



Paper to Persona to Payment: *Could a public-benefit collaboration sustain journalism – and privacy – in a new market for digital information?*

Vermont Journalism Trust
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JOURNALISM
that matters



Reynolds Journalism Institute



Ideas. Experiments. Research. Solutions.



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What we'll cover

- *Insights from 85+ interviews since June*
- *Situation analysis / point of view*
- *Paper to persona to payment*
- *Opportunities / the platform solution*
- *Information Trust Exchange idea*
- *Your different / complementary ideas*



Situation overview

CONSUMER

- *Information abundant, attention not*
- *Need for curation, convenience, trust*
- *Worries about privacy / identity (Pew study)**

PUBLISHER

- *Pay: Ads no longer mass; not sufficient*
- *Tech “platforms” innovate, dominate*
- *‘Persona’ becomes shareable, portable*

* -- <http://www.pewinternet.org/2014/11/12/public-privacy-perceptions/>



MEDIA REACTION TO \$\$\$ PROBLEM

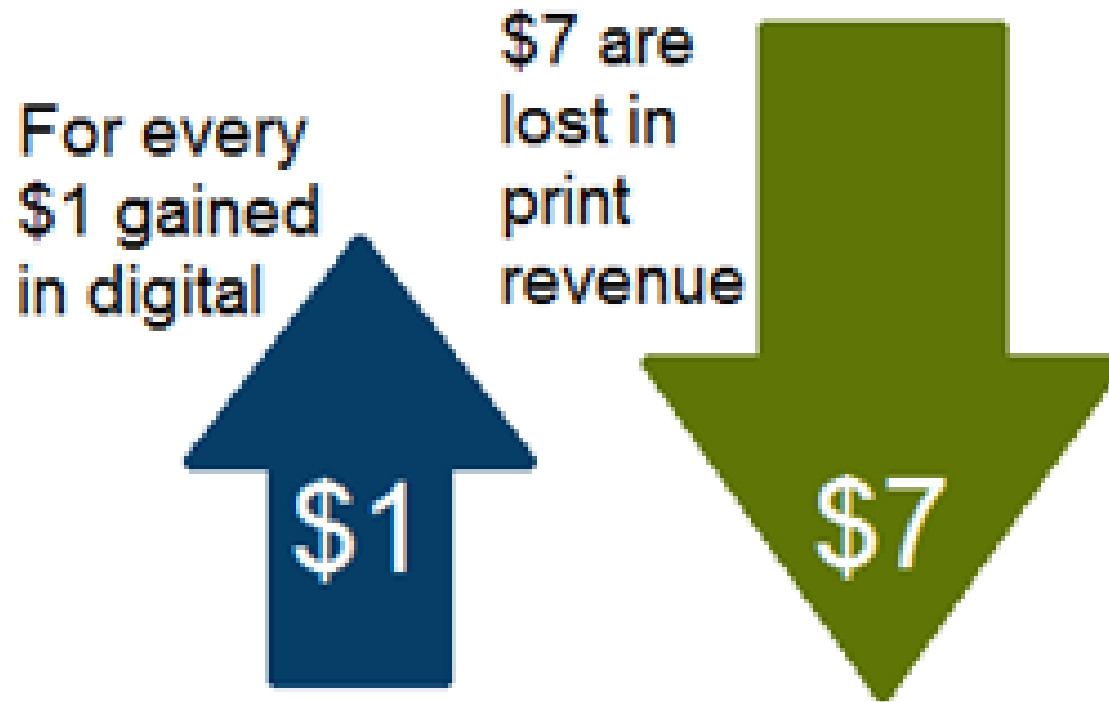
- Culture impedes collaboration (Winter, others)
- First reaction: Cut, cut, cut
- Protect print content; harvest value
- Pursue mass-market digital advertising
- Embed brand/content with social networks
- Try to drive “eyeballs”

AND AMID IN A SEA OF INFO, A PROBLEM!

