MEDIA MOMENTS 2019

WHAT'S NEW IN PUBLISHING

Sponsored by sovrn

Written by Media Voices PODCAST

CONTENTS

INTRODUCTION

Was 2019 the year publishers finally got their mojo back? It would seem so – M&As are on a tear, digital subs show no signs of hitting 'paywall fatigue', and new revenue channels are emerging with potent force.

As if to illustrate the point, BuzzFeed's CEO Jonah Peretti remarked at SXSW that the company generated over $100 million in revenue last year "from business lines that didn't even exist in 2017." Peretti added that he expects to see a similar revenue pattern in 2019.

But perhaps the biggest change is that publishers are looking after their own interests first. A new report from the Tow Center for Digital Journalism confirms this, describing 2018 as the "end of an era", adding, "many publishers openly regretted focusing on brand-diluting social content during the scale era, and have subsequently recommitted to serving their most loyal readers."

Publishers are returning to their core competencies instead of looking to platforms to deliver substantive revenue increases, and the change in business sentiment is palpable.

As publishing luminary Bo Sacks remarked last month, "I have attended seven publishing conferences this year, and the overwhelming consensus is that all is well in our various media communities, and what has been a long lingering fear is now gone."

Indeed, Sacks believes this is the new golden age of publishing - a view shared by all the team here at *WNIP*, including his line that "the only time to panic is when people stop reading."

Jeremy Walters
Editor, *What's New in Publishing*

Jeremy Walters
@wnip

WHAT'S NEW IN
PUBLISHING

HELPING PUBLISHERS THRIVE

2019 has been an exciting year for publishers of all sizes. New revenue opportunities abound and publishers have been quick to grasp them. This strategy of 'move fast, succeed fast' has paid off, and 2019 has seen many publishers achieve success in areas they might not have considered a year or two ago.

What's been equally exciting is that, alongside new revenue channels, publishers are once again doubling down on premium content for their loyal readers rather than chasing scale and temporary traffic from large tech platforms. By owning the reader journey, and creating a slew of additional benefits, publishers are entering the new decade in formidable shape.

We'd like to think we are playing our own part in this success. In 2019, Sovrn launched a number of publisher tools all with one aim in mind: helping publishers increase their revenue. Whether it's our //Signal product, which has seen sites grow ad revenue by over 25%; or our //Commerce solution, which seamlessly connects audience, content, and product; Sovrn is dedicated to helping publishers not only survive, but thrive.

We're proud to sponsor *Media Moments* 2019. This is a comprehensive overview of the key developments in publishing over the past year. It also offers an exciting glimpse into what we might expect in 2020. Here's to a new decade–we can't wait to grow together.

sovrn

is proud to sponsor

Media Moments 2019

@sovrnholdings

FROM THE WRITERS

2019 is over, and I'm sure we're not the only ones breathing a sigh of relief. The past twelve months has once again moved at breakneck speed, with politics, platforms and legislation impacting the way media businesses survive and thrive.

We could have easily filled a whole book about these media moments. Whether it's Twitter and Facebook squaring up over political advertising, gambling brands launching magazines or watching companies get taken over in ever-larger deals, this year has not been short of things to discuss.

Alas, we have a word count! So once again, this report focuses on the media moments that impact the publishing industry. We're proud to write it alongside industry site *What's New in Publishing*, who do a sterling job of analysing what many of these moments mean to publishers, and have provided copious amounts of source material.

But writing this is also becoming a stark reminder of how rapidly things can change in just twelve months. On the podcast, we're privileged to be able to speak to industry leaders from a range of publishing and media businesses each year. But our backlist of episodes can also be a sobering reminder of how quickly things can go wrong. Just a year ago, both The Pool and Mic were going strong, and they aren't the only brands to have fallen by the wayside in 2019.

Despite this, as we go into 2020 there's a tentative feeling of optimism, even from us cynics. Many of the guests we've had on have been inspiring and uplifting, from the Guardian meeting an impressive milestone to WIRED's reader revenue success. It's been a privilege to include some of their quotes and case studies in these pages.

As much as we hope you enjoy the report, we also want it to be useful to you, whether you're navigating these choppy waters as an independent publisher or a media giant. There's plenty of inspiration in these pages, both of things to try and trends to watch, as well as some examples of what not to do!

If you're interested in keeping up with the latest updates throughout 2020, we release a new episode of our podcast every Monday. There is a news round-up - including a discussion on what these events mean practically for publishers - as well as an interview with a leading industry figure. Just search for 'Media Voices' wherever you listen to podcasts.

Until next year,

The Media Voices Podcast team
Esther Kezia Thorpe, Chris Sutcliffe and Peter Houston

Esther Kezia Thorpe
@EstherKeziaT

Chris Sutcliffe
@chrismsutcliffe

Peter Houston
@flipping_pages

Media Voices PODCAST

voices.media
@mediavoicespod

Mergers and acquisitions are shaping the media landscape of the future

2019 has seen an unprecedented number of companies acquiring or merging with other businesses. Is this a sign of inevitable decline, or will these businesses be powerhouses for decades to come?

Chris Sutcliffe
@chrismsutcliffe

When we were writing last year's *Media Moments* report, we decided not to include a chapter dedicated to the media mergers and acquisitions of 2018. It wasn't that the mergers that year were unimportant - Meredith's acquisition of Time Inc. in the January before last has had ramifications far beyond that twelve month span - but that it seemed to be business as usual for a beleaguered media industry.

Jonah Peretti of BuzzFeed, which for so long was held up as being the model for digital publishing success, made the stark pronouncement in November of last year[1] that further mergers were not just inevitable but desirable, in order that publishers act as a unified bloc against the power of the duopoly, stating: "If BuzzFeed and five of the other biggest companies were combined into a bigger digital media company, you would probably be able to get paid more money."

Heading into 2019, the wider consensus was that media M&A would continue apace, but that the overall price paid for some media companies would decrease in line with a weaker economy[2]. In fact, the M&A mania ramped up over the course of the year, at both the regional and international levels, but that prediction has been widely borne out.

The reason we've decided to include this chapter this time around is that some of the media-specific acquisitions speak volumes about the priorities of the companies involved, and provide a bellwether for the industry as a whole.

25,000

jobs are at risk in the Gannett-GateHouse merger; almost 10% of their combined workforce

Where are we now?

Much of the significant M&A activity in 2019 was in service of bolstering and broadening publisher' existing offerings. Vice's acquisition of Refinery29, which closed in November for a reported $400 million[3], is undoubtedly an example of this. Even when the two publishers' unduplicated audiences are combined to reach 53 million monthly unique users[4], that still lags behind competitors like BuzzFeed and G/O Media, so while that extra reach will certainly be welcome, the real value of the acquisition comes from elsewhere.

Vice, despite its counter-culture, tradition eschewing nature, skewed largely male. Refinery29 was quite the opposite, having stayed true to its mission of being for millennial women. Off the

Up in flames

If you're interested in diving deeper into the latest media M&As, **Flashes & Flames** is the place to go. The blog is a collaboration between Colin Morrison, Kieran Delaney, Ian Findlay and Sarah Risebrow, and offers serious, intelligent analysis behind the scenes of high-profile M&A activity.

bat, then, the acquisition allows Vice and its advertising partners access to a new audience.

While Refinery29's founders Justin Stefano and Philippe von Borries were clear at the time that the deal would allow the company to continue to operate independently, it was also noted that Refinery29's expertise in creating experiential marketing solutions would complement Vice's focus on branded content, effectively covering a potential gap in its agency Virtue's capabilities.

At a time when simply producing branded content isn't enough to differentiate a publisher, having that multi-media capability is an extra string to Vice's bow.

It's possible, though, that the whole acquisition was in service of laying the groundwork for future sale, this time of the combined Vice/Refinery29 to a larger publisher[5], as Business Insider suggested.

While Vice and Refinery29 have complementary commercial capabilities, their editorial values are very different. By contrast, the acquisition of New York magazine by Vox Media appeared to be much more of a true partnership; Nieman Lab's Joshua Benton even remarked at the time that Vox is "the most print-like of the big digitals; you can see the DNA of magazine layout in some of its designs, and its mix of both editorial big swings and webbier front-of-book content brings along some print editorial values"[6].

Naturally, then, when the NYT broke the news that Vox was set to acquire New York Media in an all-stock transaction back in September, the mood was positive[7]. From Vox's perspective it filled a print hole in a multimedia portfolio that includes a Netflix show and digital properties in a variety of verticals; for New York Media it means investment in the business and a show of confidence only a few months after it laid off 5% of its staff in March[8].

Perhaps more importantly, despite cultural similarities there is remarkably little overlap between the two publishers' properties, both in verticals and demographics.

While both of those acquisitions were made with an eye on expansion, other mergers have been made with a more defensive strategy in mind (and have been significantly less well-received).

In November the merger of US-based regional newspaper chains Gannett and GateHouse Media was made final, creating one media powerhouse that owns approximately one in six[9] daily titles in the country.

Upon the deal closing, Michael Reed, chairman and CEO of GateHouse's parent company New Media, said: "This combination will create the leading U.S. print and digital news organization with deep local roots and national scale. Together, we will be stronger, with a more viable path to growth for our shareholders and employees, while sustaining journalism in hundreds of markets across the country and enhancing the services we provide to small and mid-sized businesses nationally."[10]

2019 M&A HEADLINE-MAKERS

January
- Alden Global Capital announces proposal to purchase Gannett; the deal falls through

April
- Belgian publisher Mediahuis purchases largest Irish newspaper company INM for £125.2m

September
- The FCC approved the Nexstar-Tribune Broadcasting merger, making the new company the biggest local TV station owner in the US
- Vox Media announces plans to acquire New York Magazine and related sites including Vulture

October
- Vice Media announces $400m deal to acquire Refinery29 (in a mostly stock deal)
- Future Plc announces bid £140m to acquire rival TI Media

November
- Gannett and GateHouse Media merger is finalised, making the combined company the largest regional news publisher in the US
- DMGT purchases the i newspaper from JPI Media for just shy of £50m

"No one had to do this. It's a brilliant, in our view, opportunity, so that's why we leaned into it. It's not out of need. It's out of ambition."

Pamela Wasserstein, Chief Executive, New York Media

Speaking about their merger with Vox

So why the reticence to celebrate among pundits? Well, as Ken Doctor noted at the beginning of the year:[11] "Consolidation (and the cost-cutting that comes with it) remains the dominant strategy in the daily newspaper industry. If revenue continues to drop at or even near double-digit levels, the consensus thinking is that radically reducing expenses through consolidation is about as good a card as anyone has to play."

That cost-cutting inevitably comes at the expense of employees in the name of 'synergies'. Unfortunately, when it comes to regional newspapers, that reduction of headcount frequently falls in editorial and product teams, which can then lead to newspapers failing to serve their local audiences and seeing further falls in readership as a result.

Nor is it a phenomenon that is confined to the US. The tail end of the year in the UK saw much speculation about the sale of JPI's regional newspapers and their respective digital properties, and what that potential consolidation might mean for UK media. Until late November the frontrunner was Reach Plc, though at time of writing those negotiations had reportedly collapsed[12]. Ready to step into the breach? Newsquest, a subsidiary of Gannett.

What can we expect in the future?

For better or worse, the name of the game at the moment is consolidation. Whether the end result of that is Peretti's mooted BuzzVoxViceTribute29, which might be able to leverage a slightly greater proportion of control in its dealings with the Duopoly, or monstrous regional media powerhouses that become too big to sustain themselves is yet to be decided.

There are, however, some things that are absolutely certain looking into 2020. The first is that we'll likely see more ridiculous valuations for newly-merged companies, based largely on the dreams of the participants[13] rather than any actual revenue potential.

The second is that there will be many pain points along the way. While companies use many euphemistic terms for making people redundant, and while it often only makes sense to reduce headcount where possible, the reality is that consolidation will inevitably contribute to the shrinking number of journalists - with all the associated problems that will bring.

And while the threat of recession that likely drove much M&A activity in 2019 has been kept at bay on both sides of the Atlantic, it could potentially return with a vengeance.

1 in 6 daily titles
will be operated by the combined Gannett-Gatehouse

"In an industry where expense reduction is the prime strategy, much more consolidation is likely on the way. Little regulation prevents it, and the financials all favor it."

Ken Doctor, Newsonomics

The valuation of POPSUGAR following its acquisition by Group Nine

CASE STUDY

DMGT + i

At the end of November, it was announced that DMGT Group - the owners of titles including the Daily Mail and daily freesheet The Metro - had bought the newspaper the i from JPI Media for a cool £50 million, though at the time of going to print the deal was yet to be passed by the Competition and Markets Authority.

