

Will readers pay to keep quality journalism alive?

The need to build a strong digital-subscription business is at the core of any serious journalism organisation today. Google and Facebook together account for more than 70% of the \$73 billion spent each year on digital advertising. Given the dominance of these two giants in digital advertising, it is obvious that for news outlets to survive, and thrive, their loyal readers must pay for what they want to consume.

The best online publishers have increasingly begun to see the value of owning their readers and building a subscription relationship with them. These subscription models are, in a way, helping revive good journalism. There are a number of different models for monetizing news-sites through subscriptions. They include:

Hard Subscriptions: Display an article title and a few introductory paragraphs before prompting the reader to pay. *Business Standard, The Ken.*

Metered Subscriptions: This model establishes a pay wall after visitors have read a certain number of articles for free. *The New York Times, Swarajya.*

Freemium Model: A very popular model, where the site offers much of its content for free, but certain proprietary content requires a subscription. *New York Review of Books*

Micropayments: Rather than a traditional subscription, readers can choose a subscription model that allows them to simply pay a small amount, say Rs.10, for each article they read. As a result, an online site is able to convert price averse readers.

It is still early days in India for online subscriptions to have succeeded on the same scale as the *New York Times*, which crossed the 1 million mark in 2015 and more than doubled to 2.3 million in 2017. In India, media and consumers are gradually warming up to the idea of subscriptions. Organizations like *Business Standard, Swarajya, EPW and The Ken* have taken baby steps in this direction, establishing that some readers are willing to pay. Unless larger brands like the *Times of India* and *The Indian Express*, which have a strong online presence, aggressively go for subscriptions, readers will be reluctant to subscribe in larger numbers to standalone players like *The Ken*.

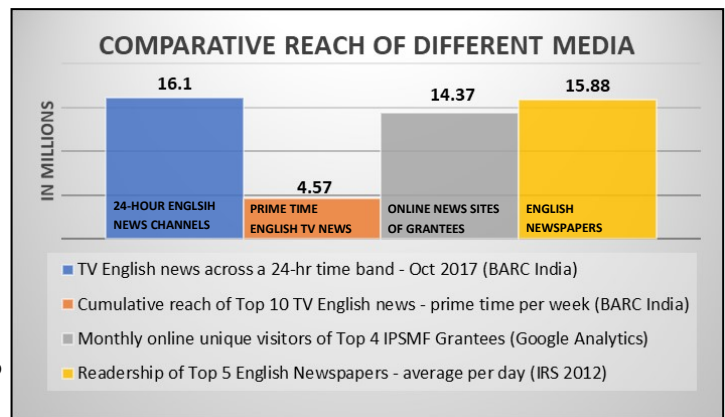
Donations are also a significant revenue stream. That readers are willing to pay for niche, exclusive and involved reporting is borne out by the fact that IPSMF Grantees like *The Wire* and *IndiaSpend* have been successfully convinced readers to part with substantial donations. Our other Grantees like *EPW* and *AltNews* have just introduced payment gateways for donations.



Grantee sites match reach of English TV news and newspapers

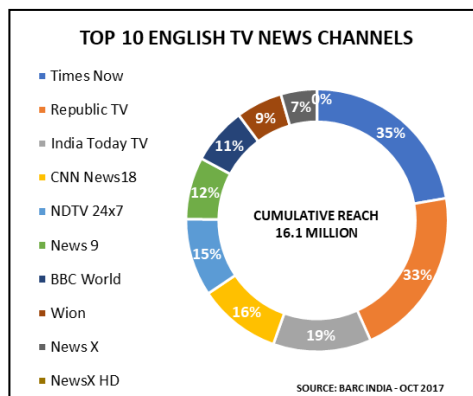
Perception they say is often larger than reality. It is perceived that online still has much catching up to do with mainstream media. The truth is more complicated, indeed more heartening. *The News-Minute.com* with 6.5 million unique visitors (MUVs) during October 2017 reached out to more readers than the reach of Times Now's TV news.

The TRP ratings for October 2017-BARC show that Times Now, at 1.7 m, enjoyed highest prime time coverage amongst all English news channels. Across all time bands, Times Now's reach was 5.67 m.

