The Public Media Mergers Playbook

A guide for mergers between public broadcasters and local, digital news sites

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Authors

Dr. Elizabeth Hansen

Emily Roseman

HARVARD Kennedy School
SHORENSTEIN CENTER
on Media, Politics and Public Policy

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ABOUT

This playbook is the final research output of the Public Media Merger Project, an initiative launched in the summer of 2019 at the Shorenstein Center for Media, Politics, and Public Policy at the Harvard Kennedy School. The goal of the project was to understand and capture best practices for mergers between public media groups and independent digital news sites – a rising trend across the country. The project was supported by a partnership between the Public Media Venture Group and the Google News Initiative and was centered on business models for local public media newsroom mergers. The research in the project was led by Dr. Elizabeth Hansen. The project concluded in December 2020.

A cohort of public media groups participated in peer learning and research throughout the project, including:

- Cascade Public Media's KCTS and Crosscut

- Colorado Public Radio and Denverite
- SCPR’s KPCC and LAist
- St. Louis Public Radio
- WAMU and DCist
- WHYY and Billy Penn
- WNET’s NJ Spotlight News
- WNYC and Gothamist

About the Playbook Authors

Dr. Elizabeth Hansen (Lead Researcher) received her PhD in Organizational Behavior from Harvard Business School. Her work focuses on the digital transformation of newsrooms and the dynamics of leading and managing innovation in news. She has conducted research at the Tow Center for Digital Journalism at Columbia Journalism School and at the Shorenstein Center for Media, Politics, and Public Policy at the Harvard Kennedy School.

Emily Roseman (Project Lead) was an independent media researcher throughout her time working on the Public Media Mergers Project and now serves as Research Director for the Institute for Nonprofit News. Recently, she was the Research Project Manager for a study at the Harvard Kennedy School’s Shorenstein Center on business models for nonprofit news.

About the Project Partners and Sponsors

PMVG was founded in 2017 by Public Media Company – a national nonprofit strategic consulting company that fosters public media growth – and an initial group of 27 public media licensees. These founding organizations identified the need for public media stations to collectively develop, test, and launch services and revenue streams that leverage new technologies to further the mission of public media. Now an independent nonprofit business development corporation, PMVG consists of 31 licensees led by the public media industry's most dynamic public station leaders that operate 118 television stations which serve over 230 million people.

The **Google News Initiative** is Google's effort to work with the news industry to help journalism thrive in the digital age. The Google News Initiative focuses on three pillars: working with the news industry to evolve their business models and drive sustainable growth, elevating quality journalism and empowering news organizations with new technology.

ACKNOWLEDGMENTS

The Public Media Mergers Project was a collaborative effort that arose out of a mutual interest and passion for understanding the current and emerging models for high-quality, sustainable noncommercial journalism. We have many people and institutions to thank for their support and engagement with the project.

We offer thanks first and foremost to this project's partners and sponsors, especially Marc Hand at PMVG, David Stoller and Ben Monnie at the Google News Initiative, and Tom Patterson at the Shorenstein Center at the Harvard Kennedy School. We could not have conducted this project without all of their support, help, and guidance throughout our research and beyond. We also thank Nancy Gibbs and Setti Warren at Shorenstein for their continual work to make an institutional home for the research. We are grateful for the deep expertise and partnership of Erin Moran and Evran Kavlak at Public Media Company (PMC) who built the set of diligence tools that we present in the Playbook. We also thank PMC's Terri Olsen and PMVG's Liz Maestri for their help with financial administration and key project logistics.

For the Playbook's inspiration, we would like to thank in particular John Mooney at NJ Spotlight News for bringing this idea to our team way back in 2018 and helping us craft early visions for what we could produce for the field. Thanks as well to Bob Feinberg at WNET who was instrumental in helping us connect with Marc Hand and find traction for funding.

We are most deeply grateful to the dedicated and insightful public media organizations that participated in our research cohort, including Cascade Public Media's KCTS and Crosscut, Colorado Public Radio and the Denverite, SCPR's KPCC and the LAist, St. Louis Public Radio, WAMU and the DCist, WHYY and Billy Penn, WNET's NJ Spotlight News and WNYC and the Gothamist. The research owes its success in large measure to the core cohort of 19 content, product, and newsroom leaders who dedicated significant time, effort, and thoughtfulness not just in the research but in a string of peer-learning conversations throughout the life of the project. Our gratitude to: Bob Feinberg, John Mooney, Sylvia Baber, Stewart Vanderwilt, Dave Burdick, Kevin Dale, Kristen Muller, Megan Garvey, Andy Cheatwood, Freyja Balmer, Jake Dobkin, Rebecca Farwell, Victor Hernandez, Laura Frank, Mike Scher, Andi McDaniel, Tim Eby, Shula Neuman, and Madalyn Painter. This Playbook would not have been possible without their generous and continuous sharing of insight, struggle, and triumph with us and with each other. It is a remarkable reflection of their dedication and generosity that the cohort continued participating in the project even as the tumultuous events of 2020 continued to unfold across the nation and crash on the shores of their newsrooms. We are forever grateful for their choices to engage with us in the spirit of inquiry and learning through such difficult times so that others in the field might benefit from their experience.

We offer thanks as well to our wider partner network for the project who participated in our convening in Boulder, Colorado in October 2019. Those partners include the Wyncote Foundation, the American Journalism Project, LION, INN, PRX, the News Revenue Hub, Greater Public, and Corporation for Public Broadcasting. We are grateful for their advice and guidance as we crafted the research plan and for helping us contextualize the project in the broader trends in the field.

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Introduction

We are entering a new era of journalism in which responsive, civically-minded local newsrooms engage with their communities to provide news and information that matters. Public media is an ally and anchor in the new local journalism landscape.

This Playbook draws on a year of research to highlight one way public media stations and local, digital newsrooms can join forces to provide a new level of local service to their communities.

The mission of public broadcasting stations is to serve the public with quality information and programming. More than 1,400 local public radio and television stations together reach 98% of Americans with free over-the-air and digital content. An average of 28.5M people weekly tune into NPR programming, and public radio's digital audience — including podcasting from publishers like PRX and WNYC Studios — includes more than 60M unique users per month.

And public media has been investing in local journalism. According to data collected by the Corporation for Public Broadcasting and shared by the Station Resource Group, station-based, full-time journalists at these stations have increased by 30% over the past 5 years to 3,068 in 2018. The total public broadcasting ecosystem is now greater than $3.2B, supporting over 4,600 journalists.

While building a local digital audience for news has been a struggle for many stations, the number of free-standing digital news outlets has been growing. The Institute for Nonprofit News (INN) calculates that local entrepreneurs have been launching an average of one new digital newsroom per month, every year for the past 12 years. INN now counts more than 250 member outlets with a combined annual revenue of $500 million. These newsrooms are providing vitally important investigative, daily, and explanatory news coverage to their communities.

Public media organizations and digital newsroom organizations clearly have a lot to learn from each other. And some are discovering just how much stronger they can be together.

In 2013 the first wave began, when the St. Louis Beacon merged with St. Louis Public Radio, and iNews merged with Rocky Mountain PBS. In 2015, the small investigative outlet Crosscut merged with KCTS 9 in Seattle to form Cascade Public Media. Then in early 2018, Laura Walker, then CEO of New York Public Radio, helped shepherd the triple merger and revival of local sites, providing new homes for the Gothamist at WNYC, the LAist at KPCC in Los Angeles, and the DCist at WAMU in Washington, DC. And when Spirited Media began to wind down earlier this year, its sites the Denverite and Billy Penn merged with Colorado Public Radio and WHYY in Philadelphia. Most recently, the merger of NJSpotlight with NJTV and WNET in New York closed in March 2019.

The Public Media Merger Project conducted an in-depth study of the public media station and digital newsroom mergers across the country in the last decade, to understand how they are working (and not working), what it takes to make these mergers successful (and what should be avoided), and what can be learned that will benefit newsrooms in other communities.

How to Use this Playbook

The Public Media Mergers Playbook is the result of our one-year study. It is a practical guide designed to help stations and digital newsrooms answer two questions:

1. **Is an acquisition right for our organization?** The material in the Playbook in Chapters A, B and C should help station and digital newsroom leadership ask the right questions of potential partners to discern whether an acquisition is the right move. Use these chapters along with the tools we provide to help you decide whether to move forward or not.

2. **How do we manage our merger effectively to accomplish our shared goals?** The material in Chapter D and onward in this Playbook should help station and digital newsroom leadership navigate mergers processes post-transaction. From setting strategy, to managing culture change, to setting up new workflows, these chapters will cover everything you need to know to effectively manage your merger. This section of the playbook is best utilized by both station and digital news site leadership, and leadership across product, development and editorial teams.

We hope you'll find this playbook insightful but above all – actionable. To summarize how to use this Playbook: Chapter A has our key takeaways that will help you begin to assess if an acquisition is right for you. If you want to seriously consider an acquisition, we recommend starting with Chapter B, Considerations and Diligence. And to help you refine your thinking and planning for an acquisition, you can consult Chapter C on Setting up for Success. As you wrap up the transaction and get into the thick of a merger process, you can use Chapters D through H to help you and your organization navigate the many changes you are seeking to make.

Project Approach and Methods

Project Background

The inspiration for this project came in the fall of 2018 as NJ Spotlight was considering a merger with NJTV. Earlier that year, the Gothamist properties had been acquired into public media and public media organizations across the country were looking for ways to strengthen their local reporting. Elizabeth Hansen, leading the local news business models research at the Shorenstein Center, became interested in how these mergers were working and how they could be replicated. Marc Hand at the Public Media Venture Group and his collaborators at Public Media Company had helped stations make these kinds of acquisitions and were also excited by the potential to support more activity in local journalism.

After several rounds of proposals and partnership discussions, Hansen and Hand met to discuss the idea of collaboratively working on this project and crafted the project's key objectives and research questions. They determined that the broad focus of the project should include the strategic, revenue, and marketing changes that could be implemented in the process of a merger. In addition, they wanted to focus the project on the unique cultural challenges and opportunities of combining an independent digital newsroom with a public broadcasting station. They also wanted the project to have a strong peer learning component, since a cohort of stations were undertaking similar changes at the same time.

The Google News Initiative generously provided funding to PMVG for the project in the summer of 2019. The Shorenstein Center on Media, Politics, and Public Policy provided the academic home for the research project.

Key Research Questions

A number of research questions guided the data collection in this project.

What are the major organizational and governance decisions that should organize the consideration period and due diligence of a merger between a public broadcaster and a digital newsroom?

- What factors (organizational, cultural, contextual), make a merger more likely to proceed smoothly?
- What factors (organizational, cultural, contextual), make a merger more likely to encounter obstacles?

What are the key financial and technical performance indicators that should be attended to when entities are considering a merger?

- What indicators of revenue (including membership, advertising, sponsorship) are most important to consider, and what are reasonable estimates for the performance boost attributable to a merger?
- What technical considerations should be weighed in the consideration of a merger? What are the challenges of integrating different technical stacks and how can those be addressed?
- What set of technical and financial metrics can best measure the impact of a merger?

What are the major managerial and leadership dynamics that are likely to emerge in the post-merger period?

- In particular, how should newsroom leadership manage staff, technical, financial, editorial, and marketing integrations?

Cohort onboarding (**Summer 2019**)

The first stage of the Public Media Mergers Project involved selecting and onboarding the cohort of newsrooms that would be studied and involved in the project. Throughout summer 2019, the research team along with Marc Hand at the Public Media Venture Group held a series of phone calls and in-person meetings with prospective research cohort members, including leadership at WNET, WNYC, Cascade Public Media, KPCC, Rocky Mountain PBS, St Louis Public Radio, WHYY, Colorado Public Radio, and WAMU. After briefing these newsroom leadership teams about the purpose and scope of the project, we received sign off from all to participate in the project.

Once the news organization's leadership gave a greenlight to participate in the project, we asked leadership to identify two to three key personnel across the station and digital news site that could act as the project's primary point persons, and the attendees for our first cohort convening.

First research objectives (**Summer - Fall 2019**)

Throughout the summer and fall of 2019, the research team embarked on a few rounds of initial data collection, including conducting a market scan to determine the universe of possible future mergers, developing a metrics regime, and building out a business model for a merger of this kind.

For the market scanning, NPR's Christina Macholan provided data on locations of member stations around the country. We layered this data set along with locations of INN (Institute for Nonprofit News) and LION (Local Independent Online News) members. The resulting map provides a look at the areas where independent digital newsrooms and public media stations might consider working together.

For the metrics regime component of the project, the research team reviewed the most commonly used audience and revenue metrics for digital newsrooms in the cohort. The research team also reviewed the set of recommended metrics assembled by a working group of stations in public radio (as seen in this Current article by Steve Mulder and Mark Fuerst) and the metrics commonly used to track performance in independent digital news outlets -- like the News Revenue Hub and Membership Puzzle Project's recommendations on metrics to track. Using those sources, we compiled a metrics regime for audience data and financial data. These sheets were used in the quantitative data collection process, described in more detail below.

For the business modeling work, the project partnered with Public Media Company (PMC). Erin Moran and Evran Kavlak at Public Media Company created a business modelling for newsrooms to use to assess the financial viability of a newsroom merger. It is based on over 200 business models that PMC has created over the past two decades. See the Diligence chapter for more detail on PMC's business modelling tool and other helpful documents.

Research Cohort Convening in Boulder, CO (October 2019)

In October 2019, the research team hosted a two-day convening at the Google News Initiative's Boulder, CO office. Each group in the cohort sent one to three staff members to represent their newsroom. In total, the event was attended by 18 newsroom representatives in person, 1 newsroom representative virtually, along with eleven representatives from partner organizations like the American Journalism Project, LION, PRX, the News Revenue Hub, Greater Public and Corporation for Public Broadcasting. The purpose of the first day was to build familiarity across the cohort and to have each newsroom group present on their newsrooms' merger process, overall timeline, key challenges and outcomes. The second day of programming focused on splitting the conversation into key themes based on roles and workflows, including discussion groups focused on editorial strategy, product and technology, development and membership, etc. All conversations were conducted under Chatham House Rule.

As a result of all conversations during this convening, the research team wrote an internal memo summarizing major themes and findings across the cohort. This memo guided the structure of the final playbook.

Data Contracting and selection of interviewees (Fall 2019 - Winter 2020)

After the cohort convening in Boulder, the research team turned their focus to data contracting with each newsroom and determining the final list of interviewees for the qualitative data collection process. The research team also worked closely with the Kennedy School to develop and finalize data contracts each newsroom signed to guarantee the confidentiality of data exchanges.

Qualitative data collection (Fall 2019 - Winter 2020)

Starting in fall 2019 and through winter 2020, the research team conducted in-depth, qualitative interviews with key leaders and personnel across all cohort groups. The research team sought to interview newsroom leadership (general managers on the station side, founders and leaders on the digital news site side), along with key editorial, development, product, and technology/analytics leadership and personnel. Interviewees were determined largely through conversations with the research project's primary contacts within each newsroom

In total, Dr. Hansen and the research team conducted 78 interviews across the cohort groups, each ranging between 45 - 60 minutes. Initially, the research team planned to conduct all interviews in person. The first set of interviews in fall 2019 and through late February 2020 occurred in person, typically in the newsroom's office space. Once the COVID-19 pandemic started spreading in the United States, interviews were transitioned to Zoom.

The purpose of the interviews were three-fold: to fill in historical data prior to the merger (e.g. key decisions, conversations and challenges leading up to the merger), to fill in historical data about the interviewee's learnings and experiences during the merger itself, and to get an understanding of the current roles, workflow, and thinking in the different parts of the stations as they related to the merger currently.

Quantitative Data Collection (Spring - Summer 2020)

The research team next assessed performance of the groups in our research cohort by examining a combination of audience, financial, and editorial performance indicators.

Throughout June and July 2020, the research team requested a set of audience data and a set of financial data from both the station and the digital site within each merged entity. See here for the audience data request and here for the financial data request form.

The research team collected data across platforms and across time periods. For each platform (e.g., website or email) we requested the average of the metric 1) pre-merger, or the average figure from the six months prior to the merger, 2) post-merger, or the average figure from the six months after the merger, and 3) a COVID-snapshot, or the average figure from March 1 - April 30 2020. The research team decided on these relative six-month periods, rather than set periods of time for all groups, in order to get a sense of impact in the period immediately leading up to and following the merger. The research team requested that each entity complete the form to the best of their ability, understanding that many of the metrics we requested would be difficult to calculate or pull given each news organization's tech stack and processes. We added an asterisk (*) next to the requests that we knew would be complicated for many newsrooms to provide based on conversations with the data analytics personnel at many of the cohort newsrooms. Newsrooms sent back completed data sheets over a secure file system. We received audience data from the majority of news organizations and financial data from less than half of the participating organizations. We did not have enough consistent data across our set to achieve statistical significance, nor were there enough examples of newsrooms from each merger model to see clear patterns emerge between fully integrated vs. structurally separated groups.

Deep dive on audience data

For website data, the research team requested the number of users and sessions per month (commonly tracked metrics), along with the number of users with 6+ sessions per month. We understood the latter metric to be complicated for many groups in the research cohort to pull, yet we consistently heard that it was a metric many groups were planning to track soon. Some groups in the cohort measured the number of users with 3+ sessions/month (which is the metrics suggested in this Current piece) rather than 6+, whereas others did not consistently track any kind of repeat users on their website. The research team also requested the number of sessions per user per month and the average time per user per month.

For email data, the research team requested commonly tracked metrics like total email list size, overall email open and click rates, and unsubscribe rates. These figures can represent "snapshots" of email newsletter health and impact. As detailed in the Shorenstein Center's report on email newsletter metrics for newsrooms, however, figures like the % of the email list that are members (conversion rate) and the percentage of the email list that opens 70 - 80% or more of the time are more telling indicators of email newsletter health and performance. Far fewer newsrooms in our cohort tracked these figures, due to both email service provider (ESP) and workflow barriers (some email service providers like MailChimp report on the loyalty of individual readers through their star-rating system, whereas other ESPs.

In addition to web and email data, we also asked for other digital figures from social media data (including number of users who engage, number of engagements per impression, and number of session referrals per month from Facebook, Instagram and Twitter), podcast data (number of users per month, downloads per month, time per user per month, and sessions per user per month), and video (number of users and viewers per month, time per user per month, and sessions per user per month). Overall, time per user data, like time per user per month for podcast and video data, were the most difficult for stations and news sites to calculate.

Beyond digital data, the research team requested broadcast data from the stations, including live stream figures (cume per month, time per user per month, and total listening hours per month) and TV data for the applicable groups (viewers per month and AQH per month). Both station and digital sites also reported on event data, including number of events per month, number of attendees per event, and number of repeat attendees per event.

Financial Indicators

Given both tech stack and staffing and workflow barriers, financial indicators were more difficult for the stations and digital sites to collect and report than audience indicators. For a financial snapshot, we requested total revenue, total number of members, annual retention of members and annual churn rate of members for both FY19 and 20.

For a deeper dive into financial indicators, we asked for specific figures per each major revenue stream. Similarly to the audience data collection, we asked for the average figure pre-merger (the 6 months prior to the merger), post-merger (or the 6 months following the merger), and a COVID-19 snapshot (March 1 - April 30 2020).

Out of all revenue streams, the research team prioritized collecting membership data. Especially for stations, membership figures like number of members, revenue from members, percentage of sustaining members, and member acquisition per source (email, events, etc) act as good indicators for both audience and financial health. When reported separately from membership, the research team also requested the number of donations from individual giving (<$1,000) and the total amount in revenue earned from individual giving.

Other major revenue streams for stations and digital sites include foundations and grants, events, and earned revenue. For grants and foundations, the research team requested total revenue from each source but did not ask for detailed figures like number of gifts or source. (The research team did not view changes in amounts of individual grants as indicators for a merger's success).

For earned revenue, the research team requested revenue totals for events (including ticket sales, sponsorships and merchandise) licensing income, sponsored content, and advertising (live stream advertising, display advertising, and podcast advertising).

Other Data Collection (Spring - Summer 2020)

In addition to data provided by the newsrooms, the research team conducted an analysis of publicly available data, including information around the platforms used by each newsroom in the cohort, and a content analysis of the editorial output of each newsroom.

- **Platform tracker:** The research team collected information on the number of newsletters produced by all groups in the cohort (both public media stations and digital news sites), social media audience size, number of events hosted per month, frequency and strength of fundraising appeals on website, and basic website layout information.

- **Content Analysis**: In a separate exercise, the research team conducted a content analysis of each publishing website in our cohort, including station and digital news sites. Solutions Journalism Network researcher Leslie Cory analyzed editorial coverage produced during a three week timeframe. The goal of this exercise was to better understand the quantity and quality of editorial coverage and news produced by each news site and each combined entity.

Data Synthesis (Summer 2020)

Throughout the summer, the research team led by Dr. Hansen synthesized all qualitative interviews and data collected across the cohort. This involved reading through each transcript from the interview process above and identifying common themes across newsrooms and themes across merger structures and types.

Virtual Cohort Convening (July 2020)

In July the research team hosted a second convening for the research cohort -- this time, due to the COVID-19 pandemic, over Zoom. See here for the full agenda. This convening included a presentation of our initial research findings to the cohort, along with a Q&A session with the cohort. The second half of the event involved small group discussions around key newsroom workstreams (editorial, fundraising, product) along with discussions around public media and diversity, equity and inclusion. As a result of this event, several cohort representatives requested a separate event dedicated to building diverse, equitable, and inclusive newsroom cultures.

Diversity, Equity, and Inclusion Cohort Convening (October 2020)

In October the research team hosted the third and final cohort convening: a virtual session focused exclusively on diversity, equity and inclusion challenges and efforts within public media. Public media is notoriously dominated and led by white people who have systematically excluded people of color from both staff and leadership positions. Our cohort gathered to discuss readings on this subject and to share concrete actions groups have taken to increase diversity, equity and inclusion for the long term.

See here for the full agenda, along with crowdsourced reading materials from the cohort.

Playbook Writing and Website Production (Fall - Winter 2020)

Throughout the fall and winter of 2020, the research team led by Dr. Hansen assembled the research findings into the final playbook. After writing, the research team shared the drafts for fact-checking and quote-checking mentions with the newsroom cohort representatives and newsroom leadership. The playbook acts as the final research output of the project.

As the playbook was being written, the research team transformed the playbook copy into content for a more interactive tool -- a website dedicated to the project's findings and key outputs, including the documents and tools produced by Public Media Company. See https://publicmediamergers.org/ for the website version of this report.

Chapter A.
Key Takeaways

This section offers the key takeaways of the research that informs this Playbook. This section is a good place to start to understand the most important considerations in exploring a newsroom acquisition.

Newsroom acquisitions can serve different purposes. Be clear about mission and strategy from the outset.

A newsroom acquisition can fit a number of ways into a station or digital newsroom's mission and strategy. A newsroom acquisition can provide greater sustainability for an independent newsroom; it can expand coverage for a public media station; it can increase the digital brand and boost the digital audience of both parties. Our research revealed a range of purposes and benefits. Yet the most important element to acquisition success was explicit mission and strategy alignment between the parties.

Here are some questions to ask if you are a station or a digital newsroom considering an acquisition:

- How would this acquisition help us fulfill our mission? What values does it help our organization express? What aspiration does it help us reach towards?

- How does this acquisition fit into our strategy? Who can we reach and serve differently with this acquisition and why is that important? How will this acquisition help us fulfill our sustainability goals? What does this acquisition allow us to do uniquely that other newsrooms and media institutions in our community cannot do?

A well-executed newsroom acquisition can be the catalyst for station transformation.

Many public broadcasting stations over the past few decades have endeavored to build up their local journalism service through hiring more editors and reporters. But many stations have also struggled to build a culture of journalism that would deepen their reporting and local impact. Our work with a cohort of stations who have acquired digital newsrooms confirms that a well-executed digital newsroom acquisition can be the catalyst for the cultural transformation of a station into a civic news institution. But not all stations are ready for such a transformation, and not all digital newsrooms may want to be part of such a transformation.

Here are some questions for stations and digital newsrooms to ask as they consider an acquisition:

- What is the station's baseline commitment to local journalism, particularly in digital forms? Is the station ready for cultural change in the newsroom and for an expanded role in their communities? Who is in place to help lead that transformation and what are they ready to do?

- What is the independent digital newsroom's appetite for engaging in a change process? Are leaders and staff ready to learn a new culture and create new ways of working in a larger, multi-platform organization?

Leadership and turnover are key ingredients in making acquisitions work over time.

Post-acquisition merger processes are messy for any type of organization. Culture clashes, workflow confusion, and identity trouble are common stumbling blocks to successful mergers. We found amongst the research cohort that leadership and turnover are key ingredients in making acquisitions work over time. Strong and visionary leadership is necessary for charting a shared vision and keeping staff focused on what matters. Turnover is necessary for allowing people who don't resonate with the changes to leave and allowing new people who can help create a new culture to enter the organization.

Here are some questions for stations and digital newsrooms to ask as they consider an acquisition:

- Who are the formal and informal leaders in the station and the independent digital newsroom? What are their strengths around leading change and what are their weaknesses?

- Are leadership and staff prepared for turnover and hiring? What processes can be put in place to help staff and leaders who aren't ready for change exit the organization and find a better fit? What new people and new roles could be a good fit for a merged newsroom?

Acquisitions are not panaceas: they do not substitute for purpose, strategy, and leadership.

In turbulent financial times for digital news and in the midst of increasing pressure to deliver high-quality local journalism, the marriage of public stations and digital newsrooms can boost the sustainability of both entities by growing the audience and the service. But while this model has many benefits in the abstract, it is not a panacea. Without explicit alignment on purpose, strategy, and leadership, an acquisition will face cultural and workflow obstacles that can drag down both entities. Purpose, strategy, and leadership are also not one-time activities. Both entities must be prepared for a continual revisiting of the goals, strategy, and shared vision of the acquisition as a necessary ingredient for long-term success.

Here are some questions for stations and digital newsrooms to ask as they consider an acquisition:

- What is a realistic assessment of what problems and needs an acquisition can help solve, and what problems and needs have to be addressed in other ways? What level of agreement is there in those two categories?

- Are the parties to an acquisition ready to engage in a learning process together to refine strategy over time as the post-acquisition merger unfolds? What could that learning process look like?

Acquisitions require investment to deliver on editorial goals and investment to deliver on sustainability goals.

Acquisitions require more than the initial investment to legally combine two entities. Successful acquisitions require investment in the people and resources that can support a robust multi-platform newsroom. Successful acquisitions also require investment in the people and resources that can support multi-platform media business models. Without adequate additional investment in editorial, product, and business integration, an acquisition will under-deliver on its strategic promise.

Here are some questions for stations and digital newsrooms to ask as they consider an acquisition:

- What additional people and resources would be needed to deliver on the potential of a multi-platform newsroom? What strengths and weaknesses do both editorial teams bring to the table and what is needed to level up?

- What are the baseline levels of people and resources available to support digital sustainability in both entities? What kinds of skills, roles, and products are missing and what could be done to fill those gaps?

Acquisitions and integrations are stressful and chaotic. Successful integration requires time, resources, and patience.

Acquisitions are not for the faint of heart. They are often stressful and sometimes chaotic social processes that require time and patience. Not every issue can be predicted in advance, even with the benefit of outside expertise and resources. A willingness on the part of leadership to continually revisit and recalibrate how the integration is unfolding will help set the stage for long-term success.

Here are some questions for stations and digital newsrooms to ask as they consider an acquisition:

- Are both parties to an acquisition ready to commit for the long-haul and mobilize the patience and persistence required to bring an expanded newsroom to its full potential? What would it take (in terms of data, resources, personnel) for each side to feel confident making such a long-term commitment?

- What periodic reflection and troubleshooting processes can leadership of both entities agree to in advance to ensure that the acquisition is nurtured for long-term success? What milestones could both parties agree to?

Chapter B.
Considerations and Diligence

A public media newsroom acquisition can be a powerful strategic tool to support quality local news and information in a community. But when does such a strategy make sense? What transaction structures are possible for making it happen, and what questions should guide the diligence process?

This chapter outlines the major benefits and important considerations to make in the earliest stages of considering a public media acquisition. These questions should help inform independent digital newsroom leaders and public media leaders who are discerning whether an acquisition is right for them.

This chapter also provides recommendations and tools for managing the diligence and transaction process itself. We are grateful to our industry partners in this project, Public Media Company, for drawing on their expertise in public media acquisitions to create a handful of powerful tools for executives to use in pursuing a newsroom acquisition process. We outline those tools in this chapter, and link to downloadable versions in the Tools section of this Playbook.

What can a newsroom acquisition do?

When does it make sense to pursue digital newsroom acquisition into public media? There is no single answer to this question. There are a variety of conditions and strategies that are a good fit for a newsroom acquisition into public media. And a single acquisition can serve a variety of purposes.

This section lays out some of the rationales for acquisition that we surfaced in the mergers study. These rationales provide a good basis for assessing, at a high level, whether pursuing an acquisition is a worthy goal. We first consider what a public media acquisition can do for an independent digital newsroom. We then turn to what an acquisition can do for a public media station.

What can a station do for a digital newsroom?

Provide financial and operational stability and heft

Many small, independent digital newsrooms operate on thin yearly budgets without much operating reserve. Many find it difficult to break out of "start-up" mode and reach a scale where recurrent revenue consistently meets or exceeds expenses.

For an independent digital newsroom, a new station home can provide operational stability and heft that is very difficult to achieve in a purely digital business model. (According to the Station Resource Group, in FY 2019, 62 stations reported a total direct revenue of $5 million or more.) Many public radio and television stations also have strong membership bases and are tapped into local philanthropic networks in addition to bringing in revenue from underwriting and sponsorship. While in many small digital newsrooms, executives have dual editorial and business responsibilities, most public media stations have professional revenue-side staff.

Provide a longer-term horizon for sustainability

The operational stability and heft of a public media station can provide digital news leaders with a longer-term horizon for sustainability and mission than they could otherwise create on their own. This ability plan for the long-term is a huge asset for building long-term community relationships and delivering on the promise of public service.

