

# Around the corner, around the world:

REVIVING LOCAL NEWS, GLOBALLY

An IPI global network report on how local news media around the world are rethinking everything in the digital age, and what they need now to sustain the vital journalism serving their communities.

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# The 10 big takeaways...

1.

Local news media is the most disrupted sector of the media, the most urgently in need of assistance – and the sector with the greatest potential to form the bedrock for a new, stronger media ecosystem.

The digital transition is the opportunity to build sustainable media that better serve communities.

2.

Wide-ranging innovation and experimentation is having a strong positive impact on local media and the transition infrastructure (grants, advice, networks) available to support it, but this is unevenly distributed and felt, particularly outside North America and Europe.

**3.** 

Successful local media have a clear sense of their mission, editorial vision and audience (or potential audience). This confidence is guiding a reimagining of journalism to meet the needs of their community. Local media both reflect and create their communities with a journalistic and business understanding of the intricacies of local culture and diversity by embedding themselves in the community, by looking like the community, and by being their community's champion in telling their stories to one other and the world.



4.

Engagement of local communities needs to be embedded across the process chain, from design to editorial decision-making.

Sustainability demands a continued demonstration of local media outlets' value to their community, particularly to communities that have historically been excluded from mass media offerings.

It requires writing for, rather than about, communities, and building new audiences through an equity and inclusion lens.

5.

The demand of engaged readership requires a new way of thinking about journalism. It requires a journalism of service that holds local institutions to account and provides difficult-to-access information as a service rather than a reporting for the record.

Local media are differentiating themselves by taking the time to go deep rather than emulating the traditional model of fast coverage of spot news.

Implicit in this is the idea of understanding the community and making trends/events/developments relevant to local audiences, including scaling national reports and data back to the relatable local size.



6.

Local connectivity generates trust, which makes local news media central in the battle against misinformation and disinformation by fact-checking, deep reporting and debunking disinformation/misinformation.

Local media understand that they are working in a polluted news environment and use trust and truth to compete with "fake news".

7.

Local news media are naturally suited to **pivot to reader revenues**. Most new media have, or are experimenting with, membership models and diverse donation strategies. They are finding ways to centre their communities in their business model, while leaving their content free to access. Traditional media in transition tend more to subscriptions and soft paywalls.

8.

There is more room for experimentation with the local news product, including distribution, driven by a reassessment of the job journalism does for a community.

There is no right or wrong model – nor one single best product. Local news media are finding ways to reach their audience where they are. As local media transition online, opening access to new audiences, they can explore products that engage communities that may not have been served through traditional print.

9.

Local media need to both meet and build demand. This means engaging the community (particularly communities traditionally excluded from media offerings) through building media literacy to encourage their communities to recognize what local media brings to the needs of their audience.

#### 10.

Not all communities can sustain the media they need at the local level. There are real limits to reader revenues in low-income and disadvantaged communities (which can also be less attractive for advertisers). This means looking to other sources such as the region's diaspora, to local businesses as donors, and to philanthropy. In turn, the donor community should understand that long-term support for basic news operations is needed and need to be prepared to sign up for the long term.



Photo by Roman Kraft on Unsplash



# **Introduction**

Local media provides local news for local communities: sounds simple. It's been a core task of journalism for nearly two centuries. But right now, the changing habits of audiences and advertisers means it's the most disrupted part of the media industry – and democracy and communities are paying the price. Managing local news through the digital transition is one of the biggest challenges for news media. Around the world, journalists are rising to the challenge by rethinking what journalism is and can be. They are centring their communities to understand and serve their wants and needs with innovative products, leveraging new digital opportunities for distribution and new business models.

In talking to local media builders around the world, we've been excited by what we've found: local media that understand and execute their mission, using accessible journalism formats, products that find their community where they are and diverse business models that hold out the promise of sustainability.

This is a real-time qualitative report based on in-depth discussions with more than 30 journalists, editors, media leaders and entrepreneurs who are transitioning legacy media and creating new local-media voices – about half in the United States and half in Asia, the Pacific, Africa and Europe – together with readings of their comments and self-reflections in blogs, speeches and articles. It's part report back to those who joined in our conversations, and part a stab at a global levelling up of the wisdom they've shared. You can read more about the media involved at the end of the report. There are also deeper companion case studies of many of the media profiled in the report on the IPI Medium page.



It is meant to share the experiences and lessons of local media practitioners globally, and to build a community that can continue to network and support one other. The report, and the deeper individual stories of local media, pull together what we have learnt so far and should act as a springboard into the conversations we need to be having to build sustainable journalism valued by our communities, and to combat misinformation. It's aimed at both that community of local media builders and the institutions that are providing the necessary support for the transition.

The good news: There's a lot being learnt – in part through trial and error and in part through the advice of support networks and organizations helping media through the transition – about what's possible, what's practical and what's restricted only by our imagination. As the global network of journalists, editors and publishers, IPI has found itself uniquely placed at the centre of the conversations where these lessons are being shared.

By talking to both new digital start-ups and traditional media in transition, this report identifies how media builders understand and meet the challenges with some of the early lessons. Comparing and contrasting experiences around the world provides both lessons that can be copied and warnings about the need to understand different regional and national conditions that impact success. From that, it draws practical recommendations for news media leaders, for media support organizations, and for the IPI global network.



Photo by Juliana Malta on Unsplash



# Some big questions – and answers

Our recommendations are based on the answers we've identified to some big questions:

### Why is local media particularly disrupted?

Pre-internet, news media was optimized for local, where scale was limited by geographical distribution. Now, the internet rewards news media that scales at a national – or even transnational – scale. That's been great for big voices. But it's demanding that journalists, editors and publishers rethink how they make news and journalism relevant at the local level and figure out what products and business models can make the journalism sustainable.

In the late 20th century, local media (particularly in the English-speaking world) met the challenge of scale at the local level through cost-sharing across chains and by entrenching local channel-specific (print, television, radio) monopolies. While this strengthened sustainability in a capital-intensive production process, it often produced a disconnect between local media's traditional community building and local engagement on the one side and the business model on the other.

The disruption of advertising has impacted local media more than it has national media, as classified ads (the core of most local business models) have shifted on-line to specialist low-cost or free services. Micro-targeting channels of social media (particularly Facebook) and (mainly Google) search has provided a better advertising mouse-trap.



# How do the challenges differ around the world?

Success in meeting the challenges for local journalism is unevenly distributed in three big ways: geographically, by community income and legacy costs.

Access to support: In the U.S. and northern Europe, local media (both start-up and traditional in transition) can access transitional infrastructure through universities, NGOs, philanthropic agencies, early movers, the tech platforms and parent corporations to help them find their way. In other parts of the world, particularly Africa and Asia, there is simply less digital transition infrastructure support for new media and media in transition.

Revenue shift: The shift from advertising to reader revenues makes it difficult to build (or transition) a sustainable business model for local media in low-income communities. As online news media transitions from (more or less) free to (usually) paid, the local media ecosystem has to ensure it doesn't end up as a residual cultural plaything of the elite. It needs to break the digital divide, not reinforce it.

Costs of legacy: While traditional media often bring deep roots in their local community, they are often locked into the subscriptions model tied to the declining print product, which can serve to narrow the range of other business models and revenue mixes they can explore.

### What do we mean by "local"?

In this report, we recognize that any news outlet that targets a geographically constrained audience – no matter how large its population – tends to face the same challenges. We've by-passed media that are effectively national (although some may retain a local masthead to link with their past like The New York Times or The Wall Street Journal). We've also skipped over capital or big-city-based media that effectively act as

national media, such as much of the media in big cities like Bangkok, New Delhi or London.

