YEAR 1 IMPACT REPORT

COHORT 1 & 2 PUBLISHERS, KNIGHT X LMA BLOOMLAB, 2022-2023
MEET THE TEAM

JOHN CELESTAND

John brings a wide range of experience, including journalism, public broadcasting, program management, community engagement, business development and much more.

APRYL PIOLLLI

Apryl is a neurodivergent technology, content, and marketing expert who started at age 16 in the local media industry. Her career has included numerous product roles in sales, content and marketing.

ROBERT WALKER-SMITH

Robert is an accomplished sales executive with a strong background in audio, digital, and print solutions. He has managed sales teams to drive revenue growth across audio, digital, events and social in medium to large-sized markets.
STRATEGIC IMPERATIVE

For our work in the Knight x LMA BloomLab to be successful, we will grow BloomLab publishers' audience footprint by 20% and nonprint revenue by 50%. We will create a path to transform into digital-first, world-class journalistic media companies where Black audiences engage. We believe that this strategy will foster independence and sustainability."

— Robert Walker-Smith, Digital Revenue Director
EXECUTIVE SUMMARY

OVERALL
The Local Media Association launched the Knight X LMA BloomLab in February 2022 with $3.2 million in funding from the John S. and James L. Knight Foundation to drive sustainability for Black locally owned and operated media.

- Each publication receives a technology stipend of up to $50,000.
- The BloomLab team is currently working with 18 publishers (Cohort 1 with 10 publishers and Cohort 2 with 8 publishers) across 14 states and the District of Columbia.
- The BloomLab Directors, LMA staff and outside evaluators are reviewing applications to help select the final eight publishers for Cohort 3 of the Lab. This will bring the total publisher number to 26.
- Over the last year, Cohort 1 publishers have added 17 new positions to their organizations.

REVENUE
The publishers drove 21% overall revenue growth year over year for cohort 1. Key results include:

- Print revenue growth of 4% — despite industry forecasts of print revenue decline.
- Explosive digital revenue growth of 133%, from accelerating and/or improving digital solutions.
- Growing philanthropic dollars by 52% from national and local organizations that supported journalism, as well as organizational improvements.

AUDIENCE
Last year was a tough year for digital audience metrics across the industry. According to Poynter Institute for Media Studies research, local news publishers saw a 20% overall decline in page views in early 2022. For the BloomLab Cohort 1, key performance results include:

- A 14% decrease year-over-year in page views and users for the entire cohort — 6% better than the industry overall. And the publishers that implemented BloomLab technology and audience best practices for search, email, and social saw a 47% increase in page views and a 25% increase in users.
- Overall, users referred from social and news aggregator sites declined. But key users from email, direct, and search channels were up 4.54% — 28% for those organizations that implemented best practices.
- A significant sign that the publishers were trading quantity for quality is the increase in reader revenue generated through publishers websites. It grew by a whopping 99% year-over-year.

TECHNOLOGY
The lab identified three areas in which technology could aid the publishers' sustainability: audience growth, revenue growth, and/or improved workflows to save time. Key technologies and learnings included:

- Stipends to access new technology are not enough for publishers with limited human resources. The lab provided much needed expertise in vetting partners; negotiating with providers for up to 85% cost savings; and assistance with implementation, onboarding and optimization.
- Key technologies implemented included content management system upgrades, reader revenue technologies, email service providers, video solutions, Google Ad Manager setup and CRM systems.
COHORT 1

- AFRO AMERICAN NEWSPAPERS (BALTIMORE)
- THE ATLANTA VOICE
- DALLAS WEEKLY
- HOUSTON DEFENDER
- MICHIGAN CHRONICLE
- NEW YORK AMSTERDAM NEWS
- SACRAMENTO OBSERVER
- SEATTLE MEDIUM
- ST. LOUIS AMERICAN
- WASHINGTON INFORMER

COHORT 2

- THE BALTIMORE TIMES
- BLACK VOICE NEWS
- THE CINCINNATI HERALD
- DALLAS EXAMINER
- QCITY METRO
- MIAMI TIMES
- THE PHILADELPHIA TRIBUNE
- THE VOICE (KANSAS CITY & WICHITA)
INTRODUCTION

Black newspapers have a long and storied history in the United States. The first Black newspaper, Freedom Journal, was launched on March 16, 1827. It focused on liberation and rights, demonstrated racial pride, and informed readers of events affecting the Black community. From the early days of the Black press, when newspapers were often the only source of information for Black people, to today, when they provide news and information often overlooked by mainstream media, Black newspapers have played a vital role in the community.

