

ISOJ 2022: Day 1

Panel: Subscriptions, events and multiple products: Strategies to diversify revenue streams of news organizations

Chair: [Felicitas Carrique](#), executive director, News Product Alliance

- [April Brumley Hinkle](#), chief revenue officer, The Texas Tribune
 - [Janine Warner](#), cofounder, SembraMedia, ICFJ Knight Fellow
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Felicitas Carrique Were really happy to be here. As Mallery said, my name is Feli Carrique, and I am News Product Alliance's executive director. This is actually my first time on stage at ISOJ. And I have to admit, I was a bit nervous, but someone smugly pointed out there was no way I could be more embarrassing than the Oscars. So having said that, I'm going to introduce the wonderful panelists who are going to share all of their knowledge with us. So first April Brumley Hinkle is the chief revenue officer at the Texas Tribune. Thank you for being here. And Janine Warner is the co-founder and executive director of SembraMedia, and of course an ICFJ Knight fellow, and my former boss.

So having said that, I'm going to kick us off by saying a bit of things around News Product Alliance, which is what I am doing now. So some of you may know it and some might not, that News Product Alliance is a community of support and practice for news product thinkers around the world. Our mission is to elevate the discipline of news product thinking and expand the diversity of news product thinkers in decision making roles. We believe that news product thinkers, the ones with the ability to strategically align business, audience, design and technology and integrate high journalism efforts, are key to finding sustainable business models. And for the past couple of years, the journalism industry has started to integrate and implement some of the principles of product, but there's still a lot to be learned around how to do this in this special space. Because this it is not necessarily the same thing to do product in tech than it is to do it in the news. So I wanted to show what we understand when we say product. Product can be a podcast, a newsletter, the CMS we use. Journalism is a product. It's the product that we make. So basically anything that we do, a service, a platform to distribute this content, is product. And as such, we have to be mindful of how the audience is going to use it and interact with it. What are the resources we need to take it from idea to reality? The technology, and of course, the business model. And for the next hour we're going to focus on revenue-focused products and learn from our panelists that have successfully developed news products that are sustainable and ethical. So, April, now it's your turn to kick us off.

April Brumley Hinkle Hi. There is my guy. I know that Rosental welcomed y'all today to Austin, and I'm happy to welcome you here to Texas. Texas is a big state. Today over 29 million people call Texas home and our population is booming. We live across 254 counties. Texas is rural, and rural is Texas. But make no mistake, Texas is an urban state. Based on population, Texas claims three of the top ten markets in the country. Take the list of 15, and Texas claims five. Look out, Chicago. Dallas is coming for you because by 2030, they'll take the third spot. Also by our state's bicentennial in 2036, we will add an additional 10 million Texans. Now, Texans are also big, bold and outspoken. And if you ask them, this is how they see our state. Right? The Texas Tribune is a nonprofit,

nonpartisan news organization, digital first, and we only report on our state's biggest issues. We publish beat and enterprise reporting, data sets and data visualizations, podcasts, columns, newscast events, and so much more can be found at our destination website, texastribune.org. The Pew Research Center says that the Texas Tribune is the largest news bureau covering a state capitol. We've won a Peabody and 23 national Murrow awards. Some say that the Texas Tribune is the leader in public service journalism in the country today.

So let's take a look at our revenue sources. Since 2009, we have raised over \$102 million to support an ambitious newsroom. Yeah, it's good stuff. From day one, we have believed in the diversification of revenue streams for long-term sustainability. We are funded by high net worth individuals, foundations, members, and corporations. If you're a visual learner, here's our pie chart. And I have to tell you, the model has been tested. 2020 Q2, pandemic struck, and corporate funding stopped. We turned to Terry Quinn and her development team, and she brought additional foundation funds to close the gap. At The Texas Tribune, we've experienced no layoffs, and we have never cut employees' compensation. And we're really proud of that. So like you, we present viewable ad banners, email and multimedia messaging, sponsored content, and we love aligning support with editorial projects. The biggest point of differentiation for the Texas Tribune is that we love events. From day one, events have been part of our business plan. Each year we present about 50 events and the big Texas Tribune Festival, which is the jewel in our event crown. Our revenue goal for events this year is \$2 million. These are all editorial events, open to the public, unscripted, free to attend. And although donors and corporate sponsors underwrite these events, they play no role in the topic, the panelist, or the Conversations. To take events to market, we preset a general slate of benefits, and every single sponsor that is supporting that event can maximize and take advantage of all of these. We don't want to spend our time talking about logos on a screen or signage. We want to focus on brand elements, custom ones, that makes their brand come alive. This is where we really do our best work. Because we know that every sponsor comes to an event with a different purpose, and our role and responsibility is just to really understand what that is, so that we can create the best possible points of engagements and the desired takeaways. This is really where we have the most fun, and sponsors enhance the event experience. So I'm going to share just a little look at our last in-person Texas Tribune Festival with you. (Plays a video.) And we actually didn't see you next year because we had to go quickly to virtual, so we presented the festival in 2020 and 21 virtually. But I'm excited that we will be bringing everyone back to downtown Austin, September 22 through the 24 for this year's Texas Tribune Festival. So mark your calendar and please plan to join us.