The focus of local media might be regions covering millions like <u>The News Minute</u>, reporting on half a dozen states in southern India, or <u>100 Days in Appalachia</u>, meeting the news needs of 25 million Americans who live across 13 states from New York to Alabama. They might be serving rural communities or small regional towns like <u>Khabar Lahariya</u> in northern India or ACM's network in Australia. They might talk to cities like <u>Citizen Matters</u> or to individual urban neighbourhoods like <u>Block Club Chicago</u>.

There are "local" lessons to be drawn from all of them.

### How have we got here?

Like all news media, digital local media has evolved through three overlapping cycles of innovation:

- O Digital first: as mastheads and broadcasters shifted online, it meant re-imagining journalism as a continuing conversation with the audience, by publishing news as it happened. It was based on a misplaced business model that assumed that as publishers shifted news online, the traditional advertising would follow them.
- The advertising collapse and the viral hunt: the sudden (and continuing) collapse in advertising from 2008 (particularly severe in local news) coincided with a shift by audiences to social and mobile consumption. This replaced traditional one-way distribution of news with multi-dimensional discovery.
- Readers first: journalism that centres its audience is increasingly niche and is delivered through products that are valued enough that readers will provide the income to sustain journalism.

Not all change has been positive. The financialization of traditional local news media businesses (i.e., cut costs, raise prices), particularly through short-sighted hedge funds and private equity, has created gaps and news deserts, which are in turn opportunities.

### What problem is local journalism solving?

The key question for the success of local news media is: are they solving a problem for their audience? Are they identifying and filling a news or information gap for their community(s)?

In this report, we look at how journalists are innovating to answer these questions to build a new local media ecosystem across three frames: in the journalism that creates the news media content, in the products and experiences that aggregate the content, and in the business models that support it. It means a journalism that contributes through:

- O The value of its information (its "utility", as economists would say);
- O How it draws and holds the attention of its audience beyond mere curiosity ("engagement", "entertainment"); and
- O Its role in community building (its "social capital" as sociologists would say).

# Innovation in local journalism content

The shake-up of local news is driving news media to create a more socially useful, more engaged – a better – journalism. In the battle for attention that drives the digital disruption of media, any voice needs a clear vision of what it is trying to achieve and an understanding of just who its audience is, or might be. This is a relatively simple problem for local media to solve as the audience is (largely) geographically determined and their challenges are, as a result, more readily identifiable.

Successful local media builders, then, understand that local news journalism has to both serve and reflect their communities, meeting their wants and needs where it finds them. They've had to take on a particular responsibility in protecting their communities from a polluted information environment.

Traditionally, local journalism reported on local events and activities through the prism of local institutions such as the police, courts, schools, and local and state government. Some provided a local focus on national stories, although most – particularly when part of corporate chains – relied on syndicated national feeds. The offer it made to local advertising to aggregate a local market encouraged an editorial caution that often avoided giving offence. It encouraged a rigorous "view from nowhere" style of reporting.

As much of this institutional news – particularly at a national level – has become commodified and freely available outside news media channels, the needs of the community have shifted. Now, the demand for engaged readership requires a new way of thinking about journalism beyond news reporting.

In covering local institutions, it requires a journalism that holds institutions to account and provides difficult-to-access information as a service rather than a reporting for the record.

Traditional media have had to shift their historic balance between local news and national news shaped for the local community. Cheri-Ann James from South Africa's <u>Daily Dispatch</u> says it was essential to show their value by becoming more parochial, by working more closely with the community on, say, featuring local heroes, engaging the community in dialogue and plugging into local projects.



This can create tensions as print moves online, opening access to new audiences, including communities they haven't traditionally been served through print. It requires a writing for, rather than about, communities and figuring out where you might build new audiences through an equity and inclusion lens.

What are some of the practical journalistic applications and tools used by local media to make the transition?

# Framing the journalism

Identifying the wants and needs of the community often leads an organisation to consciously decide to frame their journalism, whether it's the "feminist lens" of India's Khabar Lahariya or the "occupation-awareness" of Israel's <u>Local Call</u>. Others adopt big



topics as a continuing news focus (like a traditional news round), like South Africa's Daily Dispatch on corruption or 100 Days in Appalachia on white supremacy.

### **Grounding in trust and engagement**

While media engagement is both a buzzword and a solution to many journalism problems, the understanding of what it is and how it works is evolving, as Jennifer Brandel of Hearken <u>explains here.</u>

"Engagement happens when members of the public are responsive to newsrooms, and newsrooms are in turn responsive to members of the public. It's a feedback loop.

A litmus test your newsroom can use to know if there's actual engagement going on (by our definition at least) is this question: What role does your audience play in your journalism? If there's no meaningful answer, it's likely there's no meaningful engagement."

Another key word used in local journalism is trust. It's the promise to the community and the value given by the community in return. How do local media, then, leverage this trust?

Some believe this demands a clear separation from news and opinion. Dhanya Rajendran, founder of The News Minute, a digital outlet in south India, says: "By engaging with local communities, we need to think how to do it and to get their trust. We need to ensure that the news story goes as a news story. And there is no opinion of the journalist in it, which I think is a huge problem in India."

Local news media builds credibility when it respects its journalism roots. Mandy Jenkins, until recently publisher of <u>Mahoning Matters</u> in northeast Ohio, says: "Studies show audiences trust their local news more than national and international media - where opinion and news is often mixed together. We keep them separated in our reporting."

Others build trust out of engagement by building tools for their community. Pierre Lebovici, engagement editor at France's <u>Mediacités</u>, says:

"Our mission is to produce investigative participatory journalism at a local level. From fact-checking local politicians to investigating gentrification, our products give citizens tools to be active in their communities.

#### Slow or fast?

Local reporting requires depth, or "slow journalism", according to Daniele Arghittu, editor of <u>L'Ora del Pellice</u>, a 200-page quarterly magazine format for an 18,000-person community in Italy's northern Piedmont region. "The pandemic has shown us that our business model works well and represents at least some part of the future of this profession. Investing in the community of readers and the territory pays off more than clicks and instantism", he says.

"We go deep for a very small village. And our bet is that people who live here or who are connected to our villages want to help us because we change their lives for the better. This is our idea for journalism. We are alive only if people think that we are useful.



Breaking from the imperative of the daily publication cycle that shaped 20th-century media, local media can determine the time-frame in which to structure their journalism. Although 100 Days in Appalachia was initially launched as a pop-up media to cover the first 100 days of the Trump presidency, Editor-in-Chief Dana Coester says they have continued to keep 100 Days as "a timeline of urgency that keeps us focused on challenges in the region, longer-form stories and what we focus on in strategic planning".

Detroit's <u>Outlier Media</u> uses an information-on-demand model, using text (and the sense of urgency it conveys) in their reporting on housing.

Like <u>other media</u>, local media are discovering that sometimes less is more and are scaling back coverage to focus on fewer stories with a deeper focus.

#### What's news?

In this new environment, journalists and editors are rethinking long-held assumptions about what is news. In particular they're transcending the traditional approach to crime and politics which, they believe, can act to divide and disempower communities.

Jenkins says:

"It's easy to do commodity news – that's what many startups do – if it's that easy to do it's not necessarily going to be a useful product. The staff being local is incredibly important, constantly trying to find that thing we can offer that no one else is doing.



How many local media cover crime (or not) tells a bigger story of the changing priorities and values of local media and of the relationship with the audience.

As The Bristol Cable, based in Bristol, UK, frames it: they report policing, not crime.

Some avoid crime altogether. Chris Horne, CEO of <u>The Devil Strip</u>, based in Akron, Ohio in the U.S., says: "We don't do crime reporting... I think that there's a case to be made for that being more harmful to a community than helpful. We focus on the people who make this place unique."

India's Khabar Lahariya, on the other hand, brings its sense of itself as a "local watch-dog with a feminist lens" to crime reporting by asking: "Why do certain crimes have impunity? How does violence against women happen? What exactly does it mean? How does it change?"



