FT STRATEGIES

THE LOCAL NEWS PLAYBOOK:
CREATING VALUE FOR A SUSTAINABLE FUTURE

TABLE OF CONTENTS

INTRODUCTION

Imagine a future where every community across the United States of America, no matter its wealth or size, has access to trustworthy, high-quality and relevant local journalism. A future where people are informed about the issues that shape their daily lives, feel connected to others in their communities and feel empowered to shape the places where they live.

Achieving this future is possible, but the challenge has never been more pressing: traditional models continue to struggle in the face of increasing economic pressures, audiences fragmenting across platforms, and technological disruption accelerating faster than most news organizations can keep up with. Since 2002, the number of reporters per 100,000 residents in the United States has fallen by more than 75% and news deserts continue to expand. Forecasts suggest that by 2030, many more counties may lose their last remaining source of local reporting. The erosion of the local press represents a profound civic crisis. When local news erodes, accountability weakens, local enterprise suffers and citizens lose both trust and connection, resulting in a loss of civic empowerment and shared purpose.

Despite the pressures facing local news, or perhaps because of them, the sector is entering a period of adaptation and innovation. Across the United States, a new generation of resilient organizations—long-established and newly founded, for-profit and nonprofit—is redefining what local news can be and proving that financial resilience in local journalism can take many forms.

This report, produced by FT Strategies in collaboration with Knight Foundation, aims to understand what these resilient organizations have in common and how their lessons can benefit others. It is essential to recognize that Local News Organizations (LNOs) do not have to go it alone. »

They operate as part of a tightly interconnected system of peers, funders, policymakers, journalism support organizations (JSOs) and other key intermediaries. Each of these actors has a key role to play in building models that are both financially viable and deeply rooted in community life.

The intended audience for this report is therefore threefold:

1. **LNOs**, who can learn from proven models and apply the practices that strengthen trust and value

2. **Funders and investors**, who can target support more effectively to build capacity

3. Key system enablers, such as **government, policymakers, JSOs and educational institutions**, who can design enabling environments that help these models scale

The report is divided into three sections. **Part 1** adopts a strategic lens to highlight the various organizations and interplay across key participants in the local news ecosystem. **Part 2** outlines the core value drivers that underpin sustainable local news organizations, offering practical guidance for LNOs, funders and system enablers. **Part 3** outlines the various pathways to success available to LNOs, drawing on exemplar spotlights to illustrate how different archetypes activate the core value drivers for sustainability in their own unique contexts.

Summary of Key Takeaways

- **LNOs that embed themselves deeply in the communities they serve build the strongest foundations for trust and long-term relevance**. Our survey found that those LNOs who have enjoyed significant growth are **twice as likely** to be prioritizing community and societal impact than those who have experienced decline. Newsrooms that reflect local demographics, speak community languages and participate visibly in civic life, consistently produce more accurate, representative and valued reporting. Community connection directly strengthens access, reporting quality, engagement and revenue, making it a structural advantage in local news that drives commercial outcomes.

- **Direct, two-way audience relationships are becoming central to sustainability**. Among revenue-growing outlets we surveyed, **71%** maintain newsletters as a primary engagement tactic. Those that rely on owned channels such as newsletters, WhatsApp groups, SMS, apps and events, convert attention into loyalty and revenue more reliably than organizations dependent on platform algorithms. The most resilient publishers shift from chasing reach to maximizing value per user, using repeatable playbooks to grow habit, engagement and retention.

- **Relevance, not scale, differentiates successful local publishers**. Among the growing LNOs we surveyed, the most commonly cited core coverage areas were civic affairs (23%) and local general news (20%), highlighting the central role of uniquely local reporting such as daily community updates, local government and public services. **53%** frequently use audience data to guide editorial decisions, strengthening both content relevance and subscription performance. Outlets that focus on solving practical community problems, localizing national stories and adopting a constructive tone generate stronger engagement and higher willingness to pay. Reader revenue functions as a signal of value, validating editorial fit in real time. »

- **Financial resilience comes from diversified revenue and disciplined value exchange**. Sustainable organizations typically maintain **3 to 4** meaningful income streams, such as reader revenue, advertising, events, services and catalytic philanthropy. Crucially, unique access to highly engaged local audiences gives LNOs a competitive edge in the advertising market, especially with local businesses seeking trusted, geographically targeted reach. Philanthropy is most effective as an early-stage runway that enables product development and audience growth, not as a long-term subsidy. High-performing outlets recognize the limits of local market size and rely on **repeatable commercial playbooks**, not growth-at-all-costs strategies.

- **Mission alignment, commercial focus and operational discipline are common ingredients we see across resilient LNOs**. These organizations conduct long-term strategic planning, enabled through commercially literate leadership and lean operating models. This manifests in reinvestment efforts to develop new products, build skills and capabilities or drive expansion. 67% of growth organizations we surveyed are in fact increasing their costs to invest in these areas. Examples such as The Salt Lake Tribune and Village Media demonstrate how mission clarity, data-informed decision-making and shared infrastructure enable small teams to deliver outsized civic and financial impact across the spectrum of business-model archetypes.

- **Data and AI can unlock meaningful opportunities for personalization and workflow efficiency gains when applied with the right governance and transparency**. Our survey found that data is used frequently to inform product (66%), audience (59%) and editorial (53%) decisions by exemplar LNOs. Publishers investing in first-party data infrastructure, workflow automation and responsibly governed AI tools are reallocating journalist time from routine tasks to high-value reporting. Case studies from Jersey Bee and Pamplonews show

how automation, with human oversight, can expand and improve quality output, and deepen service to communities.

- **The eight business-model archetypes** we identified - from Networked News Hubs and Digital-Only Generalists to Legacy Modernizers, Grassroots Beacons and Lean Direct Messengers - show that **there is no single path to sustainability**. LNOs belonging to these various archetypes, should emphasize and prioritize the value drivers of sustainability - deep community connection, direct audience relationships, diversified revenue, operational alignment and responsible innovation according to their archetype needs. »

- **For funders and policymakers**, the priorities are clear: treat journalism as a public good; provide multi-year catalytic support focused on capability-building; invest in shared infrastructure, leadership development and responsible AI/data capacity; and establish frameworks that ensure platforms and AI systems return fair value to publishers. Strengthening these foundations is essential for restoring local news as a resilient civic institution.

- **Finally, the overall ecosystem's health depends on strengthening value flows between actors**. JSOs, funders, policymakers and platforms all influence the five core "currencies" that sustain the system: content, capital, time, soft capabilities and technical capabilities. The Local News Value Loop: relevance → attention → revenue → capacity is strongest where these flows are reinforced.

Summary of Methodology

This report is based on independent research conducted by FT Strategies, which employs a combination of qualitative and quantitative methods. Insights were derived from interviews with global thought leaders in journalism and academia, as well as senior executives from leading local news outlets, and a survey completed by exemplary LNOs across nine countries. The research explored financial sustainability, strategy & operations, technology, value propositions, audience impact and monetization models. Findings were further informed by FT Strategies' extensive knowledge base from working with more than 1000 news organizations globally, prior research initiatives, and secondary market research, ensuring a well-rounded understanding of the local news landscape.

For further details on the report's methodology, see Appendix.

INTRODUCTION
PART 1
PART 2
PART 3
CONCLUSION
APPENDIX

PART 1

THE US LOCAL NEWS ECOSYSTEM MAPPED

PART 1

THE US LOCAL NEWS ECOSYSTEM MAPPED

US Local News depends on a web of interconnected actors who collectively generate, consume, fund, distribute, and support journalism. Understanding each actor and the value flows between them is essential to understanding how the US local ecosystem can be strengthened as a whole.

THE ECOSYSTEM'S ACTORS

At the heart of the ecosystem are the **LNOs** themselves. Their goal should be to produce valuable content and services that meet the needs of their communities. They vary widely in nature and scale, but all share the core function of providing civic value, which may take the form of emotional and/or functional value for the community.

Surrounding them is the **community**, which becomes an audience when it engages with the content and services produced by the local news organization. This group can play a dual role: they can provide the financial foundation for sustainability through audience revenue, and they validate the relevance and quality of what's being supplied by choosing to engage with and support it.

A key enabling cluster is the **funders**, including philanthropic foundations, corporate sponsors, and private investors. Funders can strengthen the ecosystem by providing catalytic philanthropic and commercial support that enables LNOs to build capabilities and generate lasting value.

A separate type of funding comes from **advertisers and sponsors**. Advertising, in the context of local news, typically takes the form of businesses paying for the attention of the local audience served by the local news organization. ≫

Technology and data vendors form another critical layer, providing infrastructure that enables efficiency and scalability. These actors, ranging from Content Management System (CMS) providers to AI and data analytics firms, enable LNOs to optimize workflows, automate routine tasks, and enhance product delivery, from audience analytics to content personalization.

Journalism Support Organizations (JSOs) include intermediaries, consultancies, collaboratives, and research labs. These actors provide shared infrastructure, capacity-building programs, and valuable knowledge and insights, helping to address the resource and capability constraints many local newsrooms face.

Educational institutions, in particular journalism schools, provide the essential talent and skills pipeline into the industry. It is worthwhile noting that not all talent in the sector comes from J-schools, especially when it comes to non-editorial roles such as those based in product, data and technology, and commercial disciplines.

Government and policy, including federal, state, and local governments, influence the structural context in which local journalism operates. They establish policy frameworks, funding mechanisms, and financial incentives that can either stabilize or destabilize the market.