Provide editorial guidance and leadership

Though many public media stations are early in the journey of developing a culture of journalism, many have also been hiring editorial leadership from newspapers to run their broadcast operations. Just by virtue of their size, public media newsrooms often have larger editorial teams than small independent digital newsrooms. This means that many stations already have a level of editorial professionalism and expertise that can benefit small digital newsrooms that might have been unable to scale editorial support as fast as reporting strength.

Provide opportunities for cross-platform collaboration

Impactful journalism often crosses platforms, reaching different audiences in different channels. While many small digital newsrooms are experimenting with public media newsroom collaborations to help their stories travel widely, an acquisition can bake cross-platform collaboration into the newsroom's operating model. Internal collaboration, though still difficult, is much less costly and has the opportunity to be more efficient when everyone is under a single reporting structure.

Provide access to major donors who want to support the work

The strongest public media stations have built deep relationships with the philanthropists in their communities, and have professional development staff who support ongoing major giving work. Many independent digital newsrooms are working hard to develop this capability, but their leaders often have to juggle editorial oversight with donor relationship-building. When an acquisition works well, public media development staff take pride in the work of the new digital newsroom and take responsibility for connecting with major donors who want to support the digital newsroom's work.

Provide investments in product and revenue

Staying atop trends in digital product and revenue can be incredibly challenging for a small digital newsroom with limited staff and bandwidth. Though there are now quite a few tools and services which support publishing and revenue in small newsrooms, public stations can provide investments in more sophisticated product and revenue strategies that would be difficult for small newsrooms to secure on their own.

Provide access to other platforms

Though public media stations retain a core focus on broadcast media (television and/or radio), most stations have diversified into other media platforms including digital video, podcasting, digital streaming, digital text, and social media. A public media acquisition can provide a small digital newsroom with access to other media platforms that would have been either difficult or ad-hoc to do as an independent.

Preserve an archive!

For a struggling digital newsroom, a vitally important service that a public media acquisition can provide is to preserve its archive. Many independent digital newsrooms have stepped in where local newspaper coverage has shrunk or disappeared, and have become the "site of record" for important stories in their communities. When digital news sites shut down operations, their stories run the risk of being extremely difficult to access or lost altogether.

What can a digital newsroom do for a public media station?

Provide a differentiated digital brand

Public media stations have been trying to build digital brands since going online in the late 1990s and early aughts. Evidence from public radio suggests that despite many stations' efforts at digital brand building, their websites are used for (1) checking the broadcast schedule, (2) accessing the broadcast stream, (3) donating. Listeners and viewers have not made the transition to being readers, despite many stations investing considerable resources in building digital products and hiring digital producers and reporters.

The opportunity to acquire a differentiated digital brand should be hugely important to public media stations that are seeking to inform their communities with digital news. Building a digital media brand at any scale is incredibly difficult. And the advantage that small independent digital newsrooms have had is the ability to create a digital brand from scratch, not attached to broadcast call letters.

Provide an editorial voice with local resonance

Part of the difficulty of building a digital brand lies in crafting a distinctive editorial voice that can cut through the clutter of internet media and attract a loyal audience. Most successful local independent newsrooms have been able to build a brand and an audience through finding and honing that local voice.

Much like strong public media stations—particularly radio stations—have learned to spot and develop broadcast talent, a solid local newsroom acquisition will provide the station with a star-quality of digital editorial voice and sensibility that is hard to replicate.

Provide a digital audience (web, social, newsletter)

The combination of a strong digital brand and a strong editorial voice in an independent digital newsroom should result in a strong and growing digital audience. The size of the digital audience, the distribution of audience across platforms, and the loyalty of that digital audience are some of the most valuable assets to be gained in a digital newsroom acquisition.

Provide digital reporting capabilities

Public media stations seeking to build their digital service have attracted and grown a large cadre of digital producers across the system. Digital producers are skilled at taking broadcast content and adapting it to the web. But digital producers are not, by and large, digital reporters. At a basic level, what a digital newsroom acquisition can do for a public media station is bring in a team of digital reporters whose only medium is the internet, and whose only task is reporting stories that get published on the internet. For stations that are seeking to boost the quality, amount, and depth of their original reporting on the web, a newsroom acquisition is a much stronger strategy than continuing to build from scratch.

Provide a new product mindset

A digital newsroom acquisition can also help a public media station grow its "product mindset." A product mindset refers to the practices of audience research, design, testing, launch, and assessment that characterizes the best of digital media creation. A product mindset is especially important for stations that are trying to grow their digital audience and increase the quality of their digital services. But a product mindset often runs counter to a broadcast mindset, in which stories get produced, aired to a mass audience, and forgotten. In strong digital newsrooms, a product mindset often goes hand-in-hand with editorial strategizing. It is this combination of skills and thinking that can be a huge boost to public media newsrooms and public media digital teams.

Provide an audience orientation

Related to the product mindset, a digital newsroom acquisition can also provide a new kind of audience orientation that many public media organizations have struggled to develop. Because digital audience building is about knowing your audience and then community building around them, any successful digital newsroom will have figured out how to understand its audience and respond to their needs.

Provide a different audience than NPR listeners

Finally, a digital newsroom acquisition can provide a different audience to a public media station. Most public media station audiences (and members) tend to be older, educated, affluent, and white. A targeted digital newsroom acquisition can help a station diversify its audience not just by channel but by demographics as well.

Factors that Help and Challenge

Identifying and substantiating a strong rationale for an acquisition is a good first step to figuring out if it is the right strategy. But even if an acquisition makes sense in theory, there are factors that can help and factors that can hinder the transaction and process. If you are considering an acquisition, it is worth being aware of what can make the road rocky versus smooth.

We describe below the factors that we saw emerge across the cohort.

Factors that help an acquisition

Pre-existing editorial relationships between staff. Across the cohort, we saw that pre-existing editorial relationships between station staff and independent digital newsroom staff made a difference for how smoothly the acquisition and integration process unfolded.

In almost all of the cases, there were former digital newsroom employees newly on staff at the public station, or the parts of the editorial staff had experience working together at other publications. These relationships matter greatly for coming to a common understanding of mission and strategy during the transaction. They also make a difference for how quickly teams are able to get through the rocky cultural integration process.

Pre-existing board-level relationships. We found that pre-existing board relationships helped smooth the transaction process by bringing parties from both sides to the table and helping to negotiate sticky deal terms. Pre-existing board relationships can also make the process of mission and strategy alignment easier. And if additional resources are needed to fund the transaction or post-acquisition investment (which is almost always the case), pre-existing board relationships can be a huge asset.

A radio newsroom that has been working on digital transformation. The post-transition integration process is primed to go more smoothly when the leadership of the radio newsroom has been working on digital transformation of workflow and content strategy. We found this meant key newsroom leaders were bought into the idea of digital transformation, and had a plan for moving the newsroom forward, when the acquisition occurred. This includes newsroom leadership understanding the value of digital assets and digital strategy -- and seeing “digital” as a newsroom-wide mandate and not a vertical product. Without this pre-existing readiness for change at the leadership level, digital transformation via an acquisition can be slower.

A leadership-level commitment to invest in the staffing and structural change. In order for a newsroom acquisition to bear fruit, acquired digital assets, including the digital newsroom's website, email newsletter list, and social media channels, need to be properly managed and cultivated by staff following the merger. Post-acquisition merger processes can be vastly improved in cases where newsroom and station leadership are prepared to 1) ensure current staff are trained and have the bandwidth to assume new responsibilities from digital property, and/or 2) hire new personnel (likely from the digital site) to continue to manage digital property.

Mission-alignment or the potential for mission alignment between entities. Public media missions are often more diffuse and expansive than digital newsroom missions. A successful acquisition requires coming to explicit mission alignment between the entities as part of the transaction and integration process (see the "Setting up for Success" chapter for more detail). To the extent there is already a degree of mission alignment between the entities (which in most cases there should be to consider the acquisition at all), the transaction and integration process should go more smoothly.

Factors that challenge an acquisition

A narrow definition of transaction cost and investment. One factor that can challenge an acquisition is a narrow definition of transaction cost and investment. Digital newsroom acquisitions are not "plug and play" strategies. Beyond the cost of the transaction (if any), acquisitions require investment of resources and leadership attention to work well. If discussions in the transaction process are focused too narrowly on the price of the deal and time to break even, this can hamstring the long-term success of an acquisition by setting it up for under-investment.

A narrow definition of digital success. Public media stations are often internally caught between broadcast needs and resources and digital needs and resources. A true multi-platform news strategy should be about audience first and channel second. If the broadcast versus digital wars are raging too intensely internally, it's unlikely a digital newsroom acquisition will help quell them, even though it might allow station leadership to claim "digital success." Such premature declarations of success will actually hurt the acquisition process by distracting from the larger work of building a coherent, integrative, multi-platform news strategy.

Too much restriction of autonomy for acquired digital newsroom leaders, brand, and product. The innovation, brand distinctiveness, and metabolism of an acquired digital newsroom are all part of the special capabilities that an acquiring public station should seek to preserve and enhance. This requires giving acquired digital newsroom leadership in particular more autonomy and cross-functional empowerment than a station might be used to. Too much restriction on the editorial, product, or sustainability fronts can stamp out the very capabilities that can lead to deeper, station-wide transformation.

Transaction Structures

When considering an acquisition, there are a number of transaction structure options to consider. We asked the professionals at Public Media Company, who have helped structure and execute many acquisitions into public media, to outline the major transaction types and required documentation. Please note: The stations studied as a part of the Public Media Mergers Project were all either mergers or acquisitions. Due to confidentiality reasons, the research team is not able to disclose the specific deal structures and terms of the mergers and acquisitions examined as a part of this study. If you have any questions about this, please reach out to Dr. Elizabeth Hansen at elizabeth@elizabethahansen.com.

Public Media Company captured the range of options for combining two newsrooms and the legal documents involved in their Structuring a Newsroom Merger document, which you can find in the Tools section. Structures can range from a less formal task-focused partnership, which means the two newsrooms collaborating on specific joint stories or projects through shared resources, to an acquisition, where one organization agrees to acquire the assets of another organization.

Of course, legal counsel should be retained when completing binding agreements in connection with a newsroom merger or acquisition.

The following advice was developed by Public Media Company.

Task-Focused Partnership

In a task-focused partnership between two non-profits, the newsrooms collaborate on specific joint stories, with each newsroom providing resources. Via a Memorandum of Understanding (MOU), or other formal agreement such as a Term Sheet, the allocation of revenues and expenses, responsibilities for research, promotion/social media engagement, and other relevant roles/tasks are outlined and agreed to by the participants. If the partnership is between a for-profit and nonprofit entity, then the activities and the allocation of revenues and expenses should be clearly defined to show that such activities either help advance the mission of the non-profit or are unrelated to the nonprofit's mission and, therefore, subject to unrelated business income tax, or “UBIT”. UBIT applies to income derived from a regularly carried on trade or businesses that is unrelated to the performance of the organization’s tax-exempt (e.g., charitable) functions.

Joint Venture

In a joint venture, two non-profits agree to undertake an economic activity together. This can be completed by entering into a Joint Venture Agreement that clarifies roles, financial, legal, and other responsibilities or by creating a separate legal entity. An example of this type of structure was Classical Public Radio Network (CPRN), a joint service provided by KUSC (licensed to University of Southern California) and Colorado Public Radio (CPR). CPR and KUSC set up a non-profit, limited-liability corporation (LLC) to streamline their classical music operations and to enable multiple distribution opportunities in broadcast, cable, satellite, and digital. CPR and KUSC both had a 50% interest in the corporation. An MOU can be created to outline the intended joint venture, and if a legal entity such as an LLC is formed, an operating agreement for the LLC will need to be created. In addition, the LLC will need to be established on the state and federal level (1023 filing for a new 501c3).

Although the agreements for nonprofit-for-profit joint ventures and mergers are similar, such transactions can be complicated as they may have tax implications and create a risk to the nonprofit's tax-exempt status. Advertising revenues and sales of products and services might be considered unrelated business income by the IRS. Such mergers and joint ventures are typically structured through subsidiaries to shield the non-profit.

Merger

In a merger, two organizations agree to combine their operations. Depending upon the agreed structure, it could be that an entirely new organization is established to which both organizations will contribute their existing assets. Or it could be decided that one organization merges into the other organization. From a governance perspective, a merger generally provides for the combining of the existing boards, and a consensus and agreement regarding how the merged organization will operate in the future. Legal agreements in connection with a merger often involve the transfer of assets from one organization to another without compensation under a Merger Agreement. While mergers between nonprofit and for-profit entities are structured similarly, there may be unique state law requirements and IRS requirements imposed on non-profits because of their tax-exempt status.

Acquisition

In non-profit acquisitions, one organization agrees to acquire the assets of another organization (as opposed to the stock of a corporation). The acquisition terms may include fixed assets, intellectual property, assumption of obligations (leases, debt, etc.), commitments regarding personnel, board positions, etc. Generally, via an independent appraisal/valuation, a purchase price is established, and the acquiring entity agrees to pay a sum of money to the organization selling its assets. Legal agreements in connection with an acquisition include the Purchase Agreement. The seller would generally dissolve its company or agree to a non-compete agreement for a period of time.

An acquisition might also involve a non-profit acquiring the assets of a for-profit or vice versa. The agreements used in these transactions are similar to those in non-profit to non-profit acquisitions and include a description of the assets being transferred, the liabilities being assumed, and appropriate representations and warranties regarding such assets and liabilities and the parties. In the case of a sale from a for-profit to a non-profit, the seller has options regarding the purchase price, receiving it in the form of cash, a note receivable, or considering the transfer of the assets as a donation, possibly resulting in a tax deduction.

Formal Agreements

When structuring a newsroom merger there are a number of formal agreements that may be part of the process. For more formal structures, counsel will have to draft a Letter of Intent (LOI) that expresses that the two parties are committed to negotiating in good faith, a Memorandum of Understanding (MOU) that documents the terms the parties are agreeing to, and then for mergers, the Merger Agreement that documents the terms of the merger, and for acquisitions, the Purchase Agreement that documents the terms of the acquisition.

Letter of Intent (LOI)

The LOI documents that the two parties are committed to negotiating in good faith with one another.Ideally it clarifies that the negotiation is confidential, exclusive and is for a set period of time (which can be extended if both parties agree).
Most clauses within a LOI are not legally binding and are negotiable; however, points included should generally reflect the terms each party requires.

Typical points addressed:

- Assets (real property, equipment, intellectual property, contracts, etc.)
- Cash and non-cash consideration and method of payment
- Subject to execution of definitive agreement with customary representations, warranties, and covenants
- Due diligence rights
- Exclusivity
- Confidentiality
- Escrow deposit
- Termination date and other "outs"

Memorandum of Understanding (MOU)/Term Sheet

The MOU documents the terms that the parties are agreeing to, and under the first three structures, may serve as the legally binding agreement.The MOU generally sets out the parties involved, includes recitals as to the background and the reason for entering into the MOU.

Typical points include:

- Term
- Roles and responsibilities
- Accounting and sharing of revenues and expenses
- Governance matters
- Customary representations, warranties, and covenants
- Reporting requirements
- Access to records
- Due diligence rights
- Exclusivity
- Confidentiality
- Termination date and other "outs"

Merger Agreement

The Merger Agreement documents the terms of the merger.

Typical points include:

- Agreed upon legal structure of merged entity, including governance oversight and composition
- Included and excluded assets being merged
- Assumption of liabilities and obligations
- Representations and warranties of the parties
- Covenants
- Conditions to closing
  - Conditions and obligations of the parties
  - Liability for damages if there is a breach of representations and warranties and failure to close
- Closing
- Scheduling

    - Closing deliveries
- Termination rights
    - Terminating events; "drop-dead" date
    - Liquidated damages
    - Specific performance
- Survival of representations; Indemnification
- Other Provisions
    - Commissions and brokerage fees
    - Filing fees, legal fees
    - Assignment
    - Governing law

Purchase Agreement

The Purchase Agreement documents the terms of the acquisition.

Typical points include:

- Included and excluded assets in asset acquisitions
    - Included: real property and tangible personal property, licenses, copyrights, trademarks and other intangibles, assumed contracts
    - Excluded: cash on hand and cash equivalents, insurance policies, certain books and records, employment agreements and benefit plans
    - Accounts receivable
    - Purchase price
    - Adjustments to purchase price: prepaid revenues, rent, utilities, taxes and other prorations; accounts receivable; specific liabilities
    - Earnest money escrow: liquidated damages
- Assumption of liabilities and obligations
- Representations and warranties of seller/buyer
- Pre-closing covenants
    - Seller's affirmative covenants
    - Seller's negative covenants
    - Joint covenants

- Conditions to closing
    - Conditions to buyer's obligations
    - Conditions to seller's obligations
    - Contrast failure to close due to breach of representations and warranties (liability for damages) with failure of closing condition to occur
- Closing
    - Scheduling
    - Closing deliveries
- Termination rights
    - Terminating events; "drop-dead" date
    - Liquidated damages
    - Specific performance
- Survival of representations; Indemnification
- Other provisions
    - Commissions and brokerage fees
    - Filing fees, legal fees
    - Assignment
    - Governing law

Documents/steps that may be needed for closing

- The closing memorandum
- Governmental filings and other governmental approvals
- Third-party consents; assignment of contracts and leases
- UCC, lien, and judgment searches and releases
- Title commitments, surveys, and environmental reports
- Conduct of business in ordinary course and preservation of assets
- Additional due diligence: access to and review of information
- Authorizing resolutions
- Closing schedule updates
- Circulation of closing documents

Things to do to Prepare for Closing

- Standard closing documents
- Prorations: prepaid revenues, rents, taxes, utilities, contractual obligations, barter contracts
- Notification to governmental authorities (if applicable) and other third parties
- Use of closing or side agreements to handle problems at closing
- Closing of purchase financing (if applicable) and waiting for the wire; placing documents in escrow if wire fails to arrive or if there are other obstacles to closing

Transaction Timeline

How long can you expect an acquisition transaction process to take? The timeline and activities will vary depending on the overall vision, size of the newsrooms, type of the organizations, legal structure, and the newsroom reach. Public Media Company, based on its work advising and structuring newsroom acquisitions in public media, suggests that a process can take anywhere from nine months to a year or more.

Be prepared for an acquisition process to take some time. While some of the acquisitions in the cohort came together very quickly (a few months) out of necessity, others took a few years to come together. Long acquisition processes can be positive, however. John Mooney, a founder of NJ Spotlight, engaged in an acquisition process with NJTV and WNET which took more than two years from start to finish. Mooney reflected,

"I think you should temper your expectations to do this quickly. If you think it is going to take a year, it could take two years. In our case, from start to closing was more than two years. There was a lot to work out. The details themselves are enormous in dealing with any organizational merger, especially a media one. But one of the benefits of a long courtship is that it is a long courtship. In our case with NJTV, we got to know each other, and we did some work together during that time, and that was all really valuable for the acquisition to work."

While we strongly recommend investing time up front in diligence and planning, there are inevitably issues which will not become apparent until the transaction is complete and the merger process is underway. This is especially true when it comes to managing reporting structures and mixing personalities and cultures. Mooney explained,

"But you can do all the planning up front, and until you are actually in it, that is where the rubber meets the road. We thought we were all prepped and ready to go, but on day one you are starting to deal with cultures and all the issues with that. For all the prep work, we still had to deal with those issues."

Talking about the fact that workflow and cultural conflicts will arise will help normalize conflict as part of the change process. It's also important to agree ahead of time as best you can on how conflicts can be handled and resolved. These conversations will help prepare everyone for what is to come. Mooney explained,

"Knowing that culture and workflow issues are going to arise is the useful part. You have to start talking about those things early and start sitting at the table together, acknowledging you will have different ways of working and workflow. You should start talking about how you will resolve those issues when you will have two different points of view. Until you are in it, you won't realize them all, but recognizing in advance what the big issues are will really help. Be ready and have a detailed plan, even if you might end up tossing it."

The following advice was developed by Public Media Company. Please see the Tools page for a downloadable version of the full document "Timeline for Newsroom Mergers."

Sample Newsroom Merger Timeline

Step 1: Build trust and the ability to work collaboratively

Focus areas: Editorial collaboration, co-fundraising, high-level conversations on the benefits of strategic alignment, cultural fit
Suggested activities (**3 - 6 months or longer**):

- Spend time together at the senior staff level and board level
- Share resources (e.g., offices, reporters, equipment)

- Collaborate on editorial initiatives
- Identify if strategic alignment makes sense, and why
- Participate in co-fundraising, if possible

Step 2: Create a vision for how organizations could merge
Focus areas: Editorial mission/vision, potential leadership structure, branding approach
Suggested activities (**1 - 3 months**):

- Conduct a SWOT exercise to determine alignment on strengths, weaknesses, opportunities, and threats to ensure a shared understanding of the landscape
- Agree on the shared mission/vision for the combined organization
- Create an editorial plan for how the two newsrooms will work together. This editorial plan will help inform potential funders and be a guide through the business planning process
- Agree on the basic branding approach. Do the two brands continue to exist or does one brand go away over time?
- Confirm the leadership structure for the combined organization, and make sure that all agree with who is going to lead the enterprise post-merger. These discussions should also include any structural changes to any oversight boards, if relevant. This leader will have the final sign off on the business model for the combined organization
- Identify funders that may support the merger and confidentially discuss the shared editorial vision; inviting feedback, questions, and gauging potential for philanthropic support
- Involve Board, as needed, to gain early buy-in to the merger

Step 3: Conduct rigorous business planning and diligence
Focus areas: Business model development, due diligence
Suggested activities (**1 - 3 months**):

- Collect information and data (refer to the “Due Diligence Checklist for Newsroom Mergers” for a complete list of the due diligence items).

- Create a detailed business model for the two organizations operating as a merged organization. Provide documentation for all revenues/expenses, reserves, restricted versus unrestricted revenues, preferably audited by an independent accounting firm
- Prepare a staff plan for the new organization, which includes both existing salaries and benefits and any additional positions to be hired in the merger. Identify if any positions will be eliminated in the merger
- Identify additional sources of revenue to support the merged organization and overall plan for sustainability for a five-year timeframe and beyond
- Determine where the staff offices will be located, and clarify expectations for co-working in the shared office space
- Discuss and agree about any services that will be ended (e.g., newsletters, podcasts, print publications) or locations that will be closed due to the merger

Step 4: Agree on merger terms and prepare agreements
Focus areas: Creating formal agreements, integration planning
Suggested activities (approx. **3 months**):

- If necessary, create and sign a Letter of Intent (LOI) documenting that the two organizations are committed to confidential, exclusive discussions with the goal of merging the two organizations
- Prepare formal merger documents
- Engage in more extensive due diligence, such as documenting staff salaries and benefits, reviewing all contracts, documenting insurance coverage and inspecting all lease agreements (refer to the "Due Diligence Checklist for Newsroom Mergers" for a complete list of the due diligence items)
- Review all grant agreements and identify any grants in progress that require pre-approval from the foundation before transferring a grant to a new/merged organization. Make sure all grant approvals are sought and received in writing before signing merger agreements
- While merger documents are being finalized, prepare plans for integration (refer to the "Implementation Checklist for Newsroom Mergers") and communication

of the merger. Keep key foundations and donors informed of the status and projected merger signing and announcement dates.

Step 5: Seek board approval and closing
Focus areas: Finalize merger documents, receive board approval, integration planning
Suggested activities (approx. **1 month**):

- Finalize merger documents
- Board discussion and approval
- Closing

Conducting Diligence

Public broadcasters and independent newsrooms will need a wide array of documents and materials from the other side in order to make an informed decision about a merger.

Public Media Company created a Due Diligence Checklist for this process. Newsroom leadership and/or legal counsel will need to request financial documents and data (including financial statements for the past two to three years and details on all ownership and assets) and clear reporting on editorial and content history and processes (including publishing schedules, current distribution partners, and editorial responsibilities).

Other and perhaps more frequently overlooked information like information on software used for email, accounting and publishing, and communications and workflow for social media posts, should also be requested.

It should be noted that not all of these due diligence items will be relevant to every merger. The scope and the extent of the due diligence materials might vary depending on the overall vision, size of the newsrooms, type of the organizations, legal structure, and the reach of the newsrooms.

The following advice was developed by Public Media Company. Please see the Tools page for a downloadable version of the full document "Newsroom Merger Due Diligence Checklist."

Financial

- Historical, audited, or internally prepared financial statements for the past two to three years with detailed revenue and expense information including indirect costs
- 990s for the past two to three years
- Year-to-Date actual results and Year-to-Date budget for the current fiscal year
- Budget for the next fiscal year
- Strategic plan/operating plan and any overview documents that explain mission/vision and goals
- Distribution and production stats (weekly/monthly/annual production hours, number of stories produced, broadcast/online/podcast audience reach, focus of stories/content etc.)
- What are the key performance indicators (KPIs) that you track to quantify the economic and social impact (number of listeners, number of users, hours of content produced, etc.)? Any historical data you have on these variables/ratios since the inception, to the extent available.
- Records of all utility costs, taxes, assessments, and other costs associated with the operation for the past three years
- Detailed description of all payments made to content providers over the past 24 months.
- List of all sponsorship/advertising contracts sold during the past 24 months, including the contact information of the underwriter, the value of the contract, and the name of the employee responsible for the respective underwriting accounts.
- List of all key contracts (leases, vendors, grants, etc.)

Content

- Describe editorial roles, responsibilities, and workflow
- A list of content and distribution partners
- Editorial policies
- Publishing schedule

Development

- Membership giving levels, pledge drive dates, direct mail solicitations schedule
- Provide the following membership information for the past two fiscal years:
    - Number of donors <$1,000
        - Prior year donors retained in current year (<$1,000)
    - Number of donors >= $1,000
        - Prior year donors retained in current year (>=$1,000)
    - Number of donors acquired via pledge drive, online, other
    - Number of sustainers
        - Total 12-month sustainer revenue for all sustainers giving in first month of prior year
        - Total prior year sustainer revenue for all sustainers giving in first month of prior year
- Provide a list and a brief description of the crowd-funded projects with the number of donors, donations, total revenue raised, and the campaign period
- Provide a list of events organized over the past two years with the following information for each:
    - Number of attendees
    - Gross revenue
    - Sponsorship, advertising, and/or fundraising revenue
    - Historical sources of grants: provide a list of foundations, with the respective grant amounts. Indicate whether each grant is restricted or unrestricted, single-year/ multi-year

Governance

- Bylaws
- Minutes from the board or advisory group meeting
- Lists/bios of board members with terms

Human resources/administration

- Organizational charts

- Job descriptions for the core staff
- A list of all salaried employees and contract personnel with detailed information on salaries, hourly rates, and, if applicable, benefits
- Employee handbook
- Employee evaluation/review process
- HR training policies and programs (if any)

Ownership and condition of assets

- A list of the assets the merging entities use or hold for use in connection with their operations, whether real property or personal property, owned or leased, together with copies of all available reports and other valuation data, including physical conditions and depreciation, concerning such assets. The list should include the manufacturer, model number, and date of purchase or installation of any electronic equipment used or held for use by the entities.
- If applicable, all deeds and other real property title documents, including leases and assignment of leases of real property, to which each merging entity is a party, and which will be sold or assigned to the merged entity.
- A list and brief description of all liens, security interests, mortgages, and any encumbrances with respect to each of the Assets (including equipment), and the location where documents or financing statements relating thereto are filed.
- A list of all insurance policies, copies of all material insurance policies in force, and a list of any claims made under those policies or any predecessor policies, noting any cancellation or assignment issues.

Marketing and communications

- Recent marketing and communications plans

Technology

- Information/description of digital and CRM platforms and related contracts
- Donor analytics

- Underwriting/sponsorship software
- Website hosting information
- Information on other software systems used for email, accounting, publishing content, etc.
- List and review agreements with outside vendors supporting IT operations

Social media

- Communications and content workflow for social media posts
- Plans and budget for digital ad process

Business Modeling

Once you have the key financial, audience, and other information from the other party, the next step in the diligence process should be business modeling -- or the process of calculating all expected costs and revenue in order to determine how the newly merged entity can become sustainable— and when.

Public Media Company created a spreadsheet calculator to aid in this process. The calculator is based on over 200 business models that Public Media Company has created over the past two decades.

We recommend completing the Tab 3 - Cash Flow Detail sheet first, looking at historical data to make some informed assumptions about how the business might grow. Then, the Cash Flow Summary sheet will act as a clean snapshot that can be reviewed with stakeholders and other newsroom leadership.

Of course, it should be noted that the scope and the extent of the financial model might vary depending on the overall vision, size of the newsrooms, type of the organizations (commercial versus noncommercial, broadcast versus online), and the intended audience reach.

Making revenue assumptions

The most important components needed to project the sustainability performance of an acquisition over time are assumptions about the variables that will drive revenue. This business model outlines a series of these assumptions, broken into the categories below.

