



REPORT FOR THE WORLD

Summary Report

Revenue Roadmap

A guidebook to diversifying
revenue & editorial innovation

Authored by

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International
Press
Institute

The full version of this report will be published in May 2024.
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INTRODUCTION

The Innovation and Revenue Roadmap is a tool for leaders in journalism to ideate, rethink and develop solutions to future-proof their media's editorial strategy, technology and business model. It introduces the necessary methods and tools to raise questions, discover and identify, test and deliver the most relevant innovations and revenue diversification strategies for your media, in your market.

Independent media outlets are up against long-standing and novel challenges. These include low public trust, unstable revenue streams, digital disruption, plummeting ad revenues, limited public desire to pay for quality journalism and vulnerability to political and technological changes. To overcome these obstacles, leaders in journalism are tasked with rethinking the model and building foundations for the future of journalism. The practice of media innovation and investment in revenue diversification equips modern media companies with the resilience to adapt and thrive despite the above challenges. The roadmap is written from the point of view of the managers and owners of news organization. It is a comprehensive listing of what is possible, and it gives you the tools to understand which of these possibilities may be best suited to your media company.

PHASE 1:

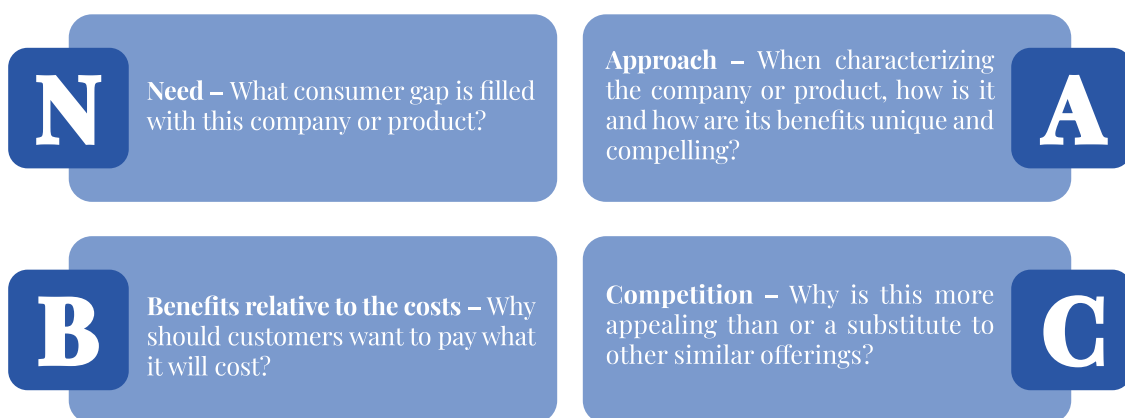
How to define your value proposition, establish key questions and deliver solutions through strategic planning.

The value proposition is a succinct summary of the relative value of your product to the customer. It looks both inward at your product and outward at your competition and general economy. A value proposition can be constructed for a company, or a product or service within a company. It answers the following three questions:

- (1) What benefit do we sell?
- (2) Who are our target customers?
- (3) Why should customers choose us?

Stating a product or services value proposition simply and clearly helps you focus the team and effort. It states whether your product or service is differentiated or a substitute; it guides advertising and sponsorship selling; and it explains the product to vendors to gain their support.

An easy technique to write up a value prop is to fill in its “NABC”.