INTRODUCTION

PART 1 – THE LOCAL NEWS ECOSYSTEM MAPPED

PART 2

PART 3

CONCLUSION

APPENDIX

Finally, platforms, including search engines, AI tools, and social or messaging apps, serve as the main distribution channels through which audiences discover local content, providing key referral traffic. However, these same platforms also pose existential risks by diverting traffic and advertising revenue away from LNOs. These risks are expected to increase as Generative Engine Optimization (GEO) reshapes how information is surfaced and monetized, with AI-powered "answer engines" able to bypass LNO websites and platforms altogether and concentrating discovery within closed ecosystems (FT Strategies: The Future of Discovery).

ECOSYSTEM ACTORS	CORE ROLE IN VALUE CREATION
Local News Organizations (LNO)	Produce distinctive, high-quality content and services to serve community needs and support civic life
Community (General Public)	Validate market needs through engagement with content and services, and provide direct financial support through audience revenue
Funders	Provide philanthropic support to LNOs, either directly or indirectly through Journalism Support Organizations (JSOs) and Educational Institutions
Advertisers	Generate earned revenue for LNOs (advertising, sponsorship) in exchange for the attention of the served community
Data & Technology Vendors	Provide tools that enhance operational efficiency, scalability, and the delivery of content and services
Journalism Support Organizations (JSOs)	Build newsroom capacity, share infrastructure, develop knowledge and skills, and provide training
Educational Institutions	Provide the essential talent pipeline into the industry
Government & Policy Actors	Establish policy guardrails, public funding mechanisms, and provide incentives such as subsidies and tax breaks
Platforms (AI, search, social media)	Act as primary distribution channels, but also present rising risks, including the diversion of traffic and advertising revenue

INTRODUCTION

PART 1 – THE LOCAL NEWS ECOSYSTEM MAPPED

PART 2

PART 3

CONCLUSION

APPENDIX

THE ECOSYSTEM IN MOTION

The US local news ecosystem is more than a collection of independent actors. It is a living network of value exchange.

This map aims to visualize the US local news ecosystem by capturing the key value flows, referred to as 'currencies', between LNOs and the various actors involved. Together, these actors and the currencies that flow between them

enable, shape and sustain (or sometimes strain) the system's health and functioning.

To understand this map, it helps to unpack three key dimensions: the currencies that flow between actors, the sub-functions of LNOs with which external actors interact, and the system-level interventions that influence how the ecosystem evolves.

THE US LOCAL NEWS ECOSYSTEM MAP
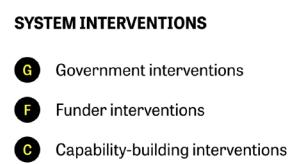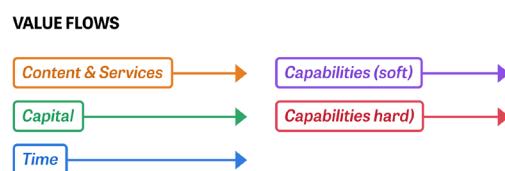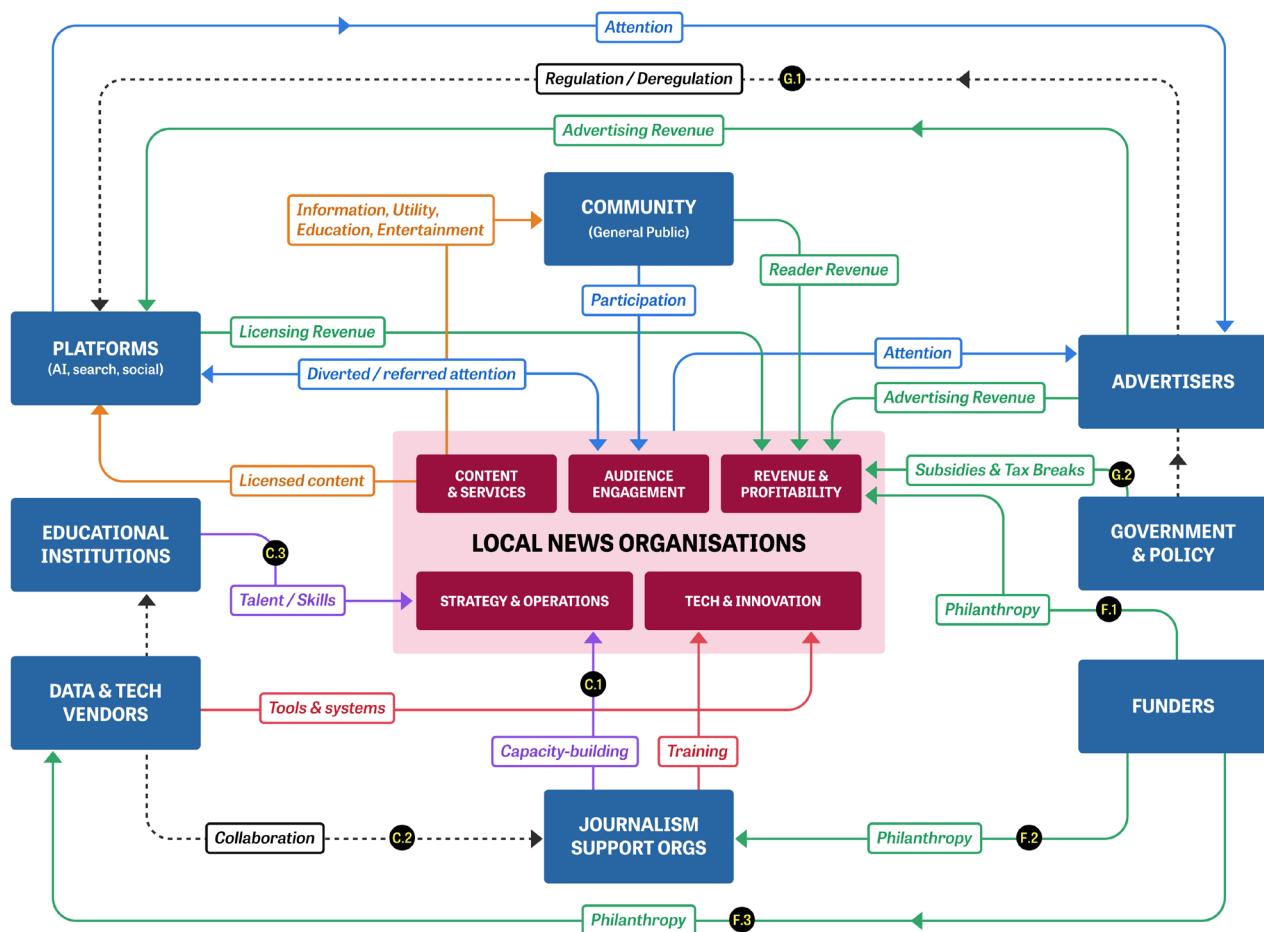
1. Value Flows ('Currencies')

At the heart of the ecosystem's functioning are the value flows, represented through five 'currencies'. Each currency represents a different way in which actors contribute or exchange value within the system.

Content & Services (orange) represents the core journalism, products, and services that deliver functional and emotional value to the community served.

Capital (green) represents the financial resources that sustain operations and enable innovation.

Time (blue) represents the attention and participation of the community, arguably the most valuable resource in the system, which LNOs, platforms, and advertisers are all ultimately seeking.

Soft capabilities (purple) represent the intangible expertise, leadership, skills, and culture that enable strategic decision-making and organizational effectiveness.

Hard capabilities (red) represent the tangible technical infrastructure and tools that underpin delivery and innovation. »

These currencies move continuously between the ecosystem's actors, often serving as triggers for one another. For example, when valuable information, utility, education, and entertainment reach the community, the community responds with participation and trust, which is the foundation of audience engagement. That engagement generates attention, some of which channels to advertisers, who in turn return advertising revenue to LNOs.

INTRODUCTION

PART 1 – THE LOCAL NEWS ECOSYSTEM MAPPED

PART 2

PART 3

CONCLUSION

APPENDIX

2. The Five Sub-Functions of Local News Organizations

At the center of the map lies the local news organization (LNO) itself. Crucially, the other ecosystem actors do not interact with LNOs as single, abstract entities. Instead, they exchange value with specific sub-functions, the building blocks that together form each organization's internal system.

While all sub-functions store a type of value that then circulates through the rest of the system, each one does

so distinctly. Content & Services is the core source of value in the ecosystem, generating and sharing information and experiences with emotional and functional relevance for the community. Audience Engagement primarily receives and holds value in the form of time (attention and participation) from the community, while also channeling that earned attention outward to advertisers and platforms.

LNO SUB-FUNCTION	VALUE STORED
Content & Services	Information and experiences that provide value to the community e.g. through the provision of knowledge, utility or inspiration.
Audience Engagement	Earned time, attention, and participation gained through the trust and relationships built with the community served.
Revenue & Profitability	The complete mix of revenue streams earned (e.g. philanthropic, advertising, and audience revenue) and costs incurred.
Strategy & Operations	The vision, strategy, leadership, culture and operational model (including talent) that governs the organization.
Tech & Innovation	The total set of data infrastructure, tools and technical skills at disposal and employed to sustain and boost innovation.

At the same time, the sub-functions of Revenue & Profitability, Strategy & Operations, and Tech & Innovation primarily serve as recipients of value, in the form of revenue and capital, soft capabilities, and hard capabilities, from external actors. While these sub-functions also distribute value, their flows direct inwards, fuelling other sub-functions.

For instance, new revenue enables better content, new hires, or improved technology that strengthens audience engagement practices.

In that sense, Content & Services is the only sub-function within LNOs that consistently gives outward to the ecosystem, making it the ultimate source of value that keeps the system alive.