REVENUE ASSUMPTIONS
Digital Subscriptions
Newsletter Subscribers (free)
Annual Online Users
Number of Paid Subscribers
Number of Paid Subscribers/ Annual Online Users + Newsletter Subscribers
Average Revenue per Paid Subscriber
Web Advertising
Average Monthly Impressions
Cost-per-Thousand-Impressions (CPM)
Sponsored Content
Podcasting
Number of Users
Sessions per User per Month
Cost-per-Thousand-Impressions (CPM)
Donations (**Direct mail, digital, crowdfunding**)
Number of Donors
Individual Giving (<$1,000)
Average # of Monthly Donors
High-End Support (>=$1,000)
Average # of Monthly Donors
Total Donors (>$0)

Member Acquisition
Number of Donors acquired via Pledge Drive (call-in)
Number of Donors acquired via Online
Number of Donors acquired via Other
Sustainers
Number of Sustainers
% Sustainers (of all 12 month donors)
Total 12 month sustainer revenue (for all Sustainers giving in first month of prior year)
Total prior year sustainer revenue (for all Sustainers giving in first month of prior year)
% Sustainer Revenue Retention (for all Sustainers giving in first month of prior year)
Revenue per Donor
Individual Giving (<$1,000)
High-End Support (>=$1,000)
Prior Year Donors (>$0)
Prior Year Donors Retained in Current Year (>$0)
Donor Retention Rate (>$0)
Donor Churn Rate (>$0)
Institutional and Major Giving
Major Restricted Donations (restricted for programming, capital asset purchases, etc.)
Foundation Grants (#)
Total Foundation Revenue
Average Foundation Grant
Merchandise
Licensing Income

Crowdfunding
Number of Crowdfunding Projects
Number of Donors
Revenue per Donor
Events
Ticket Sales
Number of Events
Number of Attendees
Number of Attendees/ Number of Events
Gross Revenue per Event
Gross Revenue per Attendee
Sponsorship
Average Number of Sponsors per Event
Average Revenue per Sponsor

We recommend making these assumptions based on:

1. Historical analysis of performance
2. Planned investments in content, product, and monetization as part of the acquisition

These assumptions should help inform your revenue projections and help you monitor your performance over time. **Most of the acquisitions in the research cohort were modeled on a three to five year break-even basis, subject to differences in the baseline financial health, audience size, and investments required for purchase and upgrades.**

Making cost and investment assumptions

Of course, projecting financial performance is not just about paying attention to revenues. You also need to plan for the ongoing costs of running the acquired property. ***You should also plan for making investments in product, audience growth, and revenue capabilities as part of the business modeling***. You may also want to add new staff as part of those investments.

The series of cost assumptions presented below are also reflected in the business model on the Tools page.

COST ASSUMPTIONS
Salaries
Adjustment for New Staff
Position 1
Position 2
Position 3
Position 4
Position 5
Position 6
Total Salaries with New Staff
Payroll Fringe & Insurance
Consulting and Professional Fees
Tax & Accounting
Fiscal Manager
Web Design
Strategic Planning
Legal
Fundraising Consulting
Event Consultant
Tech Consultant
Other
Total Consulting and Professional Fees
Conferences & Meetings
Administrative Costs
Rent
Utilities
Telephone & Communications
Liability Insurance

Directors & Officers Insurance
Filing Fees
Recruiting
Dues & Subscriptions
Office Supplies & Cleaning
Bank & CC Fees
Payroll Service Fees
Professional Development
Other
Total Administrative Costs
Software
Equipment & Supplies
Printing
Postage & Shipping
Travel
Hotels
Ground Transportation
Air Travel
Total Travel
Meals & Entertainment
Marketing
Graphic Design/ Artwork
Advertising
Merchandise
Total Marketing
Direct Program Expenses
Web Hosting
Digital Video
Email List
ISDN Line
Program Materials
Content

Freelance/ Editor
Audience Research and Evaluation
Brand Licensing
Membership & Fees
Venue Rental
Studio Rental
Depreciation
Other

See the Tools page for the Business Modeling Calculator. If you have any questions about the template, please contact Evran Kavlak at evran@publicmedia.co.

Implementation Plan Checklist

Both when considering and when executing an acquisition, newsroom leaders should understand the full range of decisions that need to be made. To aid with this process, the Public Media Company put together an implementation plan checklist. The checklist covers major considerations like human resources (compensation plans and org charts) and content decisions (how digital editorial teams and on-air teams will work together), to more nuanced or easily overlooked considerations like IT and engineering integrations (metadata standardization, for example).

The primary purpose of the checklist is to help public broadcasters and independent newsroom operations identify and monitor the key activities involved in leading up to a formal merger agreement.

It should be noted that the scope and the extent of the implementation plan might vary depending on the overall vision, size of the newsrooms, type of the organizations, legal structure, and the intended audience reach.

The following advice was developed by Public Media Company. Please see the Tools page for a downloadable version of the full document "Implementation Plan Checklist for Newsroom Mergers."

This is an extensive list and not all items will be accessible or relevant in every merger, particularly for smaller entities. A small newsroom may not have the departmental roles, functions, or systems and applications listed in this report. Additionally, a small operation might not have written procedures, detailed job descriptions (each person juggling multiple roles), or standardized workflows. In mergers that involve small newsrooms, the key implementation areas will likely be the following:

- Human Resources: compensation, benefits, and performance review
- Content: Organizational roles and content workflow
- Development and Sales: Donor and sponsor/underwriter lists
- IT/ Engineering/Facilities: Digital platforms, external platforms (i.e. Roku), web hosting
- Marketing and Communications (web and social): Branding
- Governance: Bylaws and board composition

Departmental activities implementation checklists

Accounting and Finance

Pre-Merger Assessment	Status of the Work	Notes and Activities during Pre-Merger	Who	When
Accounting System		Review and determine the accounting system and create a plan to reconcile the accounts		
Check Signing Authority		Determine who will have the check signing authority		
Credit Card Issuance and Expenditure Policies		Determine who credit cards will be issued to and how they will be used		

Payroll Processing, and Timing		Reconcile any differences in payroll processing and timing for consistency		
Employee Expense Reimbursement		Review the reimbursement processes, decide on issuing checks versus using the payroll system		
Insurance		Review business insurance policies and contractual requirements, determine if any modifications to the policies are needed		
Charitable Registration Filings		Review the policies to determine the states where filings will be needed		
Foundation Grants		Determine the oversight procedure		
Financial Reporting		Determine process, timing, responsibilities, format etc.		
Account Classification		Decide upon departments/classes etc.		
Audit and Tax Returns		Determine process, timing, responsibilities, etc.		
Budgeting		Determine process, timing, responsibilities, etc.		
Forecasting		Determine process, timing, responsibilities, etc.		
Cash Management		Determine process and responsibilities, etc.		
Bank Deposits		Determine process, timing, responsibilities, etc.		
Bill Payment		Determine process, timing, responsibilities, etc.		

Human Resources

Pre-Merger Assessment	Status of the Work	Notes and Activities during Pre-Merger	Who	When
Benefits, Bonus Plans, and Retirement Plans		Review the plans, determine the changes to make them consistent throughout the merged organization		
Employee Handbook(s)		Create a new/ modify the existing employee handbook(s)		
Compensation Policies		Review the compensation policies. Determine if any salary adjustments and process modifications will be needed		
Job Descriptions		Draft new job descriptions, employment letters for those that will change organizations		
Forms		Prepare the forms needed to set up employees in the payroll system		
Org Chart		Identify new positions, compensation, create job descriptions, and job postings, determine preferred start date. Determine direct and dotted reporting lines.		
Performance Review		Review timing of last salary adjustments and reviews - update performance review process for any modifications decided upon to blend the culture of the merging organizations		
Employee HR Training		Prepare any HR training documents, visuals, or videos		

Content

Pre-Merger Assessment	Status of the Work	Notes and Activities during Pre-Merger	Who	When
Editorial		Determine editorial roles, responsibilities, and workflow		
Organizational Roles		Determine how digital content team and on-air teams will work together, in conjunction with tech department, social media, and marketing to create content		
Existing Content		Evaluate the existing content, identify any weaknesses, areas for improvement and growth. Reevaluate contracts with existing journalists/editors/producers and negotiate contracts the reflect new programming goals		
New Content		Define and create a plan for new original local and regional (national) content that can attract new audiences and generate new revenue.		
Talent		Evaluate existing talent, identify areas for growth, identify upcoming talent for digital content.		
Digital		Identify new original digital content and distribution channels		
Audience Engagement		Identify the ways to improve audience experience and interaction. Budget for the incremental costs		

Development – Membership and Major Giving

Pre-Merger Assessment	Status of the Work	Notes and Activities during Pre-Merger	Who	When
Development Team		Identify new positions, work with HR to create job descriptions, and job postings, conduct interviews, determine preferred start date. Determine direct and dotted reporting lines.		
Donor Database		Determine any modifications needed to CRM/Donor systems		
Processing Donations		Review membership giving levels, determine how/where donations will be processed, determine procedure to log checks, cash		
Pledge Drives		Determine new pledge drive dates, direct mail solicitation schedule		
Other fundraising activities		Evaluate the feasibility and potential of events, vehicle donation programs, or other fundraising activities		
Foundations		Review the historical sources of grant revenue, identify grant overlap, review the process of writing and managing grants, pursuing new grants		
Major Donor, Planned Giving, and Other Gifts		Create plans and timelines including staffing, approach, geographical focuses, program support. Determine additional donor analytics needed for donor data mining		

Sponsorship/sales

Pre-Merger Assessment	Status of the Work	Notes and Activities during Pre-Merger	Who	When
Sales Team		Identify new positions, work with HR to create job descriptions, and job postings, conduct interviews, determine preferred start date. Determine direct and dotted reporting lines.		
Sponsors/ Advertisers		Evaluate current advertiser opportunities on platforms including metadata and targeting		
		Create rules for and target lists for potential advertisers		
		Determine rates and packages		
		Inventory management - on-air & streams		
		Inventory management - website & video		
		Evaluate OTT ad relationships		
		Reporting		
		Software review		

IT/Engineering/Facilities

Pre-Merger Assessment	Status of the Work	Notes and Activities during Pre-Merger	Who	When
Tech Evaluation-Landscape Assessment		Initial decisions about digital platforms & CMS going forward		

Digital Platforms		Evaluate current digital platforms for immediate synergies		
Content Workflows		Determine process, responsibilities, etc.		
External Platforms Content Distributed to (i.e. Roku)		Review and document		
Web hosting		Evaluate		
Staffing and Roles		Staffing - reorg current staff to reflect merged operations		
Software Systems		Create merged software list and identify overlaps, Resolve overlapping systems		
IT Contracts		List and review agreements with outside vendors supporting IT operations. Rationalize where appropriate		
Other IT Elements		Determine IT/copier/phone/email addresses/ rental cars/parking/facilities work orders needs and payment structure. Rationalize where appropriate		
Capital Expenditures		Identify and quantify future Capex spending - cameras/rental equipment		
Metadata		Metadata standardization (and expansion for advertising/reporting)		

Marketing & Communications

Pre-Merger Assessment	Status of the Work	Notes and Activities during Pre-Merger	Who	When
E-communications		Determine capability, build templates, merge email databases		
Marketing Plan		Create a marketing plan and budget		
Communications		Create public and internal communications plans, prepare communications materials		
Launch Events		Launch events to a targeted audience		
Website		Branding		

Board Governance

Pre-Merger Assessment	Status of the Work	Notes and Activities during Pre-Merger	Who	When
By-laws		Draft, refine, and finalize the changes to the by-laws		
Board Members - Existing		Review and summarize existing board members, backgrounds, and responsibilities		
Board Members - New		Determine the total board size and composition, identify areas of expertise		
Board Terms		Review and decide on the changes to the terms, composition, size, and cultivation process		

Social Media

Pre-Merger Assessment	Status of the Work	Notes and Activities during Pre-Merger	Who	When
Process		Review communications and content workflow for social media posts		
Branding		Secure relevant names		
Digital Ads		Create plans and budget for digital ad process		

Chapter C.
Setting up for Success

Successful newsroom acquisitions require an up-front investment of time to align the key stakeholders on issues of mission, vision, and strategy. We saw across the research cohort that post-acquisition integration processes were rockiest when important questions around mission, vision, and strategy were left unanswered or unclear as teams began their work together.

This chapter lays out recommendations for how to set up an acquisition for success by focusing on the key decisions related to vision, mission, strategy, and structure.

Undertaking the reflection and planning we outline in this section will take time and patience. But the payoff in the post-transaction merger process will be well worth the effort.

Rachel Sadon, formerly the Editor in Chief of DCist, and now the News Director at WAMU, strongly recommends both sides to an acquisition take the time to lay out the mission, strategy, and operational choices that will be entailed post-transaction. This includes making explicit agreements about when choices will be re-evaluated and possible changes made. She explained,

“I strongly recommend really setting the time aside to make choices, and then re-evaluating those choices at set points after the launch. It’s so important to have a clear idea about what you are going to do. It’s also critical to be clear when you are making a change.”

Digital founders or key employees with a strong sense of culture and mission can, in the absence of explicit agreements, navigate the post-transaction culture and operational challenges of integration. But we observed in the study that the figure-it-out-as-you-go strategy can take a huge toll on leadership and staff on both sides, and prolong the transition period to a coherent and shared strategy and operations. Sadon explained,

“Some of what leadership did in our acquisition was thrown together at the beginning with an agreement to see how it goes. Because I had so much background knowledge about DCist and experience in the previous newsroom, I could put the energy into working things out as we went along. If that hadn't been the case, I don't know how it would have gone… The problem is, if it's not urgent, it can be easy to let big strategic questions slide."

Crafting a Vision and Mission

At the highest level, a newsroom acquisition into public media should unfold under the guidance of a shared overarching vision and mission. It is this shared vision and mission that will guide the strategy and the process of integration.

A shared mission and vision will also provide the context in which teams coming from different cultures can create meaningful work together. Without a shared mission and vision, the culture clashes and workflow issues inherent in an integration process will be much more difficult to tackle.

It is perhaps obvious but nevertheless important to note that each entity in an acquisition comes into the process with their own previous sets of missions and visions. This Playbook assumes that the motivation for an acquisition (on both sides) is that a combination of a public media organization and a digital news outlet will be stronger than either entity alone. But to realize that combined strength requires both entities to revisit their ideas about vision and mission and crystalize a shared understanding of what will guide the new entity.

This section offers a roadmap for identifying and working through the mission, vision, and strategy questions that, if left unresolved, are most likely to cause problems in post-acquisition integration work. Use these sections as a resource guide to ensure the parties to your acquisition are tackling the important issues up front.

Who should be involved?

Arriving at a shared vision and mission requires first understanding the key stakeholders you need to include in the process. There are five key sets of stakeholders to consider:

1. **Digital newsroom founder/leaders**. The founder(s) and/or current leadership team of the digital newsroom being acquired should be part of mission and vision alignment discussions.
2. **Digital newsroom board members**. Board members of the digital newsroom being acquired (if any) should be a part of mission and vision alignment discussions.
3. **Station leadership**. The station manager/CEO and any top managers involved in content and business strategy should be part of mission and vision alignment discussions.
4. **Station board member**s. Station board members should absolutely be involved in mission and vision alignment discussions. For university licensees, this should include at least one representative of the university governance body, and the most relevant one or two members of any strategic advisory bodies.
5. **Major funders**. To the extent there are major donors or foundations supporting the newsroom acquisition, those stakeholders should also be part of the vision and mission discussion.

Some acquisitions will be opportunistic—meaning a time-sensitive opportunity arises and the station and digital news outlet must be ready to jump into negotiations immediately. Other acquisitions may be part of a strategic search process. The time pressure involved will help shape the sequence of stakeholder mission and vision discussions. But time pressure should not short circuit these mission and vision discussions. Even late discussions are better than none.

Creating a vision

A shared vision should articulate the ideal future state the parties imagine will be created by a successful and thriving combined entity. A vision addresses the “hopes and dreams” of the new entity and its members. To begin to create a vision, reflect on the questions:

1. If we were successful in bringing together these two entities, what kinds of outcomes would we envision for ourselves and the communities we aspire to serve?
2. If we were successful in bringing together these two entities, what kinds of problems would we be solving?
3. If we were successful in bringing together these two entities, what kinds of change would we be seeking to make?

A vision should use language that paints a picture of the ***future*** states of being, doing, and having that would characterize the new organization and the communities served. Vision can pull on qualities such as an informed public, engaged communities, democratic participation, or civic dialogue. An example might be: a metro region in which the diversity of our communities and experiences are understood and celebrated, in which citizens have the information they need to participate thoughtfully in democratic self-governance, and in which a variety of public and private stakeholders regularly come together to work for the progress of our region.

Creating a mission

A mission is present-focused and describes the actions and orientations of the new entity itself. A mission should be in the form of a "we" statement. It articulates the actions and values of the members of the organization and it identifies the groups that are served. To begin to create a mission, reflect on the following questions:

1. If we were successful in bringing together these two entities, what would we do?
2. If we were successful in bringing together these two entities, who would we seek to serve?
3. If we were successful in bringing together these two entities, how would we serve them?

A mission statement brings you one step closer to strategy in that it should articulate a distinctive notion of what you do, who you serve, and how. A mission states how you will bring your vision into reality.

There are plenty of generic mission statements that sound as if they could apply to any news organization. Truly inspiring and mobilizing mission statements (which you will need in order to mobilize multiple groups of people to come together) should address the distinctive way in which you desire the new entity to go about doing its work and bringing its vision to fruition.

If your goal with an acquisition is to create a multi-platform newsroom that creates high-quality journalism, a mission which addresses what that newsroom does, whom it serves, and how it serves would be the building blocks of your mission.

The "how" portion of your mission should touch on the values that you want to guide your work. Relevance, human interest, civil discourse, timeliness are all examples of values that you could incorporate into a news-focused mission statement. An example might be the following statement, which guides St. Louis Public Radio's newsroom: "Our coverage focuses on human interest, holds the powerful to account, and demonstrates our station as an authentic voice in the region."

The importance of iterating and revising with stakeholders

Because an acquisition will likely have many interested stakeholders, creating statements of vision and mission should be a collaborative enterprise. Consider asking each set of stakeholders to draft their own statements of vision and mission for the acquisition, and then bring everyone together to discuss the similarities and differences, and close in on a single draft.

The vision and mission for an acquisition should set the context for all of the subsequent discussions on strategy: editorial strategy, product and technology strategy, sustainability strategy. These two sets of ideas should form the "North Star" for any subsequent confusion or disagreements about what matters.

Crafting an Editorial Mission

As part of crafting the mission and vision that will guide the acquisition, the leadership of both entities should come to an agreement about the editorial mission that will support the combined newsrooms. Editorial mission and editorial goals are some of the most important dimensions to seek alignment around during an acquisition process. This section will address the types of editorial missions you might consider in an acquisition process.

Types of public service editorial missions

You might think that there are only a handful of high-level editorial strategies that can work in a multi-platform public media newsroom. One striking finding of the study was the diversity of editorial strategies that acquisitions helped support. Public service local digital news is a relatively new phenomena in public broadcasting. And there seem to be many different types of public service models in local journalism that an acquisition can support.

We outline three major types of public service editorial strategies here. As you reflect on the elements of mission and vision from the exercise above, use these models to help you bring together your newsrooms into a coherent public service local journalism approach.

General purpose daily coverage

The general purpose public service editorial mission covers a mix of topics (most inside beats or topic verticals) of general interest to readers: health, education, transportation, etc. The coverage is both informational and enterprise. For stations whose communities are losing or have lost a local paper, acquiring a local news site with a brand and newsroom can beef up general-purpose coverage in their community. A general purpose daily coverage mission can also include covering regional or statewide issues.

Good examples of this kind of mission are the Denverite/Colorado Public Radio and Billy Penn/WHYY. Both these newsrooms have strong editorial leadership who are seeking to serve their communities with daily coverage that turns over quickly and reflects the most important developments in their metro areas.

Strong place-based vertical content with editorial voice

This public service editorial mission emphasizes the uniqueness of a place and the collective identity of a community. Some of the coverage can focus on food, arts, or culture and provide a "guide to your city" service. Other coverage in this editorial mission can capture the pulse of a place—the quirks, personalities, and beloved locations that make a community unique. For stations that acquire digital newsrooms with strong editorial voices and local resonance, the coverage is often rooted in place-based reporting and commentary.

Good examples of this mission are the LAist/KPCC and the Gothamist/WNYC. The Gothamist family of sites developed with a strong sense of place and a distinctive editorial voice. Much of the early coverage of the Gothamist family sites was focused on arts, culture, and entertainment.

While their new public media homes have encouraged an evolution of this core distinctive quality to include much more news, the distinctive strengths (and brand recognition) around place-based, “voice-y” and “guide to your city” coverage remains.

These newsrooms are also good examples of how public media can move a vertical content brand towards more general daily reporting. All of the Gothamist sites had strong vertical culture and entertainment content. Their new public media homes have given those brands the opportunity to branch out into daily coverage.

Public-interest policy and statehouse issue reporting

This editorial mission seeks to fill gaps in policy and statehouse reporting often left by shrinking local legacy newspapers. This kind of coverage provides a vital public service in many communities that have been left without strong statehouse coverage. This type of coverage is generally on a slower cycle than breaking news or daily reporting and requires deep and trusting relationships between reporters and their local government sources.

A good example of this public service editorial mission is NJ Spotlight/NJTV. NJ Spotlight was founded by former Newark Star-Ledger statehouse reporters who were remarkably fluent in covering state politics and policy. When WNET (NJTV’s parent company) acquired NJ Spotlight, NJTV was the rare public television state to have its own nightly public affairs program. The combination of NJTV and NJ Spotlight - now renamed NJ Spotlight News - strengthened the policy and public affairs reporting of NJTV and gave NJ Spotlight another platform on which to showcase its work.

Creating an Editorial Strategy

Strategy is a further articulation of how you will carry out your mission and achieve your desired ends. Strategy should encapsulate the distinctive nature of what you are seeking to create or provide. It should also help you be clear about what you will *not* do. With a clear articulation of strategy, you can set measurable goals and objectives that can help you to assess progress along the way.

An editorial strategy should:

1. Articulate the differentiated strengths of the newsroom, and how it stands out from other newsroom approaches.
2. Articulate which specific audience types and audience needs the newsroom seeks to serve.
3. Articulate how the newsroom will go about serving those needs - this can include the use of specific brands, channels, engagement models, and formats.

Following the recommended steps below should help you articulate an editorial strategy that follows closely with your editorial mission.

Take stock of each newsroom's differentiating strengths.

Understanding the strengths of the newsrooms you are bringing together (or, if you don't have a newsroom, the strengths of the newsroom you are acquiring) is a vital first step to crafting an editorial strategy and making any changes needed as part of an acquisition.

We recommend you begin with an exercise like "first, best, only" to understand the baseline strengths of the newsrooms involved in the acquisition. This exercise asks you to consider, for each newsroom on its own, the answers to the following questions:

1. We are the first newsrooms to….
2. We are the best newsroom to…
3. We are the only newsroom to…

It's a good idea to do this exercise with the editorial leadership in both newsrooms, as well as any other major stakeholders involved in the acquisition who know either newsroom well. Comparing the "first, best, only" statements of each newsroom will help you see how the differentiating strengths of both newsrooms might be put together in a cohesive overall mission, vision, and strategy.

Take stock of your ecosystem.

In many communities, shrinking local newspapers are leaving major gaps in coverage — particularly around local government and statehouse issues. An acquisition is the right moment to take stock of where the coverage stands in your ecosystem. Which outlets are covering what types of stories? What is missing? What developments in your metro, region, or state aren't being covered well? Strong editorial leaders and reporters should have a sense of how the important issues are (and aren't) being covered - but it's also worth being rigorous in your audit.

Take stock of what your audience thinks is important.

The third leg of the stool needed to craft an editorial strategy is understanding the audiences of each newsroom. What kinds of stories drive audience attention, and what does that suggest about the personas that might be attracted to particular types of coverage? What kinds of stories do the most loyal audience members gravitate towards? You can use newsroom analytics (particularly email newsletter analytics) to help you answer these questions. You could also run an audience survey on both news sites to understand what your audience would like to see more of.

Audience research can be particularly helpful during the transition of an independent digital newsroom into a new public media home. The transition can provide an opportunity to re-assess the needs of the audience and what is working and not working from a content (and, if applicable, membership) perspective. For example, as WAMU was working to re-launch DCist, they conducted audience research with DCist's former audience to understand what stories the audience wanted to see more of, and what new areas DCist might be able to cover. Rachel Sadon, now the News Director at WAMU, explained that this audience research was very helpful in crafting a new editorial strategy for DCist as it re-launched in its new public media home.

Take stock of the brand strengths of each newsroom.

Newsroom brand is a slippery concept that is related to newsroom strengths and audience needs, but also separate. A newsroom's brand should stand for a core set of values, set an expectation of value, and (if managed well) deliver a consistent user experience. A newsroom brand is expressed visually in the graphic design of a site and editorially in its choice of story type, format, and tone or voice. A public media brand and a digital native brand likely “do” very different things: they stand for different sets of values, they set different expectations of value, and they deliver different user experiences.

Many of the digital brands in the cohort were designed to attract a younger news audience than the typical public media audience. For example, Sandra Clark, VP for News and Civic Dialogue at WHYY, shared,

“Billy Penn knows how to bring you the news without asking you to do much work, in a newsy entertainment kind of way. Their target age range is much younger than your average WHYY audience member.”

But the brand and voice that a digital newsroom brings to public media can shift over time. For example, Billy Penn came to WHYY with a distinctive brand, but it is growing and evolving too, especially around diversifying its audience. Sandra Clark, VP for News and Civic Dialogue at WHYY, shared,

“At the beginning there was some concern about Billy Penn getting absorbed into the WHYY brand. Now I think there is less a concern that Billy Penn’s personality and tone will fade away. Really Billy Penn has an opportunity now to go beyond being the “cool kid." I think their audience are more sophisticated news consumers who want to engage. I think we can take that brand and elevate it - and not make it inaccessible. They have a bit of a cool kid factor that leaves a lot of people out. If they can do more engagement, that will help… Danya hired a reporter of color for Billy Penn and that has made a world of difference and has helped their brand in many ways.”

Brand can matter not just for retaining audiences through an acquisition, but for retaining newsroom staff and donors as well. Most of the digital newsrooms we studied retained their brands post-acquisition. John Mooney, a founder of NJ Spotlight, specifically ensured that brand retention was part of the acquisition agreement. He shared,

”One of the points in our [acquisition] agreement was that our brand wouldn't change. We had a clause that we said we wouldn’t give up our brand or our site for at least three years… That might not have mattered for other cases, but as a founder you put your heart and soul into this. It would have hurt some of our donors too, if we had lost our brand.”

The success of an acquisition will depend on many things — but a shared understanding of each brand will be a huge contribution. You can commission a brand study from a marketing firm to get data on each brand. You can also try to field your own survey to figure out how audiences hold each brand in their minds.

Putting it all together.

With an understanding of each newsroom’s strengths, the coverage gaps in your ecosystem, the behaviors and preferences of each newsroom’s audience, and the brand strengths of each newsroom, you should have all the insight you need to draft a new editorial strategy that is closely connected to your editorial mission.

Because post-acquisition integration will be a process, not a one-time event, consider setting strategy and goals for the first six months, one year, and two years. Crafting interim steps can help you keep tabs on the progress of integration. If your strategy and goals are too ambitious, you will set up teams for disappointment and failure. If your strategy and goals are not ambitious enough, they won’t help you to make progress on the changes necessary to get through the integration.

Articulating editorial independence policies

Achieving a common understanding—and explicit documentation—of editorial integrity is another key milestone in crafting an editorial strategy. Many mature public media newsrooms have editorial integrity policies in place that enshrine editorial independence as an explicit value. These policies are designed to prevent any editorial influence from major donors and commercial partners of the station. An increasing number of stations are also adopting donor transparency policies that put in place procedures for disclosing the identity of donors or sponsors that might create a perception of a conflict of interest for particular stories.

Editorial independence and editorial integrity policies are particularly important in university-licensed stations whose governing bodies and governance procedures are tied into university systems. For an independent newsroom that may have been accustomed to its own board or the oversight of a fiscal sponsor, the shift to a new station governance system — especially university governance — can require a learning curve.

It is vitally important that digital newsroom leaders and station leaders discuss expectations and policies around editorial independence, particularly where donors, board members, and commercial sponsors are concerned.

Choosing a Merger Structure

With a shared mission, vision, and editorial strategy in place, the next major decision that will set an acquisition up for success is to choose a structure that will govern the configuration of different teams and activities.

Though the word "acquisition" implies a full integration of people, brands, and processes, there are other ways to structure the relationships between an acquired news outlet and public media station operations that don't necessitate full integration. These structures allow for different degrees of autonomy between units and activities. Depending on your vision and mission, you may want to opt for a lower degree of integration, or shift the level of integration over time. We classify these structures into three types.

1. Full Integration
2. Targeted Integration
3. Structural Separation

Structure should follow mission, vision, and strategy.

If you find that your public media newsroom and the digital newsroom you want to acquire have very differentiated missions and strategies, you might want to choose a structure that segments the newsrooms and news brands to some degree. If you decide you want to craft a single editorial mission, vision, and strategy that has the acquired newsroom's strengths as the base, then a full integration structure is a good decision. The acquisition structure should go hand in hand with the acquisition's vision, mission, strategy and goals.

Structures can shift over time.

This is not to say that the structure you start with is the one you should or will keep for all time. ***Because post-acquisition merger processes are fundamentally organizational change processes, we strongly recommend that you assess your organization's readiness for change as part of your initial structure decision***. If either organization has been stressed by a period of many changes prior to the merger, you may want to begin with keeping operations structurally separate, and then shift towards full integration over time.

For example, some stations/digital newsroom pairs in the study, like WNYC and the Gothamist, began with structural separation but were moving towards an integrated model. Others, like Colorado Public Radio and the Denverite, for reasons of coverage and service specialization, adopted a model between structural separation and targeted integration. Still others like Cascade Public Media, because their acquisitions were more mature, were operating under a full integration model. The combination of time-since-acquisition and strategic choice will help shape which merger structure makes sense at any given point in time.

Fully Integrated Structures

Fully integrated editorial structures

A fully integrated editorial structure is what most stations and digital news outlets will likely want to achieve, long term, as part of an acquisition. Full integration involves combining the editorial decision-making and workflow activities of the acquired news outlet and the station. Full integration of a newsroom implies shared staffing, shared reporting structures, and creating common ways of working.

Benefits of fully integrated editorial structures

Cultural transformation. Over time, full integration of a digital newsroom and a legacy broadcast newsroom can lead to culture transformation of a station and a digital newsroom into a multi-platform civic news institution. This is a powerful result and one worth pursuing.

Robust multi-platform coverage. The "one newsroom" strategy combined with differentiated branding provides for robust multi-platform coverage that reaches a variety of audiences with rich and multi-faceted stories.

New leadership. Because the cultural transformation and change required is so intense, a full integration structure will inevitably open up opportunities to bring in new leadership and new thinking.

