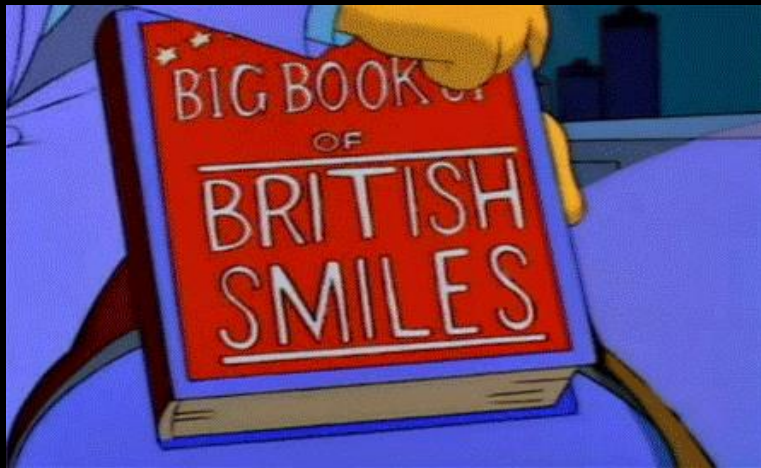


When digital disruption comes to town: How small-market newspapers are thriving



Damian Radcliffe / @damianradcliffe

September 2017



Past Lives



1995



2017

1995 – 1999: The Local Radio Company
1999 – 2003: BBC
2003 – 2008: CSV Media
2008 – 2012: Ofcom (UK Office of Communications)
2012 - 2014: ictQATAR (Ministry of Information and Communication Technology)
2015+ Freelance + University of Oregon

Many hats

Carolyn S. Chambers Professor in Journalism

University of Oregon

Fellow, Tow Center for Digital Journalism

Columbia University, Graduate School of Journalism

Honorary Research Fellow

Cardiff University, School of Journalism, Media and Culture Studies

Fellow

Royal Society for the encouragement of Arts, Manufactures and Commerce (RSA)



New research

Focus on local newspapers:

- **Survey of 420 local newspaper journalists** (*pub May 2017*)
- **Local journalism in the PNW** (*12 interviews, 10 outlets, late Sept 17*)
- **Landscape Review, local newspapers in USA** (*52 expert interviews, Nov 17*)

Research Questions

1. How are small market newspapers (*> 50,000 circulation*) responding to the challenges of digital disruption?
2. What can they do to best prepare for the future?
3. What's going on in my own backyard?



Why this matters

- 1. No new US-wide study since 2011.** Considerable change since then.
- 2. Changes at NYT, BuzzFeed, Vice et al. often dominate.**
- 3. Small + local newspapers often overlooked.**
 - **7,071 newspapers (daily or weekly) in USA** (*Editor & Publisher*).
 - **6,851 have circulations under 50,000.**
 - **Means c.97% of US newspapers are “small market.”**



**Why this is important:
Local journalism matters more than ever**

Frontline of our profession

- Help rebuild trust in era of “Fake News”.
- Often only journalists people ever meet.
- Help translate impact of politics and policy into the day-to-day lives of audiences.
- Insight often lacking in metropolitan media.



Proven democratic value

- Holding authority to account.
- Link to voter turnout and civic engagement.



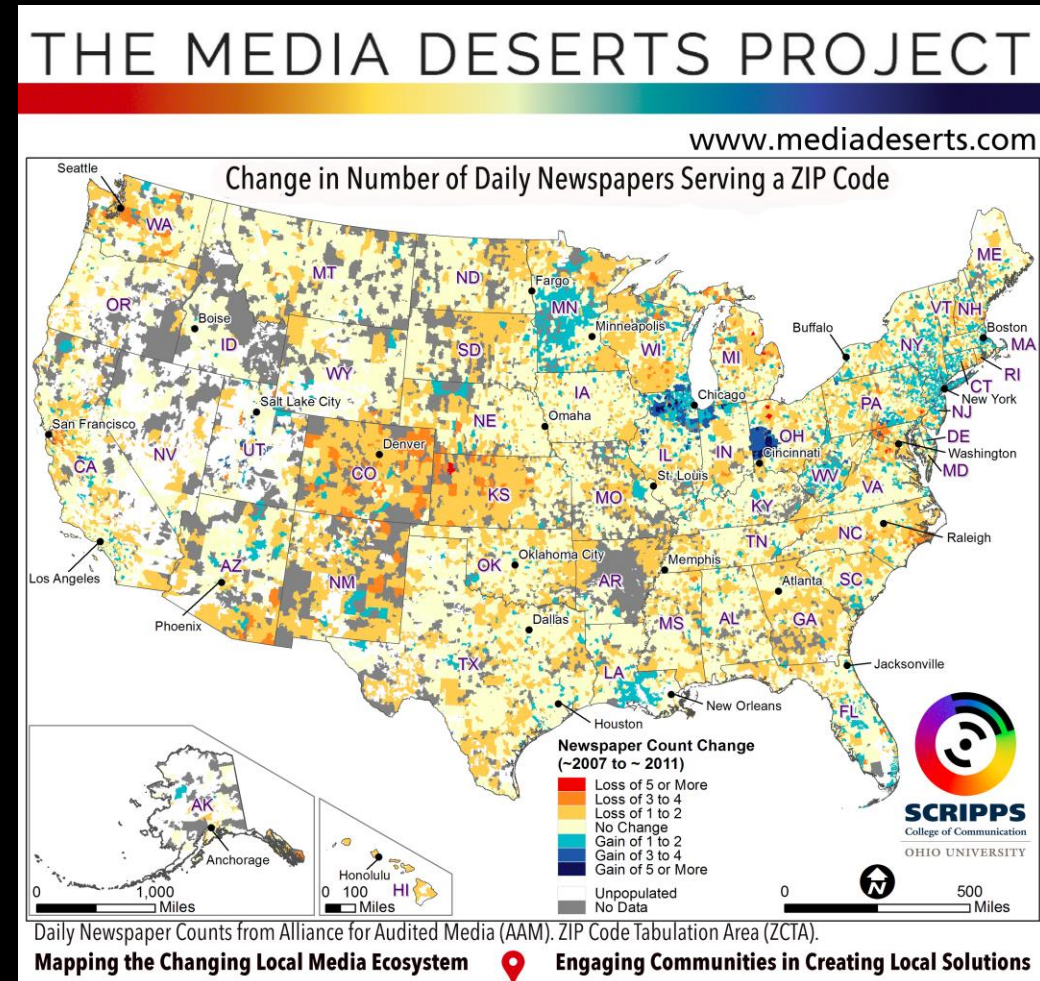
Community value

- Define a sense of place ∴ help create communities.
- Pitbulls + Poodles - audiences value newspaper as “good neighbor”



What happens when it's missing?

