Before the Federal Communications Commission

Examination of the Future of Media and Information Needs of Communities in a Digital Age

GN Docket No. 10-25

Comments of The Media Consortium

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Executive Summary

The Media Consortium submits these comments in response to the Federal Communications Commission's request for information regarding their "Examination of the Future of Media and Information Needs of Communities in a Digital Age." The Media Consortium (www.themediaconsortium.org) is a network of the country's leading, progressive, independent media outlets. Our mission is to amplify independent media's voice, increase our collective clout, leverage our current audience and reach new ones. We accomplish this mission by fulfilling our five strategic principles.

- Foster Collaboration and Coordination
- Build and Diversify Media Leadership
- Focus on Audience Development
- Bring Money and Attention into the Sector
- Support Innovation in Journalism and Business Models

Within our comments we draw largely from "The Big Thaw: Charting a New Course for Journalism," (<u>www.themediaconsortium.org/thebigthaw</u>) a report The Media Consortium produced and published in October 2009. "The Big Thaw" draws upon scenario building, surveys of Media Consortium members, interviews with outside thought-leaders and an in-depth scan of current reporting and commentary. Ultimately, "The Big Thaw" is a timely and comprehensive report that lays out both future opportunities and needs for independent media to survive and thrive. Excerpts from this report directly correlate and answer questions posited by the FCC.

Our comments provide an important perspective on how journalism producers can best support citizen needs, the impact of a "convergence of media platforms," the important role that progressive media serves in our democracy, how diversity is critical to the future of journalism, and last but not least, the implications of user-generated content. 1. What are the information needs of citizens and communities? Do citizens and communities have all the information they want and need? How has the situation changed during the past few years? In what ways has the situation improved? Gotten worse? <u>Overview</u>

We are in the midst of an exciting and frightening moment for journalism and those that produce it. On one hand, rapid technological innovations are opening the door for:

- Established media organizations to produce and distribute their content to current and new audiences through cutting edge platforms for:
- New media organizations to emerge on a local and national level to start filling the gap of the shrinking corporate media
- Individuals to become active participants in the greater journalism ecology.

These transformations create an amazing amount of new information and perspectives for citizens to find, create and access. But within this incredible moment of flux, old journalism business models are disintegrating and new journalism models are not up to scale to fill in the gap, leaving citizens with huge information holes on a local, national and international level. Both legacy and new journalism models will continue to wrestle with the business model exploration, but must think about how to evolve their journalism to match public needs.

The Media Consortium (<u>www.themediaconsortium.org</u>), a network of the country's leading progressive, independent media outlets has been directly engaged with working with the larger media landscape and with our members to foster collaboration and networking to support journalism and to help them evolve for a 21st century media environment in order to serve and support the needs of the public. In the 2009 report, "The Big Thaw: Charting a New Course for Journalism" written by Tony Deifell and produced by The Media Consortium, we contend that

while, "many see this moment at a meltdown, it is an opportunity. Much like the annual flooding of the Nile media's big thaw has the potential to revitalize the landscape. Our means of using information are changing, and great opportunities lie ahead, including:

- Mobile devices are transforming our relationships with people, events and places,
- Everyone can gather, share and produce news. (There are many individuals, organizations and advocacy groups who are now engaged in producing great "acts of journalism" on a consistent basis.)
- U.S. demographics and global audiences are revolutionizing the media marketplace.
- New types of media-makers are pursuing journalism's public-service aim in brand new ways."¹

Media Platforms

In The Media Consortium's 2009 report, "The Big Thaw: Charting a New Course for Journalism" the idea of "device proliferation and convergence" is noted as a critical change in how audiences want to consume and access information.

"The future of media for me would be the type of content that I want anytime, anywhere, on any device," says Ashish Soni, who directs the <u>Information Technology Program</u> at the <u>University of Southern California</u>. One trend that has become very clear in the last few years: Consumers want complete control of the content they consume and access to it on all their devices, platforms and services. As a result, media content no longer falls neatly along the lines that used to separate print, radio, TV or film.

