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Entrepreneurial Journalism[1]

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Abstract:
The proliferation of entrepreneurial journalism initiatives over the past decade has been inherently disruptive to the media industry. For organizations and their employees, the launch of new journalistic enterprises extends the already-significant encroachments onto jurisdictional turf in a digital environment. For individual journalists, the shift to an explicitly business-oriented mind set challenges deeply rooted notions about professional norms and appropriate activities. This chapter explores both sets of challenges.

For professional journalists, the hits just keep on coming. The economic hit. The time hit. The resource hit. But a growing number of journalists have begun hitting back. Of their own volition or because they are pushed, these journalists are leaving traditional newsrooms and either joining a news start-up or launching their own.

Over the past decade, new journalistic enterprises have proliferated in myriad shapes and sizes. The diversity and fluidity of these experiments make them impossible to count at any given point in time or space, and nearly as difficult to define. They range from investigative journalism consortia to hyperlocal websites to niche offerings of all sorts; some of the more well-established, such as BuzzFeed, have successfully attracted mass audiences. In contrast to "intrapreneurialism," the creative initiatives that push existing organizations in new directions (Baruah and Ward 2015; Boyles 2016), the term "entrepreneurial journalism" is best understood as designating stand-alone enterprises that have a journalistic mission yet are dissociated from legacy media. With connotative links to business on the one hand and innovation on the other, entrepreneurialism can be seen as distinct from freelance and other piecemeal journalistic work whose providers typically lack comparable degrees of "independence, empowerment and self-direction" (Baines and Kennedy 2010: 103).

Entrepreneurial journalism is inherently disruptive to legacy organizations and practitioners. For news outlets, the launch of new journalistic enterprises extends challenges over jurisdictional turf that became evident more than a decade ago with the rise of blogs produced by independent bloggers (Lowrey 2006) – prototypical information entrepreneurs. For individual journalists, the shift to an explicitly business-oriented mind set challenges deeply rooted notions about professional norms and appropriate activities. This chapter explores both in turn.

1. Entrepreneurial journalism: Organizational challenges

Entrepreneurialism gave birth to Western journalism, from the earliest periodical printers to the 19th century publishers who turned fledgling news initiatives into empires. But 20th century expansion followed a different story line. Socially, the paradigmatic "power of the press" has been a collective force; the efforts of individuals may have been valued, even celebrated, but the power they wielded resided in the ability of institutional employers to convey information to large numbers of people and therefore command the attention of those whose attention mattered. Gaining and retaining that power required securing reliable and steadily rising profits. Particularly during the second half of the century, the trend toward consolidation under corporate ownership – mostly in publicly held companies with boards answerable to their stockholders (Bagdikian 2000) – was more likely to encourage conservative practices than risk-taking.

When the Internet emerged as a force to be reckoned with, many of the executives who had led the media for decades were unable to respond quickly or creatively. Few had an entrepreneurial outlook based on experiment and iteration (Babineaux and Krumboltz 2013; Polgreen 2014), and most additionally were bound by corporate mandates that forbid knowingly risking failure. For the past 100 years and more, then, “entrepreneurship of any sort is not a concept that has been closely identified with the media industry” (Compaine and Hoag 2012: 30). Yet the ongoing viability of the news media in a digital age arguably rests on multi-faceted innovation (Pavlik 2013). This section sketches the world that 20th century media executives knew, then explores some problems that have confronted them in the new and in many ways alien digital environment.

There have been innumerable depictions of a purported “golden age of journalism” (see Baughman 1981; Hallin 1992; Krause 2011), many acknowledging the rosy glow of hindsight. The distortion notwithstanding: Looking back from our own perspective in the new millennium, the 20th century looks like a period of remarkable growth and even more remarkable profit for what we now call the legacy media industry, along with expanding opportunities for people wanting to work within it. Profit margins among newspaper companies ranged as high as 30% and more; the operating margins of some US television stations topped 45% in the 1990s (Urenek 1999). In Western countries, a very small number of television networks commanded every viewer in virtually every home, while news magazines boasted millions of paying readers.