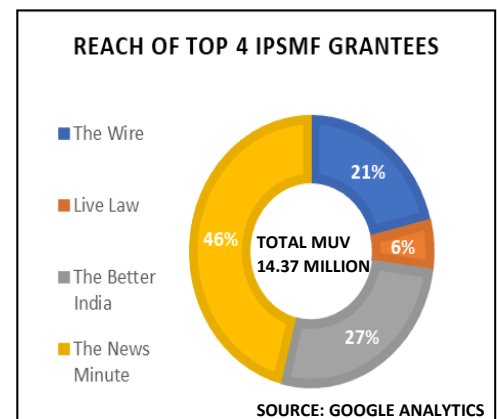
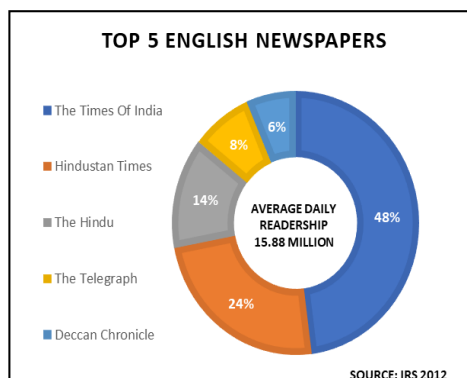


The Foundation's 4 grantees – *The News-Minute, The Wire, The Better India* and *LiveLaw* together have over 14.4 MUVs to their news sites, over the course of a month. In comparison, the print editions of India's top 5 newspapers had a combined daily total of around 16 million readers (IRS-2012 – the latest figures available). It is also likely that these sites promote loyalty and immersiveness, and have a more enduring impact, than traditional media (although studies should be done to confirm or disprove this).

It must be noted though that the reach of the



In fact, the TRP ratings for October 2017 show a cumulative reach of 16.10 m for all English news channels put together. The prime time reach for these channels was 4.57 m.



digital editions of newspapers and some TV news websites enjoy far greater reach than their respective mother brands. The increasing reach of digital news sites (including those in Hindi, Bengali, Tamil, Kannada, and other languages) marks a clear transition point for the mainstream media, whose main audience is turning out to be digital, particularly amongst millennials.

Online challenge to mainstream media –P3



New internet consumers will drive regional language media

The next wave of internet consumers is expected to emerge from Tier -2, 3 and 4 towns of India. This is likely to open up a plethora of opportunities for content producers and media companies who wish to operate in the language segment.

A host of reports have put out mindboggling numbers on information consumption on the internet in the near future. Most of these reports seem to suggest that disseminating information in regional languages may no longer be a matter of choice for those media organizations who wish to ride this wave.

We launched The Wire in Hindi in February 2017 because we were convinced that absence of strong, independent journalism was even more acute in the Hindi language. The readership and impact we have enjoyed, especially Vinod Dua's Jan Gan Man ki Baat, proves our faith was not misplaced.

- Siddharth Varadarajan/The Wire

According to a Nasscom study, India is expected to have 730 million internet users by 2020, with 75 percent of new user growth expected to come from rural areas. Nasscom also predicts that 75 per cent of the new internet users are going to consume content in local languages.

A 'mobile-first generation'

The market for mobile connectivity in India massively boomed between late 2015 and 2016. Drop in handset prices due to entry of multiple international players, a steep decline in mobile data charges driven by

Reliance Jio and an increase in the average income of the middle-class, are cited as key factors that have propelled internet consumption in India.

Our decision to translate the editorials into 8 Indian languages and syndication with language publications takes our editorials to a much wider readership.

- Shireen Azam/EPW

Seeing the impact of our stories on policy measures, we believe that we can grow manifold if we started inspiring people who are comfortable with their regional language. We are ready to start in Hindi.

- Anuradha & Dhimant Parekh/TBI

The country is said to be witnessing a new wave of 'mobile first' consumers, who prefer using the mobile for various digital transactions, including e-commerce, payments, news and entertainment.