INTRODUCTION

PART 1 – THE LOCAL NEWS ECOSYSTEM MAPPED

PART 2

PART 3

CONCLUSION

APPENDIX

3. System Interventions

Beyond the actors and sub-functions that comprise the ecosystem, there are various system-level interventions, including deliberate actions taken by governments, funders, and capacity-builders (such as journalism support organizations and educational institutions). »

These interventions serve as key leverage points to increase value flows across the system, while addressing gaps that individual actors cannot fix alone. Each intervention is marked on the map using the codes G.1-2 (Government), F.1-3 (Funders), and C.1-3 (Capacity-builders).

Government Interventions

Set the structural and policy environment in which LNOs operate.

- **G1: (De)Regulation** shapes how easily LNOs can access digital distribution opportunities across search, social, and emerging AI platforms, while also managing the growing dominance of these intermediaries.

- **G2: Subsidies and Tax Incentives** inject or preserve capital, extending the runway of LNOs and improving their financial stability.

Funders

Central to injecting capital into the ecosystem and often catalyzes other value flows, such as capabilities and innovation.

- **F.1: Direct Financial Support** to LNOs provides immediate liquidity to stabilize, sustain, or grow operations.

- **F.2: Funding to Journalism Support Organizations (JSOs)** enables a more targeted and sustainable deployment of capital, strengthening organizational and technical capabilities that feed directly into the Strategy & Operations and Tech & Innovation sub-functions.

- **F.3: Funding to Educational Institutions**, such as through grants or endowments, helps develop a skilled and motivated workforce for the sector, increasing the inflow of talent in the future.

Capacity-Builders

JSOs, educational institutions, and vendors convert capital into tangible improvements in strategy, operations, capabilities, and innovation.

- **C.1: Capacity-Building Programs** delivered by JSOs enhance both soft and hard capabilities, improve leadership, culture, skills, and innovation, ultimately strengthening content & services, audience engagement, and revenue & profitability.

- **C.2: Collaboration Between Capacity-Builders** through shared tools, infrastructure, and initiatives, accelerate improvements in Tech & Innovation and Strategy & Operations.

- **C.3: Talent Development by Educational Institutions** ensures that a pipeline of skilled and motivated individuals who sustain and evolve the ecosystem exists.

> **Together, these interventions improve how effectively LNOs absorb, apply, and expand value over time.**

THE LOCAL NEWS VALUE LOOP: THE ENGINE OF A SUSTAINABLE ECOSYSTEM

While the full ecosystem map captures a vast network of interactions, at its core lies a much simpler yet powerful mechanism that explains how value is ultimately created and sustained. Amid the flows of capital, content, and capability, the system ultimately depends on a continuous exchange between time and value.

That is, between the attention and participation of the community and the relevance and quality of the content & services produced and distributed. This Local News Value Loop reveals how the time a community invests in a local news organization translates into its sustainability, and how that sustainability, in turn, translates back into public value, driving further investment of time.

LOCAL NEWS VALUE LOOP
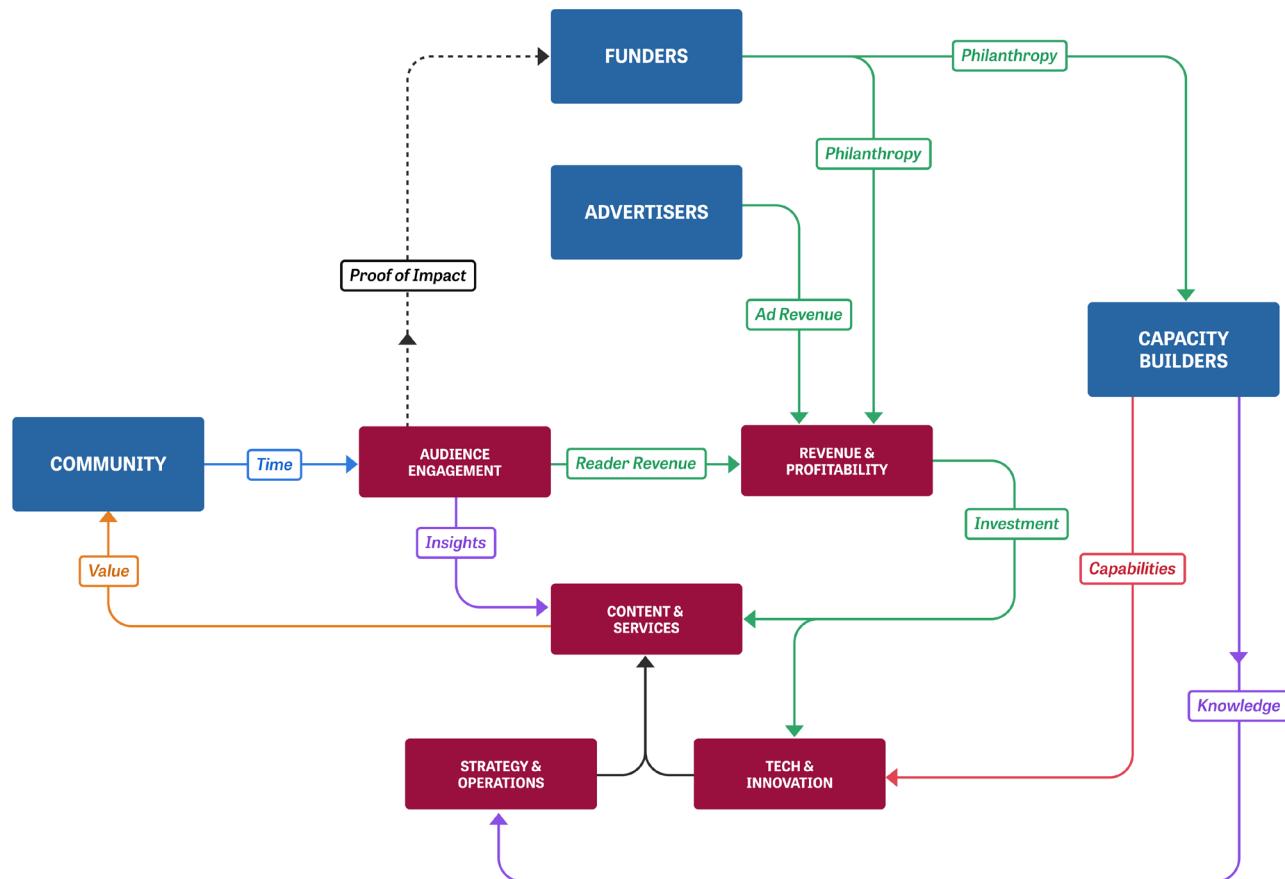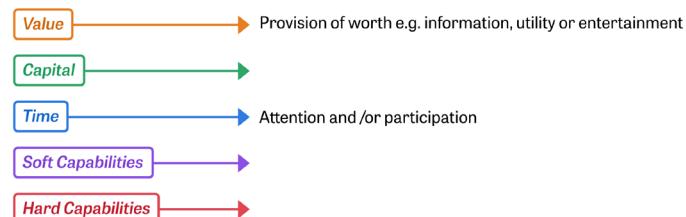
The Local News Value Loop can be traced through three reinforcing stages. Each converts one form of value into another, and together they create the continuous cycle that sustains the ecosystem.

1. Time → Audience Engagement → New Capital

The loop is a continuous cycle, but for our purposes begins when the community gives its time, through attention, participation, and trust. This time deepens Audience Engagement, which in turn generates multiple forms of return value:

- **Proof of Impact to potential Funders**, who respond with philanthropic capital directed either to LNOs or to capacity-builders such as JSOs and educational institutions.

- **Attention to Advertisers**, who translate it into advertising revenue.

- **Direct audience revenue from the Community** itself, since higher engagement correlates with greater willingness to pay or contribute.

- **Audience Insights for the LNOs**, which feed directly into the creation of better and more relevant Content and Services.

2. New Revenue & Capital → More Valuable Content & Services

Once new revenue and capital enters the system, it begins to circulate and compound.

- For the funds directly received by LNOs, this new liquidity is invested either directly in Content & Services, or in Tech & Innovation and Strategy & Operations, which in turn enable stronger, more valuable Content & Services.

- For Capacity-Builders, capital received from funders is used to strengthen organizational and technical capabilities for the LNOs, equipping them with the tools, skills, and structures needed to produce better Content & Services.

At this stage, capital is converted back into value in the form of journalism, products, and services that communities find worth their time.

INTRODUCTION

PART 1 - THE LOCAL NEWS ECOSYSTEM MAPPED

PART 2

PART 3

CONCLUSION

APPENDIX

3. New Value → New Time Invested

Finally, the improved Content & Services reach the community, restoring and expanding value. The more relevant and valuable the journalism, the more time people choose to invest. This renewed investment of time, fuelled by new value, restarts the loop.

For local news organizations, the key message is simple: prioritize creating content and services that your community truly values, because everything else depends on it. The most precious resource any organization can earn is not funding or technology, but the community's time. That time, which comes in the form of attention and participation, is only given in exchange for journalism that is accurate, relevant, and meaningful to the people it serves.

Time and value together form the very pulse of the local news ecosystem. When content fails to earn community time, every other form of value, capital or capability, loses its foundation. Strong, community-valued content is therefore the starting point for sustainability: it is what keeps the entire system alive and in motion. »

> **It is therefore now more critical than ever for LNOs to invest in stronger, more direct relationships with their communities, ones built on trust, relevance, and genuine two-way connection.**

The Local News Value Loop assumes that time flows naturally between communities and LNOs whenever value exists. However, in today's reality, that flow is increasingly impacted by platforms, including social media, search, and now generative AI. These intermediaries have become increasingly common spaces where audiences discover, consume, and even discuss local news.