Now, before I sit back down, I want to share three things with you, three takeaways. If you have a Speakers Bureau, tremendous. If you don't, I encourage you to create one. I'm sure that you and your colleagues are being asked to speak at other organizations, events, keynotes, moderate panels. Right? You need to ask for a speaking fee. Find someone like me on your team because the Texas Tribune's speaking fee is \$5,000. And in 2021, during a COVID year, the Speakers Bureau contributed over \$300,000 to the Tribune's bottom line. That's number one. Number two. Introduce yourself to others. The last time I attended ISOJ, I met with a person from Time, and we got to talking. And they wanted to know more about how to produce and present editorial events. And when she went back to New York, we continued the conversation. During that time, Time was watching our content. It was a humanitarian crisis, families divided at our southern border, and they asked the Tribune, they commissioned us to create content for them. And then we collaborated together and created an award winning documentary film, *Border Hustle*. And then from there, we

turned one of the Texas Tribune Festival stages over to them to present their selection process of the Time Person of the Year. It was amazing, and it all started right here at ISOJ. And then the third thing, the last thing, that I wanted to share with you is if you're excited about revenue ideas that you're learning here and you don't really know where to start, come to the RevLab at the Texas Tribune. We're in our third year of operation, and we worked with over 200 newsrooms from across the globe. Emily Dresslar leads the RevLab. She's sitting right here, and she will be with y'all tomorrow at the lunch workshop. So be sure that you introduce yourself to Emily and be sure to attend there, and we really look forward to working with you. Thank you.

Felicitas Carrique Thank you, April. Janine?

Janine Warner You know, I was joking with her today that she's my boss today, and we're so, so happy to see her running the News Product Alliance. And I know that they are very lucky to have you. Feli asked me to kind of focus on data today, so I'm gonna be a little data heavy for you. Anybody who knows Feli will not be surprised by that. But first, I have to honor Rosental and thank him for the fourth MOOC I will be offering here through his wonderful Knight center, this time with Mijal lastrebner, who's the co-founder of SembraMedia. And those of you who don't know, Mijal and I met in a MOOC. And thanks to Rosental, SembraMedia exists. I know we're not the only organization to credit him so heavily, but he absolutely deserves it.

If you don't know SembraMedia, our focus is empowering the success of digital media entrepreneurs, and our focus historically has been Spanish language. We're not geographically focused, so we study media all over Latin America, and the U.S. Hispanic market, and Spain. I think we found a couple in Australia, Germany, Canada. If you publish in Spanish, original content, and offer some social value to your community, we want to help you build more successful businesses so you can do more and better journalism with greater independence and defend yourself better, which is such a challenge for so many of the journalists that we work with.

If you know Spanish, sembrar, the verb to cultivate, to grow, sembramos medios. We took a very holistic approach to how we work with sustainability. But I have to tell you, having focused on studying sustainability now for more than ten years, people keep coming to me and looking for that simple solution. And I have to start by saying, "I haven't found a straight line." But we have found some key elements that seem to make a difference, and we are starting to see results in our accelerator programs. So today I'm mostly going to talk about our research, and I want to start by saying our research started more than six years ago with an international team mapping and vetting digital media all over the Spanish-speaking world. And today you can find more than a thousand media in that directory. They all meet our very strict criteria for transparency, for financial independence. We have a profile about each. You can read about their founders. You can learn their focus. You can search this directory by name, by country, so you can find out there are more than 20 of them operating in Cuba. You can cross-reference it so you can say, "How many media in Mexico did a crowdfunding campaign and cover the environment?" And you'd find out there are eight. And if you're thinking about starting an environmental website, I highly recommend you do that research and learn from those. And if you're thinking about funding environmental websites, please come visit our lovely community.

