

Innovative journalism online: analyzing new practices and business models

Rebecca Coates-Nee, MSJ

K. Tim Wulfemeyer, Ed.D

San Diego State University

Contents

1 INTRODUCTION	3
2 THE IMPACT OF THE INTERNET ON LEGACY MEDIA: LITERATURE REVIEW.....	5
2.1 Media as a digital conversation	5
2.2 The failure of newspapers to innovate online.....	6
2.3 Surviving the new media landscape	8
2.4 Developing innovative business models online.....	9
3 CASE STUDY: VOICE OF SAN DIEGO	11
4 CASE STUDY: SAN DIEGO NEWS NETWORK.....	15
5 CASE STUDY: KPBS CITIZEN VOICES PROJECT	20
6 DISCUSSION/CONCLUSION	22
7 REFERENCES	23

Innovative journalism online: analyzing new practices and business models

Traditional forms of media, particularly newspapers, are struggling to infuse innovation into their practices in the digital age. As audiences migrate online and become increasingly fragmented, legacy media outlets are finding that simply shoveling the printed newspaper or news broadcast onto a Web site is not enough to retain an audience and, therefore, advertisers. The interactive nature of the Internet is placing increasing demands on journalists to innovate their practices by: Engaging more with readers and allowing them to create their own content; going deep into communities to cover news on a hyperlocal level; becoming more transparent in the reporting process; utilizing social media to promote and gather news stories; and, presenting stories in multimedia formats. The new media landscape also requires news organizations to create new sustainable business models online either through advertising, donations, subscriptions or a combination.

This paper analyzes three case studies of innovative online journalism in the San Diego market to determine how each is incorporating new media practices while designing sustainable business models. Two of the outlets, SDNN.com and Voice of San Diego.org, are online-only startups, while the third, KPBS.org, is the Web site of the public broadcasting radio and television station in the market. This study finds that all three sites attempt to actively engage consumers, utilize multimedia and social media, and plan to increase user-generated content. The business model and focus of news coverage are the primary differences among the three. Only one of these Web sites, SDNN, is a commercial venture. These case studies may inform future research on how journalism can become sustainable online.

1 Introduction

If journalism is to survive on the local level, news organizations must look for ways to encourage innovation, particularly online.¹ Journalistic coverage of state and local governments is one of the most endangered practices in the new media landscape as newspapers lay-off reporters, close bureaus and some, such as the *Rocky Mountain News* and *Seattle Post-Intelligencer*, shut down their print operations entirely.

¹ Ibarguen, A. (2009).

San Diego's oldest mainstream media news source, the *Union-Tribune*, has gone through several rounds of staff layoffs and contract buyouts since 2007 because of lost advertising revenue and fewer subscribers.² The Copley family established the *San Diego Union* and *Evening-Tribune* in 1928 and merged the papers as one in 1992.³ After the newspaper industry became less profitable in the 21st century, Copley Press sold the *Union-Tribune* to Platinum Equity, a private equity firm in March 2009.⁴ Immediately after the transfer of ownership, Platinum Equity cut 192 staff positions.⁵

Prior to the sale of the *Union-Tribune*, the amount of original reporting in the daily printed product, as well as the newspaper's Web site, Sign on San Diego.com, had been noticeably scaled down. As a result of the newspaper's cutbacks, public demand for a viable alternate news source in the region increased. Additionally, a large number of experienced reporters, photographers and editors began searching for journalism jobs and establishing new online ventures.

"It's the best of times and the worst of times," noted Barbara Bry,⁶ executive editor and investor in San Diego News Network, sdn.com, an online-only news portal which launched in March 2009. Bry said the recession has made it difficult to find investors for online news operations because so many people have lost money in the stock market. On the other hand, she said, a large talent pool of available journalists exists "at a very reasonable price" because of the layoffs.⁷

While the San Diego News Network is a commercial venture that relies on advertising as its primary revenue source, Voice of San Diego.org is a non-profit organization that is funded by donations from individuals, foundations and corporate sponsorships. Voice of San Diego increasingly has been recognized as a leader in investigative journalism on the local level and was honored in 2009 by the Investigative Reporters and Editors for a series of reports on possible criminal wrongdoing by officials in San Diego's Redevelopment Agency.⁸

Another major player in San Diego media outside the mainstream is KPBS FM/TV, the public broadcasting radio and television station in the San Diego market and licensed by the Board of Trustees of the California State University as a department of San Diego State University. As part of an ongoing effort to increase

² Davis, R. (2008).

³ *San Diego Union-Tribune*.(n.d.) History of the *San Diego Union-Tribune*.

⁴ Ibid.

⁵ *San Diego Union-Tribune*. (2009). Union-Tribune cuts 192 positions. Retrieved May 7, 2009 from <http://www3.signonsandiego.com/stories/2009/may/07/bn07layoffs145114/?business&zIndex=95570>.

⁶ Bry, B. (2009) Personal communication. San Diego, CA. May 1, 2009.

⁷ Ibid.

⁸ Investigative Reporters and Editors. (2009).

the station's online presence, KPBS launched a year-long citizen media experiment during the 2008 presidential election. Through a grant by the Corporation for Public Broadcasting, KPBS hired six citizens to regularly blog on the station's Web site about the election.

This paper examines the innovative online journalism practices, business models, and methods of incorporating citizen media on SDNN.com, voiceofsandieg.org, and KPBS.org. The methodology used for this analysis includes personal observation by the authors and informal interviews with the principals behind each Web site. The researchers also conducted a secondary analysis of documents, including a project report by KPBS staffers, and content posted on the organizations' respective Web sites.

2 The impact of the Internet on legacy media: literature review

Two factors hastened the decline of newspaper profits in 2008 and the corresponding losses of jobs in the industry, according to the Project for Excellence in Journalism.⁹ First, the audience migrated faster to the Internet as a news source than the legacy media anticipated. The Pew Research Center found that Americans turned to the Web in 2008 for information about national and international events more frequently than any other news outlet except television. Among those under the age of 30, the Internet tied with television as the predominant source of news.¹⁰

Additionally, the collapsing national economy hurt advertisers as well. The 2009 State of the Media Report estimates that newspaper ad revenues fell by 23 percent during the last two years and the economy is to blame for at least half of those losses.¹¹ While advertisements had been increasing on Web sites affiliated with newspapers, revenue from advertisers on newspaper sites declined in 2008 and flattened on news sites overall.¹² This trend makes it doubtful that newspaper sites can rely on advertising dollars alone to be financially sustainable.