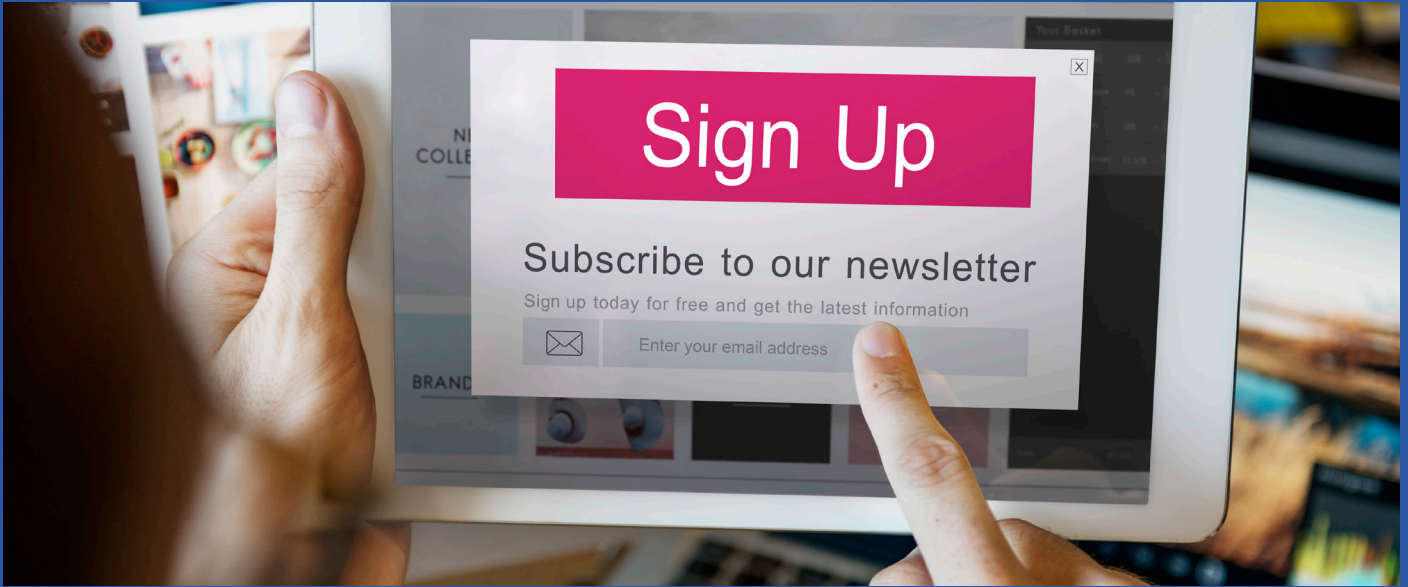


The process of discovering editorial formats and revenue opportunities depends on a media organization’s openness to innovation. Innovation methods such as design and product thinking techniques are a critical piece of how media can ideate to solve mounting business and editorial challenges. A couple of critical research and analysis techniques include human-centered design and product thinking, lean canvas development, empathy interviewing, feedback loops, audience research and prototyping. These techniques are essential for building the creative confidence necessary to rethink the challenges and solutions necessary for your organization.

However, these innovation and strategic planning techniques are not an end in themselves, and require additional skills elaborated on later in the roadmap, such as refining decision-making processes and establishing objectives and key results that meet your organization’s financial and human resource goals.

PHASE 2:

Audience centricity: How to address the needs of your target audience.



Every editorial and business team in a media company needs to get updates about their audiences sooner rather than later. *Are people reading or viewing our content? Are they engaging with it on social media or in the comment section? What revenue opportunities are we missing with our audience?* Moreover, media organizations are in a battle for attention, so how might you start paying closer attention to your audience members?

By inviting input from their audience and establishing a process for responding to it, newsrooms can uncover new perspectives and make their product more useful. Audience research can be useful in many scenarios:

- Identifying questions and challenges for your media to succeed and thrive
- Editorial planning
- Meeting users where they are
- Understanding market competition
- Internal operations and editorial change management to relate priorities to target audience
- Audience, subscriber and member retention
- Identifying relevant monetization strategies
- Breaking news coverage
- Enhancing user experience
- Audience profiling – brand champions, regular readers, occasional

Audience research methods: surveys, 1-on-1 meetings, A/B testing, focus groups, community conversations, audience/social listening and feedback loops for ongoing engagement.



Audience-centricity is predicated on two-way communication. When engaging in audience research, you are not only asking about your audience's behavior and interests, but you are also creating opportunities for them to raise questions and provide input. In this instance it is essential to inform your audience of developments in your editorial, product and user-experience strategy in response to their inputs – for example by producing an article that answers a question posed by the audience, or adapting UX based on audience feedback.