And the lovely community was built by this incredible team that represent their countries, and the methodology that Mijal and I built from the start. She's in Argentina. I used to live in L.A. I'm reversing the trend, April. I moved from L.A. to Chicago. But we believe that the

people doing research on media leaders are best if they know that market. So our methodology is to hire researchers in the countries we work in because we know they know the back story. We know that they know that gray area where somebody will take a little money under the table, and some people are so small and so new, they don't even look like media yet. And the difference between a media that's been captured and a media that's just getting started can be very difficult to determine if you're from Chicago or Argentina and you're studying in Cuba. It is a very broad study, so I'd say it's a horizontal study. Lots of media, but about 20 filters. We've also done very deep research, and I know a lot of you have seen our Inflection Point report. The first one came out in 2017, and the most recent one came out last November. And that report goes very deep. We ask 600 questions, takes two to three hours. We have tortured entrepreneurs all over the world. I'm so sorry to all of you, but thank you, because your data informs everything we do. And all the things we learn from asking you, "how do you make money," in a very detailed way, and "how do you spend it in every detailed way you can tell us," is what helps us understand what might work for others. And six years ago, when I started, the Texas Tribune was one of my favorite examples. It still is, but today I can use examples from all over the world because we've been researching. And in our most recent Inflection Point study, we went beyond Latin America. And thanks to support from both Luminate and CIMA, I'm not sure LIMA is the best way to combine Luminate and CIMA, but there is some marriage in there somewhere, right? We studied media in Latin America, in Africa, and in Southeast Asia. And what was really fascinating about expanding that study was that we found an awful lot in common. When you study journalists-turned entrepreneurs, when you study the social entrepreneurs driven to inform their communities more than make money, most of them, that we work with, you find people like James Smart, who found a place where there was a news desert, who with limited resources started filling that hole. And whether you're in Kenya, or in Cuba, or in Thailand, we find very similar things about the people who start these, the journalists who are driven to inform their communities.

But because we studied so many different kinds of media, and if you look at this chart, what we did was we took 200 interviews in our Inflection Point study, those 600 questions, and we break them out into tiers of business maturity. What we mean by that is because some of these are still volunteer run, that bottom line where it says no revenue, those are volunteer-supported news organizations. And some of the news organizations today like El Faro, which is one of the oldest in the community there in El Salvador, and they've been publishing since 1998. They started because they didn't have enough money for print, and they wanted to compete with the daily newspaper in their country. And they became a pioneer in digital. They started for the first five years with volunteers before they built the business model. Animal Politico started as a Twitter feed before they built a business model and a major news source in Mexico. But at the top of this, that's a median. Some of those are making several million dollars a year in revenue. So breaking them into separate categories made it easier to compare and to better understand what works at different levels of maturity for these media organizations.

We categorize revenue like this. And I'll tell you, we started with about 16 sources. I know some people have 52 sources. I think up here we have about 32. But I'm starting to really look at these five categories as a way to compare our data with others, because none of us are asking exactly the same questions. But once you group into these five categories, our research becomes much more comparable. So we're interested in the details you learn by asking questions about whether you're in Google AdSense or programmatic advertising because that can make a big difference in revenue. We're interested in the fact that smaller media tend to do better with certain kinds of revenue sources and bigger ones with