Appetite for video content

According to a report published by E & Y earlier this year, the preference of Indian consumers for regional language content is constantly on the upswing, with 93 per cent of the time being spent on videos in regional languages. The report also states that by 2020, India is expected to become the second largest video viewing audience globally.

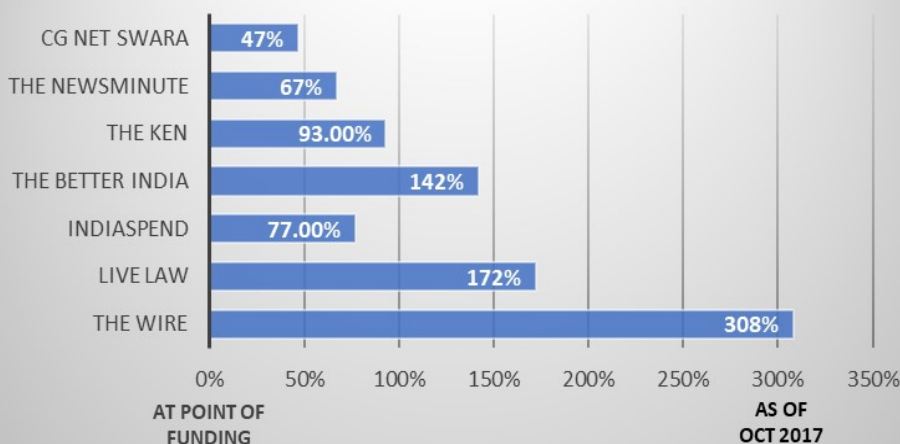
Media companies have already started deploying multiple Indian languages to capture this market. Mainstream news networks India Today, Network18 and digital arms of media companies like Star, Sony Pictures Networks and Reliance Entertainment have started ramping up video content in regional languages, otherwise known as Over the Top (OTT) segment.

Addressing the current and anticipated consumer trends, IPSMF Grantees are shifting gear to move into the language space. In the past year, some of our grantees have started producing content in regional languages and some others intend to move in there quickly.

Several court judgements are still delivered in Hindi. Not just this, several judicial services aspirants take the entrance exam in Hindi. It became imperative for us to cater to them.

- M A Rashid/LiveLaw

Increase in MUV on Grantee Platforms



TIMELINE OF GRANTS

MEETINGS	NAME OF GRANTEES
2017-18 – 4 MEETINGS	Swaraja, The Caravan, Alt News, Samachara, The Wire (Urdu and Marathi), Think Pragati, Dool News
2016-17 – 7 MEETINGS	The Better India, LiveLaw, Gaon Connection, EPW, WTD News, The News Minute, The Wire (Hindi), The Ken
2015-16 – 5 MEETINGS	IndiaSpend, The Wire, CGNet Swara
TOTAL COMMITMENT – Rs 23.29 Cr	



PITFALLS OF A CONNECTED WORLD

Future of truth & misinformation online

Scale of misinformation online is global

We live in a world where hoaxes spread at an exponential pace on messaging apps like WhatsApp, Twitter and Facebook. The platforms themselves, by design, are unable to know the details of what's being spread within these closed networks and, thus, have little control.

New information platforms feed a native instinct in people of finding information that syncs with their perspectives: A 2016 study that analysed 376 million Facebook users' interactions with over 900 news outlets found that people tend to seek information that aligns with their views.

This makes many individuals vulnerable to accepting and acting on misinformation. Misinformation is a social condi-

Audio can be manipulated even more easily than video

Adobe has created Project VoCo, which has been nicknamed 'Photoshop for audio.' The product allows users to feed a 10-to-20 minute clip of someone's voice into the application and then dictate words in that person's exact voice.

Another company called Lyrebird is working on voice generation. On its site, it claims to need as little as one minute of audio recording of a speaker to compute a unique key defining her/ his voice. This key will then generate anything from its corresponding voice. It also plans to create an API whereby other platforms could easily use those voices.