Higher level of local service. A fully integrated newsroom which has surmounted the cultural, workflow, and strategic challenges can truly claim to be providing a higher level of local public service in the content it produces.

Drawbacks of fully integrated editorial structures

Cultural turbulence. The path to creating one newsroom is not easy. The risk of going for full newsroom integration is a period of high cultural turbulence, particularly "us versus them" dynamics. This period of turbulence can have real costs in terms of stress, anxiety, and burnout in staff; it can also distract and derail leaders from other priorities.

High turnover. The other risk of creating a fully integrated newsroom is the high level of turnover which can overwhelm existing staff and human resources functions. Though turnover is absolutely necessary for cultural change, turnover (and filling new positions) is also expensive and time-consuming. Leaders who want to go for full integration should be prepared for the turnover that follows.

Brand dilution. Managing multiple brands is a growing edge for many public media stations. The risk with a full integration strategy is that the marketing function can't keep up with the demands and complexities involved in managing multiple brands. Without clear marketing and messaging, both the digital newsroom brand and the station brand run the risk of brand dilution externally, and brand confusion internally.

Investments required. Editorial integration can seem like the only priority in a full-integration strategy. But the benefits of full integration will only be fully realized when you make investments in technical and financial integration alongside editorial integration. Without these parallel investments, the new digital news products will be under-leveraged and under-monetized. But it can be difficult to commit the level and diversity of resources needed for full integration when making "one newsroom" is one priority among many.

Fully integrated editorial structure summary

Benefits	Drawbacks
Over time, cultural transformation of legacy broadcasting newsroom "One newsroom" strategy and branding provides for robust, multi-platform coverage Opportunity to put in place new kinds of leadership across the newsroom Opportunity to level up in newsroom service	Risk of high cultural turbulence and "us versus them" dynamics Turnover very likely - putting the newsroom into extended period of transition Risk of brand dilution without clear marketing and messaging strategy Requires investment in technical and financial integration alongside editorial integration
Examples: LAist/KPCC, St. Louis Public Radio	

Fully integrated product structures

In a full integration of the product structure, the digital newsroom migrates to the station's technical stack (e.g., CMS, CRM, ESP). The digital newsroom also benefits from the support of the station's product or digital team, and its products have a place on the wider station product roadmap.

Advantages of fully integrated product structures

Support for migration. Migration to any new system can be tricky for a small independent newsroom. The advantage of a fully integrated product structure is that the acquired site can take advantage of station support and attention to migration.

Greater resources for product development. Many public media stations have bigger product and digital budgets than small independent newsrooms. Folding in support for a digital newsroom's product into a larger product team means there is potential for easier department-level resourcing for digital news product development.

Insight across audiences. One of the key advantages to a fully integrated product structure is the visibility product teams can have into overlaps and differences between legacy audience and new audience. When product data and resources are shared, this can generate powerful insights in audience behavior that can translate to better product development, better editorial decision-making, and better spotting of monetization opportunities.

Disadvantages of fully integrated product structures

Migration risk. Though fully integrated structures can provide support for migration to new systems, the migration of a digital newsroom's data and operations to a new stack is not without risk. Disadvantages can include the time and expense of migration, and the risk of data loss in the migration process.

Added complexity and technical weight. Many of the systems that support station publishing and membership are very heavy-duty and designed to handle large volumes of broadcast members' data. Even on the digital content management side, the publishing functionalities of a station CMS may be unnecessarily complicated for the acquired digital newsroom (many have to handle digital audio formats in addition to text). Thus migration to new technical systems may also entail a loss of degrees of freedom. And acquired digital newsroom staff may face added complexity when moving to enterprise-level software.

Fully integrated revenue structures

In a fully integrated revenue structure, the sales and membership functions which support a digital newsroom are absorbed into the station's existing sales and membership departments. The digital newsroom's products are monetized alongside other station properties. In fully integrated models, costs and revenue can be accounted for at the station level, rather than broken out separately by product.

Advantages of fully integrated revenue structures

Expanded, centrally-managed ad inventory. The advantage of a fully integrated revenue strategy for underwriting and sponsorship is that the new digital news products can diversify and expand the inventory a station can offer to its business partners.

Strengthened digital membership capability. The advantage of a fully integrated revenue strategy for membership is that a station's membership team can support and learn from growing digital membership around a new brand.

Disadvantages of fully integrated revenue structures

Sales training likely needed. The disadvantage is that a station's existing sales team might not be well versed at selling digital media or packaging digital media with existing broadcast offerings.

Risk of under-prioritization. The disadvantage of fully integrating membership is that because the station's existing member base will more than likely dwarf a digital newsroom's member base, it may be difficult for a station membership team to prioritize digital membership without expanded staffing.

Targeted Integration Structures

Targeted integration editorial structures

Under a targeted integration editorial structure, some activities and parts of the editorial workflow and decision-making are combined while others are kept autonomous. For example, you could opt to have the broadcast news and digital news teams maintain their own reporting structures, but fold the acquired news team into the digital news team structure.

Benefits of targeted editorial integration

Just enough interdependence. In a targeted integration model, editorial teams have just enough interdependence that they can learn from each other through targeted collaboration. But they don't have so much interdependence that consistent workflow or cultural conflict interferes.

Cross-platform learning. For staff who are interested and capable, targeted newsroom integration can provide opportunities for learning and creating on a different platform. Reporters aren't forced to learn a new craft (with the difficulty that comes with that) but can do so if they choose.

Intact teams. In a targeted model, teams can feel mostly intact and able to function as usual. This can be a huge benefit, particularly if the formal acquisition/transition process itself has been prolonged.

Drawbacks to targeted editorial integration

Mid-level leadership required. A targeted integration model requires savvy mid-level editorial leadership to help teams coordinate when needed, but also maintain separate operations. Getting this right requires both smart structures (roles and reporting relationships) and a good match of mid-level leadership personalities. A good relationship between a broadcast newsroom lead and digital newsroom lead will go a long way towards making a targeted integration model work.

Risk of muddle. Without savvy mid-level leaders, the risk is that the acquisition and merger in a targeted integration structure can feel "unfinished" to staff. Fuzzy boundaries and unclear strategic mandates can further create anxiety and confusion in staff which will ultimately work against a successful acquisition.

Inadequate training. While not everyone in a targeted integration model needs to understand the methods and craft of the other team's platform, those who do want to cross over run the risk of being poorly trained and poorly managed. Inadequate training and mentorship on other platforms can lead to quality issues and extra work for everyone in a newsroom.

Targeted integration editorial structure summary

Benefits	Drawbacks
Enough interdependence that teams can learn from each other through targeted collaboration For staff who are interested/capable, opportunities for learning and creating on a different platform Teams can feel mostly intact and able to function as usual	Without savvy mid-level editorial leadership, risk of murky middle - feeling unfinished or boundaries never clearly specified can create anxiety and confusion in staff Inadequate training and mentorship on other platforms can lead to quality issues and extra work for everyone
Examples: Gothamist/WNYC, Cascade Public Media, NJ Spotlight/NJTV	

Targeted integrated product structures

In a targeted integration product structure, the acquired digital newsroom maintains some of its own software and migrates to some of the station's software. An acquired newsroom could also retain its own product team, and that team can coordinate as needed with the station product/digital team.

Benefits of targeted integration product structures

Can enable targeted product experimentation. If the digital newsroom maintains its own Customer Relationship Management system (CRM) and Email Service Platform (ESP) but migrates its Content Management System (CMS), the advantages are that any existing membership and sponsorship relationships can remain intact, but the newsroom can test cross-platform news product strategies by sharing station digital resources.

Can enable targeted monetization experimentation. If the digital newsroom maintains its own CMS but migrates to the station's CRM and ESP, the advantage is that the digital newsroom can test out revenue strategies with the station's larger membership and subscriber base, while maintaining editorial control over its main digital product.

Drawbacks of targeted integration product structures

Split resources and decision-making. The disadvantages of targeted integration are that resources and decision-making are often split between teams and maintained under different brands, which can lead to confusion and missed opportunities.

Targeted integration revenue structures

The sales and membership functions of a digital newsroom can also be semi-integrated into station operations. For example, the sales function supporting an acquired digital news product can be rolled into a station's sales team, but the digital news team can retain responsibility for its membership and philanthropic revenue. Costs and revenue can be accounted for either at the organization level, or at the digital news product level.

Advantages of targeted integration revenue structures

Fitting relationships to scale. The advantage of opting for targeted revenue integration is that leadership can choose which kinds of business relationships (membership, sponsorship) make most sense to preserve at the digital news product level and which are a better fit for scaled operational support.

Drawbacks of targeted integration product structures

Risk of under-investment. The disadvantage is that if any of these support functions aren't properly staffed or resourced—either at the station level or the digital news team level—teams can quickly become overwhelmed and revenue progress can grind to a halt.

Structurally Segmented Structures

Structurally segmented editorial structures

Many acquisitions will likely go through a period of structural segmentation, especially in the early days. Under a structurally segmented model, the public media and digital newsrooms fully maintain their independence from one another. Some stations may choose to keep their digital newsrooms structurally separated for reasons of strategy, autonomy, and mission. There are benefits and drawbacks to keeping newsrooms structurally separate.

Benefits of segmented editorial structures

Newsroom independence. The main benefit to designing for the structural separation of public media and digital newsrooms is that it is relatively easy to grant the digital newsroom continued independence in its orientation, choice of stories, and branding. For digital newsroom leaders that want to wade into a merger process slowly and calibrate their level of interdependence with the station's wider editorial operations, beginning with structural separation can make sense.

Less staff pressure. In a structural separation model, the burden is on leadership to fit the strategic pieces together of a newsroom acquisition. This puts less pressure on staff to figure out collaboration, branding, and resourcing.

Low cultural turbulence. Because each newsroom continues with mostly business as usual in a structural separation model, this model has the lowest level of cultural turbulence of any of the post-acquisition merger structures.

Cross-promotion. It's important to note that even in a segmented or structurally separate model, the reporters from the acquired digital newsroom can still appear on-air and share their reporting. And similarly, stories produced by the public media newsroom can be cross-posted to the acquired site. Structural separation as an acquisition model refers to the operations of the newsroom and related staffing. Content strategy is flexible across the different models.

Drawbacks of structural separation

Little culture change. For stations hoping to transform the culture of their newsrooms with the help of a newsroom acquisition, adopting a structural separation model will not help. Culture change is hard to achieve without the interdependencies, and cultural work, that are part of bringing different teams together.

Resourcing difficulties. Digital newsrooms may find it is difficult to get their resource needs met under a model of structural separation. Especially if the digital newsroom is small compared to the scale of wider station operations, getting a seat at the decision-making table—and advocating for resources—can be very hard work when a digital newsroom is in its own separate silo.

Strategic confusion. Ironically, a deeper strategic question can emerge in a structural separation model - what is the bigger purpose here? If a station acquires a digital newsroom, but there is little interdependence or integration into station operations, staff on both sides may become confused about why the acquisition was undertaken in the first place.

Structurally separated editorial structures summary

Benefits	Drawbacks
Can keep independent editorial orientation Strong brand differentiation means less confusion and complexity internally Burden is on leadership to fit strategic pieces together, less pressure on staff Minimizes cultural turbulence	Cultural change of wider station harder to achieve without interdependencies Can be difficult to resource appropriately without the digital brand having a seat at the table Can prompt the question - what is the bigger purpose here?
WAMU/DCist, CPR/Denverite, WHYY/Billy Penn	

Structural separation product structures

In this set-up, the digital newsroom maintains its own technical stack and does not integrate with any station software.

Benefits of structural separation product structures: This can work well when a digital newsroom truly serves a small segment of the station's overall audience, and the degrees of freedom that would be lost in product and revenue by connecting into any part of the larger operation are too numerous. The advantages of maintaining separate stacks is that it helps to avoid brand confusion, and makes it easier for digital news teams to make strategic decisions for their products without having to build consensus with the station.

Drawbacks of structural separation product structures: The drawbacks of keeping a digital newsroom's product stack structurally separate from the station are the lost opportunities for visibility and learning across products and brands. Particularly for stations that are interested in growing their digital fundraising, segmenting technical stacks can help with "sandbox" learning from small experiments with the digital brand, but those learnings will be difficult to translate unless all digital products are supported by a single technical stack. It can also be difficult to track the overlap of the digital product's audience and membership and the broadcast's audience and membership if each is supported by a different technical system. Furthermore, a segmented model of product management can create more work for a station's digital team by expanding the set of tools and services they have to care for.

Some members of the cohort planned a phased approach to integrating product structures, beginning with a segmented model and then integrating (or considering an integration) once newsroom operations were stabilized. For example, Billy Penn had been using the News Revenue Hub's technical stack to manage its newsletters and members when it was acquired by WHYY, and they continued the Hub's system after the integration with the station. The relationship with the Hub was an important source of continuity for Billy Penn and its supporters as the outlet transitioned into the station. However, as the desire for better visibility of digital audience behavior and member messaging across the station's digital products grows, Billy Penn is considering transitioning onto the station's CRM and email service provider.

Structural separation revenue structures

In a structural separation revenue strategy, the acquired digital news site remains a standalone product with its own diversified business model. All of the membership, underwriting, sponsorship, and major giving activity are the responsibility of dedicated digital product staff, and costs and revenue are accounted for at the product level. In this set-up, the digital news outlet and public media station will have to negotiate what, if any, forms of support the digital newsroom can expect from the public media station.

One example of a structural separation revenue strategy is the WAMU and DCist model. DCist membership is kept structurally separate from WAMU's program, which allows the DCist team to maintain the tone and feel of the DCist program. In this kind of structure, the station and the digital site have to make difficult decisions around which station resources (and how much) to allocate to building digital membership versus other station verticals and products.

Benefits of structural separation revenue structures: The advantage of this model is that it preserves the maximum degree of flexibility, autonomy, and coherence of the acquired digital news product.

Drawbacks of structural separation revenue structures: The disadvantage is that it can under-deliver on revenue potential if there is no exchange of resources or support between the station and the acquired site. A dynamic like this can sometimes result in the digital news site team feeling siloed and under-resourced, and the station team feeling overstretched.

Considerations When Selecting Product and Revenue Structures

As you consider which combination of structures is right for you, it is important to understand that managing revenue and product integration will require just as much work as achieving editorial integration. We recommend taking into account the following factors.

Make a long-term plan for how you will invest in digital revenue growth

Growing digital revenue requires time and patience, and if staffing and resources aren't adequate, all forms of digital revenue will grow even more slowly. This is a risk especially in merger situations because of the usually lopsided sizes of digital newsroom baseline revenue versus station baseline revenue. Under-investment in support for digital revenue was a common finding across our study cohort.

As part of an acquisition process, the station and the digital newsroom should discuss what investments in digital revenue capabilities are needed to monetize the new digital properties. These could include a dedicated sponsorship sales position, or a certain percentage of underwriting team time given to the digital product sales, or training of underwriting staff on how to sell the new products. In terms of membership, resource plans could include support for a membership program launch, dedicated membership staffing, or upgrades to a new membership tech stack. The rest of the section should give you more ideas for what digital revenue investments might look like.

Make a plan for how you will integrate editorial, product, and revenue decision-making

Growing digital revenue (both contributions and earned revenue) requires tighter integration with product and editorial strategies than for broadcast forms of revenue generation. Too much separation between a digital newsroom's product, editorial support, and revenue support can lead to under-leveraged revenue potential.

Make a plan for how product and editorial staff can coordinate as needed with the staff responsible for setting and executing digital revenue strategies. In many digital-only news organizations, the product team acts as the interface between the editorial and revenue teams. Consider how you could replicate similar decision-making structures in the context of a merged newsroom.

Plan to leverage a strong digital newsroom brand to grow earned revenue

A willingness to leverage the acquired digital brand combined with investment in growing digital media sales capability should absolutely be priorities for stations that want to acquire digital newsrooms.

On the earned digital revenue front, this study found that digital newsrooms which brought strong digital brands and strong local business relationships were huge assets to their stations. The station sales teams that had the capability and capacity to work with an expanded palette of digital brands and digital inventory were able to make good use of these acquisitions to grow commercial revenue streams. For stations whose sales teams had less experience or expertise in selling digital media, the commercial revenue potential of the acquired sites remain under-realized.

Educate your major donors about the acquisition

Major giving is a strong (and growing) baseline capability in many public broadcasting stations. Station board members and major donors who aren't regular digital news consumers may require some education by station leaders about the strategic importance of potential acquisitions. Especially in communities where local news production capacity is dwindling, this case is not hard to make.

However, station and digital newsroom leadership should be prepared to educate major stakeholders about the importance and intended outcomes of an acquisition. Additionally, this study found that digital newsroom leaders and founders themselves are often well-connected in giving communities. Combining development efforts between the acquired digital newsroom and existing station development staff is a powerful way to grow the sustainability of an acquisition over time.

Chapter D.
Managing Culture, Managing Change

Let's say you have completed the diligence phase of an acquisition, successfully closed the transaction, and have had the early conversations necessary to set up for success. What can you expect in a post-acquisition integration process?

This chapter and the following will address all of the various issues involved in managing the changes that are required for a digital acquisition to actually work inside a station. Managing change is a complex, multi-dimensional process. And in the case of a public media merger, a huge part of that change will be cultural and centered in the newsroom. To help you prepare for what's ahead, this chapter and the next will:

- Lay out the major stages your merger process might go through.
- Illustrate the challenges of each stage.
- Offer some suggestions for how to navigate the rocky middle period of an integration process.
- Explain the cultural frictions that might be at work in a merger process.
- Articulate what you can do to build a new identity that encompasses everyone.

Each post-acquisition merger process will take on its own character and rhythm depending on the particularities of the people involved. But it can help to understand some of the major stages a post-acquisition merger process might present. Many of the station/digital newsroom mergers we studied went through a similar set of stages as they worked towards bringing their newsrooms together under a shared set of goals and procedures. Those stages were (1) a honeymoon, (2) a rocky period, and (3) building a new identity.

Getting a sense of what happens in each of those stages can help your leadership and editorial teams to expect that integration processes will take time, and there will likely be bumps along the way.

Stage 1: The Honeymoon Phase

The diligence and transaction parts of an acquisition process can be time-consuming and emotional. When you're finally past the paperwork and ready to get started, you may be in for a lovely honeymoon phase when everyone is ready to dive in enthusiastically and give each other the benefit of the doubt as people get to know each other and get to know "how things work around here." Many of the newsrooms in the study went through a "honeymoon" period in which everyone was relieved and excited when the transaction was complete and they were ready to get to work.

How long can you expect the honeymoon to last?

The first three to six months post-acquisition can be smooth as teams learn about each other and continue to do their work as usual. Just how long the period of goodwill and suspension of judgement will last depends on the below factors:

> (**1**) **The baseline level of rapport and familiarity between the teams**. If you are bringing together newsroom staffs who have collaborated before, or if you have staff in your newsroom who used to work for the other team, you will likely benefit from a baseline of familiarity and pre-existing relationships. These kinds of pre-existing relationships—and especially mutual respect between the teams—are a huge asset to a merger process and can definitely make a honeymoon last.
>
> In the study, we saw honeymoon period length and quality depended on how much newsroom personnel from the two entities were familiar with each other before the acquisition. In a few cases, the public station had hired former digital newsroom employees into the station before the acquisition. Thus, the baseline level of familiarity and rapport began strong.
>
> For example, Colorado Public Radio and the Denverite, which experienced relatively little cultural conflict in their post-acquisition merger progress, had some strong existing relationships between the newsrooms which helped create a strong strategic and cultural baseline for integration. Executive Editor Kevin Dale explained:

“[One of the founders of Denverite] Dave Burdick and I had worked together before at the Denver Post…CPR respected and knew the people at Denverite and vice versa, so we just never had that cultural conflict. Even if we do have a conflict here or there, we go on like you have a conflict between any desks in a newsroom. I already knew I was going to hire Dave Burdick as our Digital Managing Editor when the Denverite acquisition possibility came up. Dave being here is what really catapulted our digital strategy because he just thinks about it on a different level than most people from legacy newsrooms do.”

(**2**) **Relative size and differentiation of the digital properties.** If the acquired site and the station’s site are very different in audience size and editorial focus, the integration of the newsrooms may also be easier to navigate. The more potential for competition and confusion in audience and coverage between the two sites, the more likely that the honeymoon period will be short. The Denverite, for example, because of its focus on a single city — compared to CPR’s state-wide focus — had a relatively defined niche from the beginning inside the overall CPR news strategy.

(**3**) **Degree of familiarity with managing multiple brands**. Some stations in public broadcasting, particularly state-wide services, have experience in acquiring entities, managing multiple brands, and feeding multiple products. These kinds of capabilities, especially at the leadership level, can help smooth post-acquisition integration processes.

For example, WHYY in Philadelphia had over the years acquired other stations, participated in a major city-wide news collaborative (Resolve Philadelphia), and had set up special branded projects and verticals within its newsroom (Plan Philly). The station leadership’s familiarity with managing multiple brands and services helped smooth the way for Billy Penn’s transition into the station.

(**4**) **How much change you want to take on right off the bat**. If your goal is to have a fully integrated newsroom, you may decide to start with putting legacy and digital news teams together right away. These kinds of changes can be thrilling but also jarring if some (or all) of the staff aren't prepared for integration.

Stations in the study took different approaches to what they tackled first in the integration process, which helped determine how long the "honeymoon" lasted. Some went for technical integration first, and let the legacy and digital newsrooms operate independently. Others went for editorial integration early, while maintaining separate technical stacks.

There is no right answer for what changes you take on first, and no right length to a honeymoon period. If the diligence and acquisition stage was exhausting for teams on both sides, it might make sense to wait a while before introducing major changes.

How can we make a honeymoon work for us?

If you're clear about the strategy and goals you want to reach, and if you've done work to secure buy-in amongst staff along the way, your teams could be ready to dive in right away. In that case, the honeymoon stage can be a powerful context for inter-group learning. When people from different backgrounds are willing to give each other the benefit of the doubt as they learn new ways of working, the whole organization can make huge progress.

Indeed, for many of the newsrooms in the study, the honeymoon phase was important for each group to find its footing in a new organizational context and for leaders to begin the work of figuring out how to bring the entities into closer alignment.

Stage 2: The Rocky Period

The honeymoon period ends when the pressure of making changes tips teams into stress and conflict—especially intergroup stress and conflict. You should expect some degree of a rocky period as teams across the organization start to figure out what has to change in order to work together in a new way, with a new set of people, a new brand, and new products in the mix.

It is important to keep in mind that rocky periods which bring along significant cultural conflict can be incredibly draining to everyone. Confessed one newsroom leader in the study: “I think a lot about how hard this acquisition has been. It has been so draining, and so difficult just to move the needle a millimeter.”

Nearly all the stations in the study went through a rocky period where differences in workflow, culture, and even vision came to the fore. Some stations’ “troubles” were relatively mild, others’ were very acute. We saw three types of conflict in merger rocky periods which you should be aware of.

> (**1**) **Cultural conflict.** This kind of conflict stems from different backgrounds, orientations, ways of working, and ways of seeing the world. In bringing together a public media organization with a digital news organization, some degree of cultural conflict is inevitable. The next section of this chapter will dive deep into some of the common cultural disconnects so you know how to spot them. Cultural conflict looks like: judgements about the other group’s way of doing things, disagreements about values and tone, conflicting routines and deadlines, even disagreements about how much meeting time is appropriate.
>
> Cultural conflict can also manifest as a concern among staff about identity: which identity is most important, or fearing the loss of an identity. This is very common in acquisition and merger situations, especially when adopting a new brand is part of the process. For example, two newsrooms in the study had to address explicit staff concerns about the potential loss of credibility in the adoption of a new brand. Explained one newsroom leader:
>
> “The overwhelming sentiment in the newsroom was, "I didn't come to work [at the acquired newsroom], I'm working for NPR. NPR is the brand that people respect, it's what gets me calls, it's why I develop sources, how I get call backs. No one's going to respond to me if I use this new brand.”
>
> (**2**) **Strategic conflict.** This kind of conflict can arise when there are unclear (or not widely shared) goals or disconnects in resources versus stated priorities. The previous

chapter on Setting Up for Success articulates the preventative measures you can take to minimize post-acquisition strategic conflict. But because the media landscape—not to mention many station's operations—are so complex, strategic conflict can be hard to avoid. Resource decisions and resource constraints can also prompt strategic conflict by shedding light on the disconnects between aspirations and support.

(**3**) **Cultural and Strategic Conflict.** Cultural conflict entwined with strategic conflict can be a particularly toxic recipe for a rocky period. When different teams hold different understandings of what constitutes success and disagree on how to get there, the integration process can grind to a halt. And conflicts can compound and escalate.

The ability to spot cultural conflict—while it won't guarantee your teams won't suffer from it—should help to prepare your leaders and staff for the rocky period. The next section will take a deep dive into the different news and organizational cultures that public media and independent digital newsrooms swim in. Get to know these peculiarities and taken-for-granted ways of working so you can help teams de-personalize cultural conflict when it happens.

Culture Conflict

By far the most difficult stumbling blocks in any post-acquisition merger process are about culture. Culture is a broad term that encompasses concrete actions and routines; and more ephemeral things like language, values, and ways of thinking. In general, any part of thinking, being, and doing that is taken-for-granted in a group is about culture.

From a leadership perspective, one of the most important issues to tend to in a post-acquisition merger process is the inevitable cultural clashes that will occur between teams that come from different organizations. Though there are some factors that mitigate against culture clashes (more on that below), what will help most of all is to understand the basic attributes of the cultures you are bringing together. Making culture explicit, especially during periods of cultural conflict, is a good way to diffuse tensions and help orient teams toward constructive problem-solving, rather than destructive finger-pointing.

With that in mind, here are the common cultural types that emerged in the research. We offer these as starting points for cultural reflection. Your organization probably has its own unique set of values, practices, and orientations. Adding to or amending these lists will help you prepare to tackle the cultural challenges that come with post-acquisition merger processes.

Public Media Culture

Public media culture in radio and television is deeply steeped in its broadcast roots and its membership model. Because most of the stations that have undertaken mergers thus far have been radio (or dual licensee) stations, this list reflects more of the public radio culture than public television. But similarities, particularly around institutional conservatism, certainly apply to all. This list of cultural attributes comes from the study of merger stations and from our previous studies of public broadcasting.

> **Craft-focused, production-driven.** The independent producers who helped shape the early years of public radio and television left an indelible mark on the culture of public broadcasting. The attention to craft and attunement to production processes are salient cultural features of public broadcasting newsrooms. Reporters and editors who are used to working in a fast-paced digital or print environment will likely be confused by the time and attention to detail that many public media reporters, editors, and producers devote to a story or series. This can be a huge source of cultural conflict in merging newsrooms.
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> **Story-driven** (**radio**). Similar to the attention to craft, public radio professionals in particular prize the art of "storytelling." Story-telling refers to narrative arcs and to the quality of sound (or visuals) that accompany a story. Public radio stories on their best day are "driveway moments" in which the listener is transported to another space and time listening to an audio tale. While "stories" in public radio can have journalistic elements, they are often not the same form, content, or structure as print or digital news "stories." The differences in meaning also entail differences in decision-making, editing, and workflow—all of which can become a source of cultural conflict in a post-acquisition merger process.

“**On the air and off the mind.**” Broadcast media are ephemeral media. A story or segment airs, is listened to or viewed synchronously, and then disappears. Stations and broadcast media producers engage in an enormous amount of highly structured, highly routinized work, to produce a 24-hour local broadcast service. The daily grind of this work often leads to an “on the air and off the mind” mentality, in which media goes onto the air, and then producers quickly shift their attention to the next day’s (or week’s) work. Print and digital media work differently: a newsroom publishes and rather than disappearing, that content circulates (particularly on the internet) and can grow in audience and importance over time. Particularly with the rise in importance of social media distribution, a digital text story may require care and feeding over time, post publication, that broadcast newsrooms are not used to providing. This difference in orientation can also be a source of cultural conflict.

Launching things but not feeding them over time. The ephemeral nature of broadcast has nurtured a related cultural pattern in stations around initiatives and projects: launching things but not feeding them over time. Stations can and do mobilize considerable resources and attention to pull off major new initiatives and projects. But many stations struggle to institutionalize changes by re-assessing, shifting, and resourcing initiatives and projects over time. When it comes to newsroom acquisitions, the risk is that a station and digital newsroom devote considerable time and attention to the transaction process, and even to the honeymoon phase, but the merger processes themselves can lose internal visibility and priority as leadership turns their attention to other issues. This is a source not just of cultural conflict, but of strategic risk for an acquisition.

Matrix and meeting madness. Public media organizations, especially large ones, can have complex structures and a range of specialities. Public media also tends to have a culture of consensus decision-making, meaning many stakeholders are consulted but authorization for final decisions is often weak. The combination of complexity and consensus can lead to matrix decision-making processes that are very meeting heavy. This kind of consensus-seeking and bias towards meetings can be a jarring source of cultural conflict for digital newsroom leaders new to public media.

Polished, risk-averse, conservative. Public media organizations, by virtue of their age and their mission to serve a wide swath of the "public," tend to be risk-averse and conservative. And because their brands are often well-recognized and well-respected in their communities, public media culture tends to prize a certain quality of polish and completeness in content and communications. For digital newsrooms coming from a start-up environment where the ethos has been to test and iterate, the public media risk-aversion, conservatism, and polish can generate culture clashes.

Broadcast versus digital wars. Public media, especially in radio, is now more than two decades into its "digital transformation." Yet even as public media stations have increasingly trained their own digital talent and built out digital products, the digital teams of many stations have often been under-resourced, under-leveraged, and under-appreciated compared to their broadcast colleagues. This ongoing baseline cultural tension between digital teams and broadcast teams inside stations is the backdrop for digital newsroom acquisitions. This means many digital newsrooms will be entering station cultures in which "broadcast versus digital" has a long history and its own set of meanings and connotations. Those underlying tensions can be confusing and add an extra layer of cultural turmoil in a post-acquisition merger process.