Advances in technology, however, have created challenges to the future viability of many Black newspapers. In response, the Local Media Association launched the Knight x LMA BloomLab, with $3.2 million funding from the John S. and James L. Knight Foundation, to help Black newspaper publishers grow their nonprint revenue by at least 50% and audience by at least 20%.

An initial cohort of 10 Black newspaper publishers came together to create a path to transform into digital-first, world-class journalistic media companies where Black audiences engage. The BloomLab provides publishers with access to technology, expertise, and resources to help them make the transition to a digital-first model.
The BloomLab team has engaged with publishers in a variety of ways since March 2023, including one-on-one consultations, twice-a-month web conferences, technology and revenue trainings, and site visits. The BloomLab directors have disseminated valuable information, tools, resources and best practices to the publishers and their staff. One-on-one consultations with the BloomLab team mainly focus on each organization's publisher or CEO. Group web conferences give publishers a chance to connect with other cohort members via Zoom while also providing opportunities to learn from industry experts who sometimes attend as guest speakers.

The BloomLab directors have also conducted more than 50 trainings with publishers and their staffs on topics such as search engine optimization, Google Analytics, reader revenue, social media strategy and monetization, overcoming sales objections, effective leadership for managers and supervisors, tips to effectively manage LinkedIn for sales leads, creating effective media kits and much more.

The 12 in-person site visits conducted by the BloomLab directors have been among the most valuable touchpoints. During these visits, the team has provided in-person training, performed team-building exercises, assessed organizational culture and capacity, and provided in-person sales and technology training and support.
REVENUE IMPACT

2021 VERSUS 2022 REVENUE DATA FOR COHORT 1

- 21% TOTAL REVENUE GROWTH
- 4% PRINT REVENUE GROWTH
- 133% DIGITAL REVENUE GROWTH

- 2X INCREASE IN DIGITAL SHARE OF TOTAL REVENUE
- 11% DECREASE IN PRINT SHARE OF TOTAL REVENUE

LOCAL MEDIA ASSOCIATION REPORT    |    KNIGHT X LMA BLOOMLAB    |     JUNE 2023
Digital revenue grew 133% overall, with direct-sold digital growing 116%. Digital revenue from LMA's Word In Black initiative helped expand this revenue stream, contributing to overall results. Some publishers experienced digital revenue gains as high as 723%, with several publishers in the high 200% range. Only one publisher experienced digital revenue decline — and in that case, many of the BloomLab recommendations remain in early stages of implementation, leaving upside for future growth.

Overall digital revenue grew by $1.5 million for the 10 Cohort 1 publishers. Cohort 1 publishers also doubled digital revenue share of their overall revenue mix — from 7% to 14% across the group, year-over-year.
While subscriptions (print, generally) have been an existing revenue stream for Cohort 1 publishers, donations are relatively new to them. Achievement of a robust reader revenue model remains a top priority — and the approach is to develop the attitude, technology, and skills needed to sustain reader revenue models.

For Cohort 1 publishers who participated in reader revenue initiatives, their efforts resulted in a 133% increase over 2021 results. Overall, Cohort 1 publishers experienced a 5% decrease in reader revenue, or $14,000 on a dollar basis. Our efforts in the BloomLab continue to focus on reader revenue opportunities for the entire cohort. We see further opportunities to leverage technology that will improve user experiences of publisher websites, resulting in stronger trust, audience loyalty and data analytics to help deliver relevant content.
Journalism funded by philanthropy can be a means for social impact and systemic change. Cohort 1 publishers experienced substantial growth in philanthropic dollars in 2022, via direct contributions as well as participation in Word In Black, a news and business collaborative led by LMA aside from the lab itself.

Collectively, Cohort 1 publishers saw direct philanthropy grow by 25%, while Word In Black philanthropic efforts resulted in 179% growth in publisher revenue from philanthropy vs. 2021. Total philanthropic funding collected by Cohort 1 publishers exceeded $2 million in 2022.
Print revenue (all sources) for Cohort 1 publishers remained strong against newspaper industry benchmarks. While national forecasts for newspaper revenues were projected to decline 12-15% year-over-year, Black newspaper publishers in the Knight x LMA BloomLab grew their print newspaper revenue. Of note: Results were driven primarily by local direct print buys. Direct print ad revenue increased by 10% while national print buys declined by 38%. Overall, print revenue grew 4% with direct print revenue leading the way at 10% growth. On a dollar basis, direct print revenue increased by $1 million for Cohort 1 publishers.