Digital ad revenue elsewhere

relatively few pageviews . . . and

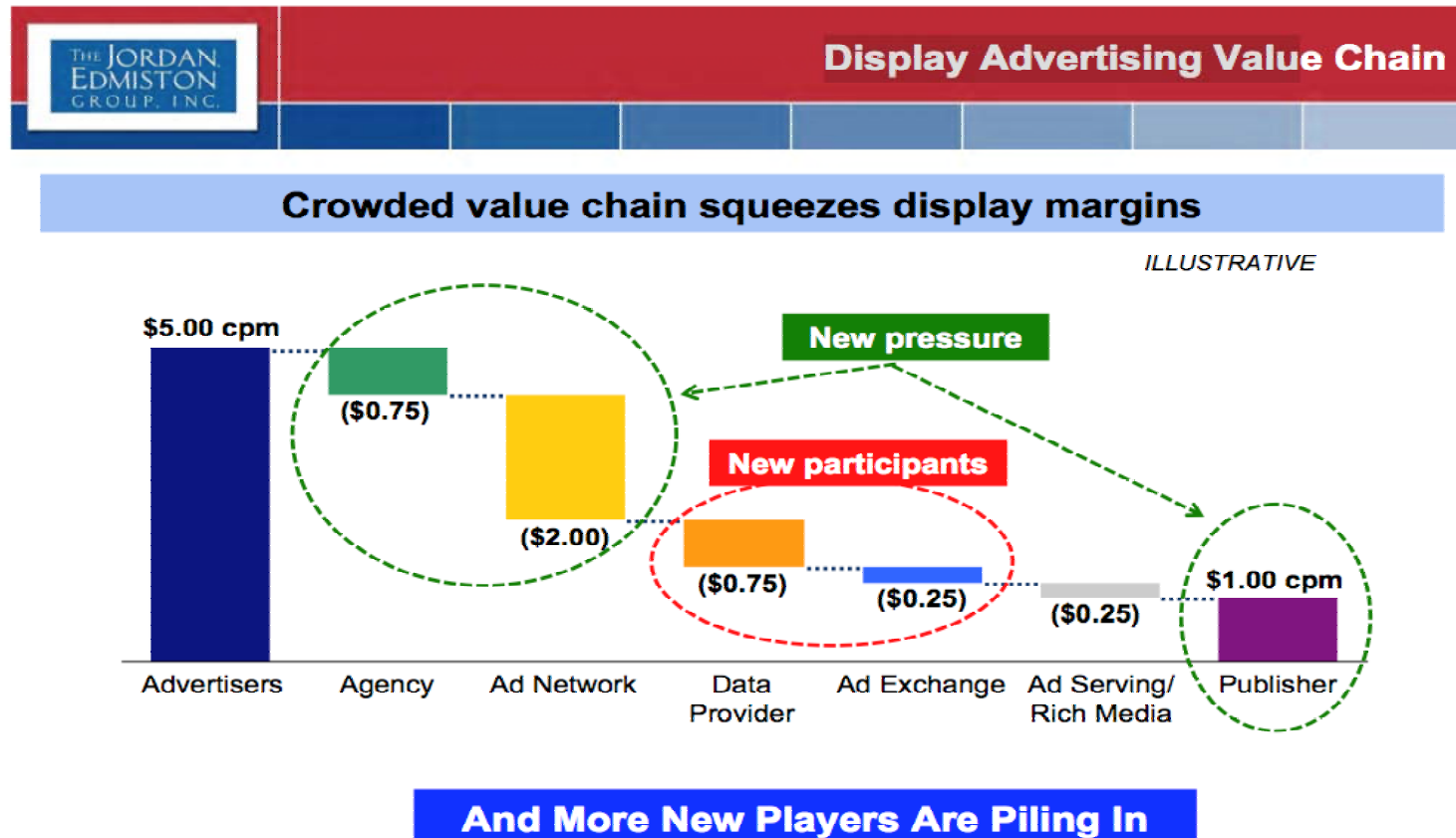
Digital Gains Don't Make Up for Print Losses



Identity consequence



The CPM squeeze



Source: JEGI estimates

2010 IAB Innovation Days @ Internet Week

11

Source: <http://www.slideshare.net/tkawaja/luma-display-ad-tech-landscape-2010-1231>

Identity



Today's "identity" ecosystem

Display Advertising Technology Landscape





Participation: End of advertising?