Many factors made the media so extraordinarily prominent and profitable, from demographic trends, to favourable regulatory structures, to ongoing technological innovation in production and distribution of information. But what stands out in retrospect is the near-monopoly that media institutions collectively held on the supply of something for which there was steadily high demand: information. If you wanted to get a message out, you had two choices through most of the 20th century. You could stand on a street corner and waylay passers-by. Or you could go through the media: buy an advertisement, send out a press release, stage a “pseudo-event” (Boorstin 2012) to attract news coverage – even, if you had the wherewithal, become a publisher or broadcaster yourself.

When the Web browser emerged in the mid-1990s, it opened the doors of the Internet to a mass – and quite quickly massive – audience. The impact on the legacy media industry is exceedingly well-documented. In the United States, for instance, the audience share for the three broadcast networks’ evening newscast was halved between 1993, just before the first browser emerged from the labs, and 2013. By that year, barely 10% of the US population was buying a print newspaper, and print newspaper advertising revenue had fallen by more than 250% from 10 years earlier (Pew Research n.d.); in the UK, Audit Bureau of Circulations figures indicate most national newspapers have lost at least half their readers since 2000. And on and on. Digital audiences and revenues make up some of the revenue gap … but only some.

It would be too deterministic a framing to say that the Internet “caused” this state of affairs (Örnebring 2010; Smith and Marx 1994), and too bleak a summation to ignore the fact that legacy media have been prominent information sources online from the start and retain (and profit from) that position today. Moreover, the money going to support new enterprises – from philanthropists, investors, donors, or other sources – still is far less than the revenue generated by advertising in traditional media. Yet undeniably, the challenges to legacy media are systemic, structural, and likely irreversible (Communications Management 2011): Their business models rest on “technical, economic, political and information environments that no longer exist” (Picard 2011: 8).

A great many internal factors – reduced and/or reallocated newsroom resources and priorities (Gade 2004), the demand for multi-platform output (Fenton 2010), greater awareness of and interactions with news audiences (Singer et al. 2011; Witschge 2014) – contribute to that disruption, but external ones are arguably even more significant. In particular, the exponential increase in the number of entities providing something identifiable as “news” has eradicated the highly profitable lock on the information market (Grueskin, Seave and Graves 2011). Such entities range from individual observers with a Twitter account or video-streaming app on their phones to substantive businesses with hundreds of employees.

A digital environment that invites entry and facilitates experimentation (Briggs 2012) has enabled start-ups to attract audiences and thus to sap the strength of legacy media outlets whose power rests on the attention of large numbers of readers, viewers, and listeners. Some start-up consumers are digital natives whose news diet has always been predominantly virtual (Poindexter 2012), but attention to “millennials” can mask the fact that most online news consumers are older and once were offline news consumers. Some still are (Thurman 2014), but many are not. Three kinds of legacy audiences are dissipating:

* *Mass, general-interest audiences* have long been legacy media’s bread and butter, seeking out a known and relatively trusted brand name to provide them with a bundled package that fills a range of gratifications, from gaining knowledge to being entertained to enhancing social integration (Katz, Haas, and Gurevitch 1973). True, many of these people are turning to the websites of the same legacy outlets. But start-ups are making inroads in two significant ways, one related to existing audience habits and the other to new ones.

The journalists who create bundled packages of information invest considerable time and energy deciding what to place at the top of the pile: leading the newscast, on the magazine cover, “above the fold” on the newspaper front page. They do so because putting something there that people want to see means those people likely also will see some of the rest – including, for commercial media, the bits surrounded by the advertising that pays most of the freight. But online, what leads the home page is less influential for the simple reason that much of the audience will never see it, arriving instead through search engines, social media links and recommendations, ranking and aggregator sites, and other digital pointers that lead straight to an individual item. Digital start-ups generally have been faster to recognize this difference and to capitalize on it through such mechanisms as search engine optimization (or, more broadly if derisively, "clickbait"; Tandoc 2014) and savvy seeding of social media.

