Transitioning College Media from Print Focused Business Models
to Digitally Focused Business Models

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ABSTRACT

The noticeable downturn in print advertising indicates a need for change in the news industry business model. College media is not immune to this decline and need for change. A change in business model calls for transitioning to an alternative system that does not primarily rely on print products and advertising — a digitally focused business model. Many college media organizations around the United States have started to pursue this type of model, changing the way they produce and present news in the process. Taking into account the state of print focused business models in the general and collegiate news industry and what some college media organizations have done to transition to a digitally focused business model, this study presents best practices for college media attempting to make this change in their own organizations.
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Chapter 1

Introduction

Statement of the problem

Even with the exciting advent of digital journalism, many college media organizations are tied to a print product that demands all their resources and time. This has happened because most college media business models rely on advertisement revenue from print products, preventing them from putting resources towards digital tools to deliver news. This creates a system where college media organizations continue to print a newspaper even when most people in their target demographic — college students — are now reading news online, not in the newspaper. College media cannot move into the age of digital journalism without trading a print focused business model for a digitally focused business model.

Only a few college media organizations have made this switch, as it does take a considerable amount of innovation and experimentation. Print focused business models are simple and clear — a certain rate for a certain column-inch advertisement. Digitally focused models are much more complex, going beyond the staple cost-per-click model for banner advertisements and branching out to more unorthodox advertising channels such as events, online paywalls, social media advertising and marketing, e-commerce stores, news applications and email newsletters.

Background of the problem

Print revenue used to pay the bills for college media, but now that 50 percent of
18 to 29-year-olds get their news online and a mere 16 percent read daily newspapers, this revenue model is declining (Barthel, 2016a; Matsa & Lu, 2016). And there are numbers to prove it; in 2015, newspaper revenue nationwide hit its lowest point since the 2009 recession (Barthel, 2016b).

The college-aged demographic lack of interest in print news and the decrease in revenue from print products in general has caused several college newspapers to go in debt and out of business. Some college news media organizations have cut back on print days to offset costs while others have opted to go partially or fully digital. However, making this transition to a digital newsroom is difficult, and could fail, without first having a digitally focused financial business plan.

Larger news organizations such as the The New York Times have explored alternative non-print revenue channels, such as events. Other researchers have looked into how other channels such as social media marketing and advertising effect news consumers, specifically college students. College media can take advantage of these alternative revenue channels to create and implement a successful digitally focused business model before making the transition to a partially or fully digital newsroom.

**Purpose of the study**

The purpose of this study is to explore non-print revenue channels and formulate best practices to create an effective digitally focused business model for college media to successfully transition from a print focused newsroom to a digitally focused newsroom. The end goal of this transition is to ensure college media are telling the news on a medium college students use, so as to create a more informed target demographic. These
revenues may not work for every college media organization, but the purpose is to explore and give information on each one to inform college media of what exists and what is possible for their organization.

**Setting of the study**

This study will be done as a single-site case study on Cal Poly: San Luis Obispo’s news organization, Mustang News. After exploring Mustang News’ current financial model, this study will explore how to transition Mustang News into either a partially or fully digitally focused newsroom using a new digitally focused business model that includes some or all of the alternative revenue channels/tools explained in the literature review and by the study interviewees. The main goal is to create a digitally focused business model that can be used to transition Mustang News into a partially or fully digitally focused newsroom to better serve and inform its college-aged demographic.

**Research questions**

The following questions were crafted to focus the scope of the study on understanding the current state of college media business models in order to discover best practices to transition college media, specifically Mustang News, from print focused business models to digitally focused business models:

1. What is the state of print focused business models in college media?
2. What is the state of digitally focused business models in college media?
3. What college media organizations have switched from print focused business models to digitally focused business models?
4. What are some alternative revenue channels/advertising tools to help a college
media organization transition to a digitally focused business model?

5. What are some best practices to specifically transition Mustang News to a digitally focused business model?

**Definition of terms**

The following terms are defined to help the reader better comprehend the study:

**Print focused:** Placing focus primarily on print products including but not limited to: newspapers, special editions, special edition inserts, magazines, etc.

**Digitally focused:** Placing focus primarily on digital products including but not limited to: websites, mobile applications, social media, etc.

**Digital-first:** Focusing on digital operations primarily and non-digital operations secondary.

**Special section:** A college media publication that comes out during special events and seasons such as Halloween, Back to School, etc. This publication is often in print form and writers usually collaborate with entities or people that relate to the event or season to write the stories.

**Click-through rates:** A measure of how many people who see an online advertisement click on it. ("Click-through rate")

**Costs-per-click:** The amount an advertiser pays an online publisher each time one of their advertisements is clicked. ("Cost-per-click")

**Banner ad (online):** A rectangular graphic display that stretches across the top or bottom of a website or down the right or left sidebar ("Banner Advertising")

**Mobile advertising:** Any advertising that appears on mobile devices. Can be in
the form of text ads via SMS, or banner advertisements that appear embedded in a mobile website, in downloaded apps or in mobile games. ("Mobile Advertising")

Rich media: Digital advertising that contains interactive elements such as video, audio or movement that allows a user to interact with the advertisement ("What is rich media?").

Native advertising: Paid advertising that fits the style, flow and look of the content it is embedded into (Vinderslev).

Reach: The number of people who saw a Facebook advertisement at least once ("Reach").

Engagement: The total number of actions that people take involving a Facebook advertisement such as likes, reactions, comments or shares ("Post Engagement").

Insert: A separate print product that is inserted into a newspaper or other print product.

Dates ran: A measure of how many days an advertisement is run. In this context, webs advertisements will have more days ran than print advertisements since they exist on a website for a longer amount of days.

Column inch: A unit of measurement used to determine advertisement size in newspapers. A column inch is a unit of space one column wide by one inch high ("Newspaper Column Inches").

Organization of study

Chapter 1 includes the background of the problem, purpose of the study, and a definition of terms. Chapter 2 focuses on the existing research of the state of college
media and the transitions of college media from print focused business models and
newsrooms to digitally focused business models and newsrooms. Chapter 3 presents the
methodology of the study. In Chapter 4, the findings will be presented and organized
based on the original research questions. The data will then be analyzed and compared to
the current literature on the topic. Chapter 5 will include a summary of the study and
recommendations for both Mustang News and other college media organizations to help
them go forward in their own transitions from print focused business models to digitally
focused business models.
Chapter 2

Literature review

This literature review focuses on the existing research concerning the state of general news media and college media and the transitions of college media from print focused business models and newsrooms to digitally focused business models and newsrooms.

State of print focused college media business models

There are approximately 549 United States college newspapers in the web index DMOZ ("Newspapers: United States") that still produce a print product. Beyond this index, there is no official public list that contains all existing college newspapers nor is there a numeric way of showing how many college news organizations are print focused as opposed to digitally focused. However, the fact there is still a print focused category in The Princeton Review titled “Best College Newspaper” instead of something universal such as “Best College News” shows how print focused business models and newsrooms are the norm in college media in the United States ("Best College Newspaper", 2017).

Even though print focused seems to be the trend in college media, newspapers aren’t the most popular among the college-aged demographic (18-24). According to Pew Research Center, people in this age range rank the lowest in daily newspaper readership in general, with 42 percent of the demographic reading the daily paper in 1999 dropping to 16 percent in 2015 (Barthel, 2016a).

Most college newspapers still rely on print advertisements for major revenue. Though there is no substantial research on print advertising income in college media, in
the newspaper industry as a whole, approximately 75 percent of newspaper’s revenue comes from print advertising (Barthel, 2016b). According to Pew Research Center, print advertising revenue among newspapers in general dropped considerably in 2015, lower than any year since the 2009 recession (Barthel, 2016b).

State of digitally focused college media business models

There is no existing list of former print focused college media that has made the switch to digitally focused, according to the College Media Review, but those news organizations do exist (Review, 2014).

Digitally focused media is relatively popular among college-aged individuals. In a survey of where adults get their news, Pew Research Center recorded approximately 50 percent of 18 to 29-year-olds get news online, 27 percent get it from TV news, 14 percent from radio and 5 percent from newspapers (Matsa & Lu, 2016).

Though there is no substantial research on digital advertising revenue in college media, in the newspaper industry as a whole, a quarter of general newspaper advertising income now comes from digital advertising (Barthel, 2016b). This increase is occurring, not because digital advertising is necessarily growing, but because print advertising is greatly decreasing and digital is therefore filling the void (Barthel, 2016b).

More specifically, in terms of what types of digital advertisements general media uses, mobile advertising trumped desktop advertising across all media categories (including news) in 2015 (Lu & Holcomb, 2016). Mobile advertising has become more than half of all media’s digital advertising budget. In desktop and mobile advertising, the banner ad type is still the most popular, taking up a total of 44 percent of media’s display
ad spending. Video advertising is an up-and-coming advertising route for digital media, increasing from $1.4 billion in 2010 to $7.7 billion in 2015 and now makes up 29 percent of media’s display ad spending. Rich media takes up 21 percent of media’s display ad spending. Sponsorship advertisements such as native advertising was the lowest in media’s display ad spending at around 6 percent (Lu & Holcomb, 2016).

**College media that switched to digitally focused business models and newsrooms**

Eastern Illinois University associate professor of new and emerging media Bryan Murley was quoted in a College Media Review article saying the following about transitioning to digital-only newsrooms: “digital-first was an imperative motivated by a double whammy: declining ad revenue as national advertisers use social media instead of print ads to target college students and declining print readership as indicated by too many newspapers remaining on racks (Review, 2014).”

The College Reporter — Lancaster, Pennsylvania liberal arts college Franklin and Marshall’s newspaper — decided to go digital-only in 2014 because the newspaper was $3,000 in debt. The staff attempted to launch a website for the news organization while still producing the paper, but that proved to be too much. “It’s really sort of hard to do both unless you have large staffs. Trying to balance both is not sustainable,” Justin Kozloski, co-editor-in-chief at the time, said (Review, 2014).

The Spokesman of Morgan State University in Baltimore, Maryland went digital-only in January of 2013. The main catalyst for them was the opportunity for efficiency and better preparing students for the 21st century workforce.

“It was for cost, productivity and not having to go through the process of …
[printing], going to printer getting back to us, transporting papers to readers,” director of student media at the university Perry Sweeper said. “Now on the web, we can do it right away. No production necessary (Review, 2014).”

According to Sweeper, this transition has boosted student involvement in the news organization and in classes that produce content for them (Review, 2014).

Some college media decided to cut back on print days instead of omitting the print product completely. The Diamondback of the University of Maryland dropped several print days and became weekly in May of 2015 (Scovel, 2015). Laura Blasey, editor-in-chief during the transition, said the main reason for cutting back was to better prepare students for the future.

“We’re supposed to be preparing students to work in the journalism industry, and it didn’t make sense to continue teaching skills that won’t be around when some of our staff graduate college,” Blasey said about having students focus solely on print production (Scovel, 2015).

In 2014, The Daily Pennsylvanian of the University of Pennsylvania decided to cut only one day from its five-day publication — Friday. According to the publication, there was low pickup rates on Fridays as many students did not have class on Fridays. Now that Fridays are more open, the publication’s staff use that day to plan out online content and focus on weekend coverage (Admin, 2014). However, 2016 editor-in-chief Eric Jacobs warned against cutting print days without having a plan.

“There needs to be the vision, infrastructure and staff to create enough content — relevant content, good content — plus good social media and marketing strategies, to
insure that people in the community will find and read what is being published, whether online or in print,” Jacobs said (Kramer, 2016).

According to Jacobs, some papers cut down on printing, but don’t have enough online presence to stay afloat.

“Some papers have decreased their print frequency, but not achieved significant growth in online readership — which ends up being a losing proposition with less visibility than they had before,” Jacobs said (Kramer, 2016).

The importance of having a plan for after the digitally focused switch was echoed at The Spokesman. Jada Vanderpool, Koehler’s counterpart at The Spokesman during their digital-only transformation, said the shift came with new obstacles such as ensuring they had new ways to get news out without a physical copy to hand out.

“It was definitely different. It required more ways of thinking of how to reach students. We had to be more creative and more strategic about how we decided to reach the students,” Vanderpool said.

After making the switch to digital-only with their new Wordpress website, The College Reporter had to change its publishing system. They started by updating their new website with new articles every Tuesday and emailing a 11 to 12-page PDF version of the paper to all students and faculty every week (Review, 2014).

When The Spokesman made the digital-only transition, publishing changed as well; the new website was updated with new stories two or three times per week. The next obstacle was informing students the publication would only be available online. The publication held launch parties and informed students of the switch via social media and
posters after the switch actually happened. Another plan was to produce “The Final Edition,” a commemorative paper after the switch showcasing older stories from the archives while also emphasizing the fact the publication has gone fully digital. Other ideas for increasing online engagement included creating more online polls and including student blogs on the website. In terms of a business model, the publication planned to work with advertising classes to brainstorm tactics to increase advertising revenue without the paper (Review, 2014).