Audio manipulation and the dangers it poses must also be addressed by the Foundation and its grantees.

tion, like crime, that needs constant monitoring and adjusting to. The challenge in news reporting is in recognising the new shape of truth (and untruth). Truth is no longer dictated by peers. For every fact there is a counter fact and all these counter facts and facts look identical online, which is confusing for most people

Technology and fabrication: The speed at which technology is refining the creation of fabricated video and audio is a huge cause for concern. The IPSMF is committed to bringing back truth and credibility in journalism. As we move into this new communications and information order, the Foundation will need to understand and shape this rapidly changing environment. Supporting an entity fighting the fake news menace is our first, albeit modest, step in this direction.

Online challenge to mainstream media

Apart from facing competition from digital news sites, the mainstream media faces other tests when competing with digital newcomers. These include:

1 Online entities now attract serious journalists with a sense of purpose and professional motivation. They are far more entrepreneurial and willing to take risks in the search for impact through their platforms and social media handles. They also have comparatively lower risks to contend with, which is why they are often able to scoop the mainstream media on new or developing stories.

2 The reluctance of mainstream editors to either acknowledge or follow up on exclusive stories by online entities is reflective of either their disdain or complacency in treating digital media seriously. Or, even more disturbingly, a reflection of their lack of independence.

3 Print reporters and Op-ed writers, TV anchors and field correspondents no longer can get away unchallenged as news consumption has become a two-way process. The biases of individual journalists or publishing platforms are immediately recognised and called out, as they are on digital

platforms, too.

4 The rise of social media has led to the democratisation of content. There is a

ONLINE WARRIORS

- Here are a few who have made a mark through their following on social media: James Wilson an engineer from Kerala with his expert analysis of 'demonetisation' has over 45,000 Facebook followers and 22,000 on Twitter.
- Another young engineer and social activist Dhruv Rathee is a YouTube phenomenon with 1,78,000 subscribers.
- Pratik Sinha is a techie from Gujarat who through AltNews has regularly exposed some of the leading TV channels. AltNews is now an IPSMF Grantee.
- Pradeep John an obscure blogger is now Tamil Nadu's most trusted weatherman with a Facebook following of 5,13,000.

whole new breed of content producers who may never have had any formal training in journalism but are e-news celebrities or e-journalists.

5 As some advertising revenue has moved to the digital media, the traditional media that are heavily dependent on ad revenues (because they are free to air or have low cover prices) have been forced to freeze hiring, and announce lay-offs or staff rationalisation. Reporting budgets have been pruned.

6 While fake news is an online phenomenon, mainstream media too has become an easy target of online misinformation or fake-news, thereby eroding its credibility. In the hurry to meet deadlines, checking on the authenticity of news-stories and self-

regulation is given a miss. Online fact-checking websites like *AltNews*, *Fact-checker* and *Hoax Slayer* have now become the watch-dogs of mainstream channels. Wrong stories, deliberate distortions and misinformation are being questioned and called out.

7 Online entities are striving hard to be innovative. Multi-media packaging of stories and the quick move into video, news alerts and data journalism bring in greater freshness and impact.

8 The mobile platform has been a challenge even to digital media in its ability to

change and stay abreast of the trend. While the transition to the mobile platform has contributed significantly to the rapidly growing reach of digital media yet monetising of the 'mobile' sphere remains a challenge.

9 Social media platforms have high user bases in India – Facebook 240 m, Twitter 30.4 m, WhatsApp 200 m and Instagram 33 m. The combined readership of the Top 10 English newspapers in India is a mere 15.88 m, while viewership of the Top 10 news channels is just 16.10 m.

10 A surfeit of on-demand entertainment viewing options like Netflix, Amazon, Hotstar, AppleTV, etc, have reduced viewer dependence on the set programming of DTH channels.



EPW broadens digital offering, increases footprint

With funding by IPSMF The Economic and Political Weekly has been redefining its digital presence in multiple ways. In August it launched [EPW Engage](#) to make in-depth, well-researched articles accessible to a wider audience.

It created a one-of-a-kind microsite on demonetisation, which houses responses to 43 important questions on the government's 2016 move [on a single page](#), allowing readers to cut through the noise.

Are women obligated to follow institutional mechanisms to report sexual harassment? [This reading list](#) on "Why Most Women Do Not Report Sexual Harassment at the Workplace" asked critical questions on the due process. It was widely read and shared on social media.