In quite a stark illustration of the realities of consolidation, this now means fully half of the UK's top 10 daily newspapers are owned by two people. Concerns over retaining the impartiality of the i aside, there have been few acquisitions this year that illustrate how most newspapers are being snapped up by a small number of owners, raising the spectres of plurality and information control. This now means that the i has been owned by four different organisations in as many years.

CASE STUDY

Gannett + GateHouse Media

Last month, the acquisition of Gannett by New Media Investment Group was finally completed, making the combined company the largest newspaper publisher in the US.

Using the euphemistic term 'synergy', when the acquisition was announced in August the amount of cost-cutting was estimated to be in the region of $200 million. By November, however, that number had jumped to more than $400 million, raising questions as to how much blood the combined company would be able to squeeze out of its existing titles and infrastructure. Most newsrooms are set to see a 3 - 5% reduction in their budgets, and up to one in eight staff could be in danger of losing their jobs.

CASE STUDY

VICE + Refinery29

Refinery29 was one of the earliest success stories of the branded content wave, and was often pointed to as being ahead of the curve when it came to connecting brands with Millennial audiences. Its expertise in creating experiential campaigns made them a media darling - at least until investment in the creation of branded content faltered a little, causing the publisher to lay off around 10% of its staff in 2018.

VICE, which has never exactly been shy about its own priorities, evidently saw an opportunity at that point. Its creative agency VIRTUE had a desire for more multimedia expertise, and VICE's male-skewing audience would be well complemented in its press packs by Refinery29's audience of young women. Time will tell whether those bets pay off.

Publishers are joining the race for reader revenues, but there's no silver bullet

Publishers large and small are joining earlier adopters with their own reader revenues plays. But with subscription fatigue threatening, quality content and smart reader retention strategies will be necessary for success

Peter Houston
@flipping_pages

"The pivot is real," said Chartbeat CEO John Saroff in Nieman Lab's Predictions for Journalism 2019[1].

From global news brands to individuals harnessing crowdfunding platforms, more publishers are taking cash straight from their readers online than ever before. And, in a media market predicted to grow to $1 trillion over the next few years, user-based income is expected to grow to account for the largest percentage of total revenue.

The push into reader revenues has been driven by a desire for stability in a volatile digital ad market and as a counter to platforms taking ownership of reader relationships and data. The quality of content, technology and robust retention strategies are developing into strong differentiators.

Success in reader revenues is not, however, a shoo-in. As more and more publishers close off open access to content, subscription fatigue looms large and publishers can expect to have to work ever harder to remain one of the tiny number of publications people are prepared to pay for[2].

Where are we now?

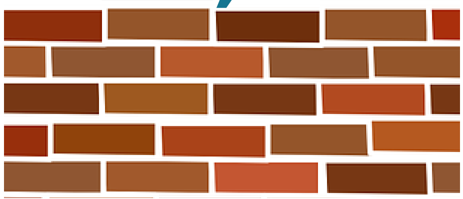
Looking back, 2019 may come to be seen as the year paywalls hit the mainstream with many major publishers joining earlier adopters in their paywall plays. Condé Nast, leveraging learnings from its experience with The New Yorker, and reporting on the success of Wired's 2018 paywall[3], promised that all its other US magazine sites would follow suit by the end of this year.

The Atlantic, finally put its paywall up in September, delaying the launch by 18 months until it got its technology just right[4]. The waiting period was used to increase staffing and upgrade its technology platform to make sure the offer was of sufficient quality to attract, and keep, paying audiences.

The investment may have worked – US web traffic to the Atlantic's site rose 35% during the first half of 2019 and digital advertising revenue increased 10%. With the paywall now in place, however, the long-term sustainability of the strategy will depend on converting audiences used to open access.

For many publishers that had already made the paywall switch, revenue growth was strong. The New York Times - still a shining

108,000



The number of subscriptions WIRED drove in their first year with a paywall. That's a **300%** increase on the year before.

Making Media Pay

Explore the different strategies publishers are using to build their income streams in our report, available on *What's New in Publishing*: 50 Ways to Make Media Pay

beacon of reader-revenue success – reported its highest ever subscriber total in August; 4.7 million paid subscriptions across digital and print[5].

Almost 3.8 million people pay for the NYT's online products, including news, crossword and cooking apps with the publisher adding almost 200,000 new digital subscribers in the 2nd quarter of 2019. CEO Mark Thomson commented, "We're making steady progress toward our goal of reaching 10 million total subscriptions by 2025."

The one dark cloud for the NYT was a drop of around 5% in operating profits, but Thompson said this was largely a result of continued investment in growing the paper's subscription business.

In contrast, The Economist reported a gross margin twice what it was five years ago alongside a 50% increase in its reader revenues[6]. Leveraging a strong product development strategy across platforms, The Economist has also taken an aggressive approach to pricing. Subscribers pay the same for a print or digital subscription, with a print/digital bundle costing an extra 25%. This approach optimises profitability, but also underlines product value.

Following surveys to determine if reader expectations were being met, subscribers said they thought The Economist was charging too little. This has led to a strategy of infrequent but substantial price increases – In March, the publisher increased its subscription rates by 20%, the first time in three years.

Quality content is increasingly seen as a key differentiator in the race for reader revenues.

In April, the Financial Times announced 1 million paying readers, one year ahead of schedule according to Lionel Barber. The outgoing editor says 'deep and original reporting' and the paper's 'gold standard journalism' have attracted paying readers, in-step with FT CEO John Ridding who has said quality journalism is a growth business[7].

Acknowledging a 12-year investment in the paper's digital publishing infrastructure, Ridding puts 'belief in the enduring value of independent, authoritative and reliable reporting in an era of fake news' at the heart of the paper's subscription success.

And following decades of losses, the Guardian made its 2019 break even target, reporting an operating profit of £800,000 in May off the back of its three-year turnaround plan. With a model unique among news publishers, it keeps its content outside a paywall and, rather than force payment when metered access runs out, asks readers to contribute.

The Guardian's turnaround relied to a large part on financial support from 655,000 regular monthly supporters across both print and digital and a further 300,000 people one-off contributions in 2018 – 2019. The Guardian's contributor strategy has relied heavily on an appeal to Guardian readers' instincts to support 'open,

The New York Times is aiming for **10 million** subscriptions by 2025

"We focus deeply on the customer value exchange. Only if we deliver the value that customers want, can we charge a premium."

Marina Haydn, Executive VP and MD, Circulation, The Economist

655,000 people voluntarily pay to support The Guardian on a monthly basis.

independent journalism’. Announcing the news, Editor Kath Viner wrote: “In times of extraordinary political and economic upheaval the need for quality, independent reporting and commentary has never been greater.”[8]

Possibly inspired by the Guardian’s increasing success in attracting donors, the Anti-Brexit New European abandoned its micropayments model and headed off down the contributor route. Leveraging its clearly identifiable political position, the paper asks for monthly donations between £5 and £50 or an annual donation up to £250[9].

Metered access is widely used as a way of hooking regular readers without caning traffic and publishers have generally been reducing the free allowance that they are giving readers to drive subscriptions. But moves to tighten access may be undercut by Google closing an Incognito loophole that will stop publishers identifying readers accessing their content in privacy mode[10].

The move may have implications for a third of publishers who use cookies to measure content access and it is likely to prompt more publishers to follow the lead of the NYT and put all content behind a registration to allow them to meter usage against individual accounts[11].

What can we expect in the future?

Looking ahead to 2020, we can expect more publishers to pivot to some form of paid content play. Those that already have paywalls in place will be working hard to bring in new paying readers, but also to retain the prospects converted in 2019. Increasingly, smart paywall technology will help publishers identify readers propensity to pay, allowing them to target their efforts at the most likely prospects for conversion and retention[12].

Newsletters will continue to be used as a powerful conversion tool, with niche and personalised offerings boosting engagement rates. And, where paywalls are not enough, paid apps are being developed, building regular usage habits and increasing retention rates among publications’ most loyal audience members. The return to apps may represent a counter to Apple News+, or it may simply be a recognition that workflow and UX have matured to the point that apps represent a potentially profitable opportunity[13].

But reader revenues are not a silver bullet. Although more people than ever before are paying for content, most people won’t pay for online news, according to the Reuters Institute’s annual Digital News Report, and there are worries that in some markets we have reached the upper limit of people who are willing to open their wallets.

With consumers being asked to pay for music, movies and games, ‘subscription fatigue’ could become a real issue. The Reuters report said only 12% of survey respondents said they would pick news over video streaming when given the choice[15].

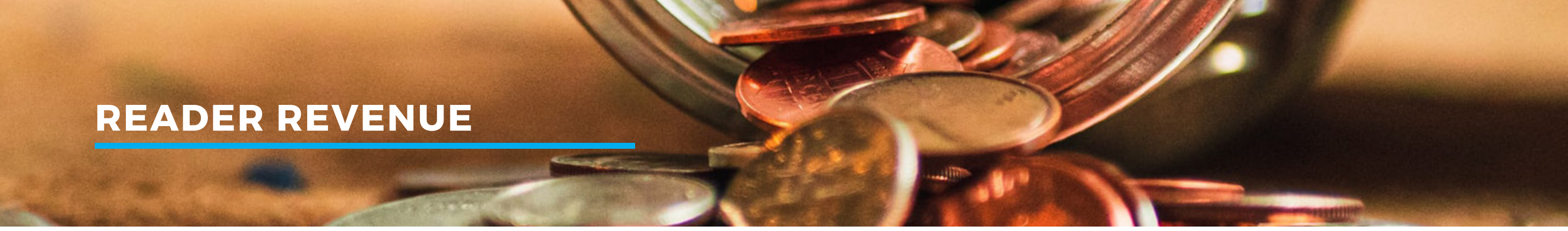
“One pillar of our break-even plan was to encourage our readers to contribute. There wasn’t a great deal of understanding about how we were going to do that...but it was founded on the belief that we had a deep and unique relationship with our readers, and that we could turn them into contributions.”

Hamish Nicklin, Chief Revenue Officer, The Guardian

Speaking to the Media Voices Podcast

11% of people

across the US, UK, France, Spain, Italy, Germany, Denmark, Japan and Finland currently pay for digital news, up slightly on 2018



CASE STUDY

The New European

Anti-Brexit newspaper The New European dropped a micro-paywall charging 10p for premium articles after about 12 months 'dipping its toe in the water'. Readers paid £3 into a digital wallet to access content behind the paywall, but were charged no more than 50p per week to read premium articles.

Owners Archant continue to use the micro-payment technology developed by Axate, but it was felt the New European audience, passionate about paper's Remain position, would be more likely to respond to a Guardian-style donor model. Editor Matt Kelly described New European readers as passionate about the cause. "They want to support us in a more direct way, Guardian style," he explained[9].

CASE STUDY

The Economist

The Economist, long a leader in the digital subscription space, has not been resting on its laurels this year. The weekly has tried to engage younger readers with essay writing contests, launched a graphic novel on Instagram, introduced sports coverage and experimented with video to grow subscriptions. Other initiatives include newsletters, AI, A/B testing, and a new website design.

At the core of the Economist's test-and-learn audience development strategy has been a strong 'reader-first' ethos that promotes reader choice across print, digital, newsletters and podcasts; continual product development and a robust pricing strategy. The reward for constant experimentation has been a 50% increase in reader revenues and gross margin twice what it was five years ago[6].

CASE STUDY

WIRED

WIRED launched its paywall in 2018 and, a year in, Editor in Chief Nick Thomson shared some of the things he had learned from the experience. At launch, Thomson spoke of aligning his magazine's economic and editorial imperatives – success from publishing stuff readers love – and his strategy seems to have mostly worked.

Digital subscriber numbers were up 300% year on year, converted primarily from metered access to long-form content. But Thomson also noted that not every long-form article converted and of the year's top 11 subscription-driving articles, some were shorter, and some were buying guides. His big takeaway - quality content works, whatever form it takes. And delivering good content by newsletter makes it even more likely to convert[4].

First-party data empowers publishers to experiment with personalisation and better ads

Increased regulation may have been catastrophic for some of the ad tech industry, but as the shake-out continues, publishers and reputable partners are seeing the benefits of better data management and transparency

Esther Kezia Thorpe
@EstherKeziaT

There has never been as much noise around data in publishing as this year. The conversation is complex, with issues around GDPR, cookies, privacy and advertising tangled up with personalisation and first-party data. For this reason, this chapter will touch on the progress of advertising and data protection as well as how publishers have been innovating with data this year, and some of the opportunities for the year ahead.