¹ Tony Deifell, "The Big Thaw: Charting a New Course for Journalism", The Media Consortium, October 2009, Volume 1, page 2

Different platforms inevitably have strengths for different types of content. People often want to check email on a more private device than their TV, for example. Vivian Schiller, CEO of <u>NPR</u>, explains that radio has some built-in advantages over a newspaper or website, which makes radio a complementary rather than competing form of media. "You can listen to NPR getting dressed in the morning," she says. "But when you sit down to read a newspaper, you could be going online."

The challenge today comes from the tremendous number of devices that people use. Convergence is not only about creating different content for different platforms, but also about enabling people to easily consume and share any type of content using any platform.

Nearly all media technology companies, large incumbents and startups alike, have made plays in platform convergence, which will change the competitive landscape in significant ways. "In fact, the word 'television' will eventually mean something new—it will need to move beyond the platform itself," wrote Terri Walter, Vice President of Emerging Media at <u>Razorfish</u>. Convergence technology is quickly improving, and media organizations that make it easiest for consumers to mix platforms will succeed. The whole ecosystem of content creation, ad buying, philanthropic funding and audience building will have to adapt as well, which is where a consortium can play a role.

Mobile Revolution

"The big game changer over the next short term is mobility," says Don Tapscott, author of <u>Wikinomics</u>. "Media is coming into our pocket and is with us at all times on a device that knows where we are." The mobile revolution will likely have the greatest impact on media convergence, as laptops become more mobile (e.g. netbooks & cloud computing) and mobile phones become more powerful computing devices. In the United States, 15% of

the population has smart phones (e.g. iPhone or Blackberry), according to a Pew Research Center study, and 37% of those who own these devices say they get news on them. Already, three quarters of the world's messages are sent via mobile and nine out of 10 in developing countries where mobile phones have "leapfrogged" other technologies. Mobile phones had an estimated 50% penetration rate in developing areas by the end of 2008—up from nearly zero ten years earlier. Worldwide, the number of mobile phone subscriptions are triple the number fixed telephone lines. In fact, Jeffery Sachs, a renowned economist who has focused on the developing world, said mobile devices are part of the reason we might be turning the corner on the digital divide.

Katrin Verclas, co-founder of <u>MobileActive</u>, asks, "What do people actually want on the content side—in particular, mobile content? What is needed? What is necessary? What is provided? What is available?" Razorfish's Digital Outlook Report 09 claimed that growing mobile usage will cause some consumption habits to converge: "As the mobile search experience begins to mirror that of the PC, so too do the expectations for types of content. This means users will increasingly begin to see the mobile device not only as a source of localized information on the go, but as an aid to many of their everyday tasks."²

Types of Journalism

Journalism is not one monolithic commodity with a homogenous definition. The broad diversity within the journalism landscape itself reflects the diversity of this country. Whether "political" press, which has been an integral part of our fourth estate since the founding of this country or "ethnic media" which reports and interacts with diverse communities around the country, this journalism is a critical part of our democracy. Many within the future of journalism debate are

² Tony Deifell, "The Big Thaw: Charting a New Course for Journalism", The Media Consortium, October 2009, Volume 2, Chapter 1, pg. 5-6

only focusing on the salvation and support for "non-partisan" journalism based on the notion that partisan media only reinforces like-minded thinking.

On behalf of the progressive media sector, we would like to offer that this is a false notion. First, this is assuming that all consumers of "progressive" media producers report on similar issues in similar ways. In fact, we define "progressive" broadly, as many individuals and organizations relate to the term differently. Our members actively champion to hold government, corporations and other institutions accountable. Our journalism illuminates issues related to social, racial and gender justice. The progressive media supports a broad spectrum of journalism producers ranging from long-form investigative reporting to inside the beltway short form blog posts to international television news to hour-long radio shows. Each of these journalism organizations come to the table with different areas of expertise in terms of issues, ranging from the economy, the environment, public policy, government watchdogging and more.