others. But being able to group it like that really helps us. So we found two general paths. Large audiences with millions of people. You do that beautifully at the Texas Tribune, The New York Times. But some of the media we work with have two people who started them, so 20,000, 30,000 people a month. But those loyal audiences can also turn into sustainable models. So then we started looking at what are the most important? And I have to say in our most recent study, grants jumped up to the top. Now, remember, this is a narrow study, only 200 media, not a thousand. But we really found in the pandemic that number went up. And I know a lot of people are worried about overdependence on grants in media. We share that. We work very hard to help them diversify revenue. But I think it's also important to note that in some countries, those grants make all the difference. And in the pandemic, those grants definitely saved the lives of many of the media we work with. Those little, tiny GNI grants, those big Facebook grants, those rescue grants from Luminate and NDIF and others made a huge, huge difference. Once again, and we find this over and over, socially minded journalists start media. They all hire other journalists to work with them. It's really fun to work with journalists. I love being surrounded by journalists. But as soon as you get a paid sales or business person on the team, your revenue goes up 6 to 9%. We have confirmed this over, and over, and over. Diverse skills make all the difference. This time we asked what you pay them. And we found that it ranges from about \$200 to \$2,000. Now, remember, these are Latin American prices primarily, and that's a big range. But six to nine times return on investment, a six to nine times more revenue for that level of investment is a pretty impressive number. Feli was involved in this. She was very instrumental in this project. She can also speak a lot to the Inflection Point report. And because of her, we asked this question not about news product development, but innovation and tech, which is really closely related to what she does. And I was struck by this, that even without a salesperson, if you had a paid person focused on tech and innovation, you made three times more. So tech is fundamental to these digital natives, not a surprise.

So as SembraMedia has grown, and I'll close with this, we've evolved now to not just do research and training as we started, but to run four different business media accelerators thanks to generous support from multiple funders. We actually give grants. We give thousands of hours of consulting time to help really smart journalists develop better business skills. I see one in the room. Go Verificato. Yes, you can clap for her for sure. So the Velocidad Business Media Accelerator. And for those of you who speak Spanish, in the colloquial on Sunday, we will show off some of those grantees, and the consultants, and people involved, and I will sit back with you and watch that amazing group. But here's some of the highlights of this program. So we got a nice grant from Luminate that allowed us to give about \$1,000,000 total in grants to ten media for six months of consulting support, and then six media graduated and went on for ten more months. So thousands of hours of strategic and tactical consulting, which we can talk more about the next session. And at the end of it, we found that after investing about \$700,000 in business development grants, they ended up making more than \$5 million combined over the course of the program. So that is really an impressive return that I hope starts to confirm some of the things we've learned in research, that when you help these media develop the right kinds of product and revenue for the right stage of development that they're in, you get a much better return, and you can actually move the numbers quite a bit. So my takeaway, as April likes to say, is these are what we found after four years now and multiple acceleration programs. This is kind of the key that we find over and over again. They all need help thinking more about audience and audience development. We've heard that a lot today. I absolutely agree with it. They all need help in finance and accounting. Some of them don't even have accountants. I don't know how many times I've said, "O-M-G. Don't forget the accountant." But journalists, many of us joke that we went to journalism school not to study

accounting. I can tell you today, accounting and the numbers are the story of your business and vital to understanding it. But now in our acceleration programs, we send an accounting consultant the first week to help them get their own books organized enough that they can give us financial reports. So that's vital. But here's the thing that really surprised me. Innovation in tech, obviously fundamental. Revenue development, that's what we're working for. But what we found is if you don't take care of the foundational challenges before you start product development and revenue development, you can actually hurt them. And here's the thing that surprised us across all of our accelerators. The most popular technical tactical consultant was the one who went in and did leadership training, helped them organize their teams, helped them to find rules, helped them get processes working better. It wasn't the exciting shiny money. It was the, "Help me manage my team better, and help me feel more confident as a leader." That is the thing we've seen over and over again that all of our grantees want more of. And I'll end by saying, if you like data and you think this research has been helpful, we just announced that we are in the process now of a new project in Europe. And because of the model we created with the media directory that covers 24 countries in Latin America, we have now been invited by G&I to create Project Oasis in Europe and map more than a thousand digital native media in 43 countries. And over the next couple of months, we will hire 43 researchers to work with our management team to pull that off. And with any luck, maybe I'll send one of them to present it to you next year, Rosental. Thank you so much for all you have done for us.

Felicitas Carrique Thank you, Janine. So, wow. That was a lot of learning. But, April, you talked about diversifying the business model and your strategy at the Tribune, but you also mentioned that you share your content for free. How does that return to the Tribune after?

April Brumley Hinkle So at the Texas Tribune, from the very start, we have always thought smarter Texans, better Texas. And the only way that we can share information, right, is to allow our content to be republished across a lot of Texas newspapers, broadcast. I mean, that's really the name of the game. You can't put this content behind a paywall. If people don't have access to the information, how can they take action? How can they become involved? And for us, we've always allowed other media to republish our content for free. And there's a couple of different ways they can do that. On every single feature on our site, every article, there is simply a republish button, and it is all just out there. And some pick it up off of the feed as well. But especially as we've seen the decline in legacy newsrooms, they need this content more and more. And in fact, the Texas Tribune was started because other traditional news organizations stopped covering our statewide issues. And if you know anything about Texas and Texans, it's a cohesive market, meaning we're Texans first. And it doesn't matter if you live in Dallas, Denton, or Dime Box, we all care about access to health care, public education, the environment, energy, criminal justice.