As these increase in influence, they begin to re-route audience engagement, which is the very currency that sustains the loop. When platforms capture too much time, LNOs are left competing for attention within systems that are not their own.

This situation creates a new and unpredictable dynamic: a system where the audience's time and participation remain as valuable as ever, but where the ability of LNOs to earn that time is increasingly beyond their control. The center of gravity has shifted, and with it, the balance of value exchange that underpins the entire ecosystem.

It is therefore now more critical than ever for LNOs to invest in stronger, more direct relationships with their communities, ones built on trust, relevance, and genuine two-way connection. The following section examines how many successful LNOs are already doing this: finding new ways to survive and thrive, ultimately serving the communities they aim to while achieving long-term sustainability.

INTRODUCTION

PART 1 – THE LOCAL NEWS ECOSYSTEM MAPPED

PART 2

PART 3

CONCLUSION

APPENDIX

PART 2

VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS (LNOS)

PART 2

VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS (LNOS)

Having considered the broader ecosystem and how value flows to and from LNOs, it is imperative to understand how these outlets can create and sustain value. We have identified five value drivers (and 20 subcomponents) that are common across sustainable LNOs.

These value drivers are:

1. Community Connection

2. Direct Relationships

3. Revenue Balance

4. Mission Alignment

5. Intelligent Innovation

Each value driver aims to showcase, with examples, how the driver contributes to a sustainable local news organization. We have included the role of funders, policymakers and JSOs in supporting the development of each value driver in order to enable a healthier local news industry.

INTRODUCTION | PART 1 | PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS | PART 3 | CONCLUSION | APPENDIX

17

1. Community Connection: Creating Newsrooms That Reflect and Resonate with Their Communities

Local journalism thrives when it reflects and belongs to the communities it serves. Resilient organizations achieve this through a clear value proposition centred on relevance, representation and community utility.What differentiates 'local' from national news is their ability to provide practical value - help people to navigate civic life, solve local problems, and see their own experiences represented. Our research found that successful organizations combine an "unashamedly local" editorial focus with a newsroom that mirrors the community, pairing deep listening with data-driven audience insight to produce journalism that is trusted and relevant.

> **Our research found that successful organizations combine an "unashamedly local" editorial focus with a newsroom that mirrors the community, pairing deep listening with data-driven audience insight to produce journalism that is trusted and relevant.**

1.1. Reflect the community you serve

Local journalism earns legitimacy when those producing it reflect, represent and understand their communities. *The City* grounds itself in the communities it serves by being an active part of New York's civic life, and builds trust with audiences who are often underrepresented in traditional media. It has built a newsroom that embodies New York's diversity and speaks its languages. It recruits from local journalism schools and networks to "look like New York", treating cultural and linguistic competence as essential skills. For example, employing Spanish and Mandarin-speaking reporters to cover ethnic and linguistic communities. When subject expertise is missing, it partners with specialist outlets such as *Documented*, which specializes in immigration, labor, and policy, to strengthen coverage. Reporters are encouraged to take a "neighborly posture", approaching stories through collaboration and listening.

Through its community-focused reporting, *The City* uncovered how an explosion earlier this year was caused by NYCHA's failure to effectively inspect boilers, resulting in policy changes to improve inspection practices. *The City* also revealed a cover-up of financial and sexual malpractice going back a decade, which led to a $1.4 million settlement for 700 New Yorkers. These examples illustrate the core value of local journalism: delivering tangible civic impact of 1 million monthly UVs (12.5% of the city's population), 75,000 newsletter subscribers and over $3 million in revenue.

Beyond representation, physical and civic embeddedness can strengthen trust in an organization alongside its perceived value. For example, *Village Media* operates a 'Cares' team which is central to the company's identity as a "community impact organization" rather than a traditional newsroom.

The team works alongside local editors to build relationships with charities, nonprofits and civic groups to organize fundraisers, sponsor community events and lead initiatives such as community "random acts of kindness" campaigns that support residents and local causes. In one market, for example, the Cares team coordinated with local hospitals and government partners to convene discussions about opioid misuse, shaping long-term reporting and connecting resources for those affected. These activities position *Village Media* as an active civic partner as much as an LNO, strengthening trust and demonstrating the tangible community value of its journalism. Today, this community-embedded model underpins a rapidly growing business: *Village Media* is expanding across dozens of markets, consistently achieving high local audience penetration despite its lean operations, and achieving 25% revenue growth and a 15% profit margin on well over USD 10 million in revenue.

1.2. Listen deeply to community needs

Effective coverage emerges from listening to people from across the community and capturing everyday local issues rather than traditional, topical beats. When audiences help shape the news agenda, content becomes inherently valuable, relevant and grounded in lived experience. Structured listening mechanisms such as off-the-record meetings, online submissions, or community advisory groups can all work together to ensure that coverage is responding to real local concerns. This strengthens loyalty. Our survey found that nearly half of growing organizations prioritize audience involvements in reporting through civic engagement and events.Regular feedback and surveys and citizen reporting also featured as important retention strategies for some leading exemplars. Among these outlets, 84% have audience revenue models, underscoring the importance of audience-informed value creation in building sustainability. »

Jersey Bee built its content strategy around early community listening. In 2019, the publication held a series of "Community Listening Sessions" to identify local information gaps. During these sessions residents expressed a need for content that would "give me reasons to get out of the house" highlighting loneliness and social isolation as key community challenges. This feedback shaped the newsroom's value proposition, leading it to prioritize timely, actionable stories designed to bring people together. Attendance grew from 9 participants in 2019 to 50 at a recent session on segregation and reparations. *The Jersey Bee* attributes its expansion—from a single newsletter to 12—directly to these conversations, small-group listening, and ecosystem mapping. As a result, its coverage functions as a community meeting place, reflecting the everyday needs of the audience it serves. This approach has delivered strong outcomes: last year, the publication served 75,000 regional website users, reached 14,000 unique monthly visitors across its digital platforms, built a newsletter community of 2,800 subscribers, and found that 75% of its readers took some form of civic action.
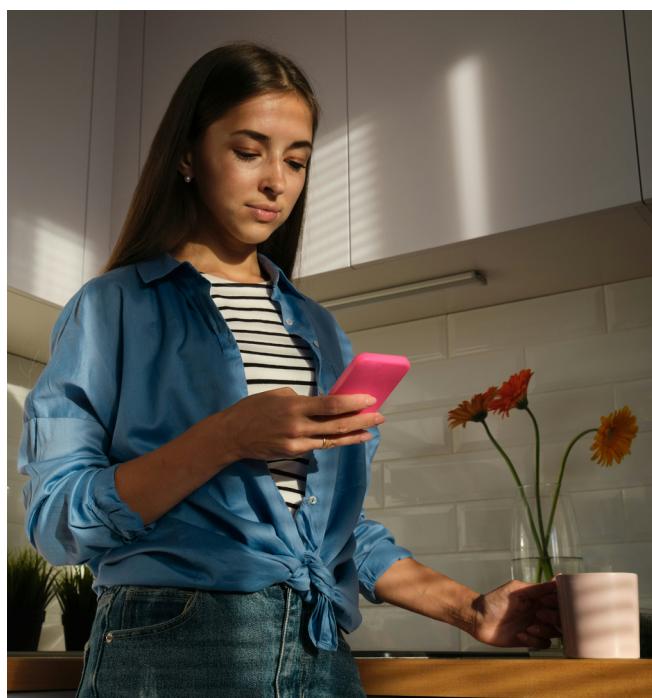
1.3. Deliver unique local utility

Relevance underpins local news' differentiation. Successful outlets will often forgo publishing national news and prioritize what only they can provide: unique local coverage, civic accountability and service journalism that delivers tangible local benefit. Among surveyed organisations experiencing revenue growth, the most commonly selected primary content areas were politics & civic affairs (23%) and local general news (20%), reflecting a strong emphasis on uniquely local reporting such as daily community updates, local government, and public services. *The Baltimore*

Banner localized the 2025 government shutdown to focus on 680,000 Marylanders receiving food benefits, turning a national event into a local public-service story. The strongest models combine accountability with solutions and support. Pairing watchdog reporting with practical tools helps citizens act on information. *The City's* "Have I Been Redistricted?" tool shows how civic data can be transformed into a useful community resource. It has been accessed by 64,000 users, replicated by other newsrooms and led to further investment in similar projects.

