

# Business concepts discussion

Colorado Media Project

AUGUST 2018

## Agenda

Context for Business Concept Evaluation

Business concepts deep dive



# Context for Business Concept Evaluation

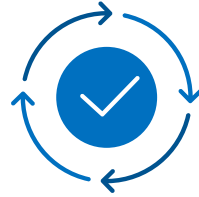
# The Colorado Media Project has three main goals for a future news outlet



## Maintain scrutiny

Enable sufficient breadth and depth of resources devoted to scrutiny of civic issues.

These resources are in support of a broader goal of a citizenry educated on relevant community issues



## Sustainable business model

Employ a sufficient and reliable funding model for stable operations of high-quality journalism via a digital-only solution

Sufficient and reliable funding may be both market and non-market (public/donation) based



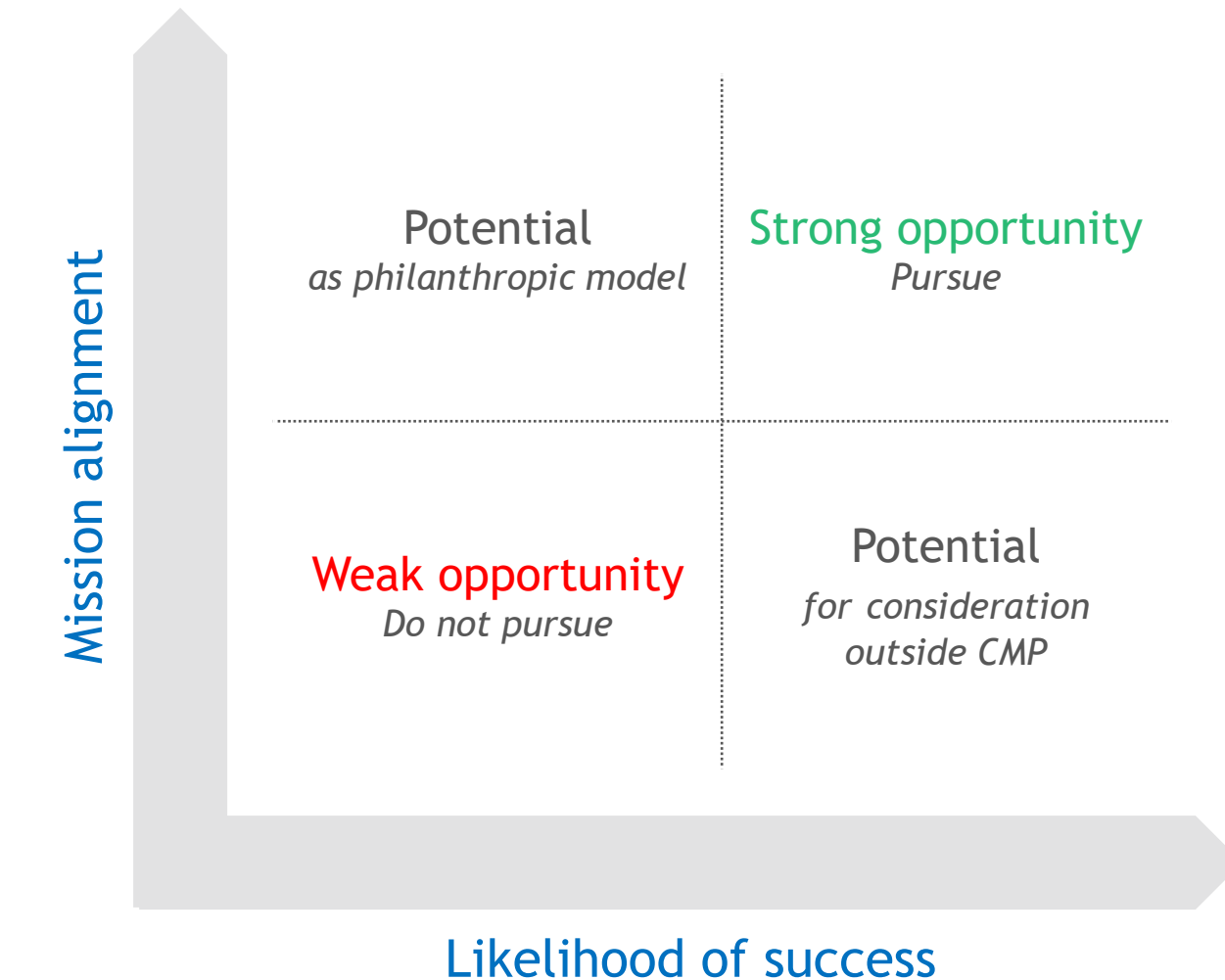
## Colorado-wide, scalable solution

Focus on Colorado broadly, rather than one city or region

Have potential for application to other markets nationally, particularly moderate-scale, economically-vibrant regions with growing urban cores

Output will be 'open-sourced' and available to the community

The "best" business model for a new Colorado media outlet depends on the mission of the CMP founding team and a model's likelihood of success



(Market needs, competition, capabilities & resources of founding team, etc.)

# In pursuit of these goals, we identified a set of common media business models gaining traction in today's market

## Help you understand



In-depth analysis and application, less focus on 24 hour news cycle

## Community News



Issue-driven local news. Financially viable models typically have small distribution and high income base, no model yet successfully scaled; notable area of innovation

## All-in-one news



Aggregators and select large publications, not prerogative of state/local orgs

## Let me tell you my opinion



Interpret the news through a specific lens

## Editorialized, curated content



Editorial commentary, minimal reporting, narrow geographic or topic focus

## Cause-specific investigations



Investigative journalism supported by campaign/issue-specific funding and fundraising