2.1 Media as a digital conversation

The number of people using the Internet worldwide grew substantially during the 1990s and early part of the 21st century. In 1995, just 15 percent of Americans

⁹ Project for Excellence in Journalism. (2009).

¹⁰ Pew Research Center. (2008). Internet overtakes newspapers as news outlet. Retrieved May 7, 2009, from <http://pewresearch.org/pubs/1066/internet-overtakes-newspapers-as-news-outlet>.

¹¹ Project for Excellence in Journalism. (2009).

¹² Ibid.

were logging on, but that number reached 50 percent by the year 2000 and rose to 72 percent in 2008.¹³ Just as print shop owners became the first journalists in the 18th century, computer technology specialists controlled the early creation of online content. Four of those developers published the *Cluetrain Manifesto* – proclaiming that the Internet would empower everyday citizens to engage in a conversation that would change practices in education, government, and business.¹⁴

The idea of business as a conversation was extended to journalism after the Web log, or blog, format was developed. Blogs first appeared in the late 1990s and featured a column-like format with the most recent postings at the top. Blogs grew in popularity because they required little technical knowledge on the part of the user. The notion that bloggers could circumvent traditional media to tell their stories gave rise to the term citizen media and inspired many writers to proclaim that the traditional role of journalists as gatekeepers would give way to a more open, two-way information cycle¹⁵

The Internet allowed consumers to create their own content and distribute it on a mass scale instantly and inexpensively. Users could be connected to each other through a virtual public sphere at any time of the day or night. Critics of the one-way nature of traditional journalism predicted “the lines would blur between producers of news and consumers.”¹⁶ Clay Shirkey argued that journalists were initially regarded as professionals because the ability to publish on a mass scale was a scarce resource belonging to owners of newspapers, radio, and television stations.¹⁷ But with the circumvention of gatekeepers and low-cost distribution of information on a global scale, anyone could be a news publisher. Because many media now compete for the audience’s attention, the role of mainstream media journalists has shrunk while consumers look to smaller, niche outlets for their news.¹⁸

2.2 The failure of newspapers to innovate online

Some critics say newspapers failed to attract a substantial audience online because they didn’t attempt to engage with the public as equals. Joshua Benton, director of

¹³ Pew Research Center. (2008).

¹⁴ Levine, R., Locke, C., Searls, D., & Weinberger, D. (2001).

¹⁵ Gans, H.(2003); Gillmore, D. (2005); Reynolds, G. (2006).

¹⁶ Gillmore, D. (2005). p. xxiv.

¹⁷ Shirky, C. (2008)

¹⁸ Gans, H. (2003)

the Journalism Lab at Harvard's Nieman Foundation says newspaper reporters put off their audience by talking down to them and writing as if they are the "voice of God."¹⁹ Bloggers, on the other hand, understand how to engage with their readers by writing in a more conversational, less stilted manner, Benton said. He has observed that online comments on blogs tend to be more civil than comments on news stories. Even if a journalist writes each, Benton said, the tone of a news story usually is less inviting than that of a blog.²⁰

The newspaper industry may have been hindered from competing effectively online by a 1995 court case, *Stratton Oakmont v. Prodigy*, an online service provider. In that case, Prodigy was held responsible for defamatory comments posted on its online discussion forums. Prodigy was treated as a publisher because it had hired people to monitor the forums.²¹

As a result, newspaper employees stopped monitoring forums on their sites or participating in them, so they wouldn't be held liable as well. But a clause in the Communications Decency Act, later passed in 1996, exempted third parties from liability for comments posted by participants in discussion forums. Still, many newspapers weren't convinced of their immunity and chose to let forums on their sites run amok. While newspapers refused to engage, other communities proliferated on the Web around niche and local topics.²²

Newspapers and broadcast media also maintained their walled-garden approach to news on their site, failing to recognize their role as providing a service, not a product.²³ Consumers expect to find links to all relevant information about the subject of which they are searching, even if that means linking to the competition's stories. The most popular Web sites, such as YouTube, Facebook, Twitter, Wikipedia and Craigslist, are founded on the principles of mass collaboration. Traditional businesses that embrace technology to accommodate this type of open collaboration have been able to compete more effectively on a global scale in the 21st Century.²⁴

Writers who encourage citizens to become part of the news-gathering process cite the theory of the wisdom of the crowds – the idea that collectively a group of people will add more knowledge and information to a report than any one journalist could do on his or her own.²⁵

¹⁹ Benton, J. Personal communication. April 2, 2009. Boston, MA.

²⁰ Benton, J. Personal communication. April 2, 2009 (for all attributions in paragraph).

²¹ Ardia, D. (2007).

²² Niles, R. (2009). (entire paragraph).

²³ Project for Excellence in Journalism. (2008).

²⁴ Tapscott, D. & Williams, A. (2006).

²⁵ Gillmore, (2005); Reynolds, (2005); Surowiecki, (2004).

2.3 Surviving the new media landscape

Technology has provided people globally with the unprecedented ability to share and receive news and information. Charlie Beckett, London journalist and founder of Polis, a journalism think tank at the London School of Economics, wrote that the only way journalism can survive this global technological storm is by practicing what he terms “networked journalism.”²⁶

To accomplish this, Beckett wrote, reporters must view interactivity with the audience through open sourcing, wikis, blogging and social media, not as extras, but as an essential part of news production and distribution. Networked journalism means engaging with and asking for public input at each step of information gathering process.²⁷ Beckett described this model as a hybrid of old and new media – keeping journalistic values and ethics while increasing connectivity with the audience.