Almost two years after cutting down print days to become a weekly paper, The Diamondback started to focus more on feature articles and long-term projects to engage with online audiences. The publication also looked more toward social media.

“We're expanding our social media presence and trying to tailor certain social media platforms to the desks they best correspond with. For example, our sports desk will be creating their own Snapchat that can complement Twitter activity, like celebrity takeovers. Meanwhile, our arts and entertainment desk is developing a Tumblr,” 2016 editor-in-chief Danielle Ohl said (Review, 2014).

**Tools to transition to a digitally focused business model**

As Jacobs from The Diamondback said, switching college media from print focused to digitally focused newsrooms relies heavily on a plan to engage audiences after the switch (Kramer, 2016). It is also vital to be financially stable when switching to a digitally focused business model to sustain the digitally focused newsroom.

News media has adopted several tools to create digitally focused business models including events, online paywalls, social media advertising and marketing, e-commerce
stores, news applications and email newsletters and specific online advertisement types.

**Events**

In The New York Times’ inspection of itself in their “Innovation” report, the authors said events are an alternative revenue channel that should be tapped into.

“There is no reason that the space filled by TED Talks, with tickets costing $7,500, could not have been created by The Times,” the report states ("NYT Innovation Report 2014", 2014).

Digital strategy head at FT.com Rob Grimshaw said his newsroom “now views conference attendees much as it does digital subscribers – they are all simply members of its broader audience ("NYT Innovation Report 2014", 2014).” According to the report, the best way to engage this broader audience is to hold large, annual events or touring events instead of having one-off, small events. One suggestion the report proposes is a New York Times Reader Festival where registered online subscribers are invited to go listen to panels on popular New York Times stories, showcasing the organization’s best work and giving trainings on writing, photography and videography ("NYT Innovation Report 2014", 2014).

**Online paywalls**

One way media organizations have attempted to gain revenue from their websites is by implementing paywalls that appear when a consumer runs out of free trial articles or material and requests they pay a price to become a subscriber. Hyelim Oh, Animesh Animesh and Alain Pinsonneault’s report on the impact of The New York Times paywall indicated users who only lightly use the website and therefore had a lower willingness to
pay (WTP) for an online subscription declined after the implementation of a paywall (Animesh, Oh, Pinsonneault, 2016). This low WTP in users comes from their perception that a price is unfair. A study on this topic points out several ways for product managers to persuade consumers the price for their product is worth the investment.

“When customers perceive two transactions as similar, the effect of observed price differences on perceptions of price unfairness is greater than for other situations. Therefore, perceptions of price unfairness can be mitigated by a decrease in the similarity of the transactions,” the study states (Xia, Monroe, & Cox, 2004).

Ways to decrease the similarity, say between a news site that has free information and The New York Times with their charged information, is to add factors that cause the user to see one product as different and consequently better than the other such as adding on special deals or benefits to the package. Another way to mitigate is to be transparent about the exchange between consumer and producer such as explaining where the product comes from and ensuring it is of high quality (Xia, Monroe, & Cox, 2004).

When these lighter users no longer use a media outlet, the word of mouth (WOP) among users on the organization’s social media sites also goes down as these users no longer visit the website or share the articles they were priced out of (Animesh, Oh, Pinsonneault, 2016). Oh, Animesh and Pinsonneault’s report suggests media outlets become more niche and write articles that can only be found on their site which will persuade lighter users to come to them since there is no immediate alternative news site to find the article (Animesh, Oh, Pinsonneault, 2016).

According to a study about the relationship between demographic factors and
online subscription effectiveness, “the only significant predictor of paying intent was age (negative). In other words, younger users were more likely to pay for online news access” (Chyi, 2005).

**Social media marketing and advertising**

According to Pew Research Center, approximately 62 percent of adults receive news from social media. Sixty-six percent of Facebook users and 59 percent of Twitter users were most likely to get news from their respective sites (Gottfried & Shearer, 2016).

In terms of popularity among U.S. adults, Facebook and Youtube are the most generally used, with 67 percent of adults using Facebook and 48 percent using YouTube. Youtube does not have an audience that receives as much news at its site – only about a fifth of the audience (Gottfried & Shearer, 2016).

In terms of college-aged individuals, they make up 31 percent of Facebook users, 38 percent of Youtube users, 38 percent of Twitter users and 58 percent of Instagram users (Gottfried & Shearer, 2016).

A study on the use of social media in marketing indicated certain social media platforms have their own unique qualities that make them useful for marketing. Facebook has the Nearby feature that offers deals and discounts to Facebook users if they are checked in at a certain location. Businesses are also able to gauge user’s interests by monitoring their Facebook likes and activity (Alameddine, 2013). Twitter is helpful for delivering real-time information, deals and advertisements to consumers. Pinterest has business accounts that allow “the targeting of qualified leads of potential customers who
share similar interests (Alameddine, 2013).” Snapchat’s Discover feature allows publishers to post short video and text content and deliver it directly to customers in the Discover section of Snapchat (Flynn, 2017). Youtube allows video advertisements to run before a user’s video of choice (Council, 2014). Instagram allows businesses to use account tools to promote photos and videos to certain audiences and locations (“Advertising on Instagram”).

A study done on college student’s perceptions of social media advertising revealed they do not necessarily dislike the advertisements, “but simply do not notice them (Hadija, Barnes & Hair, 2012).” Instead of focusing on the advertisements, they were focused on the pictures and statuses and such on the social media site. The experiment participants said overall attractiveness, design and color of the advertisements presented to them were what they focused on the most (Hadija, Barnes & Hair, 2012).

**E-commerce**

Architecture and design media company Dwell added an e-commerce store in 2013. The store offers products that are mentioned in the media company’s published content.

“As the arbiters of modern design we have a unique ability to offer our millions of loyal design enthusiasts a single destination for products-in-context,” Dwell President Michela O’Connor Abrams said. “Contextual commerce is key today, and seamless accessibility is the online embodiment of what it means to be at home in the modern world. Our audience constantly asks us, ‘Where can I buy that?’ I am so pleased to now say ‘at dwell.com!’”
But Zhuofan Yang, Yong Shi and Hong Yan warn about the obstacles of an e-commerce store.

“In practice, most e-commerce firms suffer from initial losses when they enter the online market. Some e-commerce firms also experience diminishing financial performance, though they use appropriate inputs and expand their operational scale,” their study states (Yang, Shi, Yan, 2016).

**News applications**

Applications in general do have “a large effect on the favorability of brand attitude, but only a small effect on purchase intention.” (Bellman, Potter, Treleaven-Hassard, Robinson, & Varan, 2011)

The report also stated applications are “an ideal medium for educating people about new categories, or categories they have yet to try…” (Bellman, Potter, Treleaven-Hassard, Robinson, & Varan, 2011).

**Email Newsletters**

A study on the effectiveness of personalized email newsletters yielded surprising results — a personalized message is indeed more persuasive but, “we did not find any significant differences between the personalized and generic messages with respect to attention, attitude, intention, and information-seeking behavior” (Maslowska, Putte, & Smit, 2011).

If there is a personalization in a message, “[i]f personalization is not perceived as genuine (the source announces personalization, but does not meet the individual’s personal preferences), it may increase perceived liabilities, which in turn can make the
Native advertising

Native advertising has been less intrusive to users than expected. A study on native advertising’s effect on a news website’s credibility revealed native advertising had no significant effect on the viewer’s perception of the site’s credibility (Howe & Teufel, 2014). It was also shown that experiment participants noticed banner ads on a site more so than advertisements, therefore, “it is conceivable that, because some respondents exposed to the native ads did not notice them, native ads could have an impact on credibility that was not recorded … (Howe & Teufel, 2014).”

Even though native advertising can be successful, according to a study performed on the viability and execution of native advertising in news media, having a separate sector produce native content is needed to prevent the editorial staff from producing native content that could cause bias in reporting about the client or subject related to the client (Lauing, 2015).

Online advertising

In terms of what types of digital advertisements general media uses, mobile advertising trumped desktop advertising across all media categories (including news) in 2015 (Lu & Holcomb, 2016). Mobile advertising has become more than half of all media’s digital advertising budget, with desktop taking up the remainder of the budget. In desktop and mobile advertising, the banner ad type is still the most popular, taking up a total of 44 percent of media’s display ad spending. Video advertising is an up-and-
coming advertising route for digital media, increasing from $1.4 billion in 2010 to $7.7 billion in 2015 and now makes up 29 percent of media’s display ad spending. Rich media takes up 21 percent of media’s display ad spending. Sponsorship advertisements such as native advertising was the lowest in media’s display ad spending at around 6 percent (Lu & Holcomb, 2016).
Chapter 3

Methodology

This chapter gives the methods used to collect data for the study. It includes data sources, collection and presentation of the data and delimitations.

Data sources

This study will focus on news media and business expert’s input on college media transitioning to digitally focused business models. There is also a focus on Mustang News’ advertising data.

Participants

1. Kristen Corey — Mustang News Business advertising manager
2. Lynn Metcalf — Cal Poly marketing professor, Cal Poly Center for Innovation and Entrepreneurship senior faculty fellow
3. Jacob Sorenson — University of Utah’s The Daily Utah Chronicle media director

Interview design

The following questions were asked of each expert and served as a data source for the study:

1. Is it possible for college media organizations to switch from print focused business models to ones that are digitally focused? If so, can you give me an example of an organization that has done this?
2. Are there certain practices to transition smoothly from print focused business models to digitally focused business models? *(Asked of Corey and Sorenson only)*

3. What are some of the examples of alternative revenue channels college media can use to successfully transition to, and sustain, a digitally focused business model?

4. How have advertisers reacted to college media organizations changing their business model?

5. How have consumers reacted to college media organizations changing their business model?

Data collection

The data collection method was two-part — collecting input from two news media experts and one marketing expert concerning transitioning college media to digitally focused business models, and collecting advertising data specifically for Mustang News as shown in Appendix A. Along with providing insight on how to apply this transition to college media in general, this process was done in order to compare Mustang News’ current economic state and business model with the input from the interviewees to see if all, some or none of their suggestions on making this transition can be applied to Mustang News in its current state.

Data presentation

The expert’s interviews were recorded and transcribed verbatim into manuscripts which can be found in Appendix, B, C and D. The advertising data was collected and put
into charts that can be found in Appendix A.

**Limitations**

The primary limitation in this study was time. The study was restricted to a 10-week timeline, preventing this from being applied practically to Mustang News and actually transitioning the business model instead of simply researching the possibility and procedure.

**Delimitations**

One intentional delimitation was the decision to restrict the study to a single-site case study on Mustang News. This was done because Mustang News is a perfect reflection of most college newsrooms today with its average student population, juggling both print and web products and still using a print focused business model while trying to transition to a digitally focused newsroom at the same time. This makes Mustang News an appropriate model for this theoretical transition to a digitally focused business model, allowing other college media to use it as a model for themselves.
Chapter 4

Data analysis

This chapter will give descriptions of the experts who participated in the questionnaire, analyze their answers to the questionnaire, use information from the literature review to answer the study’s original research questions and, finally, combine answers from the participants and the literature review to better answer the research questions. The last portion of this chapter is an analysis of the Mustang News data charts in Appendix A.

Description of participating experts based on industry

News media advertising

Kristen Corey

Kristen Corey is a Cal Poly: San Luis Obispo communication studies senior and the advertising manager for Mustang News Business, the business branch of Mustang News. Corey has been a part of Mustang News Business since her sophomore year at Cal Poly, first as an advertising consultant her sophomore year, senior advertising consultant her junior year and now advertising manager in her senior year.

Jacob Sorenson

Jacob Sorenson is the media director at The Daily Utah Chronicle, the University of Utah’s news organization, where he handles daily business operations. Sorenson has worked for The Daily Utah Chronicle since 2002, first as a student assistant, then as advertising director and now as the media director. He received his B.A. in history and
his M.B.A in management and marketing from the University of Utah.

**Marketing and entrepreneurship**

**Lynn Metcalf**

Lynn Metcalf is a Cal Poly marketing professor and a senior faculty fellow for the Cal Poly Center for Innovation and Entrepreneurship. Metcalf has been part of the Cal Poly Orfalea College of Business for 10 years and has assisted the university journalism department with creating a cross-discipline minor called Integrated Marketing Communications. She received her B.A. in international business at the University of Oregon, her M.A. in international management at Thunderbird School of Global Management at Arizona State University and her Ph.D. in marketing and international business at University of South Carolina.

**Answers to questionnaire:**

1. **Is it possible for college media organizations to switch from print focused business models to ones that are digitally focused? If so, can you give me an example of an organization that has done this?**

**Kristen Corey:**

“… it is possible but you have to be, both the team, both the newspaper and its advisors have to be ready accept change and kind of recognize that you’re going to have to change things around in order to still function as a newspaper, just now on different platforms” (Appendix B).

