



Web 333: User Experience, Content Ecosystems, and the Open Source Universe

How can alternative publications convert print brand status into digital market share? In this session, we'll introduce open source tools that turn multimedia storytelling, native advertising, online voting, and community-sourced event calendars into increased traffic, revenue, and ad prices. Learn how the design of user interfaces impacts the way content is shared and consumed in digital ecosystems and how that affects your bottom line.

This presentation was delivered by Giles Morris and Ryan DeRose of Vibethink at the Association of Alternative Newsmedia 2014 National Conference in Nashville, Tennessee.

The digital revolution: a reporter's story

I graduated from college in 1997. I had a .edu e-mail account I never checked, which got me into trouble on a few occasions but was otherwise not really a problem, and a Hotmail account I used to keep in touch with ex-girlfriends. I think I might have Googled stuff using the Lycos search portal, but I can't remember. My first writing job was for The History Channel's website, composing This Day in Automotive History a month at a time for \$2000 a pop. I lived in the East Village, read The Village Voice to see what shows were happening, and bought the New York Times at the newsstand on First Avenue when it occurred to me that I was out of touch with the world.

In 2001 my ex-brother-in-law [raised \\$8 million from AOL Time Warner and various other partners to create StreetMail](#), a digital content interface designed for small markets. It was way ahead of its time, considering the fact that there's still not enough money in local online display advertising to make that kind of model worked, a conclusion famously supported by the fact that [AOL sold Patch to a tech firm in January of this year for an undisclosed amount](#) after sinking over \$300 million into the development of its sites since 2007. The upshot of that effort? In 2013, [it still cost twice as much to run the Patch sites as they made in ad revenue](#).

In 2006, I was a general assignment reporter at the smallest daily newspaper in Wisconsin, The Rhinelander Daily News. We had a ridiculously bad website with a templated back end that was peddled by a company that sold websites to small regional newspapers. But if a story was hot, the comments strand stretched into the hundreds. A former NPR reporter moved to town and started an online news competitor, newsofthenorth.net. A few months before I left the paper, The Rhinelander Daily News closed its printing press. A year later the paper was [bought by a competitor](#), changed its name, went to three issues per week, and [its website got even worse](#). Newsofthenorth.net doesn't exist anymore.

In 2010, I started a digital hyperlocal news business in Western North Carolina with a partner after raising about \$30K from friends and family. The Tuckasegee Reader (tuckreader.com) was a WordPress site that combined community reporting, local reporting, and freelance outdoors and culture content into a local web portal designed to reflect the character of one of the country's most beautiful regions. We were part of the North Carolina Public Press Project, a Knight funded hyperlocal news initiative. We did well, hired an ad rep, and very quickly realized she would never be able to sell as much as she cost. Our online traffic was as good as the

award-winning 10-year-old six-county free weekly I had left, but we had no long-term future as a business.

In 2012, as editor-in-chief of C-VILLE Weekly, I led the redesign of our website, moving the paper from an out-moded custom mysql/php website built in Serbia to a WordPress site built right down the street. I loved the paper and saw a real opportunity to grab online market share in a valuable, hip, and fast-growing city. But there were some unavoidable realities. Online revenue was still well under 10 percent of the company's total sales revenue; the editorial staff was the same size as it was in 2003; and the edit department budget (the creation of content!) accounted for only 15 percent of the company's expenditures. All that in spite of the fact that since I had arrived at the company, we had gone from around 30K UV/month to over 70K UV/month and doubled online revenue.

Some definitions

User Experience design is about more than content interfaces, it's a broad art and science that treats online readers as active participants in a content ecosystem. "Snowfall" was a dramatic example of how user experience can transform longform feature journalism. But user experience design affects every piece of content your organization creates, from calendar listings to tweets.

Content Ecosystems are a good way of describing how people arrive at your stories these days. They aren't relating to your content because of your masthead, your sections, or even your authors. They are finding your stories because people are talking about them on the street, or they're finding a link on social media, or they are searching for an answer that you're providing them. I would wager that 80 percent of your online visitors aren't coming everyday to your site, and the ones who are coming everyday are coming once, scanning your site, and leaving if they don't find what they're looking for. So your online content doesn't sit in relationship to other stories in your newspaper, but rather in conversation with stories produced, shared, and remixed by other people.