It is also false to assume that all progressive media consumers all have the same opinions on all political and social issues. Partisan media, especially when at its foundation is rooted in sound journalism ethics, is a place for: 1) coverage of critical issues and a home for diverse perspectives ignored by the mainstream or public media 2) additional opportunities to inform democratic debate and deliberation and 3) creating a broader media market that introduces and engages new audiences around information pertinent to their lives and society at large.

In fact, the sector is highly influential and can reach and inform tens of millions of actively engaged citizens on a daily basis. In 2006, 16 Media Consortium members submitted their various constituency lists—including subscribers, donors, registered online users and newsletter subscribers—to Paradyz-Matera, a third-party list-management analysis firm. Participating organizations had a combined list size of 2.9 million confirmable names, which didn't even include the millions of radio listeners, television audiences, website visitors, newsstands purchasers and more. What's more, there was only a one in four overlap with two or more members.

In 2009, <u>Catalist</u> analyzed almost one million names from another group of 15 consortium members and matched them with their database of 250 million voting-age citizens. They found that 72% participated in the 2008 General Election, compared to just over 60% of U.S. registered voters and represented a wide range of the voting-age population. These numbers demonstrate the significant influence and reach of the progressive media.

4. Are media consumption habits different in minority communities? How would those differences affect business models for various media platforms? What are the implications for the availability of news and information in minority communities? How should such business models and their implications affect government policy?

Overview

One of the most important, but often least talked about areas of both the future of journalism and citizen needs is diversity. This includes diversity within newsrooms as well as connecting and interacting with diverse communities for reporting. These communities are at the heart of many of policy, political and public interest journalism reporting, but whose perspectives and experiences are most often ignored. Many new public interest media journalism organizations and individual media makers have allowed for increased reporting and discussion on diverse communities, including communities of color, women, youth, rural locations and more. But it will take a concerted effort by journalism producers to integrate the needs of those communities into their organizational DNA. Journalism producers will not only need to think about the content that for these communities, but how they will make sure their content is accessible to these communities.

Demographic and Generational Shifts

As "The Big Thaw" notes:

Shifting demographics create both challenges and opportunities for content producers: Different groups use media in different ways. [Larry] Irving notes that for Latinos, Facebook, MySpace and SMS texting drove greater adoption of technology. Furthermore, according to a 2008 <u>Pew Research Center</u> study, African-American Internet users are 18% more likely to watch online video than white Internet users and 15% more likely to have a profile page on a social networking site such as <u>MySpace</u> or <u>Facebook</u>. In terms of gender differences, for instance, women tend to watch network TV news (particularly morning programs such as the <u>Today show</u>), while more men watch cable TV shows. It is insufficient for a publisher to simply make content available anytime, anywhere on any device. They must also customize content for different audiences on different devices.³

In addition, "The Big Thaw" tackles the information needs of the millennial generation.

Young people (born between mid 1980s to early 1990s) are leaving print and television news, and for a long time incumbent organizations believed that they might eventually come back. "In spite of the increasing variety of ways to get the news, the proportion of young people getting no news on a typical day has increased substantially over the past decade," according to a 2008 Pew Research Center study. "About a third of those younger than 25 (34%) say they get no news on a typical day, up from 25% in 1998."

Nevertheless, the Millennial Generation's members are world-changers with strong democratic values, which indicates that they are interested in information about the world around them. Don Tapscott, who authored the 2008 book, *Grown Up Digital: How the Net*

³ Tony Deifell, "The Big Thaw: Charting a New Course for Journalism", The Media Consortium, October 2009, Voume 2, Chapter 1, Pages 6-7

Generation is Changing the World, explains: "This is the first generation to come of age in digital age. They have enormously strong values—they care a lot. It's not true about this being the 'narcissistic me' generation. Civic engagement in U.S. has been growing decade-to-decade and is currently at an all time high, and it has turned into political action. This generation is going to change the world."

