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Submission to House of Lords Select Committee on Communications and Digital on 'The Future of Journalism'

1. **INTRODUCTORY SUMMARY:** At the heart of most major issues of journalism today is the business problem, a large component of which is **the missing revenue stream from the millions of readers who are not paying** to read. A good proportion of those millions could be brought to pay, offered the right payment model, which would add millions, even billions of pounds to the income of the industry, a transfusion of health to every part of it. I propose that the pay-to-consume monthly model widely used elsewhere in digital media such as magazines, mobile phones, music and other digital products, can be adapted for digital news journalism too, benefitting publications of all sizes and types, large and small, mainstream and niche. Existing models for magazine subscriptions (like Apple News + and magazine.co.uk) can be adapted to a **media distribution subscription** model to produce a predictable monthly revenue stream to participant publications, according to their consumption inside the scheme. By offering journalism within consumer-interest categories, rather than by brand, publications large and small could accrue new commercial benefits: new monetisation by the giants, the big news brands, of their renowned sections for interest-led viewing; and systematised access to reader payment for smaller, specialist and local publications. Quality regulation and delivery systems could be developed via Ofcom and current digital technologies, and skilled journalism would at once acquire a common ground and a solid new commercial footing that would reciprocate readers' urgent need to trust the reliability of the stories they find. The model does not compete with existing news-brand subscription, it complements it, aiming at the large untapped market beyond. But it uses the drawing power of the big brands to lever revenue opportunities for the rest of the media landscape as well. An industry-wide distributive collaboration, by adding a payment model for horizontal reading patterns to that for vertical brand-focus subscription, would recognise and profit from the human realities of modern web-reading, encouraging exploration and more confident reader-responsiveness. A firm commercial base would help resolve anxieties about professional training, working conditions and recruitment effectiveness. The conversation with the public, and the integrity of the practice and value of journalism as a profession and democratic good, would be strengthened. Many new editorial and social developments in digital journalism could be envisaged that are presently obstructed by the dinosaurs who rely on print-world thinking and the stifling monopoly of today's rapidly altering consumer market by yesterday's big brands.
2. **My interest** in this inquiry arises from my experience founding a pioneer website for specialist journalism 10 years ago, and the dilemmas and conundrums that both inventing its model and considering its progress to date presented. I am a journalist whose 35-year career has bridged the old print and new digital worlds. I have worked as a staffer, contract specialist and self-employed freelancer, in local and national newspapers (from the *Slough Express* to *The Daily Telegraph*), in my own local politics news agency, in local radio reporting and Fleet Street subediting, as a specialist arts critic in print (*The Daily Telegraph* for 15 years, *The Spectator* for two), and as the co-founder, creator and launch editor of *The Arts Desk*/theartsdesk.com, a daily arts journalism publication of which I was a director

and site manager until 2012 (awarded Specialist Journalism Site of 2012 in the Online Media Awards). I am currently taking a PhD at the University of Oxford in a topic of Soviet cultural history derived from journalism.

3. The inquiry is right to focus on the central significance of public perception of the quality of journalism being offered to them, the fragility of the advertising revenue model, whether for a local paper or a digital journalism site, and the very different working conditions and prospects for traditional staffers of the past and the increasingly self-directed journalists of today. Most of us know that a disconcerting new **conversation about quality and trust** has recently been forced to the front because so much of the best-quality news is now hidden behind pay walls while fake news is free and rampant.
4. That five of the inquiry's 10 questions concern business and consumption also seems to me entirely right, as the **business model's problems drive all the other problems**. Industrial instability has affected the definition and perception of journalism's function and the confidence in its training systems, and has raised sometimes distracting matters about information provision.
5. Questions 2 and 4: When I was designing Britain's first all-digital arts journalism publication, *The Arts Desk*, in 2009, it became obvious, even with my digital inexperience, that it was **inappropriate for a digital media site to adopt the practices of old-media publishing**, because even if the two shared the same intentions in the product, they had entirely different production tools, which meant different operational rules. For instance, a digital media site did not require offices and printing overheads; its outlay focused entirely on the technological reinvention of a familiar product, reconceiving top-quality editorial content as a digitally designed media resource, designing it to prioritise both contributor-friendly and reader-friendly interaction, and considering how to exploit the thrilling new ways to enrich the delivery of information and human expression, because of innovatory tools developed in other parts of the digital landscape.
6. The **systematic consumer data provided by analytics** alters not only the editorial interface with advertising and strategic planning, but also the trust relationship of the publication with its users. It is important for digital sites to avoid seeming to sneak off with consumer data, yet at the moment data marketing is one of the few income streams, through the absence of more transparent payment systems. This is an area of the trust question that could be better done.
7. Readers are conscious of a digital site in a significantly different way from print. The most important change to reading made by digital technologies is that brand loyalty is over, and **roaming is in**. Today's readers don't unfold the *Times* or the *Daily Mail* on the train each day, showing 'who' they are, or submitting to one particular newsbrand's interpretation of the day; millions of people in the world browse many outlets on their phone or tablet, following their personal likings from publication to publication, across platforms, across countries. And many do not want to read a digital newspaper cover to cover, old-style, we want to compare several viewpoints ("comparethemedias.com") – and it is unrealistic to expect us to pay £30-50 a month for each and every newspaper we check now and again. The reality is that **we are behaving exactly as digital media invites us to do so**, information feeding curiosity in the brilliant Berners-Lee vision.

