

GROWTH IN ONLINE PUBLISHING ...

- Lee Duffield, Amelia Birnie and Daniel Challis ...
- CPR Forum, Sydney, 19 November 2009
- Taking stock of **current movement in the online field as it effects journalism, a case study approach** referring to *EUAustralia Online* ...
- As the context of work on online; identifying **movements in two strands - among main media, and small producers**



A LONG PIECE OF STRING

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- Defining online journalism...
- **Content** (and facts) and **audiences** (and relationships)...
- Plumb-bob theories of thought and understanding ...
- **Freedom and truth**



THE END OF JOURNALISM ...

- Have you noticed? Talk of late about the shifting and shaking in journalism, the end of journalism, bankrupting the print media, has been given many of its legs by journalists.
- Journalists are writing about it, and mainstream publications are giving it a good thrashing.
- **Is this all a media beatup!?**
- Part of this grand open-ness, not only to let 100 flowers bloom, is to do with mainstream media efforts to hold onto position – essential background to developments in online.



REACTIONS AND RESPONSES ...

- **Fall back on prepared positions ...** Attrition of audiences for **TV** preferable to evident alternatives, then to reduced company status / size (see recent 7 write-off), and major structural / marketing developments – more FTA channels with digital.
- Conventional, **corporate lobbying** and politicking.
- **Become the main outlets** / main brands online; obtain lion's share of what might be in it.
- **Defence of intellectual property.**




MEDIA BUSINESS AND MEDIA LOBBIES

- VDU dispute in 1980; structure of the deal to retain options, in a new environment
- IP campaign by the IFJ, 1990, versus News Corporation, to settle residual rights with advancing multi-media



MEDIA BUSINESS AND MEDIA LOBBIES

- **Concerted efforts by media corporations have invoked intense discussion in the United States legislature; first, on regulations, the reduction of any impediments to cross-media operations in single markets (given that technology and production values now impel a mixture of formats); and secondly, on tax concessions in the name of maintaining a socially responsible press as a mainstay of democracy, and protecting jobs. This is the “media beat-up” aspect of the situation; while newspapers are suffering from long-term decline and now the assault of the Internet, “crying poor” may have its uses.**
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MEDIA BUSINESS AND MEDIA LOBBIES

- Report for American legislators by Kirchhoff SM, 2009, Congressional Research Service, surveys circulation decline, Internet incursions into the advertising market, and extent of indebtedness:-



MEDIA BUSINESS AND MEDIA LOBBIES

- “The U.S. newspaper industry is in the midst of a historic restructuring, buffeted by a deep recession that is battering advertising revenues, long-term structural challenges as readers turn to free news and entertainment on the Internet, and heavy debt burdens weighing down some major media companies ... Publishers are experimenting with new business approaches, but there is no widely agreed-upon model to restore the link between newspaper content and earnings, which has been partially severed on the Internet. Newspapers depend on advertising for about 80% of revenues. Even after investing major sums in technology, and attracting millions of online readers, less than 10% of overall newspaper ad dollars are Internet-driven ...” (Kirchhoff 2009:1).



“WAR” OVER INTELLECTUAL PROPERTY

- **Previous preventatives**, e.g. electronic blocks on DVDs, do not apply – though major users are working on solutions, e.g. AP rerouting of copying attempts to its home page
- Most significant case to date, Napster in the USA. Metallica and Recording Industry Association (RIAA) sued to end its free file-sharing service; (followed up with cheap legal alternatives).
- Emergent issues; sites that set up contracts to extend their copyright rights, and deny their own liability - need testing by law



“WAR” OVER INTELLECTUAL PROPERTY

- The celebrated declaration to an audience of journalists by the News Corporation chairman, **Rupert Murdoch** (6.8.09), that his companies would begin charging for online services.
- The program of change could focus attention on intellectual property issues, with a **fresh attack on unlicensed re-use of published material at both *wholesale* and *retail* levels.**



“WAR” OVER INTELLECTUAL PROPERTY

- The Google corporation quickly endorsed the opinion of sceptics that users would hardly buy a product, e.g. quality information, available free elsewhere on line, except in specialised zones like finance. Google itself stands to become a key protagonist in any new campaigns on legal or contractual issues to do with copyright on material *at wholesale level*.



“WAR” OVER INTELLECTUAL PROPERTY

- Collection of access charges from *retail* users must deal with both the very dispersed and piecemeal market, and the presence of competitors able to trade on low production costs.
- **News Limited and its large competitors will need to test whether their brand familiarity will impress the consumers enough to cause them to pay**, and it is to be expected that the product to be offered on the major portals will be extended beyond the product currently on offer free of charge.