1. Declining turnout and engagement.
2. Important stories more likely to be missed.
3. Already disadvantaged communities often most impacted.



Contribution to media ecosystem

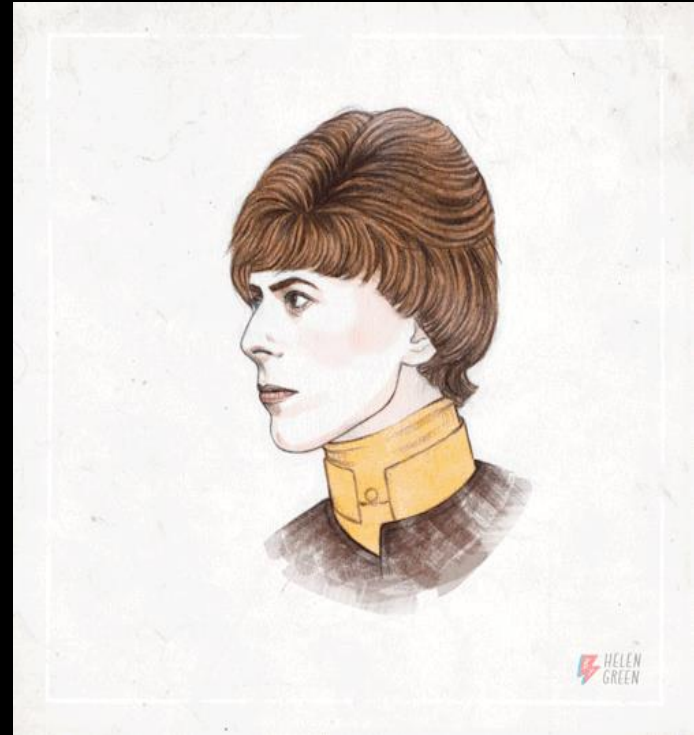
- Historical progression route for young journos.
- Between 48% - 85% of *all* original reporting produced by newspapers.



Where are we now?

Ch-ch-ch-ch-Changes
(Turn and face the strange)

A tumultuous decade



Notable trends include:

1. Fewer journalists.
2. Fewer papers.
3. Consolidation of titles/groups.
4. Emergence of hyperlocals.
5. New digital-first/only entrants.
6. Homogenization of Main Street.
7. Changing ad/revenue models.
8. Battle for attention.
9. New platforms + tools.
- 10. All happening as revenues decline...**

State of the News Media: Key Statistics

Year	Advertising	Circulation	Newsroom
2007	-7.30%	-2.30%	-0.65%
2008	-14.90%	-0.60%	-3.58%
2009	-26.60%	-0.20%	-14.4%
2010	-6.60%	-2.40%	-8.6%
2011	-7.00%	-0.90%	-2.22%
2012	-5.90%	5.00%	-4.99%
2013	-6.80%	1.80%	-4.8%
2014	-6.40%	1.00%	-5.0%
2015	-7.80%	1.20%	-4.1%

Source:

Pew Research
Center

Data a challenge. But clear trends.

JOBS

- Total workforce for U.S. daily newspapers in 2015 = 32,900.
 - Peak of 56,400 in 2001.
- = 23,500 jobs lost in 14 years.

Source: American Society of News Editors

TITLES SHUTTERED

Sources disagree:

- 100 (Pew)
- 245 (FCC)
- 664 (Penny Abernathy, UNC)