Larger digital media start-ups also are challenging legacy outlets for a mass audience through expansion into under-served markets around the world. BuzzFeed has offices in Brazil and Mexico (and elsewhere), as well as the UK and USA; Huffington Post is moving into Japan, Greece, and the Maghreb, among other locations. Still-newer entries such as Vox, Vice, and Quartz also are rapidly evolving into global enterprises. In short, media entrepreneurs have seized an opening created by closure: As legacy print and broadcast outlets have tightened their belts and downsized or closed many of their expensive international bureaus, innovators seeking similarly large mass audiences are filling the gap.

* *Niche audiences* also are being lured away by media start-ups. The rise of niche sites (Cook and Sirkkunen 2013) relates in an even more direct way to the decline in perceived value of a bundled general-interest information package. BuzzFeed and Huffington Post may succeed in attracting millions of users, but most entrepreneurial journalists focus on a market segment narrowly bounded either geographically or topically (Briggs 2012). They can leave legacy outlets bleeding from a thousand pinpricks, each a tiny hole left by a user who is spending time elsewhere in the online universe.

Community-level "hyperlocal" journalism has proved difficult to sustain (Kurpius, Metzgar, and Rowley 2010) despite support from philanthropic foundations, particularly in the United States, as well as the steep decline of legacy competitors' staffing and thus reporting. In general, these start-ups have been characterized as imperfect, at best, information substitutes for newspaper coverage of local government (Fico et al. 2013). But some regional digital enterprises have been more durable, particularly those that have succeeded at obtaining and maintaining public trust (Konieczna and Robinson 2014). The Texas Tribune and MinnPost in Minnesota, for example, have both survived since the 2000s and continue to provide in-depth state coverage backed by donors large and small; in Scotland, a newer site called The Ferret, which relies heavily on users for its revenue, has twice been shortlisted for a British Journalism Award for digital innovation.

Topically oriented niche enterprises are even more numerous and diverse. Examples range from the very large – from investigative journalism site ProPublica in the non-profit sector to for-profit politics site Politico, now expanded into the European market – to the teeny-weeny, covering the narrowest of special interests. They are in many ways comparable to the newsletters and printed niche magazines that have been among the long-term success stories in the legacy media industry (Sumner 2010); the digital environment affords publishers comparable advantages of specificity, without the high costs of printing and distributing a physical product.

It is worth noting, as Jay Rosen does (2014), that digital start-ups also tend to be in closer contact with their audiences than are most legacy outlets. No new business gets off the ground without extensive research into its "customer segments" (Osterwalder and Pigneur 2010), yielding detailed knowledge about audience desires, interests, and habits. Those providing financial backing inevitably demand such information, along with information about competitors and *their* audiences. Moreover, because the people interested in a niche topic are apt to already be knowledgeable about it (and because start-ups rarely are flush with the resources needed to provide a continuous supply of fresh content by themselves) many entrepreneurial outlets solicit suggestions and even contributions from readers, as described further below. In short, those that succeed do so in part through personal connections, interactions, and information sharing that remain more difficult for larger outlets historically more distant from their audience.

* *Mobile audiences*: General-interest and niche media websites, then, offer appealing alternatives to legacy outlets for today's audiences. But tomorrow's news audiences promise to be mobile-based (Westlund 2013). Legacy outlets that have taken two decades to make the transition to "digital-first" are now scrambling to become "mobile-first." Here too, their nimbler, digital-only competitors – with their significantly smaller investment in infrastructure, significantly less embedded production routines, and significantly more nuanced insights about their audiences – seem to have an edge.

Compounding this challenge is the parallel trend toward personalization of online information, defined by Thurman and Schifferes (2012: 776) as "user-to-system interactivity" that enables individuals to technically modify the content, delivery, and arrangement of a communication to their own "explicitly registered and/or implicitly determined preferences." But traditional media outlets are not terribly good at personalization, pitched as most are at the mass-audience level. The migration of content to a screen that is very small and very individualized (as well as very intimate, with mobile users seeing their devices as extensions of themselves; Walsh and White 2007) further increases the difficulty of competing quickly and effectively for all but the most well-resourced and forward-thinking of traditional news outlets.

