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Entrepreneurial Journalism

Benjamin Bathke

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Entrepreneurial Journalism

“We live in an entrepreneurial age, not an institutional one. That’s been true of many professions for quite a while, and increasingly (and perhaps somewhat belatedly) it is true of journalism. The people having the most satisfying careers, it seems to me, are those who create a distinct signature for their work — who add value to the public conversation through their individual talents — rather than relying mostly on the reputation and institutional gravity of the organization they work for.”¹

Journalism as a profession has undergone a profound, all-encompassing change. In this day and age, reporters need skills that go far beyond classic requirements – both regarding their skillset and their role as journalists. Old hierarchy structures and job prospects as well as old, linear career steps and ways to make money have been disrupted by new jobs, new careers, new technologies, and new revenue streams.

In this ever-accelerating time of change, traditional ways of doing journalism are doomed to fail. Adaptation is the new keyword. After all, it is all but impossible to predict what the media landscape will look like in ten or even five years, let alone what journalists will need to be successful. They will probably have jobs that don’t even exist yet. The more and different journalistic skills we have, the better we are going to be able to make the future of journalism up. It is time to throw old habits and ways of thinking over board and usher in a new era of journalism. In order to be successful in this promising and daunting time, journalists need to recognize current trends and take advantage of novel ways of publishing without sacrificing the quality and ethics people expect. They also have to be able to invent new business models.

¹ John Harris, [telling PressThink](#) why he left the [Washington Post](#) for [Politico.com](#).

This paper attempts to illustrate how [entrepreneurial journalism](#) is and has been shaping media. In doing so, I will first give a brief overview of how journalism has been disrupted. In chapter two, I will show how journalism schools teach future journalists to be [mediapreneurs](#). Next, I will focus on what it takes to build a media startup by giving examples of journalistic ventures. The chapter on fundraising focuses on ways how [journopreneurs](#) can obtain seed money for their startup. Next, this paper points out why students should adopt an entrepreneurial mindset; finally, it provides a list of successful media companies. This treatise does not claim to be comprehensive or 100 percent accurate. [Entrepreneurial journalism](#) is an ever-evolving, opaque new aspect of our profession that changes constantly.

1. How journalism has been disrupted

“What’s different today is not that every journalist has to be an entrepreneur or think about striking out on her own; to say that would be hype, an overreaction and inaccurate. Rather, it’s that some of the best opportunities lie in that direction. And for young people there is less of a need to wait for your shot at glory and high achievement. So for those who are extremely talented, ambitious and focused on succeeding in journalism, you “have” to be entrepreneurial in the sense that you would be foolish not to think that way” (Glaser).

It was about ten years ago that the dominance of newspapers began to fade. In 2005, the peak year, U.S. newspaper companies generated \$48 billion in revenue. Five years later, the revenue had shrunk to less than half that number - \$23 billion, which is a 53 percent decrease (Briggs 2012, 4). From 2001 to 2010, roughly one third of all traditional newsroom jobs had disappeared and newspaper circulation dropped more than a quarter (Briggs 2012, 5).

While the decline of print certainly coincided with the advent and increasing popularity of the internet, it would be shortsighted to attribute the decline to this trend. The staggering numbers can easily detract from the fact that newspaper readership has been on the decline since the 1970s, 20 years before online journalism came into being (Briggs 14). According to Briggs, the “most common misconception” still notable in the newspaper industry today is the “belief that consumers used to pay for their news.” In fact, through the 1980s and 1990s, only 20 percent of the cost was covered by revenue through sales (Briggs 2012, 15).

Briggs points out that two flawed assumptions prevented newspapers from monetizing their online appearances: firstly, that the product “would, should or could

be the same online”, and secondly: customers would continue “buying the print product if the publisher refused to provide a free alternative online” (Briggs 2012, 15).

As you are probably aware, journalism is still here. Wherever there is a big change, there is not only risk but also opportunity. [Entrepreneurial journalism](#) is not about preserving old ways of thinking or finding ways to protect market share. Rather it is about adapting, leveraging new technologies and trends as well as shaping the future of journalism. Consequently, this paper focuses on opportunities.