Even as the dollar amounts grew, print's share of Cohort 1 publishers' total revenue declined — testament to the rapid growth of digital and philanthropic revenues. Print accounted for 76% of overall revenue in 2021, but in 2022, only 65%.
**TOTAL REVENUE**

2021 VERSUS 2022 REVENUE DATA FOR COHORT 1

- **$15.8M** 2021 REVENUE
- **$19.1M** 2022 REVENUE
- **$3.3M** YEAR-OVER-YEAR REVENUE GROWTH
- **21%** TOTAL REVENUE INCREASE

### 2021 REVENUE MIX
- Reader Revenue: 1.7%
- Philanthropy: 8.6%
- Digital: 7.1%
- Other: 6.8%

### 2022 REVENUE MIX
- Reader Revenue: 1.3%
- Philanthropy: 10.8%
- Digital: 13.7%
- Other: 9%

Print: 75.7%

Digital: 65.1%
Technology Implementations

To date the lab has:

- **Negotiated discounts**: More than $1 million in savings on technology.
- **Ensured use of nonprofit deals and discounts**: Including $10,000 monthly in Google Ads.
- **Website migrations and redesigns**: Four publishers completed; two in progress.
- **Email service provider and reader revenue customer management systems implemented**: Seven publishers completed; three in progress.
- **Google Ad Manager audits, training and optimization**: 14 publishers completed; two in progress.
- **Google Analytics 4 accounts setup, trained and implemented**: 15 publishers completed; one in progress.
- **Dashboard and reporting tools setup, trained and implemented**: 10 publishers completed.
- **Social media automation tools, trained and implemented**: Nine publishers completed; two in progress.
- **Self-service ad and audience tools for events and business directories, trained and implemented**: Nine publishers completed; two in progress.
- **Sales and content workflow and project management tools trained and implemented**: Seven publishers completed; two in progress.
- **AI, Video and Finance tools implementations**: Two publishers in progress.
- **1:1 consultations and implementation meetings**: 504 hours.
- **Total migrations, implementations, new solutions and/or bug fixes**: More than 150.

The lab’s technology director has “cut deals for BloomLab I never thought possible,” said Glenn Burkins from QCity Metro, part of Cohort 2. “I should take her to negotiate my next car purchase. I’ve lost count of how much it has saved QCity Metro.”
A TALE OF TWO WEBSITES

A good website is a news publisher’s most important digital asset. With it, a news team can distribute content, connect with readers and build brand awareness. A well-designed website optimized for mobile performance allows news publishers to attract new readers, grow audiences and boost advertising revenue. In BloomLab, during our technology audits at the beginning of each cohort, we focus on the website because of its importance. Good user experience, intuitive interface design and fast mobile performance are all table stakes for digital publishing today.

To date, six publishers used their technology stipends for website server migrations, redesigns, and site-speed performance improvements. Five of the six chose to use Newspack, an all-in-one content management solution for small publishers.

The sixth publisher, The Seattle Medium used the Local Media Consortium’s Digital On Demand Services to find a web development company with newspaper experience. DODS is a new program to provide local media companies with broad, lower-cost access to strategic consultants, developers and technical resources to help accelerate digital growth.

However, the common thread between all the BloomLab website upgrades is that they are all built on WordPress. It remains the most flexible and cost-effective platform for smaller publications.

Here are two case studies that detail the migrations for The Seattle Medium and QCity Metro.
- **Location:** Charlotte, North Carolina
- **Type of Publication:** Digital Only
- **Old CMS:** Open-source Newspack
- **New CMS:** Managed service Newspack
- **Goals:**
  - Update the UX and UI design of the site
  - Merge news and lifestyle site into one rather than two sites
  - Increase the website speed & performance
  - Fix bugs and errors in website functionally to improve the QCity's workflow
  - Transition from Memberful to Newspack's built-in reader revenue tools and reduce technology fees
  - Build newsletters in the CMS instead of the email service provider
  - Maintain self-service revenue for job listings, events and business listings
- **Why Newspack:** QCity Metro's familiarity with the Newspack platform through the open-source (aka free) version, their need for numerous features already built-in to that solution, the cost-effective pricing, and top-notch support made the decision easy. Newspack covered all bases and allowed QCity Metro to improve their workflow, grow revenue and improve performance.
- **Publisher feedback:** "As we begin migrating to the new website, features and solutions began to come alive that previously hadn't worked like the alien spaceship in Independence Day," said Glenn Burkins, founder, and publisher of Qcitymetro.com. "Newspack is one sweet platform. They have thought of everything."
The Seattle Medium