Exemplars differentiate from competitors by ensuring relevance of content to their community

% OF ORGANIZATIONS THAT SELECTED EACH CONTENT VERTICAL

Politcis & civic affairs — 23%

Local general news — 20%

Crime, safety & justice — 11%

Culture & lifestyle — 9%

Education — 8%

Health & wellbeing — 8%

Business & economy — 6%

Environment & climate — 6%

Other — 5%

National news — 3%

Sports — 2%
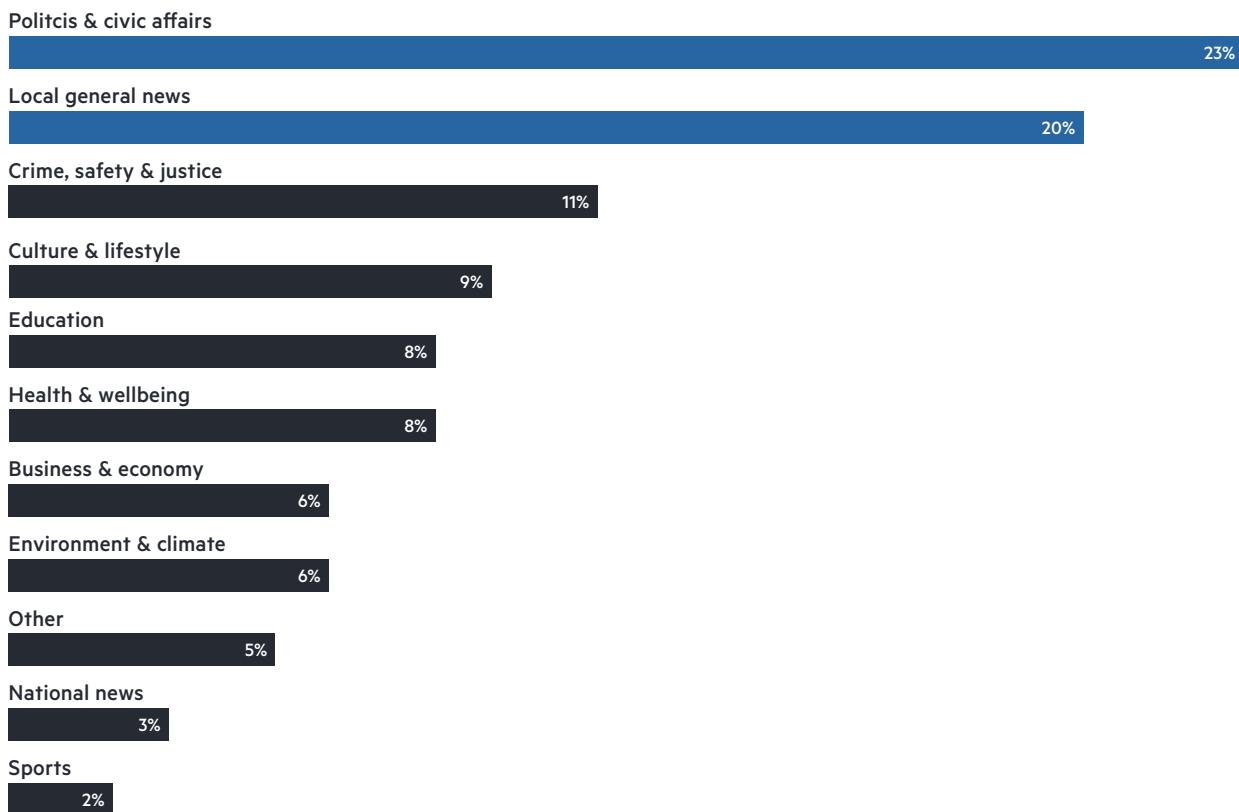
Source: FT Strategies Local News Survey 2025 (N=32) • Q Which areas of coverage are core to your organization?
Values have been rounded to the nearest whole number, as a result totals may not add to 100%

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

1.4. Adopt a solutions-oriented tone

Americans trust local news more than national news. LNOs that highlight what unites their communities - and pair accountability with solution-oriented reporting - can build optimism and social cohesion that counter news fatigue and polarization. *The Salt Lake Tribune*, for instance, applies this thinking by centering stories on "what is positive, what is good, and what unites" to foster empowerment alongside information and provide "a more rounded experience". This strengthens trust, as audiences feel they are being fairly represented and served by their LNO. »

Research by SmithGeiger found that 83% of respondents trusted a solution-orientated report compared with 55% when the same story was reframed around problems. Respondents were 10% more likely to say solutions-based journalism would make them return to that an outlet, and 42% said it helped to make a difference in their community.

So what does this mean for LNOs?

The true value of local news is in its connection with the community - its core differentiator from national and commodified news. Community connection is multi-faceted, encompassing representation, community-listening, acting as a trusted civic voice, presenting relevant content and delivering service and impact journalism. By adopting practices across these areas, LNOs can produce trusted, valued content for which audiences are willing to exchange their time and money. There are a number of tangible steps that LNOs can take: »

- **Maintain a representative newsroom and be an active civic partner in your community** to ensure you are a respected and trusted voice who delivers value beyond traditional reporting.

- **Understand audience needs** through listening mechanisms and behavioral data to shape a relevant news agenda.

- **Prioritize unique local utility and civic accountability over commodified news**, while adopting a solutions-oriented lens to counter audience fatigue and build long-term trust.

So what does this mean for funders and policymakers?

Funders can help LNOs deepen community connection by supporting participatory and accountability reporting, plus the data and tools that sustain it.

Funders can empower newsrooms to act as community conveners by supporting training and capability programs that link community connection with civic impact. Building teams focused on audience data, events and community partnership – such as *Village Media's* Cares team or *The Texas Tribune's* events program – strengthens relationships and reinforces the civic fabric that local journalism sustains.

Funders can strengthen civic connection by supporting distinctively local, audience-informed and participatory journalism. Reducing barriers to accountability and investigative reporting is particularly important. Financing investigative desks, providing shared resources and building networks of like-minded organizations enables newsrooms to pursue complex, time-intensive investigations without the pressure of immediate financial returns. »

Targeted investment in data-driven and utility journalism allows newsrooms to turn freely available but complex information into accessible public-service reporting. *The City's* "Have I Been Redistricted?" initiative was supported by the American Journalism Project, whose funding enabled *The City* to hire its first Chief Product Officer, showing how philanthropy can catalyze organizational change.

> **Funders can strengthen civic connection by supporting distinctively local, audience-informed and participatory journalism.**

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

2. Direct Relationships: Deepening Audience Engagement through Direct, Two-Way Relationships

In today's fragmented media environment, audiences no longer congregate in a single place or platform. Effective audience engagement depends on creating direct, two-way relationships that meet people where they are and feel personal, responsive and conversational. Our research found that resilient LNOs design their engagement strategies around owned, data-informed channels – including apps, newsletters and messaging platforms – while maintaining deep, in-person ties through events and community participation.

> Building loyalty, therefore, depends on creating direct, two-way relationships that meet people where they are and feel personal, responsive and relevant.

2.1. Own the relationship through first-party channels

Resilient outlets prioritize channels they control, ensuring engagement is not dependent on volatile platform algorithms and enabling them to sustain stable, direct communication with audiences. Newsletters in particular remain one of the most reliable mechanisms for building one-to-one relationships: our survey found that 71 percent of growing organizations cite newsletters as a primary engagement and retention tactic. »

Newsletters are the most important retention tool for LNOs, showing the value of direct, owned channels

% OF RESPONDENTS WHO HAVE EXPERIENCED REVENUE GROWTH IN THE LAST THREE YEARS AND PICKED EACH STRATEGY IN THEIR TOP 3

Newsletters
71%

Events / community engagement
48%

Membership / loyalty programs
38%

Dedicated customer service & support
24%

Regular feedback & surveys
14%

Exclusive benefits for members & donors
10%

Citizen reporting / community contributions
5%
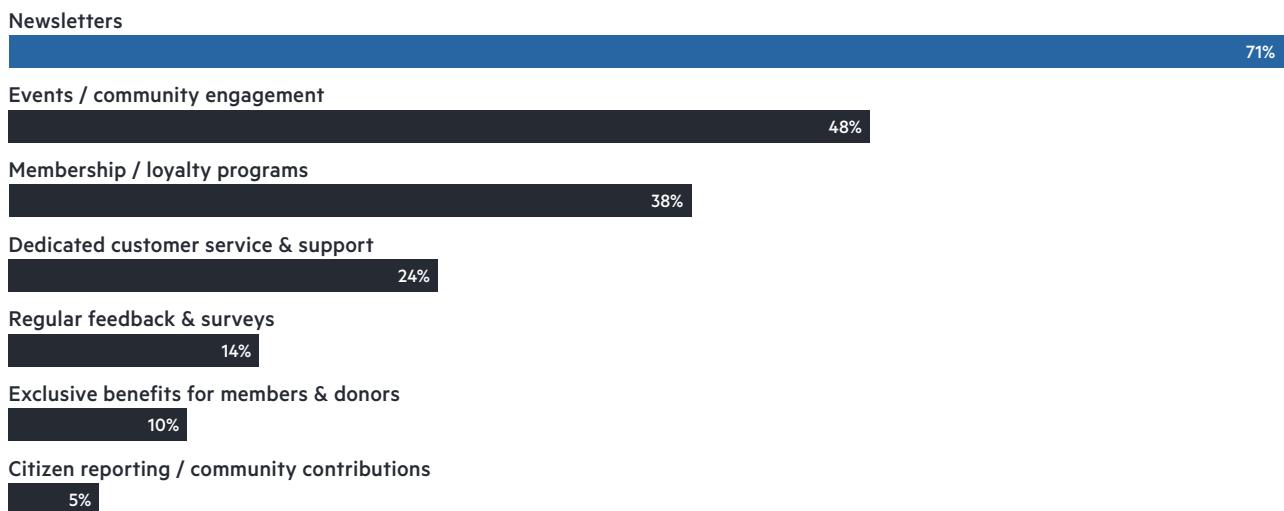
Source: FT Strategies Local News Survey 2025 (N=32) • Q: Which strategies are you actively using to retain loyal audiences? Please rank in order of importance.
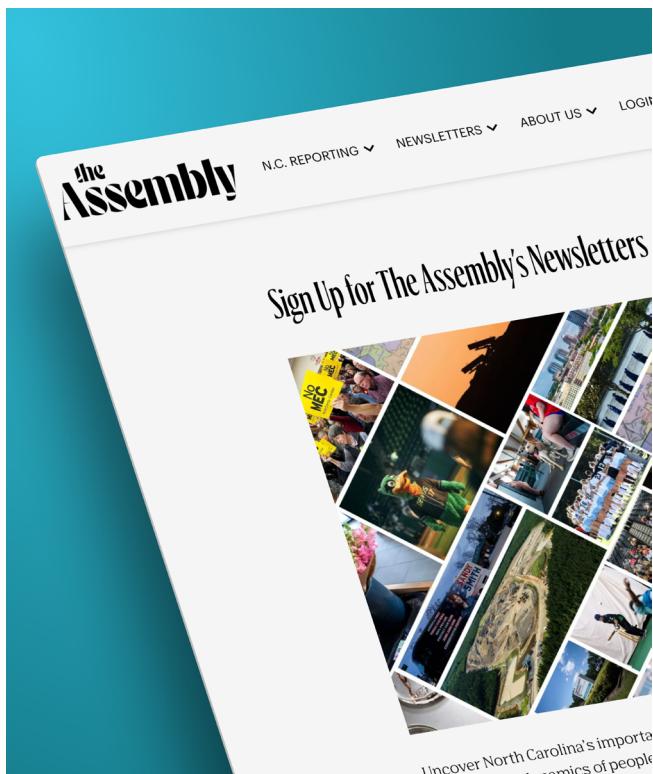
The Assembly in North Carolina treats newsletters as stand-alone products, mixing personality-driven writing with rigorous reporting to reach more than 100,000 readers. This strong engagement also supports sponsorship and paid newsletter offerings that deepen coverage on popular topics. Similarly, *Georges Media Group* has leveraged its portfolio of more than 20 newsletters to build durable, direct relationships with readers, creating highly engaged environments that also support local advertising.