Khabar Lahiriya reporter Suneeta. Black Ticket Films



With its focus on marginalized communities, Israel's Local Call collaborated with the Israeli public broadcaster on a four-month investigation into <u>organized crime</u> in the Arab society within Israel. The reporting challenged racist descriptions of Arab society as inherently violent to show how organized crime was preying on innocent civilians who deserve protection. "Crime in the Arab society is regularly portrayed as 'random violence between Arabs'", Executive Director Haggai Matar says, "but it's actually very systematic Chris Horne syndicate rivalries trying to take control over municipal funds, for example. The police either ignore or collaborate. So exposing that reframed the conversation."

Local media embrace local culture and history in both their journalism reporting and their marketing as an expression of community and shared identity. The Devil Strip embeds its local heritage in things like its name, which is a local Akron "inside joke" for the bit of grass that grows between the road and sidewalk. L'Ora del Pellice uses its deep historical analysis of Italy's Piedmont region to explain current events.

100 Days in Appalachia sees a link between identity and culture, and often reports on Appalachian diversity, while its Creators and Innovators Newsletter has moved from experiment to permanent feature with the support of readers and the Facebook community journalism project. It's co-hosted each couple of weeks by a different artist or creator from the region, and as its signup post says, it has become a "source of education and cultural enrichment for our 100 Days in Appalachia subscribers".

# Making data scale to local

Public (or publicly collected) data that can be broken down and made locally relevant provides a valuable source for local news in service to their communities. Sarah Alvarez, founder of the Detroit-based local outlet Outlier, says they free this data to help their local communities. "We want to empower residents to hold landlords, municipal government and elected officials accountable for long standing problems in the housing and utilities markets", Alvarez says.

In a recent <u>Outlier report</u>, she wrote:

"Income inequality tracks neatly onto information consumption patterns. People with less money have less time to navigate more challenges with higher stakes.

This means, particularly during crises, local media need to think about how they prioritize information their communities need over a journalism of curiosity.

One attempt to get around the constraints of local scale has been a London-based startup, Urbs, which exploits big open data sets, often organized by geography, for local stories by combining journalism with natural language generation to generate localized stories. Urbs Media launched in 2015 to leverage open data into public interest journalism. Unlike robo-journalism, which takes data into a repeating format, the company sorts nationally available data into regional components for each individual story.

The organisation launched <u>RADAR</u> (Reporters and Data and Robots) in 2017 (a joint venture project with PA Media) as a subscription-based news wire in the UK directed at about 400 local news publishers across the UK. In 2020, the team of an editor and reporters tackled an average 10 data projects each week, plus daily Covid updates. This yielded around 140,000 local news stories across the year, and 55 million words.

"We are providing data journalism on a massive scale that is beyond the scope of most hard-pressed local newsrooms, and I hope, shining a light on statistics that inform readers what is really happening in their area", Rogers says. In Spain, the regional newspaper <u>Heraldo de Aragón</u> networks with other local media to share information-based stories, best practice and lessons learnt as well as data and advertising.

#### How do local media know what their audience wants?

Successful local media have a simple tool for identifying what their communities want: they ask them. And they make it easy for communities to talk to them. The Devil Strip's Chris Horne says:

"One of the first things our community outreach director did was host a town hall with other local organizations to ask residents about life in Akron, and let people share things that matter to them such as housing issues and access to healthcare. We got a lot of good editorial information from that, knowing what different groups of people really care about.



About 100 newly minted co-owners of The Devil Strip Local News Co-op at inaugural shareholders' meeting in 2020. (Photo by Ashley Kouri/The Devil Strip)

Mediacités uses <u>#dansmaville</u>, an online questionnaire calling on readers to raise issues they face in their city surrounding housing, environment, transportation and more recently, local problems exposed or exacerbated by the pandemic.



Mediacités team

Start-ups start with the audience and design from there. At The Devil Strip, Chris Horne's decision to invest in the community and found a local magazine came shortly after he moved to Akron, and became fascinated by it. "Starting out, we thought about a psychographic more than a demographic. We targeted people who are the most likely to put roots down in Akron. Younger folks starting their careers, people who were already here on their careers, people who would be most likely to invest themselves in the city and support local stuff."

<u>Australian Community Media</u> has a sophisticated menu of talking to the audience – and encouraging the audience to talk back. "We have a captive local audience", Head of Audience Gayle Tomlinson says. "Stuff that builds connections – that's stuff that we're really, really good at."



Voice of Real Australia newsletter from Australian Community Media

They look for the signal in the metric: number of users, number of conversions, time spent on page. "Net promoter scores across some of our sites give us a huge insight into what our readers think about our brands." They use Facebook groups for subscribers, such as for The Canberra Times. Tomlinson says: "There's a rich conversation between JP Maloney, the editor-in-chief, and the readers with intricate details around what they're writing and how they're approaching it. It's brilliant." They also look at Facebook comments:

"You get all the haters, but it's a really good listening tool to understand the mood of the audience.

They use competitions to get feedback from readers, which is fed to the newsroom. Other feedback comes from the dedicated customer service team, including a chat tool on their sites.

### Being your audience

Engagement demands a journalistic corps that both reflects the diversity of the community and is embedded in the audience where they are.

India's Khabar Lahariya, for example, engages and trains women in and from the rural villages it serves, drawn from historically marginalized groups: Dalits, Muslims and Adivasis. Many of its journalists were functionally illiterate before working at Khabar Lahariya media, and have since finished their schooling.

Local journalism is best served when journalists live and work in the community they're serving. For some serving urban neighbourhoods, the journalists will work out of cafes and diners where they can see – and be seen. Before COVID-19, South Africa's Daily Dispatch reporters had the habit of regularly working from different cafes around the city, letting their audience know in advance to drop in and meet them. Maple Walker Lloyd of Block Club Chicago, which did the same, says:

"Our reporters are embedded in the communities they cover, and many of our stories come directly from readers. We believe sustainability is impossible without public trust."

Mandy Jenkins spoke about journalists being embedded in the community out of dedication to the town/city, and it's also the most dedicated audience that they're targeting. To determine what kind of civic engagement a local media like Mahoning Matters could expect, the founders looked at "things like commute times to work, or

where their kids go to school. Long commutes divide one's investment in their community."

Subbu Vincent, who as co-founder was part of <u>the development and launch of Citizen</u> <u>Matters in Bangalore</u>, says:

"We created a platform for civic participation in journalism to be a more reflective and inclusive publication, that drew from the truth of people's experiences and push for change, as a guide to newsworthiness determination.



# The power of local journalism to defeat misinformation

Local news media leverage the relationship of trust with their local communities.

This trust makes local news media pivotal in the war against disinformation and misinformation. It's implicit in all the journalism they produce.

So how do local media leverage that trust to confront misinformation?

Some organizations are actively engaged in fact-checking misinformation and disinformation. The 100 Days in Appalachia newsroom uses in-depth explainer stories on topics such as public health and politics, as well as fact-checking in collaboration with <a href="PolitiFact">PolitiFact</a>: "Right now our fact-checking with PolitiFact is limited to West Virginia", Editor-in-Chief Dana Coester says. "We would expand that, but we need to make sure we have the funding to do so. It's very labour intensive."

Coester says explainers and fact-checking stories are some of the site's most popular:

"There was this viral video that went around about Sharia law and it was very damaging, and potentially threatening, to Muslim community members. We did a fact-checking story and video to debunk the viral one, and it got widely shared.

Fact-check reports provide an enduring resource. 100 Days in Appalachia prepared a <u>post-January 6 fact-check</u> responding to community questions about the insurrection that is still performing. Another related explainer <u>on Antifa and Boogaloo</u> also struck a chord with a global audience.

France-based Mediacités developed "Veracités", a community-driven fact-checking tool through which readers are able to ask questions regarding local policies, companies or other issues. Block Club Chicago set up a COVID-19 hot-line to address misinformation.

