

Online news monetization strategies & models of newsrooms organization in the Belgian francophone local press

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« BEHIND THE PAYWALL » – 23 & 24 JANUARY 2019



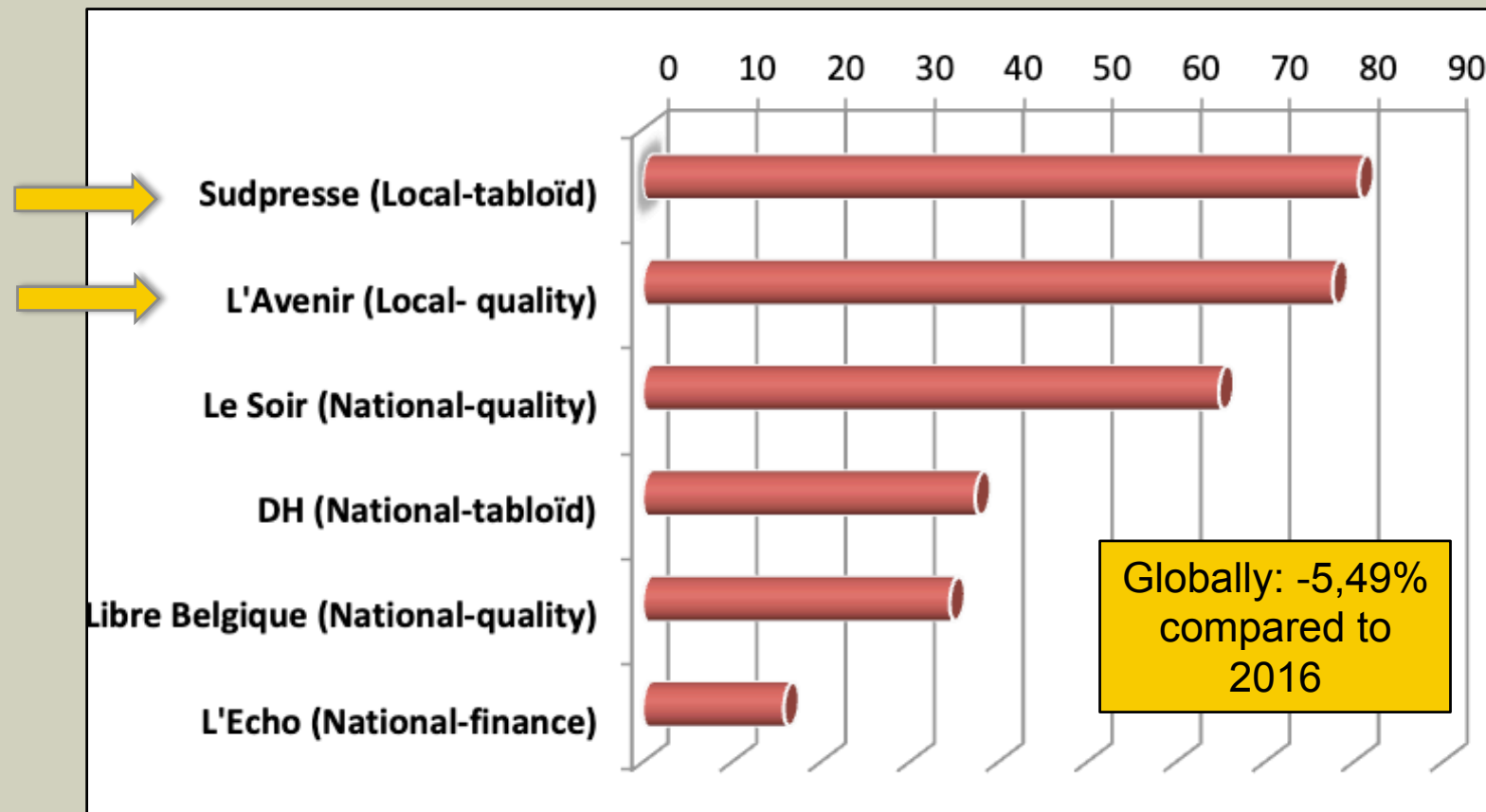
1. THE NEWSPAPER INDUSTRY IN FRENCH SPEAKING BELGIUM