- Marketing increasingly one-to-one, permissioned
- Social recommendations paramount
- Vendor-delivered direct: Publisher bylass?
- What is your attention worth? To whom?
- Upending marketing: Project VRM
- Privacy big issue (as noted)



Democracy implications



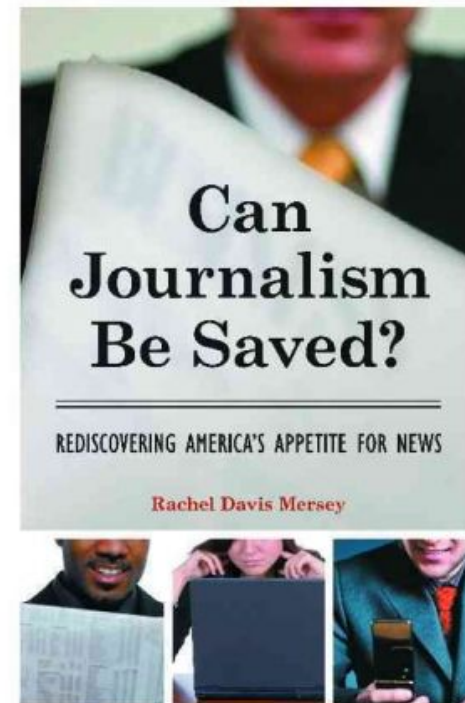
- Mass market reach fading
- Increasing polarization
- Ability to create affinity “on the fly”
- Instant feedback / Census vs. sample
- RESULT: Faster, less filter
- Need new gatekeepers; “infovalets”?

What business is at stake?

- *Annual household media spend: \$1,292*
- *Not including ad revenues*
- *Includes newspapers, periodicals, books, cable, pay-per-view, Internet access, film and music* (source: U.S. Statistical Abstract)
- *\$147.3 billion in 2009*
- *How much to sustain journalism?*

Journalism: Always about trust

- Same as always, new medium
- Focus on individuals and their communities
- Understand their networks / needs
- Earn their trust
- Then they will 'eat vegetables' (civic journalism)



Rachel Davis Mersey



RJI RESPONSE:

Assess APPETITE for

COLLECTIVE ACTION by news industry

and RELATED FIELDS

To help PUBLIC, DEMOCRACY

FINDINGS



Seeding questions for interviews

- Could non-profit collaboration to share tech, users, content help with info sales?
- Could it provide public with more trustworthy info choices, and better privacy control
- Is organizing such an effort feasible now?

FINDINGS



#1 - Interview highlights / findings

- Significant offers to help; unsure of depth
- At least 25 opt in to steering committee
- Hunger, yet doubt about leadership
- Ad-tech way ahead of content-tech; possible opportunity
- Universities, 'platforms' ahead of single-sign on, identity management

FINDINGS



#2 - Interview highlights / findings

- Rebundling – old to new (‘atomized’)
- Challenge is culture not technology
- Past failures involved equity conflict
- Optimism about academic leadership:
if it can move fast enough
- Concern re antitrust muted; solvable

FINDINGS



Initiatives to watch

- SECURITY/ID – SAML/Shibboleth / 100 universities
- CONTENT – Public Media Platform / WashPost
- COMMERCE – DigiTrust / track w/out cookies
- IDENTITY – Knight-Mozilla / NYT-WashPost
- PAYMENT – MediaID, Blendle, ApplePay, TinyPass, Piano Media/Press+, (Clickshare)

FINDINGS



Six key challenges

- A culture of independence, not collaboration
- Focus on manufacturing, product, airtime
- Advertising competition, confusion and fraud
- Audience migration to multiple platforms, niches
- Relatively little traffic to home pages
- Lack of shared identity system; Facebook Connect

FINDINGS



Six key opportunities

- Secondary issue – how to get paid
- Create topical communities, esp. for millennials
- Establish privacy/trusted-info standards for users
- Use ad-exchange tech to price/sell content
- Exploit the promise of personalization
- Share users and revenue
- Create an alternative to Facebook Connect

FINDINGS



So who's problems needs solving?