And, you know, the Tribune came in to really fill that niche. And from the very start, our model was to share. And in fact, our founders met with the editors of a lot of the daily newspapers right away, and they explained to them that you can republish our content for free. And they laughed at that. And they said, "We stopped publishing this content because Texans don't care." And they were right, except for they had it exactly backwards. Texans stopped caring about these big issues because they stopped reporting about it. And what we found originally was in the smaller areas across Texas, that those news organizations were using our content more and more. And sometimes the big city papers, not so much. And so after about five years, we earned their trust, and we earned their trust a couple of ways. First, with collaborating with them. So if we knew we were going to Dallas, for example, to do a big project, we would contact them and say, "Hey, we're

looking into this, and would you like to join us?" Because it brought really more budget to the project and more really smart people. And so on a couple of different opportunities, they said, "Yes, we want to do that." I think the tipping point was at an event actually. We were doing a public education symposium in Houston, and the premiere reporter on special needs funding for public schools was at the Houston Chronicle. And the newsroom called him and said, "We would like for you to moderate this discussion at our symposium." And he says, "Well, wait, you're going to give the stage to the Houston Chronicle?" And Evan said, "Yes." And he said, "Let me talk to my editor and get back with you." And so he came back and he said, "Yeah, we want to do it." And it's kind of like at that point forward when people used to ask me, "Who are your competitors?", I'd say, "We don't really have competitors. We have collaborators." It really started to make sense.

And I think the thing, and this is a long answer to your question, but I think that the coolest thing for the Tribune is that our content is seen by hundreds of thousands, of millions, of people across the state through these republishing partners. And in fact, at Trib Festival one year, we had the editors from a lot of the big daily newspapers on the stage, and I remember someone from the audience ask, "I understand that the Tribune allows you to republish their content. How much do you use?" And it was the editor of the El Paso paper. And he said, on average, about 5% of the content every day is from the Texas Tribune. Now, we all know not everybody pays attention to the byline, but eventually maybe they might. And then they will seek out credible, trustworthy information directly from TexasTribune.org. And one last thing is we've now come into the world also of syndication partners, which has been really great. In a relationship, for example, with Apple News is one in which we could furnish ads, but instead we had put sign ups to our email, to the Brief. The Brief is Monday through Friday and everything you need to know for the day ahead. And you know what? Just by embedding that sign in, it makes a standout statement for our newsroom, and we've seen the signups increase. So it's great for them, but it's even better for us because it's kind of this marketing halo. And it's not us just, you know, out there marketing the Texas Tribune. We're sharing resourceful, trustworthy information, and that's what they've come to count on. And honestly, we don't care where you read our content, or you hear it, or you see it, we just want you to have access to it.

Felicitas Carrique So this morning we had a conversation that mentioned this balance between collaboration and competitiveness between media organizations. And from your experience, April, it seems that collaboration kind of pays off. And I want to ask Janine, from your data, what did you find about revenue after collaborating and partnering with other media organizations?

Janine Warner Well, clearly, strategic partnerships drive revenue, drive audience. One of the things Texas Tribune does that I haven't seen a lot of other media around the world do as effectively is not just share content with other newspapers, which many journalists in digital come from newspapers and think first, "Oh, well, syndicate to newspaper." But when I see your name on the TV news, I really have a different kind of impact. And you have been brilliant at sharing your content across a wide range of broadcast partners, which I suspect is one of the keys to your success in fundraising. Because if you call me up and ask for a donation and I just saw you on the evening news, you're very familiar to me. So that to me is just evidence, number one, that those partnerships pay off, and your success speaks for itself. But at SemberMedia, our partnerships help us grow, helped us develop relationships, help us provide services that we couldn't possibly provide, especially around security, which is not our specialty, but often affects the people in our network. So we have some really powerful partners that help make that possible. And as I've often said here, and I think really true to Rosental's ethos of helping people work

together, if you're socially minded, there are no competitors. For me, there are potential allies and reasons to do something different. When G&I asked us to map Europe, I was like, "Wait, I don't know." But the first thing we all agreed we needed was partners in Europe. So now the European Journalism Center, IMS, GFMD are part of this alliance, and we're adding more. We wouldn't begin to go into Europe alone, but with them as allies, and our methodology and our team to help teach that team we're going to recruit and train, I think we might actually succeed in this grossly ambitious, wildly ambitious research project. My biggest one to date. But it's only possible because of partnerships.

