



Communications,
Media & Technology case study

How Gannett streamlined IT and grew its digital business

A US media powerhouse positions itself for digital success with an IT consolidation program that builds synergy from the company's recent acquisitions.

Renowned for its Pulitzer Prize-winning news coverage, Gannett has evolved to a subscription-led digitally focused media and marketing solutions company. It connects communities through USA TODAY and the USA TODAY NETWORK, which includes more than 250 local media outlets in 46 states, and Newsquest, which operates 120 local media brands in the UK. The company also owns ReachLocal, UpCurve and WordStream, through which it delivers end-to-end marketing solutions for small businesses.

The challenge

The news publishing industry faces intense pressures triggered by the rise of digital media. To stay competitive, Gannett successfully grew its business and maintained its leadership through a series of mergers and acquisitions. Now it needed to streamline the patchwork of redundant platforms it had accumulated. By consolidating platforms and technologies, Gannett's IT arm reduced process and systems, which created more value as a service organization.

Prior to becoming a digitally enabled company, Gannett operated with a significant IT budget that focused on internal application development over other business initiatives, such as ticket management.

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At a glance

Maintaining its leadership in the intensely competitive news publishing industry became the impetus for Gannett to find ways to streamline IT and reduce fragmented staffing. To address its post-M&A technology challenges, the mass media holding company engaged Cognizant to standardize its IT operations and implement efficiencies. As a result, the company:

- Reduced day one IT spend by over 50% through right-shoring and automation
- Reduced year two and year three IT spend from the project baseline by an additional 40% in total
- Improved SLAs with reporting and industry best practices
- Rebadged employees under Cognizant to deliver continuity and expedite training for the offshore team
- Transformed from a custom IT shop to a SaaS-based platform and COTS operation

To pivot to a digital-first approach and gain the synergies from the company's acquisitions, Gannett Technology, the company's IT division, engaged Cognizant for a broad transformation effort that ranged from optimizing human capital to automating network assets.

"We engaged Cognizant because they could standardize our processes, extend our digital capabilities and rightsize our costs," said Paul Ameden, Senior Vice President and Chief Information Officer at Gannett.

The approach

Gannett Technology leveraged Cognizant's digital publishing expertise and our experience in application and infrastructure outsourcing to create an IT optimization and transformation plan. In addition to streamlining IT operations, the plan's goal was to accelerate the company's Global Workforce Initiative (GWI), a program to standardize IT processes and documentation. The plan also aimed to foster a staff augmentation relationship with Cognizant, which provided a host of benefits:

- Defined SLAs according to industry best practices
- Increased verification of data with reporting
- Integrated repeatable, automated IT solutions
- Supplemented Gannett Technology teams with staff resources from Cognizant
- Decreased IT costs

The GWI leveraged Smart Operations, platform-driven IPA and ITIL best practices to deliver efficient IT change management and support services across four integrated towers:

- 1. Revenue.** Cognizant supported new and existing customer and commercial-off-the-shelf (COTS) applications to reduce overall IT spend and drive efficiency. We also outlined high-profile applications as well as high- and low-risk applications to define and maintain SLAs.
- 2. Technical support.** We expedited IT ticket management with streamlined technical support services (TSS) across two levels—L1

and L2— to improve workflows and gain efficiencies. While L1 addressed initial issues with publications, subscriptions, marketing services and ad sales, L2 determined the source of an issue so it could be resolved.

- 3. Enterprise infrastructure.** We managed and enhanced applications that supported circulations and publishing services on iSeries to maintain SLAs and automatically manage changing resource demands, as needed.
- 4. Digital infrastructure.** Agents within the Network Operations Center ensured that links and networks worked correctly.

GW I enables Gannett to focus on core business needs without sacrificing cost-effective IT support services or resources.

Business outcomes

As a result of the streamlining and consolidation, Gannett Technology improved overall service quality and the levels of application and infrastructure support. It gained significant business benefits in four key areas:

Strategic IT transformation. Transitioning from a custom IT shop to a SaaS-based platform and COTS shop enabled the company to reduce application development time, integrate new technology and lower overall costs.

Defined SLAs. By standardizing IT operations using ITIL best practices, Gannett consistently meets SLAs for ticket management (resolving high-priority tickets within 24 hours) and digital infrastructure (delivering on five SLAs 99.99% of the time with iSeries).

Ensured continuity. Rebadging employees under Cognizant expedited Gannett's training of the offshore team. By managing IT operations throughout the GWI implementation, Gannett maintains continuity and ensures success from start to finish.

Reduced IT spend. Through automated process efficiencies and SLAs that help the company measure success, Gannett reduced day one IT spend by 50%, and year two and three IT spend from the project baseline by 40% in total.

“ The leadership at Cognizant was incredibly flexible and always willing to adjust to meet the changes and demands of our team. It was a very positive experience and made our engagement feel like a true partnership.”

Jack Mundie, Vice President at Gannett

The streamlining and consolidation of IT platforms helped drive efficiencies and take advantage of available synergies following Gannett's merger with New Media Investment Group, the parent company of GateHouse Media. The merger paved the way for a digital business model that allows the combined

company—the largest newspaper company in the US—to scale for long-term leadership.

With Cognizant as a trusted advisor and transformation partner, Gannett is positioned to move ahead as a digitally focused media and marketing solutions company

About Gannett

Gannett Co., Inc. (NYSE: GCI) is a subscription-led and digitally focused media and marketing solutions company committed to empowering communities to thrive. With an unmatched reach at the national and local level, Gannett touches the lives of millions with our Pulitzer Prize-winning content, consumer experiences and benefits, and advertiser products and services. Our current portfolio of media assets includes USA TODAY, local media organizations in 45 states in the U.S., and Newsquest, a wholly owned subsidiary operating in the United Kingdom with more than 120 local news media brands. Gannett also owns digital marketing services companies branded LOCALiQ, and runs one of the largest media-owned events business in the U.S., USA TODAY NETWORK Ventures. For more information, visit www.gannett.com.



Cognizant (Nasdaq-100: CTSI) engineers modern businesses. We help our clients modernize technology, reimagine processes and transform experiences so they can stay ahead in our fast-changing world. Together, we're improving everyday life. See how at www.cognizant.com or [@Cognizant](https://twitter.com/Cognizant).

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