USER PROBLEMS – Primary

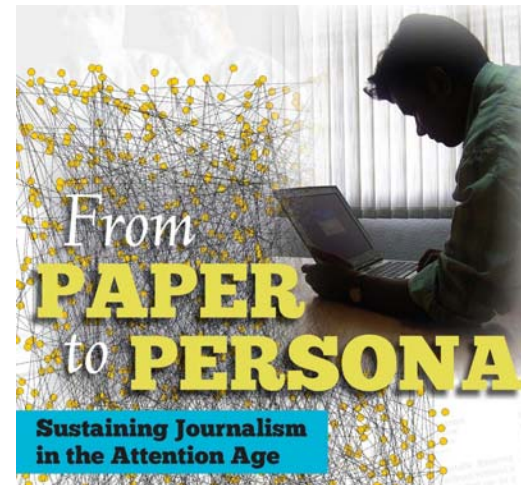
- Attention deficit, bundling, trust, privacy
- Confusion: Gravitate to “walled gardens”
- More informed (quantity) but less informed (quality)?

PUBLISHER PROBLEMS -- Secondary

- Revenue, reach
- What sustains journalism in this environment?

RJI efforts

- InfoValet Project – 2008 → ongoing
- Problems observed at 2007 MIT meeting
- Series of RJI-sponsored meetings since 2008
- TEXT/VIDEO:
<http://www.ivpblueprint.org>
- ‘PaperToPersona.org’ white paper Aug. 2011





Key insights from research

- Info scarcity now info overload
- Citizens are hemorrhaging personal info
- Others are profiting from it
- Citizens need to gain control of that info
- Maybe there's a role for media companies to help them manage it and profit
- What's that relationship look like?



Elements of infovalet relationship

- Community / sense of belonging / appreciated
- Personalization / the digital “me”
- Experience leading to knowledge not just data
- Public or non-proprietary information discovered or collected in new and insightful ways that leads to unexpected insight or knowledge.
- Services that deepen relationships, make our day go faster or more easily, or give us exclusive or empowering knowledge.
- Services that allow us to make money or save money.



In network, what do we think consumers want?

- TRUSTWORTHINESS – Community newspapers still have credibility in their community
- ACCESS – White noise to channels; the deep web
- IDENTITY CONTROL – Persona, privacy, content, personal
- VALUE – Equitable exchange – (InfoSeek /Yahoo/ Google, Flickr/YouTube, MySpace/Facebook, Newspaper/iPad-tablet/InfoValet)

CONCLUSION

InfoValet 



News as service -- not product

- Paper merely one delivery system
- Helping user discover, access info from anywhere
- Creating a conversation, community ... network
- Not just about the story; smaller, larger remix
- Convenient, simple access and value exchange
- The news social network . . . TRUST

NEW AGENDA



New news organization goals

- CORE: Sustain, morph journalism
- Make the market for digital info
- Managing profile, info overload
- Deep personalization
- Beyond silos: “Easy pass for info”
- Brokering TRUST

From gatekeeper to ... “infovalet”?

- Curator, advisor, agent, broker, concierge
- Help find, assemble “atomized” personalized info
- Extends traditional newspaper function
- But . . . Missing piece: A way to get paid

But . . . Shoot! Roadblock!

Who are the identity infovalets now?

THE PLATFORMS

NEW AGENDA



WHO ARE THE PLATFORMS?

- Google ID / signon
- Facebook ID / Connect
- Yahoo, Amazon, AOL
- Tech innovation overruns content cos.



Facebook knows us / Atlas

ays. because you really want to. And do it with a smile all the time." weren't such a litigious society," she says.

Facebook boosts Groups, unveils Deals

New feature lets users share experiences, save money when shopping

By Jon Swartz
USA TODAY

SAN FRANCISCO — Facebook announced refinements to its social-networking site Tuesday.

The company upgraded its Facebook Groups feature and unveiled Facebook Deals, which is designed to let the site's 500 million users easily share their shopping experiences with one another, and save money in the process. Users can buy the deal with a credit card, share it or like it.

Deals is making its debut in San Francisco, San Diego, Austin, Atlanta and Dallas. (After testing for an unspecified period, it will become available in other cities.)

In November, Facebook introduced a

service for check-in deals.

"This announcement is all about bringing people together," says Facebook's Emily White. "They can discover daily deals through the experiences of their friends."

The new service might pit Facebook against Groupon, LivingSocial and Yelp in a bid to tap into the multibillion-dollar market for daily deals online.

But Greg Sterling, senior analyst at Opus Research, sees Facebook Deals going head-to-head with Google's emerging Offers service.

"Facebook has a huge brand, so this gets its foot in the door with local merchants," Sterling said.

Despite its breakneck growth, Facebook remains on the prowl for ways to expand its revenue beyond advertising.

