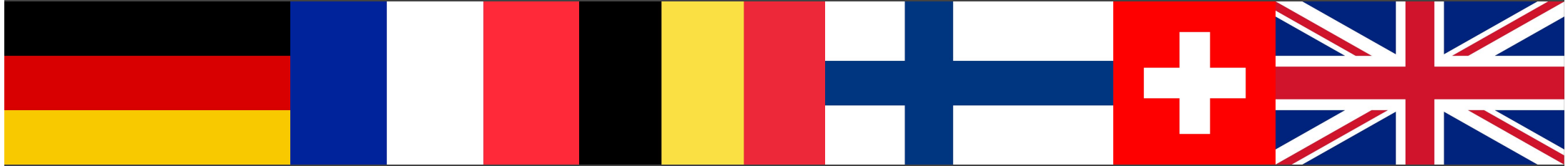


I'm Eric.



Thanks, Europe!

Why am I talking to you?

Los Angeles Times

The Seattle Times

PHILADELPHIA MEDIA NETWORK

The Inquirer **DAILY NEWS** philly.com

What I believe

Local journalism is essential to democracy.

Local journalism is in trouble.

Help is (finally) on the way.

What I believe

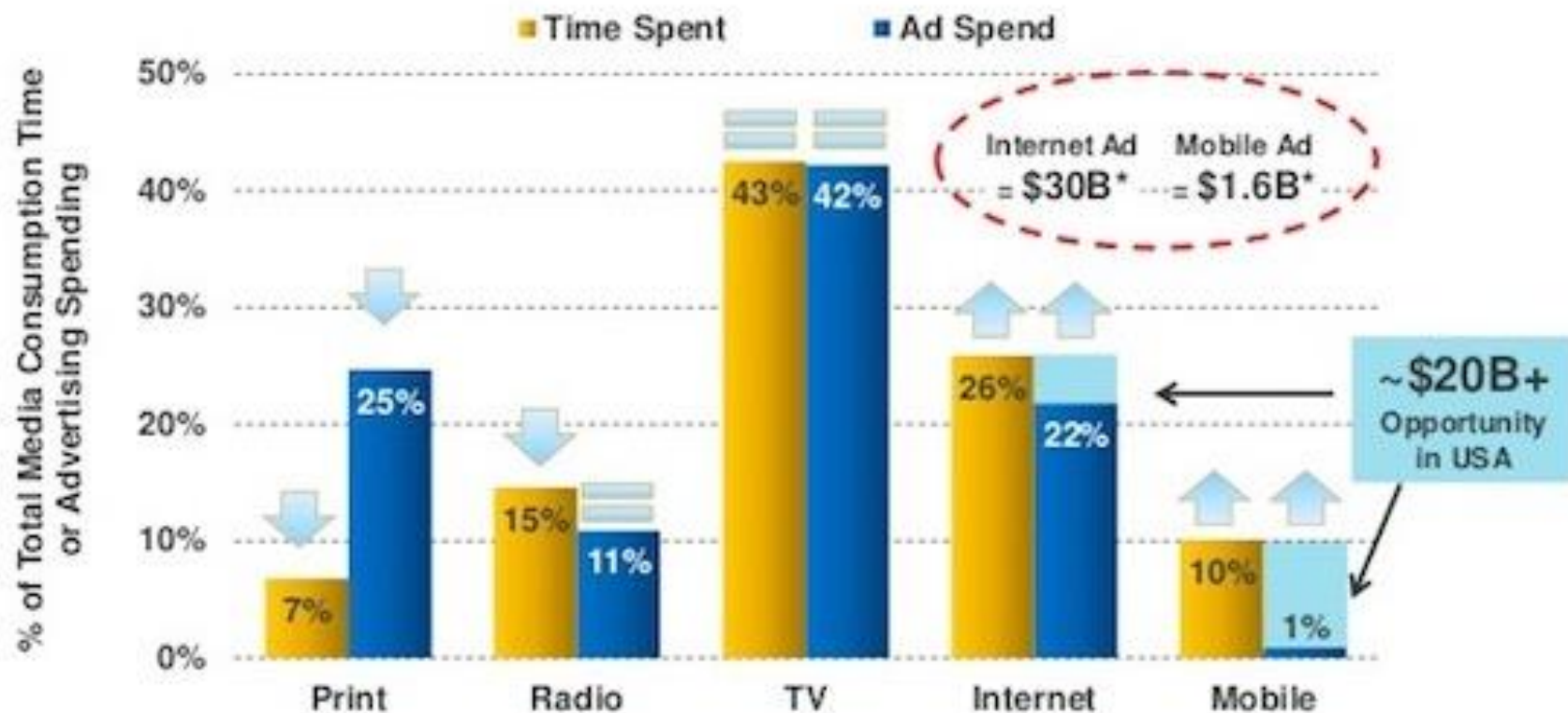
NiemanLab

PREDICTIONS FOR JOURNALISM 2018

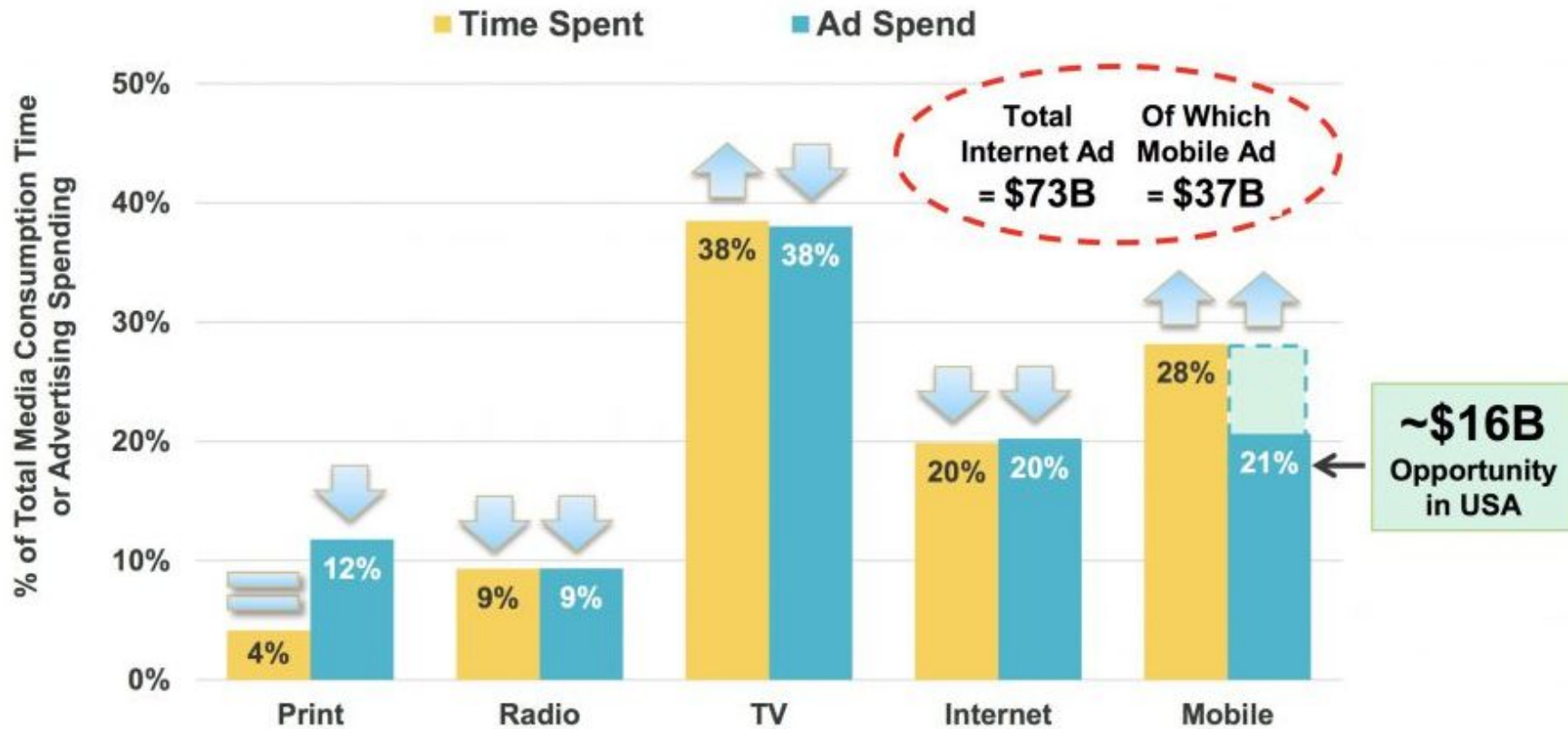
**THE YEAR LOCAL
PUBLISHERS
GET SMART(ER)
ABOUT CHANGE**