No longer can mainstream commercial media, motivated by profits, act as a gatekeeper deciding what the public will know and when they will know it. Henry Jenkins wrote that the public, especially the younger generation, will demand participation in the process, and if they don’t get it from traditional media Web sites, they will go elsewhere or make their own.²⁸

Kovach and Rosenstiel argued that the new role of the journalist in the electronic age may not be as a gatekeeper but more as a facilitator and verifier of information. To do this, they believe journalists must first invite their audience into the news-production process.²⁹

In contrast to commercial publications, publicly funded and non-profit media have been among the first to actively encourage participation online among their consumers. The BBC began offering opportunities for consumers to post their own content and even provided media training for non-professionals in 2004. Consumers post information to the User Generated Content Hub at the BBC, then professional journalists verify and fact-check the material.³⁰ The process often helps the journalists find key witnesses and other sources they might not normally be able to locate. Ultimately, however, the BBC does not surrender editorial control over the published content.³¹

²⁶ Beckett, C. (2008).

²⁷ Ibid.

²⁸ Jenkins, H. (2006).

²⁹ Kovach, B. & Rosenstiel, T. (2007).

³⁰ Beckett, C. (2008).

³¹ Ibid.

One newspaper's successful attempt to involve citizens in the news gathering process occurred in Florida when the Gannett-owned *Fort Myers News-Press* asked community residents to help investigate high fees charged for new homes to connect water and sewer lines. Retired accountants and engineers were among those participating in the project. Based on information provided by citizens, fees were cut and an official resigned³² (Ahrens, 2006).

2.4 Developing innovative business models online

No clear business model has emerged for how news outlets can become profitable or even just financially sustainable by disseminating their content online. The 2009 State of the Media report noted an increase in increase in the number of revenue-sharing partnerships with other media outlets and companies, especially among for-profit ventures.³³ Most of those responding to the Project's survey, however, did not believe the partnerships were key to their economic stability.³⁴

The majority of the Project's survey respondents survey worked in commercial models whose online entities were subsidized by legacy print or broadcast media. Of that group, 59 percent reported that they were making a profit online. Less than a third of the respondents were online-only, but of those, 69 percent reported making a profit.³⁵

Most commercial Internet news ventures rely on print or multimedia advertising on their Web sites, or subsidies from traditional print or broadcast outlets. Some newspaper sites have found that offering local portals where businesses can buy premium listings in guides ranging from entertainment to restaurant reviews. This type of Yellow Pages listing online has been successful for Vegas.com, which helps support the *Las Vegas Sun*.³⁶

So far, subscribing or paying for content has been successful only for highly-niche products online, such as the *Wall Street Journal*. But several online-only news startups are now beginning to charge for premium content by putting up a so-called pay wall.³⁷

Other large newspapers, notably the *Washington Post* and *Los Angeles Times*, have found that adding in-house written blogs on specific topics like sports, health, or

³² Ahrens, D. (2006).

³³ Project for Excellence in Journalism. (2009).

³⁴ Ibid.

³⁵ Ibid.

³⁶ Glaser, M. (2008). Your guide to alternative business models for newspapers.

³⁷ Glaser, M. (2009). Your guide to local watchdog news sites.

politics has increased traffic to their Web sites, resulting in more targeted advertising.³⁸

Non-profit national news outlets follow the public broadcasting model by largely relying on philanthropic donations from individuals or foundations, memberships, and in some cases, advertising. ProPublica.org began publishing in 2008 as a national non-profit focusing on investigative journalism. Its funding comes primarily from the Sandler Foundation and other philanthropic organizations.³⁹ ProPublica offers its content free to other media outlets online through a Creative Commons licensing agreement.

Minnpost.com, an online-only model of regional journalism that launched in 2007, plans to break even by 2011 or 2012 through a combination of onsite advertising, sponsorships, tiered membership levels and possibly syndicating content.⁴⁰ The founder of the Minnpost has a goal of being funded through what he termed non-intrusive advertising and half through annual memberships ranging from \$10 (student) to \$5,000 (media mogul).⁴¹

One other option, known as crowdfunding, asks consumers to pay for specific stories to be covered. On Spot.Us, journalists pitch story ideas and attempt to raise money to get paid for reporting on the story.⁴² One of those journalists, Alexis Madrigal, was able to generate \$250 in 11 days for an investigative story on ethanol. Most proposals on Spot.Us receive an average of \$750 supported by 35 to 40 supporters.⁴³ In a somewhat similar vein, some public television stations are beginning to ask donors to fund reporters for particular beats, such as the environment or science.⁴⁴

³⁸ Glaser, M. (2008) Your guide to alternative business models for newspapers.

³⁹ ProPublica.org, About Us.

⁴⁰ Kramer, J. (2009)

⁴¹ Ibid.

⁴² Madrigal, A. (2009)

⁴³ Ibid.

⁴⁴ Karlo, Tom (2009). General manager, KPBS. Personal communication, May 4, 2009. San Diego, CA.

3 Case Study: Voice of San Diego



VoiceofSanDiego.org is a non-profit, independent online newspaper. It focuses on quality of life issues that impact the San Diego area and tries to provide information that will help people make the important decisions in their lives.⁴⁵ Voice of San Diego does not regularly report on the everyday events and issues that usually fill the pages of most local newspapers. Its mission statement includes the following:

To consistently deliver ground-breaking investigative journalism for the San Diego region. To increase civic participation by giving citizens the knowledge and in-depth analysis necessary to become advocates for good government and social progress.⁴⁶

Voice of San Diego tries to do what other journalists won't or can't do and if it does cover an issue that is being covered by other journalists, Voice tries to cover the issue better than anyone else.⁴⁷ According to its CEO, Scott Lewis, Voice of San Diego focuses primarily on issues associated with politics, housing, education, the environment and public safety.⁴⁸

⁴⁵ Lewis, Scott. Personal communication, April 30, 2009. San Diego, CA.

⁴⁶ VoiceofSanDiego.org About Us.

⁴⁷ Garber, M. (2009).

⁴⁸ Lewis, S. Personal communication.



Figure 1. VoiceofSanDiego.org conducts a donation campaign by asking readers what their content is worth to them.

Voice of San Diego's business model is similar to the model used by public broadcasting radio and television stations. According to Lewis, Voice is operating on an annual budget of about \$1 million this year.⁴⁹ About a third of the revenue comes from philanthropists, a third comes from foundations and the final third comes from approximately 825 individual donors/members and corporate sponsorships (low-key advertising). Lewis and his staffers are adamant that gifts and contributions do not buy influence or lead to any special treatment or considerations.