Ads accounted for 93% of its revenue last year, or \$1.9 billion, according to market researcher eMarketer.

That's expected to dip to 90% in 2011.

Meanwhile, Facebook's update of

Groups adds its popular Photo albums and Questions features and greater administrative control to limit who joins groups.

In effect, prospective members require approval before they are added to a group.

The tweaks come just six months after Facebook introduced Groups, a popular feature that has led to the creation of about 50 million groups on the website, where individuals can gather with those of similar interests and chat.

Facebook has discovered through internal research that the most popular types of groups are for family, friends, academics, sports and other topics, such as religion, games and hobbies.

Facebook also unfurled a new social plug-in — the Send button — that lets users share content they discover on the Internet with specific friends via messages and groups, rather than on their Facebook wall.



Why it matters to publishers

- Losing touch with users
- User data needed for personalized ads
- Wall Street premium values users
- Without 'personas' can't be 'valet'



Why it matters to consumer

- Merging data / Nielsen / TP networks
- Health / financial -- no privacy rules
- Few rules about fixing errors
- “Trading personas” big business in ad world
- No explicit value exchange with consumer
- Congress – DNT DOA?

Government solution? No . . . but . . .

What is “NSTIC”?



Some participants:

- Google
- Microsoft
- Verizon
- Equifax
- Not Facebook
- Not publishers

<http://www.nist.gov/nstic/animation.html>



**RJI sees its role as CATALYST to propose
IDEAS(S)
that facilitate CONSENSUS solution(s)
and to LEAD where helpful**

A discussion idea:

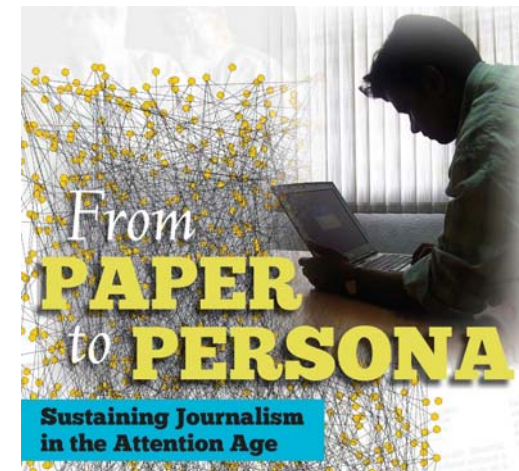
**INFORMATION TRUST EXCHANGE:
Making the market for digital information**

From Paper to Persona:



"A non-profit collaboration to share technology, users and content could help news organizations find new revenues and become better at serving the public, according to a report from the Donald W. Reynolds Journalism Institute."

<http://www.papertopersona.org>



HYPOTHETICAL SOLUTION



SOLUTION / working “hypothesis”

- Rules for ‘infovalets’
- An information-industry collaborative
- Public purpose, private participation
- A point to consider whole system in motion
- Faciliate (not own) shared-user network layered upon the basic Internet

HYPOTHETICAL SOLUTION



Information Trust Exchange

<http://www.infotrust.org>

A public-benefit entity to lead creation of a free market for digital information. It builds on standards, ensures consumer choice and trust, and enables price and service competition. It is broadly, and openly, governed, with a global perspective. The operations it sanctions first benefit journalism, democracy and freedom, in addition to private economic interest.

<http://newshare.com/ita/whitepaper.pdf>



Desirable features?

- Beyond silos – lots of choice
- Own, protect, share demographic, usage data
- Platform for customization, ‘news social network’
- Update advertising role, effectiveness, payment
- Easy sharing, selling, purchasing atomized content
- One ID, one account, one bill

HYPOTHETICAL SOLUTION



Benefits for users from ITE networks

- PERSONALIZED information stream; convenient, secure access to valued content
- ADVERTISING made more useful through interest-based customization
- PRIVACY management for consumers; getting value for your 'persona'
- COMMERCE for content – enabling subscription networks and vicarious (per-click) sale to the right person at the right time. One account, one ID

HYPOTHETICAL SOLUTION



Benefits for publishers from ITE networks

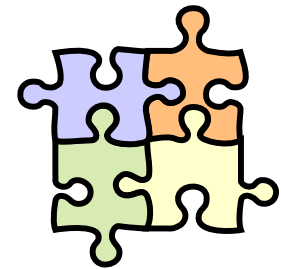
- Platform for managing user relationships at scale not silo
- Effective competition with tech platforms
- Platform management is co-operative not competitive
- Supports “atomized” content, wholesale/retail pricing
- Enables web-wide microaccounting / subscriptions
- Supports emerging public concern about privacy
- Anonymous, yet identified users; Big Brother is blind
- Enhanced-CPM, precisely-targeted marketing

HYPOTHETICAL SOLUTION



How might it work?

