



Making the Market for Digital Information in an Attention Economy



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Challenge: How to sustain values, principals, purposes of journalism?

- Mass markets splintering / mass customization
- Search advertising effective competitor
(Google's Schmidt: "invent something")
- Classifieds done better on the web
- Atomization of content / consumer bundles
- We go anywhere for information-without-walls
- What sustains journalism in this environment?

Setting the scene



Innovation happens everywhere

- *Café Nase adresa* experiment watched in U.S.
- Handelsblad digital editions in Netherlands
- Recent history of privately owned press
- Free of legacy dependency on big profits
- Not all disruption starts in America



Change at hyperspeed

- Mastering change not really possible
- Schmidt: 5 exabytes info from dawn to 2003
- Schmidt: 5 exabytes now generated in two days
- Exabyte =
- Two caveats: Not an expert; here to learn



The new info economy: attention

- Making sense: 76,000 Wikileaks pages
- Information moves fast: 4G at 50 megabits
- End of the information gatekeeper?
- Most news, info roams free; “atomized”
- But unique information still has value



New/old challenge for news media

- *Finding* (or originating) unique, actionable info
- *Sharing* it with right people, right time
- Demonstrating consistent *trustworthiness*
- Assert *value* in doing so
- WHAT'S CHANGED: Platforms, 24/7, "audience"

Studying landscape



About Reynolds Journalism Institute

- Foster ideas, research, experiments
- That sustain journalism's values, principles purpose
- Fellowships, seminars, reports, incubator
- Digital Publishing Alliance (publishers)
- More than 2,500 journalism students

IDEAS.
EXPERIMENTS.
RESEARCH.
SOLUTIONS.



IDEAS
THAT WILL
TRANSFORM
JOURNALISM

Studying landscape



MEDIA GIRAFFE Project

Media Giraffe Project at UMass Amherst

- Finding, spotlighting media innovators
- Which foster participatory democracy, community
- Database of entrepreneurship
- “*Journalism that Matters*” meetings in U.S.
- Special interest in local online news communities





U.S. media landscape

- Project 2% decline in print advertising 2011
- Trying to cut to survival as ads go direct/web
- Key experiments watched:
 - * Patch.com (AOL) – 400 site expansion
 - * Next Issue Media (Hearst, News Corp., Time Inc., Meredith, Conde Naste)
 - * Journalism Online – battle to “charge”
 - * Groupon advertising model
 - * Regulation: Privacy / “network neutrality”
 - * What will Facebook do?



Participation: End of advertising?

- Is marketing one-to-one advertising?
- Vendor-delivered direct: Publisher bylass?
- What is your attention worth? To whom?
- Upending marketing: Project VRM
- Hour glass vs. the cylinder: Participatory culture
- Participatory culture: the new village square

Setting the scene



The next newsroom

- Café, volunteers, sometimes partisan
- New pamphleteers, from community
- Lawyer, doctor, accountant . . . Infovalet?
- Competition over service, point of view
- Ebb and flow of value



End of mass markets

- What comes after publishing, broadcasting?
- Automated, customized, one-to-one
- Share payments for custom info, sponsorships
-

Scoping problem



Trust, identity, info commerce

- Journalism not sustained outside print, b'cast
- Advertising abundant, rates fall \$5/CPM vs. \$50
- Result: Journalism not sustained by ads alone
- Value to aggregators – Google, Yahoo
- Possible solution: Information Trust Association

Information
TRUST
Association

Scoping problem



The missing piece

- Internet assumed trust and identity
- User names/passwords only partially portable
- Financial accountability not portable
- Opt-in universal account desirable
- Enables instant sharing of valued information

Scoping problem



Information economy blueprint

- Less than 1% of web time on newspaper sites
- A minute a day on newspaper site (improving)
- Level of engagement small c/w social sites
- How to get from gatekeeper to infovalet
- New ethic of conversation, community

InfoValet 

The logo for InfoValet, featuring the word 'InfoValet' in a blue, sans-serif font. The 'V' in 'Valet' is stylized and enclosed within a red square with rounded corners. The square has a white horizontal bar across its top, and the letter 'V' is white and centered within the square.



Debating the devices

- iPad – proprietary, elegant, simple, “great UI”
- Apollo, fluent, FlipBoard – agregators jump in
- Publishers still trying to preserve “product”
- But at the expense of user relationship
- KEY PRIORITY: Focus on user / info from anywhere





The News Social Network

- TRUSTWORTHINESS – Journalists key convenors
- ACCESS – The CATV (cable TV) example
- IDENTITY – Privacy, ‘personal’ control
 - * Few nonymity breeds spyware
 - * Identity enables trust
- VALUE – The goal posts keep moving

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Wrapping up



Making the marketplace

- Information unbundled, copyright laws can't fix it
- Consumers sensitive to privacy, see value of their attention
- Advertising morphs to opt-in, targeted, direct marketing
- Gatekeeping publishers will be left out of social stream
- Trust, identity building blocks of new info ecosystem
- Infovalet services earn value finding what's needed



Wrapping up



The blueprint: A new 'model'

- Information base camps
- Find, access information from anywhere
- But with method to pay
- Subscriptions, per-click, rewards
- Seven examples – including Visa

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Wrapping up



Information
T R U S T
Association

ITA scenario: Everybody wins?

- World-focused, not-for-profit
- Broad constituencies among directors
- Funding by memberships, transaction fees
- Sustain journalism's values, principles, purposes
- Potential convening host: RJI-Missouri



ITA stewardship

- Voluntary privacy, trust, identity standards
- Research, test and commission key tech
- Sanction protocols for sharing users and content
- Direct multisite user authentication services
- Enable web microaccounting/settlement
- Web tracking/billing for “atomized” content
- Consumer choice of infovalet by purpose/nation



Who will stand up?

- In a 16 March, 2009, *Time* magazine story about the Project on Excellence in Journalism's 2009 "State of the [U.S.] News Media," report, M.J. Stephey wrote: ". . . (I)f solutions aren't obvious, the report's overall message is: Will the future leaders of journalism please stand up?"

Thank-you.

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