Staffers say that one of the main benefits of working for a non-profit news organization is that they don't have to make a profit for anyone; they just have to bring in enough money to sustain the organization.⁵⁰ Such freedom allows them to concentrate on stories that will make a difference rather than stories that will generate more online traffic. And, despite operating on a much smaller budget, being a non-profit, online operation also makes it possible for the site to compete with the established print news media organizations in San Diego more effectively.⁵¹ While production costs can account for about 80 percent of a

⁴⁹ Lewis, S. Personal communication.

⁵⁰ Heald, E. (2009)

⁵¹ Donohue, A. & Lewis, S. (2009)

traditional newspaper's costs, Voice spends less than 10 percent of its revenue on production costs and spends the rest on doing quality journalism.⁵²

A five-member board of directors oversees Voice of San Diego operations. Lewis says the members are charged with fiduciary responsibilities, helping staffers stick to the mission of the organization and providing vision and guidance for future endeavors.⁵³

Voice of San Diego employs 11 full-time staffers—two editors/staff writers, six staff writers, one photo editor/content producer, one office/Web manager and one development director.⁵⁴ Reporters are assigned beats. They are free to choose their own hours and can work from the office or from home as long as they produce quality journalism.⁵⁵ Voice of San Diego also occasionally uses freelance writers. Stories are added to the Web site continuously, but the site is updated formally at least three times per day, six days per week.⁵⁶

So far, Voice has not relied heavily on outside bloggers or other forms of user-generated content.⁵⁷ Lewis reports that the information provided via such means is often sketchy and unreliable. Voice is hoping to involve the public more in its content production, however, and is working on programs to accomplish that goal. All of the staffers have blogs and they use them to supplement the information provided in their news stories. They also use the blogs to tell readers about stories they are pursuing and to encourage readers to submit additional information. Lewis said blogging provides a different way to present a narrative, offer a commentary and tell a story.

Lewis believes that online journalism makes it possible to provide continuous coverage of important issues.⁵⁸ He and his staffers attempt to keep such issues before the public by constantly updating information, developing new sources, exploring new angles and suggesting new links to additional information.

Voice of San Diego has partnered with several other news organizations in the San Diego area and Lewis uses such partnerships to enhance the multimedia content of his web site.⁵⁹ In addition to producing podcasts and originating occasional multimedia approaches to reporting on an issue, Voice uploads stories from its

⁵² Snedeker, L. (2007).

⁵³ Lewis, S. Personal communication.

⁵⁴ VoiceofSanDiego.org. About Us.

⁵⁵ Heald, E. (2009).

⁵⁶ Lewis, S. Personal communication.

⁵⁷ Ibid.

⁵⁸ Ibid.

⁵⁹ Ibid.

television partners, KNSD-TV and Cox Channel 4, and its radio partner, KOGO-AM, to provide a multimedia dimension.

Lewis is a fan of Twitter and other social networks.⁶⁰ He believes such networks are here to stay and can provide important information for journalists. He sees social networks as new forms of newspapers, bringing new information to people and helping to democratize the way information gets to people.

Lewis and his staffers believe their Web site and similar sites that focus on specialized content areas will serve as models for the future of journalism, but they also believe traditional, printed newspapers will be part of that future. Lewis adds, however, that due to increasing production costs and changing public tastes, newspapers likely will not be printed as often and probably will assume a more magazine-like, specialized, “boutique” approach to presenting news and information.⁶¹

Lewis and his staffers are enthusiastic about what they do and how they do it, but the four-year experiment has had and will continue to have its fair share of problems. The need to expand and provide more and better coverage of important issues is always present, but where the funding will come from for such expansion is not readily known.⁶² The site’s operating budget has almost doubled since the site launched in February 2005, but whether philanthropists, foundations, individual donors and corporate sponsors will be able to contribute much more is a real question.

Money is at the heart of two of Lewis’s other concerns — keeping up with technology and using technology to achieve the organization’s mission.⁶³ He wants to be sure that Voice will be available via all current and future platforms. In addition, he wants to be sure that his Web site has the technology to conduct the kind of investigative journalism and in-depth analyses that will impact life in San Diego.

Money isn’t everything, of course. Despite tight budgets and somewhat limited resources, Voice of San Diego has managed to cover many important issues in the San Diego area and has broken several, major investigative stories that, according to Lewis, have helped change policies and make life in the city better.⁶⁴ Such impacts are the measure of success for the Voice of San Diego and they keep Lewis and his staffers energized. It’s an energy that he hopes will be adopted by

⁶⁰ Lewis, S. Personal communication.

⁶¹ Lewis, S.; Rogers, T (2008); Rainey, J.(2009).

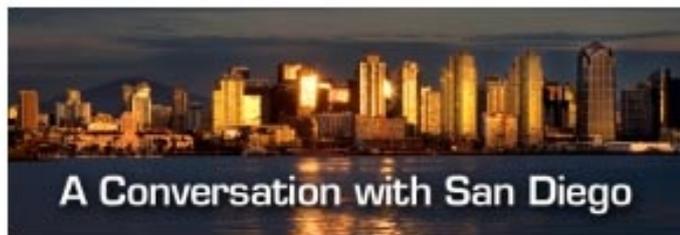
⁶² Lewis, S.

⁶³ Ibid.

⁶⁴ Ibid.

community members, so together they can work to help motivate politicians to do things differently and better.⁶⁵

4 Case Study: San Diego News Network



. Welcome to SDNN

SDNN.com launched in March 2009, declaring it was beginning a “conversation with San Diego” as an online-only, for-profit news portal covering the metropolitan region.⁶⁶ The site bills itself as “Your source for breaking and local news, sports, events, lifestyle and entertainment in San Diego.” SDNN is attempting to directly compete with the *San Diego Union-Tribune* and its Web site, *SignonSanDiego.com*, for advertisers and readers.⁶⁷ The mission of SDNN, posted on its Web site, is:

To become the most trusted, respected and valuable source of news and information about San Diego and the place to which our community turns when people want to have a conversation on topics from the silly to the serious.⁶⁸

The executive editor of SDNN.com is Barbra Bry, a business journalist, investor, and entrepreneur who successfully helped develop and market two online businesses, including *Proflowers.com*, later acquired by Liberty Media for \$477 million.⁶⁹ Bry was the founding editor of *Voice of San Diego* but left that site after

⁶⁵ Perez-Pena, R. (2008) & Dotinga, R. (2008).