- Slow and constant decline in print sales (and revenues) since the last third of the 20th century.
- Mature and small market (4,5 millions of people) with still a high number of competitors:
 - Three “quality” papers
 - One Tabloïd
 - Two local newspapers
 - One free newspaper
- Websites: digital shift divided in two steps: a (long) 100% free period and a slow implementation of various paid models from the end of the 2000's.
- Since 2014-2015: possibility to measure the rise of online subscriptions, that (only) partly compensate for the decrease of print sales.

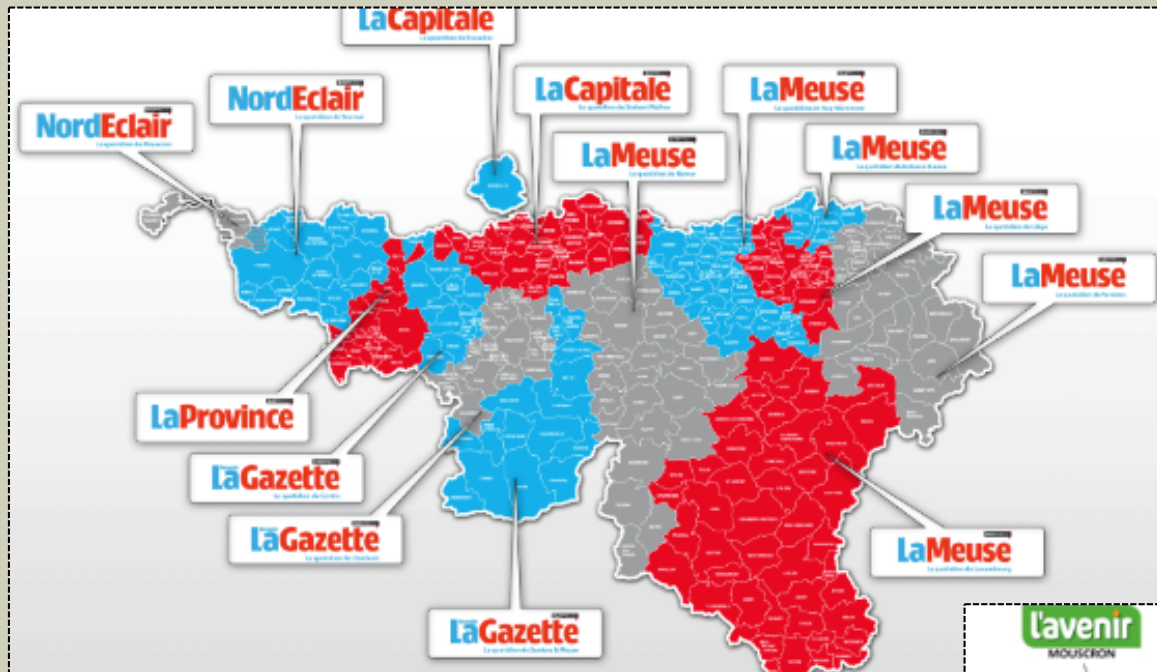


THE NEWSPAPER INDUSTRY IN FR. BELGIUM

Paid circulation (Print + Digital), Belgium FR, 2017 (Cim.be):