“One example of an organization that’s done this, and I know we run a lot of stuff based
on what they do, is Emerald Media at [University of] Oregon. And another one I’ve really liked is CM Life at Central Michigan. They, even two years ago, they had already developed their idea of a ‘social cafe’ and basically they offer social media management services to companies and the people who work for that part are called baristas (Appendix B).”

**Jacob Sorenson:**

“I think that any media organization that’s trying to make this transition from a print focused business model to a digitally focused one faces significant challenges. The most important is simply the fact that, for most of us, digital revenue is miniscule compared to print revenue … The reality for [“The Daily Utah Chronicle”] is that our print product is still paying, subsidizing, for all of our news production including the digital side of things. We have some digital revenue, but it’s certainly not enough to overcome that” (Appendix C).

“… Central Michigan [University] has. Then again, their revenue model was not entirely based on selling advertising. They had some sort of other income source. For example, video production services or they created a student social media agency and then were selling social media services to clients” (Appendix C).

**Lynn Metcalf:**

“This isn’t a new challenge for media. Publications have always separated editorial from advertising because you don’t want advertisers to drive the editorial you produce. So I think that what’s interesting is maybe there is some rethinking of that with native
advertising. It’s not necessarily that the advertisers are driving the editorial, but you are showing products that are more closely aligned with the editorial image” (Appendix D).

2. **Are there certain practices to transition smoothly from print focused business models to digitally focused business models?**

**Kristen Corey:**
“… you have to be able to have platforms for digital. You can’t just drop everything print and then start, it’ll kind of be both at the same time so that when you transform to digital, on the ads side … you have products to sell that are digital like social media, your website, branded content, all that” (Appendix B).

**Jacob Sorenson:**
“For us, we tried to make it a top-down decision and it didn’t really work. A lot of our student journalists resisted change. I don’t know what your newsroom is like, but it seems like most newsrooms, whether they’re professional or college, they tend to resist change … I don’t think it’s about group decision making, but it’s about group information and it’s about, ‘this is what we want to do, how do you guys think we can do this in the best possible way?’ Because otherwise you can get stuck in this loop of waiting for everyone to reach a consensus or enough people to reach a consensus” (Appendix C).

3. **What are some of the examples of alternative revenue channels college media can use to successfully transition to, and sustain, a digitally focused business model?**
Kristen Corey:

“Sponsored content is one of them definitely. It’s becoming bigger in the industry in general, and it’s a great creative way for businesses to interact with their readership. But also, we’ve, I guess, any online ads on the website are huge, on like your newspaper’s website because you can track the analytics on that and give it to professionals, to clients and they can directly calculate the ROI so that’s another huge thing. And social media I think is the future of digital … I’d say social media is like the single largest one because there’s so many people on social media and it’s a way for a brand to interact with, in our case, it’s readers, but in other cases it’s a business that interacts with its customers” (Appendix B).

Jacob Sorenson:

“We got 80 LCD screens up around campus that we use to provide university, department and advertising messages. So we rely on that. We started and are running a student-run advertising agency that is generating revenue. We’ve also worked with campus, there’s the ability for us to have printed posters, large 2 foot by 3 foot posters on frames around campus. And we’ve worked with the university side taking control of those and sell those … We just ran a film festival for the first time. It broke even this year, we didn’t lose money … [University of] Oregon has been very successful with a photo booth business that they sell themselves out to do photo booths at events … Iowa State is generating significant revenue also with custom-built emojis for their school … I think [Iowa] has generated like 75 grand in new revenue just in this year alone from their emojis” (Appendix C).
Lynn Metcalf:

“There was a guy [at the Cal Poly Journalism Innovation Challenge] from USC that was talking about AR and VR and incorporating that into journalism so we can see how new technology is making their way into storytelling, but we haven’t had these conversations about how that gets paid for” (Appendix D).

4. How have advertisers reacted to college media organizations changing their business model?

Kristen Corey:

“[Advertisers of the older generation] like [print], but they realize that print isn’t as popular anymore. They are still just a little unfamiliar. I think they are open to it, whatever is going to be more profitable for their business, but they just need to be more familiar of it and have better knowledge of it” (Appendix B).

Jacob Sorenson:

“Most of them react very positively … The smaller clients, the mom and pop shops, who are running their business by the skin of their teeth anyways, they’re less impressed by our attempts to try and diversify their marketing options on campus. They’re the ones that tend to stick to, ‘oh we’ve always done this, we’ll keep doing it’ sort of mentality. Sophisticated clients, clients who understand marketing and understand advertising, they in general like those different opportunities to reach the college market” (Appendix C).

Lynn Metcalf:
“I think the challenge for [advertisers] who haven’t yet made the transition themselves, so they’re not familiar with the new tools and don’t want to be familiar with the new tools, is how they can hire and manage and expert. So we see this with small businesses, for instance, is that they aren’t familiar so they will hire. ‘Oh, I need to do social media,’ so then they’ll think, ‘Oh a college student. A college student is a digital native, they’ll know how to use social media.’ But they don’t know what to ask the college student to do. So they’ve hired somebody, but they don’t know what to ask them to do, how to manage the work. It’s this kind of disconnect” (Appendix D).

5. **How have consumers reacted to college media organizations changing their business model?**

**Kristen Corey:**

“I think most people who are on social media frequently, especially on like Facebook, I would think they would think, ‘oh it’s just an ad’ and scroll past it. They wouldn’t react negatively. I mean, that post we saw a lot of negative reactions, but I think those are also older people commenting. I think some people don’t like it, but a lot of people recognize that’s what businesses do. Facebook is full of sponsored posts and ads” (Appendix B).

**Jacob Sorenson:**

“I don’t know if we’ve measured that. I guess the only measurement would be our advertisers continuing to buy some of those products which would indicate to me that they are getting some sort of response out of them … So I don’t know what consumer’s reactions is other than they see the messaging out there and must be responding because
the advertisers keep buying it” (Appendix C).

**Lynn Metcalf:**

“So, I think there is this sort of acceptance of marketing messages coming your way … So you do hear people react, but I think people just learn to filter out what isn’t of interest to them” (Appendix D).

**Research questions answered by literature review**

The following questions were crafted to focus the scope of the study on understanding the current state of college media business models in order to discover best practices to transition college media, specifically Mustang News, from print focused business models to digitally focused business models. The answers below are based on insight from the literature review.

1. **What is the state of print focused business models in college media?**
   - There is no official public list that contains all existing college newspapers nor is there a numeric way of showing how many college news organizations are print focused as opposed to digitally focused.
   - People within the college age range (18-24) rank the lowest in daily newspaper readership in general, with 42 percent of the demographic reading the daily paper in 1999 to 16 percent in 2015 (Barthel, 2016a).
   - There is no substantial research on print advertising income in college media. However, in the newspaper industry as a whole, approximately 75 percent of newspaper’s revenue comes from print advertising (Barthel, 2016b).
• Print advertising revenue among newspapers in general dropped considerably in 2015, the biggest drop since the 2009 recession (Barthel, 2016b).

2. What is the state of digitally focused business models in college media?
   • Some college media organizations have made the switch from print focused to digitally focused business models, but there is no comprehensive list or database (Review, 2014).
   • Fifty percent of 18 to 29-year-olds get news online, 27 percent get it from TV news, 14 percent from radio and 5 percent from newspapers (Matsa & Lu, 2016).
   • There is no substantial research on digital advertising revenue in specifically college media, but in the newspaper industry as whole, a quarter of general newspaper advertising income now comes from digital advertising (Barthel, 2016b).
   • Digital advertising in the general newspaper industry is increasing because print advertising is greatly decreasing and digital is therefore filling the void (Barthel, 2016b).

3. What college media organizations have switched from print focused business models to digitally focused business models?
   • The College Reporter | Franklin and Marshall’s | Lancaster, Pennsylvania |
     Transitioned to digital-only
     o On the more news side, they now update their website with new...
articles every Tuesday and email a 11 to 12-page PDF version of the paper to all students and faculty every week (Review, 2014).

- The Spokesman | Morgan State University | Baltimore, Maryland |

  Transitioned digital-only

  - The website is updated with new stories two or three times per week.
  
  - Printed “The Final Edition,” a commemorative paper produced after the switch to a digital-only newsroom that showcased older stories from the archives while also emphasizing the fact the publication had gone fully digital (Review, 2014).
  
  - Other ideas to increase web engagement include hosting student blogs on the news organization’s website (Review, 2014).
  
  - The publication planned to work with advertising classes to brainstorm tactics to increase advertising revenue without the paper (Review, 2014).

- The Diamondback | University of Maryland | Now a weekly paper and website

  - The publication focuses more on feature articles and long-term projects to engage with online audiences (Review, 2014).
  
  - The publication is also looking more toward social media. “We're expanding our social media presence and trying to tailor certain social media platforms to the desks they best correspond with. For
example, our sports desk will be creating their own Snapchat that can complement Twitter activity, like celebrity takeovers.

Meanwhile, our arts and entertainment desk is developing a Tumblr,” 2016 editor-in-chief Danielle Ohl said (Review, 2014).

4. **What are some alternative revenue channels/advertising tools to help a college media organization transition to a digitally focused business model?**

- **Events**
  - “There is no reason that the space filled by TED Talks, with tickets costing $7,500, could not have been created by The Times” ("NYT Innovation Report 2014", 2014).
  - One way to engage this broader audience is to hold large annual or touring events instead of one-off, small events. ("NYT Innovation Report 2014", 2014).
  - One suggestion the “Innovation” report proposes is a New York Times Reader Festival where registered online subscribers are invited to listen to panels about popular New York Times stories, showcasing the organization’s best work while also giving trainings on writing, photography and videography ("NYT Innovation Report 2014", 2014).

- **Online paywalls**
  - The New York Times website users who only lightly use the website and therefore had a lower willingness to pay (WTP) for an online subscription declined after the implementation of a paywall (Animesh, Oh,
Low WTP in users comes from their perception that a price is unfair (Xia, Monroe, & Cox, 2004).

Some way to reduce this sense of unfairness include:

- Add factors that cause the user to see a pricier product as different and better than a cheaper one in order to decrease the similarity between the two e.g. a free news site and one that charges such as The New York Times (Xia, Monroe, & Cox, 2004).

- Be transparent about the exchange between consumer and producer by explaining where the product comes from and ensuring it is high quality (Xia, Monroe, & Cox, 2004).

If users’ WTP decreases and they no longer use the website, word of mouth (WOP) goes down on a news organization’s social media sites because users no longer visit the website or share the articles they were priced out of (Animesh, Oh, Pinsonneault, 2016).

Media outlets should become niche in their coverage so the articles they write are only accessible on their site, which will persuade lighter users to come to them since there is no immediate alternative news site to find the article (Animesh, Oh, Pinsonneault, 2016).

“The only significant predictor of paying intent was age (negative). In other words, younger users were more likely to pay for online news access” (Chyi, 2005).
Social media marketing and advertising

- Approximately 62 percent of U.S. adults receive news from social media (Gottfried & Shearer, 2016).
- In terms of popularity among U.S. adults, Facebook and Youtube are the most generally used, with 67 percent of U.S. adults using Facebook and 48 percent using YouTube (Gottfried & Shearer, 2016).
- Sixty-six percent of Facebook users and 59 percent of Twitter users were most likely to get news from their respective sites. Youtube does not have an audience that receives as much news at its site – only about a fifth of the audience (Gottfried & Shearer, 2016).
- College-aged individuals make up 31 percent of Facebook users, 38 percent of Youtube users, 38 percent of Twitter users and 58 percent of Instagram users (Gottfried & Shearer, 2016).
- Social media sites have their own features that make them helpful in advertising and marketing:
  - Facebook | Nearby
    - Offers deals and discounts to Facebook users if they are checked in at a certain location (Alameddine, 2013).
  - Twitter
    - Delivers real-time information, deals or advertisements to consumers (Alameddine, 2013).
  - Pinterest | Business accounts
• Allows “the targeting of qualified leads of potential customers who share similar interests (Alameddine, 2013).”

- Snapchat | Discover
  • Allows publishers to post short video and text content and delivers said content directly to customers in the Discover section of the Snapchat interface (Flynn, 2017).

- Youtube | Pre-roll
  • Allows for video advertisements to run before a user’s video of choice (Council, 2014).

- Instagram | Business accounts
  • Allows businesses to use account tools to promote photos and videos to certain audiences and locations ("Advertising on Instagram").

  o College students do not necessarily dislike advertisements on social media, “but simply do not notice them (Hadija, Barnes & Hair, 2012).”

- E-commerce
  o Stores that offer products mentioned in the media company’s published content.
  o “As the arbiters of modern design we have a unique ability to offer our millions of loyal design enthusiasts a single destination for products-in-context,” Dwell President Michela O’Connor Abrams said. “… Our audience constantly asks us, ‘Where can I buy that?’ I am so pleased to
now say ‘at dwell.com!’” ("Dwell Media Opens Its Doors to E-Commerce", 2013)

- According to a study on the success of e-commerce stores, “In practice, most e-commerce firms suffer from initial losses when they enter the online market. Some e-commerce firms also experience diminishing financial performance, though they use appropriate inputs and expand their operational scale (Yang, Shi, Yan, 2016)."

