

TOO BIG TO FAIL?

The case of the New York Times

Andrew Phelps, the Senior Product Manager for The New York Times and one of the investigators involved in the leaked Innovation Report, (the paper's investigation on changes needed to cope with the digital world) was the keynote speaker at the Menell Media Exchange (MMX15) in South Africa this year. Here are some highlights from his talk to a crowded room of journalists from across the country and journalism spectrum. **Anthea Garman** reports.

Phelps started off by saying that it was because newspapers had been “more in the business of classified advertising” (than journalism) that it was possible for “50 years of growth to be wiped out in a decade” in the United States. Classified advertising in newspapers, he said, had “dried up and was never coming back”.

This massive loss of revenue which sustained journalism and this shaking of the foundations of both financial and journalistic sustainability prompted *The New York Times*' owners to put in motion an investigation, in true journalistic spirit, to understand the roots of this major shift in media. So a handful of insiders were sent out to treat this phenomenon like a story, to sift through “sensitive data” and to evoke “candid opinions”. Phelps said in the process they interviewed about 350 people in about 50 companies asking questions like “what is loyalty?” for their customers.

“A report created for just six people as an internal memo has now been downloaded nearly two million times,” Phelps said, adding that many media organisations seemed to be surprised that the Times was facing the same kind of problems with revenue and circulation.

Getting into the details of what he thought were the most useful aspects of the Innovation Report he said there were two priorities to focus on: 1. Audience development and 2. A digital first culture. Although the NYT had already started to experiment with digital revenues and audiences (in 2011 they embarked on a metred model where you could get 10 free stories a month), they found themselves in the same bind as every other newspaper, growing digital experimentation without eating away print's integrity and health because even though income was falling, print was still the vehicle for the revenue.

The investigators discovered some startling

things: The home page of the NYT was not getting as many hits as it had previously: from 160 million in 2011 to 80 million in 2013 – that indicated that searching patterns were changing. And that the pre-eminence of the home page in digital philosophy was being challenged.

Mobile page views went up from 150 million in 2011 to 300-million in 2013. This alerted the NYT to the rapidly climbing importance of mobile activity. “Two billion people will have mobile access in 2016; this access is more likely than access to clean water,” Phelps said, “the rise of mobile is a faster disruption than the rise of the web.” The consequence is that an sms strategy, a We Chat and mobile web strategy is now primary.

The result on point number 2 (a digital first culture) was that mobile access suddenly became very real as the digital vehicle.

Returning to audience development, Phelps says the NYT hired a new chief of AD and started to focus on the long term. The watchword adopted is “informed by data, ruled by editorial judgement”, digital tools, tactics and strategies must evoke what audiences will be interested in and want. Some surprising adaptations in attitude come out of this engagement with trying to really know and understand audiences:

The NYT has to think globally about different ages, countries and time zones now.

It has to take “social influencers” into account – the people active and trusted in digital space and work with them so that they refer NYT content.

It has to be comfortable with people moving into and out of the NYT-controlled digital spaces and not try to corral an audience.

It has to think about “engagement” rather than numbers and figure out how to measure that. Early indicators show that “readers love serious stories” and long is no barrier on mobile. (People waiting and travelling are on their mobiles and what better place to read and engage deeply?)

Thinking this way has meant structural changes have had to take place in the newsroom and company. The wall separating editorial from HR, advertising, finances and marketing remains in place but the technology and design and product development is now deeply entwined with the journalism – “everyone talks to each other in building the tools,” Phelps said.

Andrew Phelps:

10 THINGS FOR NEWSPAPERS TO TRY

SHORT SHARP

- 1 Repackage old stories – use your archive, use new packaging and promote the social aspects of stories.
- 2 Leverage influencers and use them to share your content.
- 3 Embrace email – it’s not dead.
- 4 Build habits in readers with “briefings” – paragraph length pieces of information on mobile apps which are predictable and useful.
- 5 Ask for feedback and respect the time and intelligence of your readers.
- 6 Pay attention to evergreen stories – organise them by relevance and not date so as to optimise them for social searching.
- 7 Aggregate yourself – ask what would an aggregator do with a story?
- 8 Promote one story a day – think about your intended audience.
- 9 Encourage and reward experimentation and then communicate the lessons learned.
- 10 Kill average ideas and don’t get attached to them.



Andrew Phelps is the Senior Product Manager for the New York Times.

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