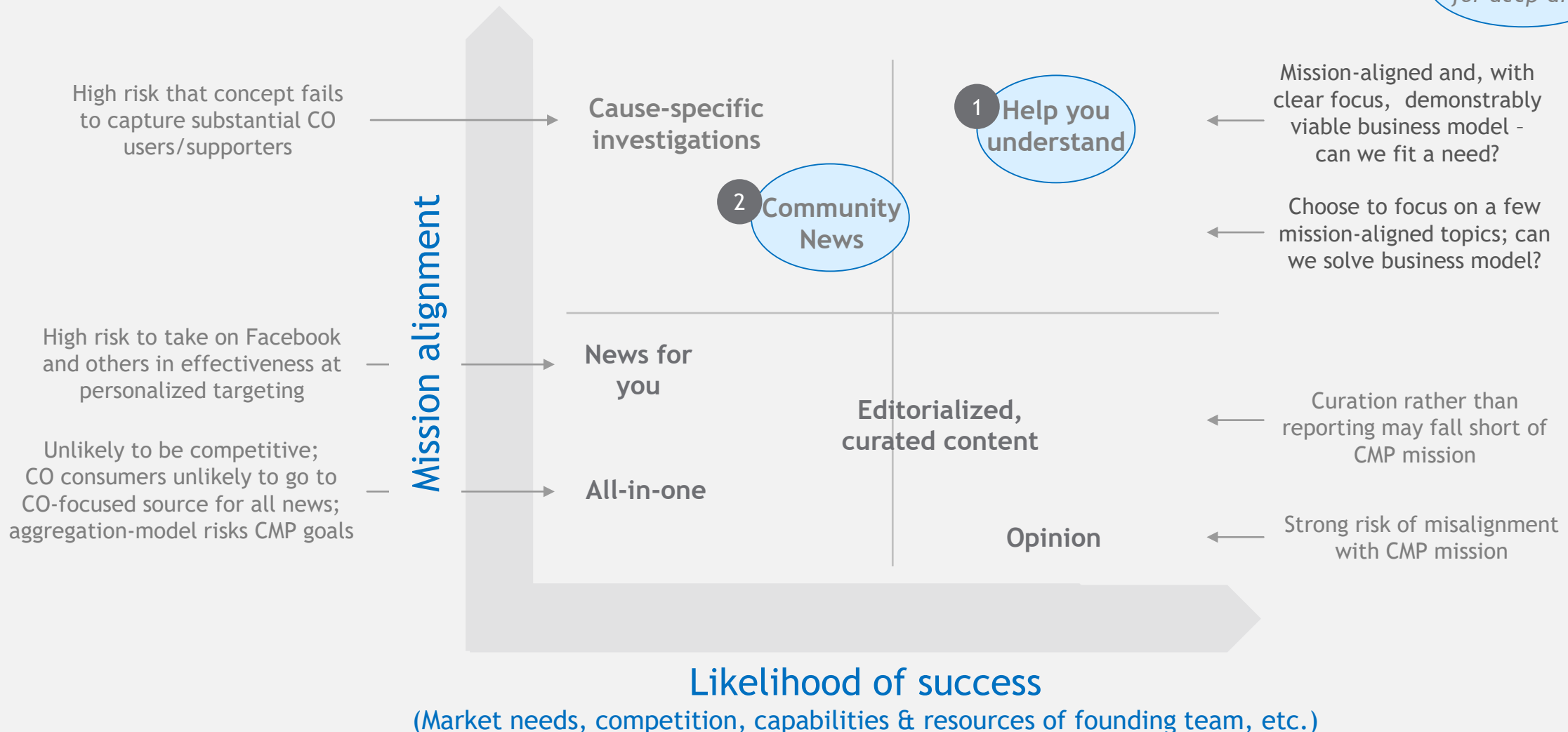
## News just for you



Individually-curated content based on machine learning

# Of these options, "Help you understand" & "Community News" rank best against our criteria

*Proposed focus  
for deep-dives*





# Business concepts deep dive



We will provide a more in-depth examination of the two business models most aligned with CMP and with greater potential to succeed

1



### Help you understand

*Why does this story matter and what can I do about it?*

2



### Community News

*What's happening in my community and who are the people that know about it?*

# Recall, six dimensions help define potential business models



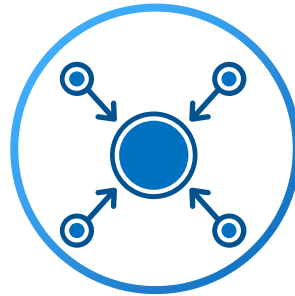
## Audience

Age  
Education  
Income  
Preferences  
Etc.



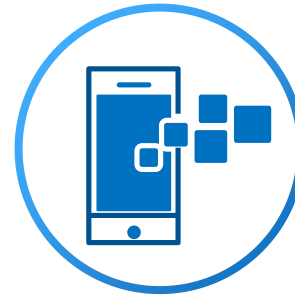
## Topic Focus

Politics  
Sports  
Business  
Lifestyle  
Activism



## Content Role

Aggregator  
Curator  
Editor  
Creator



## Digital Format

Text/Visual  
Audio  
Video



## Geographic Focus

Neighborhood  
City  
Region  
State



## Business Model

Advertising  
Pay-per-view  
Freemium  
Subscription  
Paywall  
Publicly funded

# Business model deep dive #1 - "Help You Understand"



**"why" over "what"**

*Why does this story matter and what  
can I do about it?*

The audience for the *Why over What* wants a summary of why something matters to them, from specific influencers, and wants to know options to act

### Relevant interview and research insights

- "What happened" info is cheap & ubiquitous
- What news means to me, why it should matter, and importantly—what to do about it—is harder to find & costly to create
- News can make consumers feel helpless
- People often follow specific influencers rather than publications
- Trust local sources over national sources



“

*"Go to CNN, far right, go to Fox, far left.  
Very few outlets provide both points of  
view"*

*"I just google it see what pops up and try  
to read a couple of different view points"*

“

*"Colorado news feels less relevant than  
local or national news"*

*"When... I didn't know, I felt  
irresponsible, I felt left out"*

# "Help You Understand"

## Key elements

Show Coloradans how and why today's news matters to them, and how they could act on this information

Focus on news that **relates to the state's growth, and what it means to be a Coloradan**

Sourced from **well-known Colorado leaders**

**Analysis** by contributors, curated and edited by staff

Delivered in **multiple formats & lengths**



National news made locally relevant to CO

Start with well-known writers

Include calls to action

### Why this news matters - Tax Debate Heats Up

An analysis from two local contributors



**30% of Colorado jobs depend on trade and at risk**  
John Hickenlooper  
CO Governor

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John has [# contributions](#) to *Why over What* on topics including the [economy](#), [healthcare](#), and [agriculture](#)