At the end of 2020, Spain's Heraldo de Aragón, along with two of its publications, joined <u>The Trust Project</u>, a commitment (in the form of a "trust indicator") to transparency, accuracy, inclusion and fairness to combat misinformation. The Spanish news sites "underwent an extensive process of implementation – evaluating and updating policies, creating new procedures, and adding transparency to existing standards".

Embedding journalists in their communities establishes both the journalists and the organization as known and trusted sources – as Block Club Chicago does in its city's urban neighbourhoods and Khabar Lahariya does in rural villages in northern India.

Maple Walker Lloyd from Block Club Chicago says:

"When you look at mainstream media, sometimes you see so much negativity in the media about the South and West sides of Chicago, so much violence, so much crime, but there's more to the city than the negative portrayals that we see. So what better way to get the insights and the true hardcore facts of a story than the people who live in the communities themselves?





Some organizations treat the news pollution of misinformation as a story worth reporting in its own right by combating misinformation story by story. Ohio's Mahoning Matters seeks to intercept misinformation by debunking it in real time, including through social media. Jenkins says: "Back in June 2020 when the Black Lives Matter protests were going on everywhere in our community in Youngstown, there were many Facebook groups and rumors spreading on socials about antifa attacking Wal-Mart and looting the store.

"We had to do the combating of that at a local level – we went to that Wal-Mart and aired it on Facebook live saying 'look, there are no antifa here, there's not even a protest here'. Instead of just reporting about this as a misinformation trend, we went out there and dispelled the rumors", she concludes, "We can do that with every story. We're local."

The Devil Strip takes a similar show-don't-tell approach:

"You have to have a certain amount of trust with your audience, but you also have to find a way to show people the reality through your reporting.

Many local news media break through the veil of misinformation with quality, fact-based information specifically designed for their audience. In the lead up to the 2020 elections,

Detroit's Outlier created an SMS-based voting information system in English, Spanish and Arabic.

"Misinformation is more like a competition," Outlier's founder, Sarah Alvarez, says.

"How are we going to compete with Fox News ... or social media? Nobody is winning that competition right now. It's not just combatting the effects of misinformation, it's breaking through it with quality information. That's where I like to put my energy.

Others, such as L'Ora del Pellice, use "slow journalism" to highlight the time it takes to verify stories and to establish the facts behind them.

Some local media invest in media literacy (or even actual literacy) to help their audiences better understand the information ecosystem and identify the pollution within it. Block Club Chicago has joined other media in the <u>News Literacy Project</u>. Khabar Lahariya (which was launched out of a rural literacy programme) builds readership literally by growing readers.



Khabar Lahariya reporter Meera Devi. (Black Ticket Films)

# Innovation in the local product

In traditional media, the news media products – the daily paper, the evening news broadcast – were shaped by the limitations of the production process. The audience responded by fitting that product into their own attention cycle – the morning paper over the breakfast table or the morning commute, the evening news over dinner.

Now, local news media are developing and experimenting with products, experiences and distribution that align with their journalism values.

Some continue to produce in print. While these are mainly traditional media organizations which retain a print product for their traditional audiences, some new media find a continued value in using print to stamp a physical presence in their locality through distribution in cafes, diners and bars.

The Devil Strip, which started as a free alt magazine, had to find other ways to reach its audience monthly once COVID-19 closed many of its distribution points. Instead they tried mailing print copies to houses in certain neighborhoods and following up with a postcard offering to continue delivering regularly, or to refer them to their website.

In some countries, print has struggled during COVID-19. Daily Dispatch Editor Cheri-Ann James says there was widespread fear about the virus spreading on the printed pages. She also says the shutdowns stopped sales through street sellers, which have returned only slowly.

Others such as <u>L'Ora da Pellice</u> produce a 200-page quarterly quality magazine that matches their long form of slow journalism and ensures that their online offering in between publications is distinctly different.

The smaller the local market, the more likely that once-print products are shifting exclusively online. In Australia and New Zealand, for example, most papers with weekly or bi-weekly publication schedules are now exclusively online.

While newsletters remain the bedrock of the direct relationship to audiences for local media, most distribute content across the gamut of products – web pages, podcasts, text and phone, live and virtual events, Facebook feeds and groups or Twitter (for links).

Some innovators are finding that breaking news aligns with the urgency of text. Block Club Chicago launched a breaking news text alerts as "just another way for people to be able to access the information that they need quickly".

The use of text messaging to provide journalism as a service was pioneered in the U.S. by Outlier Media to connect low income micro-audiences with high-value information that empowers residents to hold landlords, municipal government and elected officials accountable for long-standing problems in the housing and utilities markets.

In the wake of the winter storms and power outages in Texas this year, local news organizations launched texting services to get information to their communities on power and water restoration and where they could get vital resources. Readers were also able to text back with questions for journalists.

Block Club Chicago has also launched a COVID-19 hotline where people can call in and have their questions answered.

"It's important that we make sure everyone has the access that they need. So many people have limited access to the internet or no access to the internet at all. So we're constantly looking for ways and adapting and adjusting to this new norm", Lloyd says.

In South Africa, the Daily Dispatch uses WhatsApp to reach small but highly engaged communities (although it's constrained by high data charges). In India, The News Minute uses app and browser notifications to reach over one million registered users.

Almost all organizations use some form of email newsletter, often segmented across their readership groups. Gayle Tomlinson, head of audience for Australian Community Media, says: "We do these two-way newsletters where the editor writes about what's happened that week and brings the audience closer to them. We get a lot of feedback from the audience around those newsletters – people picking up on points. They'll email back."

Podcasts are proving an innovation of choice for start-up media. <u>Suno India</u> ("Listen up India" in Hindi) is a podcast platform based in southern India with deeply reported narrative and story-telling in the underserved language Telugu as well as Hindi and English and a few special episodes in Tamil and Urdu. Their programmes include Kathey cheppava Ammamma ("Tell me a story, grandmother") a podcast of Telugu stories for children; Samacharam Sameeksha, the news and analysis programme about the two Telugu-speaking states, Telangana and Andhra Pradesh; and Hindi show Raah (Path), aimed at 17 to 25 year olds in cities such as Indore (population about 2 million) and Allahabad (1.1 million).



Suno India Team

Local media are also finding an audience for new (or rejigged) products targeted at the diaspora from their local region, either in urban centres or in emigrant communities in North America, Europe and the Gulf countries.

Sbu Ngalwa, former editor of the Daily Dispatch in South Africa's Eastern Cape province, and now chairperson of the South Africa Editors Forum, says:

"If you look at our digital audiences, the majority of the digital audiences came from the urban centers, like Cape Town, and Johannesburg. That is to do with a large migration of people fleeing the poverty in the Eastern Cape to move to the urban centers in hope of finding employment. Those are people who care about what is happening back home.

The News Minute provides a special (paid) daily newsletter for the NRI (non-resident Indian) community with news from the southern states.

Experimentation matters. Kevin Grant from Report for America says:

"Reaching audiences through social media, through newsletters, through membership models invigorates younger people and develops audiences that might have been lost by a previous generation, as the industry has shifted and the way that we communicate has changed.

# **Business model innovation**

While traditional local media were built off (largely local) advertising revenues, both startup and transitioning local media now have to turn to their audience to build reader revenues. However, restrained by scale, local media need to diversify their revenues through advertising, reader revenues, donations and philanthropy and a mix of other sources such as events, merchandise and services. In each revenue category, local news media find both opportunities and challenges.

# **Advertising still matters**

For legacy media it means innovating away from a reliance on advertising that once worked so well. New media benefit from a fresh start to match new revenue models to their journalism, community and broader mission.

Making the advertising model work online has been a struggle of reinvention, of reimagining both what the media and advertising can be, as both are being transformed by digital disruption. As Sbu Ngalwa of the South Africa Editors Forum notes: "Look, the reality is that we face the same challenges as [all] the media, in terms of declining traditional advertising revenue. And it doesn't reduce the cost of doing journalism."