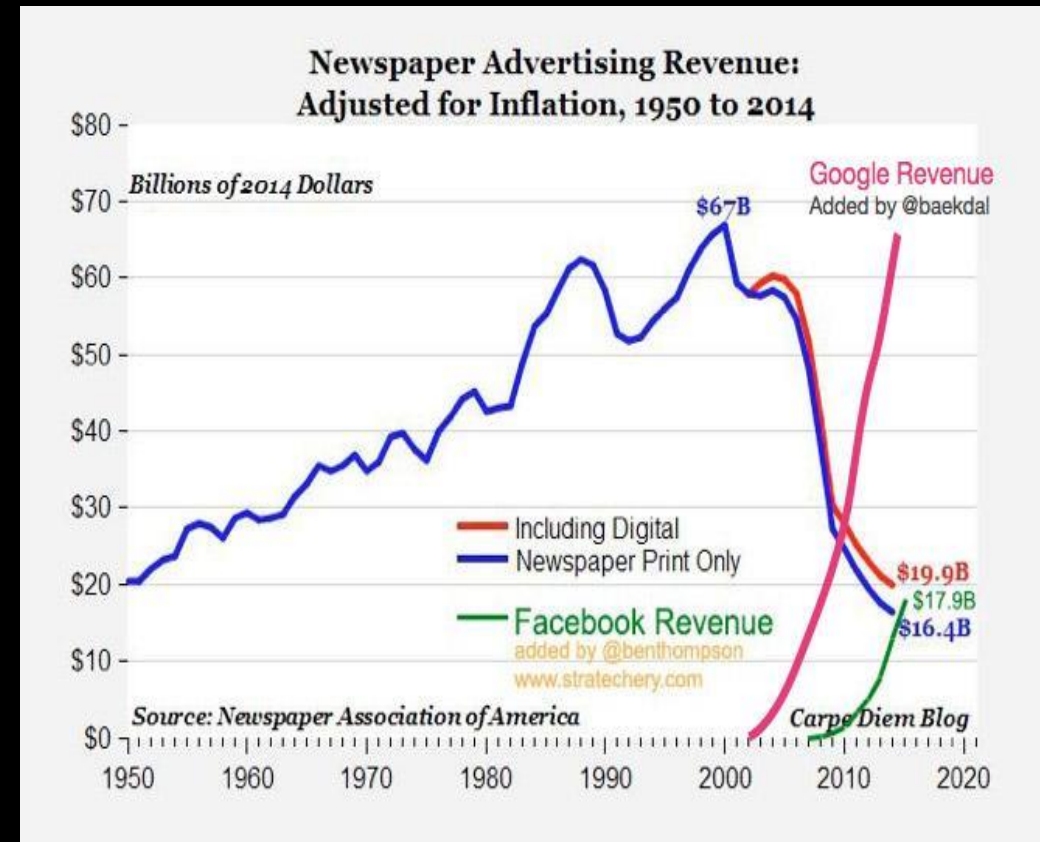
Funding model has changed

- Demise of main street

- Decline of local traders
- Walmartization
- Rise of Amazon



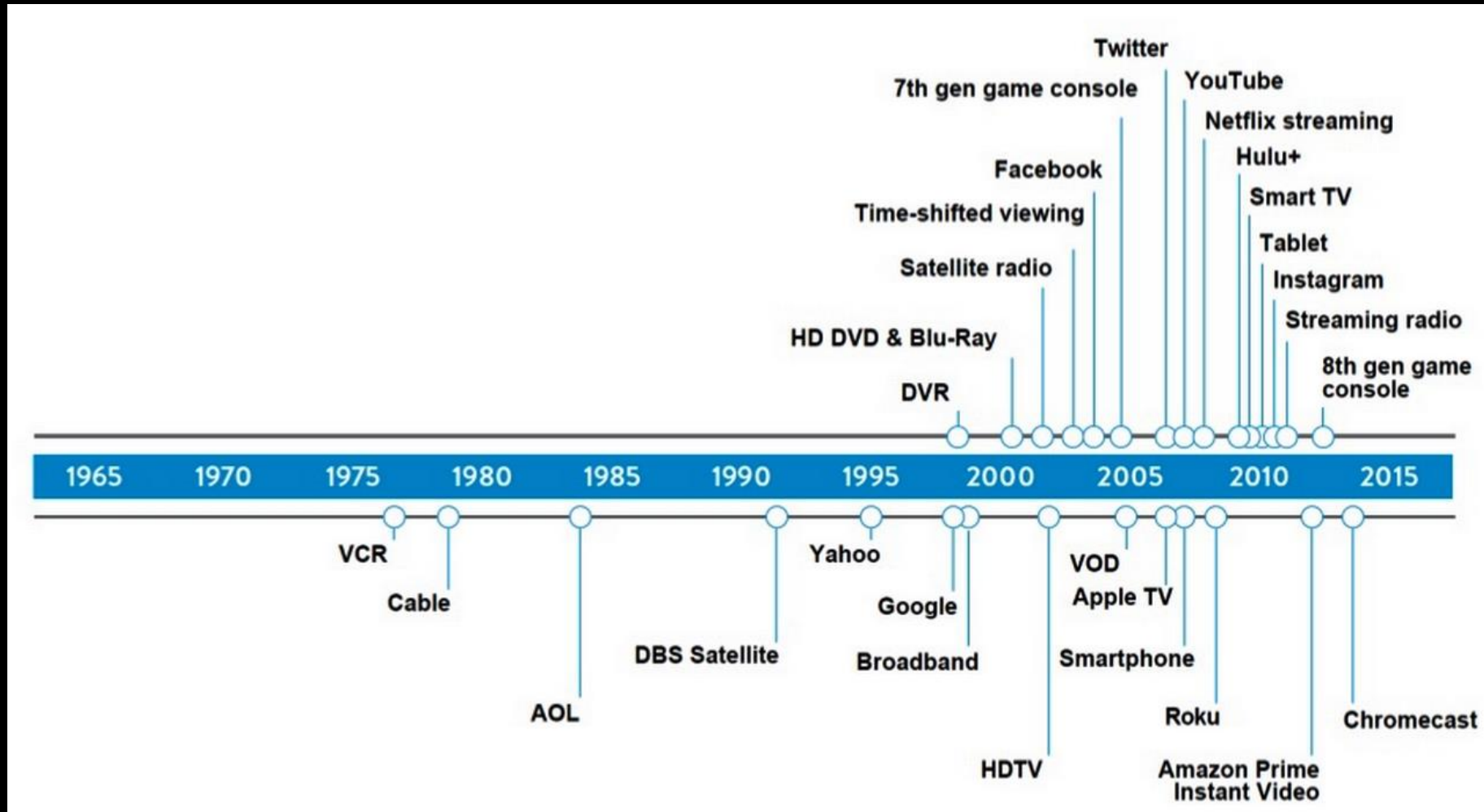
- Creation of new advertising markets



Rapid consolidation

- **E.W. Scripps bought Journal Communications** in 2015 and spun off the newspapers into a new company called “Journal Media Group.”
- **Journal Media Group bought by Gannett** in 2016.
- **Gannett split into two companies** in 2015:
 - Gannett (newspapers) and Tegna (broadcasting).
- **Digital First Media launched in 2013** following the bankruptcies of Journal Register Company and MediaNews Group, while Tribune Publishing (itself a spinoff of Tribune Co.) **rebranded as tronc** in 2016.

Fast changing media/tech landscape





It takes all the running you can do, to
keep in the same place.

If you want to get somewhere else,
you must run at least twice as fast as
that.