“WAR” OVER INTELLECTUAL PROPERTY

- In the war on infringement, action by media majors, as part of the current environment, AP’s major example ...
- The **Associated Press**, now building a “news registry” to monitor use of its material. <http://www.ap.org/iprights/>



“WAR” OVER INTELLECTUAL PROPERTY

- **Protecting AP’s property rights ...**
- As the world's largest news and information agency, The Associated Press invests hundreds of millions of dollars every year in its newsgathering operation. AP journalists must be present whenever and wherever news occurs, at great cost to AP and sometimes at great risk to themselves. Protecting their work from misuse and illegal use, therefore, is of primary importance. AP is a leader in protecting intellectual property rights through monitoring, licensing and enforcement efforts.
- >>What's New
- AP to build news registry to protect content
Registry will provide tools to monitor use of AP and member content online while also enabling new business opportunities
- The Associated Press Board of Directors directed The Associated Press to create a news registry that will tag and track all AP content online to assure compliance with terms of use. The system will register key identifying information about each piece of content that AP distributes as well as the terms of use of that content, and employ a built-in beacon to notify AP about how the content is used.
- www.ap.org



WAR OF NECESSITY

- NECESSITY is the mother of invention in the case of newspapers facing glum balance sheets, suffering from special structural and market problems, and general world recession. The **Murdoch pronouncement on pay for access coincided with the announcement of a US\$ 3.4-billion annual loss** for his company.
- Ian Burrell, “Future of *The Observer*’ in doubt following huge losses”, 3.8.09,
<http://www.independent.co.uk/news/media/press ...> 24.9.09
- Tuinstra F, “Caught between the Cold war and the Internet ...”,
<http://www.nieman.harvard.edu/reportsitem.aspx?id=100381> ... 24.9.09



MAKING A GO OF IT ...

- Economics , viability of online, \$US17-billion advertising in US, 2007 ...
- Online newspapers getting 5% of that, several starting to turn profits, obtaining more of local advertising.
- In USA 22.8% of TV websites self-sufficient; progress in small to medium markets.
- Foust JC, Online Journalism, 2nd ed, 2009, Scottsdale, Holcomb, p 240.



MAKING A GO OF IT

- Business models; revenue, dynamics of online applied to advertising:
- Subscriptions
- Value-added services, e.g. restricted access pages, archive services
- Selling types of advertising, and targeting / use of interactivity,(example of framing to offer to demographics)
- Monitoring of online use: moves from page views stats to number of users, unique users, time spent
- List Serv delivery of revived Fairfax *National Times* title.



MAKING A GO OF IT

- Becoming main portals / dominant brands
- News Corp. pay-per-view
- **National broadcasters'** renaissance; community obligations services – social responsibility; Mark Scott (August 2009) – programs and new versions, free



FUTURES AGENDA

- **Main source of *now* information**, since 11 September 2001, (anecdotal survey)
- Future for aggregators (if they have to pay for it)?
- Social justice – growth of community media, minorities, global language diversification of the Internet
- More on convergence, media platforms, and producer organisations
- Potentialities of Web 2.0 – social networking, audience participation, collaboration, multiple platforms, (audience adjusts to the content)



FUTURES AGENDA

- PRODUCTS AND PUBLICATIONS:
- Majors and major brands
- High potential of hyper-local and community services, (as community radio 25% Australia – Meadows; and county service of the *Washington Post* – Foust)
- “Activists as journalists of the future”
- Entirely new products and processes
- Elastic markets: users using more, new users entering – making of markets.



SMALL ONLINE PUBLISHING

- Case study of a small online publication; paper to the Communication Policy and Research Forum (CMPF), Sydney conference, 19-20.11.09.
- Trends in Online Journalism: a case study approach based on *EUAustralia Online*
- Lee Duffield, Amelia Birnie and Daniel Challis



SMALL ONLINE PUBLISHING

- The student journalists worked on VRES (Vacation Research Experience Scholarship) during November and December 2008, January 2009.
- Then collaborated in a reflection on practice exercise and writing it up as a paper for publication
- (*Amelia*)



SMALL ONLINE PUBLISHING

- Synopsis
- **This paper takes stock of current changes affecting journalism, and as a case study brings up to date the record of progress made with an online publishing enterprise, *EUAustralia Online*, first reported on in 2007. It perceives the development of news publishing on line as being in two sectors: media corporations moving to occupy the online publishing field, through complex business stratagems and product-making, and small publications enjoying low production costs and the ability to strike up relationships with numerous users, even on a mass scale... The paper recounts the pattern of work on *EUAustralia Online*, showing how such publications, ubiquitous “blogs” or newsletters, may be placed in a prospective online order, where large and small operations might co-exist.**



SMALL ONLINE PUBLISHING

- While the majors are on the march to soak up markets, markets themselves appear to be growing.
- New people join markets; people in existing user / audience groups, see that more media is available and use it more.
- Small outlets can survive on low production costs with actual mass audiences.