If independent media can experiment with bold new ways to engage audiences, they may tap a new generation of users that will transform the world and how the news is reported.⁴

8. Compared to earlier decades, are Americans more or less likely to seek and find more specialized media (i.e. that focused on a specific topic, appealing to a specific demographic group, or promoting a similar ideology or world view)? What are the positive and negative consequences of such patterns?

Excerpts from "The Big Thaw" directly address these questions, including, "Will the Internet ultimately make people more self-focused and fragmented—with only like-minded people talking to each other—or will it broaden our experience and understanding?"

"As the rest of the world becomes more represented online, we'll have access to them, and different conversations will arise out of that. The corollary is that we could stay in our own little niches," [John] Bracken [of the MacArthur Foundation] says. "Partly it's a question of technology and partly it's cultural." An offline experiment by Harvard Law School professor Cass Sunstein illustrates the dynamic. In 2005, after convening small groups batched together by similar political views to discuss controversial issues, he found that each group's conversation made them more homogeneous and extreme in their point of view.

⁴ Tony Deifell, "The Big Thaw: Charting a New Course for Journalism", The Media Consortium, October 2009, Volume 2. Chapter 1, Page 7

"[There is a] terrible and seemingly inescapable tendency of humans to prefer the familiar to the unfamiliar," Weinberger says. Larry Irving fears that we are heading towards a point where a person's pre-existing position determines what they consume online whether or not it is slanted or true. "Now you can read your point of view and that's *all* you read," he says.

What perspective do newsreaders want?

Although users can personalize news to their individual interests, the Pew Research Center found that 62% of Americans would rather get a news overview than just hear about topics that interest them. Less than half of 18 to 24 year olds feel this way. They would much rather get news only relevant to their interests. As people diverge in what they want, it is increasingly difficult for a news outlet to reach every audience.

The center also found that most Americans (66%) prefer political news with no point of view—a percentage that has remained roughly the same since 2004. It is no surprise that more people than ever before believe that news outlets favor one side, inaccurately report stories, are unwilling to admit mistakes and are influenced by powerful people and organizations. The public's negative opinion could partly be due to the fact that more people see the gap between what they can find online and what any one journalism outlet can cover. Interestingly, neither survey asks users whether they might prefer news sites that bring together content with strong, divergent viewpoints.

Even if presented with multiple perspectives, people's viewpoints usually converge when left to their own devices. As a result, the *perceived* political bias of a news outlet is reinforced by the type of content that appears to be most popular among its users.

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[&]quot;This is not an Internet problem, but a human problem," Weinberger claims. "We do

prefer to hang out with people with whom we have something in common." To be sure, many business models will continue to capitalize on this tendency as they increase the relevancy of information and affiliations of users. Nevertheless, the benefit of connecting divergent points of view may also make new business models possible. Although growing homogeneity is a top concern, most people still believe we are better off in an online world. "My hunch, with no data, is that on the whole net benefit is positive: that the Internet is generally bringing us into contact with more and more diversity than before," Weinberger says. "But we constantly have to be working on keeping ourselves open, trying to be more and more sympathetic, to expand our range of interests and not falling back into reptilian brain patterns. [...] If we don't take steps, we'll just be sheep hanging out with other sheep just like us."

Will online media help or hurt democracy?

Who is best served by balkanized communities that consume increasingly fragmented news: *Independent voices* who can challenge those in power or *existing power brokers?* Does this fragmentation perpetuate an illusion of greater democracy but actually keep people splintered?

Cutbacks in investigative reporting may cause civic and corporate accountability to decline. The Pew Project for Excellence in Journalism discovered that during the 2008 presidential race the *Washington Post* produced only three major investigative profiles of the eventual winner, while it had 13 such pieces in 1992. Cutbacks in investigative reporting may cause civic and corporate accountability to decline. The Pew Project for Excellence in Journalism discovered that during the 2008 presidential race the *Washington Post* produced only three major investigative profiles of the eventual winner, while it had 13 such pieces in 1992.