- ☞ Enables network access to existing customer “home bases”
- ☞ Home base “presents” user to network authentication service
- ☞ User access to network sites tracked
- ☞ Aggregated settlement of affinity payments
 - Charges for content (text, music, video)
 - Payments for ad views
 - Enables customization / personalization



HYPOTHETICAL SOLUTION



Proposed ITE structure

- Not-for-profit association, as open as possible
- Staggered board, 27 seats allocated by 7 types
 - * *Founding members (foundations); publishing members*
 - * *Publishing members; technology members; public members*
- Can own for-profit operating entities
- Or contract with existing services
 - Such as (not inclusive): IBM, Google, Apple, Amazon, AP, Clickshare, Press+/Piano Media, TinyPass, etc.*

HYPOTHETICAL SOLUTION

Information
TRUST
Association

Potential ITE roles?

- Sustain journalism values, principles, purposes
- Establish voluntary privacy, trust, identity standards
- Research, test, commission key technologies
- Sanction protocols for sharing users/content
- Direct multi-site user authentication services
- Enabling consumer choice for commerce, privacy
 - * *“One account, one bill, one ID, purchase anywhere”*
 - * *But no single owner of all users*

HYPOTHETICAL SOLUTION



Creates playing field, not plays (or prices)

- NYSE – non-profit until 2008
- Cable Labs
- Underwriters' Laboratories / BlueTooth SIG
- Internet Corp. for Assigned Names & Numbers
- Railroad gauge; power grid AC cycles/second
- National Automated Clearing House Assn.
- Associated Press / Some trade groups, many co-ops

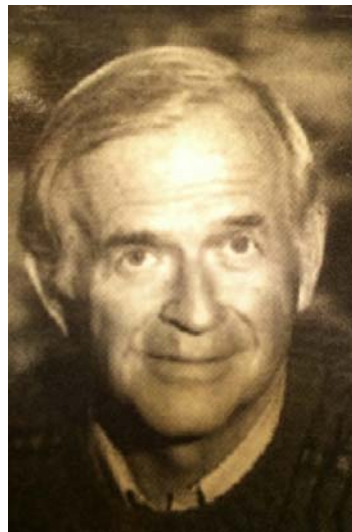
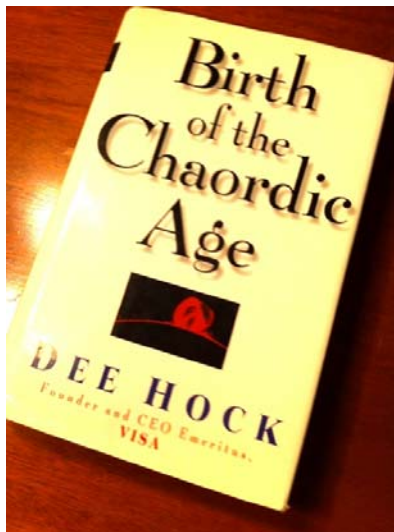
HYPOTHETICAL SOLUTION



Creates playing field, not plays (or prices)

- The story of Dee Hock, Bank of America and Visa

BOOK REVIEW: <http://www.globalhome.com/news/chaordic/bookreview.html>



Biggest challenge: Multiple, diverse constituencies

Link to Visa card history -- <http://www.cryptosmith.com/archives/842>



Revenue options

- Share revenues across network
 - Subscription – channels, packages
 - Per click – or “public radio” (Spot.us/Kachingle)
 - Affinity payments/rewards
 - Commissions and referral fees
- Multiple service/content providers
- Multiple user owners (“InfoValets?”)