The Open Source Universe is my way of explaining what's happened since the major online platform initiatives failed in major media markets. The solution to your business problems, as The Village Voice and Patch experiments proved, is not to engineer the biggest, baddest CMS you can and try to turn it into a national content network. The solution is to consolidate market share around localities by remaining flexible, understanding your role as tastemakers and information disseminators, and responding to business opportunities as they present themselves.

Papers like yours used to spend between \$40-\$60K on websites. These days, the cost of migrating a content archive could cost as much as a site. In the Open Source Universe, newspapers can spend their money on content and people, not platforms.

Disruption, User Experience, and changing the wings on the plane while you're flying

[In the New York Times Innovation Report leaked earlier this year](#) in the wake of Jill Abrahamson's firing, we got a glimpse of what the world's most powerful print brand is feeling regarding its declining online market share. Aggregators like BuzzFeed, Gawker, and HuffPo are killing the NYT in terms of traffic and revenue and, as digital businesses, they have a fraction of the overhead costs.

Publisher Arthur Sulzberger described the paradigm shift in this way.

“Disruption is a predictable pattern across many industries in which fledgling companies use new technology to offer cheaper and inferior alternatives to products sold by established players (think Toyota taking on Detroit decades ago). Today, a pack of news startups are hoping to ‘disrupt’ our industry by attacking the strongest incumbent—The New York Times.”

The report also included some hard-hitting talk from industry insiders. I liked this quote from an unnamed “top editor” at The Washington Post:

“I tell most reporters, ‘Three percent of the people who want to see your work are seeing it, so if we can get that to even 4.5 percent, it’s worth the effort, it’s worth the struggle.’”

And this quote from [Quartz](#) editor Kevin Delaney on the message sent by the success of the NYT's “Snowfall” story:

“We are focused on building tools to create Snowfalls everyday and getting them as close to reporters as possible. I’d rather have a Snowfall builder than a Snowfall.”

Which brings me to the point and the beginning of today's conversation. This year, I am nominated alongside some of my former C-VILLE colleagues for the AAN's best

multimedia feature award for a story [NetNewsCheck called “Snowfall on a budget.”](#) We used a longform multimedia story format to unpack a notoriously boring local policy fight that involved a large chunk of taxpayer money.

The story was actually a collaboration between C-VILLE and Vibethink, where I work now. Some of you may have attended the session in January that Ryan and I led at the AAN Digital Convention in San Francisco where we introduced a prototype WordPress plug-in of the sort that Delaney called “a snowfall builder.” We debuted [that tool with C-VILLE Weekly in June](#), which is something we’ll get into a bit later.

The title of this session, “User Experience, Content Ecosystems, and the Open Source Universe” is an attempt to unify my experiences in journalism in a way that connects with where Ryan and I are now, working as a digital creative agency trying to empower local newspapers and content networks by providing strategies and solutions that help them change the wings on the airplane as its still flying.

I have mixed feelings about the theory of disruption as a predictive model, and many of them were expressed well in [Jill Lepore’s recent New Yorker](#) critique of Clay Christensen’s theories, but there is a haunting phrase from [The Innovator’s Dilemma](#) that I believe is very real for this audience.

“This is typical of industries facing a disruptive technology,” he explains. “The leading firms in the established technology remain financially strong until the disruptive technology is, in fact, in the midst of their mainstream market.”

If you’re in this room and you’re still feeling good about your bottom line as a print-focused media company, you’ve done a lot of things right in the past 10 years. People sounded the death knell for print media way too early, rang it too often, and turned it into a sales pitch that began to sound like an audio loop. Instead of talking about print dying, we have to think in terms of the content market exploding and print not growing. Who is going to fill in the gap created in the market?

The reality is that we’ve all just experienced a media revolution of mass proportion that has increased the amount of content being produced, sold, and consumed and most of your businesses are probably the same size or smaller than they were a decade ago.