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In the United States, "News will become increasingly 'red' or 'blue'," according to an article by Eric Alterman in the *New Yorker*. He said that this is nothing new. The brazen partisan newspapers that dominated journalism in the 1800s led, in part, to Adolph Ochs' famous "without fear or favor" declaration when he took over the *New York Times*. Today, one of the greatest risks to our democracy may not come from partisan news, but the populist group-think behavior of consumers, which creates a new cultural hegemony. We cannot depend solely on the potential of the web to enable open expression and engagement. "Just as we've worked against [homogeneity] successfully so far, in the sciences especially, we have to work against it in the media too," suggests [David] Weinberger. In this regard, *independent* media could be the greatest potential antidote, if it can avoid the elitism that has turned off many news consumers in the past.

While journalism's old watchtower enabled reporters to balance points of view more readily, that role has changed. Since media organizations have less control of information flow, they can no longer insist that readers "should" consider different viewpoints. Readers will simply filter it out. However, media-makers can give newsreaders reasons to *want* to do this by appealing to broader interests; making news entertaining and meeting people's interest in discovering something new or being challenged.⁵

32. What role will and should user-generated journalism play? In what ways can it improve upon traditional journalism, and in what ways can it not substitute for traditional journalism? How can the quality and effectiveness of citizen journalism be further improved?

Overview

The following is an excerpt from The Big Thaw, laying out the definitions of different kinds of

⁵ Tony Deifell, "The Big Thaw: Charting a New Course for Journalism", The Media Consortium, October 2009, Volume 3, Pages 3-5

user-generated content with corresponding examples of how it has helped traditional journalism. In addition, both long-term implications on both editorial and business models are discussed.

Crowdsourcing, co-creation & citizen journalism

Media organizations have used the growing market of amateur user-generated content as a way to reduce costs by "outsourcing" content production and sometimes aiming to tap distributed problem-solving. There are many terms to describe user participation in content production, which often overlap.

"Crowdsourcing" is typically a broad or targeted "open call," in contrast to the more ٠ integrated cooperative activity of the "open source" movement, and it has drawn skepticism from both traditional journalists and online innovators. For example, 42% of U.S. newspaper editors surveyed in early 2008 had reservations about the role of citizens beyond providing very small stories or basic information, while Jimmy Wales, founder of Wikipedia, called "crowdsourcing" an "incredibly irritating" term. "Any company that thinks it's going to build a site by outsourcing all the work to its users," he said, "not only disrespects the users but completely misunderstands what it should be doing. Your job is to provide a structure for your users to collaborate, and that takes a lot of work." On the other hand, crowdsourcing has proven to be valuable for sourcefinding and fact-checking for many journalistic organizations, including Talking Points Memo (TMC member). As another example, OffTheBus on the Huffington Post used 227 contributors to find out everything they could about Superdelegates in the Presidential election. After news broke that Hilary Clinton's New Hampshire campaign office had been taken hostage, OffTheBus found a nearby member in its database and sent him to the home of Fox News's alleged hostage taker, only to discover he was not involved." New efforts such as *Help Me Investigate* are creating

broader platforms for any journalist to use crowdsourcing in investigative journalism.

- "**Pro-am**" strategies to co-create content have begun to take root, in which people work together across traditional professional-amateur lines. For example, Jay Rosen, a New York University journalism professor, started NewAssignment.Net in 2006 to link professional journalists and amateur contributors. Some organizations have found pro-am projects to be expensive to manage, risky and journalistically uneven. To solve these problems, publications are designing simpler ways to collaborate with users. For example, the *Nation*, the *Washington Times* and the Personal Democracy Forum collect questions from readers to "Ask the President" during a press conference.
- "Citizen journalism" trains non-professionals in new technology and journalism to do
 the reporting themselves, and often does not involve professional journalists at all.
 Critics have said that this form of reporting often abandons "objectivity" and also has
 uneven quality. Citizen journalism has shown promise for hyper-local sites, including
 small towns that may no longer be able to support a traditional newspaper.