Infographic: An [infographic](#) on the continuing discrimination towards denotified tribes in India was the most read article of the month on the EPW website. It was read twice as much as the original paper.

Some Grantee stories that other media could not ignore

The Wire's [exclusive reportage](#) on the dramatic increase in the wealth of Amit Shah's son Jay Shah was one of the most widely read news items in recent times. The story was followed up by other media outlets and was shared 1.5 lakh times on Facebook. The story was retweeted by media professionals and the political class alike. Currently, a court order has prevented further follow-up.



including NDTV and Hindustan Times. Subsequently, HT launched its own "hate tracker" which was later shut down.

The Ken did a comprehensive story on the conning game around [cryptocurrencies](#), which are running Ponzi-like schemes below the regulatory radar. Some five lakh people have put their money on these schemes and Rs. 4000 Crore has been siphoned off. The story was followed up by Factor Daily and Bloomberg referenced it to **The Ken**.

The rape and murder of Hasini, a 6-year-old-girl in Chennai, was almost forgotten by the media. **TNM** followed up the story bringing out her father's plight in pursuing the case. The story was widely picked up by all media, leading to a chargesheet by the police. The fast track trial in the case has just started.

IndiaSpend created a [database on bovine-related hate crime](#), the first such in India, which showed that 86% of those dead in cow-related violence since 2010 were Muslim; 97% of the attacks occurred after May 2014, and about half the cow-related violence were from states ruled by the BJP when the attacks were reported. The data/stories were picked up by international media outlets (NYT, The Guardian, National Public Radio) and a handful of Indian media,

Village gets drinking water

The water woes of ward eight of Kodiya Tammo village of Chhattisgarh remained, despite several complaints to the sarpanch. It was only after [recording the problem](#) with **CG NetSwara** that a handpump was arranged which brought in drinking water. The story impacted the lives of roughly 500 villagers.

NE insurgency explained

WTD News has been packaging complex national and international issues for the millennial generation, who mostly consume news on their mobile phones via social media. An example relates to the insurgencies in North Eastern India, wherein **WTD** has [explained](#) the reasons point-wise. This story went on to become the most widely consumed story for **WTD**.

Kerala Bar Council elections

A story in **LiveLaw** by Manu Sebastian, a lawyer practicing in the High Court of Kerala, highlighted the absence of Bar Council elections. The story was soon followed by the filing of an application before the Supreme Court by some former members of

the Bar Council to conduct the elections expeditiously.

No threat to migrants

A special [report](#) by **Dool News** investigated the truth behind the reported exodus of migrant labour from Kerala. It revealed that migrant workers are not leaving Kerala because they fear for their safety but because demonetisation and GST have reduced the number of jobs on offer. This debunks stories in other media that suggested that workers from northern and eastern India had received a series of WhatsApp audio messages in Hindi, urging them to leave Kerala to escape from the "locals who kill Hindi-speaking labourers with the support of the state government".

TBI ranks 3rd for video content

The Better India was ranked #3 by Vidooly in the list of video content publishers in the country in the month of July, beating the likes of Scroll and The Quint.

TBI's [story](#) on tech-savvy farmers of Maharashtra sharing best practices, exploring new markets and building infrastructure, all

through WhatsApp took the community's voice to the state government.

Another **TBI** story about India's first Signal School in Mumbai – a colourful classroom created out of a shipping container that sits under a traffic signal flyover in Thane, grabbed the attention of both [national](#) and international media alike.

Video hits a million views

The Wire's [video interview](#) with the young mimicry artist Shyam Rangeela has reached 1 million views on YouTube.

Failing healthcare for children

Soon after the death of 70 infants in a hospital in Gorakhpur, UP, **IndiaSpend** visited half a dozen primary, secondary and tertiary healthcare centres in Jharkhand. The picture that emerged was of [a failing healthcare system](#) that stacks the odds against a child's survival even before she is conceived.

Indiaspend's editor wrote an [op-ed](#) on children's deaths in hospitals across India for the NYT in August using data from its stories on child mortality.