For almost a decade, third-party cookies have been at the centre of the digital advertising economy, with providers packaging and selling publisher data for advertisers[1]. But following the introduction of GDPR in 2018 and an increasing awareness of consumer data rights, the world's most popular browsers are now forcing a move away from third-party cookies, putting power firmly back in the laps of publishers.

Where are we now?

The current focus on consumer privacy can be tracked back to two major incidents in 2018: the introduction of the GDPR in Europe, and the Cambridge Analytica scandal. The impact has continued to ricochet into 2019, with a heightened awareness of the importance of data privacy.

GDPR fines during the first year totalled €56 million, with more than 64,000 of the 200,000 investigations upheld. At the time of writing, no publisher has yet received a GDPR fine.

Over in Australia, the Consumer Data Right legislation was passed in August[3]. Like the GDPR, the bill gives people more control over the data companies hold about them. The national shift to stricter data laws directly affects the publishers based there in the same way as European publishers.

Although the US has yet to introduce any comprehensive data laws, key legislation this year has come from California, which is introducing its own Consumer Privacy Act. The CCPA becomes effective in January 2020, and includes new individual rights to data access, erasure, opt-out and more[4]. This has already raised questions around how businesses will handle compliance across individual states, and enforcement will be a challenge.

Facebook, Google and Amazon have spent significant amounts of money this year lobbying Congress to pass federal data privacy

€50 MILLION

of the **€56 million** dished out in GDPR fines was a single fine against Google for not being transparent about the data it was using to serve personalised ads[2]

A framework for consent

The IAB has put together a Transparency and Consent Framework to help all parties in the digital advertising chain, including publishers, with data compliance. Learn more at **iabeurope.eu/transparency-consent-framework** legislation, to minimise the risk of other states adopting a patchwork of state laws[5]. Of course, they want to write these rules on their own terms, but a national standard would make data privacy far easier to deal with than individual state regulations.

But one of the biggest developments in data this year has been the 'death of the third-party cookie'. This began with Apple, who announced a new tool to block third-party ad trackers at their WWDC event[6]. In September, Firefox said that they were releasing an enhanced tracking protection feature, which would block all third-party cookies for users on the browser by default[7]. Google's browser, with a 67% share of the market, has yet to commit to similar measures. But in its latest Chrome 78 Canary build, it has been seen testing a third-party cookie blocker[8].

This privacy-driven anti-tracking movement has already had an impact on revenues. Firefox and Safari control up to 40% of overall traffic to publisher sites, and without third-party cookies, these users are invisible to media buyers. Publishers stand to lose 52% of their programmatic ad revenue at present, without third-party targeting[9].

Publishers are divided in their approach to this impending 'cookie-pocalypse'. Some are ignoring the issue, and are hoping that industry ID solutions will solve most problems. Others are being proactive, and rebuilding their businesses around first-party data instead, because they have the legal right to process user data. This direct relationship with consumers opens the door to an estimated $19bn opportunity for publishers in the US alone[10].

Thanks to these moves from browsers and a growing necessity to collect first-party data, a growing number of publishers have turned to registration walls. The most basic versions of these require an email address in order to access articles.

Hearst, GateHouse Media, Forbes and the New York Times are just a few of the publishers who have launched registration walls in 2019[11]. For publishers with a subscription strategy, registration walls can be really effective, driving 10x higher conversion rates[12].

Registration walls have a number of benefits for publishers. It allows them to see exactly who their audience is, and reduces reliance on third-party cookies, which are increasingly unviable in the long-term. Finally, it enables a direct connection with readers, laying strong foundations for building out reader revenues.

The other outcome is that many publishers are coming together in alliances. First-party data is the most valuable type of data, but most publishers will struggle to ever get it to scale compared to the audiences Facebook and Google can offer.

A number of alliances have grown in strength this year, from Ozone in the UK; a publisher-owned data and advertising platform jointly owned by publishers like News UK, Reach, The Guardian and more[13], to Project Nonio in Portugal, which pools data between the country's top six publishers.

But this year has also seen new collaborations between publishers of different countries around first-party data, with 'login alli-

"We're really seeing the value of publisher data increasing again. Publishers are in the unique position that, because we have the end relationship with the user, we can really understand what that user needs."

Alex Kirby
Head of Programmatic and Audience Data, Dennis Publishing
Speaking on the Media Voices Podcast

BROWSER
MARKET SHARE

67% Chrome*

9% Firefox*

7% Internet Explorer

5% Edge

3.8% Safari*

**Plans to or has already blocked third-party cookies and trackers* ances' forming between publishers in countries from Switzerland and Finland to France, Portugal and Germany[14].

Even if publishers aren't joining full alliances, some are beginning to collaborate around first-party data. Nordic publishers Aller Media and Amedia have been collaborating on a single sign-on project across local newspapers. They share the user data anonymously, and make those segments available for advertisers[15].

What can we expect in the future?

Many publishers are making it a future goal to be totally non-reliant on third-party cookies, from changing tech stacks to swapping data management platforms[16]. This may be painful for revenues in the short-term, but if first-party data becomes the new currency, publishers have a huge advantage[17].

To prepare for this future, a first-party data strategy is essential. Many publishers are already attempting to commercialise this data, with News Corp and Insider Inc. mapping first-party data against reader IDs to get deeper insights into reader behaviour[18].

Some are also seeing a swing back to context-driven advertising. This will be beneficial to publishers in the coming years. Advertisers are recognising that the context around what a user is reading, and their behaviour on a site, is a much better measure replacement for third-party data.

But to make this bright future tangible in the short term, there is still a lot of work to be done on educating the buy side. Many ad transactions at agencies are still based on the third-party cookie, and there is a lack of understanding about the greater value of first-party data, which needs to be bridged.

For smaller publishers, the challenge for 2020 will be getting a comprehensive overview of their data pipelines, and the skills in-house to be able to properly harness their first-party data.

When it comes to alliances, there are still many obstacles that stand in the way of making them truly competitive. Aside from the technical challenges, the way the data is processed and shared can also cause disagreements, as well as competitive concerns. Whether the duopoly will force these alliances to progress or collapse within the next few years remains to be seen.

Finally, when it comes to data regulation, we can expect 2020 to see more regulation - albeit probably not cohesive - from nations around the world.

We have yet to see a publisher be fined under GDPR. In some cases that's an issue of delay, with each country having to embed GDPR into its own national laws[19]. But overall, it seems most publishers fall quite a way down the list of offenders.

That state of play is unlikely to change going forward, and with all the other factors pushing publishers to take back control of their own data, the future looks very bright indeed.

The financial opportunity for US publishers who have a direct relationship with customers

"It's getting more clear that first-party cookies won't cut it either. It has to be email addresses, people signing in via apps, paywalls, logins and IDs. We just don't know what else we will get from the browsers."

Dominic Perkins, Digital Advertising Strategy Director, Immediate Media

Registration walls can drive up to

10x

higher conversion rates for publishers with a subscription strategy

CASE STUDY

Immediate Media

A significant amount of traffic to Immediate Media's portfolio comes through Google, Facebook, and browsers that block third-party cookies by default. This meant that almost half of their audience were hidden from the advertising ecosystem[20].

This year, the publisher agreed to make its first-party data available for advertisers to view via Permutive, a neutral DMP platform[21]. Both advertiser and publisher data is stored securely, and can't be shared with third parties.

As a result, Immediate has seen a 135% increase in revenue[22] by being able to apply the data it has across a broader range of media buys. They also went from being able to identify 20% of their audience to 80%; a 7x increase in targetable inventory.

CASE STUDY

The Washington Post

The Washington Post have developed their own first-party data ad targeting tool. Zeus Insights offers detailed contextual targeting capabilities, alongside user-intent predictions[23].

Zeus works by monitoring the content individual users are reading, including how far they have scrolled on a page, where they are clicking, and how they arrived on that page through the URL. WaPo then matches this data to its existing audience data pools to create assumptions through machine learning about what that individual user is intending.

This enables WaPo to offer a sophisticated ad targeting tool to its marketing clients, without depending on third-party cookies. The publisher is looking to license Zeus Insights to other publishers next year, by integrating it with their Arc platform.

CASE STUDY

The German login alliance

German broadcasters RTL Group and ProSiebenSat.1 Media SE came together with United Internet to create a unified login service. This led to the formation of the European NetID Foundation in 2018, with the login solution formally rolling out to consumers later that year.

Over 70 companies use this NetID login, with a further 25 currently implementing it. No details have been released about actual user numbers, but NetID potentially reaches 38 million users in Germany alone[24].

NetID is looking to expand internationally in early 2020. It is also planning to let its partners collect legally compliant GDPR consent from users through the login solution, rather than through cookie banner pop-ups that are currently used.

Publishers begin the hard climb to earn back widespread public trust

Newspapers have retained the trust of their existing readers, even as overall trust in the news media has utterly buckled. As everyone mans their own lifeboats, is it still possible to save the ship from foundering?

Chris Sutcliffe
@chrismsutcliffe

This time last year our headline was '*Publishers are hang gliding over the hell of a public trust crisis*'. Since then the situation has become a little more nuanced, with some sections of the news media finding themselves on trajectories away from that crisis - but the vast majority are now in a nose dive.

The situation has become acute. We are an increasingly tribal public, mistrustful of institutions that don't cater to our confirmation bias and blithely accepting of those that do. Politicians and the media are in constant conflict, and while it's largely positive that the internet has given anyone a platform, the reality is that platform is as often abused as it is used positively.

In this section, we'll examine how we arrived at this point, and highlight the good work of some titles that are attempting to alleviate the trust crisis.

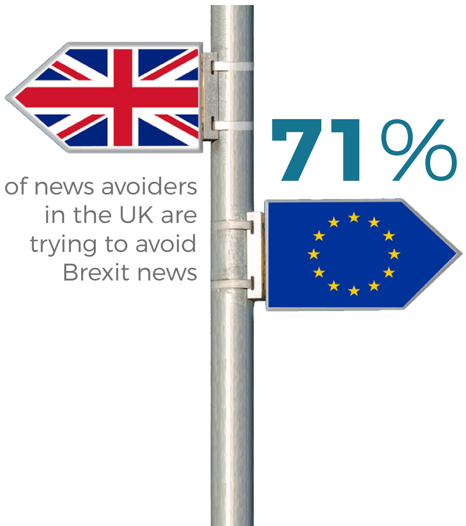
Where are we now?

Briefly, the UK was rocked over the course of 2019 by a number of confrontations between politicians and the media, especially as the end of the year and a looming General Election approached.

Some of the UK's politicians were effectively running on a Trumpian anti-media platform - see Labour leader Jeremy Corbyn's exhortation that "I ask our media as as good journalists to just report what we say" and prime minister Boris Johnson's threat to review Channel 4's license after he chose not to appear[1] on a televised climate change debate. No party was exempt from some attempt to smear or otherwise use the media to a duplicitous end, from the Conservative party misleadingly editing BBC broadcasts[2] to the Liberal Democrats aping the style of a local paper[3] in a political ad.

That, along with the lamentable widespread adoption of the term 'fake news', has led to a situation in which the UK public do not trust the news media as a whole[4] and are disengaging from the news entirely.

That isn't to say that the news media is blameless; at a time when Caesar's Wife rules are fully in effect, publications the length and breadth of the political spectrum are either pandering to power,



Measuring trust

Every year, global communications firm Edelman release their **trust barometer**, measuring public trust in everything from employers to social media.

The section on news is always fascinating reading - look out for 2020's release in January.

failing to disclose conflicts of interest, and peddling clickbait at the expense of the public.

Covering the launch of the Reuters Institute for the Study of Journalism's Digital News Report 2019, journalism.co.uk's Jacob Granger wrote[5]: "News avoidance is a real problem, with 32% of overall audiences switching off - a figure up 3% from last year. Why? In the UK - where news avoidance is 35% - the answer is obvious. Brexit is to blame for two thirds of news avoidance, with 58% of audiences saying the news as a whole is too depressing, and 40% feeling unable to have an impact."

Though causality is hard to pin down, it's very possible that the increase in tribalism and the one-note nature of Brexit coverage is behind a 2% YOY fall in trust in 'the media' in 2019. As the Reuters report states[6]: "As we have already seen, a majority of those who think that the news media fulfil their watchdog role trust the news (55%), whereas only about a quarter (28%) of those believing they do not fulfil this role say the same."

