Reimagining Journalism

The Transact Triple Play for News Media Organizations

Publishers Needs a Viable Business Model

- Newspaper and magazine publishers have experienced critical financial decline as advertisers shift spending from print to digital
- And digital ad revenue is not sufficient to sustain a news business
  - Unfortunately in the current environment, advertisers & non-news sites (who compete for ad dollars) set value of news
- Local news publishers are most at risk, as they display fewer ads and have smaller audiences than national publications
- What business strategy will stem the decline?

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Readers Must Contribute

- Information has value and should not be given away for free
- Local publishers can charge for news:
  - There's less competition for local information
  - Ability to leverage local population's affinity for local news brands
- Regular readers can and will subscribe
- People are waking up to the value of paying for content:
  - People paid for news until it was free, then the information got worse
  - TV used to be free until people started paying for it, then it got better.

However, Publishers Can't Rely on Subscriptions Alone

- People will not subscribe to every site they visit, however…

- Random and infrequent visitors can purchase individual pieces of content w/ Transact

- Publishers can distribute news content on other platforms through new paid channels (Postd)

- Some readers are only interested in specific content areas for which they're willing to pay a reduced rate

- These incremental revenue opportunities work best when paired with hard paywalls

Buy A la carte with Transact

- Transact is a debit card for digital media

- Minimum price of one cent, no maximum

- Publisher sets price for each individual article, keeps 90%+ of revenue

- Publisher decides how much of an article is free

- Readers stay on publisher's site

- Single click to pay for article, very little friction for reader

Transitioning to the New Model

- Minimize development expense

  - Transact is simple to add to a site - no website overhaul

- Planned properly, buying content individually will not cannibalize subscriptions

- Publishers can still generate ad revenue and focus on high CPM units that readers will engage with

- Experiment with premium content that readers pay for

- Attract new readers

The Bridge to the New Business Model

- Publishers already use Public Media Networks to distribute content (FB, YouTube, etc.)

- Use Paid Public Media Networks to test almost-free model & expand audience

- No changes to website design

- No up-front investment required

- Minimal friction and maximum accessibility for readers

- Monetize low cost ($0.01-$1.00) content

What's a Paid Public Media Network?

- It's a place where anyone can post digital media for rent by readers, viewers, listeners

- It's an ad-free utility (not an ad platform); readers, viewers, and listeners pay

- Content owner sets price, keeps most of revenue; network operator keeps a percentage to pay for server and operations expenses

- The cost of content is proportional to consumption

- Audience is larger than individual sites

The Postd Public Media Network

- Superstore for digital media, offering a la carte rentals of streaming video, audio, and text

- Short form videos may be inexpensive to produce, but they can generate more revenue through paid rentals than with ads

- Postd was created as a utility for publishers/creators, who set price & get 75-80% of revenue

- Offer premium articles for pay per read

- Postd makes almost-free content easily accessible

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Add New Sources of Revenue

- Don't let the value of news be set by advertisers that treat all publishers and ad spaces equally

- Replace third party ad platforms with direct ad sales and reader revenue

- Text is not the only medium; publishers usually have more reporters than local TV news, and with a viable video distribution channel can compete with them

- Don't pivot to video, supplement with video

  - Video exploits an untapped value in reporting news as a complement to text

  - Distribute video content OTT with Postd

- Videos of stories and interviews posted on Postd compete with TV

The Notd Public Media Network

- Notd is a network for text and photos (no video) where users can purchase individual pieces of content

- A "note" is the most basic element: a sentence or an article, with or without photos

- A "stream" is the sequence of notes from one source, just like blog posts

- Readers subscribe to individual streams by month or year

- Notes can be accessed by topic or stream, and quickly filtered by form (news, opinion, reviews, etc.) and category/topic

A Completely New Kind of Subscription System

- Micro-subscriptions to streams of notes/articles/photos

- Stream owner/author keeps 80%* of revenue, minimum Notd cut for any stream is 2 cents/month

- Note excerpts are visible to non-subscribers, but only subscribers can see full notes and read/post comments

- Like all networks, Notd greatly expands audience over individual sites

Notd Streams Are Not Just For News

- Streams can be a section, like sports or business, to capture revenue from people who won't subscribe to entire site

- Streams are ideal for opinions, commentary, ideas, analysis (which are kept explicitly distinct from news)

- Using a team stream, it's easy to combine multiple writers into one stream

- Publishers (anyone, really) can have multiple streams

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Notd Features Enhance Journalism

- No technical limit on length of notes

- Easy to thread notes that weren't published sequentially

- Notes can be annotated for expansion or documenting

- Debate feature lets multiple sources discuss an issue in one note

- Photo streams: new way to monetize photography

What Personal Information Is Captured?

- Transact: email address, payment information

- Postd & Notd: For consumers, only their email address and purchase history

- Publishers have to provide bank and tax ID info

- No algorithms based on consumer behavior

- We're just the path, not the marketing engine

The Transact Triple Play

- Transact on publisher sites for subscriptions and a la carte articles

- Postd for expanding audience and monetizing video news and interviews

- Notd for expanding audience, sub-subscriptions, and monetizing photography

Print is a Luxury

- It should be priced appropriately (cost of delivering news digitally should not be burdened with print-specific expenses)

- Not the place for real-time news – people will know it the day before (bakeries don't build a business around day-old bread)

- Newspapers are more like magazines, where time relevance is measured in weeks (not days), than websites

- Local publishers do not need national news; focus on local representation more critical and underserved

- Publishers must learn what people value, Transact helps discovery