Although the discussion so far has highlighted the challenges that entrepreneurial enterprises pose for legacy outlets, this is not to suggest that start-ups do not also face significant challenges. Not least is their need to compete with entrenched, widely recognized, and relatively well-resourced companies and to change the habits of people who still gravitate to those companies in search of credible information of varying kinds. Start-ups inherently operate in highly uncertain circumstances, dependent on fickle users and investor whims; indeed, the elusiveness of sustainability has led one pair of researchers to conclude that "survival in itself must be recognised as a form of success" (Bruno and Nielsen 2012: 102).

Yet two related points stand out. One is that the newcomers that do succeed, even temporarily, are inherently disruptive to their legacy brethren. They are disruptive in terms of the information needs they fill, the audience attention they attract, and the money that flows to them one way or another. They are disruptive, as well, in the human resources they command: the reporters, editors, designers, and other journalists who provide them with creative energy and talent, as well as the programmers, marketing experts, business managers and other personnel who fill additional vital roles. As discussed below, the roles of start-up employees frequently juggle multiple roles, but the issue remains: The people who might be helping move traditional media in new directions are helping someone else instead.

The second overall point is that entrepreneurial enterprises offer a valuable lesson for legacy media: Diversification of revenue models as well as closer connections with media audiences, in line with the nature of the digital platform, are all but mandatory for sustainability (Grueskin, Seave and Lucas 2011; Kurpius, Metzgar and Rowley 2010; Sirkkunen & Cook, 2012). In the 20th century world described earlier, media organizations thrived by maximizing profits from audiences and advertisers, in varying combinations. From a business perspective, audiences were valued primarily because of their importance to advertisers, who sought to reach either large numbers of people (a broadcast news or general-interest print model) or people with a particular interest in what they had to sell (a special-interest magazine model).

Most legacy outlets carried a basket containing only those two eggs into the digital era. Indeed, the initial and all but universal decision to give away their content for free was based on the notion that the value of audiences is primarily their ability to attract advertisers. In hindsight, charging nothing for something that is very expensive to produce in order to artificially inflate the audience may seem foolish. But that is only because in hindsight, we know more about what works online, as well as what does not work and what works differently. Many legacy outlets later responded by erecting “paywalls,” charging users a fee to read any, a few, or a lot of their stories (Pickard and Williams 2014; Williams 2016). Yet that may have been the wrong lesson; essentially, it is the old model in new clothes that are especially ill-fitting in a digital environment where so much is free. Moreover, a paywall model does not represent a diversification of revenue sources beyond audiences and advertisers. Successful entrepreneurs typically include advertising in their revenue mix but also draw on options that range from memberships to partnerships, consulting to crowd-funding – and more (Grueskin, Seave and Lucas 2011; Kaye and Quinn 2010; Sirkunnen and Cook 2012).

All that said, legacy media have engaged in substantive economic innovation, from experiments with crowdsourcing of journalistic investigations to widespread event hosting. Some, such as the UK *Guardian*, are seeking to build a sense of community among “members,” emphasizing connection and conversation rather than news consumption. At the very least, such a strategy – essentially “join our club” rather than “read our paper” – suggests that even a 200-

year-old newspaper can explore innovative routes to extended longevity by thinking creatively about the affordances of industry disruption. More news organizations need to do the same.

2. Entrepreneurial journalism: Individual challenges

Individual journalists have naturally been affected by all these institutional changes. As countless academic studies and trade press reports have documented, news practitioners have had to modify their storytelling tools, their skills sets, their work practices, and their relationships with audiences. Indeed, the journalist's job has been utterly transformed, and it is difficult to imagine that such dramatic upheaval would have occurred without those outside the newsroom so compellingly demonstrating the need for, and opportunities in, change.

Such is the situation for those still employed by legacy outlets as journalists. Many are not. Newspapers, historically the most well-staffed, have been especially hard hit, but other sectors also have suffered repeated rounds of cutbacks. Many journalists with long careers have found themselves suddenly on the street. College graduates have struggled to find jobs at all – or been disappointed by the ones they have found. In general, journalism has been described as an occupational field that is losing its traditional bearings, as journalistic work becomes more precarious and piecemeal (Cohen 2015; Deuze 2008; Deuze and Marjoribanks 2009).