The Red Queen

Lewis Carroll
Through the Looking Glass



Research Findings

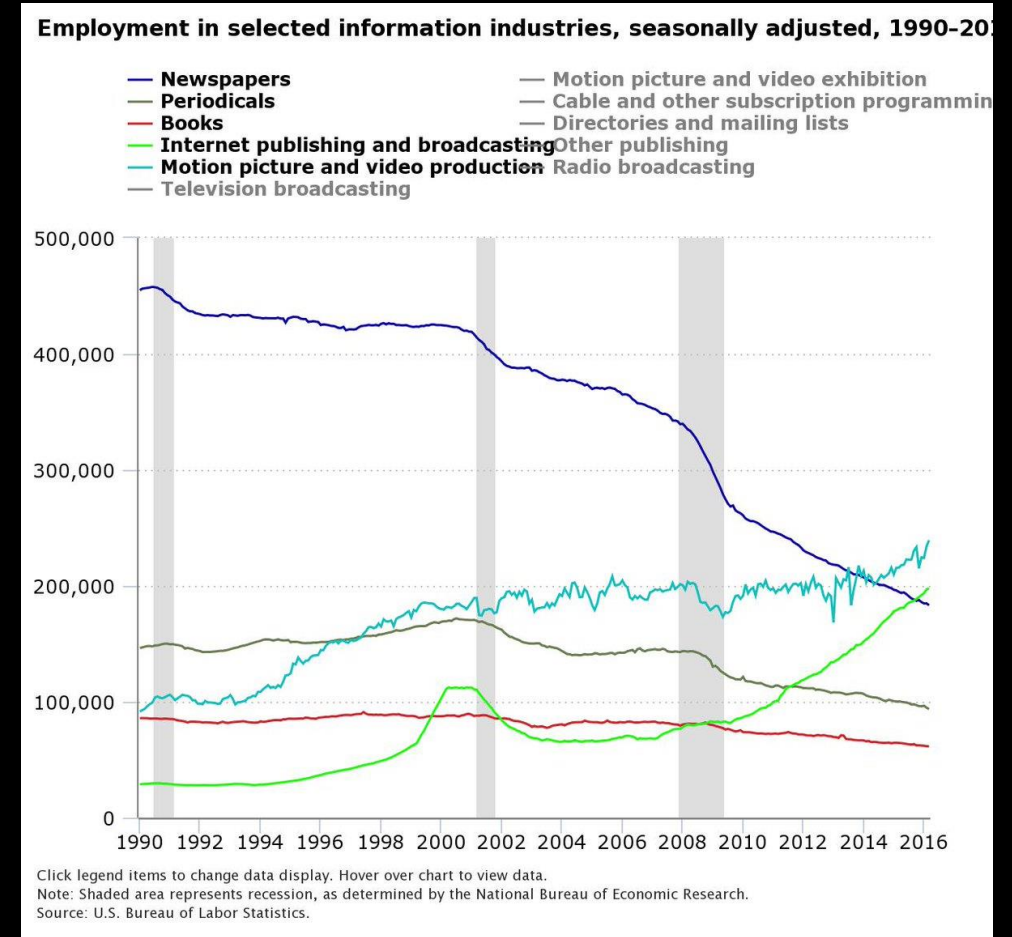
What we found

1. **Optimism** at a greater level than might be expected.
2. **Experimentation and innovation** across the board.
3. **Need for nuance** – plurality of experiences.

+ Hunger for case studies and peer-to-peer learning

The need for nuance

- Myriad of models / experiences.
- Data tends to be aggregated.
- Need to unpack and tell the true story.



Optimism

1. People still buying local papers.
2. Often source of unique reporting.
3. Closer to audience than metros.
4. Change coming at slower pace.
5. Value of brand and heritage.

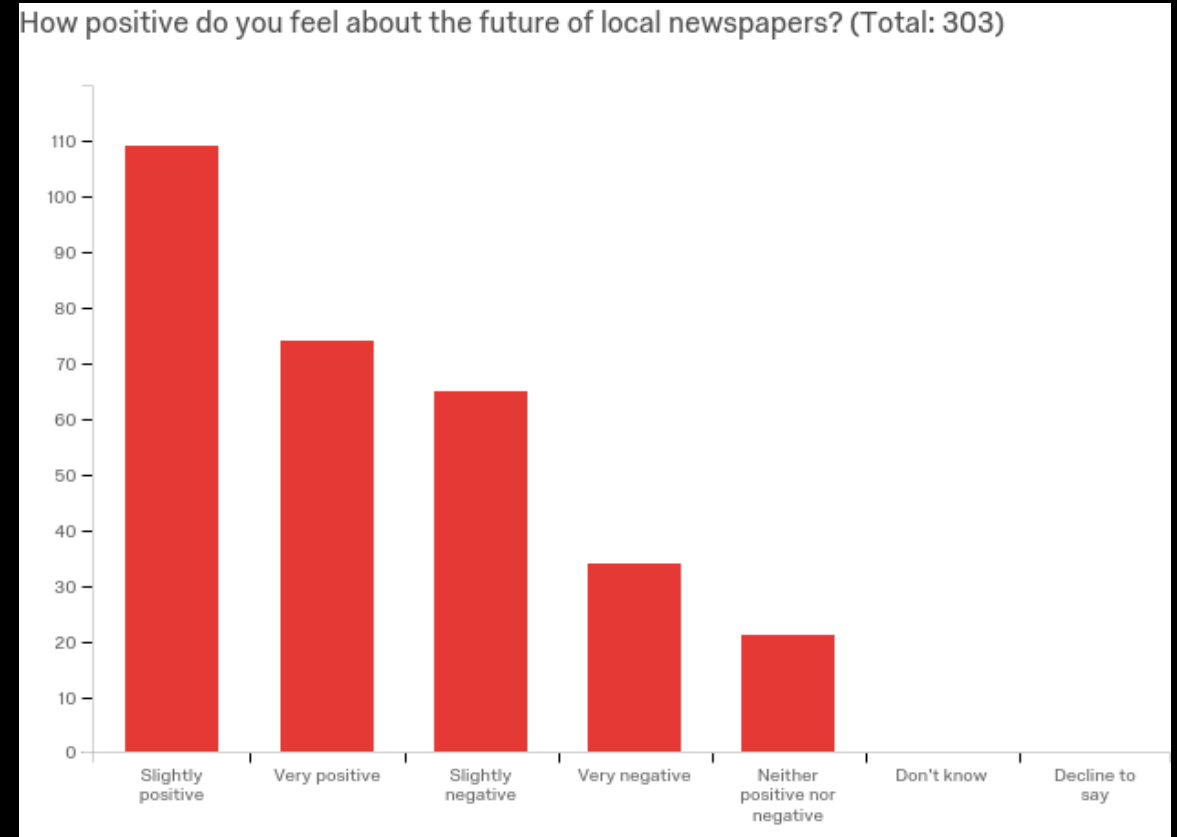


View shared by journalists

- 61% “very positive” or “slightly positive” about the future of small market newspapers.

“What makes small market papers special is right there in the name - their size.”

- 34% had “slightly negative” or “very negative” views.



As a former metro and small market editor reflected:

“I think there is an opportunity for small newspapers more than the larger ones... Because you might know your neighbor, who was in the paper yesterday. And the smaller newspapers do a better job of getting more people in the paper than the larger ones as well.

I think that forming that type of relationship with the community is still there in smaller papers. And I think it's more difficult in the metro markets.”

Innovation and Experimentation

- Revenue streams.
- Business models.
- Journalistic practice (aka content).
- Evolving philosophy and approach.



10 x revenue examples



1. Paywalls & Subscriptions

- Newer than you might think.
- IP flexibility.
- Special offers.
- Weeklies often reliant on single copy sales.



2. Spin-off services

- Website building.
- App creation.
- Digital marketing.
- Printing presses.



“I think when you’re a small business and you’re getting calls from five different people claiming to be able to help you with your website and you have never heard of four of them and one of them is the local newspaper, I think you may get the local newspaper [to help you].”