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

2.2. Meet audiences where they are

It is essential to reach communities where they spend their time and consume information. This should be guided through audience listening, behavioral data and surveys that reveal platform preferences. *Documented* meets New York's immigrant communities across the platforms they already use – WhatsApp for Spanish speakers, NextDoor for Caribbean audiences, and WeChat for Chinese readers. This multilingual, multi-platform engagement approach enabled its *Wage Theft Monitor* to surface over $4 billion in stolen wages and influence state-level policy, illustrating that platform fluency can drive both reach and meaningful community impact.

> **It is essential to reach communities where they spend their time and consume information. This should be guided through audience listening, behavioral data and surveys that reveal platform preferences.**

2.3. Build conversational engagement through creator-led formats

Research from Pew found that between 2018 and 2024 the biggest growth in local news sources were online forums (like Facebook and WhatsApp groups at +14%) and other online-only sources (like X and Instagram at +18%). These platforms are often framed as the new digital 'town squares'. Experts we spoke to described how these platforms enable creators to engage audiences through two-way, transparent and conversational communication. LNOs can emulate these approaches to build stronger, more participatory communities. Through platforms such as WhatsApp Communities and Instagram Channels, organizations can deliver content, speak directly with their community members and use interactive tools such as polls to strengthen relationships. *Pamplonews*, in Navarre, Spain, has shown that even a small team can build intimacy at scale. The family-run WhatsApp newsletter now reaches more than 20% of Pamplona's population. It then generates advertising demand by providing access to this engaged, exclusive audience to local organizations, such as the Pamplona City Council. Our research highlights that leading LNOs prioritize formats that enable two-way dialogue and conversational engagement, particularly newsletters, social media posts and WhatsApp/SMS-based formats.

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

Owned and direct channels remain the primary distribution channel for growing LNOs, including messaging services which are becoming more prevalent

% OF RESPONDENTS WHO HAVE EXPERIENCED REVENUE GROWTH IN THE LAST THREE YEARS AND PICKED EACH FORMAT IN THEIR TOP 3

Website/App
76%

Newsletter
67%

Social Media
38%

Other (mostly WhatsApp or SMS)
19%

Video
14%

Podcasts/Audio
5%

Print
5%
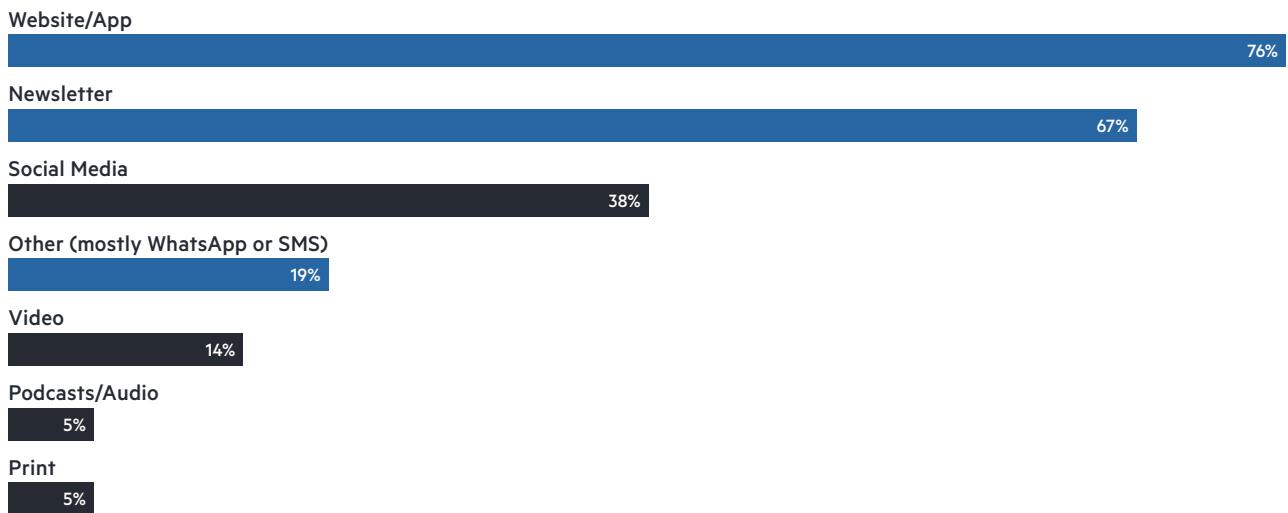
Source: FTS Local News Survey 2025 (N=32) • Q Which formats are core to your output? Please rank in order of importance

This approach also creates strong opportunities for local SME (small to medium enterprise) advertising, which represents 23% of revenue among surveyed organizations – second only to subscription/memberships at 25%, when philanthropic grants are removed from the mix.

The role of news creators is also emerging as a critical part of this ecosystem. The News Creator Project highlights how individual creators on social media platforms fill gaps in local coverage and develop new ways of connecting with audiences, often through partnerships, memberships and audience-led innovation. Similarly, influencer partnerships – such as the recent collaboration between *Houston Chronicle* and local food influencer, Shawn Singh – help LNOs extend reach, deepen credibility and connect with audiences through trusted local voices who act as community intermediaries.

> ... individual creators on social media platforms fill gaps in local coverage and develop new ways of connecting with audiences, often through partnerships, memberships and audience-led innovation.

INTRODUCTION
PART 1
PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS
PART 3
CONCLUSION
APPENDIX

2.4. Show up in real life

Direct relationships thrive when audiences feel they *know*, recognize and can interact with their journalists. Reporters who participate visibly in community life – through events, local partnerships, and sustained field presence – build deeper engagement and a sense of shared civic experience. For example, *Village Media* replaced traditional sales staff with Community Partner Specialists, focused on relationship building, listening and facilitating two-way engagement with the community. *Jersey Bee* hires community engagement staff who engage with local residents at events. When people can see and interact with their LNO, they are more likely to perceive it as familiar, and as a trusted part of their own community.

When people can see and interact with their LNO, they are more likely to perceive it as familiar, and as a trusted part of their own community.

So what does this mean for LNOs?

LNOs must cultivate direct relationships with audiences, meeting the community where they are whether that's on their timelines, in their inboxes or on their block. This level of connection builds relationships and makes LNOs active participants in the community they serve. Visible news organizations are effective ones. Newsrooms that cultivate transparent, reciprocal relationships through owned channels and on-the-ground engagement are better placed to navigate the challenges of audience consumption patterns and algorithmic change, and instead build loyalty that endures.

To this end, LNOs should focus on the following steps:

- **Prioritize the development of owned, first-party channels** like newsletters to create stable, direct pathways for two-way engagement, reducing reliance on volatile platforms.

- **Tailor external distribution strategies to the platforms your community uses most**, focusing on formats that encourage dialogue, responsiveness and interaction.

- **Embed your organization in civic life through sustained physical presence and audience-focused roles**, shifting your identity from a distant observer to an engaged, trusted participant in community life.

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

So what does this mean for funders and policymakers?

Funders can help LNOs build direct relationships by investing in engagement infrastructure, skills and policy protections that support sustained, two-way communication.

Funders can support the development of engagement and distribution strategy, upskill journalists in community-centred engagement practices, and advocate for long-term policy protections that enable LNOs to reach audiences on their own terms. Strategic investment in these areas reduces reliance on volatile algorithms, expands engagement opportunities and creates sustainable pathways for civic impact.