Felicitas Carrique So I am going to stress this because I really want this to stick to all of us. Collaboration pays off.

Janine Warner Actually I have to challenge that a little because I've also seen partnerships fail, damage brands, and cause real problems. So I think you always have to be careful when you overhype something to at least warn of the other side. So I would say partnerships work when both parties bring something of value to the table, when they can create something of unique value together, when there's mutual respect, and they actually do what they promise each other they're going to do. When those four things come together, partnerships are brilliant. When they don't, they can actually be really challenging. So one tip about partnerships is test them small first. Think about that. And even in our partners in Europe, some of them are helping us in some ways. Others are helping us in different ways, depending on their strengths, their availability. So "all partnerships," you have to be careful of, but "partnerships done well," as I knew you would only do partnerships well.

Felicitas Carrique Well, you actually just mentioned something about trends in sustainability and trying to think of what are the new ways in which we can diversify business and increase our revenue sources. And here I wanted to ask, in the process to identify which revenue sources should be followed, how is it that both you do it at the Tribune and how do you do it at SembraMedia with the media organizations you assess?

April Brumley Hinkle So I want to go real quickly back to the last thing. It's also about impact for us. The partnerships. The collaborations. Even at the Texas Tribune, I mean, we have created an investigative unit with ProPublica. It's a whole staff of people that are focused on Texas and what's happening here. And, you know, it's an opportunity to uncover and to spend the time, really, what it takes, to bring information to the public where we can all take action, to correct what is happening that really should not be happening in our state. And so a lot of that is a lot of focus, but it does come back to also measuring impact.

So when you talk about the diversity of revenue streams, I mean, I'll start back from the very start. I mean, I mentioned the Speakers Bureau. I didn't want to run the Speakers Bureau until I realized that there was an opportunity here. So Evan came to me and said, "I really want you to do this. You know, we're being asked all the time, and you're good at asking people for money." And I said, "Okay, let me think about it." And so I went home that night. And, if you know Evan Smith, and I've worked with him for over 30 years, you don't ever want to tell him "no." So I had to figure out a way to make it a win win, a partnership, for him, money for me, opportunity in relationships. So I thought to myself the organizations that are asking our guys to speak, those are the organizations that we want messaging on our site because they have great resources. And so I said to Evan, "I will run the Speakers Bureau if you allow me to offer marketing benefits, including a speaking fee." And he said, "Do whatever you want." So I'm like, "Great." And it really worked

because it wasn't a transaction, right? It gave me the opportunity or a runway to build a relationship. And nine out of ten times, we'll renew that marketing even when the speaking session is long gone. So that was kind of a nontraditional way to get to a traditional relationship.

But we look at all different opportunities for diversification across all areas, all departments. You know, you can't do everything. So you have to decide, really, what are the solutions? What's the best way to present the content? Where is their opportunity really to drive revenue? I'll tell y'all, and I think Evan was on the stage earlier today, I didn't have the opportunity to see him, but I'm sure you'll all know that he's announced that he is resigning from the Texas Tribune. Okay. And so we see that as an opportunity. We're excited for Evan. It's the right time. He's given us 12 years of success so that we can leap forward. But before he goes, we're going to use that right to drive revenue for innovation, and capacity, and a legacy fund. And so, in a sense, it's diversifying to a different cause, but it's building back along these pillars that we already have opportunity, an interest in, and a plan for, if that make sense?

Felicitas Carrique It does. And before moving on, there's a question from the audience. One person would love to know how much the individual journalists keep versus the organization for the Speakers Bureau?

April Brumley Hinkle Oh, I'm sorry. Oh, good question. They don't get any of the speaking fee. It is all contributed back to the Texas Tribune, so it's part of their role and responsibility in representing the brand. And I have counseled other news organizations where sometimes the reporter or the editor, it's the expectation. But at the end of the day, we compensate them well, and this is part of their compensation plan.