Steven Waldman

3. Events

- Geographic communities.
- Communities of interest.
- Sponsorship.
- Ticket sales.
- + *Story generation*



4. eCommerce

- Photos.
- Historic copies.
- Harness archive.
- Online shop.



Fire crews fight blaze in southern Grant County

Blue Mountain Eagle

Published on June 9, 2016 1:35PM



Buy this photo

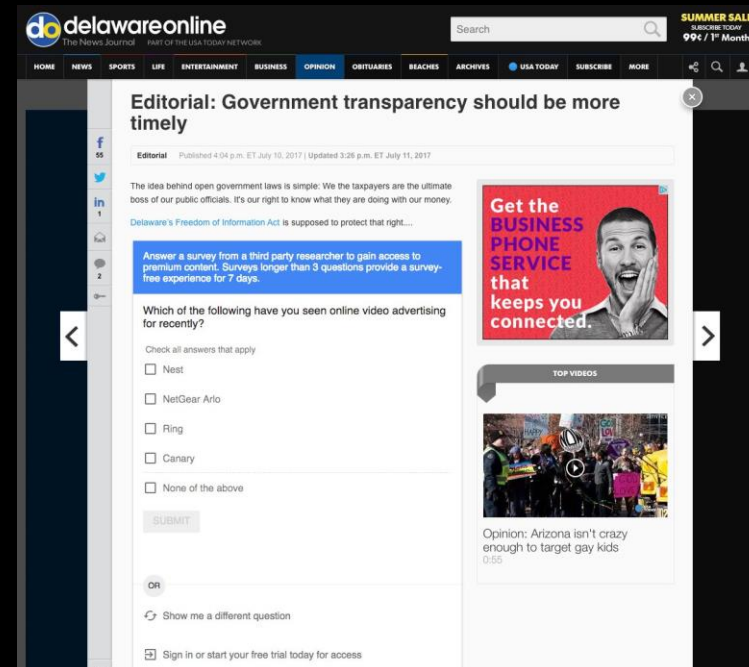


Eagle file photo Clinton Shaver, with the Molalla Rural Fire District, watches as a tree goes up in flames on the Canyon Creek Complex south of John Day last year. Fire crews responded to a blaze 3 miles southeast of the intersection of Forest Roads 15 and 16 Wednesday.

5. Additional ideas

Include:

1. Crowdfunding for specific roles, stories and beats.
2. Newsletter ads/sponsors.
3. Podcast ads/sponsors.
4. Membership schemes.
5. Obits.
6. Google surveys.

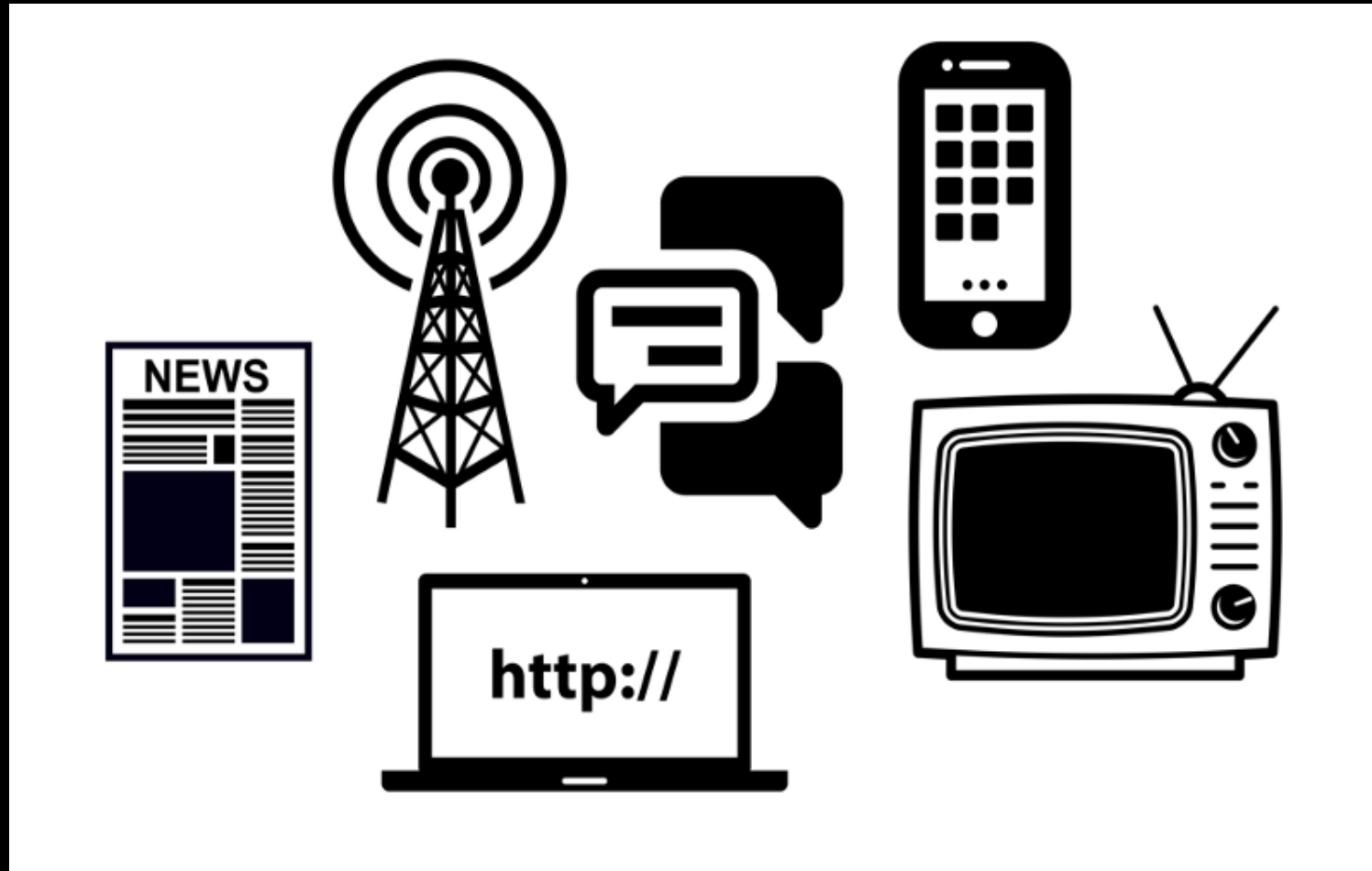


Revenue Takeaways

- **Diversification is key.**
- **Plenty of great ideas out there.**
- **“Respect print and grow digital.”**
- **Print still 75% of revenues (if not time).**