### Options to act -

Provided by our contributors



**Colorado's economy is safe**  
Gabrielle Bryant  
Digital Media Director at City and County of Denver

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Gabrielle has [# contributions](#) to *Why over What* on topics including the [economy](#), [media](#), and [technology](#)

### Hear more -

  
8 min podcast

Join the community forum &/or give feedback

Follow specific writers/topics

Give opportunity to engage

# We envision the "Help You Understand" model as a Colorado-focused analysis of impactful issues & stories: *Why over What*



## "why" over "what"

*Why does this story matter and what can I do about it?*

Bypass the commodity "what happened" news cycle; offer expert-driven analysis focused on why a news issue or matters to Coloradans, and options for how to act on it

## Why over what

**Seen in the headlines:** Colorado Supreme Court to hear case on XYZ

If you missed the "what":



The  
New York  
Times

The American  
Conservative

## Why this news matters

Click to read from two perspectives or listen to the debate



Hick: "CO employers at risk"



Bryant: "CO taxes to rise"



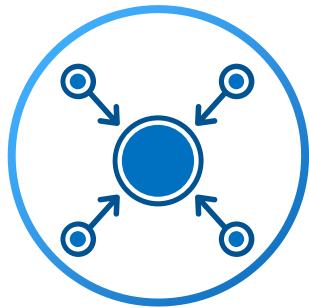
8 min podcast

## Options to act on this news

Below options sourced from our panel

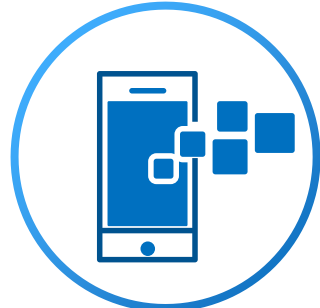


This version of the "Help You Understand" model utilizes an editor content role, blends text, audio, & video, and covers several topics that impact Coloradans



### Content Role

- Editorial: Collecting, writing, and editing analysis, with some interviews and reporting for Colorado context
- Published daily



### Digital Format

- Blended: Primarily text and audio podcasts, potentially video
- Phone and computer-ready formats of published articles



### Topic Focus

- High impact and high complexity topics
- Likely: Government policies, housing and real estate; transportation; energy, water, & the environment



### Geographic Focus

- Focus on news that has implications for Colorado residents
- News can be based on Colorado, regional, city, national, and international events, stories, and issues



### Audience

- Age: 25-54
- Education: Some college through post-grad
- Annual income: \$50k+
- Geography: Likely lives in one of Colorado's cities or suburbs

# "Help You Understand" could focus on CO growth-related topics - including what it means to be a Coloradan for new residents

*Theoretical topics and headlines for illustrative purposes -*

## Housing & real estate

- Denver housing bond approval repositions Colorado's housing market - what this means for your area
- Western slope's bid for Federal offices may impact you - regardless of where you live

## Jobs & economic development

- CO offers \$27M in tax incentive to Fortune 250 company - what does this mean for your taxes, and job prospects?
- Company XYZ moving out of state with 300 jobs may signal roadblocks to further growth

## Transportation infrastructure

- Denver considering hyperloop to I - 70, and there are pros and cons for all residents
- Is Governor's office traffic curtailment plan going to work for you?

## Water, energy, & the environment

- Increased population driving up water usage by X%, what happens when we run short?
- Oil and gas companies moving north, residents gear up for heated PR battle, and others weigh in on what to expect

## Being a Coloradan

- Did you know Colorado has one of the nations most complex tax codes - find out why and what you can do about it
- Who's who among Colorado lawmakers



We anticipate this "Help You Understand" business model could 'win' because it contextualizes meaning for Colorado residents from trusted sources



## Business Model

- Freemium: See headlines and sample article for free, subscription required to consume further
- Advertising
- Events: Connect by industry, meet the writer, etc.