The disruption has been particularly acute in local media as the advertising opportunities presented by the big platforms' algorithmic micro-targeting most directly replicate the traditional offering of local media (think Google's powerful "near me" offering). Large, often national, advertisers also prefer to place at scale, bypassing the much smaller (particularly start-up) local players. News media ownership consolidation at the national level, accelerates this trend.

In Spain, the 130-year-old regional daily newspaper <u>La Voz de Galicia</u> launched its digital edition in 2000 with an advertising model before shifting its focus to reader revenues.

"About four years ago, we realized we were not competitive enough to yield the necessary revenue to sustain our business", Chief Digital Officer Tomás García Morán says. "It is difficult to compete against tech giants like Google, Facebook, and Amazon. Their technological capability turns us into the weakest link in the value chain, and regional media outlets feel the pain much more than national and international news organizations."

It's also reflected in broader consolidation trends. According to Mandy Jenkins of Mahoning Matters, a community needs to have enough local businesses to support a local publication with advertising:

"It's not just the disappearance of classified ads that trashed the business model but local businesses themselves are disappearing. So there are fewer local advertisers, and local communities are changing their demographics.

Mahoning Matters has built an advertising revenue model aligned more to sponsorship than display advertising, which is also better suited for local media to build an ongoing engaged relationship with the sponsor. It has also built new revenues from reader donations and local philanthropy that together make up about a half of the total.

The Devil Strip is also developing what it calls a consortium model: "We are making a bit of a shift to something a little bit more like underwriting or sponsorship," Horne says, "where multiple sponsors or underwriters can attach themselves to a topic. We're also working on what we call a community partners programme – a local business membership/nonprofit membership. This would involve a little bit of advertising on their behalf, and we would do little workshops about marketing and social media for them."

<u>Heraldo de Aragón</u> has tried to overcome the limitation of local media by developing the technological infrastructure together with a network of other local media to offer local

scale and deeper data for advertising. The cooperation between local media goes further to sharing stories and lessons learnt. *Read the full story here.* 



The connection between local media and their communities provide a strong basis for reader revenues through subscriptions, small donations and membership programmes.

Successful organizations recognize that audience engagement and audience revenue are two sides of the same coin.

This requires organizations seeking support from their readers to embed audiencecentred thinking about the design of the products and the journalism they produce to ensure there is value that people will pay.

This is demanding broad experimentation to see what works, particularly for local media serving low-income communities, and many are eagerly sharing and picking up ideas that work.

# Reader donations and membership

Until launching its membership programme in 2020, Israel's Local Call relied on institutional foundations and one-off small-scale donations from readers and private donors. "We have 30 to 40 people that give between 2,000 and 50,000 dollars a year," Executive Director Haggai Matar says.

"We've been much more intentional in the past few years in reaching out to people who send a \$5,000 check. We start a conversation, build a relationship with them."



Local Call team

The membership programme has a pay-what-you-can strategy, and has so far garnered monthly support from 500 readers, with an average monthly contribution of \$22. Members get access to things like behind-the-scenes insight and webinars, and Local Call is able to keep its content free.

"It (the pandemic) pushed us to recognize we need this stability and other sources of income. We need to explain to our readers that this is the way to support us and make us sustainable, independent, and less reliant



# on very rich private donors", he concludes. "Our dream is to really rely on our readers.

Having a compelling story and product is important. According to Matar, https://twitter.com/heraldoeshas "very clear positions and that allows us in our fundraising not only to tap into resources that value independent journalism and freedom of speech but also to appeal to people who think that yes, you need to oppose occupation and are convinced by our change is one way to do it". Read the full story here.

U.S.-based 100 Days in Appalachia is diversifying beyond grants to a "community-supported revenue model" through individual reader donors that may be one-time payments, and membership strategies with recurring payments at different levels. Founded in 2017 as a pop-up media experiment with the help of the <u>Democracy Fund</u>, <u>Ford Foundation</u> and the regional <u>Benedum Foundation</u>, 100 Days gets donations from about 10 percent of its readers. "It's a pretty good number", Editor-in-Chief Dana Coester says. "We're trying to grow our audience so that that 10 percent is a bigger number." To do this, 100 Days is taking part in the <u>Table Stakes Local News Transformation Program</u>, a one-year programme helping newsrooms develop sustainable practices, develop new products, reach new audiences and improve community engagement. Coester hopes adjusting operations will help diversify their income between grants and reader revenues to create more sustainability.



The News Minute has built bespoke information services around membership contributions including different tiers for local subscribers and for overseas subscribers in the diaspora. It rolled out its membership plan in 2020: "Our model used to be advertising, sponsored content and investors. But during the pandemic we realized that's not enough. We have to go through our readers and ask them to pay for our journalism", founder Dhanya Rajendran says. A paywall and subscription model didn't seem a realistic option and so TNM opted for a membership plan which keeps the journalism free, and offers perks to those who buy into the community.

"We have one membership program for readers residing in India, and another one for the Non-Resident-Indian (NRI) community living abroad", Rajendran explains. This programme includes a forum for community discussions, a daily newsletter and a help desk for high tier members. "We hope the membership programs will make up 25 percent of our revenue."

# Super members and the co-op model

Some have built a tier of "super members" (or donating members), as a tool to mesh engagement with contribution, using tools that include story conferencing, comment privileges, and member-only events. France's Mediacités, for example, created a financial vehicle called <u>Société des Amis de Mediacités</u> – bringing together more than 70 individuals to contribute between € 200 and 5,000 to the capital of Mediacités. In return, investors benefit from exclusive newsletters, have the option to attend weekly editorial meetings and test new products before their launch.

L'Ora del Pellice, a quarterly 200-page print magazine in Italy's Piedmont region, was founded in 2017 by Hari, a non-profit cultural association which acts as its publisher. Aiming to build a local network to empower citizens through information, L'Ora operates similarly to a co-op, currently with 160 members paying € 50 who participate in board elections and have an editorial vote. "People who want to be members must subscribe

to L'Ora del Pellice's four magic words: quality, community, independence and respect", Arghittu says.

The funding of India's Citizen Matters reflects a similar divide between individual retail donors and high net worth individuals (HNIs) as well as foundation grants. Contributions from individual readers make up around 20 percent of total revenue, grants around 25 percent, the rest are from HNI and other sources. *Read the full story here.* 

According to co-founder Meera K:

"We make it very clear there will be complete separation of funding from editorial policy, decisions and focus. All our donors have been very professional and have never tried to influence the coverage.



Citizen Matters' Founders Ashwin, Subbu and Meera

These donors and HNIs support the platform's hybrid model of professional journalism combined with voices, and opinion/commentary from city residents. "Fusing community journalism and local investigative work filled gaps of both social-good and professional-boundaries", she says.

The Bristol Cable in the UK and The Devil Strip in the U.S. have meshed membership with ownership under a co-op structure where donors become members of the co-operative with a say in both the operations and the journalism of the organization.



Video screen capture from The Bristol Cable promo video

"The power of this model is that through member contributions we are made directly accountable to them – they have legal power, they can even call meetings if they want to", says Lucas Batt, head of memberships and distribution at the Cable, says. "The Cable's co-op model promotes equity", Batt explains. "We don't have membership tiers. It is a pay-what-you-can model, and anyone who signs up as a member instantly becomes a legal shareholder."

While the Cable continues to explore the co-op business model, its main revenue stream remains grants: "Our existential question is: can we prove that membership is a sustainable business model in Bristol, and how can we replicate it elsewhere?"

In Akron, Ohio, in the U.S., The Devil Strip formalized as a co-op in February 2020, allowing readers to become shareholders for as little as \$1 per month. The share is fully vested after an investment of \$330, making the reader a shareholder for life. (It's a nod to its local roots: 330 is the local telephone area code.)