While that 2% fall may not sound so bad on its own, it's worth noting that since 2015 trust in the media in the UK fell from 51% to 40% in 2019, per the Digital News Report. That in turn is potentially responsible for the relatively sluggish growth in the proportion of people willing to subscribe to a news product in the UK - only 9% of the public currently subscribe.

While the examples above are UK specific, the Reuters report demonstrates that falling trust in the media is near universal.

Effectively, then, the trust crisis is as much a financial concern as it is a moral one. As you'd expect, people tend to trust the news outlets that hew closest to their own political leanings[7] - the 2018 Digital News Report found 51% of audiences trust titles they already engage with, yet only 44% of audiences trust news overall. That's led some newspapers - the tabloids especially - down a cul-de-sac where they can't necessarily report accurately on a given issue for fear of alienating the aging readers on whom they depend for revenue.

And while it's been previously reported that people tend to trust their local newspapers over the national ones, that claim has been thrown into doubt this year by a study in the US from the Knight Foundation and Gallup[8], which found that local news is only trusted when it does not engage with national issues. The report states[9]: "The data suggest that moving into more aggressive coverage of social and political issues could further polarize views – and possibly lead to an erosion of trust. However, these are not issues that local news organizations can abandon without abdicating some of their mandate to help democracy flourish."

However, there's a potential chicken and the egg situation here, as Mary Ellen Klas writes for Nieman Reports: "...there's evidence that as local news disappears and political information becomes more nationalized, voter polarization increases".

So, how have news organisations and start-ups been attempting to recapture audience trust?

THE PROPORTION THAT **TRUST MOST NEWS MOST OF THE TIME**

Finland	**59%** (-9)*
Germany	**47%** (-13)
UK	**40%** (-11)
USA	**32%** (-)
France	**24%** (-14)
Average (over 12 countries)	**44%** (-4)

**Percentage change from 2018*

"Perhaps one of the greatest challenges is to reach those who approach all news coverage with skepticism and mistrust. Some of the young people we spoke to described BBC News as part of 'the biased British media': authoritarian, part of the establishment and out of touch."

Zoë Murphy, Head of News Innovation, BBC Voice[12]

The best bet - or at least where most publishers have been placing their chips - is increasing transparency and engagement with their readers.

Speaking at the World News Media Congress[10] in June, Warren Fernandez, editor in chief of Singapore's The Straits Times noted that its newsroom in Singapore invites subscribers into the offices to demonstrate the process of journalism: "You would be amazed at the questions they have – they were really interested to find out the workings of the newsroom."

That transparency (and direct engagement with the journalists) is increasingly at the heart of many membership models at news publishers. Despite a rocky year, transparency around the commissioning process is still at the core of The Conversation's mission, for example, while the Guardian's executive editor of membership role is almost exclusively concerned[11] with connecting journalists and audiences.

Even the NYT is making more of an effort to show how the sausage is made, with CO Mark Thompson stressing that its show The Weekly would demonstrate the shoe-leather journalism its employees undertake, to counter the 'fake news' rhetoric of Trump.

What can we expect in the future?

It's difficult to see how any single intervention could suddenly turn this ship around. Most publications are aware that their best bet is to establish a core base of loyal readers who trust them, rather than investing in restoring trust in the news more widely.

However, it's extremely likely over the course of 2020 that we'll see more support and investment paid to organisations like Hearken or the European Journalism Centre's Engaged Journalism Accelerator, who are seeking to find ways to deepen the relationship between audience and publisher.

Trust has to be earned, after all, and in the case of UK newspapers especially that means that trust needs to be earned back after a few years of failures.

"In one study, when participants were asked about their own media, the approval rating was nearly 75%, but when they were asked about 'the press'...the approval rating dropped to below 40%."

Jonathan Ladd, Associate Professor of Public Policy and Government at Georgetown University[13]

10% of people trust the news they see on social

CASE STUDY

Slow journalism

The belief that the instantaneous nature of digital communications is to blame for misinformation is widespread, and consequently we've seen a number of 'slow journalism' outlets spring up to counter that. Tortoise, designed with exactly that in mind, launched in June, backed by a number of veteran journalists including former Times Editor James Harding and former Dow Jones President Katie Vanneck-Smith.

In November the publication announced it had over 20,000 paying members, enticed by a strong word of mouth recommendation campaign and a clever approach to marketing its live events, or 'Thinkins'. Notably, just under 40% of its subscribers are under 30, hopefully putting paid to the idea once and for all that young people don't care about the news media.

CASE STUDY

Transparent algorithms

The algorithm has a bad name, due to perceptions that it inevitably creates filter bubbles and prioritises clickbait - and a lot of those perceptions are justified. Over the course of 2019, Deutsche Welle's Content Personalisation Network has been attempting to introduce transparency to recommendation algorithms, so that audiences can understand why they are being served the content they're seeing on publisher pages.

Tilman Wagner, Innovation Manager at Deutsche Welle, said[14]: "Social networks and particularly Facebook's News Feed have given algorithmic personalisation a bad name, since users don't exactly know how they function. We want to bring more transparency into the equation. We believe that it will help rebuild audiences' trust in personalisation."

CASE STUDY

Tackling the representation issue

The news media in the UK is far from representative of the wider public, which has undoubtedly led to a disconnect between the two. As statistics released by PressPad's Diversify The Media campaign demonstrated, fully 86% of journalists have been to university, and 80% of senior editors were privately educated. Worse still, 46% of bosses are content with that level of disparity between public and journalists, suggesting that many editors and CEOs do not even recognise one of the key sources of the trust crisis.

In addition to PressPad's campaign, other organisations are attempting to bridge that gap. In the Netherlands, popular women's magazine Vileine started a journalism programme to tackle Dutch media's diversity problem by increasing the representation of women in newsrooms.

Print publishing remains relevant but continues its search for a long-term rationale

Amidst closures and frequency reductions, print publishing is hanging on tenaciously, trying hard to develop sustainable business models around trusted coverage, special editions and brand collaborations

Peter Houston
@flipping_pages

No, print still isn't dead. Yes, there have been closures in 2019 and print revenues are definitely still on the slide.

Last year, just 481 million consumer magazines were sold – 60% less than in 2005 – and advertising sales have suffered as a result[1]. But, many print magazines are holding on with some sectors even saw launches.

Newspapers in print? Well, they've taken the biggest beating and there are genuine worries that many communities in the US and the UK could end up without any local press coverage if something doesn't change.

The UK lost 245 local news titles between 2005 and the end of last year[2]. An estimated 58% of the country is now served by no regional newspaper. In the US, the picture is bleaker: one of five local papers have closed since 2004[3]; weekday print circulation fell 12% in 2018; and Sunday print circulation dropped 13%[4].

The local newspaper crisis has even drawn the attention of global newspaper The New York Times, which is reporting the collapse in its ongoing 'Last Edition' feature[5].

Where are we now?

Magazines: In the magazine world, some publishers came to the conclusion this year that they will no longer require the services of a printer, or at least not as often as they used to.

From branded title ASOS magazine with a peak circulation of 700,000, to Family Circle, an almost 90-year old title owned by Meredith and the Beer Advocate; a niche, enthusiast title published by two brothers, print is tough for everyone.

One of the highest profile print closures in the UK this year was Marie Claire, with its demise coming to be seen as a harbinger of doom for the entire Women's magazine sector[6]. With a print circulation drop of more than half between 2008 and 2018, the brand's new owners, private equity firm Epiris, were looking to its "ecommerce aggregation platform" Marie Claire Edit as the future, rather than its print journalism.

The decline of Marie Claire is echoed elsewhere in the fashion magazine market where this year's 'Bumper Fall Fashion' issues were decidedly average. US industry magazine Folio's annual

Titles throwing in the inky towel in 2019 include:

Watching your weight

Every year, Folio: does a weigh-in for the September issues of top fashion magazines - a month which traditionally sees the bulkiest fall fashion editions. 2019 has seen the 'thud factor' decrease, with September now 'just another month'.

Folio: Annual fall weigh-in 2019

September issue weigh-in shows 'flat and falling' numbers for Fashion titles.

Unable to track ad buys in print, Folio has been monitoring top fashion magazines by weighing and measuring them since 2015. This year's story is not too good - the headliner is that the thud factor at fashion bible Vogue is down 30%.

Folio's content director Casey Welton says they will do the same report next year, but expecting further declines, he wonders for how much longer it will be before 'the once-dominant September looks like every other issue a magazine publishes'.

And in that context, former Vogue Editor in Chief Alexandra Shulman's suggestion that the future of print magazines could lie in switching to less frequent, special editions, carries some weight. She says it would allow media companies to take costs out of the business while maintaining a print format[7].

The problem with that approach might be what a title loses by giving up on its print presence. A study in Journalism Practice suggests that publications that close their print editions are giving up on their readers' time[8]. Analysing PAMCO audience data, the study's authors estimate total time spent with the NME brand fell by 72% after its print closure. They say this mirrors the fall by The Independent newspaper when it went online-only two years earlier.

So where should print publishers be looking for some respite?

Niches. Monocle continues to thrive in the luxury space, with no real digital footprint other than its audio output. The world traveller's bible is even opening its own airport retail outlet to improve the magazine buying experience[9]. And although generalist women's titles are on the ropes, DC Thomson has launched a monthly targeting a clearly defined, older female demographic that they have identified as poorly served in other media[10].

Brand collaborations might also be a way to go. Hearst's Solutions group, publishing magazines for Asda, Liz Earle, O2 and Princess Cruises is a strong example of a magazine company leveraging its full publishing skill set to do print for other people[11]. And Bauer brought Smash Hits back to promote a West End musical[12].

There is an argument that publishers should only work with brands that align with their audiences and it has to be acknowledged that, like ASOS, a brand can pull the plug whenever it wants. But with brands from Paddy Power to dating app Bumble looking at print, there is a clear opportunity[13].

Newspapers: Special edition tactics can be deployed by newspaper publishers to support their regular print operations, but the news in print is not doing well.

Traditionally, papers have lived or died by being first to the story in a world where digital is always faster, and people know it, they are struggling to find a raison d'être. Local papers in particular are hard pushed to find the money needed to support publishing

NME's online readers spend an average of

3.4 minutes

a month with the title

(In print, they used to spend **1.5 hours a week**)

"Why pay for journalism – and journalists – to bring clothing sellers and their customers together when you can connect them directly?"

Jasper Jackson, Digital Editor, The New Statesman

Discussing the closure of Marie Claire

DC Thomson's new magazine Platinum was the biggest launch in a decade, with **250,000** copies distributed in the UK

for local audiences that simply can't sustain the kind of reader revenue plays that global brands like the Guardian have come to rely on.

The closure of JPI Media's Buteman is all too familiar in the UK's regional press. Figuring out how to pay for a strong local editorial presence to create the type of local content people will pay for has proved too difficult for many publishers and the gap in local news coverage is worrying[14].

Even the politicians are paying attention. The Cairncross Review, instituted by the UK Government to report on the future of British media, warned that local news coverage could disappear unless the government provides direct financial support[15]. Research for the report found that the number of frontline journalists in the UK has fallen from an estimated 23,000 in 2007 to 17,000.

But although Cairncross contains for innovative ideas to support local news coverage, including the use of public funds, it doesn't focus on print as the format of choice. The conclusion has to be that, without the shelf life of magazines, print news will disappear sooner rather than later.

What can we expect in the future?

The days of mass market print are going fast, if they're not already gone. Publishing at scale is a digital undertaking these days. Print's future - at least in the magazine world - is most likely to be less frequent, more niche, lower volume, highly produced, increasingly collectable, regularly branded, and often independent.

The future will bring more print closures for sure, both newspapers and magazines. But we're likely to still be talking about closures in 2029. Print is far from healthy and individual brands are in terminal decline. But print as a substrate for words and pictures has a future.

Right sizing is the secret to print's future and publishers need to print in ways that match developing business models. As Casey Welton wrote in Folio magazine at the time of Family Circle's print closure[16], print is 'neither healthy nor in its death throes' but it is "trying to discover exactly what its new role will be in a marketplace with objectively less consumer demand, and increasingly more competition in the attention economy."

Publishers have been hoping print would "find itself" for a long time now and maybe it never truly will; just don't expect everyone to throw in that inky towel anytime soon.

"Magazine brands have huge kudos - that has never gone away. We may only publish biannually, not every month, but it still has a huge impact. It's on the newsstand for five months."