- News applications
  - Have “a large effect on the favorability of brand attitude, but only a small effect on purchase intention (Bellman, Potter, Treleaven-Hassard, Robinson, & Varan, 2011).”

- Native advertising
  - In a Cal Poly journalism experiment, native advertising had no significant effect on the viewer's perception of credibility (Howe & Teufel, 2014).

- Online advertising
  - Based on general media budgets in 2015, mobile advertising accounts for more than half of media’s advertising budget (Lu & Holcomb, 2016). Desktop takes up the rest of the budget.
  - In desktop and mobile advertising, the banner ad type is the most popular, taking up a total of 44 percent of media’s display ad spending. Video advertising makes up 29 percent of media advertising spending while sponsorship advertising, such as native advertising, take up about 6
percent. The remaining 21 percent is taken up by rich media (Lu & Holcomb, 2016).

Research questions answered by literature review and participants

Though the literature does provide statistics on the state of the general news media industry and how transitions to digitally focused business models can be made with certain tools, it does not provide insight into the state of college media specifically, nor how these transitions are being made in college media. The expert’s interviews help to provide this missing information. Two of the participants work directly in college media, while the third and final participant provides a non-journalism perspective with their experience in marketing, business and entrepreneurship therefore adding to the study.

The literature and participant answers to the research questions have been organized into a “knowns and unknowns” system where the literature’s answer to the question is brought forward and the expert’s answers are used to fill in gaps in the literature.

1. What is the state of print focused business models in college media?

Literature:

The state of print focused business models in news media in general has become more and more concerning in the past few years. Even though news media advertising still relies heavily on print advertisements, the revenue from that source has experienced its greatest drop since the 2009 recession (Barthel, 2016b).
The literature does give some insight into college media in that it reveals college-aged students are the demographic that reads daily newspapers the least (Barthel, 2016b). Given this, it can be assumed print focused newsrooms in college media may be declining in readership as their demographic is already reading non-college newspapers at very low numbers. Bottom line is print focused business models in news are declining and the print focused newsrooms those revenues keep alive are no longer relevant to the college-aged group.

**Participants:**

The participant’s answers reveal that the decline in print revenue in general news media that have print focused business models is also occurring in college media that use print focused business models. For example, Corey mentioned a client who said their print advertisement was not as successful as it used to be and opted to cut back on some print advertisements (Appendix B). Metcalf’s response to the state of print advertising confirms college media advertisers, and therefore newsrooms with print focused business models, need to make some changes; “I think people realize that they can’t just continue to use print and broadcast, they realize there are other tools that they need to use (Appendix D).”

2. What is the state of digitally focused business models in college media?

**Literature:**

A quarter of newspaper advertising now comes from digital advertising. This jump mostly occurred because print advertising plummeted, forcing digital advertising to fill the void (Barthel, 2016b).
The literature gives some insight about how digitally focused newsrooms may be more popular with the college-aged demographic as 50 percent of 18 to 29-year-olds get their news online. Given this, it can be assumed digitally focused newsrooms in college media, sustained by digitally focused business models, are generally successful with their demographic. The bottom line is print advertising is declining, requiring digital advertising to increase in order to sustain news media. The digitally focused newsrooms that digitally focused revenues keep alive, both in collegiate and general news, are becoming more relevant to online college readers.

**Participants:**
The participant’s answers reveal that the increase in digital revenue in news media in general is also occurring in college media. Corey and Sorenson’s advertising team now gives digital advertising to clients instead of just pitching them print advertising space, showing some college media are indeed starting to increase digital advertisements which assumedly brings in more digital revenue (Appendix B; Appendix C). Both also gave several examples of college media groups that are vastly increasing their digital advertising options for clients, which this study will expand upon and explain in questions three, four and five.

**3. What college media organizations have switched from print focused business models to digitally focused business models?**

**Literature:**
The literature mentions the following college news organizations:

- The College Reporter | Franklin and Marshall’s | Lancaster, Pennsylvania |
Transitioned to digital-only

- The Spokesman | Morgan State University | Baltimore, Maryland | Transitioned to digital-only

- The Diamondback | University of Maryland | Now a weekly paper and website (Review, 2014).

The literature gives some insight to how the transition process looked for these college media organizations, mostly in terms of newsroom functions and publication, not so much in how the decision to transition was made (e.g. by an executive board):

- The College Reporter
  - Updates the website with new articles every Tuesday and emails a 11 to 12-page PDF version of the paper to all students and faculty every week (Review, 2014).

- The Spokesman
  - Website updated with new stories two or three times per week (Review, 2014)
  - The publication planned to work with advertising classes to brainstorm tactics to increase advertising revenue without the paper (Review, 2014).

- The Diamondback
  - The publication focuses more on feature articles and long-term projects to engage with online audiences (Review, 2014).

Participants:
Participants mentioned the following college news organizations and the ways they advertise:

- Daily Emerald | University of Oregon | Print, website, outdoor advertising, photobooth services (Appendix B; Appendix C)
- Central Michigan Life | Central Michigan University | Print, website, social media and video production services (Appendix B; Appendix C)
- Iowa State Daily | Iowa State | Print, website, custom-built emojis (Appendix C)
- The Daily Utah Chronicle | University of Utah | Print, website, outdoor advertising, film festival hosting (Appendix C)

As far as how these transitions were made internally, participants did not provide too much insight. Sorenson did speak for his own media organization, The Daily Utah Chronicle, and gave insight as to how some college media transition to digitally focused business models and newsrooms with some difficulty at times. “I don’t think it’s about group decision making, but it’s about group information and it’s about, ‘this is what we want to do, how do you guys think we can do this in the best possible way?’ Because otherwise you can get stuck in this loop of waiting for everyone to reach a consensus or enough people to reach a consensus,” Sorenson said (Appendix C).

4. What are some alternative revenue channels/advertising tools to help a college media organization transition to a digitally focused business model?

Literature:

The literature explains several alternative revenue channels/advertising tools and their
viability in today’s advertising landscape, sometimes giving information that explains their success with college-aged people and therefore college media:

- **Events**
  - Besides examining The New York Times idea to hold events to gain revenue, there is no literature to show if this revenue was successful for The New York Times or for other news media in the future.

- **Online paywalls**
  - Can be successful if a news media organization reduces the perception of unfairness with paywalls (Xia, Monroe, & Cox, 2004).
  - Revealed younger users, such as college-aged people, may not be as deterred by paywalls: “The only significant predictor of paying intent was age (negative). In other words, younger users were more likely to pay for online news access (Chyi, 2005).”

- **Social media marketing and advertising**
  - **Facebook | Nearby**
    - Offers deals and discounts to Facebook users in they are checked in at a certain location (Alameddine, 2013).
    - According to the literature, Facebook is a viable tool for news media advertising as 67 percent of U.S. adults use it (Gottfried & Shearer, 2016).
    - Also, 66 percent of Facebook users are most likely to get news from their respective sites (Gottfried & Shearer, 2016).
• In terms of success in college media, college-aged individuals make up 31 percent of Facebook users.

  o Twitter
    • Delivers real-time information, deals or advertisements to consumers (Alameddine, 2013).
    • In terms of popularity among U.S. adults, only 16 percent of U.S. adults use Twitter (Gottfried & Shearer, 2016).
    • However, 59 percent of Twitter users were most likely to get news from their respective sites (Gottfried & Shearer, 2016).
    • In terms of success in college media, college-aged individuals make up 38 percent of Twitter users (Gottfried & Shearer, 2016).

  o Pinterest | Business accounts
    • Allows “the targeting of qualified leads of potential customers who share similar interests (Alameddine, 2013).”

  o Snapchat | Discover
    • Allows publishers to post short video and text content and delivers said content directly to customers in the Discover section of the Snapchat interface (Flynn, 2017).

  o Youtube | Pre-roll
    • Allows video advertisements to run before a user’s video of choice (Council, 2014).
    • In terms of popularity among U.S. adults, 47 percent of U.S. adults
use YouTube (Gottfried & Shearer, 2016).

- Youtube does not have an audience that receives as much news at its site – only about a fifth of the audience (Gottfried & Shearer, 2016).

- In terms of success in college media, college-aged individuals make up 38 percent of Youtube users (Gottfried & Shearer, 2016).

  o Instagram | Business accounts
    - Allows businesses to use account tools to promote photos and videos to certain audiences and locations ("Advertising on Instagram").
    - In terms of success in college media, college-aged individuals make up 58 percent of Instagram users (Gottfried & Shearer, 2016).

  o College students do not necessarily dislike advertisements, “but simply do not notice them (Hadija, Barnes & Hair, 2012).”

- E-commerce
  - Stores that offer products that are mentioned in the media company’s published content.
  - Most e-commerce shops suffer from too many items being posted and not many of them being sold (Yang, Shi, Yan, 2016).

- Native advertising
  - According to a Cal Poly journalism experiment, native advertising had no
significant effect on the viewer's perception of credibility, taking out the credibility obstacle and making this form of advertising viable (Howe & Teufel, 2014).

- Having a separate sector produce native content is needed to prevent editorial staff writers from producing native content that could cause bias in reporting about the client or subject related to the client (Lauing, 2015)

- Online advertising
  - Online advertisements come in many forms: banner ads, video, native advertising and rich media are the main ones (Lu & Holcomb, 2016).
  - Seeing that 50 percent of 18- to 29-year-olds get news online, this medium is viable for advertising to college-aged individuals (Matsa & Lu, 2016).

**Participants:**

The experts offered real-life examples of college media organizations using these digitally focused revenue channels and tools along with a few other novel ideas:

- Outsourcing services
  - The Daily Emerald outsources photo booths and photographers for community events, proms, etc (Appendix C).
  - Central Michigan Life outsources videography and social media services via its Central Media Cafe social media services hotspot (Appendix B).

- Events
  - The Daily Utah Chronicle hosted its first annual film festival this year. According to Sorenson, it broke even and has potential to generate
revenue (Appendix C).

- Outdoor advertising
  - Thought not a form of digital revenue, this is an alternative revenue channel. The Daily Utah Chronicle has used to its advantage. They have 80 LCD boards around campus where they sell space to advertise. They also have poster board space and the ability to print posters for advertisers to place them in those spaces (Appendix C).

- Misc.
  - Iowa State Daily created custom-built emojis for Iowa State University and, according to Sorenson, the news organization brought in $75,000 in one year alone (Appendix C).

**Mustang News data chart analysis**

*Chart 1: Overall print advertisements*

Shows 22 percent decrease in overall (biweekly and special section print products combined) print advertisements from the 2014-15 school year to the 2015-16 school year. Via overall print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

*Chart 2: Biweekly print advertisements*

Shows 30 percent decrease in biweekly print advertisements from the 2014-15 school year to the 2015-16 school year. Via Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.
Chart 3: Special section advertisements

Shows 12 percent decrease in special section print advertisements from the 2014-15 school year to the 2015-16 school year. Via overall print sales and Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

Chart 4: Overall print advertisement breakdown 2014-15

Shows biweekly print advertisements made up around 58 percent of print sales in the 2014-15 school year while special sections advertising made up 42 percent. Via overall print sales and Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

Chart 5: Overall print advertisement breakdown 2015-16

Shows biweekly print advertisements made up about 52 percent of print sales in the 2015-16 school year while special sections advertising made up 48 percent. Via overall print sales and Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

Chart 6: Overall print advertisement breakdown 2016-17

Shows special section print advertisements slightly trumping biweekly print advertisements; special sections advertising made up 51 percent of print sales in the 2016-17 school year while biweekly print advertisements made up 49 percent. Via overall print sales and Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

Chart 7: Overall print advertisement revenue
Shows 12 percent decrease in overall (biweekly and special section print products combined) print advertisement revenue from the 2014-15 school year to the 2015-16 school year. Via overall print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 8: Overall biweekly advertisement revenue**

Shows 19 percent decrease in biweekly print advertisement revenue from the 2014-15 school year to the 2015-16 school year. Via Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 9: Overall special section advertisement revenue**

Shows six percent decrease in special section print advertisement revenue from the 2014-15 school year to the 2015-16 school year. Via overall print sales and Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 10: Overall print advertisement revenue breakdown 2014-15**

Shows special sections print advertisement revenue made up about 56 percent of print revenue in the 2014-15 school year while biweekly advertising made up 44 percent. Via overall print sales and Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 11: Overall print advertisement revenue breakdown 2015-16**

Shows special sections print advertisement revenue made up about 60 percent of print revenue in the 2015-16 school year while biweekly advertising made up about 40 percent.
Via overall print sales and Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 12: Overall print advertisement revenue breakdown 2016-17**

Shows special sections print advertisement revenue made up about 71 percent of print revenue in the 2016-17 school year while biweekly advertising made up 29 percent. Via overall print sales and Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 13: Overall print advertiser breakdown 2014-15**

Shows a majority (72 percent) of overall print advertisers in the 2014-15 school year were local advertisers. University advertisers made up 18 percent of overall print advertisers. Via overall print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 14: Overall print advertiser breakdown 2015-16**

Shows a majority (65 percent) of overall print advertisers in the 2015-16 school year were local advertisers. University advertisers made up 21 percent of overall print advertisers. Via overall print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 15: Overall print advertiser breakdown 2016-17**

Shows a majority (66 percent) of overall print advertisers in the 2016-17 school year were local advertisers. University advertisers made up 28 percent of overall print advertisers. Via overall print sales statistics acquired from Mustang Media Group general manager Paul Bittick.
manager Paul Bittick.