Shareholders hold annual meetings to vote on new board members, broad budget and programming questions and to select editorial projects for the journalists to prioritize: "We want to make sure that our journalism is always aligned with our community's best interest", publisher Chris Horne explains.

"Staff and employees also have a share. We have a staff of three full-time reporters and a full-time editor in chief. But a lot of our reporting is done by community members who may or may not have journalism experience when they come to us. So we train them and help them get a foot in the door.

Local news media are cautious about hard pay-walls to restrict access to information, particularly when they are servicing low-income communities. For The Devil Strip, "we're not comfortable with putting up a paywall. We don't want to ever block our journalism. We want to keep the journalism available for the public, and find other benefits for paying members", Chris Horne says.

For The Bristol Cable a paywall would run counter to its mission:

"We don't want to put off people with low incomes, we want to diversify our audience", Lucas Batt says.

This is a particular challenge when working in a news environment polluted by disinformation. As Dhanya Rajendran from India's The News Minute puts it:

When "fake news" is free, can real news be closed off?

Many digital news start-ups rely on donations and philanthropy, at least at the launch stage.

In the United States, media have more access than anywhere else to these opportunities from a relatively large number of foundations and funding programs. In developing countries, grants are more likely to be project-based. Khabar Lahariya, for example, got off the ground as a grant-funded literacy project in rural India.

Others are boot-strapped by their founders putting in their own time and resources. In India a number of new media ventures, including Suno India and The News Minute, have received runway support from the <u>Independent Public Spirited Media Foundation</u>. Their programme is designed to provide an annually declining percentage support ending after three years. While this is welcome as one of few avenues for media transition support in India, the wind-down may be too fast to secure financial sustainability for some.

Local media that serve disadvantaged communities need some kind of donor support where their own communities are unable to sustain them. As Sbu Ngalwa, former editor of the Daily Dispatch, says: "If you live in a country with poor people, they still need the news. They still need credible news." But, he adds, if it's a choice between a loaf of bread, or a newspaper, "it's a no brainer as to where that money will go".

"Local news can be an essential service even if it might not be as profitable a business", says Outlier's Sarah Alvarez says. To survive, she says, "they have to be built to be essential. Report for America (RFA) provides direct journalistic support to local newsrooms to help fill urgent gaps in coverage. They provide half the salary for a reporter and help the news organization raise funds for the other half.

Newsrooms raising the funds to co-fund these reporters are building their fundraising skills and learning along the way that their communities are often willing to pay. According to RFA fundraisers Lauren McKown and Jimmy Martinez in <a href="this report">this report</a>, "This year, we were thrilled as our partners raised nearly \$5 million in local support, mostly from donors who had never given to journalism before, and importantly raised 61% more per reporter this year than the year before."

Launched in 2017 by The GroundTruth Project, RFA had placed 226 journalists in newsrooms around the U.S. by 2020, and are growing that number each year with the goal of placing 1000 journalists in 2024, as they aim to "fundamentally transform local news business models and ecosystems".

"The impact of even a single watchdog reporter in a community can be massive", Report for America VP Kevin Grant says. "It can be to the tune of millions of dollars in investment, expose corruption of judges or mayors or governors, and also give residents a voice they felt had been lost.

While Report for America continues to increase reporting jobs in the U.S., "our long-term goal is to bring this public-service model to international partners", Grant says. They have recently announced support for their first newsrooms in Asia and in Africa.

# Subscriptions and diversified revenue streams

For Spain's La Voz de Galicia, the shift to a reader revenue model was about sustainability. Chief Digital Officer García Morán says they will continue an advertising strategy, although he thinks "that model is peaking. The number of subscribers and the pricing model will determine the future and the size of news media outlets."

La Voz de Galicia was one of the first in Spain to set a paywall, in November 2019, and by April 2021 had more than 20,000 digital subscribers, more than half of which are pure digital.

The pandemic experience spurred them into rethinking their approach. "We have found a balance between a transactional proposition, whereby you pay for a news product, and a support model, where readers pay because they believe in a cause, in a certain editorial project", García Morán says. "We sent a message asking for support because we are providing and advocating for a public good. This message led to a steep growth in subscriptions, which extended well into the summer."

For García Morán, part of the newspaper's value proposition lies in the proximity to its readership, a strategy that is "difficult to develop and expensive to maintain...We run local and regional stories that are widely read across Galicia, and we want to pursue that model and make it sustainable and profitable."

Their focus now is on "building a loyal readership." For García Morán that means creating quality content and newsletters. "The good news about all this is that journalism is back. In today's media landscape, the performance of journalists is paramount because creating good content may translate into, say, 20 new subscribers per piece. Journalists and readers are at the centre of this model. Newspapers have traditionally been unidirectional channels, so this is a paradigm shift". *Read the full story here.* 

Block Club Chicago was founded with the help of a Kickstarter campaign made up of over 3,000 backers who pledged \$183,720. Three years in, it maintains diverse revenue streams and a strong relationship with its readers, providing essential information for

free. "We are now over 70 percent reader funded", Director of Development and Engagement Maple Walker Lloyd says. Along with another 20 percent funded by philanthropic support, this sustains Block Club Chicago's full-time staff of 17. "The rest of our revenue comes from individual donors and merchandise, but we're also participating in programs to learn how to diversify revenue streams."

The Chicago-based newsroom was part of the Institute for Nonprofit News's (INN) Ignite Sponsorship Training – a pilot program funded by the Google News Initiative aiming to enable well-established nonprofit newsrooms to increase their earned revenue from sponsorships, which, according to INN, is a significant revenue growth area. They also participated in the Local Media Association's (LMA) Lab for Journalism Funding to enhance newsroom's understanding of fundraising and philanthropic support, as well as in the Texas Tribune's Revenue Lab, which helps publishers monetize events.

"Even though we're 70 percent reader funded, we still look for ways to diversify our revenue - we want to be sustainable for the long run", Lloyd says.



Block Club Chicago online store

When it comes to subscriptions, readers can pay \$6 a month or \$59 a year. Lloyd explains: "We like to call it a freemium model because all of our breaking news, South



and West side coverage, public health coverage, COVID-19 coverage – all of that coverage is free. Subscribers can get neighborhood specific newsletters and direct updates from reporters."

With over 200,000 followers across all social media platforms and more than 100,000 daily newsletter subscribers, Block Club Chicago hit its goal of adding 5,000 paid subscribers in 2020, ending the year with 15,000 subscribers in total and adding another 1000 by the end of March 2021.

Successful organizations understand the importance of diversifying their revenue sources. Some use their local expertise to act as a content agency, selling stories from their region into national media, such as Khabar Lahariya and 100 Days in Appalachia, or by providing reports for NGOs and local or state governments as The News Minute does in using its gender expertise to help with the training of state officials.

Khabar Lahariya has been completely digital since 2017, and the women-run media outlet reaches 5 millions viewers a month via YouTube and its website. Most of Khabar Lahariya's resources go into training journalists from disadvantaged communities, and the newsroom recently became profitable through its content agency work: "We get commissioned to create video content for various foundations and institutions", Disha Mullick, co-founder of Khabar Lahariya, says. "We also subsidize our news content – that's the larger revenue – and we also take on research projects which are located in rural areas. Lastly, we produce high quality films for other NGOs, which may not be news or feature related."

Revenues can also be built through community and live journalism events, most commonly by having them sponsored as <u>The Texas Tribune</u> does, or through <u>marketing</u> <u>local products</u>.



# **Conclusion and recommendations**

Local news media is emerging as the key challenge for a sustainable global news and information system. That demands urgent co-ordinated action at a global level to ensure all communities, in all countries, get the opportunity to access journalism that meets their needs.

Local news media: we know it's being disrupted. But around the world, journalists, editors and media-builders are leaping off that disruption into the future. It's a future where a more engaged, more service-oriented, journalism is building a local news media that does the job its community wants of it – perhaps better than the capital-intensive mass media of the 20th century.