Co-meaning making

Many organizations have developed new ways to engage to users. These innovations tell a larger story about the evolution of *co-meaning making*, a collective process of making sense of the world. Shirky points to developments in the scientific world as an example of the *co-meaning making* that is beginning to occur in journalism. "The number of papers with multiple co-authors is increasing dramatically. It's just simply harder and harder to do science as one. That's because the problems are more combinatorial in nature."

Media organizations can no longer afford to view users only as sources or DIY journalists. Users want to engage as participants and actors in unfolding stories. More sophisticated models are developing, and the nature of storytelling itself is changing. [Amanda] Michel found in her work at Huffington Post, "There was a palpable joy among participants who transcended the role of spectator and created new narratives beyond those they were seeing in their daily newspapers day after day."

[John] Battelle calls *co-meaning making* the "conversation economy." It ultimately involves all players in the media ecosystem in a more transparent and adaptive way. This particularly goes for marketers and advertisers who are often walled off by journalists.

From audiences to communities

Everyone who participated in this project said that building audiences as communities was the biggest new source of value in media. Some viewed the term "audience" as an anachronism because it still puts too much emphasis on content as the primary product.

Since communities are formed in multiple and co-existing ways, people interviewed for this project varied in their opinions about how best to build communities and capture enough value from them to run a media organization. Audiences can grow in two different directions simultaneously: *Broader* and *deeper*.

Breadth of network

How to scale up independent media projects is largely a question of *breadth*, whether it is geographical reach, aggregation of many local or "niche" communities, size of membership or the number of links to a site. "PageRank" which is the central measure of Google's search algorithms is based on the breadth of links to a site. And, when it comes to viral marketing, it is the breadth of a network (formal or informal) that amplifies content. In online advertising, it is the breadth of reach that enables "ad exchanges" to target large enough segments through contextual and behavioral filters.

Depth of community

Communities are often defined by *depth*—a measure of participation, identity, interest and expertise—all of which build a sense of loyalty and shared ownership. In many ways, depth is an extension of "my ideas" described earlier with the added value of meaningful connection. Targeted segments ("niches") of broader audiences can be as valuable for community organizing as they are for advertising. Evidence has shown, however, that the price of advertising has not remained commensurate with the value it creates by targeting. Instead it has been more closely tied to how efficiently ad buyers can reach breadth.

Examples of building community depth include hyper-local "micro news" that targets geographic-focused communities. Many sites are seeking to become their communities' new digital town squares. However, a Forrester Research report found that customers care less about what happens in their neighborhoods than across the country and also rely more on sources for local business listings (e.g. Craigslist) other than local news outlets, which cause problems for hyper-local business models. For many progressive sites such as Daily Kos, deepening of community centers around ideology or perceived charisma and runs as deep as geographic ties. To this end, publishers have used offline events to help online users connect in person.

One would think that since *word of mouth* is one of the oldest forms of news, that journalism could find a natural home in the growing social aspects of the web. Approximately 75% of the online population in the United States is now engaged in online social behavior according to Forrester Research, and overall consumption habits are becoming more social through FriendFeed and many other tools. However, forming more connected social networks does not necessarily correlate to consuming news. "Just 10% of (young people) with social networking

profiles say they regularly get news from these sites," according to a 2008 Pew Research Center study.

Publishers and advertisers are learning that "social news" does not mean just distributing news socially. Social news actually means building audiences as communities that engage with news in ways that are social by design. For example, user-generated content can be used as a shared project to form deeper communities across various interest areas, a value beyond providing free content.

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The puzzle for independent media is how to harness the breadth of the sector and the depth of individual communities simultaneously. The sources of value for any business model starts with paying customers, whether it is government, philanthropy, other businesses or consumers. Online media has given individuals more negotiating power. As a result, media organizations have had to become more responsive to users' needs and desires. If they don't, users will simply leave. ⁶

⁶ Tony Deifell, "The Big Thaw: Charting a New Course for Journalism", The Media Consortium, October 2009, Volume 2, Chapter 3, Pages 28-31