**Chart 16: Biweekly print advertiser breakdown 2014-15**

Shows a majority (64 percent) of biweekly print advertisers in the 2014-15 school year were local advertisers. University advertisers made up 19 percent of biweekly print advertisers while non-local made up 16 percent. Via Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 17: Biweekly print advertiser breakdown 2015-16**

Shows 51 percent of biweekly print advertisers in the 2015-16 school year were local advertisers. University advertisers made up 20 percent of biweekly print advertisers while non-local made up 25 percent. Via Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 18: Biweekly print advertiser breakdown 2016-17**

Shows 50 percent of biweekly print advertisers in the 2016-17 school year were local advertisers. University advertisers made up 35 percent of biweekly print advertisers while non-local made up 13 percent. Via Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 19: Special sections print advertiser breakdown 2014-15**

Shows 79 percent of special section print advertisers in the 2014-15 school year were local advertisers. University advertisers made up 17 percent of special section print advertisers. Via overall print sales and Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.
**Chart 20: Special sections print advertiser breakdown 2015-16**

Shows 76 percent of special section print advertisers in the 2015-16 school year were local advertisers. University advertisers made up 23 percent of special section print advertisers. Via overall print sales and Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 21: Special sections print advertiser breakdown 2016-17**

Shows 74 percent of special section print advertisers in the 2016-17 school year were local advertisers. University advertisers made up 25 percent of special section print advertisers. Via overall print sales and Mustang News print sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 22: Website advertisement days ran**

Shows 58 percent increase in digital advertisement days ran from the 2014-15 school year to the 2015-16 school year. Via digital sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 23: Website advertisement revenue**

Shows nine percent increase in digital advertisement revenue from the 2014-15 school year to the 2015-16 school year. Via digital sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 24: Website advertiser breakdown 2014-15**

Shows 54 percent of digital advertisers in the 2014-15 school year were local advertisers. University advertisers made up 23 percent of digital advertisers, while nonlocal made up
13 percent. Via digital sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 25: Website advertiser breakdown 2015-16**

Shows 63 percent of digital advertisers in the 2015-16 school year were local advertisers. University advertisers made up 23 percent of digital advertisers, while nonlocal made up 7 percent. Via digital sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 26: Website advertiser breakdown 2016-17**

Shows 56 percent of digital advertisers in the 2016-17 school year were local advertisers. University advertisers made up 17 percent of digital advertisers, while nonlocal made up 17 percent. Via digital sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 27: Print vs. website dates ran 2014-15**

Shows digital advertisement days ran made up 60 percent of advertisements sold and ran in the 2014-15 school year, while print advertisements sold and ran made up 40 percent. Via overall print sales and digital sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 28: Print vs. website dates ran 2015-16**

Shows digital advertisement days ran made up 73 percent of advertisements sold and ran in the 2015-16 school year, while print advertisements sold and ran made up 27 percent. Via overall print sales and digital sales statistics acquired from Mustang Media
Group general manager Paul Bittick.

**Chart 29: Print vs. website dates ran 2016-17**

Shows digital advertisement days ran made up 66 percent of advertisements sold and ran in the 2016-17 school year, while print advertisements sold and ran made up 34 percent. Via overall print sales and digital sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 30: Print vs. website dates revenue 2014-15**

Shows print advertisement revenue made up 92 percent of overall advertisement revenue in the 2014-15 school year, while digital advertisements revenue made up 8 percent. Via overall print sales and digital sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 31: Print vs. website dates revenue 2015-16**

Shows print advertisement revenue made up 90 percent of overall advertisement revenue in the 2015-16 school year, while digital advertisements revenue made up 10 percent. Via overall print sales and digital sales statistics acquired from Mustang Media Group general manager Paul Bittick.

**Chart 32: Print vs. website dates revenue 2016-17**

Shows print advertising revenue made up 92 percent of overall advertising revenue in the 2016-17 school year, while digital advertisements revenue made up 8 percent. Via overall print sales and digital sales statistics acquired from Mustang Media Group general manager Paul Bittick.
Chart 33: Total digital revenue vs. native revenue 2015-16

Shows native advertising revenue made up 13 percent of overall digital advertising revenue in the 2015-16 school year. Via overall print sales and digital sales statistics acquired from Mustang Media Group general manager Paul Bittick and native advertising statistics from Mustang News branded content director Sam Pryor.

Chart 34: Total digital revenue vs. native revenue 2016-17

Shows native advertising revenue made up 3 percent of overall digital advertising revenue in the 2016-17 school year. Via overall print sales and digital sales statistics acquired from Mustang Media Group general manager Paul Bittick and native advertising statistics from Mustang News branded content director Sam Pryor.

Chart 35: Mustang News profit 2014-17

Shows Mustang News’ advertising profit for 2014-15 was $278,210.35; $248,942 for 2015-16; and $157,693.56 so far for 2016-17. This equals a 10 percent decrease between the 2014-15 and 2016-17 school years. Via overall print sales and digital sales statistics acquired from Mustang Media Group general manager Paul Bittick and native advertising statistics from Mustang News branded content director Sam Pryor.

Chart 36: Profit (only print costs calculated):

Shows a 10 percent decrease in profit between the 2014-15 and 2016-17 school years. Via overall print sales and digital sales statistics acquired from Mustang Media Group general manager Paul Bittick and native advertising statistics from Mustang News branded content director Sam Pryor.
Chapter 5

Discussion and recommendations

This study was performed to better understand the economic state of college media, whether the current state of college media warrants a switch from print focused business models to digitally focused business models and, if so, how this transition can be made. Given the decrease in print advertising revenue and popularity of print products in both general news media and collegiate news media, there is a need to move toward digital channels of revenue to create a more digitally focused business model to sustain the news industry. The main obstacles are understanding and using these digital revenue channels and creating new channels that have not yet been explored in news media.

Since there is limited information on how to execute this transition from print focused business models to digitally focused business models in college media, this study gathered input from college news media and marketing professionals to gain insight on how some college news organizations have made this transition and what tools were used to do so. To gather this input, the professionals were asked questions based on the following original research questions:

1. What is the state of print focused business models in college media?
2. What is the state of digitally focused business models in college media?
3. What college media organizations have switched from print focused business models to digitally focused business models?
4. What are some alternative revenue channels/advertising tools to help a college media organization transition to a digitally focused business model?
Discussion

The experts’ answers gave insight into the state of college media and some best practices on how to make the transition to a digitally focused business model. In tandem with existing literature, these experts’ answers allow us to draw conclusions regarding the original research questions:

Research question #1: What is the state of print focused business models in college media?

For advertisers, it’s detrimental to meet the consumer where they are to bring in revenue. And in today’s news media, consumers are no longer reading newspapers. This is especially true for the college-age demographic, which ranks the lowest in daily newspaper readership in general, with 16 percent of the demographic reading the daily paper in 2015, compared with 42 percent in 1999 (Barthel, 2016a). And though there are no specific statistics on the monetary state of college media, general news media’s print revenue has dropped considerably; it has experienced its greatest drop since the 2009 recession (Barthel, 2016b)

All three experts had similar views of print focused business models in college media. Metcalf summarized the state of print focused business models fairly well: “I think people realize that they can’t just continue to use print and broadcast; they realize there are other tools that they need to use” (Appendix D). Corey’s situation with one of her clients’ dissatisfaction with their return on investment in print advertisements is a true example of how consumers are moving away from print in college media (Appendix B).

With the literature and experts’ uniform view that print focused business models
are no longer viable, it can be concluded that print focused business models are no longer efficient for college media and that there is now a valid reason to transition to an alternative business model type.

**Research question #2: What is the state of digitally focused business models in college media?**

If news media consumers are no longer flocking to print products such as newspapers, where are they going? According to the literature, they are migrating to online platforms. In fact, 50 percent of 18- to 29-year-olds get their news online (Matsa & Lu, 2016).

Corey and Sorenson confirmed this migration to online platforms is occurring in college media as well, and they have taken measures to advertise more online and on digital platforms by offering digital advertising options to advertisers and encouraging the advertising staff to push digital advertising to clients (Appendix B; Appendix C).

Given both the literature and how the experts see consumers of both general news media and college media moving away from print products and toward digital ones, it can be concluded that a digitally focused business model for college media is the alternative to the declining print focused business model.

**Research question #3: What college media organizations have switched from print focused business models to digitally focused business models?**

The literature mentions several college media organizations that have switched to either digital-only or digitally focused newsrooms. Those who went digital-only, such as The College Reporter and The Spokesman, dropped their newspaper completely to make
the transition.

The experts gave their own examples, including the Daily Emerald from University of Oregon, Central Michigan Life from Central Michigan University, Iowa State Daily from Iowa State and The Daily Utah Chronicle from the University of Utah. The experts were able to go into more detail on how these digitally focused newsrooms sustained themselves with digitally focused business models.

Both the literature and experts gave real examples of colleges/universities that have made the switch to not just digitally focused newsrooms but also digitally focused business models. It can therefore be concluded that this transition has been made in college media before and can be done again.

**Research question #4: What are some alternative revenue channels/advertising tools to help a college media organization transition to a digitally focused business model?**

The literature offered several alternative digitally focused revenue channels that could be implemented in digitally focused business models in college media. These included hosting events, enacting online paywalls, advertising on the news organization’s social media channels (Facebook, Twitter, Pinterest, Snapchat, Youtube and Instagram, specifically), e-commerce stores offering buyable products mentioned in articles, native/sponsored advertising and general online advertising with banner advertisements and so forth.

The experts mentioned several of these channels as well, except paywalls and e-commerce. They also had their own unique digital revenue channels to bring to the table. These included providing social media, photography, videography and outdoor
advertising (digital board and print posters) services to outside clients and creating custom university emojis to sell to students (Appendix B; Appendix C).

The literature is correct; using channels such as social media for advertising is beneficial because that is where college media consumers are. However, according to Metcalf, not all clients will understand how to advertise on a news organization’s social channels and, when given this option, they may become overwhelmed (Appendix D). That’s where providing social media services comes in. News organizations such as Central Michigan Life have these services available to clients who may be afraid to use a medium they don’t understand and would like experienced people running their company’s social media accounts (Appendix B). It’s the same concept as assisting clients with videography and photo services; if a client doesn’t understand how to optimize these mediums for their business, they would rather have someone else do it for them. Using services is different from pure advertising because the news organization would be volunteering staff to help a company use these mediums to advertise in other places and to other audiences instead of just the news organization’s. For example, a client who receives social media services will have employed students to optimize and improve the client’s social media presence as a brand, as opposed to them placing an occasional advertisement on a news organization’s social media channel. The former helps build the company’s foundation and allows them to outsource a job they may not want to do. On the other hand, the latter forces the client to do the artwork themselves and will only boost their brand for the time their advertisement is on the news organization’s social media feed; it’s a one-shot deal that won’t last as long as a social media service.
Revenue channels such as emojis, online paywalls and e-commerce stores weren’t agreed on by the literature and experts, but could still be viable for digitally focused business models.

**Recommendations for practice**

Given the existing literature and the expert’s input about transitioning college media from print focused business models to digitally focused business models, general recommendations can be made on how to make this transition and how to sustain the model.

**Retain the print product until online platforms are stronger**

As warned by Corey and Jacobs, college news organizations should not omit their print product to pursue a digitally focused business model until their online and digital presence is strong enough for the advertising staff to reliably sell on those platforms (Appendix B; Kramer, 2016). Selling advertisements on a news organization’s Facebook page without having a strong Facebook presence or grasp on how the platform works will make advertising nearly impossible.

Instead, these organizations should retain their print products until the online and digital platforms are strong enough to make a transition to solely or primarily selling advertisements on those platforms. This can be done by either keeping the entire print product while growing digital and online platforms or by omitting some print days to alleviate strain and make time to create a digital foundation.

**Offer social media advertising options**

When a college news organization feels their digital platforms are strong enough,
the next step would be to sell advertisements on those channels. Based on the literature, Facebook and Youtube are the social media channels college media should focus on — 67 percent of adults in the Unites States use Facebook and 48 percent use YouTube (college-aged individuals make up 31 percent of those Facebook users and 38 percent of the Youtube users), and 66 percent of Facebook users say they receive news through Facebook. Youtube does not have as many users receiving news on its site, but it is still popular among both U.S. adults and the U.S. college-aged individuals.