1. The road to post-print
2. Table Stakes and 'getting in the game'
3. The transformation in Philadelphia
4. Parallels with Europe + discussion

% of Time Spent in Media vs. % of Advertising Spending, USA 2011

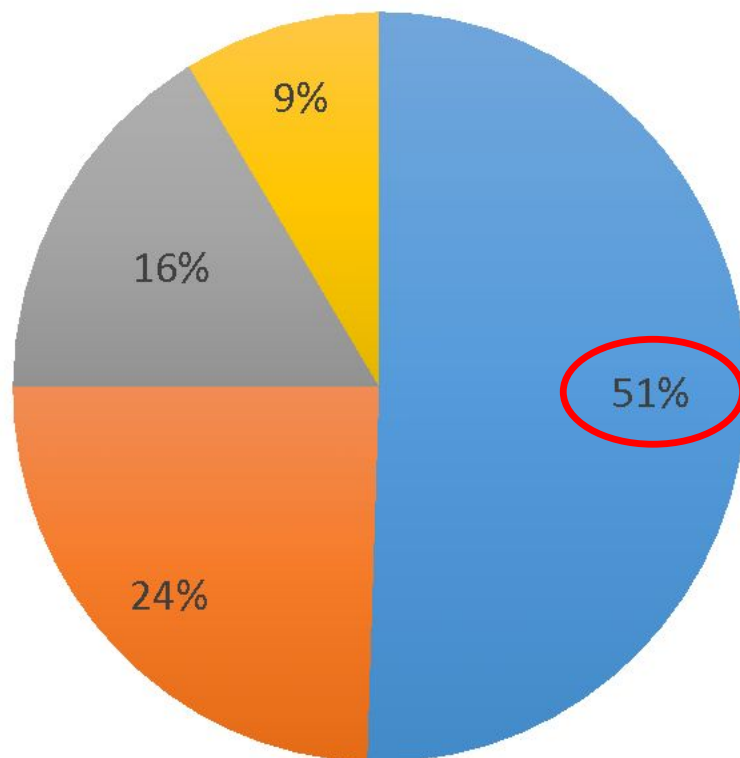


% of Time Spent in Media vs. % of Advertising Spending, USA, 2016



Philadelphia Media Network headcount

1,232
employees
at 2015
year end



■ Production & Distribution

■ News & Content

■ Advertising & Circulation

■ Finance, Systems, other G&A

Further cuts must
come from **print**,
not digital

Source: Lenfest Institute

Transform newsroom

Put audience thinking at the heart of all decision-making. Isolate print functions with a dedicated team.

Reshape digital products and UX

Eliminate bad ad experiences. Improve speed and usability. Be on the platforms where your users are.

Shift revenue mix

Move print revenue toward key publication days and convert print subscribers into digital loyalists.

Reimagine print and reduce its expenses

Once print revenue is focused on key days, reduce frequency and footprint to cut print costs.

How?

Enter Table Stakes

Table Stakes

A Manual for Getting in
the Game of News

DOUGLAS K. SMITH • QUENTIN HOPE • TIM GRIGGS



A Project of the Knight-Lenfest Newsroom Initiative

The primary objective of any change effort is **performance**, not change.

—DOUGLAS K. SMITH

Anatomy of a challenge statement

1. What will get done
2. How success will be measured
3. How it will get done

██████████ will dramatically grow subscription revenue by maniacally focusing on audiences, so that we shift our dependence from print motivated subscribers to digitally motivated subscribers, and ultimately mitigate impacts to erosion of our 7-day print business.

What will get done

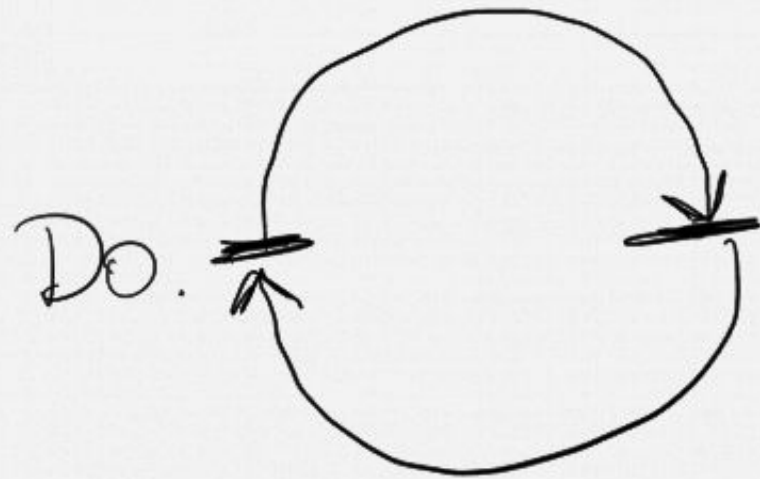
By March 2018, we will grow from 72,000 to 90,000 digital-only and Sunday-only subscribers, and grow our print subscribers' use of digital products from 30% to 45%.

