

## Additional background information

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*Collected by Ellen De Blende*

### 1 “Chasing Sustainability on the Net : International research on 69 journalistic pure players and their business models” – Editors: Esa Sirkkunen, Clare Cook

[http://tampub.uta.fi/bitstream/handle/10024/66378/chasing\\_sustainability\\_on\\_the\\_net\\_2012.pdf?sequence=1](http://tampub.uta.fi/bitstream/handle/10024/66378/chasing_sustainability_on_the_net_2012.pdf?sequence=1) (2012)

#### *Abstract*

The SuBMoJour study maps sustainable journalistic startups in nine countries. It includes an online database detailing the business models of these entrepreneurial sites ([www.SuBMoJour.net](http://www.SuBMoJour.net)) and an accompanying narrative analysis. The study supports research to date that online environments offer the necessary market characteristics for niche journalistic sites and content production. There is a rich and diverse set of media case studies in the database, all with their unique interpretation of serving communities or reportage. The study maps the business models of journalistic startups firstly within national settings, thus allowing for a comparison between countries, and secondly in terms of revenue models. It includes 69 case studies gathered by semi-structured interviews over 12 months by an international team of researchers.

In our findings the business models of the cases fall into two main categories: those which have storytelling-orientated business models and those which rely on a more service-orientated model. The sites whose business model is based around storytelling are still prevalent in our findings. These sites focus on making money from producing original content, news and stories, for audiences. The difference to the mass media model is that in the online world the target audience is smaller. Online journalism relies heavily on niche audiences built around targeted themes such as hobbies, neighborhoods or psychographic tendencies. In this niche journalism there is a tight triangulation between journalistic content and advertised products. The other group, service-oriented business models, seems to be growing. This group consists of sites that don't try to monetize the journalistic content as such. For example citizen journalism sites are more like platforms that curate and moderate citizen-oriented content, or news aggregators compile stories from other outlets. Some startups have specialized in selling technology, information, training or diversifying to redefine what it means to do news.

The project was able to identify several revenue sources used. In advertising, display was the most widely used source including cost per view, cost per click as well as weekly rates, ad networks and sponsorship. Paywalls, subscriptions and freemium models were evidenced as methods to charge for content. Less common were revenue sources such as affiliate marketing, donations, selling data or services, organizing events, freelancing and training or selling merchandise. Where it was hard to evidence entirely new revenue sources, it was however possible to find new ways in which revenue sources have been combined or reconfigured. As such, while there may be a lack of new revenue sources among startups, there is potential innovation in new business models by way of combining revenue sources in new and interesting ways to make sites profitable in the long term.

Most of our cases are not challenging the legacy media, rather supplementing it by serving smaller niche audiences or finding a place in the media ecosystem as suppliers of niche content to bigger media outlets. Finding a new place in the supply and demand chain of news can become an important feature of some pure players. Grassroots product development is also an area of increasing interest. Cases within this study support a growing trend for innovative platforms, either within the app economy, multimedia or mobile.

The project aims to increase the resources on which media entrepreneurs can draw acknowledging the growing likelihood for journalists to work alongside, within or indeed create such entities. The report also offers advice for those who are planning to start their own journalistic site. For example it is crucial to keep your costs low, team small and master many skills – including entrepreneurial thinking and building relationships with the advertisers from the start. It is also important to know the niche that you are serving and build the concept so that the site offers more valuable content or services for the users than competitors.

#### *Acknowledgments*

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## **2 What is quality journalism and how it can be saved? – Johanna Vehkoo**

[https://reutersinstitute.politics.ox.ac.uk/fileadmin/documents/Publications/fellows\\_papers/2009-2010/WHAT\\_IS\\_QUALITY\\_JOURNALISM.pdf](https://reutersinstitute.politics.ox.ac.uk/fileadmin/documents/Publications/fellows_papers/2009-2010/WHAT_IS_QUALITY_JOURNALISM.pdf) (2009-2010)

#### *Introduction:*

“So, what’s the subject of your research at Oxford?”

“Ehm... the future of quality journalism.”

“Oh. That’s... a big subject. What is quality journalism?”

“Do you want the short or the long answer?”

Above is a most typical bit of conversation between me and countless numbers of people who I met during my time as a Journalist Fellow at the Reuters Institute. I am still working on the short answer, but I think it will be something like this: “Quality journalism is something a democracy cannot do without.” The long answer is this paper. I am not that worried about the survival of newspapers, but I am deeply concerned about the survival of journalism. I chose this admittedly vast subject because I was becoming increasingly frustrated about the debate on the future of journalism. To me, it seemed like everyone was fixated on finding a new business model that would save the old newspaper industry. At the same time news organizations were laying off people and squeezing budgets for specialist and investigative reporting. While I too would, of course, like to see someone come up with a panacea, I am not at all sure that it will happen. It seems that the business model is not the only thing that is broken, but it is the product as well. The difference is that the business model was

broken from the outside. The product, namely quality content, is being eroded from the inside of news organizations.