Deborah Joseph, Editor in Chief, Glamour UK

Talking to the Media Voices Podcast

ASOS magazine had a circulation of more than

700,000

when it closed, citing 'changing consumer habits'

WHAT'S NEW IN PUBLISHING

CASE STUDY

Smash Hits

Few of us ever thought we'd see *Smash Hits* in print again after closing in 2006, but in November, the magazine was resurrected for a one-shot return in partnership with new West End musical & Juliet.

The musical, a retelling of the Shakespeare play, has a 90s-inspired soundtrack, and jumps back to an issue of Smash Hits when the music of that era was at its height.

50,000 issues were distributed free around London. The content was all based on bands from the era, including an interview with N Sync, and Britney Spears Trivia. The featurette ad about the musical appeared on the back page[17].

CASE STUDY

The Buteman

June saw the closure of one of the UK's oldest weekly newspapers, the *Buteman*. The paper served the Scottish island of Bute, which houses a mere 6,000 inhabitants. As the circulation dropped below 1,000, owners JPI Media took the decision to cut it.

Former editor Craig Borland said that the owner's decision to withdraw the entire editorial presence from Bute, leaving it to be written by two journalists in Edinburgh, had a big part to play in its demise. "The coverage devoted to local news and events diminished each week until it was being swamped by a homogeneous service that left many of its pages indistinguishable from those on other titles," he said[18].

It's a familiar pattern, with many local newsrooms in the UK and elsewhere being cut so severely they can no longer serve the needs of their communities.

CASE STUDY

1619 Project

It's rare to see queues for print magazines these days, but in August, people were lining up on the street to get their (free) copy of The New York Times' 1619 Project magazine.

The 1619 Project is focused on observing the 400th anniversary of the beginning of American slavery, aiming to 'reframe the country's history,' and 'placing the consequences of slavery and the contributions of black Americans at the very centre of the story'[19]. It turned out to be 'one of the must-read, must-discuss works of the summer'[20].

The New York Times handed out 2,000 free copies at its HQ, with copies later going on eBay for more than $100.

MULTIMEDIA

Welcoming the calm after the storm in multimedia investment from publishers

After years of hyperbole and overinflation, 2019 has been a year of course correction for publishers looking to move into audio and video, with the green shoots of success starting to show

Chris Sutcliffe
@chrismsutcliffe

After the gold rush that was the 'pivot to video' throughout 2018, this year saw publishers take a more measured approach to their multimedia content. That's not to say that experiments and launches haven't taken place - far from it. Instead, in line with the rest of the topics discussed in this report, much of 2019's investment in multimedia has been about capitalising on existing strengths rather than taking punts on moonshots.

In a way, that's a little disappointing. We're all for experimentation, and you don't know what will work or where you'll discover a new audience until you try it. And if we didn't see trials like BuzzFeed News launching on Twitch (though some politicians and even the House of Commons have done so this past year), then we can at least be happy that some of the multimedia experiments we highlighted in last year's report have borne fruit for publishers.

Where are we now?

The year did not begin especially well for publishers' video teams, many of who were still facing the repercussions of Facebook's exaggerated video viewing figures being revealed and the rush out of investing in Facebook Live as a result. In January it was reported[1] that the Daily Telegraph was backing out of its investment in video to pursue its subscription plans, with its video team getting rocked by redundancies just before Christmas.

However, over the course of the year, more legacy publishers began using digital video not just as a means of distributing information but as a selling point for their higher-tier subscription offerings. In October, the Daily Mail announced[2] that its Mail Plus service would soon include three daily live bulletins from journalists, effectively recreating the television news model for its subscribers. Press Gazette noted that the bulletins were understood to be under consideration for a move to a subscriber-only model in the future.

Across the pond newspapers including the New York Times made livestreaming a key tenet of some of the reporting they did around a given subject, with the Trump impeachment hearings benefiting from having its journalists perform live commentary on proceedings. Building on multimedia successes elsewhere, the

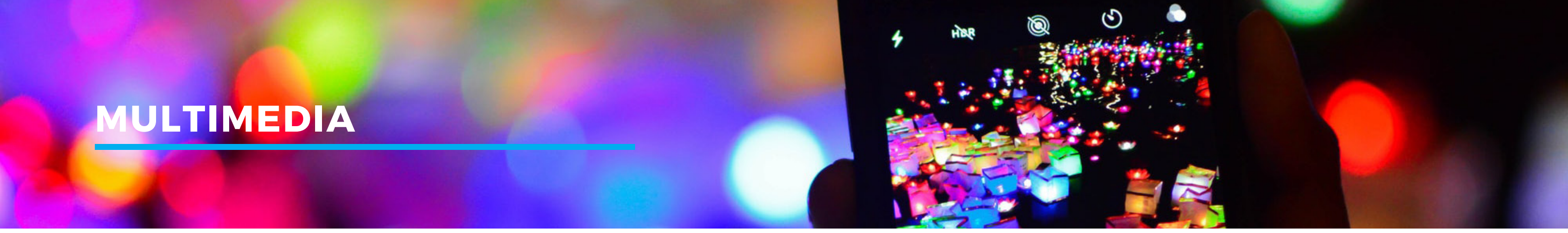
7.1 million

people in the UK listen to a podcast weekly

Starting a podcast

Thinking of getting started in podcasting? *What's New in Publishing* have written a dedicated guide just for publishers on how to plan, produce and launch your own podcast, and more importantly, how to keep it going.

[The Publisher's Guide to Podcasting]



NYT also made forays into television with its flagship 'docuseries' The Weekly[3] premiering on FX and Hulu in June. By contrast, Vice shuttered its live news show Vice Live less than two months after the show premiered, reportedly due to low ratings[4].

Outside of news content, some publishers have begun building video offerings that are more evergreen. Following a refresh of its digital platforms to cater to video, in July Hearst launched All/Out Studio[5], a subscription-based streaming video service comprised of lifestyle and health videos, mostly workouts. In line with where much growth in digital video consumption is coming from, it chose to launch the service as a mobile app, with 35 hours' worth of workout classes for $15 a month.

Additionally, there has been a growing recognition that individual platforms are more suitable for certain types of live video. While BuzzFeed News might not stream on Twitch any more, for instance, its gaming focused vertical Multiplayer regularly does. In an analysis published by Digiday in June[6], Platforms Reporter Kerry Flynn argued that Twitch's clear paths to monetisation through subscriptions were a much safer bet than any ad-based propositions.

The lesson from the 'Great Pivot to Video' bloodbath appears to have been that independent metrics are required in order for publishers to dip their toes back in the water. In January Vice, BuzzFeed, and Group Nine joined with a social video analytics provider to form the Global Video Measurement Alliance[7], designed to prove the viability of video published across social channels.

Overall, though, it's fair to say that investment in video has yet to climb back to the point it would have been without the Facebook metrics scandal. Having watched some of their herd getting torn apart by a predator at the waterhole, publishers are only now warily reapproaching it.

By contrast, podcasting at publishers grew apace over the course of 2019, building upon the encouraging signs from the previous year. In January The Economist announced[8] that it was launching a daily 20 minute news podcast called 'The Intelligence', with 8 full-time staff members. This was in service of bolstering its already impressive audio production, but it has parallels with what outlets including The New Statesman had been doing since 2018 - putting podcasts on an equal footing with the rest of its content when it comes to marketing subscriptions.

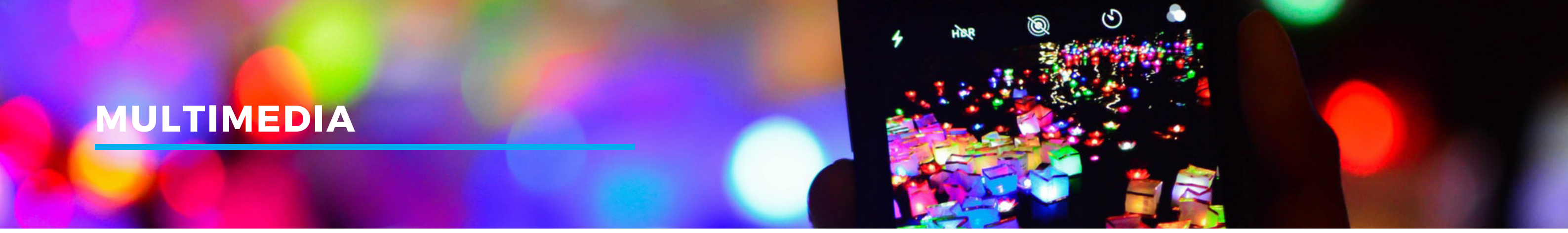
In September French newspaper Le Monde launched a new raft of podcasts[9] based on existing article series, suggesting that this year more than ever has seen podcasting come to the fore as both a product in its own right, and as a value add to existing subscriptions.

In June, the NYT's president and CEO Mark Thompson even suggested it is possible that the title's flagship podcast The Daily could eventually be spun out into its own paid product. He said that after the podcast drastically overperformed, particularly

the proportion of households that have 1 or more smart speakers

"Uniform cross-platform measurement is crucial to establishing the video ad unit economics required for digital media to thrive, and all publishers should be aligned and pushing for consistent standards in 2019 and beyond."

Edwin Wong, Senior VP of Research & Insights at Buzzfeed



among younger audiences[10], the opportunity was obvious: “We thought ‘we should be doing this podcast right now’... before we got any revenue in place... and the team just spooled it up. By the time we launched, we’d got great launch sponsors; we’d promised BMW that they’d get 750,000 listeners in this launch phase. We gave them 43 million.”

While podcasts are being put to work behind paywalls, it’s notable that many publishers are still using them to generate ad revenue. Slate, which has been investing significantly in podcast infrastructure and networks for the past few years, announced in May that it expects “nearly half”[11] of its revenue for 2019 to come from podcasting, up from 28% the previous year, for instance.

Meanwhile, the Guardian has also been steadily investing in its audio content[12]. Guardian head of audio Katherine Godfrey explains that doing so is an extension of the paper’s central mission, and can aid in its drive to reader revenue as a result. She believes that direct touchpoints with audiences, particularly those that offer a one-to-one relationship with journalists - a strength of podcasts - can help with the engagement required to build a membership model at scale.

What can we expect in the future?

Just as publishers follow the money when choosing where to invest, the money follows consumer attention. Despite regular missteps from platforms like YouTube and Mixer when it comes to managing relationships with creators and audiences, the rise of digital video isn’t slowing any time soon.

Next year and beyond will likely see a resurgence in the number of publishers - particularly the ones with stable revenue bases like the Guardian and the NYT - pushing into live video more aggressively. That will be aided by the maturation of video alliances and new analytics tools[13] designed to show the low risk associated with video advertising across media.

Meanwhile, driven by the increasing sophistication of podcasting ad tech, expect to see publishers of all shapes and sizes launching a vast array of shows in many different genres.

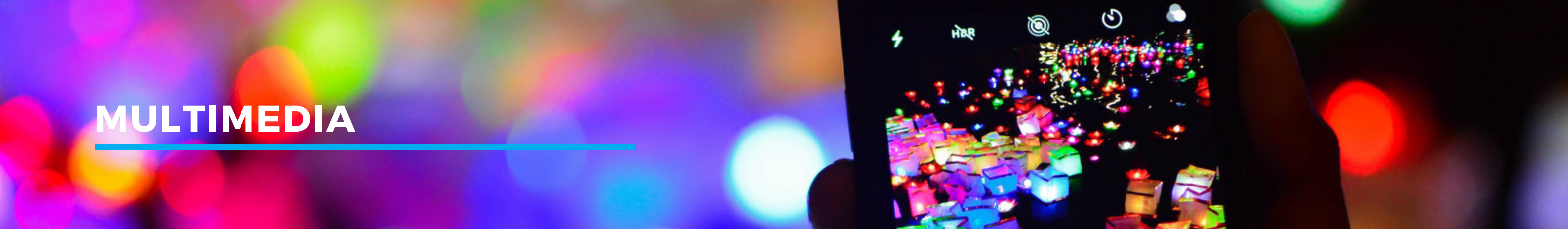
And while it’s slightly outside the purview of this report and the number of branded, narrative based podcasts is still relatively low, the reality is that the successes in the space to date imply there will be many more such shows launched in 2020.

Expect also to hear of publishers going all-in on TikTok (even when they really shouldn’t).

“The commercial model for podcasts is really good, much better than video pre-roll, which is a horrible business. Video is expensive to make, and the CPMs are low. Advertisers want to reach podcast listeners.”