This report seeks to paint the picture of where we all are right now, mid-leap. There are four big measures that the media and media support community can take to ensure that local news media stick the landing by meeting their potential to fill the needs of their communities, across the globe.

Local news media's best chance of success is to embed a vision and sense of mission that matches audience/community needs with an appropriate journalism focus. They need to be enabled for experimentation in products and business models.

We need to level up the access that news media has globally to the information, training, network support and funding essential to building sustainable local media.

By creating a global network, local news media will be better prepared to take on the challenges and support each other; understand and learn from success and failure of others; share best practice on combating misinformation; and gain access to expertise, mentoring, community support.

Donors and the media support community need to recognize that (particularly in the developing countries and regions) the future is local. It is laying down the bedrock for



the new media ecosystem. And they need support now to secure their basic news operations, rather than for reporting projects to suit donor priorities.

The relationship of trust that local media builds with their community makes them central to the fight against misinformation and disinformation. Effectively leveraged, it can help rebuild a society's broader confidence in news media. Local media, then, need the resources and best practice know-how to meet that challenge.

# Those are the big challenges. Here are some immediate practical steps:

- 1. Support local media leaders and entrepreneurs to know and understand their audience and design news media products that serve their needs, and to find ways to involve them in their journalism.
- 2. Help local news media find ways to build trust and support in their communities, including greater transparency, explaining their mission and values; their challenges and opportunities; and how they operate and why the community should support them.
- 3. Source or create an executive facilitator/solutions lab to bring together local news media leaders in a focussed programme to solve particular (perhaps common) problems, or to work on a challenge, including audience engagement and revenue strategies available to all local media leaders in need, but with a focus on Africa and Asia.
- 4. Work with advanced digital transition organizations and programs globally (particularly in the U.S.) to **explore collaborations** that sees their programs adapted, extended or replicated to where they are needed.
- 5. Create opportunities for local news media, particularly in Asia, Africa and the Middle East, to develop the skills and knowledge needed to build sustainable news



media, including bootcamps, virtual training, summits and labs with a focus on audience engagement, product design and revenue strategies.

- 6. Create a **fund to support local media** with external funding for local news media with a focus on Africa and Asia:
  - To fund experimentation and innovation;
  - To support training and networking opportunities;
  - To support the basic news organizations which are unable to be funded (in full or part) by their communities; and
  - To address a specific challenge and/or to provide seed money for new products or other initiatives.
- 7. Build understanding within philanthropic networks that not all communities can sustain the local news media they need. Some will need **long-term commitment** to be sustainable.
- 8. Create **networking and sharing** opportunities across continents, including frameworks that help local media tell their story to others and collect best practices in an accessible format. Encourage confidence to share lessons from success and failure.
- 9. Link fact-checking experts with local media to build the essential capacity to fight misinformation and disinformation.
- 10. IPI is ideally placed to act as a connector between local media and points of advice, funding and support, and advise and help global donors and support organizations to understand local media needs, and act on these.
- 11. Build a local news media focus in the IPI virtual visits program for a deep dive into the experiences and lessons that can be shared globally.
- 12. Facilitate transnational **mentor networks** for media startups by linking across nations and drawing on the expertise of senior IPI members.

- 13. Identify and build a **global network** of local news media supporters and publishers, editors and supporters. Build a regular summit into the IPI World Congress annually.
- 14. Evangelize for local news media by leveraging networks and reporting frameworks that showcase local media, encouraging them to tell their story to broader audiences, and to act as champions for one other and for the sector at large.
- 15. Build an **IPI local news award program** that recognizes the importance of the sector and promotes great journalism.

# About the local media organisations

### **Australian Community Media**

<u>Australian Community Media</u> (ACM) has 160 local news outlets across regional Australia fillinginformation gaps for millions of citizens across all Australian states and territories.

ACM centralizes marketing, product management and business development, taking the load off of newsrooms and allowing them to focus on production of quality content. Being a community-based news outlet, ACM's tight feedback loop prevents the publication and spread of misinformation, but also allows for newsrooms to gain insight into their audience's needs, resulting in the production of more relevant content.

### **Block Club Chicago**

With a team of 17 full-time employees, including 10 full-time reporters covering 3 to 4 neighborhoods each, <u>Block Club Chicago</u>'s journalism focuses on community-building stories centred around businesses, education, healthcare and politics.

Over 70 percent reader funded, the digital news platform offers important information for free while diversifying its revenue streams to ensure its newsrooms longevity. These diverse methods include participation in various workshops and programs as well as developing a strong membership model.

### The Bristol Cable

<u>The Bristol Cable (UK)</u> was founded in 2014 by a group of local volunteers to redefine local media and reinstate trust and viability. The Cable is owned by its readers under a co-op model that ensures the content reflects the needs of the audience.

With a team of 11 staffers including three full-time journalists, the Cable provides indepth investigative journalism with an impact as well as reporting campaigns on topics chosen by its readers. Much of its content is available online, and the print edition is distributed free of charge quarterly.

### **Citizen Matters**

<u>Citizen Matters</u> fills an information gap for audiences in the Indian cities of Bengaluru, Mumbai and Chennai. Launched in 2008, the digital news platform aims to fuse community journalism and local investigative work, covering government policy, schemes, civic processes and solutions to overcoming local problems.

"Our journalism catalyses better cities by empowering the public with the knowledge and understanding to become active and engaged citizens", says co-founder, Meera K. Members of the public can submit stories directly on the website.

Their non-profit model allows Citizen Matters to operate independently and sustainably, with the aid of grants and donations from high-net-worth individuals.

### 100 Days in Appalachia

Founded in 2016, <u>100 Days in Appalachia</u> (U.S.) aims to challenge the flawed narratives presented in the national media about the Appalachian region. It is the only news outlet covering the 13 states of the region, with its team embedded in the communities it covers to provide accurate reporting and representation of diverse voices.

100 Days covers politics, local culture, public health and domestic extremism, as well as fact-checking content in collaboration with PolitiFact. The digital news platform is working with Table Stakes towards a sustainable membership program, aiming to diversify its revenue base so as to stop relying on grant funding.

## **Daily Dispatch**

Founded in 1872, the <u>Daily Dispatch</u> became the first penny daily newspaper published in the Eastern Cape, and has been an advocate for fair treatment of all South Africans

ever since. Covering local issues such as corruption, politics and local heroes, the Daily Dispatch is famous for its investigative journalism and exposes.

As South Africa witnessed a 50 percent drop in working journalists over the last decade, the Daily Dispatch newsroom shrunk – but manages to sustain its operations with an editorial staff of seven thanks to a strong relationship with its readers, who continue to support its work. The Daily Dispatch distributes a print edition, online posts, and WhatsApp news updates.

### The Devil Strip

Founded in 2015, <u>The Devil Strip</u> (Akron, Ohio, U.S.) is a reader-owned co-op news platform that builds community around what is unique to Akron and also targets those without a regular news habit. It offers solution based journalism driven by the needs of its audience.

With both a print and online edition, The Devil Strip provides watchdog investigative journalism, and leans into local arts and culture. "We don't do crime reporting", founder Chris Horne says. "I think that there's a case to be made for that being more harmful to a community than helpful. We focus on the people who make this place unique." The Devil Strip's diversified revenue stream includes co-op shares, memberships, grants, merchandise and advertising with local businesses.

## Heraldo de Aragón

Founded 125 years ago, <u>Heraldo de Aragón</u> has the highest circulation in Spain's northeast Aragón province. Catering to local readers, the daily covers national issues with a local lens, analysing its regional impact as well as reporting on regional affairs.

Heraldo de Aragón has been honing its technical side, building a big data platform to collect information and generate tailored content to monetize proposals. This technological infrastructure helped them reach out to wider audiences and weather the worst effects of the pandemic. The data guides the newsroom on a day-to-day basis,

sharpening the focus on creating content that is most interesting to readers. The regional daily also focuses on network-building with other local outlets to sustain local journalism through sharing their data bases.