It is apparent that journalists need to be more than journalists in the traditional sense. It is no longer feasible to just produce stories you’re told to write. Media members are forced to acquire skills they had not needed previously and need to learn aspects of an organization they had nothing to do with before.

More than ever before, journalists’ success and the longevity of their careers depend on how well they understand how businesses work in the context of digital disruption. Grasping the recent history of the news industry and how it arrived at this juncture is necessary to recognize and take advantage of opportunities.

2. How J-schools teach entrepreneurial journalism

“We plan to design and launch a program in entrepreneurial journalism – providing students with the education and research tools needed to build a sustainable future for journalism. Training our students is just the beginning. We need research to find the economic model that will replace the financial underpinnings that no longer work, and new products to reach new audiences in new ways.”²

The origin of teaching journalism students business skills presumably dates back to the last century. In 1999, a class called “Journalism and Business Models Online” was taught at the [Graduate School of Journalism](#) at the [University of California at Berkeley](#). Although that endeavor was short-lived due to the dot-com crash, mixing journalism with business would prove to be a harbinger of a whole new field of study – “entrepreneurial journalism” (Glaser).

Sure enough, in 2010, the [City University of New York](#) (CUNY) launched the first program for entrepreneurial journalism at its [Graduate School of Journalism](#) (Claussen 3). The four-semester degree is offered in conjunction with the school’s [Tow-Knight Center for Entrepreneurial Journalism](#), which was established in September of the same year with two \$3 million grants from [The Tow Foundation](#) and the [Knight Foundation](#).

Another prominent example is the [New Media Innovation Lab](#) and the [Knight Center for Digital Media Entrepreneurship](#) at [Arizona State University’s Walter Cronkite School of Journalism and Mass Communication](#). While the former brings in media companies to fund student research that helps them create multimedia

² City University of New York journalism Dean Stepehn B. Shepard on the new Entrepreneurial Journalism program at the Graduate School of Journalism in July 2011 (Claussen 3).

products, the latter enables students to pitch their own businesses and help develop them. Although he thinks it is “unrealistic” to expect many successful products emerging from the program, director of the Center for Digital Media Entrepreneurship Dan Gillmor says an occasional launch is “a fine outcome” (Breiner).

At [Northwestern University's Medill School of Journalism](#), students participate in “[pioneering Innovation Projects](#)”, which teach students “everything that goes into successful media products development.”

These courses go beyond teaching business acumen and online advertising. In CUNY's example, an entrepreneurial incubator and a new-media apprenticeship pay tribute to what entrepreneurial journalism is at its core: building what's next for news (in Mark Brigg's words), instead of just watching other people do it.

The [Digital Journalism Center](#) at the [University of Guadalajara](#) in Mexico, founded by Knight International Journalism Fellow [James Breiner](#), is Latin America's first digital journalism center.

A cheap and less time-intensive alternative to getting a degree in Entrepreneurial Journalism is [Poynter News University's](#) course “[Becoming an Entrepreneurial Journalist: From Idea to Implementation](#)”. It aims to give participants the “knowledge and tools needed to launch content-driven news/information websites.” The self-directed course costs 29.95 dollars and takes about “three to four hours” to complete. The pace is completely up to the participants. The instructor is Marks Briggs, author of *Entrepreneurial Journalism* and Ford Fellow of Entrepreneurial Journalism at [The Poynter Institute](#).³ Another online course the teaching platform offers is [Entrepreneurial Journalism: Running the Business](#).

³ Briggs also teaches [Entrepreneurial Journalism: Revenue and Marketing](#) and [Innovation at Work: Helping New Ideas Succeed](#).

Several other programs and initiatives are tailored to the needs of seasoned members of the press by teaching them how to think as a [mediapreneur](#). [American University](#) in Washington, D.C., for instance, is offering a [Master's in media entrepreneurship](#) aimed at mid-career professionals from the greater D.C. area. [Columbia Graduate School of Journalism's Punch Sulzberger Program](#) enables "business-side news executives" to work on a project that is important to their own company with business coaches (Breiner).