Direct-to-audience infrastructure – such as first-party data systems and customer-relationship tools – enables LNOs to establish trusted, one-to-one relationships with the audience. Funders can invest in these often expensive systems and tools to provide LNOs with access. In addition, investing in innovative reach strategies and experimentation efforts can further help LNOs to strengthen their distribution tactics. One such example is *The City*, which used targeted, direct-mail postcards to older residents to notify them of their rental rights. This was a successful distribution tactic that drove high engagement and helped to establish direct relationships with their audience. »

Building local news skills in the use of digital platforms should go hand-in-hand with policy protections for direct channels. Funders can provide training that improves journalists' abilities to engage communities – especially on non-native platforms – and use their convening power to connect newsrooms with successful local creators. These initiatives build trust, align formats with consumption habits and foster a more collaborative local news ecosystem. Funders can also support advocacy to protect engagement channels from platform volatility and AI-led disintermediation. Australia and Denmark offer contrasting models of state intervention. Australia's *News Media Bargaining Code* requires digital platforms to compensate news organizations, leading to over 30 agreements that enabled newsrooms to hire staff and build new capabilities. Denmark's redesigned public subsidy program – with eligibility criteria, audited editorial investment, and weighted cash grants–supports local and independent publishers and strengthens their ability to sustain engagement-driven journalism.

Funders can help LNOs build direct relationships by investing in engagement infrastructure, skills and policy protections that support sustained, two-way communication.

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

3. Revenue Balance: Strengthening Sustainability via Fair Value Exchange and Multiple Revenue Streams

Sustainable LNOs achieve resilience by balancing diverse income streams, combining earned revenue with catalytic funding. Yet reliance on philanthropic support alone is inherently precarious: it is often short-term, project-based, and concentrated among a small pool of donors. Recent research by the Institute for Nonprofit News (INN) found that, on average, 51 percent of its members' annual revenue came from foundations, compared with just 17 percent from earned sources. Similarly, Katherine Fink's analysis in Digital Journalism concluded that even as nonprofit leaders recognize the limits of philanthropy, dependency remains high. Such reliance exposes local newsrooms to fluctuations in donor priorities and policy changes, resulting in structural fragility rather than long-term financial resilience. To counter this, organizations should design a fair value exchange for their content and services, whether through subscriptions, memberships, donations, advertising or other ancillary revenue streams.

> **...even as nonprofit leaders recognize the limits of philanthropy, dependency remains high.**

3.1. Build a balanced portfolio of complementary revenue streams

FT Strategies' analysis on revenue diversity in news media organizations found that those with at least four meaningful sources of income (each contributing 15 percent or more) achieved higher margins and were stable or growing, while those with fewer sources tended to decline. Sustainable LNOs typically blend audience revenue, advertising and sponsorship, events, services, and philanthropic or public funding. *Village Media* avoids reliance on a single revenue stream by offering a broad set of proprietary commercial products integrated into their platform, including display advertising, sponsored content, directories, classifieds, e-commerce and technology licensing through its proprietary SaaS '*Villager*' platform.

By diversifying across products and revenue lines, organizations like *Village Media* can better read market demand, stay resilient amid volatility, and continually innovate around audience and advertiser needs. As one executive interviewee put it, "stability comes from having four levers to pull, not one." Diversification across clients can further reduce revenue concentration risk. For instance, *The Salt Lake Tribune* actively manages overreliance on any single income source by cultivating a large advertising base of smaller, local partners, which makes up 25% of their annual revenues, rather than relying on a few major accounts.

Four significant revenue streams

### SIGIFICANT REVENUE STREAMS IN RELATION TO AVERAGE PROFIT MARGIN
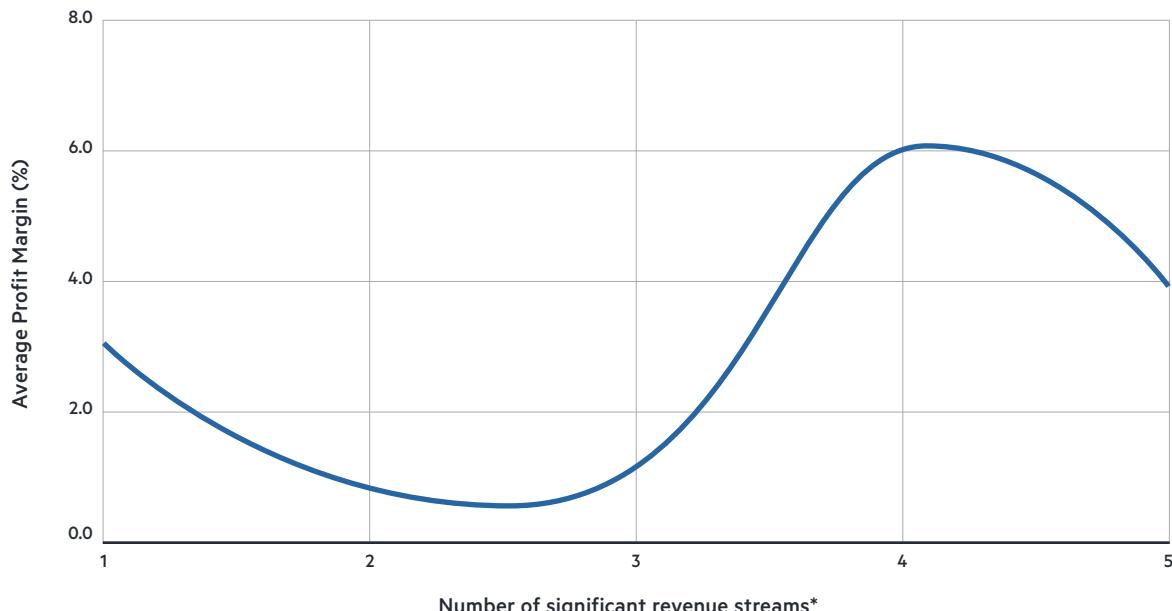
*Significant reflects 15% of overall revenue

Source: Based on 400+ publishers that took part in the News Sustainability Project

The Salt Lake Tribune has effectively diversified, placing reader revenue at their core

REVENUE MIX OF THE SALT LAKE TRIBUNE FOR THE YEAR ENDING 2025
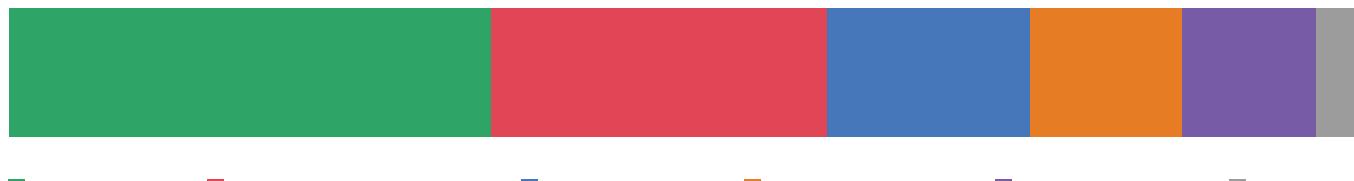
■ Subscriptions 36%　■ Grants and Major Donations 25%　■ Print Advertising 15%　■ Individual Donations 12%　■ Digital Advertising 10%　■ Other 3%

Source: Salt Lake Tribune Annual Report 2025 • Totals are rounded up to the nearest integer • 2025 used due to availability of data

Block Club Chicago's revenue mix balances philanthropy with earned revenue, preventing over reliance on a single source

REVENUE MIX OF BLOCK CLUB CHICAGO FOR THE YEAR ENDING 2024

■ Grants 30%　■ Donations 27%　■ Subscriptions 26%　■ Advertising 15%　■ Other 2%

Source: Block Club Chicago 2024 Annual Report • Totals are rounded up to the nearest integer • 2024 used due to availability of data

> " Stability comes from having four levels to pull, not one. "
>
> **EXECUTIVE INTERVIEWEE**

31

3.2. Prioritize audience revenue as both a pillar and a signal of audience value

Reader contributions such as subscriptions, memberships, or donations, are a recurring, predictable income source and a real-time indicator of whether journalism is meeting audience needs. Paid conversion can be driven through building audience habits, prioritizing high-signal content, encouraging registrations, making content personalized and relevant, and reducing checkout friction, among other tactics. *The Baltimore Banner* set a target revenue mix of 50% reader income, describing it as "the best way to tell if we are meeting the needs of the marketplace", thus holding the organization accountable to its audience. As of 2024, the Banner achieved revenues of over $13m, made up of 45% reader revenue, 35% advertising and 20% philanthropy.
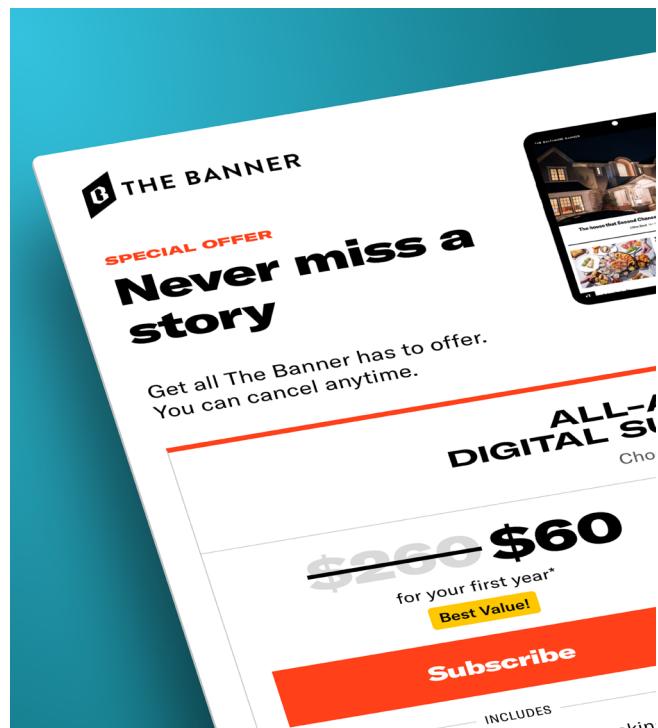
Exemplars expect reader revenue to be the highest growing source of income in the next three years