8. **The key thing is – most people are crying out to pay for good journalism**, so that we can feel confident that the information we find has been solidly produced, that it is not bot-generated or invented by unchecked fantasists or organized propagandists. We just do not have a mechanism to do so, and it is frustrating.
9. The profession's dilemmas over identity, qualification and financial stability (Questions 5, 6, 7) flow from the business contortions of the news giants' **narrow focus on old-form brand-loyalty**. These have led to an unhealthy distortion of news values (the march towards extremism and shrillness, overshadowing necessary factfinding and attentiveness to what happens – Questions 7 & 8), which contaminates the reputation of journalism itself and its functioning in a fully expressive social democracy. Once the digital business follows the digital consumer, rather than attempting to dragoon the digital consumer into behaving like old-style newspaper readers, most of the other professional problems will recede. Many of them are the result of industrial anxiety and loss of balance.
10. The solution lies in what Question 9 suggests: **industry collaboration on a common sales platform**. In most other digital communications and entertainment media, both micropayments-per-click or monthly consumption subscriptions are familiar mechanisms, whether to buy a tune or to get a mobile package, and both payment schemes enjoy public confidence. Journalism can benefit from this proven example, putting the entire range of journalism on a solid new revenue footing.
11. The **digital news-subscription market is already being** sampled by users of Apple News+ and magazine.co.uk¹ who buy multiple discounted annual subscriptions or time-limited offers, selecting from interest categories. This shows that the distributive technologies already exist to serve the widest range of reader preferences, and that major brands are willing to discount to join in.
12. The **potential of this delivery for news journalism** is huge. A much larger application of this principle will deliver readers constant news from the highest-quality news sources as well as their special interests, bringing a new industry health that would then resolve the current symptoms of sickness in local reporting, training and access to the profession. Using apps to offer monthly media menus to readers, and analytics and location software to provide solid data on their consumption with which to allocate proportionate payments to the reader's selected media, a delivery like this would also much assist the advertisement industry who could then upgrade and improve their own delivery through digital news pages.
13. Such a payment model would be an addition to the business, not a substitution. Competition would not be a whit diminished; radio and TV have always offered competing attractions in collaborative packages. There would be **competition and collaboration** between brand-conscious British news giants, on a sales platform of mutual benefit that would both serve reader behaviour and help in resolving the trust/suspicion issue (Question 8), since it would reverse the producer/consumer relationship from the controlling arrogance of "We tell you what to read, and you need look no further unless you have another £50 to spend elsewhere", to a new humility and trust in readers' choices: "Here is our menu – what would you like to select? We hope it will assist you in developing your interest". In other words, the customer becomes king.