- Location: Seattle, Washington
- Type of Publication: Digital and print
- Old CMS: Wordpress hosted by Host Gator, managed by the Seattle Medium
- New CMS: Wordpress hosted by WP Engine managed by MIDTC
- Goals:
  - Improve the site speed and performance
  - Migrate website to a better server with premium performance, enterprise-grade security, and priority support
  - Leave website design and functionality as is
- How Local Media Consortium’s Digital On Demand Services helped: Finding the right website development team can be harder than finding a soulmate, and just as time-consuming. You have to sort through many frogs to find your prince. The LMC’s DODS Program made this easy as it preselected only princes, so we could concentrate on choosing the right fit for our project. In this case, our prince was MIDTC.
- Why MIDTC: MIDTC was a perfect fit because of their extensive experience working with print publications. They were familiar with all the technology, knew immediately how to improve the site and could provide a custom-solution tailored solution for Seattle’s needs. Better yet, in a couple months we have seen a 30% improvement in the site’s Google PageSpeed score.
- Publisher feedback: "The process has been awesome!" said Chris Bennett, editor and publisher of the Seattle Medium Newspaper Group. "We didn't want a lot of design changes, but we wanted to supercharge our website. They have solved quite a few issues to set us up long-term for tremendous success."
OPTIMIZING AD MANAGEMENT

The Washington Informer

- **Location:** Washington, DC
- **Type of Publication:** Digital and print
- **Technology Pain Point:** Maximizing ad inventory and performance for clients’ campaigns
- **Goals:**
  - Increase ad density across mobile and desktop
  - Maximize direct-sold inventory and deprioritize house ads and programmatic ads
  - Maintain industry standards for viewability
  - Deliver in full on all client sales campaigns
  - Deliver 100% share of voice ads on branded content and sponsored content sections.
- **Why Google Ad Manager (GAM):** While the BloomLab leans towards simple-to-use technologies for the lab participants, GAM is the industry standard for publishers because it offers a comprehensive set of features and tools that help publishers manage their ad inventory, sell their ads, and track their ad performance. Additionally, it protects publishers' ad inventory from fraud and abuse.
- **Solving the pain points:** For small and medium publishers, GAM training and ad operations best practices are essential. We set up training and audits for the Informer and 13 other publishers to maximize ad delivery and optimization. Additionally, BloomLab facilitated weekly ad ops calls between sales and digital operations to build the habit of checking and optimizing performance for live campaigns. The result has been decreased ad errors and increased performance for many clients leveraging the Informer's digital solutions.

Ron Burke, director of advertising and marketing, Washington Informer

"The BloomLab's technology director helped The Washington Informer raise the level of effectiveness as it pertains to our sales and ad ops operations.

"She has personally worked with us to make sure we are inputting everything correctly into our GAM which means that we are better able to deliver what we sell and be able to receive accurate reporting.

"Her efforts have translated in to greater efficiency which have helped an increase in sales opportunities and greater revenue!!!"
The New York Amsterdam News

- **Location:** Harlem, NY
- **Type of Publication:** Digital and print
- **Technology Pain Points:** Improving the technology and workflow around the publication’s DOS-based classified technology system.
- **Goals:**
  - Upgrade classified technology to a non-DOS-based system with cloud data storage that can work on Macs and PCs.
  - Add features like an online self-service interface to take, bill, and paginate self-service legal notices and general classifieds.
  - Ability to integrate or efficiently interface with QuickBooks.
  - Customer relationship and order management systems to help scale digital sales efforts.
- **Why Column:** The existing technology for classified and public notices is extremely antiquated across the industry. We did a 12-month search to find the right solution that used contemporary technology. As Column’s website says, "When technology works, it takes something difficult and makes it easy." That is what we want for every BloomLab technology solution.
- **Why Newspaper Manager:** Though Column provides an excellent solution for legal notices, Amsterdam still needed a solution for other classifieds and a CRM system to track sales. We found Mirabel Technologies’ Newspaper Manager to be a great fit. It solved the classified and CRM needs and offered billing, reporting, ad operations and pagination solutions for classified and print display. Not only did it ease the pain points for Amsterdam’s weekly print edition, it also offered digital ad solutions management.

_Siobhan Bennett,_
 chief revenue officer of
New York Amsterdam News

"The funding and technical support the Knight x LMA BloomLab has provided accelerated our advertising revenue and productivity growth with existing staff. That has helped assure Amsterdam News’ long-term sustainability.