There are even opportunities for educators who want to learn how to teach entrepreneurial journalism. The [Scripps Howard Journalism Entrepreneurship Institute](#) at [ASU](#) offers fellowships to journalism professors who are interested in "introducing entrepreneurial concepts and practices into their teaching of journalism." The [annual five-day institute](#) started in 2012.

Unlike traditional graduate-level business programs, the courses I listed orient the subject matter toward journalists, with particular emphasis on applying key concepts to journalism businesses. They teach journalists how to develop and present a detailed analysis of an existing business.

In their exhaustive report titled [Post-Industrial Journalism: Adapting to the Present](#), C.W. Anderson and company from the Columbia Journalism School say the careers students are embarking on will be "more variable, and more dependent on their ability to create their own structure" (Anderson 111):

"Schools should respond by helping students both understand what sorts of specializations they'd like to undertake, and how to go about them, a task that has much less to do with fitting them to particular institutions, as with the old (and now harmful) broadcast vs. print split, and much more to do with fitting them to particular forms of inquiry, wherever and however they practice it."

3. Why journalism students need to be entrepreneurs

“It’s important for journalism students — and journalists — today to understand the economics of news. [...] It was irresponsible of our institutions not to teach this in the past. It is important to bring entrepreneurship into the industry. Some of us concentrate more on new entrepreneurial ventures, others more on bringing innovation into existing companies. Entrepreneurship is a way to teach both innovation and business.”⁴

The time when journalists were able to focus exclusively on producing content, i.e. working journalistically, is over. It is no longer viable to only find a good story and tell it in the best way possible. Nowadays, journalists need to think about a whole lot more: how to disseminate their pieces in the most effective way, how to make them visually appealing and how to spread the word on social media. And they need to find a way to monetize them, which may be the biggest change of all. In this new media era, journalists need to find ways to make money with the content they produce, which is something many of them still dread.

“In this exciting and also scary new media world, journalists will be forced to face the one aspect of journalism they were ethically bound not to touch — how to make money,”

writes [USC Annenberg School for Communication and Journalism](#) graduate [Kim Nowacki](#) in her [thesis project on Entrepreneurial Journalism](#). “For those striking out into news entrepreneurship, you have to be unafraid of the bottom line.”

⁴ Jeff Jarvis, writing on his blog about why teaching entrepreneurial journalism is indispensable: <http://buzzmachine.com/2010/01/11/teaching-entrepreneurial-journalism/> [last accessed 05.07.14].

Mediapreneurs need to have a solid understanding of key forces in a media business today: product, audience, revenue, marketing, distribution, costs and risks. They need to learn about changes brought by digital: new efficiencies, changed economic relationships as well as growth of platforms and networks. Moreover, they need to be skilled in detecting opportunities in disruption and then create defenses against it. Honing their collaborative skills is also important.

Shawn Williams, founder of the successful startup [Dallas South News](#), a hyperlocal nonprofit, says

“Learn to love the business part of your business. Cash flow statements, balance sheets, sales pieces, advertising proposals are the things that will allow us to do what we want to do moving into the future” (Briggs 2012, 183).

To succeed in the new media marketplace, entrepreneurial journalists must have a grounding in basic contemporary business fundamentals, i.e. core principles of finance, strategy, marketing and other areas so they can comprehend and evaluate basic business documents. What’s more, they need to develop analytical tools for assessing entrepreneurial business ideas.

Journalistic aptitude and acquired entrepreneurial skills are not separate, however. Journopreneurs ought to apply core journalism skills – including reporting and analysis – to writing about a business. In doing so, they can combine their journalism skills with basic business analysis.

Finally, journalists need to refine their skills of synthesis, editing and presentation in preparing to cover businesses they analyze.

4. How to jump-start your news startup

“You don’t need a business degree to run your startup. All you need is an open mind, a creative approach to a problem solving and some basic knowledge of the fundamentals. And a lot of energy for hard work.”⁵

[The Texas Tribune](#) isn’t your ordinary news startup (although in the age of entrepreneurial journalism, ordinary is probably a redundant term). Founded in 2009 by Evan Smith, the [not-for-profit venture](#) is now a multimillion-dollar company. Mark Briggs calls it “easily one of the most ambitious news startups in local journalism since the Internet disrupted mainstream media in the 1990s” (Briggs 2012, 173).