## Why it can win

- Localizes the "why it matters" for Colorado residents
- Summary-level previews let readers skim, decide where to dive-in
  - In-depth analysis, podcasts, and videos address different consumption preferences
- Contributions by Colorado influencers help raise awareness of publication, spark curiosity, and aid in trust and personalization
- "What to do about it" suggestions enable readers to feel more empowered and engaged
- Builds public profile of contributors, further incentivizing quality content

## Risks

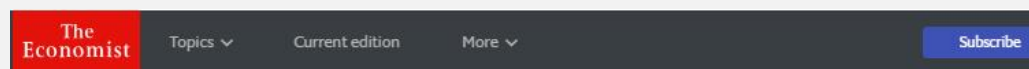
- "Why it matters" may not often be relevant on Colorado-wide scale
- Writers/perspectives may not resonate with readers
- Consumers may not see sufficient value to pay for analysis

## Mitigations

- Address "why" for variety of Colorado regions & segments
- Solicits user engagement and feedback to drive improvement and foster sense of community
- Ensure quality execution through journalism staff & processes

# Examples of similar endeavors - *The Economist* and *Gigaom*

-- Illustrative --



Splitting the difference  
**In Georgia, Democrats are changing their strategy**  
Stacey Abrams is building a new sort of coalition against Trump Republicans



UNITED STATES >



Gulag on the Red Sea  
**Eritrea, Africa's most repressive state, begins to open up**

MIDDLE EAST AND AFRICA >



Open Future  
**Anti-immigration, political position**

OPEN FUTURE >



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## Featured



### Research Calendar

UPCOMING

Tim Crawford Jul 14, 2017 - 10:07 AM CDT



WEBINAR

Unlocking the Power of Innovation through Better Test Environment Management

Begins: August 08, 2018 | 11:00 AM CDT

Ends: August 08, 2018 | 12:00 PM CDT

## Latest



Five questions for... Ali Hadavizadeh, Farm491

FOOD FUTURES

Lee Collins Aug 2, 2018 12:44 PM CDT

Narrow focus with in-depth analysis, though *Why Over What* concept targets more local matters, turns over more quickly, and is less scholarly

Note: These are assumptions intended to illustrate a potential and hypothetical business concept; expected to be explored and refined further in any future phases

# Business model deep dive # 2 - Community News "In the Know"



## Focused & curated local news

*What's happening in my community and  
who are the people that know about it?*

# The audience for the *In the Know* wants to be up-to-date on what's going on in their community and wants to leverage that information as social capital

## Relevant interview and research insights

- Local info has social capital
- Quality local news is hard to come by, and relevant news is highly disaggregated
- Knowledge of news creates community
- Coloradans have interest in national news (well covered & free) and very local news (disagg. and poorly covered); little interest in state news
- Existing successful local models lean on high-income neighborhoods; hypothesis that quality content across multiple neighborhoods may require user-generated content



“

*"We pick up the dinky local newspaper every day...I think it's a big part of the community, a lot of people use that"*

“

*"Less town news more neighborhood. Even though I don't attend city council meetings, I'd like to read a recap"*

# "Community News"

## Key elements

Build moderated, user-generated platform around local topics where contributors earn community recognition

Focus on news **meaningful to the area - likely education, housing, leisure, etc.**

Sourced from **community leaders and passionate citizens**

Contributors **may earn recognition and revenue** from their contributions

Sourced, edited, and moderated by staff

Delivered in **multiple formats & lengths**



### Denver - Southeast Digest:

Cherry Creek, Congress Park, Hilltop & Mayfair

#### Today's Headlines

New brewery offers relaxed social setting

Results of City Council Plans - impact on us

Don't forget - street sweeping tomorrow!

Today - socially



#### Browse by topic / local guru:

- Food
- Roads & Transit
- Elementary Schools
- Dev & Real Estate

#### Gurus you follow:



Jill P - Congress Park

Badges earned:



Social:



Map contributions:



Events

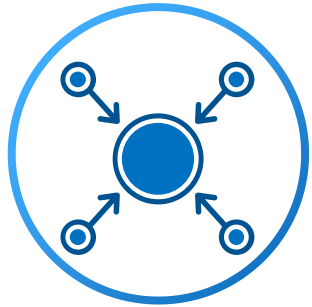
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xxxxxx