Playing for the long haul. Public media stations, especially those that have reached a certain scale and heft, have become very skilled at playing for the long haul. Stations run capital campaigns that paint visions of the future and draw on a history of past service, broadcast shows develop loyal followings and air for years (think of your local station's Car Talk reruns!), successful general managers can serve for decades; station board members can similarly serve for decades. Much in the public media culture and practice lends itself to long-term thinking and planning. While institutional stability can be a source of reassurance to digital newsrooms, the long time cycles and slow pace of public media can also be disorienting and difficult to navigate.

Values-driven. Public media culture is deeply values driven. Most public media professionals joined the institution because they profess a belief in the values that public media stands for. In 2000, the Public Media Program Directors Association sought to articulate those values, especially as they relate to programming. The values they uncovered fell into three categories: Qualities of the Mind (including love of lifelong learning, substance, and accuracy), Qualities of the Heart (including a belief in civil discourse, humor, and focus on public life and culture), and Qualities of Craft (including pacing, attention to detail, and a human voice).

Many public media professionals still carry small cards around that list these values. For digital news professionals that have had their training in other settings — newspapers or digital start-ups — the focus on values and mission can be both inspiring and a little puzzling. The values-driven culture of public media is not quite the same as a journalism culture. And bridging those value differences—and coming up with a new hybrid of both—is the difficult cultural work of a post-acquisition merger process.

Digital News Cultures

Digital news culture comes in a variety of flavors, reflecting the types of digital newsrooms that have emerged since internet media took off in the early aughts. Understanding the cultural type (or types) of the digital newsroom in an acquisition is important for being able to anticipate some of the cultural challenges and culture clashes a post-merger acquisition will bring.

This section outlines two types of digital news cultures. One type takes its cues from the early internet bloggers who found a freedom and range of expression in internet publishing that was not available under traditional institutional brands. Another cultural type takes its cues from traditional newspaper journalism. Especially as the newspaper industry has shrunk and many veteran reporters and editors lost their jobs, a new breed of digital newsroom was born that draws on the traditional culture and publishing cycles of print news.

Some common cultural attributes of digital newsrooms

Fast-paced - get it up, get it out. Digital newsrooms of the more blog-type are used to producing short, regular stories. Digital newsrooms of newspaper origin are used to producing stories of varying length on deadline. Both of these publishing styles are faster-paced and more regular than most public media digital newsrooms. In fact, perhaps the most important cultural difference between public media newsrooms and digital newsrooms (both blog and newspaper) is the metabolism rate. Public media newsrooms tend to produce less and more slowly than independent digital newsrooms.

Fact-focused, analysis-focused. Digital news professionals tend to be fact-focused and analysis-focused. The typical "who, what, when, where" basics of the news format are the orienting principles. This orientation can stand in stark contrast to the public media focus on narrative storytelling, craft, and quality production.

Staff wear many hats. In small digital newsrooms, staff by necessity often wear many hats. A reporter may also run the newsroom's social media account, for example. Or the executive editor may also manage the fundraising. Though managing multiple roles isn't easy, small digital newsroom professionals often take pride in their many responsibilities and are able to translate learnings and insights across disciplines in a way that is more difficult in large, complex media organizations.

Scrappy, entrepreneurial. Because many small digital newsrooms are often young, they usually retain a scrappy and entrepreneurial spirit. The desire to create a sustainable enterprise—and the willingness to innovate and keep trying new things in service of that goal—are hallmarks of entrepreneurial leaders in news. The scrappiness and entrepreneurship can become a cultural clash with the more polished, risk-averse, and conservative bent of public media.

Unique cultural attributes: Blogging origins

There are a handful of cultural attributes that are unique to blog-oriented as opposed to newspaper-oriented small digital newsrooms which are worth keeping in mind, since each can also lead to cultural misunderstandings.

"Voice-y" — silly, irreverent, funny at times. The freedom of the blog format gave many early bloggers the opportunity to hone a silly, funny, or irreverent voice. This kind of distinctive voice is a powerful way to build a loyal digital audience. Digital newsrooms that have blog-type culture are often built around either a set of writer personalities or a distinctive editorial voice. Because public media culture tends to embody "the establishment" in the minds of many audience members and public media professionals themselves, this kind of distinctive editorial voice can represent a cultural stretch in a post-acquisition merger process.

Audience-driven. The focus on audience building in the blogging culture (which is now extended in many ways to the indie newsletter culture) generally attunes digital newsroom professionals to the behaviors of their audience in a more precise way than in public media. This appears not just in attention to audience metrics (like reach and page views) but in editorial sensibility around what kinds of stories will resonate and why. Public media newsrooms have much to learn from this audience attunement, but it can also become a culture clash when the default audience assumptions different groups hold are not made explicit.

Comfortable with metrics and product. Because the blogging culture was native to the internet, newsrooms with this kind of background tend to be more comfortable with metrics and digital product practices than both public media newsrooms and legacy print newsrooms. This can be a real advantage in a public media environment, but can also be a source of discomfort because public media newsrooms are generally not set up to have close contact with either product practices or digital metrics.

Unique cultural attributes: Newspaper origins

Beats and editing are important. For small digital newsrooms with newspaper origins, the structure of beats and cycles of editing can be very important. Depending on the new public media station home, this can be a welcome fit or a mismatch. As public media newsrooms have hired newspaper editors into leadership positions, those newsrooms have evolved their own beat structures and editing lines. The acquisition of a small digital newsroom with newspaper origins can strengthen this orientation.

Single-deadline driven. Digital newsrooms with strong newspaper origins tend to orient to a single deadline (often end of the day), a habit from print production deadlines. Broadcast newsrooms are deadline-driven too, though usually with more regular deadlines throughout the day to reflect the rhythms of broadcast. Depending on the publishing cycle and frequency that a combined newsroom wants to design for, ironing out deadlines and related workflows can also prompt cultural conflict.

Occupation-driven. Newspaper journalism has a strong set of occupational norms which help give shape to its distinctive culture of journalism. Traditional occupational values like objectivity, neutrality, and public service can be deeply embedded in a digital newsroom with newspaper origins. As discussed above, the clash between public media values and the occupational values of newspaper journalism can become another source of cultural conflict in a post-acquisition merger process.

Common Channels of Cultural Conflict

So now you have a sense of what cultural values and practices might crash up against each other in an integration process. But how will those frictions show up? What should you and your editorial leads be on the lookout for?

Being aware of the channels where cultural conflict is likely to flare up can help you and your managers be on the lookout for trouble brewing. An important step towards quelling cultural conflict is about making competing values, styles, and orientations explicit to warring sides. You don't want to litigate cultural conflict on a case-by-case basis, but helping all sides see how and why tensions are rising is the first important step towards navigating through a rocky period to culture change.

Use this list as a way to spot the cultural conflicts brewing in a post-acquisition newsroom.

Which media leads for which story. Digital newsroom staff and public media newsroom staff may have different ideas about what kinds of media (broadcast or digital) should lead a story.

How much and what kind of detail a story needs. Digital newsroom staff and public media staff are often used to working in different media. Assumptions around how much and what kind of detail a story needs can become a channel of misunderstanding for professionals with different media backgrounds.

Different news values. Public media and digital newsroom professionals may approach story ideas and coverage areas with different "news values" — different sensibilities around what makes for an interesting and important story.

Style and language. Style guidelines can differ between public media and digital newsrooms, including questions of acceptable language.

Different default deadlines. Journalists that come from public media versus digital newsrooms will also be used to working on different default deadlines. Broadcast journalists working in public media newsrooms, depending on the frequency of newscasts and timing of news segments, can be used to working over a number of days to produce stories. Digital newsroom journalists may be more used to producing frequent stories that are posted as they are ready, depending on their newsrooms' publishing schedule.

Different default assumptions about the audience. One of the most important potential channels of cultural conflict is different ideas of the audience held by public media versus digital newsrooms. A digital newsroom may come into public media with a well-honed idea of what audience it serves. While that audience may overlap with the public media audience, it may not. Making explicit different ideas of the audience will go a long way towards sorting through potential cultural differences.

Getting through the Rocky Period

Some level of conflict will be the understandable result of all the complexities involved in bringing two entities together. But what are the paths through a rocky period? What helped merger stations in our study through the rocky period was a combination of turnover, new leadership, and early wins.

Welcome and take advantage of staff turnover. Many post-acquisition merger processes, because they demand new ways of working from teams across the organization, will prompt some staff to decide they want to leave. Maybe a veteran radio reporter doesn't really want to practice his craft in a multi-media newsroom. Maybe a digital editor isn't ready to handle the complexity of working across different deadlines in different media. Maybe a radio sponsorship professional would rather just sell radio spots. In the wake of an acquisition, individuals can make their own choices about whether where the ship is heading is somewhere they want to go. And the departure of people with one set of skills and outlook is a golden opportunity to bring in new people with different skills and different outlooks.

In many of the merger stations we studied, turnover of key personnel (on both the station side and the digital newsroom side) who had difficulty adjusting to the changes required to make "one newsroom" was hugely important in resolving cultural conflict. One or two toxic mid-level leaders can absolutely prolong "the troubles." Removing the toxicity and bringing in new people with fresh thinking can help unblock the processes necessary for successful post-acquisition integration.

Welcome and empower new leadership. It is common in a merger situation, especially one experiencing cultural rockiness, for existing leadership to feel by turns overwhelmed and protective. Defensive feelings are par for the course in the midst of rough cultural terrain, but such a stance at the leadership level can work against integration. Sometimes leaders can get so overwhelmed that they leave during a post-acquisition merger process.

While turnover of staff can be stressful for everyone, turnover of leadership often prompts a deeper sense of unease and fear of drift. If your rocky period involves the departure of leaders in the station or the acquired newsroom, don't despair. Leadership turnover is one of the magic ingredients for moving through a post-acquisition rocky period. The departure of someone from a leadership role presents a huge opportunity to bring in a new person who has the energy and enthusiasm for building something new.

In particular, bringing in new editorial leadership during a post-acquisition merger process can help reset cultural expectations and calm intergroup tensions. We observed in a number of stations in the study that new editorial leadership arriving shortly before or after an acquisition made a huge difference for the cultural and strategic progress in the newsroom.

That said, new leaders will also likely find that they need to do some clean-up work in people and processes to help the newsroom get a new footing and establish a new culture. Communicating to new leaders that this is part of their mandate will help set them up for success. We observed that the new editorial leaders in the study who felt empowered to make personnel and process changes were able to make substantive progress on integration goals that had been otherwise stuck.

Create small, visible wins. In the depths of a rocky period, it might be hard to see clear to the other side. Another helpful change strategy for getting through the rocky period is creating visible wins that help illustrate for everyone the benefits that integration and collaboration can deliver. It can help to focus on producing one cross-platform project or story with those who are willing and able to champion the integration. Then make sure to communicate to the rest of the organization what success looks like.

For example, NJ Spotlight worked with the NJTV team early in their integration process to put together a special multi-platform project on New Jersey farmland. The resulting website and video series was a source of pride for everyone involved and showed the possibilities of what the teams could produce together. That spirit continued with collaborative projects around the ensuing elections and especially the COVID pandemic, including a "COVID Hub" of all their collective reporting.

For all of the newsrooms in the study, we observed that digital success built on itself and helped cement culture change post-acquisition. Seeing positive results of changes in editorial and publishing strategy can help everyone in the newsroom to see a new path forward. For example Kevin Dale at Colorado Public Radio noticed that as their web traffic has grown and their stories are reaching a larger audience, his reporters have become more and more interested and motivated by their digital publishing work.

“As we have seen our web traffic grow, they're getting it more and more. Now most of the reporters, if they get beat on a story by another outlet, they're beating themselves up more than I ever would. It's more like what I'm used to in the newsroom. Instead of when I first got there I would have to ask everyone, ‘Okay, how did we get beat on this story?’ Because they wouldn't even really know how they got beat. That just doesn't happen anymore. So, that culture probably was the toughest thing to overcome. But the great thing is, is they all wanted it. They just needed help getting there.”

Edit, edit, edit. The process of culture change in a newsroom will require investing in editing and training in order to support people in taking up new ways of working. Any new workflow, shift in editorial tone or process, or new method of reporting will require repeated practice and a fair amount of editing.

For radio reporters in particular who need to learn a new digital reporting workflow as part of an integration process, editing support is crucial. And so is encouragement to work more quickly with stories that work well for the web. The reverse is also true — digital reporters coming into public media will take some training and support to work in broadcast media. Skill development takes time, and it’s rare for reporters to be able to seamlessly transition to another medium in a short time period.

Designate an integration czar. In the crush of competing goals and priorities, it can be easy for leadership to lose attention to the progress of a merger. But this is a huge mistake, especially in the rocky period. Consider designating a mid-level leader to be responsible for helping shepherd the integration daily, especially in the newsroom. Having someone who is responsible for integration-related work like spotting and working through cultural friction, documenting new processes, translating vision, and helping advocate for new resources will help you power through a rocky period. Some stations named an “integration task force” for this purpose. While these bodies can be helpful for planning and checking, they don’t substitute for someone who's full time responsibility is helping a merger move forward.

Says Kristen Muller of KPCC: “I think what I learned from the acquisition is that someone needs to be driving towards the goal every day, and articulating what it means for people, and being clear about what success looks like.”

Stage 3: Building a New Identity

It will likely be difficult to pinpoint a particular moment when the rocky period ends and the final stage of integration begins. Fresh leadership, the departure of toxic individuals, and a few successful demonstrations of cross-newsroom collaboration will absolutely help to advance to a new stage. What comes after the rocky period will have some identifiable characteristics. The cultural and strategic conflict will feel less present and insistent on a daily basis, and the work will increasingly feel like building a new, common understanding and common way of working.

The creation of common understanding and a common way of working hinges on **building a new newsroom identity**, one that each newsroom member finds meaningful and inspiring. We observed in the study that new leaders in particular have a leg-up on building a new identity because they aren't weighed down by old battles or inter-group conflict.

What does it mean to build a new identity?

In the simplest terms, it means that those most closely involved in the merger process feel less attached to their old identities, and more interested and identified with what can be built together. This is a tricky process because **it doesn't mean the brands go away** — in fact, maintaining different brands will likely be a key strategic goal in many acquisitions.

One content leader shared his sense of the challenge that building a new, single identity poses:

"The next challenge for us is there really shouldn't be a [Digital News Brand] staff and everyone else. There do need to be dedicated staffers in the same way there are radio producers on ATC and Morning Edition and the same way that there are producers on our local show. There do need to be people who make those things every day. But also all of our desks and all of our reporting should live on all of these different platforms. So at some point, one of the things that we are trying to intentionally do is to slowly, carefully, not all at once, is to shift this idea that there is a [Digital News Brand] team and then our [Station] news."

But building a new identity means that brands become more meaningful in what they can do to serve the audience, rather than what the brands mean about the group affiliations of team members. For the stations in the study, the emergence of a new newsroom identity, however fragile, helped the process of integration by orienting everyone to a shared purpose, a shared language, and a shared set of goals.

What can leaders do to build a new identity?

Building a new identity is a multi-dimensional leadership process. After the chaos and upheaval of a rocky period, many processes, assumptions, and ways of thinking are likely to feel very unsettled. Building a new identity requires leaders to help settle their teams on a new, shared way of thinking and working together.

Building a common set of editorial principles and standard operating procedures helps. So does building a common language and celebrating shared successes. But the most important thing newsroom leaders can do to encourage a new identity is to communicate (over and over again!) a shared vision and purpose, and then link those to explicit and measurable goals. We expand on each of these below.

> **Document values and process so everyone can see.** Especially in the newsroom, leaders can help build a new identity by documenting shared guidelines, processes, and values for all to see. Being able to check current conditions and ways of working against an agreed-upon set of goals and practices can help newsrooms to become self-correcting. Having a written document with guidelines, process, and values is especially helpful as leadership and staff turn over.
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> For example, Victor Hernandez at Cascade Public Media has been building a playbook for the Crosscut newsroom that lays out the values and processes that guide their work. The playbook addresses issues like what the story cycle looks like, how engagement should fit into their work, and their core editorial values. The process of putting together the playbook has forced the newsroom to have explicit conversations about how they want to work together and what success looks like. Those exercises, Hernandez says, have helped evolve the Crosscut multi platform newsroom to a stable, central environment inside what had been primarily broadcast-focused operation for several decades.

Shula Neuman at St. Louis Public Radio spent a year working with her staff to put together a vision, mission and set of operating guidelines for their newsroom. She wanted the document to reflect both her vision and what she knew the newsroom was best at doing. This document helped crystalize a cultural shift toward multi-platform journalism that had been in process since the St. Louis Beacon acquisition but benefitted from being formally written down and shared.

Create new rituals to celebrate examples of good work. Another important ingredient to crafting a new newsroom identity is the creation of new rituals that celebrate what good work looks like. Using awards and other special recognition to highlight good work can really help push and cement culture change. Many of the newsrooms in our study found that instituting awards and other forms of public recognition for work well done helped reinforce the elements of a new shared newsroom identity.

For example, former WAMU Chief Content Officer Andi McDaniel worked with a graphic artist to create custom monthly awards for high quality stories and projects. The awards were beautiful and became highly valued on the content teams. The process both helped her honor good work and set expectations for the kind of content the station teams should create. Inspired by McDaniel, Kevin Dale at Colorado Public Radio started their own set of newsroom awards and found it to be a huge morale boost:

”I went out and bought seven little trophies, and every month we recognize people in the key areas that we're trying to message. So, excellent beat work. That could be breaking a story. It could be digging out an enterprise piece. We have one that's a little Shark Tank guy that's for innovation, and we have a microphone for moments of joy. I make them hand the trophies off to each other month after month. It’s been great. I thought it would help us with messaging, but actually it's been a huge morale thing too. People just like getting their work recognized, obviously, but they also, I think, like giving each other the trophies.”

Communicate the new vision early and often; and link it to concrete goals and resources. Leaders can think they are communicating when in fact, their messages are not getting through to the staff. Over-communicating vision in a merger process is very important for getting new language and a new sense of shared purpose imbued in staff. But rhetoric in and of itself can also ring hollow (and sometimes backfire) if it's not backed up with measurable goals and real resources. Leaders who can link vision, goals, and resources — and communicate those links — will help cement a new, post-acquisition identity.

The editorial leaders in the study each shared how much more they had to communicate about their vision and about the changes being ushered in by their mergers. "Even when you think you are communicating something clearly and often, it's amazing how much doesn't actually get through to staff," shared one content lead. Some content leads found that having regular check-in meetings with editors, and making sure those editors were communicating vision and strategy messages to their teams, helped keep everyone on the same page as the integration process unfolded. Culture building can also be moved along by regular, explicit conversations about vision and mission.

Just as important as communicating vision is linking the lofty ideals to concrete goals. An excellent example of this is the KPCC newsroom, which as part of integrating the LAist product into its newsroom, rolled out reporter-specific mission statements with individual dashboards to help reporters track the "loyal and local" audience their beats were building. This kind of linking of vision, strategy, and measurable goals can help to push a change process forward.

What does success look like?

How will you know if you've successfully built a new identity? At least in the newsroom, if you're seeing your readership go up, engagement across group boundaries, appreciation for different types of work, people mastering new styles, and everyone searching for more interesting and important issues to cover — you've likely successfully made the turn to a new identity. KPCC's Kristen Muller reflected on how far they have come in their post-acquisition integration process:

“A lot more people are reading more of what we do, and our reporters themselves are reading their colleagues’ work and learning new things. Our digital editors are now writing more. Before they were basically rewriting other people’s stories for the web, and now they’re back to writing in their own voice, and that's great. Another one of our reporters is now doing transportation, which is great.”

Deep change required

As explored above, public media culture, while hospitable to digital journalism, requires major shifts for an integration to bear fruit over time. Deep change will likely take place on a scale of three to five years, not months or quarters.

The long timescale of change is understandable. Even with an infusion of digital reporting talent, change processes in legacy broadcast newsrooms can take time. A shift to digital-first reporting will challenge habits ingrained in a broadcast newsroom. At a higher level, all of the news leaders in the study agreed that public media is just beginning to understand what it means to be a primary news provider, and to be able to attract newsroom talent that understand both primary news provision and the medium of radio or television. Conversely, print reporters coming into broadcasting often bring experience with beats and daily reporting, but learning the broadcast side takes work.

But over the long term, the legacy of an acquisition can be to elevate both the quality of local coverage and the way that public media journalists think of themselves. Two good examples from our research are Cascade Public Media and St. Louis Public radio. The Crosscut newsroom acquisition by Cascade Public Media is five years old; and the St. Louis Beacon acquisition by St. Louis Public Radio is the same age. Both acquisitions took significant time to stabilize; but the changes are long lasting.

Victor Hernandez reflected that the Crosscut newsroom is now in its awkward teenage phase, in which lots of growth and development is happening and more new practices can be put in place as the newsroom aspires to a bigger role.

“It’s a fascinating time for us because in many ways we’re experiencing rapid growth with a bit of awkward teenager mixed in. You see Crosscut is 13 years old with the merger forming Cascade Public Media occurring five years ago. Up until the past few years, we were considered by many as the little engine that could. With some questioning whether we could be taken seriously, and what our future might hold. We went from a handful of staff journalists a few years ago to a bustling newsroom today of 33. You could call it our growth spurt.

We’ve established our place in the local news ecosystem. We’re experiencing great momentum through our in-depth reporting, audience development and use of innovation to engage PNW communities, yet we’re still awkward at times. While we obviously aren’t a 100-year-old legacy operation steeped in tradition, we also haven’t yet realized what our maximum potential can become.

We’re experimenting on a daily basis, stress-testing systems, workflow and people skills to chart better strategies going forward. We are attempting new approaches that often do not hit the mark for success, but we’re applying those learnings toward the next opportunity.”

Shula Neuman believes that the legacy of the Beacon acquisition was to fundamentally change how St. Louis Public Radio reporters work and think about themselves:

“We’re a much better news organization than we ever were before. And I say that, I mean, certainly from 20 years ago when I was here and there were four reporters. I don't even think it's cognizant for the people who weren't here during the merger, but I think the legacy of the Beacon is reflected in our approach to journalism. People here aren't thinking about themselves as a radio reporter, or a print reporter, they're thinking about themselves as journalists. Our reporters now think, "Oh, I better do some pre-writing before I go out to talk to this person.” That was never on anybody's radar four years ago. Now it is common practice.”

While these two examples highlight newsroom mergers that are more than five years after the initial transaction, significant change is also possible within the first two years. For all of the newsrooms in our cohort, the covid-19 pandemic accelerated collaboration and cultural change in the newsroom in unexpected and welcome ways. Rachel Sadon, the former Editor in Chief of DCist and now the News Director of WAMU, explained, "While we still have progress to make, the pace and sensibility in the newsroom has completely changed from two years ago to be more digitally oriented. There are still challenges, but it is a fraction of what it was."

Chapter E.
Creating One Newsroom

Regardless of the structural starting point of an acquisition, the end goal of most acquisitions will be for news teams to work as one newsroom — a newsroom that may have many brands and many platforms but operates as an integrated unit. This can look like editorial teams that transcend platform and channel; it can also look like teams organized and branded separately but operating under a common editorial leadership.

So where to start with creating one newsroom? Tactically, we found that some newsrooms in the study opted to co-locate their editorial teams as the first order of business. This can help new team members get to know each other, develop personal working relationships, and learn each other's ways of working. But this doesn't have to be the first step towards creating one newsroom. We saw that some stations in the study gave their teams time to continue to operate independently before bringing the newsrooms together in a common space and workflow.

Whatever the starting point, the goal of "one newsroom" and the vision of a multi-platform local news service, will emerge after a process of experimentation, struggle, and change. But beginning with an understanding of how a multi-platform newsroom can work will help editorial leadership to guide the changes necessary for integration. Later in this chapter, we'll address some core principles for managing this kind of newsroom.

But first: If the goal of your acquisition is to create a fully integrated, multi-platform newsroom, just what does that look like? How can you set up such a newsroom for success? This section outlines the core questions you need to ask (and answer) to make the most of a digital acquisition for building an integrated, multi-platform newsroom.

Variables in a multi-platform, multi-brand newsroom

Multi-platform newsrooms are complicated. Before trying to craft a multi-platform newsroom strategy and structure, it helps to be explicit about just how many variables your newsroom needs to manage in its daily operations. This list covers the major categories that can be at work in a multi-platform newsroom. Adjust this list as needed for your newsroom.

Beat/Desk : Consider whether your newsroom is structured around beats or desks, and whether those categories fit with your newsroom's mission and strategic place in your media ecosystem. Beats could be politics, innovation, health, etc.

Story: Consider the story types your newsroom excels at producing, and the story types your audiences gravitate towards. Your stories could be explanatory, investigative, breaking news, public service, human interest, etc.

Audience: Consider whether you have enough audience research to identify the types of audience members who regularly turn to you. Are they NPR fans, millennial city-dwellers, parents, suburban listeners, etc.? What does your research say these audience types value in your coverage?

Format: Consider the formats available to your newsroom and the formats which are your strengths. Formats could include: broadcast story, broadcast two-way, blog update, long-form, visual story, newsletter update.

Platform: Consider the media platforms in use in your expanded newsroom, which ones play to your newsrooms' strengths, and which ones are used by your most loyal audience members. Platforms could include: podcast, newscast, broadcast, station news site, digital news site, newsletter, social media.

Product: Consider the media products in use in your expanded newsroom, which ones play to your newsrooms' strengths, and which ones are used by your most loyal audience members. Products could include: podcast show, broadcast special, topical or daily newsletter, digital news blog, digital news special feature.

Brand: Using audience research if you have it, consider the suite of brands in use in your expanded newsroom. What are the brand values of each? What do audience members expect and value about that brand? What creative risks can that brand take, and what would violate the brand's values? Brands in your newsroom might include: digital news brand, station broadcast brand, broadcast show brand.

Core considerations for fully integrated newsrooms

With the variables for your newsroom mapped out, you should be able to see clearly the range of stories you can produce and audiences you can reach. Now, how to prioritize? Prioritization is strategy, and the key to managing for success in a multi-platform newsroom. Without a shared sense of hierarchy and direction, the sheer number of options, audiences, platforms, formats, etc. can lead to diffusion of effort. There are seven questions, in decreasing order of importance, that you should ask to help set strategy and priority. You can use this process to organize the strategy and priority of your newsroom as a whole, and you can use this process to organize your coverage on a daily, weekly, or monthly basis.

Define your audience

Strategy and priority in a multi-platform newsroom should always begin with understanding the audience or audiences. Who are we trying to reach, and why? The power of a multi-platform newsroom is the ability to reach many audiences. But the ability to reach many audiences is not an excuse for not knowing anything about them. Use your audience research to understand and define who you are trying to reach and why.

Match audience and brand

In crafting an understanding of your audiences, you may find that you have more clarity about which brands different audiences resonate with and why. As you set strategy and priority for your newsroom, try to match up your audience types with the brands available to you. Your understanding of the fit between brand and audience may shift over time as you see how stories perform and as you learn more about your audience. But it helps to have a working hypothesis about how audience types fit to brands.

Define method

Once you have an understanding of who you are trying to reach and why and under what brand, you can ask more specific questions about coverage types and story ideas. How is this story (or area of coverage) told best with this specific audience(s) in mind? In answering this method question, you can draw on your list of beats and topic areas and story types.

Define platform and product

How will this story best reach this audience? Because story content and format are closely tied to platform and product, consider questions 3 and 4 to be part of an iterative decision-making process in which you assess how the combinations of topic, story type, media product, and media platform best fit your intended audience and brand.

Define engagement and revenue tactics

Engagement should absolutely be part of your multi-platform newsroom strategy. Engagement is not just an end-of-story process but, depending on the sophistication of your newsroom, can be integrated throughout your story selection, creation, and publishing process. The better your audience research, the more you will understand about how to engage the audiences that matter to your newsroom. Consider for each type of story or coverage area how you want engagement practices to be woven in, and how you will track them.

Define revenue strategy

Engagement and revenue go hand in hand in a multi-platform newsroom. Without a loyal (reading, listening, viewing) audience, sustainable revenue is incredibly difficult to build. For each of your newsroom's major product areas, consider how you will tie your audience's behavior and engagement to revenue. For specific story or project planning, consider how you can convert a segment of your intended audience(s) into paying members.

Consider the collaboration angle

A multi-platform newsroom is capable of producing many different types of stories, but that doesn't mean the editorial strategy should try to serve all needs at once. With a strong articulation of your newsroom's values and strengths, you can also consider how collaboration can help you meet your editorial goals. Many news ecosystems around the country are building their own collaborative networks. Public media newsrooms have an important role to play, but what kind of role should depend on the needs of the collaborative and the underlying strengths of the public media newsroom.

Here is the process in a table format:

	Who are we trying to reach and why?	What does the brand stand for?	What stories work well here?	How do we engage?	How do we monetize?	How should we collaborate if at all?
Broadcast/Newscast						
Broadcast/Shows						
Digital/Station Site						
Digital/Acquired News Site						
Digital/Podcast						

What does it look like to make editorial decisions in an integrated newsroom? John Mooney, a founder of NJ Spotlight and now Executive Director of NJ Spotlight News, is part of the editorial leadership in the combined TV/digital newsroom. He reflected,

"The notion of one newsroom doesn't mean that every story is treated by multiple platforms. It just means you potentially have multiple platforms available to report a story.

It's important to recognize there are places where you work together, and places you don't. TV is very in the moment, obviously visual, today's news, event focused. Our digital reporters are more often taking the long view on stuff. It's important to recognize you are different, and you don't need to fit a round peg in a square hole.

I have viewed it as a Venn diagram of four circles - digital, broadcast, live events, and social. Part of those circles overlap but much of them don't. Recognizing that is really important. And sometimes it's better to stay in your lane. The day's story is coming into the one newsroom - and there is as much space not overlapping platforms as there are overlaps. When we get a story in the sweet spot where we hit all or most of the platforms, that's great. But there are some things that are just single-platform stories."

The structure of newsroom leadership teams

Running a successful multi-platform, multi-brand newsroom requires skilled leadership. Depending on the size of the newsroom, the structure of leadership roles can have a huge impact on how well an editorial strategy is executed.