No matter if you plan to start a media empire like the Tribune or a hyperlocal blog, you must acquire certain skills and decide which type of company you want to run. This chapter provides an [overview of how to start, fund and run your own news startup](#).

Any successful business model satisfies a need. And a media venture is no exception. [Steve Blank](#), author of *Four Steps to the Epiphany*, says aspiring entrepreneurial journalists need to take “the hypotheses about their business and product, as-is, and see if there are customers and a market outside the building” (Briggs 2012, 151).

Once you have an idea⁶ of which you’re sure it meets a need, there are many things mediapreneurs need to do in order to make it a reality. Being versatile is great,

⁵ Briggs 2012, 176. The author also says “you need other people to help you build your idea and attend to the basic needs for starting and running a business.”

⁶ If you want to have SUCCES with your idea, according to Briggs, your idea needs the following characteristics: it needs to be Simple, Unexpected, Concrete, Credible, Emotional and its needs to tell a Story (Briggs 2012, 149).

but no matter how good you are and how many skills you have, these things can only get you so far. “Media entrepreneurs should build a multidisciplinary team”, says Corey Ford, CEO of [Matter](#), a start-up accelerator in San Francisco that specifically supports media entrepreneurs (Thiruvengadam). Briggs agrees: “Talented people are key assets to successful companies of all types and sizes” (Briggs 2012, 179).

Next, you should identify your target market, i.e. the customers or audience you want to address who likely will buy your products and visit your website. At this stage, it is vital to gain empathy with your potential audience and test your product as much as you can in the cheapest way possible and get plenty of feedback. “You’ve got to validate your ideas”, says [Ford](#).

Once you have received some (hopefully) valuable feedback from early adopters using your product or service, it is time to decide on a business model. No matter if it is freemium (most of the content is free, but people pay for premium subscriptions), advertising-supported, nonprofit, syndication, professional services, premium reports, events⁷ or a mixture of two or three of these, it is crucial to

“find a niche and attack it in a way that no one else can. Give your customers or audience real value in exchange for their time and money” (Briggs 2012, 168).

Naturally, the most basic way to finance your news startup is to bootstrap your business. “The best part about bootstrapping is that you get to start working on your idea immediately”, says Mark Briggs in *Entrepreneurial Journalism* (184).

If your business concept requires money from the get-go, you need to consider loans, grants and investments. According to Briggs (2012, 185), a grant, bank loan or funding from friends and family is sensible if you need between 5,000 and 50,000 dollars to implement your idea. [The Knight Foundation](#) and the

⁷ See Briggs 2012, 166-7 for details on these different business models.

[McGormick Foundation](#) provide millions of dollars every year to support journalists and smaller entities. While you don't have to pay the money back, the process is very competitive, says Briggs. A regular bank loan is the most "traditional" form of funding a news business. Soliciting money from family and friends is the third option if you need up to 50 grand, which could mean giving up a percentage of the equity in your company or simply agreeing on paying back the money later (Briggs 2012, 185-6).

In case your plans are more ambitious, you should consider [angel investment](#) or [venture capital](#). Angels invest their own money and typically expect 30 to 40 percent of your startup in return for a round of investment. Venture capitalists also demand equity, but unlike [Angels](#), they manage the "pooled money of others". Unless your idea can "support a \$100 million business," according to Briggs, venture capital "is not a viable route for most journalism-based businesses."

The [St. Louis Beacon](#) is one of Missouri's most influential news outlets. It merged with [St. Louis Public Radio](#), a local NPR member station, in December of 2013. The nonprofit local-news startup cleared more than 200,000 dollars in revenue from hosting sponsored events, according to Briggs (Briggs 2012, 99). Although "time-consuming to organize and host", news startups can kill two birds with one stone by means of sponsored events, for it "brings in new revenue and raises the site's profile at the same time" (Briggs 2012, 99).⁸

Another way to raise money is crowdfunding. According to [Laura Shin](#), columnist for [Poynter.org](#), crowdfunding has become a way to "support journalism projects from one-off articles to the wholesale launch of new publications." Aside from

⁸ You can read more on how to make money with events and how to tap into emerging revenue streams in [this live chat](#) with former chief business officer of [GeekWire](#), [Rebecca Lovell](#). The event was organized by [Poynter](#) and took place in May of 2012.

major, non-specific websites like [Kickstarter](#)⁹ and [Indiegogo](#), crowdfunding platforms like [Spot.us](#) (“community-funded reporting”), and [Vourno.com](#) (video journalism) have a smaller audience but “may be a better fit for your project”.¹⁰ Former NPR reporter [Andrea Seabrook](#), on the other hand, says Kickstarter has more credibility (Shin).

