking me to Red Herring and Janne Virkkunen, editor-in-chief at Helsingin Sanomat, for providing the financial backing that made my four-month stay possible.

Jyrki Alkio is a staff writer in Business and Economics Section at Finland's largest daily newspaper Helsingin Sanomat. He is an Innovation Journalism Fellow in 2006, hosted by the Red Herring magazine. He has a M.S. in Political Science from Helsinki University, Finland.