Tom Standage, Deputy Editor, The Economist

YouTube has more than **two billion** monthly users



CASE STUDY

The Daily

The NYT's CEO Mark Thompson cites its flagship podcast The Daily as an example of innovation that was forced onto the team by the political realities after Trump's election, noting that the team began work on the podcast before there was any revenue structure in place to support it. The team behind the podcast has grown to around 17 people[14] from the four that it initially began with, and its success was in part responsible for the NYT's latest foray into TV content with The Weekly.

Almost half of The Daily's 10 million-strong monthly listeners are under 30, and Thompson is open to shaking it up again, noting it is "not inconceivable" that it could eventually be spun off into its own paid-for product.

CASE STUDY

Mixer and Ninja

Livestreaming is big, big business, and the space at the top has become incredibly competitive. To illustrate that point, Twitch competitor Mixer managed to lure Fortnite streamer Ninja across to its platform exclusively with a deal that was reported to be worth over $50 million back in August.

Despite that, and despite its arguably better tech for reducing latency during livestreaming and many more interactive options than Twitch at the time of launch, it's been reported since that Mixer's gamble only succeeded in luring more streamers over to the platform, with audiences preferring to remain where they are. Notably, while both platforms are nominally broader than simply being gaming-related, Twitch is the only one to have broken out of that bubble with a return to its IRL (in real life) roots and TV content.

CASE STUDY

All/Out Studio

In July, magazine publisher Hearst took its first steps into VOD, with the launch of its fitness-focused All/Out Studio. Costing either $15 per month or a one-time annual fee of $100, the app was designed to capitalise on the many well-known fitness brands in its stable. Effectively a bet that the strength of its portfolio would trump the many free fitness-focused channels online already, the idea was lauded as a smart use of existing expertise when launching a new product.

Sheel Shah, VP Consumer Products said: "Consumers want a variety of workouts. They don't want just one video, they want to have access to an entire library of content they can trust. If we find success here, I definitely think we will start thinking about if it makes sense for us in other categories."

Platforms offer olive branches with subscription initiatives and news payments to tempt publishers back

After a rocky 2018, the big tech companies are once again vying for publisher's attention. But with publisher trust in platforms at an all-time low, will new initiatives get enough buy-in to work?

Esther Kezia Thorpe
@EstherKeziaT

Platforms have barely been out of the headlines in 2019. Whether it's heated debates about political advertising, continued issues with the proliferation of fake news, or trying to set up a new global financial system, the impacts of the decisions the tech giants make continue to significantly impact the media ecosystem.

This chapter will focus on the key developments from platforms which have affected publishers, rather than the wider regulatory and political debates.

Facebook

Facebook, Messenger, Instagram and WhatsApp have had a bumpy ride this year, and Zuckerberg is working frantically to integrate these properties before regulators can break them up.

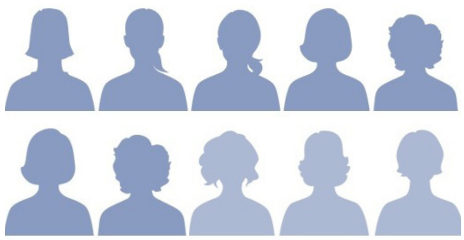
When it comes to their relationship with publishers, this year has been a stark contrast to 2018. Facebook may not have reversed its devastating algorithm changes, but it has made efforts to repair its relationship with the publishing industry with two notable launches.

First up was Instant Articles Subscriptions. Facebook has been testing the feature for 18 months, but rolled it out to 'all eligible publishers' worldwide in June. It means that publishers can define when a reader sees a paywall in Instant Articles. A range of subscription models are supported.

The tool has a number of options to help convert subscribers. But Facebook are the ones 'owning' and processing those subscribers, meaning that users remain in the ecosystem without ever having to visit the publisher's site at all.

October saw the US launch of Facebook's new News Tab, a 'dedicated place for news on Facebook'[1]. If that sounds familiar, that's because the company tested something similar in 2018, which resulted in a fake news boost and decimating referral traffic in Slovakia, Cambodia, and other test countries[2].

Facebook News appears as a dedicated tab. Content will come from publishers who abide by Facebook's Publisher Guidelines and who meet certain quality and integrity standards. Many were surprised to see notorious alt-right site Breitbart included in this list of 'high quality' publishers[3] at launch.



7 / 10 publishers
believe Facebook still provides the greatest reach for content compared to other platforms[6]

The Interface

If you want to keep abreast of all the latest platform news, *The Verge* journalist Casey Newton puts out a daily newsletter, which offers comprehensive coverage of platforms, their effect on democracy, and more.

Subscribe over at: **theverge.com/interface**

Another controversial point was Facebook's decision to pay only some publishers for featuring content in News. A handful of publishers including the New York Times, the Washington Post and Buzzfeed will be paid between $1m and $3m a year to 'license' the content[4]. But everyone else is left with nothing[5].

Facebook News is still in a test phase in the US, with no fixed timeline for rollout elsewhere. The tech giant may be pressured into a fairer payment. But it is more likely that handouts of millions of dollars isn't part of the long-term plan.

When it comes to Facebook's other properties, there have been few significant updates which directly affect publishers. Some publishers were experimenting with sending newsletter-style bulletins through WhatsApp. But in an attempt to stop the rapid spread of misinformation, WhatsApp announced that they will no longer be allowing 'automated or bulk messaging'[7].

The FT reluctantly closed their WhatsApp group as the platform was showing early signs of being a 'huge success'[8]. Some German publishers were also caught out, particularly inFranken.de who had been sending newsletters to WhatsApp users since 2014 with such success that they had discontinued their email newsletters[9].

Google

Google have grabbed almost as many headlines as Facebook when it comes to clashes with the publishing industry. The most notable, which is still ongoing, is the pay-for-snippets dispute. This began with the passing of the European Copyright Directive. The most controversial part requires large platforms like Facebook and Google to pay a 'link tax' when they use snippets of publisher content, such as displaying a headline in search results.

France became the first country to translate the Directive into national law, which came into force in October. However, Google declared that it would block any results from European newspapers in France, and leave search pages blank[10].

When the law came into effect on October 25th, the French opted for a tactical retreat, fearing huge drops in click-through rates. Instead, French media filed a formal complaint to the French antitrust body, arguing that Google is a 'text-book case of abuse of dominant position'[11].

The arguments around whether Google should or should not pay a link tax are complex. But publishers should not be under the illusion that a link tax would solve all revenue issues; indeed, studies have suggested revenue would be negligible[12]. It will certainly be a case of 'the unstoppable force meets the immovable object' as 2020 gets underway. No matter how many European publishers adopt this legislation, Google wields enormous power, and can choose to simply not comply.

The other update worth mentioning is from September, when Google said they would move to prioritise original reporting in search. The new global search algorithm aims to "highlight articles that we identify as significant original reporting," and to keep such articles in top positions for longer[13].

KEY EVENTS THIS YEAR

JANUARY
- Facebook announces plans to integrate messaging services across Instagram, WhatsApp & Messenger

FEBRUARY
- Snapchat's user base stops shrinking
- Medium rolls out 4 'magazines' behind their $4/month paywall
- Twitter records its first full year of profitability

MARCH
- Apple News+ launches in the US
- Instagram rolls out 'checkout' feature for brands
- Google launches the Local Experiments Project for local news

MAY
- Google rolls out support for podcast searches
- Snapchat downloads double after gender swap and baby filters

JUNE
- Facebook rolls out Instant Article subscription tools
- Facebook announces its new cryptocurrency, Libra
- Facebook watch hits 140 million daily viewers, doubling in 6 months
- Google's Chrome 76 stops publisher sites detecting users in Incognito Mode
- WhatsApp cracks down on bulk messaging and newsletters
- Linkedin changes algorithms to favour niche professional interests over viral content

JULY
- US regulators approve a record $5bn fine on Facebook for the Cambridge Analytica scandal

AUGUST
- Pinterest surfaces results from major public health groups when users search for medical/vaccine advice

SEPTEMBER
- Facebook debuts educational vaccine pop-up windows
- Apple News+ launches in the UK
- Google moves to prioritise 'original reporting' in search

OCTOBER
- Snapchat enables 'Share to Snapchat' integration
- French publishers back down in the Google/link tax row, but file antitrust motion

NOVEMBER
- Instagram tests a TikTok clone called 'Reels' in Brazil
- Facebook launches Facebook Pay

PLATFORMS

Apple

The key launch for Apple regarding publishers this year has been Apple News+, a paid version of its hugely popular aggregator app Apple News. When plans were announced for the $9.99 a month service in February, publishers were outraged at the proposal that Apple would keep half of all revenues generated, distributing the rest among individual publishers depending on how much time had been spent on their content[14].

Despite the fury from the industry, the service signed on some impressive titles for its launch, with the Wall Street Journal, The Los Angeles Times and the National Geographic Magazine joining over 300 other publishers.

But just months later, reports emerged that the app was struggling both with publishers and users, and had gone back to the drawing board. Users are allegedly confused about the difference between free articles in Apple News, and the new paid content[15].

Apple News+ is being seen as something of a testbed for whether audiences will pay for an article aggregator in the same way they pay for films and music. The initial signs aren't looking great; after signing on 200,000 subscribers with a free trial in March, that number hasn't really grown[16]. But a bigger concern is the rumours about Apple's plans for a content 'bundle'[17]. This would include Apple News+, Apple TV+ and Apple Music, and would inevitably mean a smaller slice of the pie for publishers.

Other platforms

Snapchat has had a much better year. User numbers have recovered after plummeting last year, thanks in no small part to a release of baby and gender swap filters in May[18]. Both early adopters and relative newcomers to Snapchat Discover are finding it profitable, with Whistle, Group Nine and Hearst all seeing 'notable increases' in revenue[19]. Most of this is driven by ad revenue sharing, with a 50-50 split as standard.

Social video platform TikTok has emerged as the hot app of 2019, amassing over half a billion active users. Because the platform is so new, publishers are still at the early stages of experimentation on it. The Washington Post has been an early adopter[20], and in November, VICE launched a dedicated TikTok account for its Munchies brand[21]. It will be interesting to see whether, like Snapchat, TikTok has real commercial potential for publishers.

Finally, streaming platform Twitch - most popularly known for gaming and eSports - is emerging as a surprising money-maker. Some publishers have been making user of the direct monetisation options, including in-stream ads and subscriptions. The Washington Post is trialling live broadcasts and replays on the platform, and has said that Twitch's clear pathways to monetisation make it more appealing than other platforms[22].

But as with all these different types of platform, it's not about TikTok vs Twitch. 2020 will be about leveraging these platforms in a way that makes most sense - and money - for publishers.

65%
of publishing executives consider Snapchat to be a significant revenue driver[23]

"TikTok is a very unique and interesting platform. We've always been keen to take on and expand to new platforms... and we're thinking about TikTok as the new Snapchat; it's something we want to devote time and resources to."

Dory Carr-Harris, Executive Editor, VICE

Talking on the Media Voices Podcast

Apple is keeping
50%
of the revenues from its $9.99 News+ service, splitting the rest between publishers

CASE STUDY

Times & Sunday Times

One of the earliest advocates of paywalls and reader revenue, the Times & Sunday Times stunned everyone when they were announced as launch partners for the Apple News+ service in the UK in October.

For £9.99 a month, UK subscribers can access over 150 magazines and newspapers on Apple News+, and it appears so far that all articles from the paywalled brand are available on the service[24]. Currently, a Times digital subscription costs £26 a month, and the Times titles combined have more than 500,000 paying subscribers in digital and print.

There's a risk that Times subscribers will churn, opting for the cheaper and more wide-ranging Apple News+ subscription. Has the publisher carefully calculated its returns, or will this decision come back to haunt them?

CASE STUDY

PinkNews

A year after joining Snapchat Discover, LBGTQ+ publisher PinkNews are making more than half of their revenue from being on the app. They became Snapchat's official LBGT partner in 2018, in a move which has seen their monthly revenue triple[25].

A few months ago, the publisher began selling rainbow-themed products directly to their Snapchat users, from pin badges to bamboo sunglasses. In just 3 weeks, it had sold around $10,000 of merchandise in 'swipe up' spots on Snapchat[26].

"We could not have predicted the success we have seen on Snapchat," said PinkNews' Head of Platforms Ellen Stewart.

CASE STUDY

Glamour

After closing their monthly print magazine in 2018, Glamour focused their efforts on growth across their digital platforms[17]. Despite the perception of Facebook being old and 'uncool', they tested out a Facebook Group as part of a shift in mindset to try new things.

"We've got almost 10,000 members now, and 90% engagement daily," said Editor in Chief Deborah Joseph. "It's been a huge success for us."