Hitching their wagon to a journalism start-up – or even launching their own media enterprise – has become a more viable alternative for journalists over the past decade, perhaps particularly those motivated by a desire for independence or self-realization (Block and Landgraf 2016). This section outlines some of the challenges they face, which are related to those of media institutions yet of a different nature. They include normative concerns, particularly associated with traditional notions of professional autonomy and the need to rapidly master unfamiliar business concepts and skills.

A brief outline of the normative framework that shapes journalists' self-perceptions can help put these challenges into context. Although many kinds of journalists cover many topics in many ways, their overarching role in democratic society has been succinctly and aptly summarized as providing the information that citizens need to be free and self-governing (Kovach and Rosenstiel 2007). Western journalists have tended to position near-absolute autonomy as a requisite condition to their ability to fulfill that role despite the multi-level influences under which they work (Shoemaker and Reese 2014).

The right to make independent decisions about work-related behavior and activities, and determinations about who is qualified to undertake those activities, is a hallmark of all professions (Larson 1977). Although there have been debates over the years about whether journalism qualifies or even whether journalists should want to claim such a badge (Deuze 2005; Merrill 1974), most journalists consider themselves to be professionals in the important sense that they feel loyalty to certain fundamental ideals and shared norms (Patterson and Wilkins 2013). In the Western tradition, prominent among these are truth-telling – courage and honesty in pursuing accurate and fair reporting (Society of Professional Journalists 2014) – and an almost radical form of independence from any outside influence in pursuing that truth. Although historically rooted in a safeguard against government infringement on press freedom, the norm has been widely invoked in defending the need for autonomy from two other influences more central to this consideration of entrepreneurial journalism: commercial entities and audiences.

The former have drawn more attention. The real or potential influence of advertisers on newsroom output and the decisions made in creating it, along with the possibility that audiences may not distinguish between commercial and editorial content, have been of significant concern to both practitioners and scholars for decades (Eckman and Lindlof 2003; Soley and Craig 1992; Upshaw, Chernov, and Koranda, 2007). The issues remain salient, reflected in controversy over such contemporary permutations as native advertising (Carlson 2015; Coddington 2015; Howe and Teufel 2014). Relationships with other revenue sources also have drawn critical attention, from the intricacies of sponsorship arrangements (Foreman 2011) to the connections between philanthropic organizations and the non-profit journalism they back (Ward 2014).

Historically, the interaction between journalists and news audiences has drawn less attention, perhaps because there was relatively little of it. Virtually all a journalist’s relationships were with sources and colleagues; the newsroom walls, physical and metaphorical, created boundaries around the workspace that were hard to penetrate. As the effective squashing of fledgling “civic journalism” initiatives in the 1990s suggested (McDevitt 2003), journalists rather liked maintaining a safe distance from any actual reader or viewer. Many were discomforted a decade later when the rise of user comments, followed by the explosion in social media, eradicated such distance (Gulyas 2013; Hermida and Thurman 2008; Lewis 2012). The increasing reliance on web analytics – instantaneously available, excruciatingly detailed usage data – also has put audience interests and reading patterns front and center in newsroom decisions about what deserves good play or what even deserves coverage at all (Anderson 2011; Tandoc and Thomas 2015). Concerns arise about whether such close attention to audience behavior moves journalists away from their role of independent watchdog and toward a more overt (and less desirable) market orientation, associated with giving audiences what they want to know “at the expense of what they should know” (Hanitzsch 2007: 375).