### In Daily

Based in Adelaide, Australia, <u>In Daily</u> is a free, independent news website with a companion free subscriber-based daily weekday morning and lunchtime newsletters. It delivers news and content for the city of Adelaide ranging from politics to business, arts, culture, food, wine, travel and real estate. It is owned by Solstice Media, who also own SALife and City Mag.

Its successful model relies on advertising, sponsorship and reader donations to report on business, politics and city life in Adelaide. It's been able to build a relationship with its readers so that when it launched a donations strategy via PressPatron it was able to raise significant enough revenue that it has deepened this strategy and reader donations are now a growing part of the revenue mix.

### Khabar Lahariya

Reaching 5 million monthly readers across rural-based marginalized communities in India's eastern Uttar Pradesh and western Bihar regions, <u>Khabar Lahariya</u> offers hyperlocal watchdog journalism with a feminist lens. Khabar Lahariya was founded in 2002 by a women's collective, and continues to employ women and train them in the journalistic field. The news outlet went fully digital in 2016, and is funded by a mix of philanthropic support, video services and its work as a content agency.

"Policymakers, media, even the general audience in India that has access to a lot of media, has a very incomplete picture of what happens in our villages and small towns because of the distribution of journalists – not a lot of English platforms have the resources to send journalists into rural areas to report. So we fill that information gap," says co-founder Disha Mullick

#### La Voz de Galicia

<u>La Voz de Galicia</u> is a 130-year-old regional daily newspaper based in A Coruña, northwestern Spain. Born as a liberal newspaper, it is the highest-circulation newspaper in the Spanish region of Galicia (pop. 2.7 million). The digital edition launched on May 17, 2000 and ran an advertising-oriented model until launching its reader revenue strategy, becoming one of Spain's first media outlets to put up a paywall in 2019.

Their subscriptions double within a year, and the website kept its paywall throughout the pandemic: "There was a hot debate about whether it was appropriate to drop the paywall, but we decided to keep it because we were committed to our existing subscribers and because, well, we had spent 20 years offering online news for free. There comes a time when you have to make a decision. You can't just give it all for free. Ours is still a fledgling business, and people are just beginning to understand that paying for news necessary" Chief Digital Officer Tomás García Morán explains. "We have found a balance between a transactional proposition, whereby you pay for a news product, and a support model, where readers pay because they believe in a cause, in a certain editorial project."

## L'Eco di Bergamo

A Catholic daily newspaper that has been reporting on Bergamo, a city in the alpine region of Lombardy, Italy, since 1880. The editorial team had a rigorous approach to data management since before the pandemic, so when coronavirus hit the region, they were ready to explain what was happening on the ground in an analytical way from the getgo.

Its leading data journalist, Isaia Invernizzi, won the prestigious DIG Award for his data investigations during the pandemic, and <u>L'Eco di Bergamo</u>'s story even ended up becoming the subject of a profile in The New York Times. "The quality of our work at such a delicate time has translated into an increase in readers and, above all, into a greater and deeper interaction between the public and the editorial staff. Readers have given us suggestions and reported new stories, becoming true sources."



#### **Local Call**

Hebrew-language <u>Local Call</u> was founded in 2014 with the aim of filling a gap in reporting on the Israeli-occupied territories for local audiences. With eight staffers and a wide network of paid freelancers, Local Call amplifies diverse voices while holding national media to account through combating misrepresentation as well as collaborations on investigative reports.

The digital magazine recently launched its pay-what-you-can membership model. "The instability of this year has really pushed us to actually say we do need stability and other sources of income", Executive Director Haggai Matar says. "And we need to explain to our readers that [membership] is the way to support us. This is the right way to make us sustainable and to make us the most independent, least reliant on foundations or very rich private donors."

### L'Ora del Pellice

Founded in 2017, <u>L'Ora del Pellice</u> covers 17 municipalities in the Italian Val Pellice, a small valley in the northwestern region of Piedmont. Its print edition, with more than 1,000 subscribers and sales, is primarily distributed in the smaller towns of the valley which do not have a variety of newspapers.

Defining their journalism as "slow journalism", the editorial team of 14 freelancers take time to produce credible, in-depth stories. They use historical analysis of the region to give readers perspective on current events involving democracy, public health, and migration, and approach their journalism as a public utility. Similarly to a co-op model, its 160 members are part of the publisher and board elections are held every five years. Their revenues are also sourced from sponsored content and video services to the communities. Those wishing to be part of the project must subscribe to L'Ora del Pellice's four magic words: quality, community, independence and respect.



### **Mahoning Matters**

The for-profit news site <u>Mahoning Matters</u> was founded in 2019 by McClatchy and Google as part of their joint local news laboratory, The Compass Experiment, a three-year program exploring new sustainable business models for local news. Mahoning Matters aims to fill the information gap left in Youngstown, Ohio, after the shutting down of its big local news outlet. With five full-time reporters and a business manager, its revenues come from advertising sponsorships, local donors and reader donations.

#### Mediacités

Mediacités was founded by seven well-established journalists to fill a crucial void in the French media landscape and focus on regional issues. Launched in 2016, Mediacités produces participatory journalism as well as investigations, to encourage citizens to assume an active role in their community. Their watchdog journalism covers Lille, Lyon, Toulouse and Nantes and has over 4,500 members across the four cities. To engage citizens, Mediacités developed various journalistic tools such as community-based fact-checkers, a platform for collaborative investigations and an app to advance local government transparency.

Alongside a membership program, government funding and partnerships, Mediacités also created a financial vehicle called Société des Amis de Mediacités, bringing together more than 100 individuals to contribute between € 200 and 5,000 to the capital of Mediacités. In return, investors benefit from exclusive newsletters, have the option to attend weekly editorial meetings and test new products before their launch.

#### The News Minute

Founded in 2014 by Dhanya Rajendran, Vignesh Vellore and veteran journalist Chitra Subramaniam, The News Minute now has a staff of 40 across its five bureaus in India's southern states. The digital news platform offers in-depth analysis, breaking news and opinion, and feminist analysis to current events, filling an information gap for 250 million people.



In early 2020 they launched their membership programme for Indian readers and in September added a membership programme and product aimed at the overseas diaspora in places like North America, west Asia and the UK. The aim is to help point the newsroom towards content audiences want to see, and eventually make up 25 percent of the site's revenue, which was originally built on ads and sponsored content. The content will continue to be offered for free. "We don't see subscription – or going behind a paywall – as the right route for us. A transactional relationship with the reader is not what we want," founder Dhanya Rajendran says.

#### **Outlier Media**

<u>Outlier Media</u> was founded in 2016 after founder Sarah Alvarez recognized that the information needs of low-income audiences were not addressed in the national media. Providing information in English, Spanish and Arabic, Outlier Media provides Detroit residents with an on-demand text-message news service, as well as publishing reports in partnership with local newspapers.

With a staff of two part-time reporters, an executive director and executive editor, Outlier Media relies solely on grants, and prioritizes utility over any other quality. They deliver information that is actionable and can "empower residents to hold landlords, municipal government and elected officials accountable for long standing problems in the housing and utilities markets".

#### Suno India

Suno India ("Listen up India" in Hindi) is a podcast platform based in southern India with deeply reported narrative and story-telling in the under-served language Telugu as well as Hindi and English and a few special episodes in Tamil and Urdu. Their program include Kathey cheppava Ammamma ("Tell me a story, grandmother"), a podcast of Telugu stories for children; Samacharam Sameeksha, the news and analysis program about the two Telugu-speaking states, Telangana and Andhra Pradesh; and Hindi show Raah (Path), aimed at 17 to 25 year olds in cities such as Indore (population about 2 million) and Allahabad (1.1 million).



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