Janine Warner I appreciate that question, but I think it's a really smart way to monetize. And frankly, most journalists don't get \$5,000 speaking fees, correct me if I'm wrong? So I'm guessing because of that, you're paying them better than they might have gotten paid. So if you're not getting that kind of speaking fee already, I think she's got a really good model.

April Brumley Hinkle It contributes to the bottom line, and it really helps all of us.

Janine Warner So at SembraMedia, as I said, you know, we found 30-some ways to make money. Okay. But let me tell you another thing we've learned, don't try and do them all at once. And that seems obvious, but one of the things about a lot of entrepreneurs is we get excited about lots of things. So we found kind of two to six revenue sources is a sweet spot depending on your size, depending on your market, depending on what's going on. And at least three seems to be really key to managing independence and writing through the unpredictability of the world, from pandemics, to economic crises, and things that we see in our work. And then because we've broken them into these tiers, we've started to understand that certain things work with big audiences and other things work with small audiences. So anybody with a blog can go copy and paste Google AdSense in and make a little bit of money. But if you've got more than a million page views and you're not in a programmatic ad marketplace and ad tech optimized, you are leaving money on the table, is a lesson that a lot of journalists need to learn, that there's a point where you graduate from one to the other. If you're really small, training programs, events, things like that. Even if there are only two or three of you, you can at least have enough revenue coming in to support the foundation and the first few years of your organization. As you get bigger, that can grow. I had a really wonderful experience this week, and I asked her

permission to shout her out. But Isabela Ponce, who's here from GK from Ecuador, I met her before I started SembraMedia, and I was already impressed by how she and her partner had founded a very small local news organization. They're excellent investigative reporters. They've broken stories. They've covered the environment. They've served communities. But they've also built a business model that works so well that the most impressive thing she said to me last night was not just that they had a solid business model, but that she's now not working all the time. She gets to go swimming at lunch. She's taking Pilates. That's right. Applaud that. Her team has grown to 25 people, and she doesn't have to work all the time anymore. This is what we aspire to.

April Brumley Hinkle Can I add one thing to that too? It makes me think about how we monetize what we're already doing. So, for example, I mentioned we talked originally about we give all of our content away to other media to use for free. That's only other media. So I also license our content, and we use that. We see it in documentary films, curriculum textbooks, the images that we produce other people use in newsletters. We've even done a music video. And one of the greatest things we've done, and probably the one I'm most proud of, is we have a licensing agreement with Pearson, and it started off small. They license some of our polling, and then we help them create an evergreen textbook for Texas government. And then we added an online learning lab, and it's a digital platform. It's a curriculum that they use. It's still an in-person course, but everything is digital. And it is powered by the Texas Tribune. And two things are of note here. So they paid us \$278,000 to use our content. We don't do anything in return other than give them access to an RSS feed. And the beauty of it is that our work, and I'm Pollyanna enough to hope this, part of the mission of the Tribune is to embrace the youth of our state because we know our future belongs to them. And by putting Texas Tribune content in the classroom, my hope is that they won't interact with our content just while they're in the course to get through, get the grade, get the credit hours, and move on. I hope that they are a Texas Tribune superfan for life. And when you think about it like that. And not only does Pearson give us \$278,000 for that, they also do \$100,000 a year just for a general licensing agreement. And again, the newsroom, we don't have to do anything except to continue to create the great content we do day in, day out.

Felicitas Carrique This leads me back to when we were speaking about diversifying, but there's caution on, "Hey, diversify, but don't try to do everything at once." There's a sweet spot. We need to be minding, and how can newsrooms avoid getting distracted with shiny new trends?

April Brumley Hinkle You know, it's funny. Not only is it shiny new trends, we have a hard time sunsetting things and letting things go. I don't know. It's like we have to stop,, evaluate. Because sometimes doing the same things that we've always done keeps us from the shiny new things that we should be doing. And so, I mean, it comes back also to a strategic plan and program and just working together across departments. But I think that that's the harder thing for us.

Janine Warner Yeah. I think one of the things we try to do is encourage journalists to test things before they dive all in.

Felicitas Carrique Product.