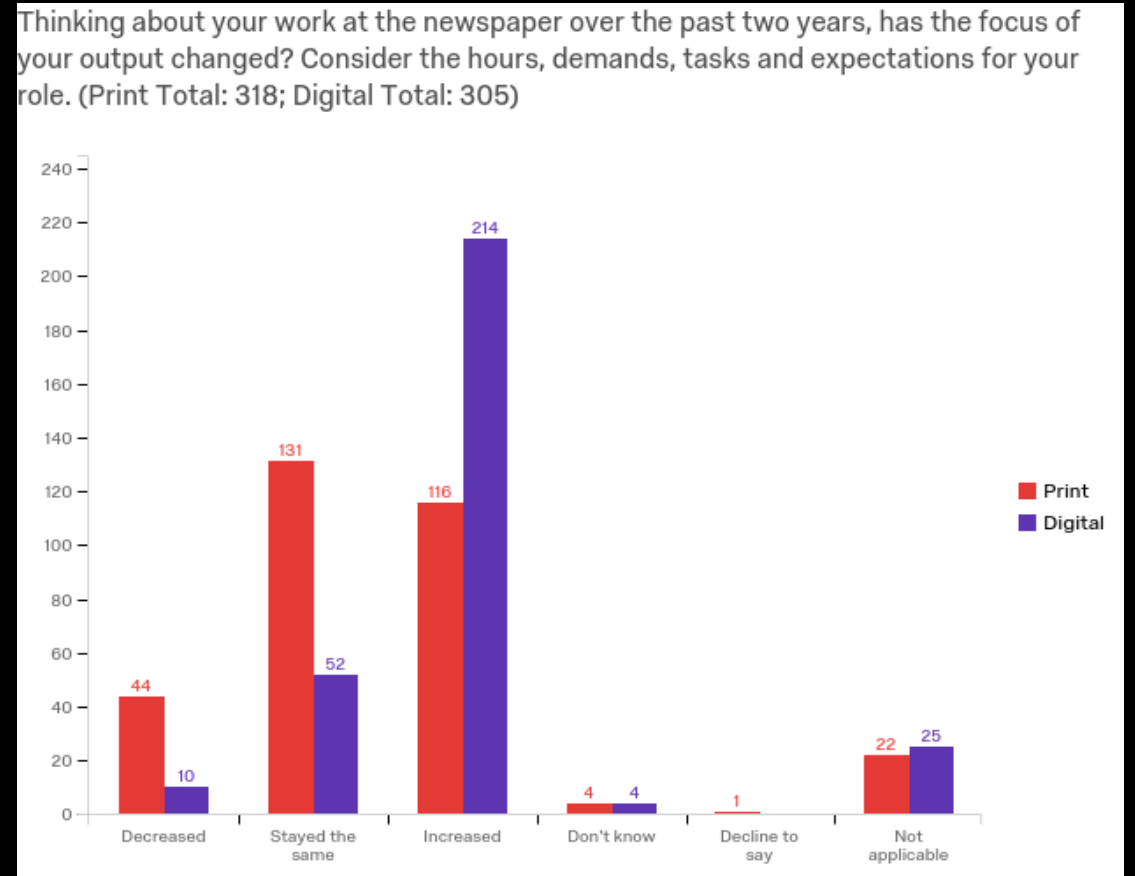


Changing journalistic practice

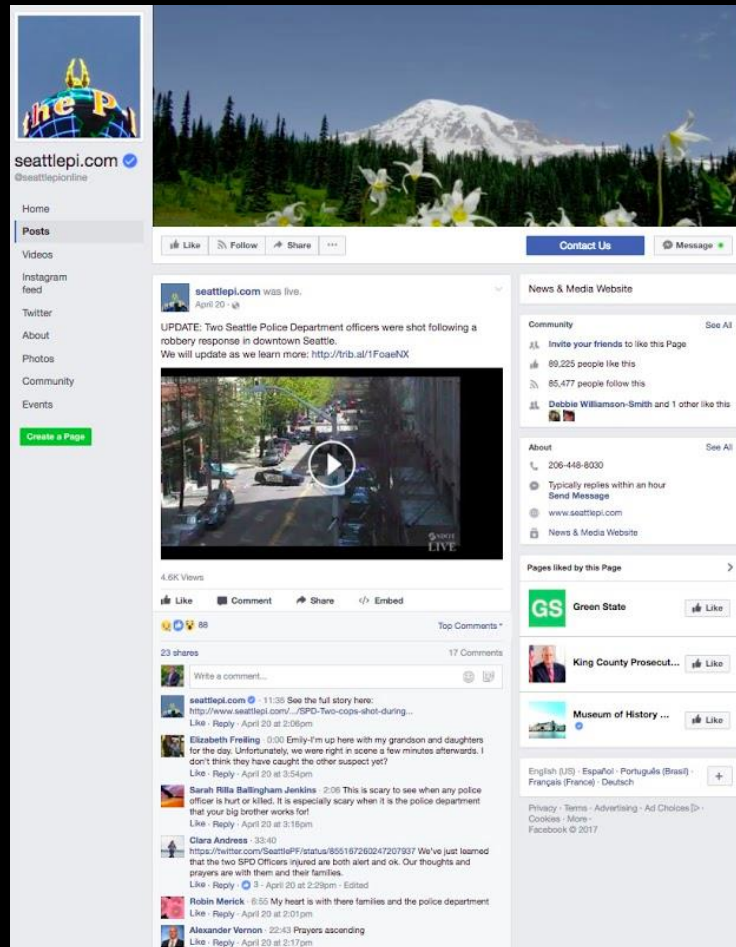


Digital output as standard

- Increasing focus of role.
- Compared to two years ago, 70% said they were now spending more time on the digital side of their role.
- 46% also indicated the number of stories they produce has increased.