The numbers pale in comparison to Glamour's main Facebook Page, which has 3.3 million Likes. But the smaller Group audience is extremely loyal, and engaging with the brand on a daily basis[18].

Beyond news: new opportunities for publishers to connect with audiences

Technology is catching up with publishers' ambitions, enabling new opportunities around payments, apps, and new content types. Here's what we'll be keeping an eye on next year.

Chris Sutcliffe
@chrismsutcliffe

In the *Opportunities for 2019* section in this report last year, we pointed to some recent tech developments and argued that they had increased the number of touchpoints by which publishers could reach audiences. We said that would allow them to deepen relationships with their readers, and ultimately foster much greater engagement

What we should have done, in hindsight, is gone further still. The reality is that while engagement is desirable, it's only one step along a process to making money from audiences. A necessary step, absolutely, but not a destination in and of itself.

Happily, looking over this year, it's obvious that most publishers knew that, and have had their eyes on the prize for some time. We've already seen some of the touchpoints we referred to last year bear fruit; just in terms of audio we've seen companies using podcasts as the tentpole of some subscription strategies, and the New York Times has seen enormous success with its podcast The Daily, and has pushed ahead with its ambitious subscription plans as a result.

In this section, then, we'll take a look at some of the most notable successes around new technology in 2019, and explore how publishers are set to build on them next year and beyond.

Where are we now?

Even as many publishers took the plunge into subscription models - even local titles that arguably do not suit digital subscriptions, such as those JPI began to trial in May[1] - 2019 saw a growing realisation that a) subscriptions are not the answer for all publications, and b) technology could be the enabler of some alternative solutions.

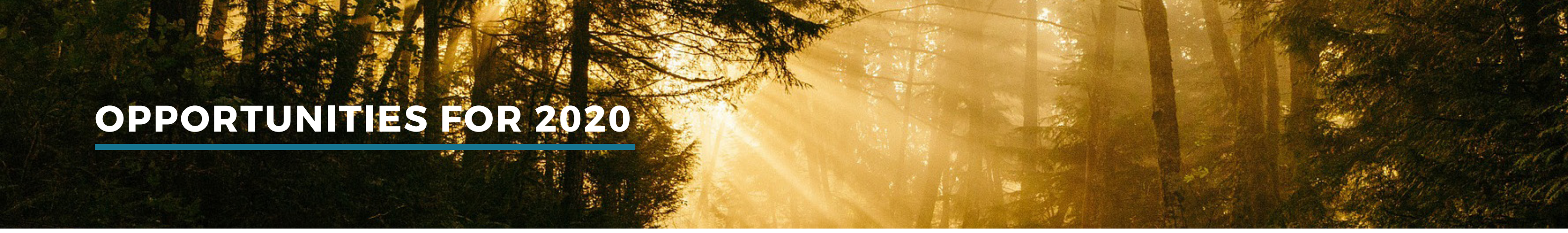
The recently renamed Axate, for instance, is a digital wallet that allows users to pay for access to individual articles on the sites of publishers that allow it. The success of the scheme - and any similar ones - relies on the ability of the provider of the 'wallet' to attract a broad enough network of sites that users can see the value in signing up, thus making it worth their while to cross the hassle gap. Given the company's success in signing up a raft of publishers to date, it's likely that will accelerate in 2020, lending weight to the likelihood of similar solutions appearing in the future.

40,000

of the NYT's new digital subscriptions originate from the Cooking and Crossword products

Keep up with 2020

What's New in Publishing is committed to keeping you updated with all the most important news and analysis in publishing. We also do a weekly newsletter, just **visit the site** to sign up.



However, the fact that some titles have audiences that are unlikely to want to pay to access wider content was underscored when early adopter The New European dropped the scheme in July[2].

Similarly, some tech providers are attempting to take ownership of subscriptions and memberships away from the larger tech companies. In the rollout of its 3.0 update[3], CMS Ghost included membership tools aimed at medium-sized publishers who are potentially priced out of other sophisticated models.

Given the urgent need for medium-sized publishers to find ways to support themselves, we predict we'll see more bespoke membership tools rolled out in 2020.

In April, 5G mobile technology began to roll out across the US. Never one to be backwards in coming forwards, the New York Times almost immediately launched its 5G Lab and began experimenting with what mobile internet speeds up to 20x faster than 4G might mean for journalism and news dissemination.

The Times Open Team wrote on Medium[4]: "Over the past year The Times has honed its ability to tell immersive stories, allowing readers to experience Times journalism in new ways. As 5G devices become more widely adopted, we'll be able to deliver those experiences in much higher quality - allowing readers to not only view more detailed, lifelike versions of David Bowie's classic costumes in augmented reality, but also to explore new environments that are captured in 3D."

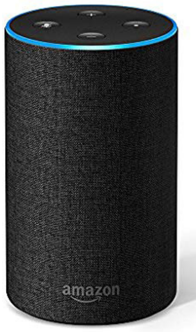
While those examples might seem fanciful and even a little flippant, the reality is that younger audiences are already accustomed to video and interactive content due to the rise of livestreaming platforms like Twitch and Mixer (even if Mixer's big gamble this year[5] failed to pay off).

Investing early in 5G will enable publishers, who are often behind the curve when it comes to owning new technology, to appeal to those young audiences that are paramount to their success.

The value of the app was proven again this year, after a few years in which investment in apps was left fallow. Towards the end of the year publications including the Independent, the Atlantic[6], and even The Information went all-in on apps.

But the big success, which we didn't see coming last year, was the unstoppable growth of the non-news app by news publishers. While news publishers and broadcasters like the BBC have run separate apps for subsections like recipes for a while, the most notable success when it comes to driving subscriptions is undoubtedly the New York Times' Crossword app, which continued to launch new features over the course of 2019.

In February the paper reported that[7] "in the first three months of 2018, 40,000 of the 139,000 new digital subscriptions originated from the Cooking and Crossword products, with total revenue from subscriptions now bringing in 60% of the Times' total revenue".

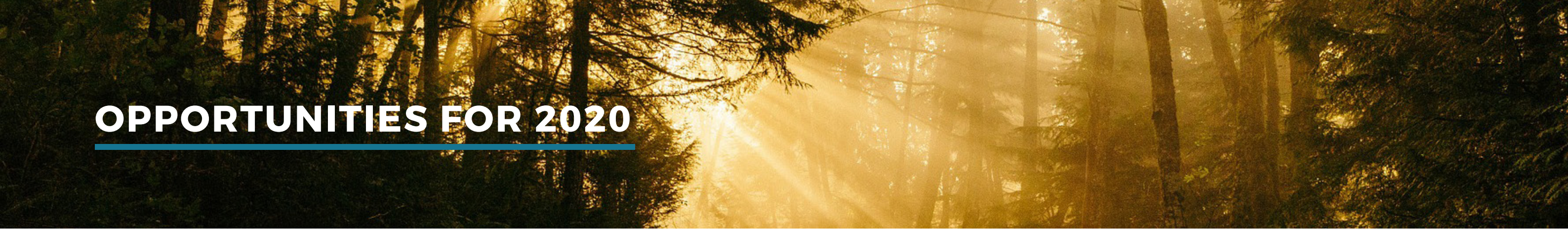


100m+
Alexa devices had been sold by the beginning of 2019

"In 2017, the UK also had an election called in the midst of febrile Brexit votes and negotiations - but there was little to no dash to launch daily podcasts to cover it, whether from major publishers or independents. This new burst, then, is a small indicator of how far the UK podcast industry has evolved since 2017."

Nicholas Quah, Founder, Hot Pod

190 million
5G smartphones
are expected to ship in 2020[11]



Small wonder then that even free-to-access publishers like the Guardian[8] are spending significant time developing their own non-news related sections, the better to retain lucrative audiences that don't necessarily fall under the 'news consumer' demographic.

Speaking of the NYT and the Guardian, 2019 saw a glut of media giants investing heavily in podcasting. The reasons are readily apparent; thanks to the rise of ad platforms that have transformed how ads are bought, updated, and sold, and the continued rise in podcast audiences, there is non-incidental revenue to be made.

Slate, which has been investing significantly in podcast infrastructure and networks for the past few years, announced in May that it expects "nearly half" of its revenue for 2019 to come from podcasting, up from 28% the previous year.

One sad note this year was a relative lack of any especially notable investment in VR or AR at any of the major publishers, with the BBC announcing in October that it was closing its VR hub after two years[9]. Though it had produced some fantastic work, the sense is that VR is not yet widespread enough to warrant significant investment, particularly at a time where spending is scrutinised.

So while last year we wrote that "...the marketing industry is steaming ahead with investment in VR experiences, suggesting that publishers emboldened by reader revenue success might try to re-enter the space in 2019", we're hedging that it'll be a few years yet until most mainstream publishers take another run at the technology, even as more entertainment powerhouses continue to invest[10].

What can we expect in the future?

We're happy to report that - inevitable fallout from the relentless march of M&A aside - we're more confident about the ability of some publishers to start making serious money next year, and to really cement their new sustainable status.

Those titles that seriously invested in direct reader revenue over the past half decade have proven themselves willing to invest in both infrastructure and formats, to the extent that many are rediscovering rich seams of revenue they've been neglecting for years.

Nothing is ever certain in media, and it's very possible that some vital tech provider will suddenly turn a spigot and turn publishers' plans on their head again.

But the reality is that most of the publications we've discussed in this report are more hale and hearty than they were this time last year, with many having proven the doubters wrong.

"Our app audience is the most loyal and engaged of any surface where we reach people. Something like three out of four come to the app at least three times a week, and that was to an app that largely just looked like the homepage of The Atlantic. Until now, it hasn't been terribly different."

Andrew Phelps, Senior Director of Product, The Atlantic

Slate expects **HALF** of its revenue to come from podcasting this year

CASE STUDY

Voice

Voice technology - for so long stymied by something as simple as the Glaswegian accent - took a few major steps forward this year, to the point that many publishers are actively investing in developing new skills and features to be deployed in 2020. In August of this year the BBC announced plans to release its own voice assistant across all voice-enabled devices. It was reported that the working waking word for the assistant is 'Beeb', and that it was set to take advantage of the BBC's enormous stock of content. There are, however, still kinks that need to be worked out, including the fact that gendering voice-enabled devices like Alexa and Siri has some potentially problematic ramifications.

CASE STUDY

Micro-memberships

As tech and publisher marketing has grown more sophisticated, the products they can offer through subscriptions have become more granular. This, in addition to a confluence of other factors has led some publishers to experiment with what is currently being termed the 'micro-membership'. Esquire, for instance, noted that one of its columnists - Charles Pierce - typically attracts around 60,000 readers to the site every day, and is trialling a $17.99 annual membership for his articles.

In 2020, given the popularity of some other columnists (and the obscene amount of money some are paid) we'd be surprised if more 'micro-memberships' were not launched.

CASE STUDY

Podcast ad tech

While we've argued that the strength of the podcast ad spot is in the fact that they're in-stream and fronted by the host with whom an audience has the direct relationship, the wider industry has - fairly - demanded more transparency around metrics.

In service of that, and of launching future products, Acast acquired Pippa, "a technology company offering hosting, analytics, and monetization for podcasters" in April of this year.

As the tech grows more powerful, the amount of adspend will grow - but the risk of impersonality grows too.