HYPOTHETICAL SOLUTION



And still durable – ADVERTISING

- Rewards for activities, viewing ads, sponsor material
- Example: The Ford Explorer PDF download
- Ad networks based on interest not just inference
- Higher CPMs for the news industry
- Can be consistent with FTC privacy guidelines

HYPOTHETICAL SOLUTION



Possible starting points underway

- Public Media Platform (NPR / PBS affiliate content)
- Investigative News Network (100+ digital only)
- Local Media Consortium (print/broadcast groups)
- DigiTrust (advertising networks)
- The Bluetooth Special Interest Group

HYPOTHETICAL SOLUTION



Hard, but been there

- Google AdSense – microaccounting
- Multiple ad networks, exchanges
- Amazon Marketplace – multiple vendors
- Visa/MC/ACH – Thousands of banks
- Only difference: Across the web



Key challenge: Who owns/controls?

- Network creator must be benign
- Or major competitors won't participate, thus . . .
- Cede entrepreneurial opportunities to operating levels:
 - *Content aggregation, packaging, presentation*
 - *Reward systems / advertising*
 - *User 'persona'/personalization service ("InfoValets")*
 - *Network authentication / logging*
 - *Event aggregation ("microaccounting") / settlement*

PROPOSED SOLUTION




Next step

- Steering committee / work groups
- Phase 2 funding
- An information-industry collaborative . . .
- Publishers, telcoms, Silicon Valley
- Foundations, J-schools, philanthropists
- Estimate nine months to:
 - Establish governance
 - Codify business rules
 - Contract with network operators



Recapping

- Where did this start? **InfoValet** 
- Scanning landscape – Attention Age
- Paper to persona to payment
- Hypothesis about a solution – the ITE
- **NOW DISCUSSION!**
 - Assess validity / feasibility
 - Alternate solutions; Steps to action

Data will help us remember, but will it let us forget? It will help politicians get elected, but will it help them lead? It will help companies make products addictive, but will it help us get free once we're hooked? It will help advertisers see people as statistics, but will it help us remember those statistics are people? It will help banks prevent credit card fraud, but will it help us stay out of debt? It will help credit card companies predict the impending collapse of a marriage, but will it keep our marriages from falling apart? It will help parents make kids genetically perfect, but will it help us love them regardless? It will help high-frequency traders sell stocks in nanoseconds, but will it help protect markets from feedback loops in their programs? It will help meteorologists predict storms and tornadoes, but will it help us rebuild the homes of survivors? It will help biologists map the migration of fish, but will it keep us from overfishing the oceans? It will help physicists find the "God particle" in a supercollider, but will it help us agree about God? It will help astronomers search for signs of alien life, but will it help us know if aliens are friendly or mean? It will help cardiologists monitor pacemakers with WiFi connections, but will it keep ha of major diseases, liers kill enemies i will help urbanists develop "smart cities," but what will become of our towns? It will help governments map the consumption patterns of cities, but will it help us depend less on consuming? It will help hackers leak evidence of government surveillance, but will we treat those hackers as heroes or thieves? It will help police triangulate the location of gunshots, but will it help us address the underlying causes of violence? It will help educators make excellent standardized tests, but will it help us embrace different standards of excellence? It will help farmers engineer crops to produce bigger yields, but will it keep corporations from patenting our food? It will help search engines know how often people search for "love," but will it help people find it? It will help singles plan a hundred first dates, but will it help them know when they've found the right person? It will help pet owners clone their dogs and their cats, but will it help us love the clones as much as the cloned? It will help neurologists implant chips in our brains, but will it help us turn off the chatter? It will help geneticists sequence our genome, but will it help us understand who we are? It will help us feel connected, but will it help us feel loved? It will help us uncover the facts, but will it help us be wise? It will help us live forever, but will it help us see that life's meaning stems from the fact that it ends? It will help us keep count of everything in our lives, but will it help us understand that not everything that counts in our lives can be counted? It will help us see the world as it is, but will it help us see the world as it could be?

TRUST: Taking responsibility for how data is used



PLATFORM CAUTION:

*The freedom of the press
belongs to those who
control the press.*

What if there are only
three big presses?

Consider who really owns the “presses” now

- Verizon
- AT&T
- Comcast/TW

*The freedom of the press belongs
to those who control the press.*



Thank you!

**Version of today's presentation is at:
<http://newshare.com/ite/vermont.pdf>**

**White paper from 2011 is at:
<http://www.papertopersona.org>**

**New report will be available soon at:
<http://newshare.com/ite/report.pdf>**

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