Including new platforms/formats

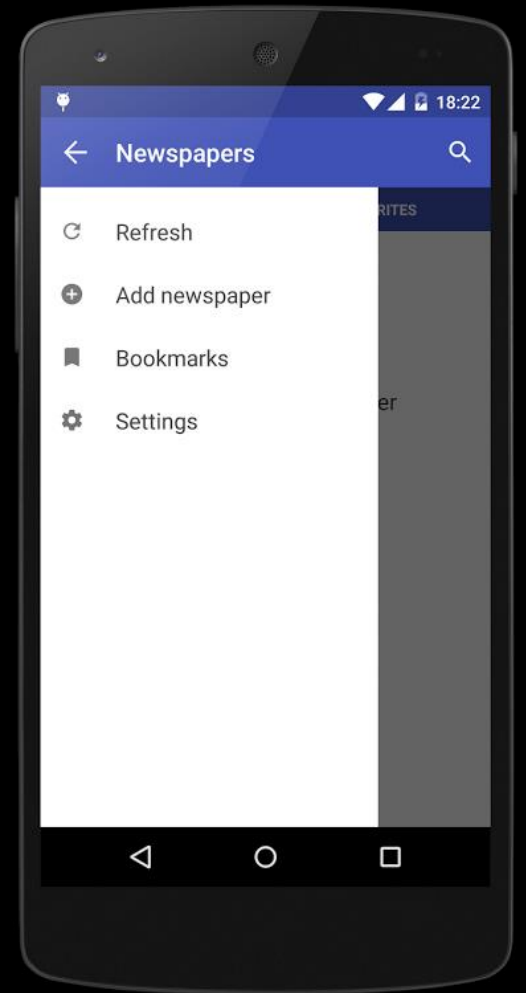


The screenshot shows the SeattlePI Facebook page. The profile picture is a colorful 'The PI' logo. The page name is 'seattlepi.com' with the handle '@seattlepionline'. The left sidebar contains navigation links: Home, Posts, Videos, Instagram feed, Twitter, About, Photos, Community, and Events. A green 'Create a Page' button is at the bottom of the sidebar. The main content area features a post from 'seattlepi.com' dated April 20, 2017. The post includes a video player showing a street scene with police cars and a 'LIVE' indicator. The text of the post reads: 'UPDATE: Two Seattle Police Department officers were shot following a robbery response in downtown Seattle. We will update as we learn more: <http://trib.al/1FoahXK>'. Below the video, there are 4.6K views, like and comment buttons, and a list of comments. The right sidebar contains a 'News & Media Website' section, an 'About' section with contact information (206-448-6030, www.seattlepi.com), and a 'Pages liked by this Page' section listing Green State, King County Prosec..., and Museum of History...



But often an uneasy relationship

- **Some platforms eschewed.**
- **ROI unclear: conversion to print/pay, how to make digital pay, branding and marketing.**
- **Where do you place your bets/resources?**



“A lot of news organizations are putting strategy and time behind Snapchat, not making any money, not bringing anyone into your site because there’s no way to link or anything from it.

Are you hoping the money follows, or are you doing it just because that’s where an audience that you're to reach is, and you're hoping they will hear our message and then come back to your site?

What does success look like on a platform like that?”

Amalie Nash

Growing role of metrics/analytics

Old

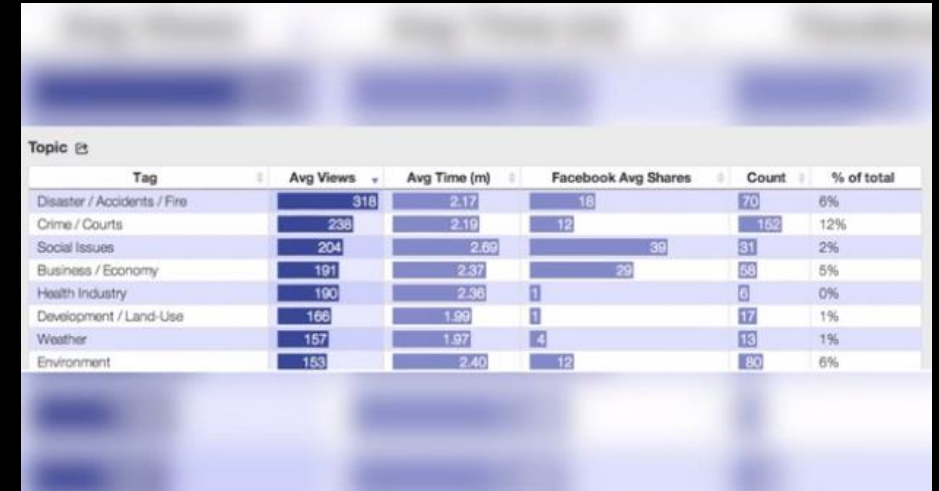
- Uniques, bounce rates, social shares

Newer

- Time on site, point of origin (on/off site),
journos pay based on reach/impact

Emerging

- A/B headline testing, story formats (e.g. listicles, explainers), story genres/verticals



The image shows a screenshot of a data analytics dashboard. At the top, there's a blurred header. Below it, a table titled 'Topic' is displayed. The table has six columns: 'Tag', 'Avg Views', 'Avg Time (m)', 'Facebook Avg Shares', 'Count', and '% of total'. The rows list various topics with their corresponding metrics.

Tag	Avg Views	Avg Time (m)	Facebook Avg Shares	Count	% of total
Disaster / Accidents / Fire	318	2.17	18	70	6%
Crime / Courts	238	2.19	12	152	12%
Social Issues	204	2.69	39	31	2%
Business / Economy	191	2.37	29	58	5%
Health Industry	190	2.36	1	0	0%
Development / Land-Use	166	1.99	1	17	1%
Weather	157	1.97	4	13	1%
Environment	153	2.40	12	80	6%



“I think there's a hesitancy in the newspaper industry among reporters to not recognize that what the metrics are telling us is that we need to change the content.

“I think we lose people that could be engaged when we make the news too boring for them to come get it...

They like when we can tell them a whole story, or tell them an important story, but they don't need us to just act as a kind of stenographer of government.”

Levi Pulkkinen

Engagement / Engaged Journalism

- **Off-site (digital).**
- **Off-site (IRL).**
- **Accessibility / Visibility.**
- **Listening.**

As the advertising model continues to decline, more newsrooms realize they need to blend direct support from audiences into their business model. Making the case for direct support requires newsrooms to build stronger, direct relationships with the public. As a bonus, these deeper relationships make for more fulfilled reporters, too.



Show your work: Helping reporters be more tra...
Hearken



“We created a ten-person engagement team ... charged with communicating with readers across any of the platforms that we operate on and that our readers operate on, but also with thinking on how we connect with people in the real spaces...