⁶⁶ SDNN.com. Home Page.

⁶⁷ Outing, S. (2009) & SDNN.com PowerPoint presentation to investors (2009).

⁶⁸ SDNN.com About us

⁶⁹ Bigelow, B. (2007)

its first year for personal reasons.⁷⁰ Editors at SDNN say they do not consider the site in competition with Voice because they plan to offer content on a wide range of topics including: food, arts and entertainment, lifestyle, science, travel, and sports in addition to politics, business and education, which are the mainstay of Voice.⁷¹ The focus of the coverage will also be “hyper-local” with emphasis on neighborhood news submitted by media partners, community editors and readers themselves, Bry said.

Bry and her husband, Neil Senturia, decided to invest in SDNN.com and approached other investors to raise a total of \$1 million. Getting the money was not easy, however, because of the downturn in the economy. “Many investors thought it was a wonderful idea, but they had lost money in the stock market,” Bry said, adding that she is still seeking \$600,000 more to carry out her plans for the company.⁷²

The idea for SDNN came from Ron James, the former managing editor of SignonSanDiego.com, who approached Bry and her husband in the fall of 2008.⁷³ James held the title of publisher and executive editor of the site until March, 2009 when he was ousted by investors.⁷⁴ Although Bry declined to comment specifically on James’ departure, she said that the site fell two months behind its original launch date because they were using an off-the-shelf content management system inadequate for handling the type of material they intended to create.⁷⁵ “We weren’t a newspaper online,” said Bry, citing plans for interactivity, multimedia, and user-generated content.

In March, two months behind deadline and faced with the prospect of shutting down and returning money to investors, Bry and her husband brought in their former chief technology officer from Proflowers.com and another software developer who custom-built the back end of the site. Now, Bry says, “We have a better platform than most media organizations.”

While Bry agrees that non-profit journalism sites tend to have more credibility in the eyes of the public, she does not believe they have much financial stability unless a wealthy donor primarily funds them. SDNN will rely mostly on advertising to become commercially viable and has employed four full-time people in sales and one part-time person in marketing. Most non-profit sites, including Voice of San Diego, do not hire sales or marketing teams, Bry noted, even though they too sell advertising. SDNN also is setting up business guides, similar to the

⁷⁰ Bry, Barbara. Personal communication. May 4, 2009. San Diego, CA.

⁷¹ Bry, B. Personal communication, May 4, 2009.

⁷² Ibid.

⁷³ Ibid.

⁷⁴ Outing, S. (2009).

⁷⁵ Bry, B. Personal communication. May 4, 2009 (all direct attributions on this page).

local portal model, where merchants can pay to be listed in different service categories and offer discount coupons to consumers.

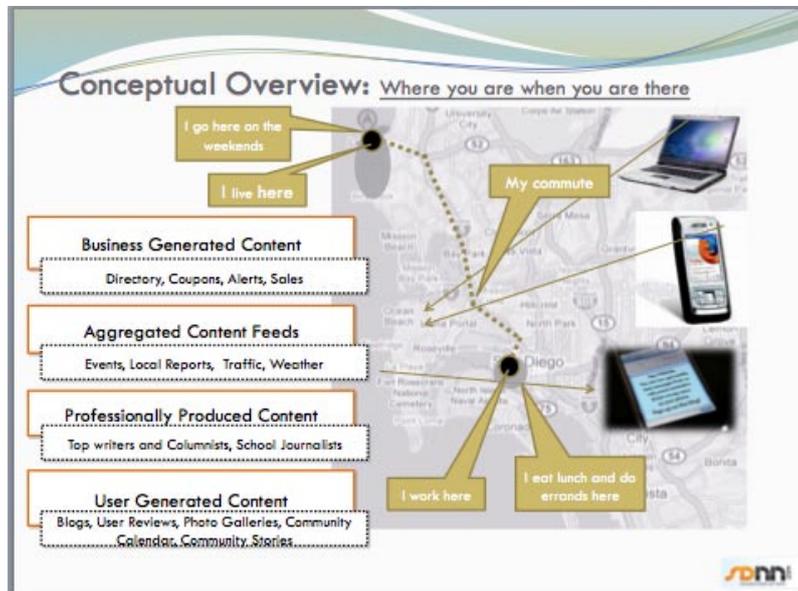


Figure 2. SDNN executives plan to generate content from four sources: businesses, third-party providers, professional journalists, and consumers.⁷⁶

While the site lists 50 members of its editorial staff, only eight are employed full-time as writers and editors.⁷⁷ The journalists earn an average annual salary of between \$30,000 and \$62,000 and range in experience level from veterans laid off by the *Union-Tribune* to recent journalism school graduates with strong digital and multimedia capabilities.⁷⁸

The rest of the staffers are contributing editors, many of whom are paid as part-timers and receive some share of the ad revenues their stories generate, according to Bry. SDNN has set aside a “pot of money to reward people” for stories that get a high number of page views or provide good quality to the site. Other high-profile contributors, such as former mayors and mayoral candidates, are not being paid for their work, which is posted in the form of blogs and opinion columns.⁷⁹

To further expand content on the site, SDNN partners with 25 other media outlets. Many of these outlets are neighborhood newspapers that have “low-end” Web sites and weekly print publications, Bry said, adding that she is trying to get her partners to publish their content first on the SDNN site, rather than waiting for the printed

⁷⁶ SDNN PowerPoint presentation to investors (2009). Obtained from Barbara Bry.

⁷⁷ SDNN.com About Us; Bry, B. Personal communication.

⁷⁸ Bry, B. Personal communication.

⁷⁹ Ibid.

paper to come out. When a story submitted by a partner is clicked-through and read, that partner will “share in advertising revenue” once SDNN becomes profitable, according to Bry.