We observed in the study that the configuration of the editorial leadership team helped shape the success of a merger process. If a station aspires to have a robust digital and broadcast news operation, an editorial leadership pair reporting up to an Editor in Chief (EIC) or an Executive Editor can work well. In those kinds of structures, the pair of editorial leaders (e.g., Managing Editor for Broadcast and a Managing Editor for Digital) can work together to coordinate story planning across platforms and provide tailored editorial guidance for their respective teams. The EIC provides overall strategic direction and can advocate for the station's journalistic mission to the leaders of other departments and functions.

If an editorial leadership team is missing one of those three roles, we observed that it can be very difficult for merged newsrooms to come together as "one newsroom." If a station's editorial leadership is too flat—for example, the station has two editorial leads for broadcast and digital, but is missing an EIC function, the risk is that the news teams devolve into inter-group conflict and confusion. The newsroom may also drift strategically without someone to attend to both the operational and long-term evolution of the newsroom.

We observed in the study that the role of Editor in Chief is very difficult to fill. Especially in a merger situation, the top news leader has to be skilled in understanding how to create and publish important journalism across different platforms, and also understand how to manage change. Editors In Chief in public media newsrooms are also under pressure to represent the values of diversity, equity, and inclusion in their leadership and in the newsroom cultures they are building. Combining these skills and attributes is a difficult task. Shared one public media executive:

“We're missing things and misunderstanding things because we don't have people in the newsroom who represent the experiences that we're reporting on. So whoever steps into an editorial leadership role needs to be able to manage all these structural changes and strategic changes and programming decisions about what new products we make and how we think about changing the organization structurally, but they'll also need to be able to change the people and the makeup of it. So this person needs to be a strategist, a culture manager, and a journalist all at the same.”

Our observations of the mergers cohort suggest that EICs with a print journalism background bring some particular strengths to the task of building a multi-platform newsroom. Because the editorial structures and routines for print newsrooms are fairly fixed, public media EICs who are familiar with those ways of working have the advantage of working with a template for what a newsroom should look like.

If a station has a strong news executive, but either the broadcast or digital news teams are missing their own operational leader (or have a leader with too much non-editorial responsibility), the risk is that the careful editorial planning and coordination that has to happen between teams and across platforms will be partial or ad-hoc.

For many stations that want to execute a successful “one newsroom” strategy as part of an acquisition, having a three-person editorial leadership team will be an investment worth making. For example, in Colorado Public Radio, Managing Editor of Digital (and Denverite founding editor) Dave Burdick and News Director Rachel Estabrook work closely with Executive Editor Kevin Dale to shape the coverage strategy and audience development across CPR's broadcast and digital platforms.

Changing the beat and desk structure of the newsroom

Depending on the editorial strategy you've set in the acquisition process, going through a newsroom merger may require a re-organization of beats and desks.

Our research revealed that acquisitions in many of the stations we studied coincided with rethinking the desk and beat structure of the public media newsroom. These newsrooms included: Colorado Public Radio/Denverite, KPCC/LAist, Cascade Public Media/Crosscut, Saint Louis Public Radio/Saint Louis Beacon.

Many of the newsrooms in the study shifted from a relatively flat and unelaborated structure of many reporters with different assignments reporting to a few general-purpose editors to a structure with specialized teams. These changes followed a revised editorial strategy that elaborated a handful of topics or beats the merged newsroom would cover. Executive Editor of Colorado Public Radio news, Kevin Dale, described a process that was similar to others in the cohort:

"When I came in, CPR had a daily editor and a features editor. And the daily editor did all the newscasts. They would start work at 8:00 AM and they would be online at 10 o'clock at night, still trying to make sure there was stuff for the morning newscast. So, they'd go home for a few hours, play with the kids and then go back online. And then the features editor literally edited all the four to five minute radio features. And then we had our talk show. And so what I did was came in and set it up like a more traditional newsroom with topic teams. So we have a public affairs team and they do all the newscasts and all the features and everything. And we have a climate team now, and then we have an editor who's over health and education and business. And then we created a daily team. So we have a morning editor, and an afternoon editor, and they shepherd the newscast and the quick web stories. So, I was just creating desks like you would see in a newspaper or a newsroom. And then creating the process of this newscast, how do I get out on the air as soon as possible? Or this is a web story, how do I get it up as soon as possible?"

Shifting the tone and voice of a merged newsroom

The process of merging newsrooms is not just structural, as the previous section explores, it is also about crafting a new identity. One of the most important identity shifts in the newsroom in a fully-integrated or partially segmented model, will be around revising the tone and voice across the news brands.

The process of revising editorial tone and voice is likely to be a particularly fraught one. While stations in the study cited the voice and sensibility of their acquired digital brands as a strength, station content leaders have also worked very hard to balance voice and tone across the brands, especially as some brands have been re-oriented towards more news. Shared one content lead:

"The process of shifting editorial voice is a delicate one because if you are entertaining, you're engaging an audience, giving people a sense of the city's identity. That probably requires a certain sense of humor, a certain willingness to do some silly and fun and weird things, not just very earnest, straight news. We need to keep those things, but the transition I think we are making is to carry that with a different amount of gravitas and a sense of responsibility. But it's hard to do that without losing some of the good things of the lighter sensibility."

In some of the newsrooms, this process of shifting editorial tone and voice has been helped along by building in heavy editing before a story goes up on the web, and by explicit agreements on style guides and acceptable language. But even so, the process of diffusing and reinforcing a new editorial voice among writers can be slow and entail a learning curve.

Size considerations

Leadership structure and workflow are also highly dependent on overall newsroom size.

A mid-sized multi-media newsroom might opt for a heavier editorial layer, where editors can coordinate with each other and with their specialist teams. For example, the Cascade/Crosscut newsroom has 33 people, but some might consider their organizational structure as “top heavy” in terms of management. The newsroom has nine section editors, each with their own teams, and one overall managing editor who manages the day to day operations of the newsroom and reports to Crosscut and KCTS 9 Executive Editor, Victor Hernandez.

A smaller newsroom might differentiate between broadcast and digital less or not at all. For example, in the St. Louis Public Radio newsroom, reporters and editors are cross-trained on broadcast and digital. The editors are in charge of their beats, and there is no differentiation of digital and broadcast roles, except for a digital editor who floats between teams to help with digital strategizing and planning.

Designing Workflows around Brands

There are different ways to go about creating one newsroom while maintaining separate brands. For stations with a station-branded digital news website and an acquired site, deciding to adopt a single editorial hierarchy can help execute a “one news team and two sites” strategy.

And even in newsrooms where there is one digital brand and one broadcast brand, teams can differentiate their reporting structures by media, as long as there is robust cross-platform planning processes to support seamless editorial strategizing and oversight.

For example, NJTV and NJ Spotlight initially followed differentiated digital and broadcast brands that have some dedicated staffing, while also moving towards “one newsroom.” The production team for the station’s flagship nightly news and public affairs program is mostly devoted to the broadcast product. However, NJ Spotlight’s reporters regularly appear on the show, editors from both teams attend the morning editorial meeting, and the teams engage in cross-platform planning on long-term reporting projects and breaking news. The NJTV and NJ Spotlight teams recently went through a digital rebranding and website redesign, which resulted in the NJ Spotlight News brand becoming the primary brand for the multi-platform newsroom, including both the news site and the daily broadcast.

The next section takes a look at three different configurations of workflow that can be matched to a “one newsroom” strategy.

Structuring workflow in a multi-platform, multi-brand newsroom can also be complicated. In general, your strategy and priorities should determine the workflow. But there are some general principles you can use to get started. This study found stations experimenting with three types of workflow organization: day parts, brand, and desk.

Organize by day parts.

If your multi-platform newsroom is fully integrated and on the smaller side, you likely need every member to produce stories in different media and for different platforms. With those constraints, it can help to organize your newsroom's workflow by day parts. For example, your team could be focused on broadcast production for the first half of the day, and site production for the second half.

For example, St. Louis Public Radio expects its reporters to be able to work in radio and digital. For many breaking news stories, the medium is dictated by time of day. As the Executive Editor, Shula Neuman, explained, "Whether we're digital first depends on what part of the day we're in. We have these newscasts that start in the afternoon around 3pm. So if a story happens between 9am and 3pm, the closer it is to 3pm, the more likely that radio comes first."

For other stories that are more predictable, like the result of an election or jury verdict, St. Louis Public Radio has reporters "pre-write" stories by drafting a text story early in the day, then putting together a broadcast spot afterwards. Once the spot is ready for newscast, the reporter can return to the text story and fill in additional details for web publishing late in the day or overnight.

This hybrid workflow at St. Louis Public Radio is helped along by a skilled digital editor in the newsroom who works with reporters on every beat to plan for and help execute a digital strategy for each of their stories. Shula explained:

"Our digital editor is so great because he'll hear about a story and he'll be like, 'Hey, you know what we could do with that?' So, he helps the reporters to be thinking in advance about how their digital story's going to be different. And then also when there is pre-writing, we try to get people to think from the get-go about how the web versus radio stories are going to be different. Because just turning a radio script into a web story is not a good experience for the audience."

Shula noted that for some very big stories and breaking news, pre-writing doesn't work or isn't possible. In those cases, one reporter is assigned to handle digital and another to handle radio. Then, once radio spots are filed, the two reporters will work together to round out the digital story.

Organize by brand.

Particularly if your post-acquisition merger structure is more segmented, it can make sense to organize workflow within specialized teams or brands. This means your digital newsroom could retain their own independent workflow, separate from the broadcast team. Coordination between the teams would then be organized on an ad-hoc project basis rather than on an ongoing basis.

Some newsrooms in the study organized their newsroom workflows by brand. This is especially the case in larger newsrooms, like Colorado Public Radio or WNYC, whose staff size can handle a higher degree of specialization.

For example, the Denverite is a semi-autonomous editorial team that sits in the middle of the CPR newsroom. Explained Executive Editor Kevin Dale:

"The Denverite editor has full assigning power over her team. There definitely have been times, like with any editor, I'll go over there and say, "Hey, I'd like you to do a story on this topic." And then they go off and do that or come back and tell me why it's not a good story, whichever. So for Denverite, they really have their own workflow, their own assigning, et cetera. And then if in our morning news meeting, the Denverite editor is there, and if we hear something that makes sense to put on CPR on the radio, we just tell them, "Hey, we would like that for radio." And they either write it up as a newscast or a debrief or whatever works."

Organize by story/desk.

For fully integrated newsrooms with larger staffs, organizing by desk or story type can make sense. This kind of organization and workflow emphasizes the content first, and the media product and platform second. If you have chosen to prioritize a small number of platforms, this kind of workflow can work well.

For example, the Crosscut newsroom is the heart of Cascade Public Media's news service. Though the Cascade team produces video segments that air on KCTS9, their primary output is content for the Crosscut digital site. Executive Editor Victor Hernandez has put in place an editorial workflow that is organized according to his newsroom's sections. Each section has a section lead who helps the reporting team with story selection and managing the writing and publishing process. Hernandez explained:

"I have invited the section editors to be the general managers of their sections. They control these fiefdoms. And I want their signature, their persona, and their vision in the section. That is when a section can become special and unique."

The output and publishing rhythm of each of the sections is unique based on their beat. But the common editorial process is laid out in the newsroom's Playbook.

Common tools and processes

Tools and processes are very important components of managing workflow in a multi-platform newsroom. We saw two key components in the cohort: morning editorial meetings and cross-platform story planning tools.

The morning editorial meeting.

For newsrooms that organize workflows by brand or channel, the morning editorial meeting is a key point of visibility and integration across teams. We observed across the cohort that in newsrooms where attendance by editorial leads across platforms was expected and adhered to, the workflow and progress towards "one newsroom" was infinitely smoother than when the morning editorial meeting was ad-hoc. Part of the reason why newsroom editorial structure is so important is that each news product needs its editorial lead adequately represented in story planning. When attendance, agenda, and decision-making rules are ad hoc for morning editorial meetings, progress towards "one newsroom" slows considerably.

Cross-platform story planning tools.

No matter what configuration of workflow and newsroom structure, cross-platform story planning tools are an essential component of managing "one newsroom."

Maintaining separate story tracking systems can make it particularly difficult to coordinate planning between products. The tools should be used in service of avoiding duplication of stories between news teams and news brands. Some newsrooms may need explicit agreements about the number of stories to post and cross-post per day between the sites, and these can be tagged in the story planning tools.

Shared document tools like Google Docs are the first level of such tools. Large multi-media projects require sophisticated advanced planning and coordination. More sophisticated and powerful tools like AirTable and Trello can provide an enormous boost to story planning—not just daily, but weekly, monthly and beyond. The LAist/KPCC newsroom developed its own AirTable story planning tool after many months struggling with multiple Google Docs. The Cascade newsroom uses a large Trello board, which includes views for teams outside the newsroom to see what big editorial projects are in production. Hernandez explained:

"We continue to stress the importance of advance planning as the key to our success with all large-scale editorial projects. We mandate a minimum 3-6 month planning window for all new Crosscut newsroom major reporting projects. This duration allows for the necessary planning time to collaborate with other CPM departments such as Digital, Marketing, Programming, Sponsorship, Events and Philanthropy to identify and execute essential project support strategies."

The Role of Training

One of the most vexing questions in creating "one newsroom" from separate teams is whether and how much to cross-train reporters and editors to work in a new medium. We observed stations in the study take a wide variety of approaches to training.

Cross-promotional training.

The lightest form of training is akin to "media training" for digital reporters that you want to feature on air to talk about their work. So for example, you could train a digital reporter from your acquired brand on the best ways to communicate on the radio broadcast (or appear in a television broadcast) and talk about a story they wrote for the site. This training works for cross-promoting stories. It can be a powerful tool for getting more of the new digital reporting into the on-air product. We heard throughout the cohort that while there is a learning curve involved in putting digital reporters on air, the payoff is worth the effort.

Cross-media journalism training.

This more intense form of training involves teaching reporters who are used to doing journalism in one medium to do journalism in another medium. Cross-media journalism training can be expensive and difficult. Learning to produce a television segment for example, requires a veteran newspaper reporter to learn an entirely different skill set. Gathering audio for a radio segment and cutting tape is a slightly easier set of production routines to learn. However, understanding how to "write for radio," and how the arc of a radio story works, can be more difficult.

Expect some level of resistance.

For small newsrooms, there may be no choice but to cross-train reporters in digital and broadcast media. If done well, this can make the best use of a small staff. This can create a lot of resistance, however, which newsrooms should be ready for.

We heard a number of editors in our cohort state that at least when it comes to broadcast reporters, no one should be forced to write who doesn't want to write. The depth, complexity, and tone expected of text-based reporting may indeed be too much to expect of a skilled radio reporter. Newer reporters may be able to learn how to work in both media if trained from the very beginning; learning new habits and skills after significant work honing craft in one medium may be more difficult.

Hiring for experience across platforms.

Hiring for experience across platforms can be difficult. A few executive editors in the study reported that when they have hired digital reporters with some radio experience, those reporters have become key contributors to a multi-platform news strategy. But due to current workplace norms and workflow structures of public broadcasting, public media reporters more often have developed platform-specific skill sets (a digital editor learns about the website, a producer learns about radio, etc). This can make it difficult to hire reporters with cross-platform experience from within public media.

Crises can help.

Whatever the baseline of skills in your newsroom, some level of cross-training is helpful if only for potentially conflicting teams to have appreciation for each other's work. There is also nothing that brings teams closer together than a crisis. We heard from multiple editorial leaders in the cohort that crisis reporting situations (the covid pandemic included) increased both collaboration and mutual appreciation between reporters working in different media.

Chapter F.
Creating Products to Grow Audience

The acquisition of a digital newsroom is not just about the people and the brand—it is also about the news product. The website, newsletter, and publishing features that are brought onto a station in an acquisition have the potential to level up the quality of local journalism service a public media organization can provide.

But as with other aspects of an acquisition, realizing the potential of the news product requires thinking and acting in different ways. And it requires some smart product strategizing to figure out how the new news product fits in with a station's other offerings.

Evolving Your News Product Strategy Through an Acquisition

Shifting to a news-only digital product.

A digital news product acquisition will, for many stations, catalyze an evolution of their existing website strategy. We observed that many of the station websites in the study were digital listening destinations, and portals for online giving, but were not optimized to be digital news destinations. The acquired sites, on the other hand, were built as digital news destinations. Because of this distinction, some of the stations in the study opted to slow or stop publishing news on their station-branded digital sites and instead shift digital news publishing activity over to the acquired site.

For example, both KPCC and WNYC have opted to publish digital news solely under the LAist and Gothamist brands, respectively. For KPCC, the rationale was both that the audiences were seeking out the station digital news site to listen (rather than read) and that populating two sites with digital content was difficult to justify from a resources perspective. Chief Content Officer Kristen Muller explained:

”We knew that people came to KPCC.org to listen to the live stream. They hit the listen live button and that was it. They didn't spend time on the text news pieces, which people are going to efforts to write. Originally we thought the best version of the station site was that we could get someone to work the KPCC.org site to be a real reflection of what was on the air at any given moment. So playing into the idea that it's a listening destination. But we haven't been able to do that. We just don't have the staff to manage both sides like that. But in a perfect world we would, and someone could pluck the LAist content that's going to work for a KPCC audience and vice versa.”

For WNYC, the Gothamist was a stronger digital news brand than they had been able to develop on wnyc.org. Switching article publishing to the Gothamist site allowed them to create a single, consistent process to funnel news from all the different news teams in the station onto a single, digital-news-native platform with a large audience.

Growing a new digital news audience.

But the power of a digital news product acquisition is not just that it can be a powerful news destination in its own right. The power for many station newsrooms is that the audience associated with the new product can also expand the digital audience for broadcast reporting. Explained one content executive:

"The aggregate audience that [acquired site] has built over time just very quickly allowed us to take a lot of reporting that was going to die on the vine because, in audio form just 200 people were listening to it on our website, and put it in a format and under a brand where people will actually read it. There’s orders of magnitude more impact by taking the same great reporting and running it through an editorial process that makes it an article that's accessible to a whole new audience. That has expanded the digital impact of the journalism that is already there."

Managing and differentiating a digital news brand

Part of acquiring a digital product is also acquiring the digital brand that comes with it. But integrating a branded product into a newsroom strategy can be tricky because the brand is easy to confuse with *medium* (digital or broadcast) and easy to confuse with *team* (this is the station team, this is the brand team).

Understand the news brand you're acquiring.

To realize the full potential of a digital news product acquisition, public media organizations must take the time to fully understand the brand that is coming into the public media family. The next chapter on Building Sustainability has some tips for how and why to conduct brand research when crafting earned revenue and membership strategy. But brand research is just as important to conduct for understanding the core aspects of the product itself. As outlined in the Creating One Newsroom chapter, matching combinations of brand, platform, and audience is what should guide your editorial strategy.

Here are some questions to consider about your acquired digital news brand as you craft a product strategy:

1. How differentiated are your news brands from each other? What are the overlapping brand values and what are the differentiated values?
2. How much overlap (in volume) is there between your audiences for each brand? What types of audience personas gravitate towards which brand?
3. Depending on the degree of overlap in personas and actual consumption between your news brands, which audiences do you want to educate about which brands?

Build a product strategy based on the brands.

The answers to these questions can help you decide on the features of your news products. For example, let's say you know (through audience research) that your acquired digital brand has a hipper brand value than your station brand, and that it attracts a younger, urban audience that is particularly interested in local politics and food. You could consider building an email newsletter under the acquired digital brand that is targeted to that audience but brings in related station content.

Consider how and whether to educate your audiences about the brands.

The degree of audience education you want to do about your family of brands is up to you. Some stations in our study found very little overlap in the resonance and audience between their digital and station brands. This was especially true in public television, which tends to have an older audience than public radio. In all cases, stations are finding they have a choice to make around whether and how to educate audiences about the other brand.

Manage brand confusion by differentiating brands.

Some stations in our study explicitly connected their station brand and their acquired digital news brand, others have mostly segmented the brands from each other. No matter the strategy, many stations in our study were concerned about confusing their audiences with too many brands. But our observation is that brand confusion stems not so much from the *number* of brands in a market as it does from brands being *poorly differentiated* from each other. Without a clear product and messaging strategy for each brand, brand confusion is a risk. But audience education (on whatever platform) combined with clear differentiation and clear messaging should prevent brand confusion. It should also allow a public media organization to maximize the audience for each brand overall.

Be attentive to internal confusion too.

Managing multiple brands also requires an internal communication process. We observed in the study that internal teams were often struggling with how and when to use the multiple brands. Multiple content leaders shared with us that the growing edge for content teams is to think about audience needs and particular audience segments in relationship to brand. That is still a work in progress in most stations we studied.

Pay attention to your marketing function too.

Making full use of an acquired digital property will require public media stations to build a different kind of marketing capability. Investing in creating a marketing function that is scrappy and quick and can be responsive to digital products will make a huge difference to the long-term success of your digital news strategy.

Merger Structure and Product Strategy

Of course, product strategy should not exist in a vacuum. Product strategy should strategically follow the overall merger structure established by leadership. Earlier in this playbook, we outlined three major structures for station/digital site combos: 1) full integration, 2) targeted integration, and 3) structured separation. There are different product implications for each structure. Below we review these types and illustrate the product strategies that are typical of each.

First, an important note: the three structures and product strategies sit on a spectrum. Some stations/digital newsroom pairs, like WNYC and the Gothamist, began with structural separation but were moving towards an integrated model. Others, like Colorado Public Radio and the Denverite, for reasons of coverage and service specialization, adopted a model between structural separation and targeted integration. Still others like Cascade Public Media, because their acquisitions were more mature, are operating under a full integration model. The combination of time-since-acquisition and strategic choice will help shape which merger structure and product strategy that makes sense at any given point in time.

Managing a full integration product strategy

Consider a full integration product strategy, where the station uses *only* the acquired digital brand and digital product for its digital news. In this model, the acquired digital products are adopted as the station's only digital products, and the station-branded digital products are shut down.

Switching to a single digital news product can cause frustration amongst news staff, but also leads to the greatest opportunity for newsroom transformation and culture change. One of the biggest benefits to this kind of structure is the opportunity for building on top of a single robust digital brand, digital product, and digital audience.

Yet, a full integration product strategy must be accompanied with differentiated branding across broadcast and digital products in order for this coverage to actually reach a wider array of audiences. Indeed one of the biggest challenges we identified for this type of model is the possibility of brand dilution of the acquired digital brand. With a fully integrated digital brand, the marketing and messaging around the new digital product might slowly fade into the larger station's apparatus and erode the digital brand's original sources of distinctiveness.

Under this kind of integrated structure, operationalizing the product strategy will entail deciding which components of the acquired digital products to keep, and which aspects should fade out. For example, station and digital news leaders could decide to keep the acquired brand's daily newsletter but shut down an under-performing entertainment vertical.

Product choices should, of course, involve a hefty amount of audience and market research. Integrated product strategies should also hinge on the skillsets of the existing station staff and willingness of the station staff to learn products that might be underused or undervalued within a station-only infrastructure, like email newsletters, or the website.

Managing a targeted integration product strategy

In a targeted integration merger structure, the station retains its own digital product alongside its newly acquired digital product and the newsroom feeds both. This is a tricky product structure to execute because it requires a very fine grained understanding of the differences in digital audiences, digital brands, and digital strategy that constitute the station's digital products versus the acquired digital products.

When there are clearly differentiated geographic service areas attached to each brand, differentiating the products can be easier. For example, Denverite covers a specific metro area within Colorado Public Radio's statewide news service. From a product strategy perspective, it is clear that the audience being served by Denverite has a specific set of needs that are different from the statewide audience's needs. This specificity is what differentiates the coverage and product approach of Denverite. Denverite's looser voice and style online lends itself to being slightly more personality-driven than the CPR digital experience. While a CPR News listening audience may be likely to identify with a favorite host or a reporter, digital audiences are more likely to identify with a specific Denverite reporter than a CPR reporter.

A targeted integration product strategy is best executed by a single designated product manager for the acquired site itself. Having a single product owner for the acquired site will help ensure that product needs are captured and tended to as opposed to becoming diffused in a larger station product roadmap.

This piece of advice is based on what we observed in the research cohort. Many stations with partially integrated sites retained a single publisher-type role who worried about the business aspects of the acquired site. However, we observed all of the product functions in these cases were folded into the existing digital or product teams of the wider organization. We observed that a lack of dedicated product staffing often made it difficult for targeted integration (and segmented) news products to get the full attention they needed.

One of the key pieces of a dedicated product owner's role should be to work with the wider station's product/digital team to plug into the station infrastructure and product development where needed. For example, some of the targeted integration products we observed in the cohort shared a CMS with the station but retained their own CRM, email server, and payment processor. Other products operated entirely on their own technical stack for a while, and then slowly migrated pieces of their infrastructure to station technology. The decisions about when, why, and how to shift a product strategy are best made by a dedicated product manager.

Managing a structurally separated product strategy

In a structurally separate digital newsroom acquisition, where the site and its acquired team operate largely independently of station operations, much the same product strategy and staffing advice applies as the targeted integration case above. Retaining (or hiring) dedicated product staff to grow and nurture the acquired digital products is vital to the long-term success of the acquisition.

What makes a structurally separate product strategy distinctive is that the product roadmap for the acquired site need not have any overlaps or interdependencies with the station's digital strategy. In the structurally separate case, the product manager for the acquired site should be fully empowered to make decisions that support the long-term audience and revenue growth of the acquired site, apart from station product considerations.

Considerations When Selecting Product Strategies

There are a couple of considerations to make when crafting product strategies.

Using an acquisition to develop a product mindset.

First, a "product mindset" is a work-in-progress in public media. While digital teams have been part of station structures for the last few decades, "product" teams are a relatively new phenomenon. Product thinking—the process of conducting user research, engaging in user experience design, prototyping, testing, launching, and iterating—is very new in public media. A digital acquisition can shift the conversation around the role of product and digital. Digital sites are attuned to their audience in a different way than the station. A digital acquisition can be a way of getting product thinking into the station. Product lessons are particularly important for stations that are developing podcasts. Those products require a similar level of integrated product, revenue, and editorial thinking.

The full integration and targeted integration models of product strategy can support this kind of mindset shift as part of an acquisition. The structurally segmented model will likely keep any product mindset capability rooted in the digital newsroom, and provide few opportunities for sharing that mindset with the wider station.

Plan to staff and resource new product roles.

For fully integrated and partially integrated digital newsrooms, developing a product mindset in the station requires properly structuring and resourcing the product roles that are vital for the long term success of the acquisition.

There are many roles and functions that support digital audience growth and digital revenue which are likely missing in a station. For example, social media and newsletters aren't a natural structural fit for public media - those are needed products and roles but can be hard to fit into the current structure. It's important to recognize those gaps and make plans to fill them.

Don't forget to plan for investments in "bridge roles" that aren't directly responsible for revenue but are the link between revenue, product, and editorial. These can include investments in audience growth and audience development that help lay the groundwork for digital revenue. For example, with a generous donor gift, Billy Penn is hiring an audience coordinator.
We observed that digital newsrooms in the research cohort came into public media with mostly strong digital products. However, making room for (and devoting resources to) product development and product iteration was more difficult in stations with under-resourced and overloaded product teams. Barriers to new product development included: getting into the workflow of the station's digital team, collaboration across departments, lack of dedicated staffing.

Consider a "mini-publisher" role.

The segmented and semi-integrated product structure do allow for a "mini publisher" role—someone who can take responsibility for the intersection of product, revenue, and editorial strategy. This study revealed a number of digital newsroom leaders who were taking on the role of "mini publisher," and working to garner resources and integrate disciplines in support of a holistic approach to the digital news product. While these roles can be stressful, the study shows that they can also be successful in advocating for resources.

Focus on email newsletters.

The most important product and revenue strategy a newly-merged public media entity can take on is to focus on its suite of editorially-focused email newsletters. Much research and practice in reader revenue has shown that email newsletters are by far the most effective product for growing loyal digital audiences and digital revenue. But stations have mostly under-developed email newsletter capabilities on the editorial side. This is a growing edge that can be nurtured with an acquisition, but requires leadership support and resources to work.

Creating Products to Grow Audience and Revenue

A strong product strategy supports both audience and revenue growth. The opportunity of a digital acquisition into public media is to bring in a set of products that, with additional investment, can grow a station's audience and revenue.

The mechanism which drives both audience growth and revenue is loyalty. The importance of loyalty is well understood in public radio, where decades of audience research have shown that repeat listening and a sense of personal importance are the keys to turning listeners into audience members. A growing body of evidence suggests that creating a loyal digital audience is no different: driving repeat action around meaningful content is what creates habits that then convert to transactions.

Creating digital products that drive loyalty and tracking the development of digital loyalty are thus two cornerstones of effective digital product strategy. This section will address both.

Product strategies that drive loyalty

Daily, sticky products help create habit both in audiences and in newsrooms. Internally, products like daily, editorial-driven email newsletters and news blog style websites helped train station staff on how to turn around quick, digital news in addition to longer form pieces. Externally, products like this help build habit across audiences.

There are two primary product strategies stations should consider investing in as part of a digital newsroom acquisition: news blogs and email newsletters. From our research in the cohort and with other digital newsrooms, we have observed that these two products are the most powerful ways to grow audience and revenue. We review each in detail below.

Use email newsletters to boost audience growth, audience loyalty, and audience revenue.

Email newsletters are right now the most important loyalty driver across different sectors of the news industry. Emails newsletters are powerful because:

- Newsletters are "push" media. Newsletters meet readers where they already regularly visit in the course of their information lives: their inbox.

- Newsletters create habits. Newsletters are (or should be) sent at the same time of day, with the same tone and layout. This regularity encourages the development of a consumption habit that leads to loyalty.

- Newsletters are relationship products. Newsletters provide a direct channel for building a relationship with a reader. In the context of a newsletter, a newsroom, editor, or reporter can introduce themselves, adopt a personal tone, and guide the reader through a narrative of the day's news in ways that bring the reader and the "people behind the news" closer.