How success will be measured

To do so, we will look at four stages in the subscription funnel: we will register anonymous users; deepen engagement of valuable, targeted audiences; convert non-paying users to paying subscribers; and retain loyal subscribers.

How it will get done





LISTEN.

LEARN.

REVISE GOALS/ASSUMPTIONS.

Do.

THE GOAL:

Create a digital project focused on a younger audience that a sponsor would support for \$100k.

THE SKINNY:

Chelsey covered 72 counties and produced an amazing project filled with great stories, photo galleries, regular videos and drone videos. She increased in Facebook followers and Instagram.

WHAT WE LEARNED:

Being audience focused in the conception phase helped us create a strategic project that was worth it to a new sponsor.

WHERE CAN WE GROW:

Don't kill our reporters.
We still need to train our sales team.

Listen.
Learn.
Revise goals/assumptions.



Photo: Gene Park

The 7 table stakes

1. Serve targeted audiences with targeted content.

2. Publish on the platforms used by your targeted audiences.

3. Produce and publish continuously to meet audience needs.

4. Funnel occasional users to habitual and paying/valuable loyalists.

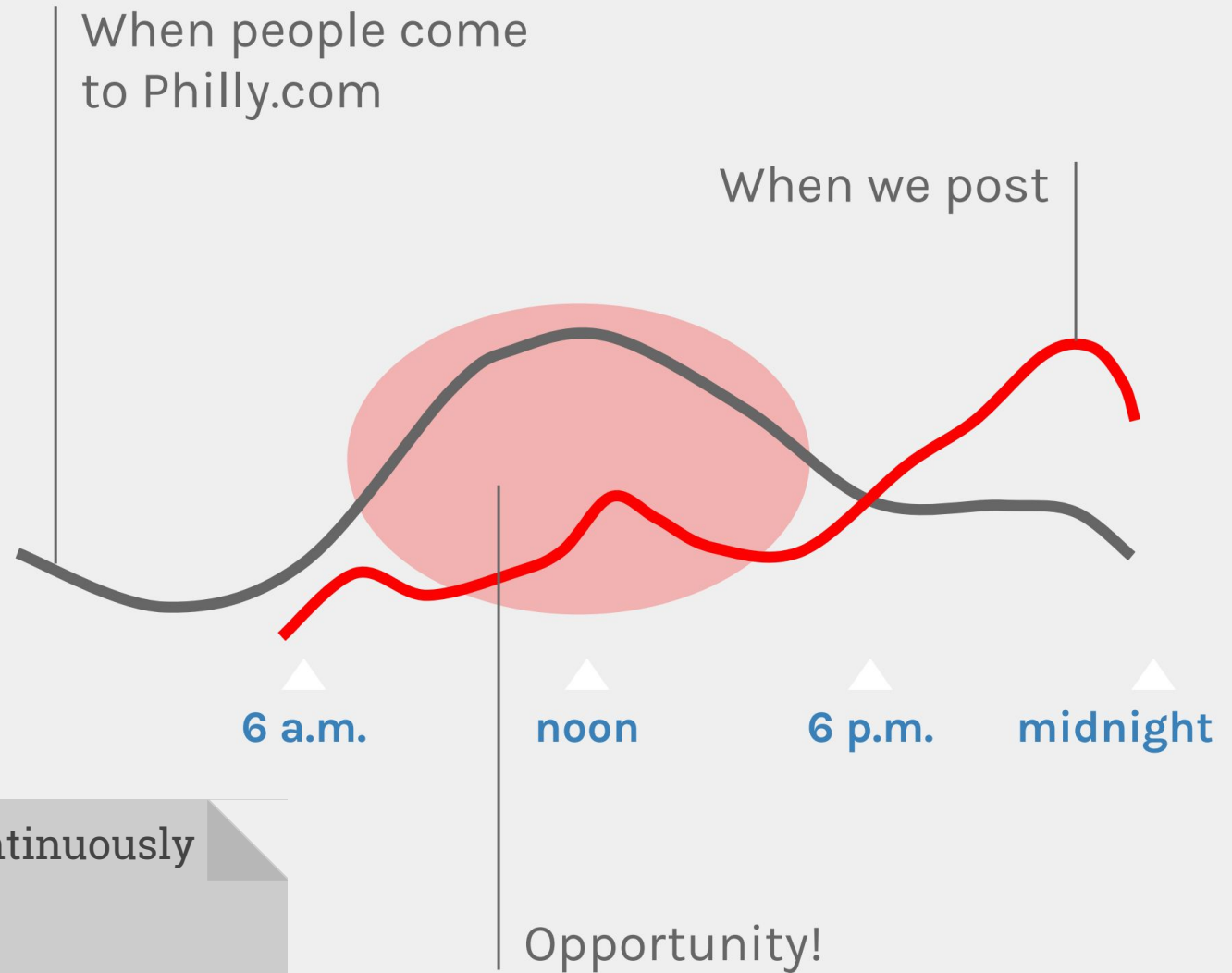
5. Diversify and grow the ways you earn revenue from the audiences you build.