Shin says since crowdfunding campaigns require time and publicity, breaking news projects and investigative stories that “require some stealth” are a “poor fit”. Instead, journalists should select projects with “wide appeal” (Shin).¹¹

The last way to raise money for your startup is to find sponsors. Sponsoring is typically done by organizations or individuals whose mission aligns with your idea and approach. Typically, they also have a vested interest in seeing your venture succeed. Another reason for entities to sponsor you could be more publicity and/or enhancing their reputation.

[Techli.com](#) is a typical example of a startup that uses sponsorship money to grow their business until it obtains venture capital or generates enough revenue on its own. With money from its main sponsor, [Washington University in St. Louis](#), the St. Louis-based startup covers production costs for the [Domain Tech Report](#) and Techli’s CEO [Edward Domain](#)’s living expenses.

Obtaining the necessary funding to support yourself and to grow your venture is crucial, but you also need to familiarize yourself with the following concepts (Briggs 2012, 176):

⁹ According to Shin, 816 journalism projects have sought funding on Kickstarter.com since its launch in 2009, with 36 percent of them succeeding.”

¹⁰ Photo journalism platform Emphas.is went bankrupt, [according to this article](#) on [CrowdFundBeat.co.uk](#).

¹¹ For more advice on how to crowdfund your journalism project, [read the whole article](#) on [Poynter.org](#).

1. Assess your strengths and needs
2. Make a master lists of tasks
3. Review business basics and lingo
4. Identify your human and financial capital
5. Find the right productivity tools and time-management skills

5. Learning from successful media startups

“Depression, anger and surrender [...] have been the reflexive responses of the industry. Not so for the entrepreneurs who will be the salvation of the news business. Entrepreneurial opportunities are many. Our news entrepreneurs today [...] can launch media ventures at incredibly low cost and low risk, thanks to open and inexpensive platforms that reduce the cost of development and distribution. Entrepreneurs can operate in networks and ecosystems that allow them to specialize [...] and find efficiencies through collaboration with many constituencies and, of course, through new technologies.”¹²

The list of notable and successful journalism ventures is long. The following media companies not only illustrate how much potential and how potent mediapreneurship is, but they should also give you an idea where to start and motivate you to follow through with your idea.

¹² Jeff Jarvis in his foreword for Mark Briggs’s book *Entrepreneurial Journalism* (Briggs 2012, xvi).

Due to the relative volatile nature of news startups (in terms of longevity), there is a good chance that some of these no longer exist or were acquired by other companies. The order is arbitrary and doesn't reflect any rankings or preferences.

6. [St. Louis Beacon](#)
7. [Techli.com](#)
8. [About.com](#)
9. [Texas Tribune](#)
10. [Investigative News Network](#)
11. [paidContent](#)
12. [Blogger](#)
13. [Cafemom](#)
14. [DallasSouthNews](#)
15. [DaringFireball.net](#)
16. [GeekWire](#)
17. [DrudgeReport.com](#)
18. [HuffingtonPost](#)
19. [MinnPost](#)
20. [MedCityNews](#)
21. [LancasterOnline](#)
22. [MiamiHerald](#)
23. [MediaBistro](#)
24. [NewHavenIndependent](#)
25. [NewsVine](#)
26. [Metropolis](#)
27. [PittsburghPost-Gazette](#)

28. [San Jose Mercury News](#)
29. [Seattle Post-Intelligencer](#)
30. [ReadWrite](#)
31. [TechDirt](#)
32. [The Batavian](#)
33. [The Daily Beast](#)
34. [TreeHugger](#)
35. [Portland Tribune](#)
36. [Voice of San Diego](#)
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