The general understanding of the crisis of the traditional media, especially newspapers, goes like this: When the Internet started spreading among the masses, the advertisers fled from the printed press. Classified ads particularly were cheaper – or indeed free – to put up online where they could also easily target the right people. Pressures of declining advertising revenues, plummeting circulations and investing in online operations have led to massive lay-offs all over Europe and the USA.

All of the above has led to a vicious circle: cuts in the newsroom are likely to cause weakening of the quality of journalism, which alienates the audience, which in turn puts further pressure on the maximising of revenues, which again leads to further staff cuts, and so on... This spiral points downward, and it is potentially dangerous for the survival of high quality journalism, and with it, functioning democracy.

In addition to these worrying trends there is also a core of evidence which states that the press might not have actually been doing its job well enough. At least part of the crisis seems to be self-inflicted. The apotheosis of this view is best portrayed in Nick Davies' book *Flat Earth News* (2009).

But this is not a gloom-and-doom predicting paper about the looming demise of serious news, nor does it give yet another detailed account of declining circulations and lay-offs. This paper reaches out to the people who want to save journalism and make it better.

I begin this study with an overview of how previous research has attempted to define and measure quality in journalism. I will extract a definition of high quality journalism from this literature and out of my own assessment of it. My study also draws from 11 interviews with academics as well as practicing journalists and editors. In addition to defining quality journalism, my aim is to tackle some of the topical issues surrounding journalism's role in democracy. These debates include the juxtaposition of professional and amateur media, the democratizing effects of the Web, the perils of the traditional media and the ramifications of targeted contents and fragmented audiences on the Internet. This study is not about newspapers as ink on paper, but it is about the functions that have been traditionally associated with them – informing the public and the watchdog role. Nevertheless, I have mainly focused on newspapers as a medium, both in print and online, for several reasons. First of all, so far the crisis has hit print media worst, and therefore there is already an extensive scholarship about the perils facing newspapers. Secondly, I decided not to include other media in my interviews or the literature I've read, because that would have blown my already big subject out of proportion. Public service broadcasting, and especially its core purpose, is sometimes referred to, but its role in the information society is not fully analysed. Thirdly, my own career has been in newspapers, so I have been able to use my own experience and knowledge of what it is like to work in one.

When I tell people about my research subject, they very often ask me about 'the business model'. It is, luckily, not my job to find a new business model for newspapers. This paper is not about that. I am sure that somewhere out there a multitude of astute business people are already being paid to think about business models. I can hardly fill in my tax return. Journalists, like me, are usually better

equipped to think about journalism, and what it should be like if they got to decide. This study is my attempt to figure out what needs to be done in terms of saving quality content and making it better. Actually, the crisis of traditional news organizations could turn out to be a good thing. It should force us to reinvent our journalism, to figure out our core purpose again. In order to achieve that, it is important to define what we mean when we talk about quality.

I am fully aware of choosing a vast subject and that in this limited time of an academic year I can merely scratch the surface of quality in journalism and explore only some of the possible ways it could be saved. However, I aim to give some basis for further discussion and, hopefully, action among my fellow journalists, editors and newspaper owners who share the same concern about the survival of high quality journalism.

### **3 The functioning of the troika: a report from the ETUC**

[http://www.etuc.org/sites/www.etuc.org/files/press-release/files/the\\_functioning\\_of\\_the\\_troika\\_finaledit2.pdf](http://www.etuc.org/sites/www.etuc.org/files/press-release/files/the_functioning_of_the_troika_finaledit2.pdf)

In response to the European Parliament enquiry report on the role and operations of the Troika, this paper sets out the experiences of trade unions with the economic and social policies conducted under the regime of the Troika. It is based on the replies by affiliates from Cyprus, Greece, Ireland and Portugal to a questionnaire organised by the ETUC.

### **4 A fundamental shift in the mode of news production. – Robert Picard**

<http://themediabusiness.blogspot.fr/2014/01/a-fundamental-shift-in-mode-of-news.html>

(January 2014)

Changes in news production and journalistic employment are often simplistically explained as the results of technology, recent economic conditions, or changes in audience preferences. All these factors have played roles, but a more fundamental and consequential shift is altering the nature of news work and news production.