- Newsletters are good monetization platforms. A strong newsletter audience relationship can then generate revenue for the newsroom through newsletter sponsorships, advertising, and requests to convert to membership.

For more email newsletter resources, see resources like Not a Newsletter, a curated Google Doc about email newsletter best practices by Dan Oshinsky of Inbox Collective, which contains several tips and case studies on newsletter advertising. See here for Dan's archive of all past Not a Newsletter editions. The Newsletter Guide is another great resource for newsrooms working on email newsletter strategy. For a resource to troubleshoot technical issues and questions with email newsletters, see Annemarie Dooling's Newsletter Knowledge Share.

For more on how to assess the performance of your newsletters, see Chapter H on Assessing Performance.

Integrating visual branding and tone of current email newsletters

The newsletters collected under a single brand should have an integrated visual and tone approach. These newsletters could include:

- Breaking news alerts
- Membership email newsletters
- Vertical email newsletters (e.g. Food, Events)
- Sponsored emails
- Daily news newsletter

Ideally, these products should be aligned in terms of tone, format, and visual branding to signal to readers the identity and values of each of your brands. Use your audience research to reflect on what you want your brand values to be. What particular tone and voice do you aspire to embody in your relationship with readers, and what do they resonate with? Oftentimes membership messaging can feel to readers like it is split off from the editorial tone of local news outlets. Yet, bringing those voices into closer alignment will help you build a stronger relationship with your readers. That relationship is the basis of a strong reader revenue strategy.

Many editorial newsletters still lack editorial messaging. The look and feel are very institutional and there isn't much content you are offering your readers outside the headlines. Sometimes there isn't enough continuity between editions because newsletters are created automatically from RSS feeds.

See below for a brief checklist of newsletter positioning strategies.

Newsletter positioning strategies checklist

In general, targeting positioning strategies versus generic positioning strategies in newsletters lead to better loyalty metrics which increase the likelihood of conversion to membership.

	Generic Positioning	**Targeted Positioning**
Content	Links	Native, satisfying experience in and of itself
Tone	Institutional	Intimate

Voice	Impersonal, indistinguishable	Distinctive, from a well-respected reporter or editor
Vocabulary	Neutral	Captivating
Continuity	Standalone, disconnected from sequel	Serial, with hooks to incentivize loyalty

To diagnose the positioning of your newsletters, ask the following questions:

- Does this newsletter have editorial messages at the beginning?
- Is the newsletter generated by RSS or curation?
- Are there links to other content outside the brand?

Getting beyond RSS generation

In line with current thinking in the field, we highly recommend moving away from RSS-generated emails towards newsletter products with a distinctive tone and voice. You have some choices for how you could re-craft RSS generated newsletters. For example, you could make your daily newsletter a standalone editorial product that includes more text from each story in the email itself. Alternatively, you could keep it as a selection of links that drive traffic to your website but add an editorial introduction at the top.

The advantage of a newsletter product that keeps readers in the email inbox is that there is a better chance they will read all the way to the end. If your newsletter drives readers away from email and onto your site, then the risk is that they stay on the site or click away without going back to the email. As a user, it can be difficult to click back and forth between email and web applications, especially if your traffic is coming from mobile.

We recommend examining your web audience using a tool like Audience Visualizer to understand when people are opening and reading your daily newsletter. If your audience data suggests that most people are clicking out to your homepage and then not coming back, you could be forgoing an opportunity to build a relationship with readers in their inbox.

Observing low email referral traffic from a daily product could mean you might be under-serving subscribers who want to read your news articles while they are reading through their inbox. If a reader has to click away from their inbox to read your content, that is a high switching cost that could, over time, drive down your open rates.

Recommendations

- Adopt a curation and editorially-driven approach to your newsletters rather than relying on default RSS generation
- Reformat your newsletters to be in-inbox reading experiences.

Your mobile newsletter experience

Also take a look at the mobile newsletter experience you are providing. If a tool like Audience Dashboard tells you that you have a significant portion of your audience on mobile (like many news publishers), you want to be very sure that your mobile newsletter experience is a good one. Investigate how your newsletter template renders on a small screen and whether it makes the newsletter very difficult to read. Even the mobile-optimized version of your template could still render very small font and cut off much of the lede in each story.

Recommendations

- From the Email Newsletter Guide: "*No matter which email templates you use, make sure they pass the one arm, one eye, one thumb rule for mobile friendliness: hold your phone one arm's length away, cover one eye, and see if you can read the email. If there are any calls to action, click on them using one thumb.*"
- Diagnose your mobile audience for newsletters and investigate how they are using your newsletter products.
- Adopt a template for your editorial newsletters that is mobile-friendly.

Monetization Considerations

Newsletters can generate diverse sources of revenue through sponsorship, advertising, and membership. You should absolutely consider the monetization strategy supporting your suite of acquired and station-branded newsletters.

Start with understanding the current ROI of your products. Which newsletters, if any, are generating earned revenue (e.g., sponsored email blasts, banner units, etc.)? Which newsletters, if any, are being used to convert subscribers to members?

When you have a rough estimate of the revenue being generated, consider the resources currently required to create and publish those newsletters. Which are automatically generated? Which require some editorial work to put together? Try to allocate the costs associated with producing the products.

Then consider the size and engagement of the audience for each newsletter product. Which product has the biggest subscriber list? Which has the highest overall open rate? Which has the proportion of subscribers who open 80% or more of the time? Email newsletters with very engaged audiences, even if they are smaller, have more revenue potential than an email newsletter with a very large distribution list but a small open rate.

With the revenue and cost estimates, you should be able to calculate a yearly return on investment. With the audience size and engagement estimates, you should be able to spot which products are under-performing relative to their potential and merit further investment. This should give you a sense of where to prioritize monetization efforts and editorial strategy.

If you want to prioritize converting email subscribers to members, remember that the key will be to build the relationship and conversion inside the product itself. Rather than producing an unsystematic experience of adopting a different voice and tone between editorial newsletter products and the membership appeals, consider how you can weave appeals for membership into your newsletter product itself.

We also recommend segmenting membership and campaign messages by newsletter list. This will help get you into the habit of thinking about your newsletter products as having different audiences with distinct tastes and orientations. The idea would be that your tone and visual branding stays the same across all your editorial products, but the messaging is different depending on the audience.

If you take on the work of overhauling the tone and format of a newsletter and want to move onto growing membership, we suggest segmenting your newsletter list by Member and Non-Member. Then experiment with targeted in-newsletter membership appeals to each group. See if you can increase the number of first-time members and solicit additional gifts from the members from targeted appeals to those audiences.

Recommendations

- Segment your membership campaigns by email newsletter list.
- Target distinct membership appeals to different audiences.
- Further segment your appeals within the newsletters to Members and Non-Members, and have separate campaign goals for each.

News Blogs

We recommend considering a news blog product as a habit-generating tool for newsroom staff and your audiences. Many news sites - both independent and station-owned - can have a slow publishing cycle in which the site turns over only once and maybe twice per day. If you have a strong and loyal daily newsletter audience, this can be okay from an audience perspective since you are building loyalty and engagement on a different platform on a daily time cycle.

However, if part of your mission is for your news to read a wide audience, and for that audience to see you as a primary source of news, your site needs to turn over more frequently than once per day.

This doesn't mean creating click-bait content or compromising on quality journalism. One very effective strategy for increasing the metabolism of your newsroom in a way that brings more and stickier audiences to your site is to launch a news blog.

A news blog doesn't need breaking news to be relevant. A news blog hosts short, informative stories and updates on stories that readers should care about. The posts can refer to newscast stories, to longer pieces that the newsroom has published, or posts can preview developing stories. The point is that the content is short, often linked out to other sources, and very much "in" the news cycle.

One excellent example of this is "The Latest," a news blog product on the LAist site. We describe in detail the origin and evolution of the Latest below.

The KPCC team had set aggressive audience growth goals for 2020. After examining their numbers early in the year, KPCC/LAist's leaders didn't think they were on track. The newsrooms' staff turnovers and tumult that resulted from the LAist integration had affected audience growth and engagement.

Managing Editor Megan Garvey had an idea. Why not leverage the many newscasts the KPCC team produced all day long and translate that coverage for a quick digital distribution? Not only could this strategy take advantage of stories already being covered within the newsroom, but it would also be another step toward newsroom transparency by communicating with audiences each day on the digital side, "here are the stories we're following today."

On the staff training side, early on after the KPCC/LAist integration, station leadership thought newsroom staff and audiences would benefit from a distinct and quicker news product. Megan saw that LAist content output was around 3 - 5 new pieces of content per day, and worked with the KPCC/LAist team to chart a goal to double this output. More content and output would also mean an increased presence in search, and more visibility in LAist and KPCC social feeds.

The team defined a target audience for this product: busy Angelenos who want to stay in-the-know on the top stories every day in LA and Southern California. KPCC/LAist knew through audience research that a majority of LAist users are on mobile phones. So, they knew they'd need to serve this audience segment by providing short, conversational posts with the news and events that were easy to read on mobile, concise, and entertaining.

After two months of developing an MVP product, in late January 2020, LAist launched The Latest on its site. The output came in the form of modular stories with easy navigation -- a key part of LAist's site that would be updated throughout the day. All newsroom staff contribute pieces to The Latest, which allows this new product to act as a habit-generating tool for internal staff change.

So far, the team has seen incredible growth from 2019 to 2020 -- up 300% in page views, up 287% in monthly users, and up 131% in engaged minutes.

Chapter G.
Building Sustainability

As reviewed in Chapter A, newsroom acquisitions can deliver on the promise of strengthening local journalism in a variety of different ways: from growing digital reporting capabilities, to preserving an archive, to assembling a strong digital news audience.

Whatever the particular path to boosting local journalism, digital newsrooms and stations need to ensure the journalism is sustainable financially. Very few stations (and digital newsrooms) are in the position to entirely subsidize newsroom operations. The digital news product must also generate revenue, whether through contributions, memberships, sponsorships, or other forms of digital advertising.

It's important to understand, however, that revenue strategies and goals can shift over time as the station and the digital site become familiar with each other's operations. While some stations in the cohort began with the goal of their acquired site breaking even over 3 - 5 years, others have decided to adopt integrated sustainability goals that reach across platforms and products.

This chapter will outline sustainability strategies that can support the growth and development of a merged newsroom over time. The chapter is divided into two sections (1) growing earned revenue, and (2) growing digital membership.

Growing Earned Revenue

Greater opportunities for sponsorship and advertising revenue can be a major incentive for newsroom acquisitions. For example, all of the advertising and sales staffers who took part in the study viewed their digital acquisitions as a net positive, especially due to increased platforms and audiences to sell to clients and advertisers.

Public media salespeople who are experienced at leveraging their state or regional audiences for sales via event sponsorships and advertising over broadcast can pivot to selling hyperlocal, digital audiences across email newsletters, display ads, and text-based sponsored content. However this shift depends on **leadership buy-in, a shift in mindset, and a shift in practice**.

We explore some more specific recommendations for growing earned digital revenue below.

Acknowledge the cultural barriers to digital earned revenue in public media

Perhaps the biggest barrier to growing digital revenue in public media stations—whether or not an acquisition is involved— is cultural. In our study, we heard from digital staff across the cohort that the general public media appetite for selling digital advertising products—everything from banner ads to sponsored newsletters to sponsored content modules—is very low. Though broadcast-related commercial revenue (underwriting and sponsorships) make up a hefty portion of revenue supporting the public broadcasting system overall, a cultural bias against digital commercial products persists.

As part of our study, we talked with many station salespeople with a digital background who expressed frustrations over station leadership blocking efforts to maximize digital ad sales. Branded content, sponsored content, and dedicated e-blasts were all cited as particularly fraught platforms for station leadership. This causes frustration for many digital salespeople who expressed that branded content portfolios in particular were the biggest slices of sales revenue for the digital sites prior to the merger.

What does it take to garner leadership buy-in? Digital news leaders who have strong sales staff should push for station investment in digital revenue as part of the acquisition. A plan for investment in digital revenue—as outlined in the Setting Up for Success Chapter—is a prerequisite for a mindset shift. But the process of training and hiring digital sales staff into the station is also hugely important for beginning to shift the mindset of public media leadership and salespeople alike.

Retain or re-hire the digital sales staff in an acquisition

When a station acquires a digital site, it is often considered essential to keep on staff the reporters and editors of the digital site who are experts in writing and editing for a digital platform, and/or to train the existing reporters or editors on the station side to learn a new digital skillset. This logic also applies to business and sales professionals. It is essential for the station to employ, mentor and promote sales people who are adept at crafting, selling and executing digital packages — including display advertising on the website, email newsletter ads, virtual events, and sponsored content on site. Acquiring stations can accomplish this by retaining the salesperson from the digital site prior to the merger and asking this person to train and guide their broadcast sales colleagues.

Train all business-side staff in how to sell digital products

Be sure to train all your business-side staff in how to appropriately package and sell digital products. Many sales or business personnel within a public media station already have an existing set of transferable skills for selling digital assets and audiences, including the ability to source prospects, manage relationships, draft MOUs or proposals, and other general sales and negotiation skills.

Yet, with a digital site comes new digital assets (like newsletters) to package, pitch and sell, and the work required to follow-through on digital advertising sales (including some digital literacy skills like uploading the ad to your website, adding the sponsored content to your site, etc) and tracking and reporting on performance to your client. This often involves learning a new set of digital analytics and metrics, as well as a new set of sales tactics.

For example, the two Gothamist business-side staff that WNYC hired as part of the Gothamist acquisition have been training their new radio colleagues in how to sell digital ad products as part of the station's standard broadcast packages. The Gothamist sales professionals introduced newsletter advertising and in-house audio advertising in podcasts. They also helped their WNYC colleagues learn how to package and sell digital products. One component has been teaching the sales staff to have the courage to "ask the next question," as in, we know you want this ad on the radio, but what about email outreach?

Staff at least one full time employee (FTE) to manage ad revenue for digital platforms and digital assets

In general, revenue streams closely tied to the brand will benefit from some degree of dedicated staffing. This is especially true of sales-related revenue where relationships can make a difference. For example, selling sponsorships is a relationship and brand-driven process that benefits from a single empowered sales person who knows the brand and knows the community.

With the importance of dedicated staffing in mind, plan for at least one FTE dedicated to the tasks and responsibilities associated with developing and selling digital platforms and assets. In an organization with nascent digital sales, this can start as half of an FTE's portfolio. As the digital operations grow, we recommend hiring or designating at least one mid-level sales or business development person to focus on building out digital sales and training the rest of the sales staff, if applicable.

For acquisitions that are adopting a segmented revenue strategy, the digital sales person can operate independently of the station's business team. For example, WNET adopted a segmented revenue strategy in its acquisition of NJ Spotlight. After the merger, NJ Spotlight retained its business development director, Steve Shalit, to continue leading NJ Spotlight's digital-focused sponsorship and earned revenue strategy. In this case, the earned revenue work remained consistent from pre to post merger.

Invest in learning about your acquired and station digital audiences

Growing earned revenue as part of an acquisition also requires new ways of doing business. This starts with understanding your acquired audience. You won't be able to sell your digital products if you don't understand who you are reaching.

Almost all of the stations in our study cited a lack of understanding of their new, digital audiences (and how much there was an overlap with their station audience) as a major challenge for their earned revenue and membership strategies to work. Without an understanding of the overlap in the audiences, it's difficult to know if you are selling two different and distinct audience sets to advertisers — or if you're selling a highly overlapping audience base but one that will be reached consistently across platforms. This can be a major Achilles heel when a potential client asks about the benefit to buying an ad on a digital platform in addition to on-air.

So how can you conduct audience research and who should do it? Audience research can be seen as a cumbersome process that typically isn't an official part of anyone's job. Many stations house audience-research activities under marketing, whereas others put it in the larger development team, membership and/or product team. Of course, these teams are structured in unique ways. As we observed across our set of stations, each conducts audience research with a different goal in mind.

We recommend conducting audience research specifically for the purposes of better understanding your audiences from an advertising and sponsorship lens. We recommend conducting audience research on your acquired audiences to understand a) which digital products and platforms they interact with the most, b) what they like about your digital site, c) whether they are existing members or listeners of your station, and d) their basic demographic information. This information can then be included in your group's media kit for advertisers and clients. For more on audience research for digital newsrooms, see the Membership Puzzle Project's Membership Guide, which contains a chapter on audience research for membership programs.

Knowledge about your audience can also help you substantiate an expansion of your audience reach if your acquired digital audience is truly different from your broadcast audience. This knowledge can also help you unlock relationships with new advertisers who might not have been interested in a public media broadcast (or digital) audience but who are interested in your acquired audience.

Invest in learning about your acquired and station digital brands

Alongside research which reveals the personas and attributes of your audience, you should also plan to conduct research on the values and attributes of your acquired brand versus your station brand.

Brand research is different from audience research in that the target of insight is the qualities, values, and attributes of the brand itself. A very well articulated and well marketed brand will have very good overlap between audience perceptions and newsroom perceptions. But in most cases, there is likely to be some slippage between what insiders think their brand stands for and communicates, versus what audience members think the brand stands for and communicates. Uncovering those disconnects—and coming to internal agreement on what the brands should stand for—is the foundation on which you should build both earned revenue and membership. Without knowledge about and agreement on the brand values, you will be flying blind.

Conducting a brand study can also be hugely beneficial for the station and digital leadership to understand how different audiences connect to their brands and the relative brand value of each. It's important to understand where the relative brand strengths lie between the acquired and legacy brands.

For example, early in its acquisition of the DCist, WAMU conducted a brand study to understand how the DCist brand was positioned in audience minds relative to the station brand. What they found surprised them. The "brand halo" effect— the goodwill that lovers of one brand are willing to extend to a related brand—was a benefit for WAMU listeners, who felt that affiliation with the DCist made the WAMU brand look good. But the halo did not extend in the other direction—DCist audiences didn't think more fondly of WAMU just because of its association with DCist.

This finding helped the team see that WAMU messaging on the DCist site would probably not help boost the profile of the DCist brand in its audience's eyes nor convert new listeners to WAMU. But promoting the DCist on WAMU channels would help both brands expand their audiences. Branding insight combined with audience research can also allow stations to test different messaging and experiment with reaching different audiences in ways that are hard to do under a station brand.

Create a value proposition for each digital brand

After you acquire a new brand (and associated set of digital assets and products), it's important to develop a value proposition for each of your digital brands that can be communicated in pitches to potential clients.

Sales pitches to various clients can and should change given the client's needs and goals (a tactic called "consultative selling"). However, we also observed across our cohort that many station sales teams were focusing sales pitches of the newly acquired digital assets around the unique voice and tone of the digital site. Above all, we recommend using the differentiated qualities of the acquired brand to reach out to new advertisers and to take risks with new products you wouldn't sell under a public media brand.

Sales strategies that highlight brand attributes tie in directly with the need to understand digital audiences and how they differ across brands. For example, if you know your digital news brand email newsletter contains an active segment of readers that are mainly younger, 18 - 24 year olds, you could market your newsletter as the ideal vehicle to advertise your client's upcoming Zoom webinar about financial planning for young adults. Or, if you have a station podcast about the local arts and culture scene in your city or state which you know attracts a similar demographic to your broadcast, you could market your podcast audience and your voiceover advertising opportunities to cultural institutions in your station's area as part of a multi-platform package.

WAMU and DCist digital properties offer different brand value propositions to marketers looking to reach different audiences. Some of WAMU and DCist's sponsorship and advertising products are the same, and some are different (consider: their banner units are the same, their dedicated e-blast is only offered through DCist). Sponsored content is also a bit different between the sites. On WAMU.org, the sales team offers a longer-term sponsored content module that lives on the site for a long time. With DCist, the sales offer quicker hits. This is due to the different ways users go through WAMU and DCist sites.

Create a value proposition for each digital asset

Apart from developing detailed brand value propositions, we heard that many station leaders and salespeople were unsure how to discuss new digital *assets* with their existing set of clients. This could also be a challenge if your station plans on pricing digital assets differently than broadcast ads, or if selling digital assets requires larger organizational strategy or business modeling.

For broadcast sales people, monetizing an array of assets may require **pivoting from value propositions based on audience reach to value propositions based on audience depth**. The overall sales strategy pivot from selling "reach" (a station promising to reach a wide array of folks over air) to selling "depth" (a station with a digital site promising to reach BOTH a broad array of folks AND specific markets of individuals with the acquired digital assets) is difficult for development leaders and salespeople alike. Similarly to the challenges outlined above for audience research, many stations are unsure how to conduct audience research that will help them understand the value proposition for their acquired digital assets.

Our study revealed that some stations' sales teams were finding success in selling a "360 package" of cross-brand media placements (e.g., including their digital assets, but coupling with radio and podcast placements). For example, WNYC expresses the value of the Gothamist assets to advertisers and clients as a "digital pillar," and combines Gothamist placements with podcasts and radio, to build a "360 New York" package. Of course, even with a "360 package," challenges remain. Salespeople within the station expressed that the biggest hurdle in putting together these plans for clients is that the buying system is bifurcated – there's often a radio buyer, a podcast buyer and a digital buyer on the advertiser side, each of whom can require separate pitches and separate management.

Take advantage of differentiation to pitch new advertisers and experiment with new offerings

You can use your brand value propositions and your digital asset value propositions to match advertiser interests to audiences and platforms. If your acquired digital brand (and digital assets) are well-differentiated from your station brand and assets, this should allow you to bring in new advertisers - and know who you're unlikely to attract.

Steve Shalit at NJ Spotlight explained it this way:

"Your site's content is largely going to define what types of earned-revenue clients you'll be able to attract." For example, NJ Spotlight and NJTV do not cover lifestyle and the arts. So Shalit doesn't focus energy on attracting clients who are mainly interested in getting in front of that kind of audience even though there might be lifestyle/arts-interested people in their readership.

For many stations, acquiring a digital news site that previously reported on beats like culture, arts, and entertainment means an open door to many businesses and organizations that would want to get in front of those types of audiences.

When considering where to take risks, we strongly recommend that stations experiment with email newsletter advertising and sponsorship, sponsored content on the digital site, virtual event event sponsorships, podcast voice overs, and social media boosts. See the Institute for Nonprofit News' Guide to Earned Revenue for a deep dive on advertising and sponsorship best practices for mission-driven news sites. For newsrooms who prefer a more conservative approach, these experiments could take place exclusively on the digital news site and learnings from the experiments could guide sales offerings and tactics for station platforms.

Create an events strategy that makes the best use of the new digital brand and new audience

Events can be a source of revenue for stations and digital sites alike. When combining the station with digital sites, it's important to consider how an acquisition impacts your event strategy, both in terms of creating event programming with a specific audience in mind, and how you market your event to potential sponsors.

While the Covid-19 pandemic has created challenges for holding in-person events, stations and digital newsrooms should consider virtual events for these reasons: they are low in cost compared to in-person events, they're more accessible to certain communities (those who have a hard time getting to an in-person event especially during work days), and they are great for driving retention and deep audience engagement. Events are an opportunity not just to share content but to connect in a personal way with your loyal audience. These kinds of relationship-building tactics can lead to higher retention (of both readers and members) over time.

Virtual events also offer better metrics than live events and easy follow-up opportunities for sponsors. Particularly when you combine virtual events with a robust email strategy—taking the opportunity to communicate with your attendees before and after the actual event—the opportunities for better connections with attendees compared to live events can be substantial.

The trick to laying the groundwork for a robust events strategy as part of an acquisition is to assess where the events capability fits in your station, and the staffing/resources you currently have to support monetizing events. In some stations, the events team sits in marketing; in other stations events are part of the engagement team or sales team. Events, like other journalism products, benefit from an integrated editorial and revenue strategy. Deciding in advance of any actual event, on which teams will support the various components of an event can help head off confusion and under-staffing. Kendall Smith, the Partnership and Events Manager at Colorado Public Radio, gives the following advice:

“Consider what your overarching goal for events is. Is it to develop relationships with funders? With members? Is it to convert people into members? Is it to sell event sponsorship and generate underwriting dollars?”

From the answers to those questions, you can create a plan and set of goals for each type of event.

You can also think about how to tie in different media elements to your event strategy. When Steve Shalit at NJ Spotlight is in a pitch meeting with a potential client, he thinks about how they might be incorporated into promotions leading up to and during the event itself. During the event itself, since having merged with NJTV, they are able to offer an NJTV video element which can open new client integration possibilities. A major benefit of events is being able to collect emails from registration forms. Steve is able to categorize the email addresses they collect to track which audience members care about certain topics based on the topic of the event they signed up for.

For more virtual event resources, see: Getting Started with Virtual Events (Texas Tribune's RevLab) How a Local Newsroom Quickly (and boldly) Pivoted to Online Events with Richland Source; COVID-19 Content Monetization Webinar (Local Media Consortium); and The Best Strategies for Generating Revenue through Events (American Press Institute).

Be explicit about the legal and ethical lines for digital earned revenue

Digital advertising products like banner ads, sponsored content, and sponsored newsletter products are not subject to the same restrictions on messaging that apply to promotional messages on broadcast. Because of this, experimenting with digital ad products can sometimes feel uncomfortable to station sales staff and station leadership. This, in turn, can be confusing to the acquired digital staff.

Above all, we recommend pushing station leadership to think about ethical lines prior to the merger. Will the station allow digital sponsored content? Can the digital site be distinct enough to act as a "lab" for digital earned revenue experimentation? What needs approval from the higher-ups and lawyers, and what can the development or earned revenue team run with once the digital site is acquired?

In addition to getting clearance and definitions from leadership, it's essential to set up internal workflows and processes that ensure your ethical standards are met and executed with each sale. For example, many news organizations establish a designated editor who will review all sponsored content submissions (to ensure it fits within your ethical standards) prior to the copy being approved and uploaded.

The other side of the coin is continuing to communicate your newsroom's mission and ethics, and how this plays out in your earned revenue policies, to your current and potential clients. For example, your clients should understand what your lines are around political or advocacy advertising for both sponsored content and display advertising opportunities, and they should know whether or not you permit clients to be on panels at events.

This can be challenging. For many in our research cohort, station leadership did not think through and spell out earned revenue processes and ethical standards pre-merger, leaving salespeople to figure out what was permissible to sell and how on the fly post-merger. For other groups in our research cohort, there were messy rules around what is permitted and why. For example, many station salespeople were eager to use the digital site as a lab for sponsored content opportunities, but were waiting to hear from station leadership whether this was permitted. This left salespeople in difficult places with their clients — uncertain what exactly was on the table.

But the issues are resolvable, particularly by putting in place repeatable processes and clear standards. See how digital-first newsrooms like the San Antonio Report and Madison365 do this successfully in the Institute for Nonprofit News' case studies on earned revenue (see Madison365's case and The San Antonio Report's case).

Growing Digital Membership

Membership is an essential sustainability ingredient for both public media stations and many digital newsrooms. For most stations, membership programs have had decades to develop and focus mainly around on-air appeals to the broadcast audience. Mature membership programs in public media can bring in up to a third of a station's total revenue. While many people inside and outside worry about the "transactional" nature of public media membership with its focus on premiums and give-aways, membership in a public broadcaster clearly remains meaningful as members return year after year to renew their support.

The possibilities of combining Public media and digital news membership Models

The practice of digital membership in news is a much newer phenomenon. As explored through projects like the Membership Puzzle Project, membership in news can also be a thick, two-way relationship between audience members and newsrooms. These newer models of membership are both more technically sophisticated (by necessity in the digital media space) and more focused on engagement than the typical public media membership model.

There are three major membership opportunities when a digital newsroom is acquired into public media:

Transforming to a digital membership culture. If the acquired digital newsroom has the elements of a strong digital membership model, the practices and culture which support digital membership can help transform the public media station's membership model. (We share some examples of this from our research below.)

Growing and diversifying the digital membership. The acquired digital newsroom can take advantage of the station's bigger audience to find new supporters. We saw a generally low degree of overlap between the digital members of an acquired newsroom and the station's digital members. For example, there is a 30% overlap in membership for WHYY and Billy Penn - the other members are unique.

Sharpening membership value propositions. The need to run two membership programs can help newsrooms and station staff to sharpen their membership's value propositions. A clear membership value proposition is a prerequisite for growing membership into a sustainable revenue stream. Clearly articulated value propositions should help boost the overall size of membership under each brand.

Managing the challenges of running two membership programs

But the challenges of running two membership programs should not be underestimated. First and foremost, because a digital news site's members (if any) are likely to be vastly outnumbered by the station's member rolls, it can be easy to overlook and under-invest in the membership strategy of an acquired site.

For example, across our research cohort, most digital news sites had less than 1,000 members. Compared to the heft of the station's membership program (many with 70,000+ members), many digital membership programs were at risk of getting lost in the shuffle. This can perhaps best be encapsulated in one of our interviews with a senior fundraising professional in a station:

“We haven't as an organization done as much as we could to market [our acquired site]. We often talk internally that [the acquired site] is like this hidden secret in town, nobody knows about it, so we don't think we've been as intentional or as forward as we could be about marketing and what it is. Then the second piece is because it seems to be such a small piece of the overall pie, it gets lost in the shuffle quite frankly.”

However, the enormous potential for digital membership growth deserves time and attention. This section offers some advice on how to address those challenges.

Be prepared to track loyalty by managing multiple audience funnels

The idea of an audience funnel has gained traction in the practice of reader revenue across parts of the news industry over the past few years, and for good reason. Audience members rarely open their wallets upon a first or second visit to a news site or upon their first time tuning into a pledge drive. Growing a loyal audience in any medium is the cornerstone of any membership strategy.

The rule of thumb in public radio is that it takes seven years to convert a new listener to a member. Though the industry-wide data on digital membership are still too scant to provide an estimate of a timescale for member conversion, consider that a recent survey of global membership programs by the Membership Puzzle Project found that in the first year of membership, the average site gained only about 1,000 new members. **Growing digital membership takes time.**

Digital membership growth starts with growing a loyal digital audience. ‘Loyalty” can mean different things across different platforms, but above all, a loyal audience means an audience that keeps returning to engage with your digital stories and platforms consistently, over time. For web visitors, this is sometimes measured as a web user who visits a website between 3 - 6 times per month. For an email newsletter reader, this typically means someone who opens your newsletter 70 - 80% of the time or more. Digital sites have an enormous advantage here over broadcasting, since broadcasting data is notoriously wonky and nearly impossible to collect and analyze on the user level. See the Membership Puzzle Project’s research post Loyalty is membership's North Star for more on how different news organizations and nonprofits think about and measure loyalty across platforms.