Janine Warner Product development. Yes. I highly recommend the News Product Alliance. And you know what I love, as you said, like product is not a new thing. But when I talk to people who work with entrepreneurs in other sectors, they act like I'm from Mars. I

literally sat next to somebody on a plane once, and I said, "What do you do?" And he said, "I work with entrepreneurs." I said, "Oh, me too." He was coming back from Mexico. I said, "Well, what kinds of things do you do?" "So I mostly have to convince these young idiots that it's not just about money." They're like, they need a product, they need a mission, they need some kind of value to get to those million dollar arenas. I said, "Wow, I spend most of my time convincing journalists they need to make money, and that money is not evil, and not a corrupting force." And he said, "Who are you?" So what are the things that you have as strengths as journalists? It is that you are fantastic researchers. So don't jump on the shiny new object. Study the heck out of it. The first time I won a grant, Google taught me how. The first time I sold advertising, at my first startup in my twenties, I went out and studied what other people were doing, I picked up the other newspapers, and I called everybody in there till somebody actually took my call. As a journalist, I learned everything I needed to be an entrepreneur. I just had to dedicate the time and not just jump into things headfirst. But sometimes people give up too fast. Sometimes they don't test enough. Iterate, iterate, iterate, and be really careful not to dive into, "oh, we're going to do membership and make millions of dollars," if you have 10,000 people in your audience. You probably don't have enough people to make that work very well. And that doesn't mean you shouldn't be thinking about it. If you have a unique audience, maybe you have a special opportunity. But most people who are successful at membership have, what's your monthly traffic?

April Brumley Hinkle Oh, we average 4 million individuals every 30 days.

Janine Warner Yeah. So once you get to that category, membership works a lot better.

Felicitas Carrique And it's 10%.

April Brumley Hinkle Yeah. One other thing, too, I thought this was always fascinating, is pre-COVID. I mean, I've been out of the office and away from the newsroom for a couple of years. Our office has reopened, so I've really decided to kind of hang out around the edges. But one of the things I thought was super cool is that if a reporter had an idea to do a project and they just couldn't get it out of their head, I remember Emily Ramshaw, would say, "Okay, well, let's work through this." And one of the things she did was to charge them to find funding for that project. And some of the coolest relationships that we have for funding, really start in the newsroom. And I'll give you a couple of examples. So we worked with the Pulitzer Center for Crisis Reporting to do a project, and it was really fun because that led to bigger relationships. So they were at Festival, and one of the things is when they find these projects, they also fund curriculum, and teachers can access it for free in the classroom. And at the Texas Tribune Festival, we offer a special badge for educators. And so we were able to identify who those educators were at the Fest, and so we pulled together a private experience just for teachers. And it was amazing. And just the yak. You know, the yak from teachers at the Festival from all corners of our state went home and told other teachers. And I mean, it was just super special, right. It started in the newsroom, but we were able to bring it back to make it a win win for the Pulitzer Center and our Texas teachers. I know we're running out of time, and you probably have other questions.

Felicitas Carrique So we are actually running out of time. So I wanted to ask you both for just one advice you would give to media organizations just starting to figure out better business models. Only one.

April Brumley Hinkle I'll go first. Easiest question of the day. RevLab at the Texas Tribune. I'm serious. Because for the last 12 years, we were doing this counseling, one on

one, on one, and we actually thought about that as a revenue stream. But we had day jobs, and we didn't want to get professionally serious about it. And so we just continued to take people's calls. People came to the Tribune, and then we did a project with Facebook, an editorial project that we asked them to fund, which actually turned into the funding behind the RevLab. And now we have Emily and her team, and they are super focused. I mean, I love it when people email me, and I just send it RevLab@TexasTribune, RevLab@TexasTribune. But seriously, that's their full-time, 24/7 job. And they help newsrooms that are starting out and ones that are super advanced too, so RevLab at the Texas Tribune.

Janine Warner I second that. And certainly I would encourage you to explore the resources that SembraMedia and many other places. But I'm going to have a really different answer. I'd say be kind to yourself and your teams. I see so many entrepreneurial journalists so driven to serve their communities, they risk their lives, their livelihoods. And I just sometimes want to grab you and hug you and say, "It's going to be okay. What you do matters. We're here to try and help you. But your life matters too. Your family matters too. And your team deserves all the help they can get." And I hope all of you will join me in that sentiment and the support of the incredible journalists that we see stepping up and taking this on. Thank you, Feli. Thank you, all.

Felicitas Carrique On that note, I want all of us to give a clap to April and Janine. Thank you so much for all you shared.