For more than a hundred years news production has been characterized by the industrial mode of production in which news factories mass produced news. They brought together the resources and equipment necessary for gathering and disseminating news and they relied on trained and professionalized news workers. The product became property exchanged in markets, with geographical, market, and economic factors constraining competition to provide news products.

Although some elements of that production mode remain in place, one can observe news provision splitting into two new production modes—a service mode and a craft production mode. These have enormous implications for the work of journalists and how news is provided in society.

The service mode is one in which news products (newspapers, broadcasts) are being transformed into services with news providers streaming news and information across a variety of platforms, such as print, computer terminals, tablets, and smartphones, and other screen-based devices. They are now focusing more on distributing news rather than gathering and producing it and are relying more on news and commentary produced by news services, content provided to them by the public, and links to other news providers than on their own production.

These news service providers are using pricing models that differ from those of the original product base, with varying prices for access to different bundles of platforms and different levels of access to premium and specialized news content. Pay systems such as those of Press+ and Piano Media are providing mechanism for paid access to multiple news providers—a new form of service. The shift to the service production mode follows that of the paid streaming audio and video services that have proliferated in the past decade.

The shift is making news service providers increasingly dependent on acquisition of news content produced by others, leading them to offer their content at relatively low prices, and inducing them to create better user experiences. We will increasingly see such services offered at the national and international levels by larger news enterprises.

Concurrently, a different form of production is developing and gaining acceptance—the craft mode of news production. This is production by journalist entrepreneurs and small-scale journalistic cooperatives that are emphasizing the uniqueness and quality in their news. Those working in the craft mode are focusing on special topics such as climate or defense, employing specialized techniques such as investigative or data journalism, or serving smaller localities as general providers. Most are providing news directly to consumers, as well as providing materials to those practicing the service mode.

These new modes have important implications for how journalists work, the resources available to them, and how they organize their careers, compensation, insurance, and pensions. To date, little consideration has been given to how cooperative institutional support for news workers should be organized in this new environment. Journalists unions remain an artifact of the industrial mode of production and are changing very slowly and professional associations remain focused on issues other than work and labor. Something needs to change.

## **5 Managing Change. Innovation and Trade Unionism in the News Industry – Andreas K. Bittner.**

<http://www.ifj.org/assets/docs/247/180/1265ff7-f512fb4.pdf> (2011)

### *Preface*

The media industry is undergoing a revolutionary change. Only few actors attempt to untangle the changing relationship and deal with some important questions raised over the quality of journalism and the increasingly volatile working conditions faced by journalists. The report *Managing Change in Journalism* published by the European Federation of Journalists (EFJ) attempts to answer these questions through a thorough analysis of a drastically changing media environment. Based on the responses of a survey conducted on twenty-five EFJ affiliates in eighteen European countries, the report presents an examination of the strategies and policies of the unions with regard to the changes taking place in the news industries across Europe. Following the publication of an IFJ report *Journalism: Unions in Touch with the Future* last year (see <http://www.ifj.org/assets/banners/133/054/87da685-0cf1236.pdf>), this report provides an updated analysis on the impacts of the changes upon journalists' and their unions' work. It examines how journalists' unions and collective bargaining can play a positive role in the changing environment to secure better working conditions when more of the workforce becomes freelance. It also begs the question over the survival of journalism as a public good and overcoming the challenges faced by journalists in a time when the ubiquitous mobile telephone has handed to everyone the capacity to

be an on-the-spot “reporter” of news events. We hope this report will provide journalists and their unions a fresh inspiration to rekindle the spirit of mission and solidarity of their work. We would like to thank all unions who have taken their precious time to respond to the survey and in particular the author of the study, Dr. Andreas Bittner, an online journalist from Germany, who provides a sharp and forward-looking analysis in this report. Last but not least, thanks to the European Commission for the financial support, without which this important project would have been difficult to implement.