THE LOCAL PRESS IN WALLONIA

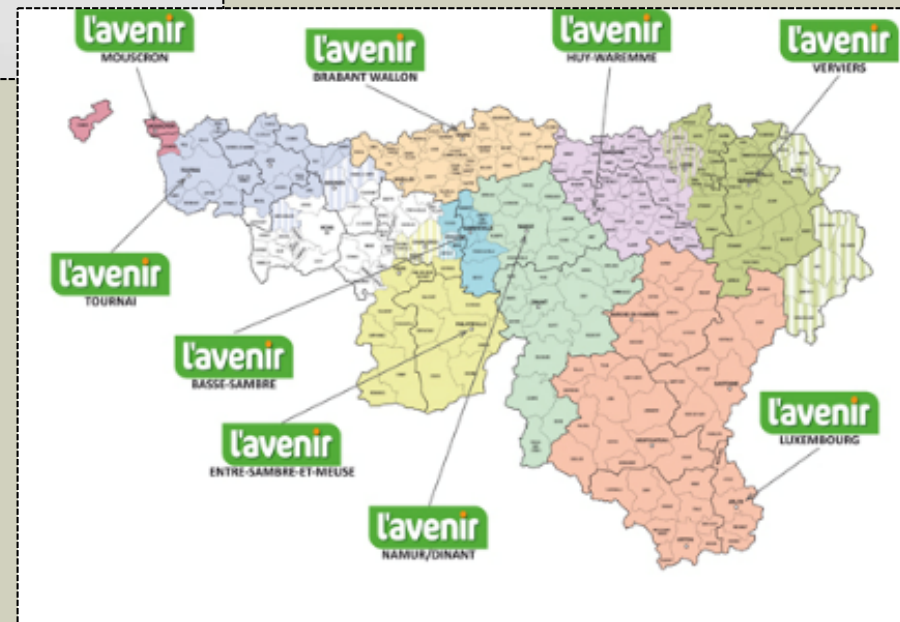


Sudpresse:

- Market leader
- Five historic brands/titles rooted in local communities
- Decentralized model: 14 print editions
- Web: One « umbrella brand » Sudinfo

L'Avenir

- N°2
- 9 historic brands/titles rooted in places where Sudpresse is weak
- Decentralized model: 9 print editions
- Web: one brand: lavenir.net



2. FRAMEWORK

- **The dynamic capabilities framework** is an approach to strategic management that seeks to explain **how firms acquire and maintain competitive advantages under conditions of change and uncertainty** in their competitive environment. (Wadhvani and Jones, 2016, p. 3)
- The initial rationale for developing the concept of dynamic capabilities derived from a concern that **the resources based-view appeared to apply** primarily to firms in **essentially static environments**. (Ambrosini and al, 2009, p. 13)
- **DC theory postulates** that specific resources are not only necessary in order to have a competitive advantage but also **the specific process (here ways for combining and coordinating the resources and the path dependency of the firm)**. (Koenig, ed, 1999, p. 234)

3. RESEARCH QUESTION

- **How print local publishers renew their strategies of monetization for online news and reconfigure their organization, resources and journalists' competences to respond to shifts in the business environment?**
- **Three axes of analysis**
 1. Strategies of monetization
 2. Resources
 3. Competences
- **Investigation limited to the newsrooms** (departments providing supports functions are excluded)

4. METHODOLOGY

Longitudinal and processual analysis

“Without temporality there is no scope to reveal the dynamics of the process; the relationship between the past, present and future; the interrelationship between different levels of context on the emerging process or the interdependent effects of context and action. (...)”

(Pettigrew, 1997, p. 345)

Mixed methodology articulated between :

- Primary sources (circulation and audience reports, and print media websites)
- 11 semi structured interviews with journalists, chief editors and managers from both newspapers

Rationalist framework for studying a process ?

“Multi-lens analysis, which involves applying a series of theoretical lenses to data, is an option since it allows cross-disciplinary and cross-paradigm interpretation and can accommodate the untidy, idiosyncratic and dynamic interrelatedness of organizations and their strategic activities”

(Küng, 2017, p. 66)