Meanwhile, [the advertising and marketing world is busy heralding storytelling as its primary asset](#). (33:19) What are local media companies if not storytellers? If the market is exploding and your business isn’t producing more content, then it’s losing

market share. If readers are moving online and your web analytics aren't climbing steadily, you're losing market share.

Most of you have probably already realized that traffic won't set you free. You can sell impression-based advertising but the scale of your markets, both in terms of your advertisers and traffic, will have you making nickels on the dollar against print for the foreseeable future. So what gives? What value can you sell as a content team?

The answer is influence. You are tastemakers, but the platform for taste-making these days isn't in your newspaper, it's online. Your content lives in a content ecosystem as independent URLs in an embryonic fluid of social media, aggregation networks, and e-mailed conversations. It's competing with software interfaces, music streaming platforms, social media sites, reading and aggregating applications, and videos.

User Experience Case Study: The C-VILLE Weekly Power Issue

Each year, C-VILLE Weekly publishes a feature called The Power Issue. The editorial team is sick of ranking the same cast of characters in different ways and tired of answering questions about diversity in a town in which the seats of power are fundamentally not that diverse. But, with all of that said, The Power Issue is still one of the best issues of the year from a circulation and advertising standpoint.

This year, C-VILLE used the multimedia feature plug-in we developed on WordPress, and the story's online performance exploded. Take a look at this year's story compared to last year's....

The Power Issue 2013:

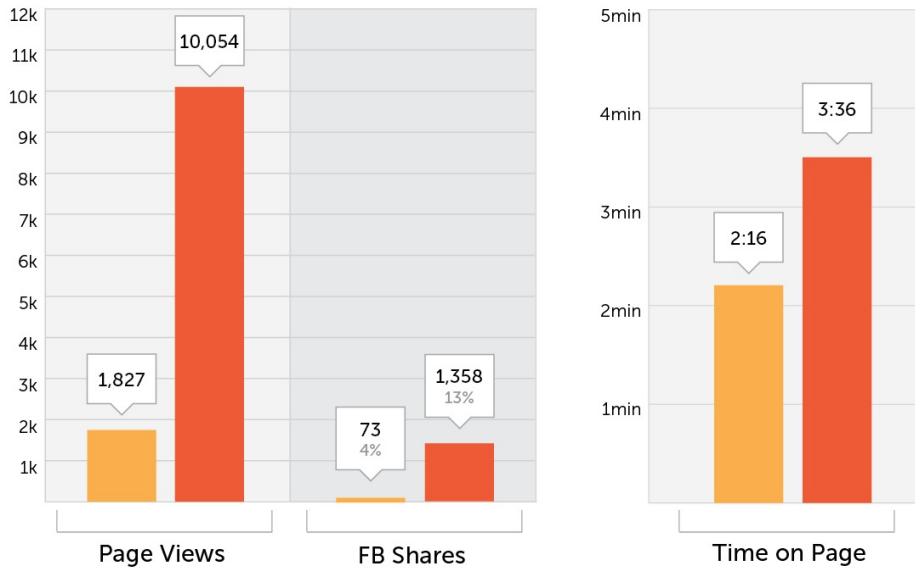
<http://www.c-ville.com/the-power-issue-whos-at-the-top/#.U71ZJJSwLB4>

The Power Issue 2014:

<http://www.c-ville.com/the-power-issue-fifteen-under-40/>

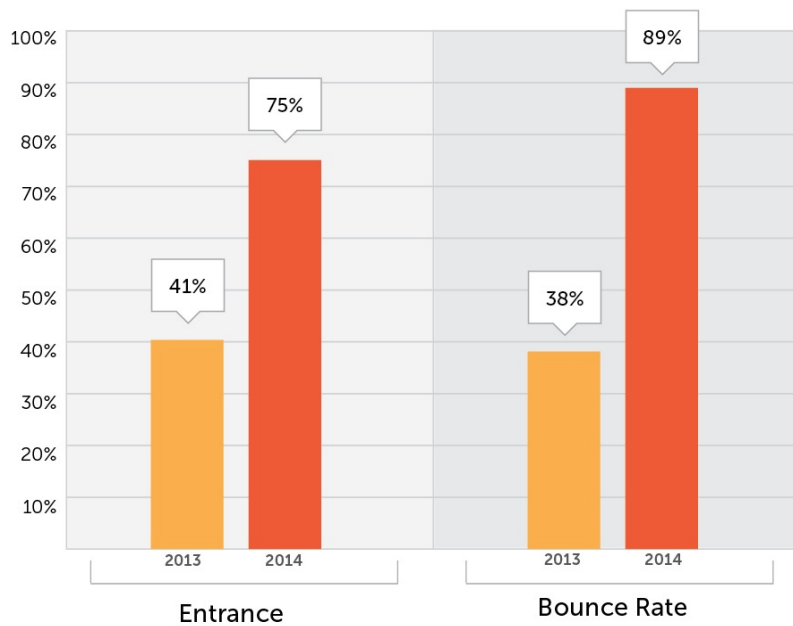
Engagement Analytics

2013 Standard article
2014 Multi-media plugin



Context Analytics

2013 Standard article
2014 Multi-media plugin



A new metric for digital ad sales: The International Influence Unit

If you are lucky enough to have a successful newspaper that's not in a major media market, you don't have to compete with BuzzFeed or Gawker. But if you ever want to make any real money on the digital side of your business, which is what you'll have to do to grow again, you do have to create content that's just as good, that looks and feels just as good, and you have to figure out how your audience connects with your advertisers.

The answer to creating successful long-term online business models in local media markets is not automating content, or churning more of it, it's in getting results for your advertisers and increasing the prices of your online ad units. It's in grabbing online market share and hiring more content creators, not in engineering a healthy-looking bottom line by doing more with less. It's not in display ads sold per impression, it's in selling your influence over readers to advertisers who know how to use it.

We've (somewhat playfully) made up a new analytic unit. The IIU or International Influence Unit to demonstrate a crucial idea. Who cares about a 1 second impression on a story in your long tail content archive? Not an advertiser. So why are you selling impressions? If you use Google Ads, you'll never have the scale you need to make real money on those display ads. What you're selling is experiences and the ability to influence readers the way you've always done.

What's more valuable to your advertisers? A story with 30,000 impressions at an average of 10 secs or a story with 8,000 impressions with an average time on page of 4 minutes? If the first story got 80 shares on Facebook and the second story got 1,500 shares, how would you communicate that value to an advertiser? We used to talk in the editorial department about the Buzzometer of a story... basically the word on the street. Crime, especially if its sex-related, brings impressions. Does that help your advertisers? Does it create buzz for your newspaper?

$$\text{IIU} = \frac{\text{Impressions} \times (\text{Time on Site} + \text{Shares})}{\text{Unique Visitors per Month}}$$

<u>Power Issue 2013</u>	<u>Power Issue 2014</u>
9.5 IIU = $1827 \times (136 + 73) / 40,000$	395 IIU = $10054 \times (216 + 1358) / 40,000$

The takeaway

So, let's recap. Instead of talking about print dying, we have to think in terms of the content market exploding and print not growing. Who is going to fill in the gap created in the market?

Alternative newspapers in small- and medium-sized markets are perfectly situated as content teams to take advantage of the opportunity. Unfortunately, many media companies are tied to a business model that inhibits investment in online content and platform development. A typical print weekly sees less than 10% of its revenue from online sales, hasn't grown its content team for a decade, spends less than 15% on its editorial department, and doesn't have an in-house web development team.

The answer to creating successful long-term online business models in local digital media markets is not automating content, or churning more of it, it's in getting results for your advertisers and increasing the prices of your online ad units. It's in grabbing online market share and hiring more content creators, not in engineering a healthy-looking bottom line by doing more with less. It's not in display ads sold per impression, it's in selling your influence over readers to advertisers who know how to use it.

To learn more about how Vibethink Media Solutions can help you transform your digital brand, e-mail info@vibethink.com to request a copy of our sales materials.