



Saving Newspapers

The Path to Profitability

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Life Beyond the Newspaper as a Paper-Only Product

The Experience in Other Industries

Disruptive innovations (such as the Internet) attack existing firms by leveling three potentially lethal blows to:

Cost structure

Customer Base

Revenues



The Experience with Newspapers

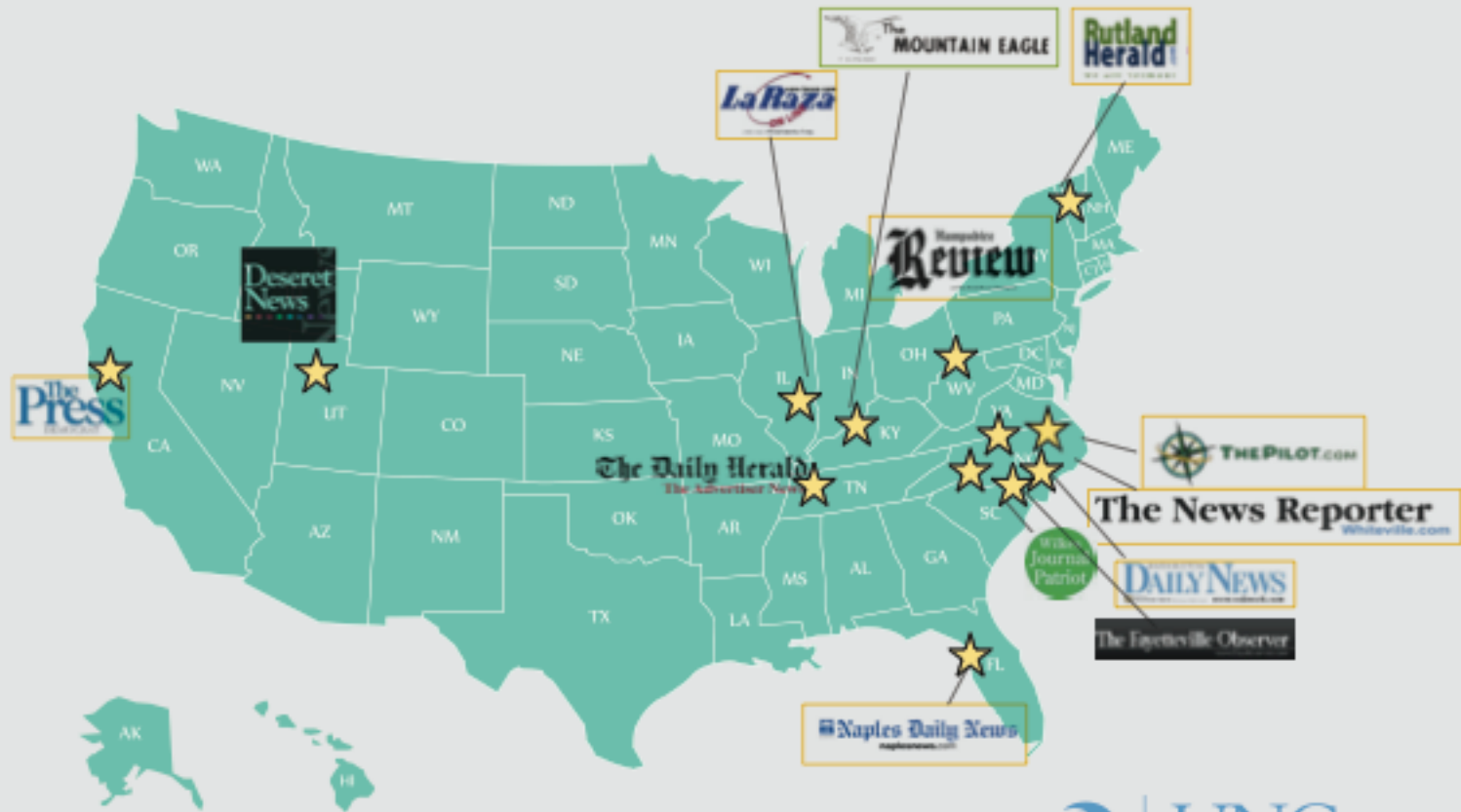


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Developing a 21st century definition of “community newspapers,” based on mission not circulation:



12 Papers Involved



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Newspapers must respond with a three-pronged strategy approach:



What we know about shedding legacy costs

- Internet attacks distribution costs directly
- Value comes from content creation and aggregation
- Cost drivers should be value drivers

Implications:

- Print/Distribution Schedule
- Staffing/Outsourcing
- Content

Shedding costs frees up funds for investment.

What we know about building community on many platforms

- Our customer habits are changing rapidly
- We must not alienate our loyal readers during the transition.

Implications:

- Newspapers must cover geographic communities and build communities based on special interests.

Building community on many platforms is key to pursuing new revenue.

What we know about pursuing new revenue

- Our advertisers are confused and look to us for answers.
- Local newspapers still best advertising mediums for most local businesses.
- By combining two or more mediums, advertisers significantly increase reach and effectiveness.

Implications:

- There needs to be a new sales strategy.
 - Rate Card
 - Compensation
 - Training

Newspapers need to position themselves as a multi-platform medium.

Conclusions: It's tough keeping three plates spinning simultaneously.

SUCCESSFUL NEWSPAPERS ASKED THE QUESTION:

If we were building this paper today, how would we do it?

- How would we look to our customers, employees and shareholders?
- At what processes and procedures would we excel?



In the end, it's
still about story
telling . . . **And
newspapers do
that well.**