Aside from neighborhood and ethnic newspapers, SDNN has partnered with broadcast outlets that include three radio stations and one television station, an affiliate of the CW Network. SDNN offices are located inside the building where the TV station operates and SDNN has access to all video produced by that station.⁸⁰ Bry believes multimedia presentations are important to the success of the Web site because they can help consumers comprehend stories in a more effective manner.⁸¹ SDNN also subscribes to the Associated Press and other third-party content providers, but Bry notes that the stories that do the best on the site are related directly to San Diego.⁸²

SDNN expects to generate enough traffic to its site through its partnerships to be able to attract local, regional and national advertisers.⁸³ Media partners agree to help market the site by publishing news releases and offering other publicity for SDNN. Additionally, Bry has planned an aggressive Internet marketing campaign through search engine optimization strategies.⁸⁴ The goal is for SDNN and its content providers to “drive higher revenue from advertisers than they would without the consortium” because of its expanded reach.⁸⁵

⁸⁰ Outing, S. (2009) & SDNN.com Media Partners.

⁸¹ Bry, B. Personal communication. May 4, 2009.

⁸² Ibid.

⁸³ SDNN PowerPoint

⁸⁴ Bry, B. Personal communication

⁸⁵ SDNN PowerPoint



Figure 3. SDNN hopes to compete with the region's daily newspaper, the *Union-Tribune*, with the help of its media partners.⁸⁶

As a former business writer for the *Los Angeles Times* and *Sacramento Bee*, Bry said she “wants serious journalism on the site, but SDNN is a private company and we have investors to serve.” To attract a younger audience, SDNN is using Twitter feeds sent through the site itself and by individual employees, including Bry, to market stories. The site also has a Facebook page and Bry plans to expand more into social networking by launching a youth section in July called the Good Squad.⁸⁷

Bry also intends to encourage user contributions by establishing community forums led by editors in each geographic region of the San Diego area, adding community calendars and “making it easy for them to upload content.”

While it's too early to tell whether SDNN will take hold, Bry believes the model is right for the region. “We think we can make it work in San Diego given that the major newspaper is struggling,” she said. “But we don't need to be number one in the market to be sustainable, we can be number two and still be successful.”

⁸⁶ Ibid.

⁸⁷ Bry, B. Personal communication. May 7, 2009 (entire paragraph and following two paragraphs).

5 Case Study: KPBS Citizen Voices Project



KPBS FM/TV is the public broadcasting radio and television station in the San Diego market and is licensed by the Board of Trustees of the California State University as a department of San Diego State University. KPBS receives nearly \$20 million in operating revenues per year; the majority of the money comes from individual contributions, grants and corporate underwriters.⁸⁸

KPBS has been recognized nationally for its multimedia convergence efforts on its Web site, most notably for its use of Twitter and Google Maps during its coverage of the wild fires that spread through San Diego in October 2007.⁸⁹ The station regularly features five staff-written blogs on its site. Culture Lust covers museum openings, theater performances, and the art scene in San Diego. The station's film critic authors Cinema Junkie, which features movie reviews. The long-time public affairs director blogs about local, state, and federal government in Political Fix. Multiple reporters contribute to Off Mic, which is described as a reporters' notebook, providing a behind-the-scenes look at the newsgathering process. Another group blog is Commentaries in which station editors and news managers post their observations and opinions.

To engage diverse viewpoints from the public about the 2008 presidential and local elections, the station launched a year-long Citizen Voices project on its Web site in January 2008. The experiment featured six non-professional journalists who blogged about local, state, regional and national politics. The bloggers were selected from a pool of 90 applicants and were chosen on writing ability as well as diversity of political viewpoints. Professional staffers at KPBS edited the reports to ensure accuracy, quality and to avoid potential legal or ethical problems. For their

⁸⁸ KPBS Financial Report (2007).

⁸⁹ Johns, S. (2007).

KPBS-related duties, the bloggers were paid a monthly stipend of \$225. Prior to beginning their weekly blogging responsibilities, they received approximately six hours of training in journalistic skills and legal/ethical concerns.

The Citizen Voices project was funded by a grant from the Public Media Innovation Fund established by the Corporation for Public Broadcasting. KPBS was one of the first five grant recipients of the money, which is intended "to support small-scale experimentation in new distribution platforms."⁹⁰ The Citizen Voices proposal was funded based on this hypothesis submitted by KPBS:

By engaging real people, properly trained and supported, to produce content as citizen journalists, KPBS can increase the value of its local and national election coverage, both by adding diverse voices to the station's election coverage and by tapping into citizen journalists' blog posts and public comments to learn about the issues that matter to voters.⁹¹

The blogs were open to comments from the general public and KPBS heavily promoted the project on its Web site as well as on-air outlets. Additionally, the bloggers were interviewed regularly throughout the year on the station's radio and television talk shows. Two of the bloggers left the project during the year due to personal reasons; one of them was replaced.

Opinions varied on how well the project goals were met. In written feedback after the project, the bloggers themselves generally believed that they provided a "real" person's perspective on campaign-related issues and helped people gain insights about such issues.⁹² The KPBS staffers directly involved with the project reported that the project helped bring a more diverse, insightful, "real" person's perspective to the station's political coverage and it succeeded in increasing brand loyalty to KPBS.⁹³

Some of the KPBS staffers, however, who worked occasionally with the bloggers believed that the bloggers did not provide many value-added aspects to the station's political coverage. The Citizen Voices blog was rarely used as a supplemental information source for the radio or television news stories developed by the professional journalists at KPBS. The challenges of the project included: finding a politically and ethnically diverse pool of applicants; keeping the bloggers motivated; training the bloggers to understand the difference between reporting fact

⁹⁰ Corporation for Public Broadcasting (2007).

⁹¹ Caloh, L. (2008).

⁹² Blogger feedback (2008).

⁹³ Caloh, L. (2008)

and opinion; and, establishing the bloggers' credibility with some of the professional journalists at the station.⁹⁴

The station plans to continue to incorporate the use of citizens' blogs in the future. Four lessons learned by staff at KPBS are summarized as follows: (1) recruit experienced bloggers, (2) do personal networking to encourage a more diverse population to apply, (3) create more opportunities for bloggers to interact with professional journalists, and (4) provide opportunities for bloggers to meet with each other to form a practice of their own.⁹⁵

6 Discussion/Conclusion

The three models of online news portals in the San Diego region each show evidence of innovative journalism practices to varying degrees. All three Web sites incorporate multimedia in the form of video, audio, and slideshow presentations. All have associated radio programs. All three sites host blogs written by reporters on staff; however, only the San Diego News Network features regular columns written by guests and non-journalists. But those bloggers are not average citizens; they are high-profile political figures and former columnists for the *San Diego Union-Tribune*.