¹ <https://www.magazine.co.uk/about-us>

14. **The commercial advantage of such a scheme would be felt at all levels of journalism.**
15. **The big-name brands could monetise both their whole brand and their constituent parts** separately. They could sell, in effect, both a complete chicken and also bags of chicken legs or wings, or bags of barbecue-coated chicken here and thyme butter-coated there. Analytics and payments technologies are well advanced for even micro-level preferences. Brands such as *The Telegraph* or the *Financial Times* would build, alongside their brand subscribers to the full package (and privileges), a new readership segment who pay to consume preferred *parts* of their brand, filtered for arts, money, particular writers, travel, obituaries, and so on. The packaging possibilities are creatively endless, and timeless too – there could be genealogical tie-ups, or historic material to link with important anniversaries, for instance, and unlimited educational ways to remonetise past materials that currently vanish into the swirl a few hours after it is published.)
16. A **typical digital menu** would have interest categories or baskets – for instance, ‘UK news’, ‘international’, ‘lifestyle’, ‘culture’, ‘sport’, etc, under which large journalism brands (UK and foreign) could offer sections of their product alongside specialist sites, local newspapers and other new media offerings that met quality criteria. The reader would select a price point and a pre-formed package, or their own preferences (via an app or a web page), an act familiar to every online takeaway eater.
17. **Proportionate payments** for the publications would be developed from analytics data on consumption, scaled and weighted to be fair to every publication, from large to small (this might drive interesting new developments in digital marketing skill).
18. It is central to the concept that the **model encourages the local, small, niche and unconventional** publications too, alongside the big familiar brands ([Question 9](#)). Qualifying criteria to join the scheme might prescribe regularity of refreshment or readership patterns. In my opinion, every media basket should offer the local newspaper automatically, to ensure that local journalism is given a jump-start back into public consciousness and recovers its appeal and identity for potential entrants. And from my experience of bringing *The Arts Desk* to market, I know that to have even a very modest monthly revenue stream starting up will be vitally beneficial to the specialist or less conventional publications that meet qualifying criteria, on which they can build and develop both as a product and as a business.
19. A reader-targeted distributive system of this kind would have obvious **attraction to advertisers**, offering the commercial goods of new creative potential and more effective reader engagement than the very awkward current journalism-advertising dialogue (more of a shouting match at the moment, with an ad after every paragraph or two).
20. As far as **public policy** is concerned ([Question 10](#)) it is true that this is innovative, and collaborative, and the dog-eat-dog attitude of major news brands may make them resistant. However, the Lords inquiry might well draw industry bodies’ attention to the wholesale benefits of looking ahead, rather than backwards, when the market that exists is irreversibly dwindling. (Surely the coronavirus will extinguish most of yesteryear’s methods in shopping and information delivery.)

Ofcom could supervise the standards and operational quality of a national media distribution subscription. I am unfamiliar with government business grants for digital technology, but clearly something like this has been done before, in TV, mobile, music and other media delivery.

21. This model requires some public advocacy just because it is different. **But it would only take one major brand that prizes its diversity of journalism to agree** to spearhead such a scheme – one *Guardian* or *New York Times* to persuade competitors to join in a trouble-free and entirely beneficial new market opportunity to make money from their readers. This is a wholly scalable principle.
22. Once the point of exchange between the consumer and the producer is clarified, not only financial worries but also many professional questions about the **qualities, training and self-definition** of journalists themselves will become more tractable. With a modern digital salespoint reactivating payment for the product, the issues of rival subjective perceptions of 'citizen' vs 'professional' journalism, the debates about balance in opinion, or niche interests, or freedom of expression, can all take place in a due way without distortion by overweening commercial interests or, worse, government or external interests stepping in. A future-proof mechanism that increases the efficiency of both accessing journalism and paying for its production will revitalise this great and exciting instrument of living democracy and intelligent life.

ILLUSTRATIVE EXAMPLES

Publications are divided into levels governing micropayments for access to a filtered group of pages of consistent size.

The weightings are made through industry analytics criteria including readership patterns (X pageviews per month) and content renewal (daily renewal weighted more highly than weekly renewal).

The subscription offers interest-led packages at a range of price points, governed by reader preferences set in their digital account.

Big news brands with many sections segment their pages to sell into reader categories (UK news, culture, opinion, sport, etc) and sub-categories (film, TV reviews, fashion, horse-racing etc).

Competing segments in categories should be comparable in content size (eg *Sun News = Telegraph News, Gramophone = Hello!*). Publications can tailor their digital offering to suit this subscription scheme (as they do already).

For simplistic illustration...

Level 1: Universal newspapers – 24-hour renewal

Level 2: Current affairs periodicals/magazines – renewing daily

Level 3: Periodicals – renewing monthly (eg celebrity, fashion, picture-led, glossies)

Level 4: Special interest digital magazines

Level 5: Local papers

Level 6: Bloggers and 'citizens' who meet entry criteria.

It would be a dearer package to have 5 big and 10 small, as it were - 5 Level 1 segments (eg news segments from Guardian & Sun, arts pages from Telegraph & FT, book reviews from New York Times); 2 Level 2/3s

Or cheaper to have 1 big (say a big-brand news section), 3 magazines/specialist sites, and a local paper or favourite blogger.

The lowest levels of micropayment are proportionately small, but they accumulate in a monthly stream (for the first time), and once established minnows can make more fruitful commercial decisions and innovative collaborations with other participating publications.

For the news producer, the pricing exercise can be likened to what restaurateurs do, categorising dishes on the menu as starters, mains or desserts, some starters more expensive than others, and offering side dishes.

Readers who wished to exceed their nominated package temporarily – in a major news event, say, or for a special one-off publication – could add a bolt-on, as they do with mobile phones.

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