Tracking the size and loyalty of your digital audiences is the practice of managing an audience funnel. A traditional understanding of the public media membership funnel looks like this: an audience member listens to the radio station or watches the TV station over a certain period of time, building an affinity and loyalty with the brand. Then, two to four times a year, a public media group will launch a pledge drive that involves making repeated appeals on-air to their audiences to contribute financially. If swayed, the audience member will make a donation over the phone or go to the station's website to make a contribution.

A digital member funnel is different. Integrating with a digital news site should drastically shift this understanding of the dominant, member-funnel. The "top of the funnel" could include the broadest calculation of web audience, and then narrow down to include the audience more active on social media channels. Perhaps the most important platform to track for the digital audience funnel is the email newsletter. Email newsletters have emerged as major vehicles to both engage audiences and to convert audiences to members.

In the "Assessing Performance" chapter, we give some advice on how to construct a digital audience funnel. No matter what funnel schema or metrics you use, be prepared to manage multiple audience funnels, one for each membership program you plan to run.

Invest in audience research to understand the uniqueness of your acquired digital audience and what they want from membership

As with growing earned revenue, audience research is an essential piece of developing a membership program's value proposition, learning how to adapt a membership program to the needs of audiences, and member-growth tactics.

At the very least, we recommend investing resources and staff bandwidth into understanding the audience overlap from the station and digital news site, especially shortly after the merger in order to inform your membership acquisition strategies. You should be able to answer questions such as:

- What percentage of your digital news site's audiences are also loyal listeners or consumers of your station?
- What percentage of your station listenership also engages with your digital news site?
- Why do your audiences that both listen to your station and read your digital news site take the time to consume both forms of journalism (e.g., what is the distinct value add of each of those products)?
- What drives your audiences who only read your digital news site (and do not engage with your station), and vice versa?

These are the key questions you should seek to answer. This likely means asking the digital site's audiences a) if they listen to the station, b) if so, how often they listen, and c) if they are members of the station.

From our interviews, we heard at least $70,000 should be earmarked for initial market research, and an additional $20,000 or so for any ensuing brand work, if needed. Another model is to staff this work (including more robust ongoing audience research and marketing efforts) to a full time person. In sum: to gather and work with the audience data needed to develop membership and earned revenue value propositions, the ideal configuration is to both add a staffing line, and create estimates for audience and market research direct spends in the first few months after acquiring the digital property's audiences.

Prioritizing audience research can be difficult to do. Unfortunately, we observed that many news organizations in our research cohort did not have enough time or resources to invest in understanding their newly acquired digital audiences.

Ideally prior to the merger or leading up to the merger, the digital site can share information about their audiences with the station side, and vice versa, in order to develop an understanding of the unique audiences each newsroom has been serving. Although digital news sites in our study were practicing more sophisticated digital audience engagement tactics (e.g. via email newsletters, tools like Hearken, etc), many digital news sites did not have an accurate understanding of who their audiences were (in terms of key demographics like age, race, gender, location, education, etc).

In some cases we studied, digital news site leaders had crafted their brands to attract younger and more diverse audiences than typical station brands, and many station leaders assumed they would be acquiring a distinct, younger audience base with the merger. Yet because the demographics of digital news audiences can be difficult to derive from basic site statistics, these demographic assumptions are just beginning to be tested with survey-based audience research in different stations across the cohort.

Assessing brand qualities and discovering audience motivations is relatively easier to do using qualitative audience research techniques like focus groups. These kinds of insights are very helpful for crafting a digital membership product that is distinctive and responsive to what a newsroom's most loyal audience members care about. Such insights can also help inform earned revenue strategies. For example, as part of its time in the public radio BizLab program, the DCist used small group interviews to shape and launch its membership program and inform its marketing strategy. Rachel Sadon, then the Editor in Chief of DCist, now the News Director of WAMU, explained that the insights they gleaned helped the team understand the variety of motivations in their audience:

"As part of BizLab, we had [audience research] activities that helped us our readers' understand motivations, how they think about the brand, and how it can evolve. It helped confirm our hunch that part of our audience comes to us for events and soft news, like a lifestyle brand, while other people come to us for hard news. And some people come to us for both."

And we also found out that some people shifted over time - they started looking to us for events as young people, and then settled here in the District and wanted to read about the city council, schools.

Understanding that audience journey helped us explain our value to marketers who often want to think of our brand as either lifestyle or news and the need to not only lean into one or the other."

Craft a unique membership value proposition for the acquired digital news site and your station's membership program

You should use the audience research on your acquired digital audience, your station digital audience, and your broadcast audience to help you craft unique membership value propositions for each brand.

A membership value proposition is about the special value that the membership experience will deliver to your most loyal audience members. A membership value proposition addresses your loyal audience members' needs for affiliation, belonging, and to support something they care about.

For advice on how to craft a membership value proposition, see the Discovering a Value Proposition chapter from the Membership Puzzle Project's (MPP) Membership Guide. MPP's preferred format for a value proposition is based on the Value Proposition ad-libs template by Strategyzer. Using this template will help you articulate what you make or do (products/services), who you serve (user segments), your user's motivations (user jobs to be done), and how it works (how you reduce pain and enable gain) in order to develop a clear value proposition for membership.

We heard from many participants in our study that their digital newsroom acquisitions prompted a fear of brand confusion, and especially possible cannibalization, if the membership programs ended up competing with each other. **The way to avoid competition between membership programs is to clearly differentiate and clearly communicate the audiences, value propositions, and benefits of each**. Unfortunately, most of the groups in our research cohort did not have a clearly articulated value proposition for their digital membership programs.

We observed that WNYC/Gothamist, WAMU/DCist and KCTS/Crosscut came closest to defining a clear digital membership value proposition. WNYC/Gothamist decided to keep messaging around Gothamist being "reader supported," consistent with general WNYC messaging. They've also decided to continue offering certain Gothamist specific premiums, like tote bags and mugs, and a member mingle event.

As of February 2020, during our interviews with KCTS and Crosscut, we heard early indicators of digital membership taking root — with benefits like access to PBS Passport, discounts to the Crosscut Festival, and tote bags. Recently, one particular digital membership product experimentation at Crosscut is gaining in popularity — a member exclusive weekly newsletter from Editor-at-Large, Knute “Mossback” Berger. In his newsletter, members hear from Mossback on his recent travels chronicling historical discoveries across Washington state. In addition to utilizing Hearken tools and strategies to answer reader questions, the weekly newsletter promotes Mossback’s recent videos and columns. It’s become one of Crosscut’s most effective newsletters, with an open rate of nearly 50 percent.

Another differentiated membership model is NJ Spotlight and NJTV’s membership program. After the acquisition, NJ Spotlight was adopted as NJTV’s digital news brand and rebranded as “NJ Spotlight News.” The membership program that supports NJ Spotlight News is geared towards serving the loyal digital news audience, while the membership program that supports NJTV caters to the traditional public television programming audience.

Use crowdfunding campaigns as a way to test the waters for digital membership

If your acquired digital site does not have a membership program, you can use a crowdfunding platform like Kickstarter to build an interested audience and test out elements of a membership program. A number of sites in the cohort, including the LAist, Gothamist, and the DCist, used Kickstarter campaigns to help re-launch and pilot membership strategies.

Crowdfunding campaigns are a great way to assemble the beginnings of a supporting audience, but they do not substitute for growing and messaging a loyal audience over time. In fact, some members of the cohort found it difficult to convert the one-time crowdfunding supporters into monthly givers. This is not surprising, since the basis for membership is an ongoing relationship with a brand and a product. But there are some key pieces to membership that you can test in a crowdfunding campaign:

- What kinds of support messages resonate
- What premiums or benefits resonate

- What feedback messages you get from the audience
- What price sensitivities you see in the distribution of supporters

A crowdfunding list of supporters can also be where you pilot some loyalty-building news products — like a daily newsletter. Because email newsletters are proving to be such important platforms for growing and converting members, using a crowdfunding campaign to support an email newsletter strategy is perhaps the best use of this kind of audience building.

Dedicate membership and marketing staffing to the digital membership program

Digital membership will not succeed without the proper amount of staff time and resources backing it.

For stations that are planning to adopt the membership of their acquired site as their primary digital membership program (as we saw with Crosscut/Cascade and NJ Spotlight News/NJTV), we recommend training existing membership and marketing staff on how to leverage new digital platforms to expand the member-base.

For groups that want to maintain separate digital membership programs for each of their digital brands (e.g., WAMU and DCist), we recommend allocating at least half of a full-time person's job to lead the digital membership efforts. As the digital membership base grows (perhaps past the 2,000 or so sustaining members mark), and depending on other revenue from digital membership, it could make sense to dedicate a whole FTE to managing the digital membership program.

Staffing can be a particular challenge in growing digital membership. We observed in our research that the energy and time allocated to digital membership post-merger was often affected by how short-staffed and burned out the station's membership and marketing staff felt pre-merger. To state the obvious: digital membership and marketing efforts are given more time and attention when the station has the staff capacity and bandwidth to support it.

We also observed that staff energy and time allocated to digital membership post-merger depended largely on how station leadership understood the current and potential value of the digital news site. Some station leaders saw the acquired digital sites as one of many verticals within their purview. Other station leaders saw the digital news site as the main news vertical or at least the main digital news vertical, thereby allowing station leadership to allocate more resources and attention to the digital membership program.

Staffing stand-alone digital membership within a station infrastructure is a relatively new phenomenon, and therefore there aren't many examples of definitive success. One indicator of success, however, can be found in examples of stations and digital news sites working together to know when it's time to change membership strategy.

For example, Billy Penn Editor Danya Henninger analyzed Billy Penn's membership performance and stacked it up against other newsrooms in the News Revenue Hub and the Facebook Accelerator community. She found that although Billy Penn's newsletter was performing well in terms of audience size, it was underperforming on the number of newsletter readers converting into paying members.

A good benchmark for email newsletter membership conversion is that 10% of your newsletter list should at one point become paying members. Henninger estimated that Billy Penn was sitting around half of that. After discussing the issue with station staff and finding a generous donor to support an audience growth and conversion strategy, Henninger got the green light to hire an audience coordinator for Billy Penn to lean into both logistics on membership and a common membership lead-generator — events.

Attach clear goals to the digital membership program

Regardless of how membership efforts are staffed, having clear goals attached to digital membership is vitally important. Common goals for digital membership programs include the number of members, the retention of members and revenue via membership — however we also recommend focusing on audience growth and engagement efforts (like size of your newsletter list, overall open rate of newsletter list, and size of loyal readers on newsletter list) as measurements that optimize for future growth.

Preserving outside membership technology support services can be a good idea

Some groups outsource digital membership and marketing efforts to outside consultants or services, like the News Revenue Hub (at the time of our research, Denverite, Billy Penn and NJ Spotlight were all News Revenue Hub members).

If the station's membership team supports a station-branded digital and broadcast membership program, maintaining outside membership support for the acquired brand can be a good idea. The practices for managing a uniquely branded digital membership program are specialized enough that adding these responsibilities to an under-staffed station membership department is risky.

Because specialized digital membership services like the News Revenue Hub are able to pull best practices across their set of clients, station membership staff can also benefit from the industry-wide learnings of its acquired site. Explained one development director:

"It's really exciting for me to be able to adapt some of what News Revenue Hub has done for online magazines and newsletters, and bring it into our overall membership program. Because digital fundraising is a place that we know that there's tremendous potential. We're seeing year over year, our direct revenue that we can correlate to our digital fundraising efforts, whether it's search engine optimization, or purchasing social media advertising. So newsletters are just another place where we know that we're seeing such deep engagement from our community, that there's a lot of potential and I think greater ability to test within the digital channel where we're in some ways limited by broadcast."

That said, integrating membership stacks can be helpful when a station is ready to strategically manage membership across brands and products. And integrating membership stacks from the beginning can be helpful for stations that have the sophistication to manage their members across a range of products and brands.

The next frontier: linking user behavior to membership conversion

As many in the news media industry have noted, there is no perfectly integrated, seamless technical stack for membership that connects content, relationship management, and payment. One of the consequences of this is that it remains a real technical challenge to link audience reading behavior to membership conversion.

For all the newsrooms in our cohort, understanding what audience behavior leads to membership is the leading edge of their work. Some acquired newsrooms may have a bit of this content/audience conversion knowledge from tracking email behavior or rudimentary cookie tracking, but this was not well systematized. This will be the new frontier as digital content technology continues to evolve.

Chapter H.
Assessing Performance

How do you assess the performance of an acquisition? This chapter provides some recommendations for assessing performance in terms of content production, audience development, and sustainability.

While we provide some frameworks for assessing success, it's very important to keep in mind that metrics and measures in and of themselves are not meaningful. Metrics and measures need to be tied to specific strategic objectives, and those objectives will vary by organization. Thus, we encourage you to think of the frameworks presented here as building blocks for crafting your own performance regime.

For advice on turning strategy into measurable objectives, we recommend consulting the "How do we define and measure membership success?" chapter in the Membership Puzzle Project's Membership Guide.

Assessing Content Performance

Measure story output.

Because many acquisitions will be motivated by the goal of increasing the amount of local news coverage published by a public media newsroom, we recommend establishing some baseline measures of the story outputs of the public media and acquired digital newsrooms prior to acquisition. These measures should give you a sense of the baseline production capacity of each newsroom coming into the acquisition. You should similarly make sure to compare these production numbers with the number of news staff in each newsroom to gain further insight into productivity.

Contextualize productivity.

Again, productivity measures in and of themselves are not meaningful. A "low" story production count could reflect the strategy of a particular beat—for example, if that team focuses on producing stories that are analysis-heavy and address long-term trends. But if the newsroom strategy is to produce daily and breaking news coverage, a "low" story production count, and low average story output per newsroom FTE, could reflect issues in workflow, accountability, or communication.

Track story type.

We also encourage newsrooms to track the types of stories they are covering, including the diversity of sources and communities covered. This is another area where stated strategy and objectives could become out of sync with actual production.

Assessing Audience Growth and Loyalty

Assessing audience growth and loyalty should be a key part of understanding the performance of a newsroom acquisition over time. If a post-acquisition merger process is going well, digital audience growth and loyalty should be increasing.

There are many different ways to measure audience growth and loyalty. To work with the research cohort in understanding their audience performance, we adopted a combination of metrics drawn from public media best practice, the News Revenue Hub's recommendations, and Membership Puzzle Project's recommendations on metrics to track.

We offer the tables below as a way to highlight and compare the most important audience growth and loyalty metrics over time. As with content and financial performance indicators, we recommend constructing baseline measures pre-acquisition for both the acquired digital newsroom and the public media newsroom. We also recommend breaking out the beginning of the Covid-19 pandemic since most news organizations experienced historic increases in traffic that can skew baseline performance.

	Pre-Merger *(average of 6 months prior to merger)*	**Post-Merger** *(average of 6 months after merger)*	**Covid-19 snapshot** *(March 1 - May 31 2020 average)*
EDITORIAL			
Total number of web stories published per day			
* Total number of investigative or long-form web stories published per month			
WEBSITE			
Number of users per month			
Number of sessions per month			
Number of users with 6+ sessions/month (**SEE NOTE 1, below**)			
Sessions per user per month			
Average time per user per month			
* Number of email sign-ups from website per month			
EMAIL (**for primary digital news product**)			
Total email list size for primary digital news product			

Email open rate for primary digital news product			
Email click rate for primary digital news product (NOTE: click-to-open rate, so “opens” should be the denominator)			
Unsubscribe rate for primary digital news product			
% of email list that are members (conversion rate) for primary digital news product (**SEE NOTE 2, below**)			
* Percentage of List that opens 70 - 80% or more of the time (e.g. 5 star MailChimp users) per month			
SOCIAL MEDIA			
Number of users who engage (impressions; followers) per month	Facebook: Twitter: Instagram:	Facebook: Twitter: Instagram:	Facebook: Twitter: Instagram:
Number of engagements per impression per month	Facebook: Twitter: Instagram:	Facebook: Twitter: Instagram:	Facebook: Twitter: Instagram:
Number of total engagements per month	Facebook: Twitter: Instagram:	Facebook: Twitter: Instagram:	Facebook: Twitter: Instagram:
Number of session referrals per month (number of sessions on site’s originating from social platforms)	Facebook: Twitter: Instagram:	Facebook: Twitter: Instagram:	Facebook: Twitter: Instagram:

PODCASTS			
Number of users per month			
Downloads per month			
* Time per user per month			
Sessions per user per month			
EVENTS			
Number of events per month			
Number of attendees per event			
* Number of repeat attendees per event			
VIDEO			
Number of users per month			
Number of views per month			
* Time per user per month			
Sessions per user per month			
LIVE STREAM			
Live stream cume per month			
Live stream time per user per month			

Livestream TLH (total listening hours) per month			
TV			
TV viewers per month			
TV AQH per month			

Focusing on loyalty

The most important metrics to assess the performance of an acquisition relate not just to audience reach but to the loyalty of the audience that the newly merged newsroom is able to create. As you can see in the table above, our recommendation involves tracking two sets of numbers: commonly tracked figures (like the number of users during a timeframe), and less commonly tracked "loyalty" metrics that perhaps more accurately indicate the strength of audience growth and engagement tactics.

For example, for website data, we recommend tracking the number of users and sessions per month (commonly tracked metrics), along with the number of users with 6+ sessions per month (a loyalty metric). Some newsrooms may prefer to track the number of users with 3+ sessions/month (which is the metrics suggested in this Current piece) rather than 6+.

For email data, we recommend tracking metrics like total email list size, overall email open and click rates, and unsubscribe rates. These figures can represent "snapshots" of email newsletter health and impact. As detailed in the Shorenstein Center's report on email newsletter metrics for newsrooms, however, figures like the percentage of the email list that are members (conversion rate) and the percentage of the email list that opens 70 - 80% or more of the time are more telling indicators of email newsletter health and performance. Some email service providers like MailChimp report on the loyalty of individual readers through their star-rating system. You can use those star ratings as well.

One example of how newsrooms can focus on loyalty metrics can be found in how KPCC in Southern California created "loyal and local" dashboards for their reporters to track loyalty metrics on the stories they produce.

The loyal and local dashboard reports on the number of loyal users per story (or people who have three or more web sessions in a 30-day period) and compares it to the median number of loyal users for their stories. This way, reporters don't just see "500 loyal users" – but instead, they see "500 users is 20 percent above or below your median for the last six weeks."

KPCC's Executive Editor Megan Garvey and Audience Insights and Development Manager Patrick Dougall have worked with KPCC reporters on how to incorporate the dashboard into their workflow. Garvey encourages reporters to focus on this loyalty metric, above all, when assessing the performance of stories.

As Dougall explained: "We've tried to educate the newsroom that we're not as focused on getting a huge amount of traffic for your individual stories. It's really about – how many people do you inspire loyalty with? And then we're working to use a lot of that [audience member] loyalty to a specific reporter to deliver more targeted membership asks."

Assessing Financial Performance

Tracking the financial performance of an acquisition should help you understand how well you are using your resources in service of your mission. The easiest way to track financial performance of an acquisition over time is to construct a pro-forma business model.

We recommend that the parties to an acquisition create a business model as part of the transaction diligence process. That business model should contain a series of assumptions about costs as well as the audience size, audience growth rate, and growth in membership, advertising, and philanthropic gifts necessary to bring to the acquired property to break even and then (if desired) net positive cash flow.

Making revenue assumptions and tracking revenue performance

The most important components needed to track the financial performance of an acquisition over time are assumptions about the variables that will drive revenue. The business model we present in the Playbook outlines a series of these assumptions, broken into the categories below.

REVENUE ASSUMPTIONS
Digital Subscriptions
Newsletter Subscribers (free)
Annual Online Users
Number of Paid Subscribers
Number of Paid Subscribers/ Annual Online Users + Newsletter Subscribers
Average Revenue per Paid Subscriber
Web Advertising
Average Monthly Impressions
Cost-per-Thousand-Impressions (CPM)
Sponsored Content
Podcasting
Number of Users
Sessions per User per Month
Cost-per-Thousand-Impressions (CPM)
Donations (**Direct mail, digital, crowdfunding**)
Number of Donors
Individual Giving (<$1,000)
Average # of Monthly Donors
High-End Support (>=$1,000)
Average # of Monthly Donors
Total Donors (>$0)
Member Acquisition
Number of Donors acquired via Pledge Drive (call-in)
Number of Donors acquired via Online
Number of Donors acquired via Other
Sustainers
Number of Sustainers
% Sustainers (of all 12 month donors)

Total 12 month sustainer revenue (for all Sustainers giving in first month of prior year)
Total prior year sustainer revenue (for all Sustainers giving in first month of prior year)
% Sustainer Revenue Retention (for all Sustainers giving in first month of prior year)
Revenue per Donor
Individual Giving (<$1,000)
High-End Support (>=$1,000)
Prior Year Donors (>$0)
Prior Year Donors Retained in Current Year (>$0)
Donor Retention Rate (>$0)
Donor Churn Rate (>$0)
Institutional and Major Giving
Major Restricted Donations (restricted for programming, capital asset purchases, etc.)
Foundation Grants (#)
Total Foundation Revenue
Average Foundation Grant
Merchandise
Licensing Income
Crowdfunding
Number of Crowdfunding Projects
Number of Donors
Revenue per Donor
Events
Ticket Sales
Number of Events
Number of Attendees
Number of Attendees/ Number of Events
Gross Revenue per Event
Gross Revenue per Attendee
Sponsorship
Average Number of Sponsors per Event
Average Revenue per Sponsor

We recommend making these assumptions based on:

- Historical analysis of performance
- Planned investments in content, product, and monetization as part of the acquisition

These assumptions should help inform your revenue projections and help you monitor your performance over time. Most of the acquisitions in the research cohort were modeled on a three to five year break-even basis, subject to differences in the baseline financial health, audience size, and investments required for purchase and upgrades.

Making cost assumptions and tracking expenses

Of course assessing financial performance is not just about paying attention to revenues. You also need to assess the ongoing costs of running the acquired property. ***You should also plan for making investments in product, audience growth, and revenue capabilities as part of the business modeling***. You may also want to add new staff as part of those investments.

The series of cost assumptions presented below are also reflected in the business model on the Tools page.

COST ASSUMPTIONS
Salaries
Adjustment for New Staff
Position 1
Position 2
Position 3
Position 4
Position 5
Position 6
Total Salaries with New Staff
Payroll Fringe & Insurance
Consulting and Professional Fees
Tax & Accounting
Fiscal Manager
Web Design
Strategic Planning

Legal
Fundraising Consulting
Event Consultant
Tech Consultant
Other
Total Consulting and Professional Fees
Conferences & Meetings
Administrative Costs
Rent
Utilities
Telephone & Communications
Liability Insurance
Directors & Officers Insurance
Filing Fees
Recruiting
Dues & Subscriptions
Office Supplies & Cleaning
Bank & CC Fees
Payroll Service Fees
Professional Development
Other
Total Administrative Costs
Software
Equipment & Supplies
Printing
Postage & Shipping
Travel
Hotels
Ground Transportation
Air Travel
Total Travel
Meals & Entertainment
Marketing
Graphic Design/ Artwork
Advertising
Merchandise
Total Marketing
Direct Program Expenses
Web Hosting
Digital Video
Email List

ISDN Line
Program Materials
Content
Freelance/ Editor
Audience Research and Evaluation
Brand Licensing
Membership & Fees
Venue Rental
Studio Rental
Depreciation
Other

When it comes to tracking administrative costs (as opposed to direct programmatic costs), some stations we studied allocated a percentage of the station's overhead to the acquired property.

If you are running a segmented or partially segmented acquired property, you may be able to do the cost accounting for the property separately. In fact, there were some digital founders in our study who reported that they preferred to have profit and loss visibility for their sites, even as parts of their site support were combined with general station operations.

Assembling a picture of financial performance

To assemble these assumptions into a financial projection that you can compare against over time, you can use the business model presented on the tools page.

You can assess ongoing financial performance by comparing your projected assumptions with the actual metrics. Some metrics such as newsletter growth you will want to track monthly. Other metrics like conversion to membership can be tracked on a quarterly or yearly basis. Some metrics will change slowly, and some more quickly depending on your investments in content, audience development, and monetization strategies.

For more on tracking membership-specific performance indicators, we recommend consulting the section on "Developing Membership Metrics" in the Membership Puzzle Project's Guide to Membership.

Calculating return on investment

The final step in assessing the financial performance of an acquisition is actually comparing net revenue to the level of investment made to understand the financial return on investment (ROI).

If you are projecting ROI, you can use your business model to subtract your (monthly or yearly) revenue from your (monthly or yearly) costs to get a dollar figure for the net revenue (or net cost) generated by your acquisition at any given point in time. You can express that number as return rate by dividing the net revenue generated by the total investments made to acquire the property. Those investments should include actual purchase price plus any additional resources you plan to spend on staffing and infrastructure upgrades to your program.

If you are calculating ROI at any other point in time post acquisition, be sure to account for the value of investments made up to that point.

An important caveat: digital news acquisitions are mission-related investments that public media stations make to increase the quality of their local service. Return on investment provides an indication of the sustainability of that investment. But a negative return rate in and of itself should not be cause for alarm, as long as subsidizing the acquired property is part of an intentional strategy. The mission-related benefits of a thriving newsroom will likely far outweigh any financial assessment.

Assessing Impact

Metrics in and of themselves will not generate insight about the impact you create through a newsroom acquisition. Impact narratives are supported by data, but are grounded in the vision, mission, and strategy you lay out for your acquisition.

Therefore, we recommend operationalizing your mission, vision, and strategy statements into measurable objectives that translate your lofty goals into concrete and measurable outcomes. (For a process to help you get started on this, we recommend consulting the Membership Puzzle Project's Membership Guide chapter "Developing Membership Metrics.") Those measurable objectives, when filled out with the kinds of performance indicators we present here, will help you construct a compelling narrative about impact.

In the process of setting objectives, you may find that you need other metrics to measure impact than the ones we've presented here. Perhaps you need a measure of audience feedback, for example. Or you may need an indicator of policy influence. There are many good sources of advice on measuring impact, including:

- Reveal and the Center for Investigative Reporting's Impact Tracker. See here for an overview of how it works. And see here for an open-source version of the database tool. See here for a helpful glossary of impact terms.
- Chalkbeat's approach to impact is here, and their MORI tool for tracking impact is explained here and available as an open-source tool here.
- Merging newsrooms may also find it helpful to frame and measure impact using approaches for impact in collaborative journalism.

We recommend constructing your own performance and impact regime from the elements we've presented here, combined with data that captures your distinctive approach to providing public service.

CONCLUSION

The hypothesis of the Public Media Merger project is that re-imagining and re-creating existing public broadcasting institutions represents an important step in a new direction for local journalism. The process and the findings of this study provide strong evidence that the combination of public media stations and local digital newsrooms can indeed create a new, strong foundation for noncommercial local journalism.

But this foundation is just that -- a foundation. As we launch this Playbook with the intent to inspire a new wave of public media mergers, the current cohort of stations is busy adding to their foundations. There are so many exciting new structures that are being built from the new talent, resources, brands, and platforms that these public media mergers have created. New areas of coverage, new newsletters, new ways to engage with communities, new forms of service journalism. It is these structures that we will continue to watch with great interest, and it is these structures that will deliver on the public service promise of these new public media institutions.

There is no doubt that the pressures and trials of 2020 have accelerated this building process and given it new urgency. The data collection for the study closed in the spring of 2020, just as the covid-19 pandemic was hitting in full force. What has been so exciting to see in the months since are the ways in which these new, combined public media institutions are deepening their abilities to serve their communities with timely, important, and even life-saving information. The new forms of service journalism that the merged newsrooms have been able to deliver to their communities have been remarkable to witness.

But this building phase is accompanied by an equally important dismantling. This study closed before the death of George Floyd ignited the spark of widespread protests for social justice this summer. We convened a series of closed discussions in the summer and fall amongst the cohort about the ways their newsrooms were processing and responding to the intense waves of anger, sadness, and mobilization in the movements for racial justice. We saw across the cohort a resolve in leadership at every level to deepen their commitment to expressing the values of diversity, equity, and inclusion in all aspects of their operations and their journalism. For all of the stations in the cohort, reckoning with the deep-seated cultural blindspots and inequitable practices of public media has entailed riding another wave of cultural upheaval and change. The stations that participated in our study were not immune to leadership departures, newsroom shakeups, and public accounting.

The reckoning around racial justice lands in a particularly painful and resonant way for public media. There is no denying that the audiences that are served by and support public media are predominantly white and affluent. This is a legacy of its membership business model, its Baby Boomer founding generation, and the logic of broadcast as a mass medium. Part of the promise of digital native newsroom acquisitions into public media is to open up new models that can serve diverse and niche audiences. Public media mergers are one possible path to building a more diverse, equitable, and inclusive public service.

Yet all public media newsrooms--should they choose to take up the task--also have at their disposal an institutional mission, purpose, and set of values that can guide them to a deeper level of community service and more nuanced understandings of "the audience" and "the public." The most forward-thinking stations in the cohort are already moving in that direction. These are institutional resources that few commercial newsrooms can lay claim to. But such resources must be used wisely, with humility, integrity, and in good faith. If the conversations we heard in the cohort this summer are an indication, that work is well underway in the stations we studied.

All of this gives us hope that a new, more diverse, equitable, and inclusive public media can be built with the talent, resources, and platforms of the current system. That work will not be easy – it's a simultaneous building and dismantling that requires skilled and thoughtful leadership at all levels– but the possibilities are there, and the future is already present in many bits and pieces. The newsrooms in the Public Media Mergers cohort are creating the core elements of a new public media. That's something to celebrate.