"With our first-ever CRM and streamlined multi-department print, digital and classified advertising platform [Newspaper Manager] plus cutting-edge legal and LLC software [Column], we have powerful revenue growth platforms that optimize our staffing."
READERS WANT TO SUPPORT BLACK PUBS

EIGHT COHORT 1 PUBLISHERS

- **Type of Publications**: Digital and print
- **Technology Pain Points**: The reader revenue technologies across these publishers were complex and challenging to set up and manage. Additionally, many publishers needed key messaging to support their mission and goals to grow reader revenue and newsletter audiences.
- **Goals**:
  - Increase newsletters and first-party data collection
  - Improve messaging for donations of support and subscription purchases.
  - Ensure a frictionless process for readers to donate or subscribe
  - Increase reader revenue
- **Why BlueLena**: BlueLena is more than a technology. It is excellent services on top of powerful tech. Not only does it offer a powerful e-mail service provider with great automation and rich data profiles, but the team also knows how to implement those tools for small newsrooms and ensure their readers understand how and why they should support these publishers financially.
- **Results**: It is still early, but papers such as the AFRO-American Newspapers have seen incredible growth in reader revenue. Across the board, they have seen more than 20% in newsletter signups.

Dana Peck, digital solutions director of AFRO-American Newspapers

“The support from the BloomLab has been invaluable. The subject matter experts are like extended staff members. I meet monthly with the technology director, Apryl, to assess technology, work through roadblocks and update our processes.

“One of the greatest benefits is having someone work with me to vet tech vendors in this ever-dynamic world of technology to increase our reader revenue and streamline processes.

“We’ve realized significant success in reader revenue with a reported $29,000 increase from last year to this year!”
Since April 2022, the BloomLab team conducted 12 in-person site visits covering both Cohort 1 and Cohort 2 publishers. The visits have served as valuable learning experiences for the publishers, their staffs and the BloomLab team. The BloomLab team provided on-site training on technology tools and resources, digital revenue and organizational culture.

"For the Baltimore Times team, the site visit offered our staff the opportunity to learn more about how our participation in the BloomLab would be transformative for our publication," said Paris Brown, associate publisher at The Times. "Meeting the BloomLab team of experts in person inspired our confidence and ability to plan and execute campaigns to increase our digital revenue and product offerings."

For some organizations, the visits were coupled with "Smart Marketing" seminars where publishers invited current advertising partners, potential clients and community partners to learn more about their organizations, communicate valuable learnings they have gained from their participation in the BloomLab, and reintroduce and rebrand their organizations within their local communities.

Although virtual consultation and training have been valuable tools for the BloomLab team to disseminate information to publishers, nothing replaces face-to-face human contact.

"The on-site visit improved our communication with the three directors from BloomLab who are working with our staff," said Mollie Belt, publisher and CEO of The Dallas Examiner. "The hands-on training was beneficial in learning new technology and getting to know the BloomLab team personally, making all the staff more comfortable reaching out for assistance."

**SITE VISITS CONDUCTED**

- Afro American Newspapers
- Atlanta Voice
- Baltimore Times
- Dallas Examiner
- Dallas Weekly
- Houston Defender
- New York Amsterdam News
- Philadelphia Tribune
- Sacramento Observer
- Seattle Medium
- St. Louis American
- Washington Informer
The BloomLab team designed Smart Marketing Seminars to help publishers inform business owners on how to raise brand awareness and grow their businesses through their respective print, digital and social solutions. The team led these seminars with Houston Defender, Dallas Weekly, The Sacramento Observer and The Seattle Medium.

"We hosted an event, ‘Observer @60: Engaging a New Black Consumer’ at the Golden 1 Center," said Larry Lee, publisher and president of The Sacramento Observer. "During that event, we reintroduced The Observer to existing and potential partners to illustrate the advances we have made as a news organization. We were also treated to fantastic presentations from Apryl and Robert about technology and marketing trends. Attendees were very impressed with the event."

Key benefits:

- BloomLab publishers shared up-to-date trends in audience, digital, marketing, media, technology and information on today's consumers and how to keep them loyal.
- Information provided on growing revenue in a challenging environment and the importance of consistent advertising during any economic environment.
- Gave in-depth information on Black media's competitive advantages and how combining print, digital and social is a winning combination.
Knight invested in Black-owned local news outlets and the BloomLab because of how deeply the community trusted them. Local news organizations can provide continuous reporting on the most pressing topics — education, health, jobs, voting — when their businesses are rock solid.

The BloomLab powers local news outlets with coaching and effective technology to guarantee a better reader experience, an increase in reader revenue, and more meaningful community reporting.

Karen Rundlet,
senior journalism director,
Knight Foundation
SUPPORT LOCAL JOURNALISM

The Knight X LMA BloomLab is one of the essential programs the Local Media Foundation provides to support journalism through a range of initiatives designed to create sustainable business models for local news. We welcome support for all our programs and initiatives.

givebutter.com/LMF