6. Partner to expand your capacity and capabilities at lower and more flexible cost.

7. Drive audience growth and profitability from a “mini-publisher” perspective.

The gap

How Philly created and leveraged dissatisfaction in 2016.



3. Produce and publish continuously to meet audience needs.

1. Market penetration rate

What share of your local market are you reaching?

2. User engagement

How many of your users are viewing threshold numbers of stories in a month (e.g. 2-5, 6-10, 11-15, 15+)

Identified audience

Number of identified and reachable users

3. Stop rate

What share of your engaged users are hitting your meter limit?

4. Stop conversion rate

What share of those who reach your meter limit become subscribers?

5. Print bundle subscriber activation rate

What share of your print subscribed have activated their digital subscription?

6. Subscriber engagement

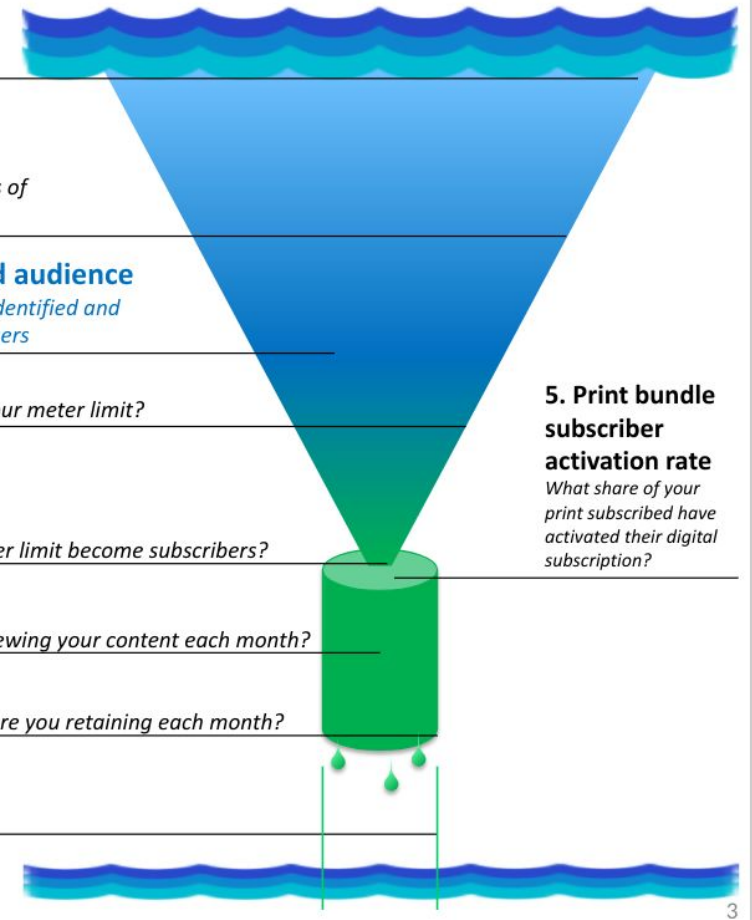
What share of your subscribers are viewing your content each month?

7. Retention rate

What share of your paid subscribers are you retaining each month?

8. Subscriber penetration rate

What share of your paid subscribers?



4. Funnel occasional users to habitual and paying/valuable loyalists.

Lenfest

Sharing what we've learned

A resource for news innovators to learn, plan & do.