5. PAYWALLS IN LOCAL PRINT MEDIA

L'AVENIR: 3 steps

1. Free website (2007-2013)

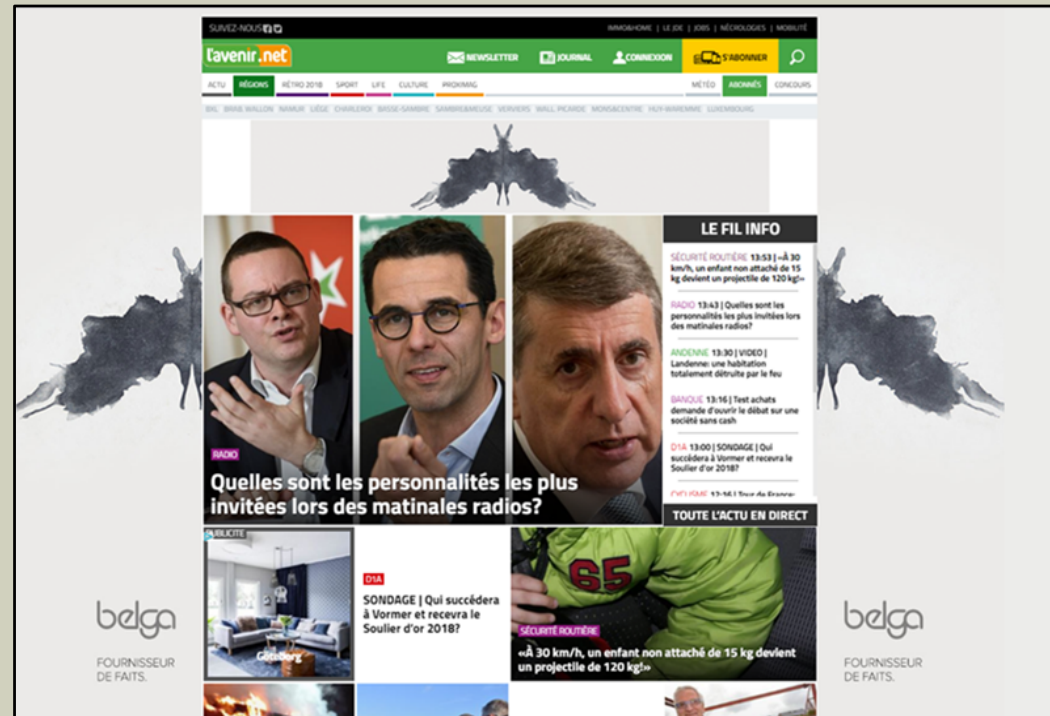
2. Metered paywall (2013-2016)

“Two steps” strategy: five free articles; five others after a free registration; then, the subscription is necessary.

Negative balance sheet: *“People were leaving after having read two or three articles.”* (Marketing Director, L’Avenir)

3. Freemium (2016-now)

Clear dissociation between free and paid content (local content produced by (print) journalists).





SUDPRESSE: 3 steps

1. Free website Sudinfo.be (2009-Now)

2. Sudinfo+ (2013-2014)

“Sudinfo+ did not meet the needs of our readership. It was contrary to the power of digital media, which makes possible to consult information everywhere and all the time! Sudinfo+ was something that wasn’t everywhere because there were technical problems and not all the time either because the articles were published at 6.30 PM.” (Journalist head of ENA, Sudpresse, December 2018).

3. Hard paywalls (2017-now)

“We built a free website that became very powerful. Then we said : it is no more sustainable to freely put our regional content on our website. We have to value it. We have to monetize it (...)”

(Editor in chief, Sudpresse, September 2018)

Sudpresse: ENG (Digital Free Edition)

- National focus
- People, magazine and buzz
- Advertising
- Teasers on local news



ENA (Digital edition for subscribers only)

- Hard paywall
- Detailed local news
- Some news from ENG
- No advertising
- Digital newspaper and PDF
- Archives

6. RENEWAL OF JOURNALISTIC RESOURCES (L'AVENIR)

- Web lab (2017)



- Next-gen unit (2016)