The findings of the KPBS project, which incorporated citizens as bloggers, show that while such efforts can have many important benefits, there are significant problems as well. The citizen journalists need to be selected carefully and then provided with ongoing training, supervision and encouragement. The media outlet needs to invest a time commitment and other resources to ensure a quality, reliable product.

All three sites use social media and promote their news stories through Twitter feeds and Facebook applications. The most distinctive difference between these sites and traditional newspaper outlets is that reporters at each site are making an attempt to engage consumers. Staffers for Voice of San Diego, for example, write their blogs in a casual, conversational tone and encourage readers to send story ideas and suggestions. SDNN bills itself as a "conversation with San Diego" and plans to host community forums with people who live in each region acting as editors.

Because of its numerous media partners, SDNN also is the only site with what can be considered "networked" journalism. But this partnership may be more related to the business model than openness and collaboration. SDNN editors make it clear

⁹⁴ Caloh, L. (2008).

⁹⁵ Ibid.

that by expanding their reach, they hope to attract additional advertisers at a higher price.

The business model of SDNN is different from the other two sites in that it is for-profit. It is too early to tell whether the expanded coverage of hyperlocal news will become attractive to consumers and advertisers, and therefore sustainable.

In contrast, KPBS and Voice of San Diego are not under pressure to please investors by increasing page views, but they do need to rely on member donations. Their approach, however, is to offer more investigative, watchdog type of reporting on state and local political issues. Reporters at each outlet are assigned targeted public affairs beats and do not attempt to be all things to all news audiences.

Thus far, the online efforts of Voice of San Diego and KPBS can be deemed successful from both a consumer's viewpoint and as a measure of sustainability. Voice of San Diego has won a prestigious IRE award for investigative journalism and continues to receive national media attention. Whether this model is sustainable for other outlets remains questionable, however. Voice of San Diego has the advantage of being in a market where the newspaper is struggling and also benefits from having a steady, primary investor.

As an affiliate of NPR and PBS, KPBS.org has other sources of revenue coming from its broadcast radio and television components. Public radio is one of the few media outlets that has increased its audience overall over the last few years.⁹⁶ KPBS managers have made a commitment to media convergence and incorporating new technologies onto their Web site, while not ignoring their older audiences who listen to and watch their on-air broadcasts.

Further study is needed to determine what impact, if any the SDNN commercial model, will have on the San Diego media landscape. Executives and staffers at the site appear to be determined to use digital technology and the interactive capabilities of the Web to engage an audience. Whether this will pay off monetarily remains to be seen. If it does, SDNN may become a model for future online-only, commercial news portals.

7 References

Ahrens, F. (Nov. 7, 2006). Gannett to change its papers' approach. *The Washington Post*. D01.

Ardia, David (2007) Stratton Oakmont v. Prodigy, Citizen Media Law Project Retrieved May 8, 2009 from <http://www.citmedialaw.org/threats/stratton-oakmont-v-prodigy>.

⁹⁶ Project for Excellence in Journalism (2008, 2009)

- Beckett, C. (2008). *SuperMedia: Saving journalism so it can save the world*. West Susses, U.K.: Blackwell Publishing.
- Bigelow, B. (2007). People to watch: Barbara Bry. *Union-Tribune*. Retrieved May 7, 2009 from http://www.signonsandiego.com/uniontrib/20070223/news_1b23person.html.
- Blogger Feedback. (2008). San Diego, California: San Diego State University, KPBS FM/TV.
- Citizen Voices Survey Responses. (2008). San Diego, California: San Diego State University, KPBS FM/TV.
- Caloh, L. (2008). Citizen voices final report. San Diego, California: San Diego State University, KPBS FM/TV.
- Corporation for Public Broadcasting (2007). Public Media Innovation Fund, Round One. Retrieved March 13, 2009 from <http://www.cpb.org/grants/2007pmi/>.
- Davis, R. (2008). Dramatic losses force *Union-Tribune* to lay off employees. *Voiceofsandiego.org*. Retrieved May 7, 2009 from <http://voiceofsandiego.org/articles/2008/01/16/news/02uniontribune011608.txt>.
- Donohue, A. and Lewis, S. (2009) Defining an online mission: Local investigative reporting. *Nieman Reports*. (63)1 pp. 11-12.
- Dotinga, R. (2008). Non-Profit journalism on the rise. *The Christian Science Monitor*. Retrieved April 29, 2009 from www.csmonitor.com/2008/0212/p03s01-usgn.html
- Gans, H. J. (2003). *Democracy and the news*. New York: Oxford University Press.
- Garber, M. (2009). To the P-I, on its First Day. *Columbia Journalism Review*. Retrieved April 29, 2009 from http://www.cjr.org/behind_the_news/to_the_pi_on_its_first_day.php?page=all&print=true.
- Gillmor, D. (2006). *We the Media*. Sebastopol, CA: O'Reilly Media.
- Glaser, M. (2008). Your guide to alternative business models for newspapers. *Media Shift*. Retrieved May 8, 2009 from <http://www.pbs.org/mediashift/2008/12/your-guide-to-alternative-business-models-for-newspapers353.html>.
- Glaser, M. (2009) Your guide to local watchdog news sites. *Media Shift*. Retrieved May 8, 2009 from <http://www.pbs.org/mediashift/2009/04/your-guide-to-local-watchdog-news-sites113.html>.