SUBSCRIBE ABOUT US CONTACT US *I am trying to...*

B/N Better News THE ESSENTIALS NEWS & PRODUCTS AUDIENCES REVENUE LEADERSHIP

Make Better News

Better News offers strategies and case studies to help transform newsrooms. Fueled by the American Press Institute and the Knight-Lenfest Newsroom Initiative. Funded by the John S. and James L. Knight Foundation.

I am trying to...

betternews.org

2 years of evolution in Philly

A Call To Arms

This report is a wake-up call to everyone at the Inquirer, Daily News and Philly.com. We will not survive unless we make major changes to the way we tell and share stories. We are now in danger of losing what we've spent 187 years building — our audience. Our readers are increasingly moving online, and we are failing to capture their attention. We need to do a much better job of engaging readers in the digital realm — particularly younger readers, minorities, and new immigrant communities. We are simply not reaching them.

This report is a wake-up call to everyone at the Inquirer, Daily News and Philly.com.

resonating with our online readers.

The rhythms, structure and culture of our newsrooms are still tightly tied to print. This has to change — now.

To move meaningfully toward replacing our projected loss in print revenue, **we will need to double our digital audience and our digital revenue by 2020**. We need to figure out what our audience wants and needs — and then deliver it to them.

Industry-wide, print advertising revenue and circulation volume are shrinking about 10 percent a year. This will only get worse as [we raise newsstand and home delivery prices](#) and our core

2 years of evolution in Philly

3 newsrooms into 1

Product improvements (redesign, mobile apps)

Skills development + digital-first publishing

Audience-focused newsroom reorganization

Digital subscriptions launch

Claudia Vargas

AGENCY ACCOUNTABILITY

Alfred Lubrano

CLASS

Tommy Rowan

PHILLY HISTORY

Kathy Boccella

INNOVATION

Jason Nark

RURAL AND EXURBAN LIFE

Stephanie Farr

PHILLY CULTURE

Mensah M. Dean

UNJUST SYSTEMS

Peter Dobrin

BUSINESS OF THE ARTS

Suzette Parmley

SHOPPING

Jonathan Lai

FREEDOMS

Mari A. Schaefer

WELLNESS

Ronnie Polaneczky

DIGITAL OPINION

“ I cover [philly.com/newsroom](https://www.philly.com/newsroom) about wellness and explore our changing understanding of them. Topics include freedom of expression and other subjects that make

“ As a columnist working in the digital-opinion group, I take on advocacy projects, which will include public events to bring real

2 years of evolution in Philly

3 newsrooms into 1

Product improvements (redesign, mobile apps)

Skills development + digital-first publishing

Audience-focused newsroom reorganization

Digital subscriptions launch

- Formal challenges in Table Stakes
- Regular updates + knowledge sharing

'Overheard at the office'*

**Not really, but it could have happened!*

FROM THIS...

"Digital readers are **freeloaders** with lousy taste in news."

News

"**Print** is all that matters because it's the only thing we get paid for."

Circulation

"Without this new **blinking ad unit**, we will miss our revenue goals."

Advertising

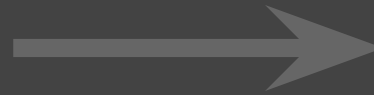
"**What am I selling** when every platform has a different business model?"

Marketing

'Overheard at the office'*

**Not really, but it could have happened!*

FROM THIS...



TO THIS...

"Digital readers are **freeloaders** with lousy taste in news."

News

"Digital readers **pay my salary**, so I'd better listen to them."

"**Print** is all that matters because it's the only thing we get paid for."

Circulation

"Digital subscribers are **more profitable**."

"Without this new **blinking ad unit**, we will miss our revenue goals."

Advertising

"I can't let a bad ad experience **stand in the way** of reader revenue."

"**What am I selling** when every platform has a different business model?"

Marketing

"I sell a cross-platform news experience to **loyal users**."

A long-exposure photograph of a night sky filled with star trails. The trails are curved, indicating the Earth's rotation. In the foreground, a city is visible with its lights and some trees. A yellow callout box with a downward-pointing arrow is positioned in the upper center of the image.

The user

It's working

The Boston Globe: ~100,000 digital subscribers

Star Tribune (Minneapolis): ~50,000 digital subscribers

The Seattle Times: ~80,000 'digitally motivated' subs

The Philadelphia Inquirer: ~20,000 digital subs in 5 months

'Work is never over'

—DAFT PUNK



Thank you.

@eulken

eric@ulken.com