# Community News "In the Know" model pulls best practices from several existing information outlets

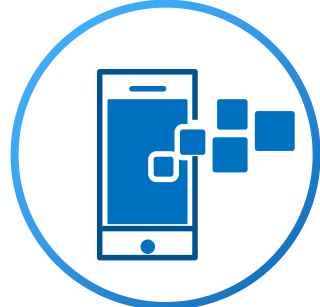
Existing Outlet	Overlapping features	Community News "In the Know" differentiation
Boulder Daily Camera	Content for a specific geographic community; news-focused	<ul style="list-style-type: none"><li>• Includes user-generated content from "experts" by topic area</li><li>• Pulls content from local bloggers, websites, etc.</li><li>• Includes social components to build community, dialogue/engagement, and contributor brands</li></ul>
Instagram	Enables "celebs" or "influencers" to monetize their knowledge/expertise and social influence	<ul style="list-style-type: none"><li>• Moving beyond curated photos into opinion and commentary</li><li>• Expertise allows contributor to build social capital in their own community versus geographically distant and anonymous nature of Instagram</li></ul>
Yelp	Go-to-source for where to eat, what to do, etc. based on user location	<ul style="list-style-type: none"><li>• Higher level of curation</li><li>• Moderated content to ensure best of the best and to enable contributors to build their brand</li></ul>

This version of the "Community News" model uses an aggregator and curator content role, phone-first format, and covers focused topics with unmet needs



### Content Role

- Aggregator & Curator: Scrapes local websites/blogs for community information and curates original content from local personalities
- Published multiple times/day



### Digital Format

- Blended: Primarily text with some social imagery and OTT digital such as video (ex. Instagram/YouTube influencers)



### Topic Focus

- Driven by community focus and priorities
- Examples: Road closures on your street, local school board decisions, real estate prices in your neighborhood, restaurant openings, events & culture



### Geographic Focus

- Community / local - start with a few areas and expand
- Neighborhoods & small communities
- Expect some content and user overlap across multiple communities



### Audience

- Age: Neighborhood dependent, likely 18-54 based on digital usage
- Education: High school or more educated
- Annual income: \$30k+



# "Community News" could focus on news and events that impact residents day to day lives - from education to leisure

*Theoretical topics and headlines for illustrative purposes -*

## Education

- Denver open enrollment is getting more competitive - ways to stand out
- Links to Teller and Steck Elementary School vacation schedules

## Housing & real estate

- 8<sup>th</sup> and Colorado development digs in [*from Denver Infill*]
- Denver approves \$100M in affordable housing bonds
- Congress Park top of local growth rates

## Food & Beverage

- New restaurant opening on 12<sup>th</sup> and Madison
- A stroll down memory lane at Sweet Cooie's

## Leisure

- Runner's unite - Congress Park Taproom run club starts again Tuesday
- Carla Madison rec center opens

## Politics & policies

- Race for House District 8 (yes, that's us!) is heating up - learn more about state house jurisdictions

*Note:* Some overlap of broad topics across business models, though stories and coverage themes expected to vary significantly



## Example of potential *In the Know* use case – education focus

### How Bill uses "In the Know"

To **learn** about relevant news & issues  
(*sample information examples*)

- His children's school news
- Links to school vacation schedule
- Can review past education-related contributions

To **engage** with his local community  
(*sample features*)

- Bill can see others' contributions and others can read his, creating a social platform
- Others can sign up for Bill's notifications, and vice versa

Target Consumer:  
Bill



### Impact of "In the Know" on Bill



Bill became passionate about the school board once he realized how it impacts his kids' experience at school



Since posting more and engaging with his community, Bill is considering running for school board



Bill's contributions can earn him a badge as an "Education Expert," boosting his credibility

We anticipate this "Community News" business model can win because it uses influential consumers to build moderated, quality content on a few topics



## Business Model

- Advertising-based model driven by visibility into a very specific geofence and based on the content preferences of users
- Donation and/or small subscription base with portion to local orgs



## Why it can win

- Leverages strong affiliation to local neighborhoods over city/state/national affiliation
- Allows consumers to build valuable social capital with people in their community
- Regionally-specific platform creates a targeted ad forum
- Belief that people will create quality content if passionate about it (e.g., Wikipedia) and/or payoff is clear and sufficient (e.g., sponsored Instagram posts)

## Risks

- Ability to create co-dependent ecosystem (sustained content creators and interested users)
- Google started "Bulletin" for local self-sourced news - could be competitor
- Ability to collect and moderate quality content

## Mitigations

- Test WTP of adverts/users
- Leverage well-known, strong, and informed local personalities for marketing
- Creatively source content first (local leaders, scrape local sites, bloggers, etc.) to attract consumers and build desire to contribute



News and information about urban infill development in the Mile High City

### 999 17th Street Update #12

[Share](#) [Tweet](#) [Email](#)

When we [last visited](#) Prism, the office component of 999 17th Street, we reported that the curved steel beams were starting to go in which would give this building a distinctive [folded glass curtain wall](#) along 17th Street.