With all these opportunities to sell advertisements on social media channels comes responsibility. There should be a content coordinating system, in which the advertising and editorial team know what news content and what advertisements are going out to each channel and at what time so there is a balance between content and advertisements.

**Providing services to the public**

As mentioned by Metcalf, some clients will be overwhelmed with the amount of social media advertising options (Appendix D). If that’s the case, college media organizations should consider forming a group that provides social media services to clients so clients do not have to worry about running their own social media channels. The students that deliver these services should be separate from the editorial team to prevent editorial staff from producing native content that could cause bias in reporting about the client or subjects related to the client (Lauing, 2015).

Other services can be provided as well, such as photography services. This could consist of providing personal photographers for students who want graduation photos,
headshots for students seeking professional photos for LinkedIn and photo booths for on-campus events. This service could reach outside the university as well by providing photography for local events such as high school proms and weddings.

Video services can also be provided. Videographers can work with clients to produce commercials, PSAs or Youtube pre-roll advertisements to advertise locally or on their own digital platforms to their target audience. These videos can then be advertised on the news organization’s different digital platforms if the client would like to pay for that advertising space. This service can also be used to film/livestream on-campus events for clubs or groups who would like to document or stream their events. Videography can even be offered for local events such as weddings.

News organizations could also offer designers and printing services to help clients print and display posters for advertising. The digital version of this service — designing LCD/digital posters and displaying them on on-campus or off-campus TVs or digital boards — could also be offered if resources are available.

These content teams would also need to be separate from the editorial staff.

**Offer native advertising**

For clients that would like their advertisement in the college media organization’s paper/digital platform to look less like an advertisement, native advertising is an ideal route. The native advertising sector of the news organization would also have to be separate from the editorial staff to prevent bias.

Native advertising takes on many forms, such as video, text, infographics, interactive quizzes and others.
Host events

If a news organization has the resources, hosting events such as large movie nights, student film screenings or open mic nights/talent shows could be another way to generate revenue. The Daily Utah Chronicle hosted a film festival and broke even on costs (Appendix C). With some readjusting on ticket prices and other costs, this sort of revenue channel may be viable in the future.

Explore other options

Iowa State Daily went out of the box with their custom-built Iowa State emojis (Appendix D). Other college media with designers who can create emojis could do the same.

Other unorthodox revenue channels such as e-commerce stores can be used as well, but not in the way the literature suggests — selling items mentioned in articles. Instead of possibly looking biased and running the risk of selling a moot product, there can be a separate team that can perform research on what products from local businesses students would want most, then ask that client if they would like to place their item in the e-commerce store for students to purchase.

Study conclusion

Though this study gives best practices for transitioning college media to digitally focused business models, it is a specific case study on Mustang News at Cal Poly San Luis Obispo. Therefore, below are the general best practices tailored specifically to Mustang News’ current print focused business model to serve as a guide to transitioning to a digitally focused business model.
Retain the special section editions as a way to bring in revenue

Though most of Mustang News’ audience is within the college demographic and receives most of its news online, the special sections editions of Mustang News have relatively high pickup rates (74 percent) compared with the average biweekly newspaper (69 percent) (Appendix A). The higher percentage may be because these editions have coupons and other incentives and are distributed during peak times such as Cal Poly’s Week of Welcome and Back to School.

In terms of revenue, retaining special sections and omitting the biweekly newspaper is logical. Special sections makes up about half of Mustang News’ print advertisement sales and made up at least half of print advertisement revenue, even though there are only 14 special section papers out of the 64 papers produced every year, according to Charts 4, 5, 6, 10, 11 and 12.

Special sections has also managed to decline the least, even during this digital age. Both special advertising revenue and sales have declined less than biweekly newspapers. According to Charts 8 and 9, special sections’ revenue showed only a 6 percent decrease between 2014 and 2017, while biweekly showed a 19 percent decrease. According to Charts 2 and 3, special sections’ advertisement sales only went down 12 percent between 2014 and 2016, while biweekly decreased 30 percent.

Local advertisers, which are Mustang News’ most readily available clients because of their proximity to the organization and their familiarity with it, make up more than three-fourths of special sections advertisers, as shown in Charts 19, 20 and 21. Local advertisers make up a majority of biweekly advertisements as well, but only about 50
percent to 64 percent, according to Charts 16, 17 and 18.

If Mustang News opts to produce special section products, it would not only help keep the organization afloat, but it would reduce the nearly $55,645 it takes to produce the special sections and biweekly papers each year, as shown in Chart 35. Since special sections only makes up a fraction of the print products produced and is often smaller than the biweekly broadsheet, this would cut costs substantially.

Omitting the biweekly newspaper would also give reporters and editors more time to focus on digital news distribution and allow designers to put more time into the special sections and perhaps assist in other digital revenue channels, as this study will mention in the paragraphs below.

**Continue and expand social media advertising**

Mustang News has a substantial presence on its social media accounts and has already started to advertise on its Facebook and Snapchat channels.

Facebook has been the most successful, especially with the content coordination system between editorial and advertising staff to keep a balance between advertisements and articles on the Facebook feed. The advertising sector has its own social calendar that is cross-referenced with the editorial social calendar every week to ensure balanced content.

Youtube is also popular among U.S. adults and college-aged individuals. Mustang News places most of its videos directly to Facebook, circumnavigating Youtube completely. However, if Mustang News creates more niche video content for its demographic and creates playlists and videos that Youtube users will gravitate toward,
there may be an opportunity for pre-roll advertisements.

Though 59 percent of Twitter users get news from Twitter, Mustang News has and should refrain from Twitter advertisements because only 16 percent of U.S. adults use the platform and only 38 percent of that 16 percent are college students (Gottfried & Shearer, 2016).

Snapchat has proved to be difficult to use for advertising, but given its prominence among the college demographic, it should continue to be explored.

**Outsource services with Green and Gold Digital Services**

Mustang News created a social media services group called Green and Gold Digital Services, but it has not officially sold services yet. Given there is already an idea in place for this group, this is an ideal opportunity to add video, photography, design and distribution services before officially launching the service to the public.

As with native advertising, this team would consist of a staff separate from editorial, perhaps using material and students from existing classes to help provide services to clients.

Video services from the journalism department are already offered to clubs and for events such as graduation. These services can be assigned to Green and Gold Digital Services’ trained videographers and charged by an hourly rate. Video services can also be offered to clients to assist them with video work and offer advertisement space in Mustang News for videos that are more promotional.

Trained photographers from the group could also provide services such as private photography for senior graduation photos, set up photo booths for on- and off-cam
events and provide professional headshots for students. These photographers can also assist clients outside of campus who would like quality photos for advertisements or their social media channels. Any photos that could potentially be designed as an advertisement could then be used in advertising in Mustang News for a standard fee if the client desires.

Design work can also be offered. This could look like designers creating posters for an on-campus group looking to promote themselves, or for an outside client looking to promote themselves to campus or the general public. If the client would like a digital version of the design to put on digital boards or some other digital platform, that can be provided as well by adjusting the print version or creating an entirely new design, as today’s design software can produce designs fit for either medium.

There could be printing and distribution services as well. This way, clients can have designers create their display and have it printed and placed around campus or off campus. Another option would be to place their digital version of the design on the TVs and displays around campus.

Design services could be made possible by either hiring new designers specifically for Green and Gold Digital Services or pooling the existing designers from Mustang Business and the Mustang News editorial staff. The bias obstacle is not as much of a concern because, assuming the biweekly paper is eliminated, designers for either side will not be interacting with news content, as special sections editions are more like native advertising in nature.

Printing services could be offered if Mustang News works more closely with University Graphic Systems to create an easy printing process for Green and Gold clients.
Distribution services could be made possible by having the existing Mustang
Business newspaper distribution team walk client’s through the campus’ poster display
regulations and physically place their posters around campus. They could also be in
charge of distributing these posters to places off campus as well, as long as it is within
San Luis Obispo. This team could also be in charge of the on-campus digital display/TV
process and assist clients who would like to put their displays on those mediums.

**Events**

Cal Poly’s on-campus radio station, KCPR, hosts several events such as an annual
open mic night and often rents out the local Palm Theatre for movie nights. Mustang
News could work with KCPR to co-host these events and offer clients a chance to
sponsor them. Mustang News could offer to help plan and co-host other existing events
such as the SLO International Film Festival.

**Explore other, unorthodox options**

If the biweekly print product is eliminated, the portion of the Mustang News staff
that will have the most free time would be the newspaper designers. These designers
normally have skills beyond newspaper layout and can be used to spearhead design
projects besides the still-existing special section editions. These can include something
similar to Iowa State Daily’s custom-made emoji project. It can also include creating
designs for Mustang News merchandise — shirts, jackets, hats, mugs, etc. — that can be
sold on a Mustang News e-commerce store. This e-commerce store could even sell
merchandise designed and created by students on campus.

In news, things change by the second and reporters need to be on their toes to
cover it all. News business models have been much more stagnant, mostly relying on print advertising revenue to stay afloat. With consumers moving away from that medium and migrating to various digital platforms, it is the news industry’s duty to meet them there and create other alternative, unorthodox revenue channels to generate enough revenue to serve their public. And college media, even Mustang News, is not immune to this need for change.
References


Yang, Z., Shi, Y., & Yan, H. (2016). Scale, congestion, efficiency and

Appendix A

Mustang News advertising and production data

The following data on Mustang News was collected to gain insight on the current business model of Mustang News and to determine what changes can be made to transition to a more digitally focused business model.

* All 2016-17 data is updated as of February 2017.

Print advertising and production | Via mustangnews.net, University Graphic Systems and Mustang Business distribution manager Dylan Ring

Total papers produced by Mustang News (same per year since 2013): 64
Biweekly papers produced by Mustang News: 50
Special sections papers produced by Mustang News: 14

Printing costs | 2016 (Not including larger special sections editions. Average cost since 2013): $55,645

Overall pickup rate | 2016: 69%

Special section pickup rate | 2016: 74%

Chart 1

Overall print advertisements
Chart 2

*Biweekly print advertisements*

<table>
<thead>
<tr>
<th>Year</th>
<th>2014-2015</th>
<th>2015-2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ads</td>
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<td>500</td>
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</tbody>
</table>

Chart 3

*Special section advertisements*

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<tr>
<th>Year</th>
<th>2014-2015</th>
<th>2015-2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ads</td>
<td>450</td>
<td>350</td>
</tr>
</tbody>
</table>
Chart 4
*Overall print advertisement breakdown 2014-15*

**Overall print advertisement breakdown 2014-15**

- **Bi-weekly**: 621
- **Special section**: 450

Chart 5
*Overall print advertisement breakdown 2015-16*

**Overall print advertisement breakdown 2015-16**

- **Bi-weekly**: 438
- **Special section**: 392
Chart 6
Overall print advertisement breakdown 2016-17

Overall print advertisement breakdown 2016-17

- Bi-weekly: 202
- Special section: 217

Chart 7
Overall print advertisement revenue

Overall print advertisement revenue

- Revenue

- 2014-2015
- 2015-2016
Chart 8
*Overall biweekly advertisement revenue*

![Graph showing overall biweekly advertisement revenue]($0.00$ to $200,000.00$)

2014-2015 vs. 2015-2016

Chart 9
*Overall special section advertisement revenue*

![Graph showing overall special section advertisement revenue]($0.00$ to $200,000.00$)

2014-2015 vs. 2015-2016
Chart 10
*Overall print advertisement revenue breakdown 2014-15*

**Overall print advertisement revenue breakdown 2014-15**

- **Bi-weekly**: $172,713.47
- **Special section**: $135,176.47

Chart 11
*Overall print advertisement revenue breakdown 2015-16*

**Overall print advertisement revenue breakdown 2015-16**

- **Bi-weekly**: $109,894.00
- **Special section**: $162,021.17
Chart 12
*Overall print advertisement revenue breakdown 2016-17*

**Overall print advertisement revenue breakdown 2016-17**

- **$50,984.25**
  - Bi-weekly
- **$125,077.28**
  - Special section

---

Chart 13
*Overall print advertiser breakdown 2014-15*

**Overall print advertiser breakdown 2014-15**

- Local
- National
- Non-local
- University
Chart 14
*Overall print advertiser breakdown 2015-16*

**Overall print advertiser breakdown 2015-16**

- Local
- National
- Non-local
- University

Chart 15
*Overall print advertiser breakdown 2016-17*

**Overall print advertiser breakdown 2016-17**

- Local
- National
- Non-local
- University
Chart 16
Biweekly print advertiser breakdown 2014-15

<table>
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<th>Biweekly print advertiser breakdown 2014-15</th>
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<tbody>
<tr>
<td><img src="image1.png" alt="Pie chart showing advertiser breakdown" /></td>
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</tbody>
</table>

- Local
- National
- Non-local
- University

Chart 17
Biweekly print advertiser breakdown 2015-16

<table>
<thead>
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<th>Biweekly print advertiser breakdown 2015-16</th>
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<tbody>
<tr>
<td><img src="image2.png" alt="Pie chart showing advertiser breakdown" /></td>
</tr>
</tbody>
</table>