Market analysis: The guidebook emphasizes the importance of knowing the value proposition for each revenue stream you identify. This also requires knowledge of the market your media operates in, whether it is a topical niche with a global audience or a specific geographic community. This requires collecting data and analyzing customer behavior and market trends in this region or theme in which you operate. This helps you understand why a user or client may need this news product or content service. For example, are educated, middle-income consumers in your region increasing the quantity of subscriptions they receive, or are fewer users in your region navigating to websites to access news?

Solid business strategies also take into account broader economic considerations, like how a certain economic group behaves or if the market already has enough initiatives offering similar approaches. Many facts contribute to market analysis, such as user incentives, available technology, prices your consumers are willing to pay, the market capture of your competitor, the size of your potential market, availability of advertising infrastructure and more. With this data, you can leverage knowledge of trends to inform your business choices, to understand your audience's needs and pains, knowing that each revenue type will need to be adapted to the individual market.

PHASE 3:

How will you pay for your journalism?



When you have a product that meets a demand and is feasible to make for your organization, the final step is to turn your attention to the business. How will your product influence your bottom line, or your profit margin? This could be revenue, but it could also be audience engagement, increased visibility, or anything else that you believe will positively influence your business.

The primer lists the methods through which media properties can make money through various products and services that complement what they are already doing as publishers. Successful media often diversify their revenue, mixing commercial revenues like consulting, sponsored content, events and technology licensing with reader revenues like subscriptions or donations. Products and services are grouped into three buckets:

- Ways to earn income that are ad-based
- Ways to earn income that are content-based
- Ways to earn income that are service- and tech-based

For every product or service in this list, you want to consider:

- Can this new thing support itself, and in what time frame?
- Does the product or service make sense with your company's expertise and specialties?
- What staff will be required to deliver this product or service, such as a commercial manager?

6 aspects of each revenue type explained:

What you can expect from each revenue type: (1) **description**; (2) **variations** ; (3) **revenue and pricing strategy**; (4) **definition of value proposition** ; (5) **advice on how to manage this product or service**; and (6) **questions to guide your strategy meeting for each product and service**.

Descriptions of a selection of income types:



Native advertising: Paid advertising that is in story format (either print or multimedia) and is integrated in the user's experience, usually taking the form of the content on the page. Since content marketing looks and feels like editorial content, publishers monetize this advertising by not only selling the space, but also creating the content for the advertiser to appear in their publications, social media and publications beyond their own products.

Content syndication: A media property republishes its original content to other news organizations and distributors. The arrangement is non-exclusive and the media property retains ownership and the copyright. Content syndication increases the reach of stories, videos and graphics by introducing them to new audiences, and may strengthen the news organization's brand recognition. It is important to consider the ratio of revenue from publishing content on your own digital assets versus partners' websites, due to the risks for ad-based organizations.

Content agency services: Publications which sell their expertise in writing, editing and design outside of their news organization are acting as a "content agency" to companies with which they have no other relationships. They become vendors to clients who are typically local businesses or other publications or foundations and nonprofits; they create all kinds of content, such as website content, blog articles, press releases, social media posts, newsletters, white papers (See the entry on Special Reports), ebooks, illustrations/photos, videos.

Meetups/events: The news organization is the convener and puts together the agenda and content, supplies the venue and identifies and invites the audience. The subject matter of the event is related to what the news organization specializes in, so that it can use the newsworthy information from the speakers and sessions in its regular coverage, as well as have standing in bringing together the experts, the audience and the advertisers. Publishers monetize events either through advertising and sponsorship models, charging attendees, or a combination of the two.

Education and training: Media training and journalism schools, focusing on technical aspects of the industry such as video production, social media management or SEO, to media training for executives and activities on understanding deadlines and responding to media queries; understanding when someone is or is not off the record, for background or for attribution, training on the subject of their expertise, etc.

