



Making News Deserts Bloom Again

(Mega) Mega-Conference – 2020

**Eric Barnes, CEO
The Daily Memphian**

“Our sense of community and our trust in democracy at all levels suffer when journalism is lost or diminished.”

University of North Carolina

Special Report: The Expanding News Desert

“As local journalism declines,
government officials conduct themselves
with less integrity, efficiency, and effectiveness
and corporate malfeasance goes unchecked.”

PEN America Special Report

Losing the News:

The Decimation of Local News and the Search for Solutions

Local Newspapers Are Under Assault

1,800 Newspapers

Out of business since 2004

33,000 Newspaper Journalists

Eliminated since 2008

1,400 Communities in the U.S.

With no locally-dedicated news coverage

\$500 Million in Cost Cutting

Gannett's new hedge-fund backed owner takes control

What We Are

- *The Daily Memphian* is a Memphis-based, Memphis-owned, Memphis-focused, online-only digital paper launched in Sept. 2018 that covers everything except last night's crime.*
- Was Memphis a news desert? Not quite. But the storm was coming.
- This was more than a little personal for all of us in Memphis.

* *But we do cover crime.*

Guiding Principles

- Local journalism didn't fail. What failed was the business model supporting local newspapers.
- Don't reject *every* long-held newspaper principle, rule or success.
- Readers want high-quality, well-written, locally-focused news.
- Deliver a clean, fast, reader-friendly experience.
- Our news has tremendous value. It's very expensive to produce. And so readers should pay a fair rate with minimal discounts.
- Give free access to people who can't – or shouldn't – pay for a subscription.
- Not every community is the same.

Key Points

- **34 full-time journalists** and 20+ freelancers – 46 employees total – virtually all of them from Memphis and experienced (or very, very experienced) journalists or media people.
- **11,600 paid subscribers** on top of 350,000 monthly visitors with overall average engagement time of 2:10 per page (in an MSA of 1.2 million people).
- **Minimal discounting** with none of the “99 cents a month” gimmicks that permeate the industry – our subscribers pay an average of \$8/month and will average \$10 by 2022.
- **6% churn** and minimal rejection of a 35% price increase at end of 2019
- **35,000 email subscribers** and more than 125,000 social media followers including *The Daily Memphian* and our writers.

More Key Points

- **Wrote our own CMS, site and SAS full stack** using (mostly) Memphis programmers.
- **\$1.3 million annualized advertising** and sponsorships, up 50% in the second half of 2019 – all sold locally, direct to the customer, and without junky ad networks.
- **Free access granted** to all 168 Shelby County public schools and 20+ libraries with access extended to another 200+ schools and 200-ish nonprofit organizations serving low income residents in 2020 and 2021.
- **Numerous local partnerships** including radio, TV, joint “ownership” of a new public radio station, University of Memphis, and more.
- **Former Executive Editor of the IndyStar**, Ronnie Ramos, joins us as Executive Editor.

Some Really (Really) Key Points

- **Non-Profits aren't a panacea**, but they're very likely a big part of the answer to what is happening to local newspapers.
- **Every market** is different.
- **Events** are not *the* answer.
- **Branded content** is not *the* answer.
- **Video** is not *the* answer.
- **There is no one answer**, but we must find the answers.

Where We're Going

- 25,000 Paid Subscriptions at \$10/month by YE 2022.
- \$2M in Advertising (and Events) Revenue by YE 2022.
- Our readers skew older, higher-income, and whiter – which must and will change.
- Free Access in 350+ K-12 schools by YE 2020.
- Free Access in 200+ local non-profits and community organizations working with low-income residents by YE 2021.
- Free Access to individuals ... eventually.

Thanks For Listening

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