Clearly, normative emphasis on journalistic autonomy from the influence of both advertisers and audiences served an important purpose in providing the freedom to report and write “without fear or favor,” in the famous phrasing of 19th century *New York Times* publisher Adolph Ochs (*The New York Times* 1996). But the nature of boundaries is to fence certain people (journalists, say) in as well as to keep others out. Maintaining autonomy from audiences has meant journalists knew little about them – their interests, their media habits, what angers them, and what they appreciate. And maintaining autonomy from commercial entities became a rationale for journalists to remain disconnected from, even ignorant about, the economics of the business that employed them, a stance not uncommonly intertwined with general concerns about the negative impact of a profit motive on the quality of journalism (Beam 2006).

A shift to entrepreneurialism therefore raises thorny issues for journalism practitioners around their interactions with both commercial entities and audiences. In management literature terms, these concerns are encompassed by considerations of value propositions, customer segments, customer relationships, and revenue streams (Osterwalder and Pigneur 2010). But because normative journalistic premises posit such a sharp divide between revenue sources and news production, the discussion that follows combines these discrete business-model components in ways that highlight the particular challenges facing news entrepreneurs.

2.1 News audiences (customer segments and customer relationships)

The traditional relationship between journalists and their readers, viewers, or listeners is a one-directional one: It consists mainly of journalists producing and disseminating information in the public interest, a term defined broadly, often vaguely, and almost entirely by journalists themselves. Despite the overarching goal of service to society, journalists only rarely have seen a need to engage directly with audiences to achieve that goal or even to identify what it should entail.

Moreover, the traditional news audience is a “mass” audience, a faceless public conceived as having individually diverse interests but collectively sharing a concern with matters judged (again, mostly by the journalist) to be of civic importance. As already suggested, the actual composition of this audience was largely unknown to journalists in a 20th century newsroom except in the aggregate – and even then, mainly through the broad brush strokes of network ratings or circulation audits, or through the self-portraits provided by the relatively few, self-selecting souls who bothered to write a letter to the editor (Wahl-Jorgensen 2007). To journalists working at news outlets larger than the tiniest community-based ones, their audience was an undifferentiated and amorphous mass.

Entrepreneurs, in contrast, must know a great deal about their customers, and the more precise, concrete, and detailed that knowledge the better. Entrepreneurial journalists are no exception. To succeed, they must understand, among other things, how the people they hope to attract and retain currently get information, what kinds of information those people want and need, what delivery mechanisms they prefer, how much they are willing to spend for desired information, and in what way(s) they would like to pay. A vague conception of an amorphous public in need of something broadly defined as in their own interest is not nearly good enough.

The nature of the entrepreneurial audience also is likely to differ from the one for legacy news outlets. As already described, many start-ups will have a niche rather than a mass audience, for reasons related to logistics and available resources, as well as ones related to the nature of existing and emerging news markets. The mass market already is served by legacy outlets and others with strong brand name recognition; the emerging market clearly leans toward personalization (Thurman 2011). This is especially true for online news: Digital media in general are really good at niche, and mobile technologies in particular are really good at personal (Newman and Levy 2014). So journalists seeking to launch their own outlets – again, almost certainly through a digital medium, given market trends as well as the high infrastructure cost of traditional platforms – need skills in understanding and courting a narrowly defined audience quite different from the one they may be accustomed to serving.

And this niche audience must be actively wooed not only as readers but also as contributors. As briefly mentioned above, the people interested in a niche topic are apt to already know quite a bit about it, and a start-up enterprise is unlikely to have the resources for coverage thorough enough to engage such people over time without help … their help. Despite their well-documented reluctance to engage with legacy audiences, journalists who become entrepreneurs unavoidably need to find "outsiders" who can contribute reliably, cogently, credibly, and regularly. Once located, they must be engaged with and nurtured, requiring relationship skills that go well beyond what journalists may have developed with traditional sources whose only role was to provide information that was then routed through, and vetted by, the journalist. Legacy journalists have few partners in their core content production tasks. Entrepreneurial journalists must work collaboratively to survive.

2.2 Money matters (customer segments and revenue streams)

News audiences may be understood only hazily and engaged with only rarely, but journalists do believe their job is to serve them in some fashion. Not so with advertisers, who are seen as distinct from audiences and are kept well outside the newsroom purview lest they taint journalistic work and output, as indicated above. But the most likely advertisers or sponsors for a niche news start-up are commercial entities in the same market segment as the audience; they constitute not only part of that audience but also key word-of-mouth publicity channels. Even for enterprises with diversified revenue streams, advertising is typically still a key part of the mix (Sirkkunen and Cook 2012), and pursuing and securing advertisers often is at least as important as pursuing and securing audiences.