SMALL ONLINE PUBLISHING

- Figures quoted by Flew (2009), for June 2008, identify the Fairfax outlet smh.com.au as the leading Australian news site, registering 4.231.304 unique browsers, followed by ninemsn news 3825126, and News Limited's news.com.au 3066292. Comparable figures for leading independent, online only outlets, for unique users in August 2008: *Crikey* 117750, *Online Opinion* 67500 and *New Matilda* 15227.



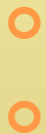
SMALL ONLINE PUBLISHING

- The team of three worked on the production of *EUAustralia Online*, set up in November 2006 with the goal of providing news and information from Europe for Australia, operated for the first six months from Brussels by the principal researcher as its editor. It sets out to occupy a niche, where interest in specifically activities of the European Union, in relation to Australia, can be serviced... *EUAustralia Online* provides for a niche market of those wishing to “keep an eye” on the EU. In the period under review it has produced stories on several topics including politics, the environment, diplomacy and war, European culture and Australian/ European ties... [down-time since June 2009].



LESSONS FROM EXPERIENCE

- **A positive aspect of the observable demand for content was the “reward” factor; that when content is produced regularly and often, the number of users will accumulate.** That becomes a constant of online publishing which helps the small operator; users on line are instantly responsive. The audience profile will be such that it seeds more growth, having a balance of unique users and returnees, a “repeat-visit and accumulating” factor.



LESSONS FROM EXPERIENCE

- The objective of the site being to deliver specific content to a suitable audience, there was an opportunity to provide background and depth on issues and do follow-up stories – e.g. the energy squeeze on Europe with supplies cut off from Russia during that Winter.
(Daniel)



LESSONS FROM EXPERIENCE

- From texts on trends in online journalism, affirming / affirmed by experience with production
- Post daily
- Brings audiences
- Credibility relates to search engine responses
- SEO practices the norm
- Sourcing and reference protocols / conventions
- Given resources, how to provide multi-platform – currently special products / features
- Expect to deal with mass audiences
- Always interactivity?



LESSONS FROM EXPERIENCE

- The editorial team of three used conferencing to scout story possibilities and coordinate coverage, though most day-by-day work was carried out on an individual basis from various locations. The operation is off-shore from its main gathering area, in Europe, with reporters going there periodically to report from the field; in the period under review, all of the news gathering was done in Australia mostly using online sources. These are, as mentioned above, institutional sources (such as NATO, Greenpeace, Council of Europe, IFJ); media sites may be used for corroboration, as “second source” material, e.g. Deutsche Welle, or BBC News. *Le Monde* is used extensively as a primary source. The publication is included in Listservs delivering notifications on new developments from the above sources and several others.



LESSONS - USERS

- **Audiences in 2007:** Research in 2007 showed that EUSAustralia obtained significant audience boosts whenever it began reporting regularly in any volume. In that connection, **after the volume of posted reports (or stories) more than doubled as of March 2007, from an average of 25 per month to 66 p.m., site visits went from 69 per day (2004 average per month) to 175 (5362).** Several of the 66 reports referred to were packaged in multiple-story postings, so the average of actual *postings* per month was closer to 40; and it was inferred that a daily posting would provide a break-through point on the way to accumulating appreciable audiences for a blog or newsletter. (This notion of a daily posting, as a measure of viability, as mentioned above, has been affirmed in practice elsewhere, e.g. by Foust 2009: 15).



LESSONS - USERS

- **Audiences in 2008:** The publication has continued along the same lines as in 2007, **showing in practice that a mass audience can be brought in for modest cost with some daily journalistic effort.** In the three months of publishing under review in the present study (December 2008-February 2009), the three journalist-contributors together posted a total of 101 reports, just over 1.1 per day. That was a sharp increase from the “down-time” performance of just nine or ten postings for each of the three previous calendar months. Site visits for that preceding three-month period averaged 54.75 per day (4902 p.m.). In December with the increase in activity they rose to 186 per day (5785 for the month) , and for the three months of review averaged 245 per day (7360 p.m.). **An additional feature of the statistics for *EUAustralia* is that it gathers a significantly high percentage of unique visitors as opposed to returnees, each month more than 60% of the total visits; indicating a positive performance in drawing attention through search engines, and suggesting a good reputation for information on the site.**



LESSONS - USERS

- Not uncommonly for online publications a plurality of users are in the United States, with large audiences also in the target areas, Australia and Europe. There is some following in other parts of the world but very marginal in terms of numbers. Recent figures from *EUAustralia* statistics: site visits, USA 2442, Europe (EU plus Russia and Ukraine) 2389, and Australia 1226. Visits from China 422, New Zealand 56.



IMPONDERABLES

- Assumption here has been room for all; large and small producers, broad and specialised markets...
- Qualified by the unresolved economics ...
- Qualified by the unresolved technologies ...
- Qualified by restricted abilities to take up everything possible that is new
- Cannot think if most media will be continuing professional, or pro-am, or to what extent future media will be a media of niches and interactions
- Wisest is to say; cannot say
- Hopeful democratic options through proliferation and openness – a world *glasnost*