Pippa + acast

APPENDIX

M&A

1. Founder's Big Idea to Revive BuzzFeed's Fortunes? A Merger With Rivals, New York Times
2. 3 Big Mergers and Acquisitions from 2018, Media Radar
3. Vice Media Closes Refinery29 Acquisition, Sets New Management Team, Deadline
4. 'It'll be about the synergies': Buyers size up the Vice Media-Refinery29 marriage, Digiday
5. Inside the Vice Media-Refinery29 deal and what it means for the future of digital media, Business Insider
6. Vox Media and New York magazine isn't a marriage, but it's a deal that makes sense, Nieman Lab
7. Vox Media Acquires New York Magazine, Variety
8. New York magazine lays off staffers as publication undergoes restructuring, CNN
9. Newsonomics: The Gannett–GateHouse merger is really happening, but expect to see more than 10% of jobs cut off the top, Nieman Lab
10. New Media and Gannett Announce Shareholder Approvals of Merger Agreement, New Media Investment Group
11. Newsonomics: Let the 2019 Consolidation Games begin! First up: Alden seeks to swallow Gannett, Nieman Lab
12. British media company Reach pulls out of talks to buy JPI titles - FT, Reuters
13. The Wave of Digital Media Consolidation Isn't Over Yet: Term Sheet, Fortune

READER REVENUES

1. The pivot to reader revenue's unintended consequence, Nieman Lab
2. The L.A. Times' disappointing digital numbers show the game's not just about drawing in subscribers – it's about keeping them, Nieman Lab
3. We Launched a Paywall. It Worked! Mostly., WIRED
4. 'Atlantic' Revisits Paywall Launch After 18-Month Delay, MediaPost
5. New York Times Up to 4.7 Million Subscribers as Profits Dip, New York Times
6. The Economist's 'reader-first' circulation model driving growth, WAN-IFRA
7. Financial Times thrives by focusing on subscriptions, Roy Greenslade
8. Guardian breaks even helped by success of supporter strategy, The Guardian
9. New European drops micro-paywall charging readers 10p for premium articles, Press Gazette
10. Google unlocks 33% of publisher paywalls on July 30. This is what happens next., What's New in Publishing
11. The NYT is the latest publisher to put up a registration wall, What's New in Publishing
12. How intelligent paywalls maximize total digital revenue, Digital Content Next
13. As publishers return to apps, are audiences finally prepared to pay?, What's New in Publishing
14. World Press Trends 2019, WAN-IFRA
15. Paying for News and the Limits of Subscription, Reuters Institute

DATA & ADVERTISING

1. Let's celebrate the decline of the third-party cookie, Digital Content Next
2. GDPR fines total €56M in first year as Facebook faces 11 investigations, 9to5Mac
3. Australian Government passes Consumer Data Right legislation on 1 August 2019, Dentons
4. Five key requirements for the CCPA, PWC
5. California's new privacy law gets teeth with proposed regulations, Cnet
6. Apple's new anti-tracking system will make Google and Facebook even more powerful, The Verge
7. Today's Firefox Blocks Third-Party Tracking Cookies and Cryptomining by Default, Mozilla
8. Google Chrome Starts Testing Third-Party Cookie Blocking, Bleeping Computer
9. "Browsers are now blocking 40% of publisher traffic": First-party data is the new currency as publishers prepare for a cookie-less future, What's New in Publishing
10. Let's celebrate the decline of the third-party cookie, Digital Content Next
11. The NYT is the latest publisher to put up a registration wall, What's New in Publishing
12. 'The tip of the iceberg': News publishers are embracing registration walls (again), Digiday
13. The Ozone Project
14. To fight Google and Facebook, European publishers try login alliances, Digiday
15. Transcript: Christoph Schmitz, Product Owner, Aller Media, Media Voices
16. To reduce cookie reliance, Immediate Media tests new way to share data directly with advertisers, Digiday
17. "Browsers are now blocking 40% of publisher traffic": First-party data is the new currency as publishers prepare for a cookie-less future, What's New in Publishing
18. Let's celebrate the decline of the third-party cookie, Digital Content Next
19. One year in, GDPR fines haven't hit publishers – or very many other companies, actually, Nieman Lab

20. Immediate Media Co, Permutive
21. To reduce cookie reliance, Immediate Media tests new way to share data directly with advertisers, Digiday
22. Let's celebrate the decline of the third-party cookie, Digital Content Next
23. How publishers are using first-party data to drive engagement, conversions and better ad targeting, What's New in Publishing
24. To fight Google and Facebook, European publishers try login alliances, Digiday

PRINT

1. Are special editions the future of print for magazine brands?, Press Gazette
2. Final editions: why no local news is bad news, The Guardian
3. The U.S. newspaper crisis is growing: More than 1 in 5 local papers have closed since 2004, Salon
4. Newspapers Fact Sheet, Pew Research Center
5. Why The New York Times is covering newspaper closures as a national story, Nieman Lab
6. Marie Claire changed with its audience, but it couldn't escape the media's troubles, New Statesman
7. September Is Becoming Just Another Month for Fashion Magazines, Folio:
8. Effects of a Magazine's Move to Online-only: Post-print Audience Attention and Readership Retention Revisited, Taylor & Francis Online
9. Independent and print first – the Monocle strategy, FIPP
10. Introducing the biggest women's magazine launch in a decade, What's New in Publishing
11. Unrivalled content for brands, Hearst Content Agency
12. West End musical supports a one-shot print return of Smash Hits magazine, The Drum
13. Why The Brand-Supported Media Model Works, Forbes
14. Retreat from print could be a disaster for local democracy, The Guardian
15. Public funds should be used to rescue local journalism, says report, The Guardian
16. The End of Family Circle Is Business as Usual, Folio:
17. West End musical supports a one-shot print return of Smash Hits magazine, The Drum
18. Bute loses the newspaper that was at the island's heart for 165 years, The Guardian
19. The 1619 Project, New York Times
20. People are lining up on the street to get free copies of The New York Times' 1619 Project, Nieman Lab

PLATFORMS

1. Introducing Facebook News, Facebook
2. Facebook's News Feed tests reportedly help boost fake news, The Verge
3. Facebook includes Breitbart in new 'high quality' news tab, The Guardian
4. Facebook Launches News Section to Compensate Publishers, Bloomberg
5. Facebook picks winners and losers ahead of news page launch, FT
6. 70% of publishers say Facebook delivers the best reach for content: "There aren't any real alternatives", What's New in Publishing
7. As of December, publishers will no longer be allowed to send out newsletters on WhatsApp, Nieman Lab
8. FT closes Whatsapp group sharing free stories as platform clamps down on bulk messaging, Press Gazette
9. As of December, publishers will no longer be allowed to send out newsletters on WhatsApp, Nieman Lab
10. Fury as Google says it will exclude French publishers from search results, FIPP
11. Google vs EU pubs and Facebook's New Trick, Monday Note
12. Let's Calculate What Publishers Could Earn from the Google 'Snippet Tax', Baekdal Plus
13. Good stuff first: Google moves to prioritize original reporting in search, Nieman Lab
14. Apple's news subscriber plan to keep 50% ad revenue and all of the data stalls publishers, The Drum
15. Apple News+ to make 'tweaks' after disappointing performance for publishers and users, What's New in Publishing
16. Apple News+ has struggled to add subscribers since first week of launch in March, sources say, CNBC
17. Music labels wary as Apple tries to bundle subscriptions, FT
18. The Top 10 Valuable Snapchat Statistics, Zephoria
19. After sluggish starts, more publishers are finding Snapchat a moneymaker, Digiday
20. How publishers are growing their audience on TikTok, the app with over half a billion users, What's New in Publishing
21. What publishers like BuzzFeed, Hearst and Vice are learning from being on TikTok, Digiday
22. Twitch is emerging as a favorite new platform for publishers, Digiday
23. Snapchat is a significant revenue driver for 65% of publishers, study finds, What's New in Publishing

24. Times and Sunday Times first newspapers on board for UK launch of paid Apple News service, Press Gazette
25. LBGTQ+ publisher PinkNews triples revenue through Snapchat, What's New in Publishing
26. PinkNews is expecting a windfall from sales on Snapchat, The Drum
27. Inside Glamour's print-first to digital-first transformation, What's New in Publishing
28. Transcript: Deborah Joseph, Editor in Chief, Glamour UK, Media Voices

MULTIMEDIA

1. Telegraph cuts video staff as it turns focus to subscriptions, Press Gazette
2. Daily Mail launches free daily briefings with video bulletins under Mail Plus banner, Press Gazette
3. 'The Weekly' Teaser & Premiere Date: FX's New York Times Docuseries, Deadline
4. Viceland Cancels Nightly 'Vice Live' Series After Less Than Two Months, Variety
5. Hearst's latest digital subs foray is $100 per year exercise videos, Digiday
6. Twitch is emerging as a favorite new platform for publishers, Digiday
7. Vice, BuzzFeed, Group Nine form video measurement alliance, The Drum
8. 'We're serious about audio': The Economist launches daily news podcast with 8 staffers, Digiday
9. How Le Monde is using podcasts to drive digital subscriptions, Digiday
10. NYT's Mark Thompson: 'We're faster, but we're still too slow and too cautious', WAN-IFRA
11. Slate expects nearly half of its revenue will come from podcasts this year, Digiday
12. How The Guardian is making podcasts pay off, Digiday
13. TV least risky marketing platform, finds Thinkbox, The Drum

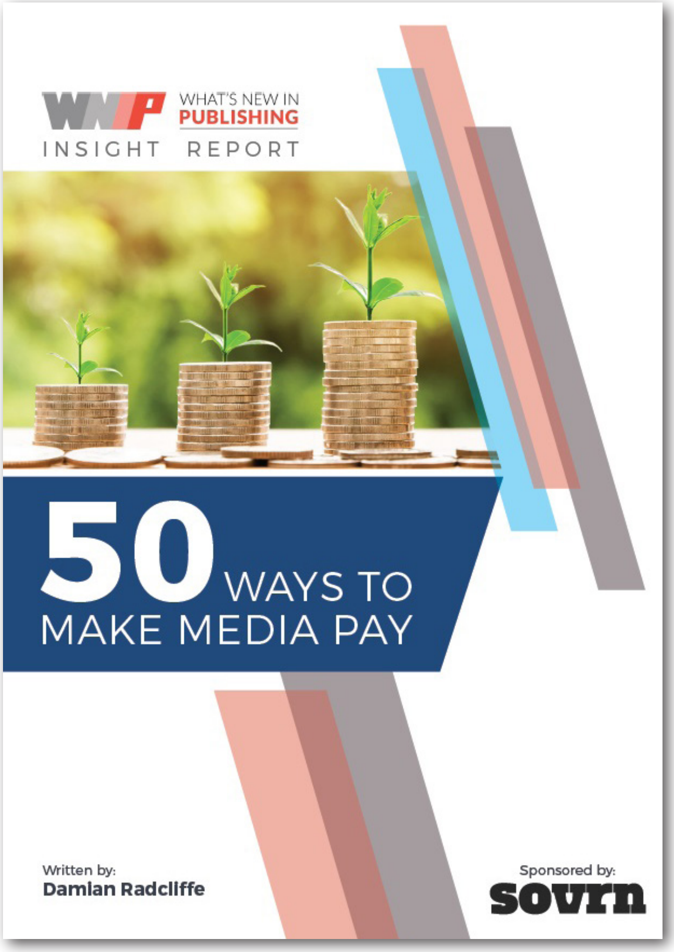
TRUST

1. Tories threaten Channel 4 after ice sculpture takes PM's place in debate, The Guardian
2. General election 2019: BBC complains to Tories over Facebook advert, BBC
3. Public warned to guard against political parties mimicking trusted local newspapers, The Yorkshire Post
4. 2019 Reuters Digital News Report finds that trust in the media continues to fall, Journalism.co.uk
5. 2019 Reuters Digital News Report finds that trust in the media continues to fall, Journalism.co.uk
6. 2019 Reuters Digital News Report, Reuters Institute
7. How much does the UK public trust the media?, Bond
8. People might not trust local news that much after all – and the way to improve it increases the risk, Nieman Lab
9. State of Public Trust in Local News, Knight Foundation
10. Building trust in the newsroom: Trying to keep up with the digital pace of change, WAN-IFRA
11. How The Guardian's Membership Editor Connects Supporters and the Newsroom, Global Investigative Journalism Network
12. Beyond 800 Words: What User Testing Taught Me About Writing News for Young People, BBC
13. Why inaccurate political information spreads, Medium
14. WNMC.19: Rebuilding audiences' trust in algorithms, WAN-IFRA

OPPORTUNITIES FOR 2020

1. JPI Media reveals paywall trials at two regional dailies in response to falling ad revenues, Press Gazette
2. The New European drops micropayments in favour of 'Guardian style' donations, What's New in Publishing
3. Ghost 3.0 has built-in membership and paywall tools to build engaged journalism sites, One Man & His Blog
4. Exploring the Future of 5G and Journalism, Medium
5. Ninja's move to Mixer brought more streamers to Microsoft's platform – but not more viewers, Business Insider
6. The Atlantic's new app takes a cue from email newsletters, Nieman Lab
7. 400,000 people now subscribe to NYT's digital crossword, What's New in Publishing
8. Introducing 'Live and Discover' to the premium tier of The Guardian app, The Guardian
9. BBC's VR hub is shutting down, VentureBeat
10. Valve on Twitter, Twitter
11. Publishers, get ready for a 5G explosion, What's New in Publishing

Also from *What's New in Publishing*:



WHAT'S NEW IN
PUBLISHING

Sponsored by

sovrn

Credits
Authors: Chris Sutcliffe, Peter Houston, Esther Kezia Thorpe
Sponsor: Sovrn
Design: Esther Kezia Thorpe

Images via Pixabay and Unsplash