Some journalistic start-ups are large enough for that job to be delegated to someone not directly involved in content production, but many are not, at least in their crucial early stages. Indeed, many rely at least partially on crowdfunding, which seeks money from audiences for often quite specific purposes (Hunter 2015). Crowdfunding can create tangled relationships that raise ethical issues of accountability and transparency (Porlezza and Splendore 2016); at a practical level, it also can be so time-consuming that seeking such funding seems to some entrepreneurs like a second full-time job (Hunter 2016).

Another complicating factor is the likelihood of a personal stake in maintaining happiness among customer segments that include advertisers and audiences, separate or conflated. The journalist-as-owner-and-publisher typically has invested his or her own money, in the form of savings and loans, and that of friends and family (Briggs 2012), as well as (or instead of) that of outside backers and investors. While traditional journalists certainly have an investment in their careers, as well as a general interest in seeing an employer prosper, those are more attenuated concerns. Of course, all journalists are well aware that the content they produce is for sale, but their involvement with that transaction is quite deliberately nil. Figuring out where the money to support the journalism comes from and how to get more of it are the concerns of the publisher or owner or board of directors, not the journalist.

The learning curve for journalists starting their own business therefore tends to be steep and sharp. An entrepreneur needs to think hard about every cost: how big it is, what value it adds, how essential it is to success – and then whether to support it and if so, how. Evidence suggests that a common mistake made by founders of news start-ups has been to put too much money into what they know best and love most: the journalism. Many have hired news staffs before securing their financial underpinnings or attending to other components of a successful enterprise, such as the creation of effective marketing channels and the forging of key partnerships. Naldi and Picard (2012) labelled such misplaced priorities “formational myopia”: unrealistic expectations about the demand for, and the economic value of, journalistic work that has contributed to a high rate of failure relative to success (Bruno and Nielsen 2012).

Beyond the normative concerns and the emotional ones, journalists typically lack the practical business skills needed to make good fiscal and management decisions. Successfully making the transition from employee of a news operation to its owner requires knowing about business plans, spreadsheets, profit and loss statements, accounting procedures, staffing, and partnerships. It requires understanding advertising structures plus a host of other potential revenue streams, as outlined already. There are bookkeeping practices to master, legal matters to consider, business plans to draw up – all that b-school stuff that journalists probably jeered at in college and beyond as they pursued their own higher and nobler calling.

And at the end of the day, journalists do still have that higher calling. They still have to maintain trust in the credibility of the information they provide, and they still have to do that in part by maintaining editorial integrity, a task that does demand a degree of autonomy from any unwelcome influence of outsiders on editorial and financial decisions. They have to keep a clear view, that is, of their own value proposition.

2.3 Value proposition

The value of individual journalists within a news organization rests on their professional expertise, defined through their contributions to an overall mission of informing the public. Again, of crucial importance here are normative principles exercised in maintaining credibility and in fostering trust that, in theory if not always in practice, attracts and retains audiences. That individual value is connected to an institutionally held value that incorporates brand reputation, reach, and long-term patterns of stakeholder interactions, often dating back decades if not centuries. At both the individual and the institutional level, then, the value proposition is based on delivery, over time, of an appealing information product to audiences that in turn creates an appealing proposition to advertisers seeking to reach them.

As already described, the Internet fundamentally challenges those institutional advantages, including the value of established brands and business models, which underpin the individual journalist's ability to make a meaningful social contribution. More directly, individual journalists' skills and norms in producing a credible story remain valuable in an entrepreneurial space … but not necessarily as valuable as those who possess the skills and norms tend to believe. Many information start-ups that have enjoyed big success have been less about serious reporting and close attention to professional ethics than about edginess and trend-riding and visuals and speed (plus the more-than-occasional kitten). Creation and delivery of credible information is surely valuable to democracy. But democracy is a big concept, while audiences consist of individuals seeking personal and preferably immediate gratifications, as clearly evidenced by contemporary demonstrations of political "filter bubbles" and "echo chambers" facilitated by social media. Journalists have little experience in and, again, often little appetite for relating to audiences at that level.