- Local
- National
- Non-local
- University
Chart 18

Biweekly print advertiser breakdown 2016-17

- Local
- National
- Non-local
- University

Chart 19

Special sections print advertiser breakdown 2014-15

- Local
- National
- Non-local
- University

Chart 20
Special sections print advertiser breakdown
2015-16

Local
National
Non-local
University

Chart 21
Special sections print advertiser breakdown 2016-17

Special sections print advertiser breakdown
2016-17

Local
National
Non-local
University
Web advertising and production

Chart 22
Website advertisement days ran

![Website advertisement days ran chart](chart22.png)

Chart 23
Website advertisement revenue

![Website advertisement revenue chart](chart23.png)
Chart 24
Website advertiser breakdown 2014-15

Website advertiser breakdown 2014-15

Local
National
Non-local
University

Chart 25
Website advertiser breakdown 2015-16

Website advertiser breakdown 2015-16

Local
National
Non-local
University
Chart 26
Website advertiser breakdown 2016-17

Website advertiser breakdown 2016-17

<table>
<thead>
<tr>
<th></th>
<th>Local</th>
<th>National</th>
<th>Non-local</th>
<th>University</th>
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</thead>
<tbody>
<tr>
<td>2016-17</td>
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<td></td>
<td></td>
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</tr>
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<td>Local</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>National</td>
<td></td>
<td>1606</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Print and Website advertising and production comparisons

Chart 27
Print vs. website dates ran 2014-15

Print vs. website dates ran 2014-15

<table>
<thead>
<tr>
<th></th>
<th>Print</th>
<th>Website</th>
</tr>
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<td>1606</td>
<td></td>
</tr>
<tr>
<td>Website</td>
<td>1071</td>
<td></td>
</tr>
</tbody>
</table>
Chart 28
*Print vs. website dates ran 2015-16*

Print vs. website dates ran 2015-16

- Print: 830
- Website: 2543

Chart 29
*Print vs. website dates ran 2016-17*

Print vs. website dates ran 2016-17

- Print: 419
- Website: 824
Chart 30
*Print vs. website dates revenue 2014-15*

<table>
<thead>
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<th>Print vs. website dates revenue</th>
<th>2014-15</th>
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<tr>
<td>$25,965.00</td>
<td>66</td>
</tr>
<tr>
<td>$307,880.00</td>
<td>9.69</td>
</tr>
</tbody>
</table>

Chart 31
*Print vs. website dates revenue 2015-16*

<table>
<thead>
<tr>
<th>Print vs. website dates revenue</th>
<th>2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>$28,332.00</td>
<td>11</td>
</tr>
<tr>
<td>$271,910.00</td>
<td>5.17</td>
</tr>
</tbody>
</table>

Chart 32
*Print vs. website dates revenue 2016-17*
Social media advertisements | Via Mustang News outreach director of social media Cara Benson.

Facebook
2015-16: 5
2016-17: 5 with average 8,000 impressions

Twitter
NA

Instagram
NA

Snapchat
NA

Youtube
NA

Email newsletter | Via Mustang News outreach director of public relations Hannah Avdalovic

Subscribers: 1,900
Open rate | 2016: 30%
Native advertising (online-only) | Via branded content director Sam Pryor

Published | 2015-16: 13
Published | 2016-17: 2

Chart 33
Total digital revenue vs. native revenue 2015-16

Total digital revenue vs. native revenue 2015-16

$28,332.1

$4,340

Native revenue
Total digital ad revenue

Chart 34
Total digital revenue vs. native revenue 2016-17

Total digital revenue vs. native revenue 2016-17

$16,133.93

$542.50

Native revenue
Total digital ad revenue
Profit analysis

Chart 35
*Mustang News profit 2014-2017*

![Chart 35](image)

Chart 36
*Profit (only print costs calculated)*

![Chart 36](image)
Appendix B

Interview transcripts: Kristen Corey

The following interview was conducted to get an expert opinion on the business side of Mustang News and to determine if the organization’s current state will allow for a transition to a more digitally focused business model.

Interviewer: Celina Oseguera

Respondent: Mustang News Business advertising manager Kristen Corey

Date of interview: 2/22/2017

Interview transcription:

Celina Oseguera: “In your position, do you think it’s possible for college media organizations in general, not just Mustang News, to switch from print focused business models to ones that are digitally focused? If so, can you give me an example of an organization that has done something like this?”

Kristen Corey: “It’s definitely possible. It is a difficult transition, though. Because we’re seeing — this is pretty recent within the industry — within the last five to ten years, so it is possible but you have to be, both the team, both the newspaper and its advisors have to be ready to accept change and kind of recognize that you’re going to have to change things around in order to still function as a newspaper, just now on different platforms. But it’s definitely possible, you just have to be creative and open to other streams of revenue and other ways of sharing information. One example of an organization that’s done this, and I know we run a lot of stuff based on what they do, is Emerald Media at
[University of] Oregon. And another one I’ve really liked is CM Life at Central Michigan. They, even two years ago, they had already developed their idea of a ‘social cafe’ and basically they offer social media management services to companies and the people who work for that part are called baristas. And that was two years ago which I feel like was a little ahead of the curve because that’s becoming a little more common now. But yeah, they’ve done a great job of transforming to digital.”

CO: “Just so I kind of understand, the Emerald and CM Life, are they digital-only or are they kind of like a hybrid?”

KC: “They have both, but they are a hybrid.”

CO: “Are there certain practices to transition smoothly from print focused business models to digitally focused business models? So mostly, kind of more details on how to do this transition.”

KC: “I don’t think there’s really a standard procedure, you know, especially because this is a new development. But you first need to recognize that there’s a need to go to digital, you have to look at analytics and readership and just see if it’s really necessary to have like, as much print. I know we’re noticing that we are getting way more attention digital. We get 60 percent of our revenue off of the special section of our paper, not just our Monday/Thursday regular paper. So you kind of have to look at the statistics and see if it would be more profitable, more lucrative, to go digital. And once you do that, you have to be able to have platforms for digital. You can’t just drop everything print and then start, it’ll kind of be both at the same time so that when you transform to digital, on the ads side … you have products to sell that are digital, like social media, your website,”
branded content, all that. But, also be prepared on the news side to share things on that. You just have to be, I guess, do you want a specific example of certain practices that I know?"

CO: “Yeah, if you have something specifically.”

KC: “I mean, for us, I’d say developing our sponsored content team was huge because that’s something that’s pretty recent in the past few years, but we knew it was a different way to share content and create revenue that was digital. So we started to develop that and this year it’s expanded to a team of like six or eight people so things like that where you have to brainstorm a lot. You can’t like dump print completely until you have something in place, otherwise there is nothing.”

CO: “So going back to you talking about alternative revenue channels, what are some examples of alternative revenue channels college media can use to successfully transition to a digitally focused business model? Any ideas on that?”

KC: “Sponsored content is one of them definitely. It’s becoming bigger in the industry in general, and it’s a great creative way for businesses to interact with their readership. But also, we’ve, I guess, any online ads on the website are huge, on like your newspaper’s website because you can track the analytics on that and give it to professionals, to clients and they can directly calculate the ROI so that’s another huge thing. And social media, I think, is the future of digital, of revenue for newspapers, like social media shoutouts, social media management, like what CM Life did and what we’re trying to do with our Green and Gold digital agency. I’d say social media is like the single largest one because there’s so many people on social media and it’s a way for a brand to interact with, in our
case, it’s readers, but in other cases it’s a business that interacts with its customers. If it’s
done right, it creates a good connection I think between reader and the brand and paper or
like customer and the company. It gives, like, a face to the company, I guess.”

**CO:** “Can you give me more details on, I know we were trying to do a Green and Gold
group, can you explain a little more to me about that and how that kind of ties into a
different channel besides print?”

**KC:** “Green and Gold, we have it in place, it hasn’t been sold yet, but basically it’s social
media management services where we would go out to local business or any clients and
basically offer to help them increase their social media presence like come up with posts
on any of their channels, like Facebook, Twitter, Instagram, and sort of create a social
media strategy. Like, creating polls on their Twitter page or thinking of good things to
Instagram, or like questions they can ask their followers so they could answer in the
comments below, just stuff to engage them more with their customers and audience.
That’s something we just recently developed because we realize that social media is only
growing more and more relevant so we thought we should capitalize more on that.”

**CO:** “And when we say ‘they,’ does that mean a business side thing or is it kids from our
staff or something?”

**KC:** “You mean like who would be working it? Well, our staff would be selling the
social media management services, but I believe it would be the sponsored content team
who would be helping to create posts because they already are kind of the connection
between business and editorial so I believe they would be handling that.”

**CO:** “How have advertisers reacted to college media organizations changing their
business model? You can use Mustang News as an example if that makes you comfortable.”

KC: “It depends on the demographic, too. I think like older advertisers, they’re still a little skeptical of digital. It’s because they aren’t as familiar with it. Like when we have clients that we are working with who might be in their fifties or sixties, I mean this is a generalization and not always true, but I’ve noticed they’re a little wary of digital. They don’t necessarily understand everything it can do. They don’t understand native advertising, sponsored content, or they aren’t as social media literate. They like [print], but they realize that print isn’t as popular anymore. They are still just a little unfamiliar. I think they are open to it, whatever is going to be more profitable for their business, but they just need to be more familiar of it and have better knowledge of it.”

CO: “My next question is…”

KC: “How they will react in the future?”

CO: “Yeah.”

KC: “I think that we’re just going to continue to grow more and more with digital options. So hopefully, I would imagine that it’s not as much of a reaction as much as it’s the new norm. Although, again, I do think that it might change depending on the demographics, like, if there’s a client who’s a lot older they might still be set in their ways picking up the daily paper and thinking like, “Print isn’t dead. Why are you guys offering all this?” But I think for the most part, savvy business owners will be more open to it. I think that the true savvy business owner will be more familiar with digital as the years and years go on. They won’t think of it as a change in the business model, it’ll just
be the new business model. Right now we’re in a transition, so it’s a little awkward, but I think a few years down the road they’re just going to be more and more comfortable.”

**CO:** “Can you give me an example or have you had situations where, going back to question four, how advertisers currently have reacted to all these other avenues?”

**KC:** I know with local business Mountain Air, they said they’ve done a lot of print campaigns with us and they were saying they haven’t got a return on it so that’s not necessarily a reaction to us changing, but they are reacting to the old one saying it wasn’t working for them. We’ve gotten that from a couple clients. They’re maybe not as familiar with the business model we are trying to transition into, but they are acknowledging they don’t think print advertising is as effective. Again, we get a lot of clients who are very interested in digital, they just have to give us the chance to explain it. There’s a lot it can do, but sometimes they’re not familiar with it so they are kind of wary of it.”

**CO:** “When people say, ‘Oh, the old one isn’t working,’ do they ask about other avenues?”

**KC:** “I haven’t talked to clients that directly since last year, which a lot of things have changed since then, but I know when one of our reps talked to Mountain Air recently, they weren’t asking about the options as much, though she still presented them to them. They weren’t super receptive to them, but they were mostly just acknowledging that they didn’t think print was working anymore which we are seeing across the board. Besides our special sections, our revenue in just the regular Monday/Thursday paper is definitely down because businesses are less inclined to advertise in that.”

**CO:** “And the other one, the one that feeling print wasn’t going so well, are they still
with us?”

KC: “Mountain Air? They ran ads with us last quarter and we were trying to get them for more and they weren’t interested, but I think our rep is going to try to come up with some other options like multimedia or digital because they didn’t like print.”

CO: “Jumping to question six, a little more about consumers, how have consumers reacted to this kind of change in business model?”

KC: “The consumer in this context would be like a reader?”

CO: “Right.”

KC: “I don’t think that many students read the paper before, per se, unless it was being handed out, so I think this is almost a given for them. I remember when I started as a freshman, when I saw Mustang News, I saw it online, so I think they’re going to be happy we’re going more digital because I know we get most of our readership through like, Facebook or Twitter or whatever. I don’t think there is necessarily a reaction. I think for college students, for our paper, they would prefer digital. I know when I read Mustang News, yeah I pick it up when I’m in the office, but I see friends liking the stuff on Facebook and Twitter or, like, Instagram posts so I think it’s good for consumers. Our demographic is college students mostly, but if you’re like a paper in the city or something it might be a little different because they’re going to have more people of different age groups, but I think for being in a college town and being a campus newspaper, they’ve enjoyed it being digital.”