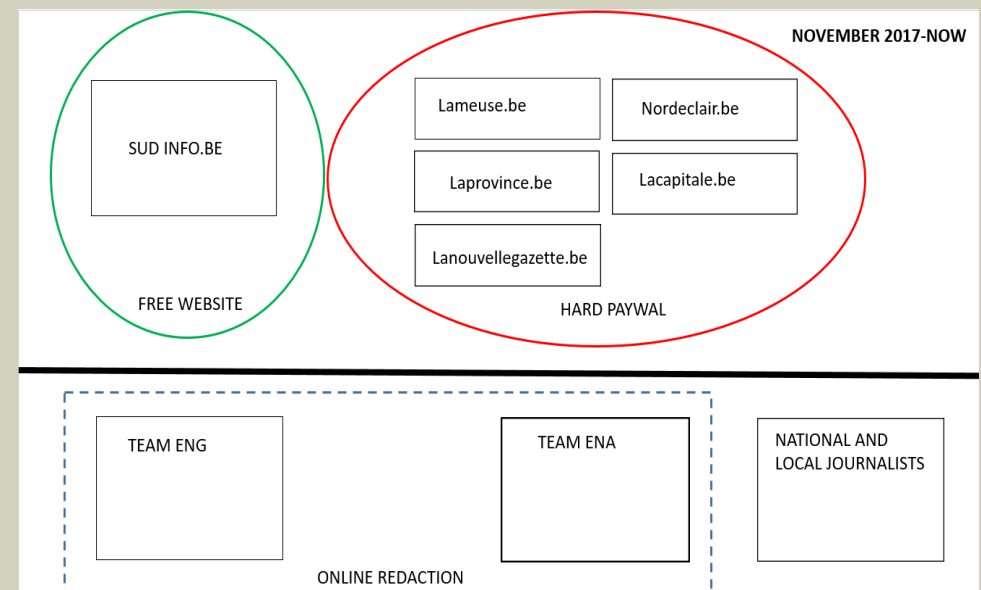
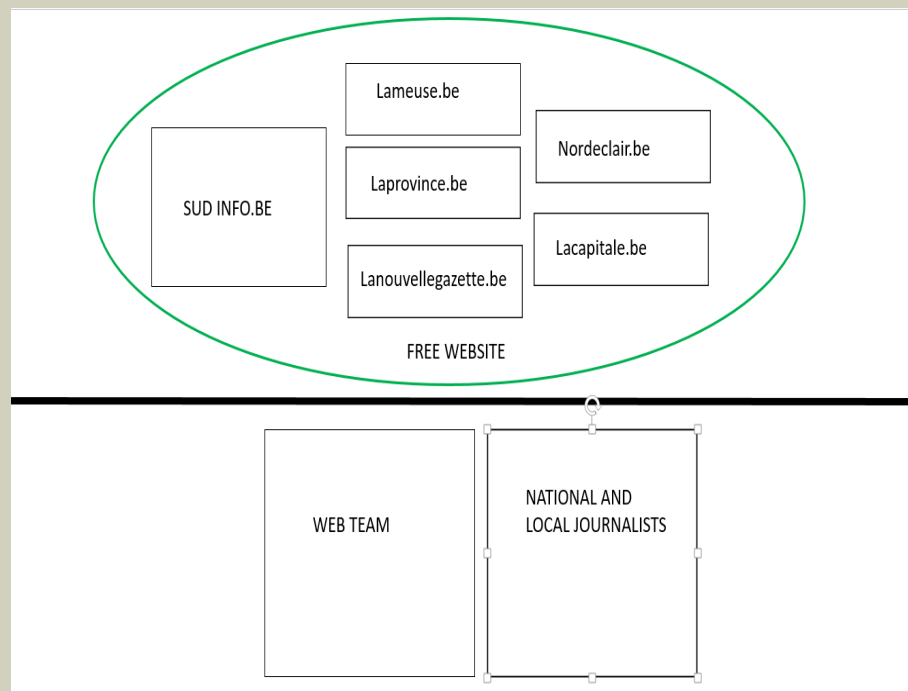
"We hired four half-time journalists for working on the next-gen edition. It means the digital optimized newspaper. The idea is to take the contents from newspaper and put them back in the next-gen edition so that they can be viewed on tablet and smartphone."

(Editorial secretary, September 2018)

6. RENEWAL OF JOURNALISTIC RESOURCES (SUDPRESSE)

- Web unit becomes « ENG »
- ‘New’ web unit « ENA »

NEWSROOM (2014-2017) → NEWSROOM (2017-NOW)



Couvin: le boucher devenu agent immobilier, échevin et bourgmestre durant 12 ans, s'en est allé

Gérard Lottin, dernier bourgmestre de son village et ancien échevin et conseiller communal de Couvin, est décédé ce mercredi, à l'âge de 84 ans.