Ad-based income	Content-based income	Service based income
Digital advertising	Subscriptions	White label services
Ad sales and product sponsorship	Membership	Content agency services
Affiliate marketing	Single articles and short-term access	Meetups/events/conferences
Native advertising	Content syndication	Ratings
Advertising agency work	NFTs	eCommerce
Changing organization's financial or legal structure	Virtual Tip Jar	Enhanced public databases
Debt financing	Commenting fees	Education and Training
Equity financing	Crowdfunding (project-based)	Personnel search services
Cooperatives		Technology sales (e.g. CMS)

A person's hand is pointing at a whiteboard covered with numerous colorful sticky notes (yellow, orange, and pink). The sticky notes contain handwritten text, including names like "Eloise", "Jason", and "Eloise", and phrases like "SHOUT OUTS", "NEEDLE THERAPY & GUTTER", and "YOU NEED A HEART". The text "CASE STUDIES" is overlaid in a large, bold, black serif font within a white rounded rectangle in the center of the image.

CASE STUDIES

PUMA PODCASTS (PHILIPPINES)



Podcasting Workshop at Puma Podcast

Challenge: A large portion of your audience isn't going to pay for news.

Solution: B2B consulting and publishing services as a revenue stream.

The Takeaway: Consider whether there are people besides your core audience who would benefit from your expertise. Maybe start by sending a survey or running a focus group with a few of your current clients or advertisers to learn more about their needs.

THE PUBLIC SOURCE (LEBANON)



Group photo of The Public Source's team, Beirut, Lebanon.

Challenge: In environments with contested narratives, consumers often only get told part of the story.

Solution: Slow down, fill in gaps, and collaborate.

The Takeaway: Fill in the gaps — not only in the news cycle, but also in your editorial and business models. Combining the two to find creative storytelling formats will help you reach new and underserved audiences, and find opportunities to achieve impact and generate revenue.

THE COMMUNITY PODIUM (ZIMBABWE)



From the revenue diversification panel held by IPI and Report for the World at AIJC, 2023

Challenge: Telling stories with, not only about, community members.

Solution: Make citizen journalism about dialogue.

The Takeaway: Working with citizen journalists brings new perspectives – but to ensure the work is not extractive and that editorial standards are upheld, relationship-building needs to be a long-term effort, taking community members' needs into account. The kind of feedback loops you'd use to develop dialogue with audience members can also work to strengthen relationships with contributors.

TIERRE DE NADIE (ECUADOR)



Challenge: In contexts where civic space is limited, where investigative journalism is prosecuted or intimidated, how do you find committed partners for content creation and syndication as nation-wide teams report on corruption in areas outside the capital and look for local partners to co-create and publish that content.

Solution: To achieve this, Tierra de Nadie created alliances and projects with local media in different regions of Ecuador. The main example is their research unit in the city of Durán, where they collaborate together with a local outlet to reach users in the region directly. They build alliances with individuals and organizations with expertise in advertising, finance and other areas, who also shared their values in defending freedom of expression. When building alliances, the message is clear: it is important to have a clear goal for each partnership and approach potential partners with a tailored suggestion, clearly explaining the collaboration's structure. An opportunity might be offering options (show what you'd do with different amounts of funding, or different levels of time commitment) to increase the chance of a 'yes'. At Tierra de Nadie, one of the keys to achieving these goals was refining the organizational structure of the newsroom.

AUTHORS:



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He is the **International Press Institute's Head of Innovation and Media Business**, leading and designing a portfolio of training and funding programmes supporting innovation in independent media revenue models, audience engagement and editorial formats worldwide. Before joining IPI, he was head of an Austrian magazine's product and publishing divisions, and advised independent media outlets in Europe and Africa on revenue diversification and product strategy.

He published in and reported for the Center for International Media Assistance, World Bank, CNN International, Huffington Post and others from Dar es Salaam, Berlin, Istanbul, Accra and Vienna. He holds an MPhil from the University of Oxford and a BA from Suffolk University.



AVA SEAVE

Adjunct Professor of Business in the marketing division at Columbia Business School, Professor Seave is a **Principal of Quantum Media, the New York City based consulting firm** focused on marketing and strategic planning for media and entertainment companies as well as non-profits. As a Quantum Media principal, she has led numerous consulting engagements since 1998 and has provided senior-level management consulting services to many companies in a broad range of assignments.

Before founding Quantum Media with four others in 1998, she was a general manager at three media companies: Scholastic Inc., The Village Voice and at TVSM (the USA's largest cable listings magazine.) She started her career at Dell Publishing (a division of Doubleday) and as a photography editor for two horticulture magazines.



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