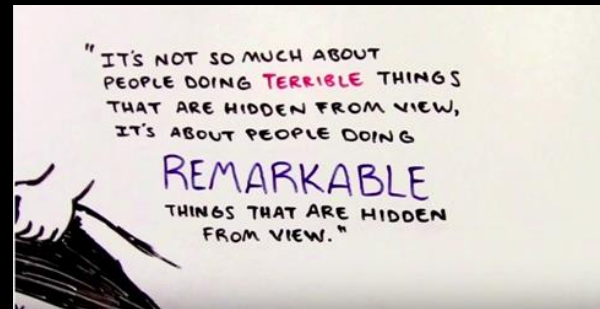
So that means in the event space, is the community connecting around what are we doing to further our relationship with our readers in a meaningful way?

How can we demonstrate to them the value of a local news organization and that it goes beyond the printed product?”

Lauren Gustus

Philosophical shifts

- Objectivity and Distance.
- Advocacy.
- Solutions Journalism.
- Part of the community not just reporting on it.



Good Solutions Journalism:

1. Can be character-driven, but focuses in-depth on a response to a problem and how the response works in meaningful detail
2. Focuses on effectiveness, not good intentions, presenting available evidence of results
3. Discusses the limitations of the approach
4. Seeks to provide insight that others can use

* Draws on sources with ground-level understanding

“Engagement is a \$5 word dreamed up by over-paid consultants trying to sell newspapers on what they are already doing -- reporting on the lives and concerns of everyday people in their communities.”

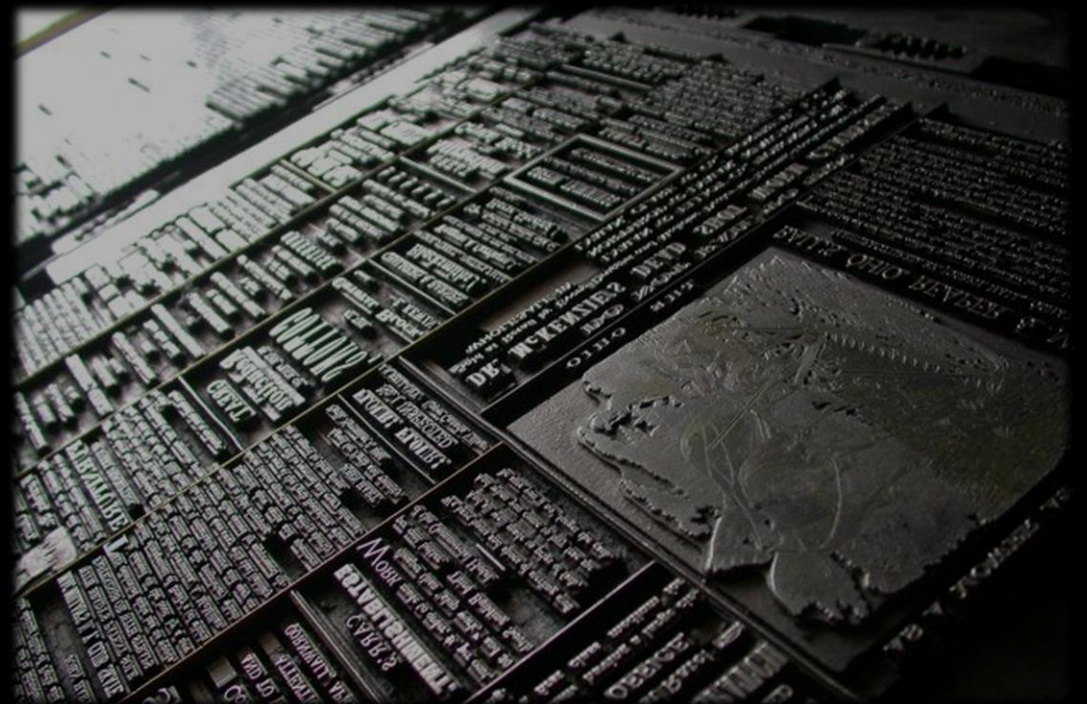
“Meaningless bullshit.”

“A meaningless term handed down by our clueless corporate overlords that no self-respecting journalist would use.”

What does this mean to you?
Seven strategic considerations

1. Won't be the same as the past

- Fewer boots on the ground.
- Smaller profits (if any).
- Battle for attention.
- More routes to eyeballs.



This isn't going to change.

2. Focus on original reporting

“You can do anything, but you can’t do everything.”

- **Often only provider in town.**
- **Double-down to maximize likelihood of paying audiences.**



3. Selectivity

- Define and own the master narrative of your community.
 - Analytics can help identify issues and frame coverage.
 - Critical friend (champion and critic)

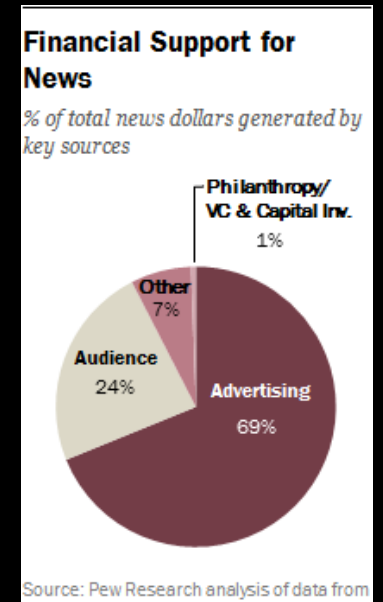
Implications:

- End of “general store” approach?
- Killing, or changing, certain beats.



4. Income diversification is key

- Move away from ad-dependency.
- Events, Media Services, Crowdfunding et al.
- New funders (e.g. local/state foundations)
- Audiences (some) will pay for content!



"The way the Trib covers politics is even-handed, transparent and trustworthy, and that's really important to me."

— LORENA REYNA,
SUSTAINING MEMBER

5. Create time/space to innovate

- Experiment. Fail fast.
- Revenue + Content philosophy.
- Invest in R&D.



“There are a lot of opportunities to shift the business model, they take a little bit of time and a little bit of runway.”

Mark Zusman, editor and publisher of *Willamette Week* (OR).

6. Partner on everything else

- Beats.
- Innovation.
- Tech.
- Ad inventory.



7. Change the narrative

- Great work going on. Need to share it!
- “Doom and Gloom” risks becoming a self-fulfilling prophecy.



“We are allowing the naysayers to kill our industry.

We still offer something unique which residents want, but we allow the screaming voices of gloom and doom to convince people that we are worthless.”

Survey respondent

Thanks for listening.

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