CO: “I’m talking a little more about social media being a different source of advertisement. So tell me a little bit about how you’ve seen those reactions today.”
KC: “Well, you have that example we just talked about it the meeting where that real estate company had a sponsored Facebook post and we got all these negative comments on it. But I think people see it as like a newspaper selling out or like giving in, but it’s not affecting the editorial content. It’s something we have to look more and more to as we are running out of options for print as another source of digital revenue, like sponsored content or Facebook shoutouts or Twitter shoutouts. I think most people who are on social media frequently, especially on like Facebook, I would think they would think, ‘Oh it’s just an ad,’ and scroll past it. They wouldn’t react negatively. I mean, that post we saw a lot of negative reactions, but I think those are also older people commenting. I think some people don’t like it, but a lot of people recognize that’s what businesses do. Facebook is full of sponsored posts and ads. I don’t like them that much either, like there’s all the stories that you post then there’s an ad right in the middle of it, but it’s something we’re going to have to do if we want to keep revenue up.”

CO: “So how about the future of how consumers will react to this sort of thing? Do you think it’ll get easier? Harder?”

KC: I hope that it will get easier because it’ll be the new norm. And hopefully we’ll find ways to make it seem a little more seamless and not just like awkward like, ‘Oh look. Sponsored.’ I think sponsored content is going to have a lot to do with that, too. It is an ad technically and as that grows more and more, I think people will enjoy that because it’s not just an ad being throw in their face. It’s still somewhat interesting. It’s not going to grow any less popular. It’s just going to get more and more popular, so hopefully consumers are more familiar with it and at least have an understanding this is the
standard operation of any common newspaper or media group.

Appendix C

Interview transcripts: Jacob Sorensen

The following interview was conducted to get insight on a news organization that has transitioned into a more digitally focused business model.

Interviewer: Celina Oseguera
Respondent: University of Utah’s The Daily Utah Chronicle media director Jacob Sorensen
Date of interview: 2/27/2017

Interview transcription:

Celina Oseguera: “Is it possible for college media organizations to switch from print focused business models to ones that are digitally focused? If so, can you give me an example of an organization that has done this? You can possibly use your own [organization] since you may have expertise in that area.”

Jacob Sorensen: “I think that any media organization that’s trying to make this transition from a print focused business model to a digitally focused one faces significant challenges. The most important is simply the fact that, for most of us, digital revenue is miniscule compared to print revenue. Take us for example, we push really hard on digital growth. Starting about three years ago, we tripled our average online audience and that hasn’t translated into triple the revenue. It hasn’t translated into enough revenue to replace everything we’ve lost in print or to entirely do away with the print product. The
reality for us is that our print product is still paying, subsidizing, for all of our news production including the digital side of things. We have some digital revenue, but it’s certainly not enough to overcome that. Is there someone who’s done it successfully? I think [University of] Oregon did it successfully, but their business model wasn’t based on selling digital advertising toward the digital news. Their business model was built on other sources of income and revenue. Same thing here with Arizona State University. I’m trying to think how many other schools have completely or made a strong digital shift, Central Michigan [University] has. Then again, their revenue model was not entirely based on selling advertising. They had some sort of other income source. For example, video production services, or they created a student social media agency and then were selling social media services to clients. We developed a digital billboard network across campus. We rely heavily on that income to help support our entire organization. We’ve got other sources of revenue similar to that, but they aren’t tied to an online product, digital product at all, so I don’t know what the answer to your question is except that I don’t believe for any news organization that the business model can be what it has been and what is was for the print business model which is we’re going to sell advertisements that are going to support our news production. There’s specifically not enough space on a website, more and more users are employing ad blockers and are telling us they don’t want ads on there. And most of us tend to ignore the user experience. How websites do you go to that you have to wait for the thing to load while the advertisement plays or you have to click out of an ad after thirty seconds or all these things that, you know, you don’t like. But, you put up with it because you want to read the content. Consumers are going
to get more sophisticated. They keep telling us they don’t want that kind of experience and so for me, the question is more about, can we build a business model that allows us to continue to generate the journalism and news and information and what we feel is important without relying on advertising? And if that’s possible, then that’s even better.

CO: “Based on that, I’m going to skip question two and go right to three and talk about examples of alternative revenue models college media can use just because we are kind of on that topic anyway. Could you give me examples of specifically your organization because it sounds like you’re doing other things besides just online advertising.”

JS: “Yeah. So I had mentioned our digital billboard. We worked with the university and departments around campus. We got 80 LCD screens up around campus that we use to provide university, department and advertising messages. So we rely on that. We started and are running a student-run advertising agency that is generating revenue. We’ve also worked with campus; there’s the ability for us to have printed posters-- large, 2 foot by 3 foot posters on frames around campus. And we’ve worked with the university side, taking control of those and sell[ing] those, and that’s a huge source of alternative revenue for us. Then we’re looking at other opportunities. We just ran a film festival for the first time. It broke even this year, we didn’t lose money, so we’re looking at continuing to do stuff like that in hopes that an event sort of focus can generate revenue for us. So those are some things we’re doing. Other college media have done similar type of things starting some sort of creative services agency. [University of] Oregon has been very successful with a photo booth business that they sell themselves out to do photo booths at events. It started kind of on campus and they are now getting hired to do weddings,
they’re getting hired to do proms, they’re getting hired to do all sorts of stuff. So they’ve
kind of built a revenue stream to help support all that they do through that. Iowa State is
generating significant revenue also with custom-built emojis for their school. We have
used the platforms to build custom emojis, but we haven’t monetized it the way that they
have yet. I think [Iowa] has generated like 75 grand in new revenue just in this year alone
from their emojis. So there’s other things like that that’s going on around the country.

CO: “If we could jump to question four about, at least in your organization, how have
advertisers reacted to these changes in business models, like being able to offer
something besides just a print advertisement. How have those reactions been?”

JS: “I think it depends on the advertiser. Most of them react very positively. We train our
sales reps to try and focus on solving a client’s problem and that problem is: how do I
communicate with my potential customers? And instead of going into selling print ads,
we ask them to go in and talk to the advertiser, get a good feel for their marketing goals,
and then try and match up all the different products we have with their specific marketing
goals to demonstrate that we can help in the whole spectrum in the consumer process
from general awareness all the way to direct interaction all by getting someone on
campus to an event or something like that. I think that in general they are pretty open to
it. The smaller clients, the mom and pop shops, who are running their business by the
skin of their teeth anyways, they’re less impressed by our attempts to try and diversify
their marketing options on campus. They’re the ones that tend to stick to, ‘Oh, we’ve
always done this, we’ll keep doing it,’ sort of mentality. Sophisticated clients, clients who
understand marketing and understand advertising, they in general like those different
opportunities to reach the college market.

**CO:** And how about readers and consumers? Have they reacted differently from seeing advertisements in unorthodox places at all?

**JS:** “I don’t know if we’ve measured that. I guess the only measurement would be our advertisers continuing to buy some of those products which would indicate to me that they are getting some sort of response out of them, and the answer to that is: yes. We’re still trying to figure out ways to use different media to send our content out. For example, I’ve been pushing the students who run our digital billboard network to work with our news team to create news packages for the digital billboard, to showcase what’s going online, what’s going on in the print edition, stuff like that. We haven’t really cracked that nut yet. So I don’t know what consumers’ reactions [are] other than they see the messaging out there and must be responding because the advertisers keep buying it.

**CO:** “Are there certain practices just overall to help college media transition smoothly from print focused to digitally focused if that’s something they want to do? Like general best practices that you’ve noticed?”

**JS:** “Have lots of discussions with lots of people. For us, we tried to make it a top-down decision and it didn’t really work. A lot of our student journalists resisted change. I don’t know what your newsroom is like, but it seems like most newsrooms, whether they’re professional or college, they tend to resist change. They tend to resist anything that communicates to them that their newspaper’s no longer a team, right? We struggled to deal with that and it wasn’t until the students at the lower levels, like photographers and reporters, as they become used to some certain changes, they became advocates for those
changes, that’s when we really started to see things take off. As much as possible, I don’t think it’s about group decision making, but it’s about group information and it’s about ‘this is what we want to do, how do you guys think we can do this in the best possible way?’ Because otherwise you can get stuck in this loop of waiting for everyone to reach a consensus or enough people to reach a consensus. I think that’s part of it, having more conversations more frequently with more people. At the same time, that means you have to have a certain willingness to say ‘This is the direction we need to go and if you can’t get on board, then go find something else to optimize your time.’ We just spent way too much time trying to placate, kind of, the slow movers. I think it’s held us back a little bit. And there’s times, looking back, where I’ve talked with editors and we wished we had cut ties from the students instead of putting up with them dragging their feet on certain issues. When I say they are dragging their feet, they are dragging their feet on instituting the solid digital copy editing process or something like that where they know it’s important, but they just don’t do it. They’re doing what they’ve always done and they’ve liked what they’ve always done.”
Appendix D

Interview transcripts: Lynn Metcalf

The following interview was conducted to get a business expert’s perspective on transitioning to new business models and gain insight on best practices for said transitions.

Interviewer: Celina Oseguera

Respondent: Cal Poly marketing professor Lynn Metcalf

Date of interview: 2/27/2017

Interview transcription:

Celina Oseguera: “Based on the conversations you’ve had with Mary [Glick, journalism department head], because it does seem like you aren’t new to journalism and it’s something you’ve talked about, based on that, do you think it’s especially more difficult or easier for news organizations to make these sorts of transitions just because they are a type of legacy media? Because they’ve been in one revenue [channel] for a while?”

Lynn Metcalf: “This isn’t a new challenge for media. Publications have always separated editorial from advertising because you don’t want advertisers to drive the editorial you produce. So I think that what’s interesting is maybe there is some rethinking of that with native advertising. It’s not necessarily that the advertisers are driving the editorial, but you are showing products that are more closely aligned with the editorial image. It’s not necessarily, ‘OK, here’s an article about fashion, then we’ve got all these
fashion ads at the end.’ It is appearing sort of more closely. I think the journalism and the advertising is more closely affiliated or associated. I think that’s interesting and that’s a challenge that a company doesn’t have to deal with, is having to maintain that integrity.

**CO:** “Going back to native advertising and sponsored content, just in your talks with Mary and your expertise in entrepreneurship and business, do you see certain alternative revenue channels besides print happening for news media in the future? Are there any other revenues they could be using besides just column-inch advertisements?”

**LM:** “This I haven’t thought a lot about. At all. I know that Mary ran the Journalism Innovation Challenge this fall and she’s had a number of really interesting people. There was a guy from USC that was talking about AR and VR and incorporating that into journalism, so we can see how new technology is making their way into storytelling, but we haven’t had these conversations about how that gets paid for.”

**CO:** “You can answer this from either a business expert perspective or consumer perspective of news, one thing that news organizations have been running into, based on what I have observed, is they are doing these new advertisement routes like putting things on social media along with their content. Do you think consumers have reacted differently to seeing advertisements in places they haven’t seen before? Is that jarring? Is that different?”

**LM:** “I think that’s just a fact, I mean, every year the number of advertising messages that somebody gets exposed to, it increases every year. And that’s one of the challenges, to break through the clutter because there is just so much coming at them. And people are viewing themselves as brands and products. So I think there is this sort of acceptance of
marketing messages coming your way, but you’re also responsible for presenting yourself as a product and responsible for the messaging that goes around your brand. So you do hear people react, but I think people just learn to filter out what isn’t of interest to them.

**CO:** “So going on the other side of the coin with the advertisers, I mean, the conversations I’ve had with other people in journalism is the older generation of advertisers for papers aren’t as receptive to these new channels. Do you see that in other businesses?”

**LM:** “Sure, I mean yeah. Starting 20 years ago with the advent of the Web, I mean all of a sudden, yeah you’ve got this proliferation of channels to use. It used to be print and broadcast and now you’ve got the whole online and within the online there’s all sorts of things. I mean, the social media changes all the time. At first it’s Facebook, then LinkedIn, then it becomes, ‘OK, we got to use Instagram and we’ve got to use Snapchat.’ There’s going to be tools and tools and tools that we’re going to have to continue to learn how to use. So that is just the landscape, it’s always changing. But the principles behind using those tools don’t change. Who is my customer, where are they, where is my customer hanging out, what are they reading, what are they doing and how can I encounter them? Through tools that reach them where they are. And so, if they’re not hanging out on TV anymore then I better start reaching them in the places where I can find them with content and information that’s relevant. I think people realize that they can’t just continue to use print and broadcast, they realize there are other tools that they need to use. If they realize they can’t learn them themselves, then they have to hire somebody in who is adept to using them. I think the challenge for people who haven’t yet
made the transition themselves, so they’re not familiar with the new tools and don’t want to be familiar with the new tools, is how they can hire and manage an expert. So we see this with small businesses, for instance, is that they aren’t familiar so they will hire. ‘Oh, I need to do social media,’ so then they’ll think, ‘Oh a college student. A college student is a digital native, they’ll know how to use social media.’ But they don’t know what to ask the college student to do. So they’ve hired somebody, but they don’t know what to ask them to do, how to manage the work. It’s this kind of disconnect. But, the companies you go visit, I mean we’ve seen a number in Santa Barbara for instance, I mean the mantra is you have to be present where your customer is and we’re present in all these places and we know how to use all these tools and we’re continuing to evolve our approaches as new tools become available.”