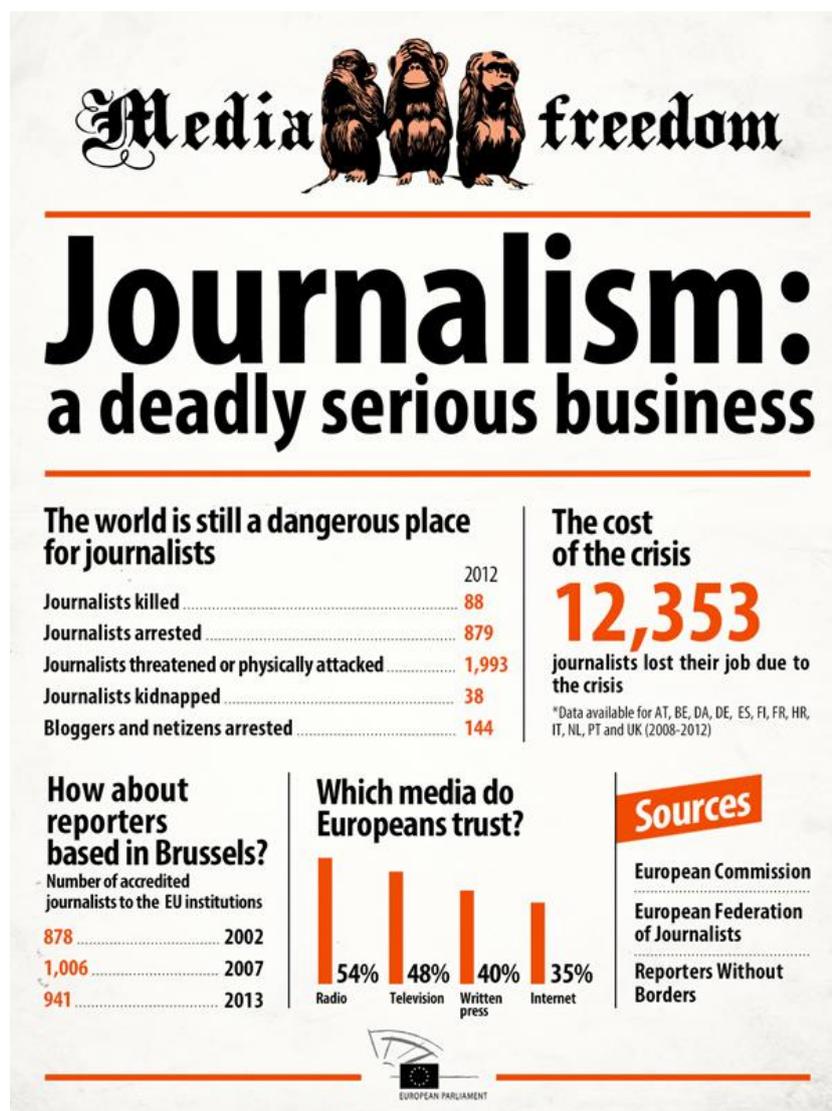
Arne König, EFJ President

Renate Schroeder, EFJ Co-Director

## 6 Press Freedom Day: the challenges facing journalists today

<http://www.europarl.europa.eu/news/en/news-room/content/20130426STO07649/html/Press-Freedom-Day-the-challenges-facing-journalists-today> (May 2013).

The role of journalists as democracy's watchdogs is proving increasingly hazardous. Not only have thousands of them lost their job due to the crisis, but they are also at risk of being arrested, kidnapped or even killed in the line of duty. To ensure the freedom of the press and access to information, Parliament is currently working on new initiatives. As today we mark Freedom of the Press Day, find out about the challenges facing journalism in our infographic.



*Update on job losses:*

In **France**, about 400 journalists lost their jobs and more than 2.000 jobs in the media were cut. Especially the sectors: regional daily press, magazines and television are under a lot of pressure. <http://www.journalisme.com/les-assises/les-bilans-des-assises/1366-le-barometre-de-l-emploi-des-journalistes-assises-2013>

In **Spain**, 4.434 journalists lost their jobs during 2013. This figure has been mainly increased by the brutal closing of the regional TV channel Radio Televisio Valenciana (RTVV, also Canal 9). (At least 10.193 journalists and other media staff lost their job in Spain since November 2008.)

## **7 Creative funding for creative media. Crowdfunding guide for media professionals. – Future Media Lab**

<http://www.futuremedialab.info/wp-content/uploads/2014/01/FML-ECN-EMMA-crowdfunding-guide-final.pdf> (January 2014)

[The Future Media Lab](#) aims to help media professionals explore new opportunities to develop their business. Innovative ways of funding quality journalism and other media projects are one way to achieve the extra bit needed, as many examples across Europe proof already today.

Therefore the Future Media Lab., in cooperation with the European Crowdfunding Network and the European Magazine Media Association, runs a series of highly interactive, inspirational and educative workshops that aim to bring participants up to speed on how to use crowdfunding within their own business context. Crowdfunding is a collective of cooperation, attention, and trust, by people who network and pool their money and other resources together, usually via the internet, in order to support efforts initiated by other people or organizations.

It is not easy to introduce new ideas, products and services in today's media industry: there is always a lack of funds and issues with market acceptance. Crowdfunding can help tackle this problem by enabling media professionals to raise funding and simultaneously receive feedback from the audience on the product features and the demand for it.