- Heald, E. (2009). Doing more with less: VoiceofSanDiego.org leads the way in non-profit investigative journalism. EditorsWeBlog.org, editorsweblog.org/analysis/2009/01/doing_more_with_less_voiceofsandiegoorg.php
- Ibarguen, A. (2009). Remarks made during The Future of Journalism hearing before the U.S. Senate Committee on Commerce, Science and Transportation, Washington, D.C., May 6, 2009.
- Investigative Reporters and Editors. (2009). IRE 2008 Award winners uncovered local, global corruption. Retrieved May 7, 2009 from <http://www.ire.org/resourcecenter/contest/press/IREawards08pr.html>.
- Jenkins, H. (2006). *Convergence culture: Where old and new media collide*. New York: New York University Press.
- Johnson, S. (Oct. 25, 2007). In San Diego fire coverage, L.A. Times, KPBS take technological lead. Chicago Tribune. Retrieved March 23, 2009 from http://featuresblogs.chicagotribune.com/technology_internetcritic/2007/10/in-san-diego-fi.html.
- Kovach, B. and Rosenstiel, T. (2007). *The elements of journalism: What newspeople should know and the public should expect*. New York: Random House.
- Kramer, J. (2009). The new front page: The digital revolution. *Nieman Reports*. 63(1) pp. 5-8.
- KPBS (2008). Financial Report. Retrieved March 13, 2009 from http://www.kpbs.org/about_us /KPBS_final_w_opinion.
- Levine, R., Locke, C., Searls, D., and Weinberger, D. (2001). *The cluetrain manifesto: The end of business as usual*. Cambridge, MA: Da Capo Press.
- Madrigal, A. (2009). Crowdfunding reporting: Readers pay for stories to be told. *Nieman Reports*. 63(1) pp. 13-14.
- Niles, R. (2009). How a 1995 course case kept the newspaper industry from competing online. Online Journalism Review, Knight Digital Media Center. <http://www.ojr.org/ojr/people/robert/200905/1714/>
- Outing, S. (2009). Can former newspaper employees invent a brave new news model? *Editor and Publisher*. Retrieved May 7, 2009 from http://www.editorandpublisher.com/eandp/columns/stopthepresses_display.jsp?vnu_content_id=1003958801.
- Pew Research Center. (2008). Internet overtakes newspapers as news outlet. Retrieved May 7, 2009, from <http://pewresearch.org/pubs/1066/internet-overtakes-newspapers-as-news-outlet>.
- Project for Excellence in Journalism. (2008). The state of the news media 2008: An annual report on American Journalism. Retrieved March 13, 2009 from

http://www.stateofthenewsmedia.org/2008/narrative_overview_online.php?cat=7&media

Project for Excellence in Journalism. (2009). The state of the news media 2009: An annual report on American Journalism. Retrieved May 7, 2009 from http://www.stateofthenewsmedia.org/2009/narrative_online_intro.php?media=5&cat=0.

ProPublica.org (n.d.) About Us. Retrieved May 8, 2009 from <http://www.propublica.org/about/supporters>.

Rainey, J. (2009). At Voice of San Diego, a newsroom flourishes. *Los Angeles Times*. Retrieved April 29, 2009 from latimes.com/news/nationworld/nation/la-na-onthemedial5-2009feb15,0,5233843.column

Reynolds, G. (2006). *An army of Davids: How markets and technology empower ordinary people*. Nashville: Nelson Current.

Pérez-Peña, R. (2008). Web sites that dig for news rise as watchdogs. *New York Times*. Retrieved April 29, 2009 from nytimes.com/2008/11/18/business/media/18voice.html?_r=2&ref=todaysspaper&pagewanted=all

Rogers, T. (2008). Nonprofit Websites like VoiceofSan Diego.org offer hope to a news biz beset by money woes. About.com Journalism, <http://journalism.about.com/b/2008/12/05/nonprofit-websites-like-voiceofsandiegoorg-offer-hope-to-a-news-biz-beset-by-money-woes.htm>

San Diego Union-Tribune.(n.d.) History of the *San Diego Union-Tribune*. Retrieved May 7, 2009 from <http://www.signonsandiego.com/news/metro/multimedia/history/index.html>.

San Diego Union-Tribune. (2009). Union-Tribune cuts 192 positions. Retrieved May 7, 2009 from <http://www3.signonsandiego.com/stories/2009/may/07/bn07layoffs145114/?business&zIndex=95570>.

SDNN.com (n.d.) About Us. Retrieved May 7, 2009 from <http://www.sdn.com/about-us>.

SDNN.com (n.d.) Home Page. Retrieved May 7, 2009 from <http://www.sdn.com/>

SDNN.com (n.d.) Media Partners. Retrieved May 7, 2009 from <http://www.sdn.com/media-partners>.

Shirky, C. (2008). *Here comes everybody*. New York: Penguin Press.

- Snedeker, L. (2007). The emerging online-only local paper. *Media Life*. Retrieved April 29, 2009 from http://www.medialifemagazine.com/artman2/publish/Newspapers_24/The_emerging_online-only_local_paper.asp.
- Suowiecki, J. (2005). *The wisdom of crowds*. New York: Random House.
- Tapscott, D. & Williams, A. (2006). *Wikinomics: How mass collaboration changes everything*. New York: Penguin Press.
- VoiceofSanDiego.org. (n.d.) About Us. Retrieved April 29, 2009 from http://www.voiceofsandiego.org/support_us/about_us/

About the Authors

Rebecca Coates-Nee is a lecturer at the School of Journalism and Media Studies at San Diego State University. She teaches a Capstone Course in multimedia reporting and public affairs reporting to upper-division majors in journalism and graduate students. She is currently a doctoral student in the Educational Technology program at Pepperdine University. She holds a Master of Science in Journalism from Northwestern's Medill School of Journalism and a Bachelor of Arts in Political Science from the University of California, Santa Barbara. She worked for more than 12 years as an anchor/political reporter for four network affiliate television stations in California, Idaho and Florida, and has written numerous articles and columns for online media outlets. Rebecca also has taught journalism and media studies at Chico State University and Palomar College in San Diego. Her research interests include how digital technology is changing journalism and media practices and how those changes might impact participation in the political arena and public sphere. She is a member of the Association for Education in Journalism and Mass Communication and the Online News Association.

K. Tim Wulfemeyer is a professor and coordinator of the Journalism Degree Program in the School of Journalism and Media Studies at San Diego State University. He has degrees from Fullerton College (A.A.), San Diego State University (B. A.), Iowa State University (M.S.) and UCLA (Ed.D). He has taught at Iowa State University, New Mexico State University and the University of Hawaii. He has worked as a radio and television journalist in California, Iowa, Texas, New Mexico and Hawaii. His research interests include ethics in journalism, the content of radio and television newscasts, audience interests and content preferences, mass media literacy, advertising aimed at children and sports journalism. He is the author or co-author of six books, four book chapters, 35 journal articles and 45 conference research papers. He is a member of the Association for Education in Journalism and Mass Communication, the Broadcast Education Association and the Society of Professional Journalists.