Prism fills in a very critical gap on 17th, helping complete the already well established street wall. This was one of the last three surface parking lots on 17th Street, in Central Downtown, that was successfully eradicated and developed.



In addition to the glass facade going up, Prism has reached its maximum height, as it recently posted the following photos of the project.



Exceptional categorization and tagging for easy user navigation

### Projects

Click on any link to view all posts on that project.

<a href="#">1st and Steele</a>	<a href="#">2nd and Detroit</a>	<a href="#">7th and Grant</a>	<a href="#">9-CO Block 7S</a>	<a href="#">9th and Colorado</a>	<a href="#">12th and Elati Residences</a>
<a href="#">14th and Court</a>	<a href="#">15th and Stout Hotel</a>	<a href="#">16 Chestnut</a>	<a href="#">16M</a>	<a href="#">16th and Humboldt</a>	<a href="#">17th Avenue and Pearl</a>
<a href="#">19th and Grant Hotel</a>	<a href="#">20th and Chestnut</a>	<a href="#">21st and Curtis</a>	<a href="#">21st and Welton</a>	<a href="#">24 Jefferson Park</a>	<a href="#">35th &amp; Larim</a>
<a href="#">210 Saint Paul</a>	<a href="#">235 Fillmore</a>	<a href="#">245 Columbine</a>	<a href="#">250 Columbine</a>	<a href="#">255 Saint Paul</a>	<a href="#">360 South Monroe</a>
<a href="#">575 East</a>	<a href="#">701 Sherman</a>	<a href="#">820 Sherman</a>	<a href="#">999 17th</a>	<a href="#">1099 Osage</a>	<a href="#">1120 Cherokee</a>
<a href="#">1144 Fifteenth</a>	<a href="#">1145 Ogden</a>	<a href="#">144</a>	<a href="#">1490 Delgany</a>	<a href="#">1500 Market</a>	<a href="#">1515 Wynkoop</a>
<a href="#">1560 Boulder</a>	<a href="#">1600 Market Hotel</a>	<a href="#">1601 Wewatta</a>	<a href="#">1701 Blak</a>	<a href="#">1776 Curtis</a>	<a href="#">1800 Larimer</a>
<a href="#">1801 Arapahoe</a>	<a href="#">1818 Clarkson</a>	<a href="#">1880 Little Raven</a>	<a href="#">1881 16th</a>	<a href="#">1900 Sixteenth</a>	<a href="#">2100 Delgany</a>
<a href="#">2300 Welton</a>	<a href="#">2400 Washington</a>	<a href="#">2401 Blake</a>	<a href="#">2460 Welton</a>	<a href="#">2525 16th Street Hotel</a>	<a href="#">2560 V</a>
<a href="#">2930 Umatilla</a>	<a href="#">3300 East 1st Avenue</a>	<a href="#">3500 Rockmont</a>	<a href="#">5280 Senior Residences</a>	<a href="#">Adolph Coors Foundation</a>	<a href="#">A</a>
<a href="#">Alexan 20th Street Station</a>	<a href="#">Alexan Arapahoe Square</a>	<a href="#">Alexan Cherry Creek</a>	<a href="#">Alexan LoHi</a>	<a href="#">Alexan Prospect</a>	<a href="#">Ali</a>
<a href="#">Aloft Denver City Center</a>	<a href="#">Alta Alameda Station</a>	<a href="#">Alta City House</a>	<a href="#">Amaranth</a>	<a href="#">AMLi RiNo</a>	<a href="#">AMLi Riverfront</a>

Example of local, high-quality, user generated content

Detailed analysis of new developments with high quality writing, photography and layout;  
anticipate *In the Know* provides more branding of contributors