This practical guide aims to provide an introduction to how crowdfunding works and how it can be applied within the media industry. The Crowdfunding Workshops offered by the Future Media Lab offer media representatives and journalists the opportunity to gather both practical knowledge on the innerworkings of crowdfunding as well as the experiences shared by people that have already gone through this process.

## **8 Evaluating new models. – Freepress**

<http://www.freepress.net/resource/98335/evaluating-new-models> (June 12, 2012)

A number of alternative models for the news — recent experiments, longstanding ventures and ideas yet to move beyond the blueprint phase — hold clues for what new press institutions and new forms of journalism may look like. On the pages that follow, we briefly summarize some of the new ideas and specific policy proposals put forward to address the crisis in journalism, evaluating their likelihood of success, broader societal benefit and political viability. The main questions we address include: Which models hold the most promise of providing democratic journalism? Which are politically viable? Which new or existing policies can assist or hinder these new models? While there is consensus that the economic downturn has converged with fundamental technological, cultural and ideological changes to transform the media, few agree on what should be done — or even can be done — about it. One conclusion is incontrovertible: To support new forms of reporting and new methods of distribution, we must think outside of current structures and beyond the current system.

We cannot fix this problem by simply subsidizing or propping up old business models. Some of these ideas have been heavily debated, while others remain untested and unexamined. The models are organized according to six main categories

- [Public Subsidies and Policy Changes](#)
- [Public and Government Models](#)
- [Nonprofit, Low-Profit and Cooperative Models](#)
- [Community and Municipal Models](#)
- [Foundation and Endowment Models](#)
- [New Commercial Models](#)

## 9 Guide to funding opportunities for cultural journalists in Europe. – Unpack the Arts.

[http://unpackthearts.eu/frontend/files/userfiles/files/UnpacktheArts\\_OntheMove\\_Guide\\_final.pdf](http://unpackthearts.eu/frontend/files/userfiles/files/UnpacktheArts_OntheMove_Guide_final.pdf)  
(10 December 2013)

### *Introduction*

Besides the free movement of capital, persons, services and goods, there is a need for promoting the free movement of knowledge and innovation – the “Fifth freedom” highlighted by the European Commission in its Communication on the Single Market Review. Knowledge and innovation are essential conditions for cultural creativity. Making the results of this creativity available and accessible to the public is the aim of cultural journalists, critics, arts writers, chief editors of cultural magazines, etc. These cultural professionals all have an important role to play in democratization, participation, and access to culture.

Today we find that arts and culture are disappearing from traditional media. Artists, critics and cultural workers in general lament this situation. Their concern is not to bolster ticket sales, but is instead to support the intellectual recognition of the artistic work; to bring about the institutional recognition that such visibility implies; to create opportunities to share knowledge and to discuss and disagree on the arts; and to find the most efficient way of reaching out to the masses. At the same time, however, the overall volume of ‘cultural’ media is increasing as a consequence of the proliferation of online platforms and the growth of the blogosphere. Many new opportunities are appearing for critics and cultural journalists to write about artistic works and engage with audiences – often allowing them to reach younger and larger readerships.

The fact that most cultural journalists work (also) as curators, researchers, teachers, programmers or writers, for websites or printed publications, nationally or internationally, is an important element to consider. The professional critic has to deal more and more with a growing complexity due to the hybridisation of his/her role. How does this necessary and increasing diversity affect the practice of criticism itself? A discussion on the language of criticism in its varying contexts is needed to answer this question.

Cultural journalists have to create their own virtual map of critical practice in Europe today. How much symbolic and cultural capital does a critic have in his/ her own network of practice? How transferable is that practice? How does a critic engage with other critical dialogues taking place in culture (whether from amateur bloggers, comment sections, informal discussions, artist-writers or academics)? What are the channels of communication and how can they be appropriated? The task of the contemporary art critic is to map the culture of his/her own time, articulate spaces between informal dialogues, and bring different works into relation with one another. How can this be achieved? How can critics think laterally about their task? Individual answers may lie in collective discussions and international dialogue.

As a contribution to a wide reflection on today’s cultural journalism, its role and practice, ten European partners decided to design Unpack the Arts, a European project that provides residencies for 120 cultural journalists in the context of twelve major festivals programming contemporary

circus. One purpose is to raise cultural journalists' awareness of the contemporary circus sector, an artistic field which is an emerging and fast-growing sub-sector of the wider European performing arts. Another purpose is to help the cultural journalists, and the circus promoters they encounter on their residencies, to develop a critical discourse with which to tackle new trends, and to guide them as they engage with the specific creation methods adopted by circus performers in their artistic research.

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