Gérard Lottin à l'époque où il était encore conseiller communal - B.T.H.

En 1984, [Gérard Lottin](#) est élu bourgmestre alors qu'il se présente aux élections pour la première fois dans son village de Gonrieux. Repartant pour un second mandat en 1970, il sera le dernier bourgmestre du village. Gérard Lottin cumule, au fil de sa carrière, 12 années de mayorat à Gonrieux et 10 ans d'échevinat à Couvin.

Gérard Lottin a également été [boucher](#), puis agent immobilier. Il repose à son domicile, rue du Panorama 6, boîte 1, à Gonrieux.

► La famille demande qu'on ne lui fasse pas parvenir des [fleurs](#)...

1941 S.F.O. (PROVINCE DE NAMUR) 9/01/2019



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Découvrez l'abonnement numérique la Nouvelle Gazette pour seulement 1€ par mois !

J'en profite

Je suis déjà abonné au Numérique de Sudpresse, je m'identifie.

Vous ne voulez pas découvrir le nouveau site de la Nouvelle Gazette et suivre en continu l'actualité de votre région pour seulement 1€ par mois ?
Continuez à lire l'acte sur [Sudinfo.be](#)

“ The goal of these articles is to redirect traffic from sudinfo.be towards paid websites.” (Head of web unit, september 2018)

7. RECONFIGURATION OF COMPETENCES

- The rise of “Editorial Marketing”

Ban the summaries and write teasers (Sudpresse)

“Summaries are useless. If users have a summary, it will be enough for them. So I want my journalists to write teasers. This is a short story written by journalist with this question in mind: what am I going to offer as a free information to incite/prompt people to read the full article on the paid website?”

(Head journalist of ENA, December 2018)

“Actually, journalists are not marketers. But there is no reason to think they could not be marketers ! When a journalist make a great headline, he does marketing ! It is normal for him to write a good headline. (...) In my opinion, making teasers is an editorial task”

(Idem)

Sneak peek news behind the paywall (L’Avenir)

“The sports journalist and I decide to make a free live streaming of the press conference. Just after that, we write ten lines about the event, in free access. Finally, one hour later, when we publish the newsletter, we come back with a deeper analysis. The users must pay to read it. It is what we make tighter at the level of editorial strategies” (Co-editor in chief, L’Avenir, june 2018)

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7. RECONFIGURATION OF COMPETENCES

- **Reverse publishing (*Sudpresse*)**

“ I tell to head journalists of local editions : when you arrive at the office, don't look at the number of pages of the print newspaper. Don't think about it anymore. Forget it. Start to work on content and publish as soon as possible. When the reports are ready, we decide (or not) to release them on the web.”

(Editor in chief, september 2018)

- **Data analytics (*L'Avenir* and *Sudpresse*)**

- **Community management (*L'Avenir* and *Sudpresse*)**

8. CONCLUSIONS

1. COMPETITIVE ADVANTAGE ?

- Sudpresse: 8000 online subscribers in 2018 (+ 3000) and average of 20-30 new subscribers/day since the launching of last paid offer.
- L'Avenir: 6136 online subscribers in 2017.
- In both cases, difficulties to retain online subscribers at the end of special offers



2. « Status quo » is not a option, but the renewal is followed by failures...

3. ... That reveals some organizational paradoxes (Horst & Moisander, 2015)

Stability
Tradition
Focus on oneself



Change
Taking risks
Need to collaborate

“ In our press group, we have hyper-local newsrooms with only five journalists. Among them, some work in evening or as freelancers. The newspaper must be published whatever happens and whatever the availability of journalistic resources.” (Journalist, head of national unit, July 2018)

4. The challenge of monetizing local news

Different local publics (proven by data analytics), different newsrooms traditions/practices/resources and uncertainty in strategic renewal