Moreover, of course, the same audiences who may be ambivalent about traditional news providers have become news providers themselves: As the ability to disseminate information has become widely shared, people have demonstrated themselves willing and able to rely on one another to stay in the know (Allan and Thorsen 2009). While the journalist-as-middleman may still be appreciated for purposes of verification or analysis, he or she is no longer necessary to make information available in the first place.

In summary, as journalists have sought to turn what they know and love into a going business enterprise, many have applied traditional views of what news is or should be, often along with misperceptions of the market for it (Naldi and Picard 2012). Most really do believe in the power of a free press and in the value of a well-informed public to civic and community life. And they believe that they know – know best – how to provide that value. Yet as entrepreneurs, journalists must dig deeper to figure out just what makes them special.

Life as an entrepreneur raises many intertwined questions familiar from other shocks to journalism as those over age 20 knew it. Who am I as a journalist? What value do I offer – to whom, how, and how much? What is my role in society, and how can I fulfill it? What hats can I not live without? What new ones do I need, and how do I get them to fit? Which relationships are the ones that matter? How can I nurture them? How can I safeguard them from corruption in various guises? If success isn't leading the newscast, and maybe not even serving that nebulous thing called democratic society, then what exactly is it, and how do I attain it?

Can journalists turn themselves into publishers in more than the literal sense, and without losing their souls or their shirts? Yes, certainly. But many are ill-equipped to succeed. As of this writing, few journalism schools or newsrooms are providing the skills or mind sets needed to be a profitable and effective innovator over the long haul. Journalism educators might play a particularly significant role in helping new practitioners make the leap. But with a number of exceptions (Casero-Ripollés, Izquierdo-Castillo and Doménech-Fabregat 2016; Ferrier 2013; Hunter and Nel 2011; Sparre and Færgemann 2016), the skills outlined in this chapter are largely missing from our classes. Business skills are especially notable for their absence, not least because many students as well as instructors tend to see them as irrelevant and distracting at best, and nefarious at worse (Blom and Davenport 2012; Drok 2013). That is, of course, exactly the problem. Financial considerations are irrelevant – until all of a sudden, they're the only relevant thing about your ability to be a journalist.

Further Reading

Diverse issues related to entrepreneurial journalism are explored in a special issue of *Journalism Practice*, edited by Kevin Rafter and published in 2016; the table of contents is available from http://www.tandfonline.com/toc/rjop20/10/2, with articles accessible through most university library portals. Mark Briggs' *Entrepreneurial Journalism* (2012) is a widely cited how-to book that goes beyond the basics to evoke many of the issues covered in this chapter. Brigg's focus is almost entirely on US initiatives, while the emphasis of a 2017 book by the same title (Marsden 2017) focuses mainly on the UK. Both these can be nicely complemented with two more empirically oriented works with an international scope, both examining economic issues surrounding entrepreneurial journalism. "Survival Is Success" looks at European media entrepreneurs and can be downloaded from http://reutersinstitute.politics.ox.ac.uk/publication/survival-success (Bruno and Nielsen 2012); the business models of entrepreneurial journalism enterprises around the world are covered in a report accessible from http://www.submojour.net (Sirkkunen and Cook 2012).

Endnote

[1] Portions of this chapter overlap with material in two previously published book chapters: "The Journalist as Entrepreneur," in *Rethinking Journalism II: The Society Role and Relevance of Journalism in a Digital Age* (Chris Peters and Marcel Broersma, editors), Routledge, 2017; and "Journalism as an Entrepreneurial Enterprise: Normative Boundaries, Economic Imperatives, and Journalistic Roles," in *Remaking the News* (Pablo Boczkowski and C. W. Anderson, editors), MIT Press, 2017.

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