% OF RESPONDENTS EXPECTING REVENUE STREAM TO GROW

Reader Revenue (donations and digital subscriptions)
93%

Grants & Philanthropy (foundations, large donors)
57%

Events & Sponsorships
57%

Digital advertising (direct + programmatic)
37%

Syndication / Licensing
13%

Professional services (e.g. consulting, research, reports)
7%
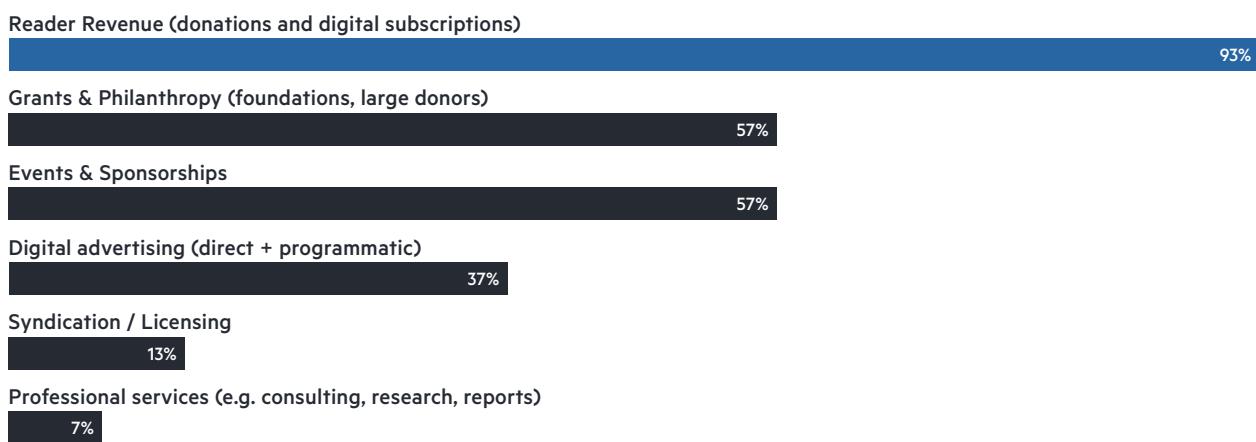
Source: FT Strategies Local News Survey 2025 (N=32) • Q: Which revenue sources do you expect to grow most in the next three years?

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

As Reuters Institute's Jim Egan noted, if a local newsroom cannot attract financial support from its most engaged audiences, it suggests the content is not sufficiently distinctive. Successful LNOs optimize their propositions to realize a fair exchange of value with their audience. *The Assembly* discovered that relying solely on niche, long-form content did not meet audience expectations. It broadened its offer into a bundled subscription that catered to more of its audience's daily information needs, strengthening the received value of its subscription.

Of course, reader-revenue models do not need to rely on paywalls. Many LNOs we interviewed are committed to freely accessible content based on the belief that journalism is a public utility, whilst cultivating voluntary contributions. For example, *The Daily Maverick* in South Africa, employs a voluntary membership program that has successfully brought in recurring revenue and contributes 50% to its overall income. The organization has used this to invest in the newsroom and grow new divisions, fueling a cycle of growth.

3.3. Leverage philanthropy as catalytic capital to accelerate innovation and civic impact

Our survey analysis highlights that successful LNOs are not standing still. 67% of those that have grown over the past three years are continuing to invest in expanding their capabilities. When used strategically, philanthropy acts as a springboard (rather than a subsidy) and provides a runway for experimentation, capacity-building, and product development. The *Jersey Bee* used early grants to cover operational expenses and invest in community listening sessions, allowing it to build trust and audience loyalty before layering in earned income streams such as advertising, donations, and events. Similarly, *Deep South Today* used grant revenue to secure an operational runway, enabling them to invest in and develop earned revenue streams through events and tiered memberships. *The Seattle Times* has raised over $5 million in institutional donations since 2013, using this capital to create high-impact desks including the Climate Lab, Education Lab, and Project Homeless. Their investigations desk's reporting received donations from 2,200 readers and contributed to police reform, aviation regulation and changes to pediatric mental health laws. Each desk now operates through a mix of sponsorship and reader support, proving that philanthropy can fund innovation that later sustains itself commercially.

Growing LNOs are investing in expansion to consolidate their high performance

APPROACH TO COST MANAGEMENT BY RESPONDENTS WHO HAVE EXPERIENCED REVENUE GROWTH IN THE PAST THREE YEARS

Increased costs — intentional (investment in expansion, new products or staff)
67%

Reallocated costs (reduced in some areas, reinvested in others for growth)
19%

Maintained stable costs (no major changes)
10%

Reduced costs (significant cost-cutting, downsizing, or removing fixed costs)
5%

Source: FTS Local News Survey 2025 (N=32) • Q Thinking about your costs over the past 3 years, which of the following best describes your approach?

3.4. Align all revenue activities with your mission and community value

Diversification succeeds only when every income stream reinforces the organization's mission and civic purpose. While big tech platforms dominate national advertising markets, LNOs with loyal audiences offer unique access for community-minded or smaller local businesses. Our survey found that successful local news publishers have migrated local-SME relationships from print to digital, selling digital sponsored content, programmatic slots, and digital branded campaigns. These organizations are now deriving a quarter of their revenues on average from local digital advertising, evidencing that, despite macroeconomic pressures, there remains significant appetite for authentic, community-aligned and targeted marketing spend.

Financial resilience is built on fairness: audiences will pay for journalism that serves them, funders support innovation that benefits the public, and advertisers invest in trusted environments that reflect community value. Whether nonprofit or for-profit, LNOs that diversify income and use philanthropy as catalytic capital, rather than a crutch, gain the flexibility to innovate and the independence to serve their communities. In summary, sustainability comes from designing a fair value exchange between the newsroom, audience, and community, one that treats trust as both a civic and commercial foundation.

Reader revenue and local SME advertising provide the biggest share of revenue outside of philanthropy for exemplar LNOs

AGGREGATED VIEW OF RESPONDENTS' REVENUE SOURCES FROM THE PAST 12 MONTHS

- Advertising (local SMEs) **21%**
- Grants & Philanthropy (Foundations & Large Donors) **26%**
- Reader Revenue (subscriptions, print sales and donations) **29%**
- Events & Sponsorships **5%**
- Syndication & Licensing **8%**
- Advertising (national) **4%**
- Other **7%**
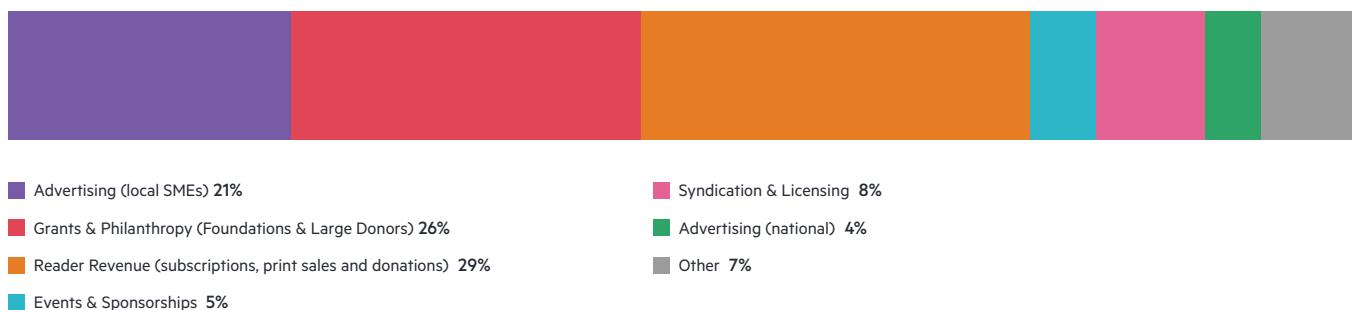
Source: FTS Local News Survey 2025 (N=32) • Q Over the past 12 months, what percentage of your revenue came from each of the following sources?

INTRODUCTION
PART 1
PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS
PART 3
CONCLUSION
APPENDIX

So what does this mean for LNOs?

Successful LNOs have built diverse, resilient business models by reducing reliance on any single source of revenue. These organizations combine earned revenue with philanthropic funding to protect against external factors causing fluctuations in income that threaten their long-term sustainability. Those performing best have put reader revenue at the center of their operations due to the stability this offers and clear indication of performance it gives through its direct link to their audience. For these strategies to be successful, revenue streams must reinforce an LNO's mission and civic purpose.

To strengthen long-term financial resilience through targeted revenue strategies, LNOs should:

- **Develop a diverse revenue mix** that includes at least four meaningful sources of income

- **Use philanthropic funding as catalytic capital** to enable the development of new products and services that reduce reliance on grants

- **Prioritize reader revenue (such as subscriptions, membership or donations)** to encourage a fair value exchange between your audience and your organization

- **Develop an advertising proposition** that leverages your strong community connections and focuses on local, relevant commercial partnerships

So what does this mean for funders and policymakers?

Funders can help LNOs achieve a resilient and balanced revenue mix by investing in long-term capability building (for both for-profits and nonprofits) while advocating for policies that increase incentives for audiences to provide support.

Funders and policymakers can take a range of actions to support the development of sustainable revenue mixes. Firstly, they should back long-term funding models and invest in capacity building in skills, operations and technologies that reduce dependency on philanthropy, while using policy levers to encourage audiences to financially support local outlets. Endowments or similar catalytic, long-term funding models, such as H. F. Lenfest's support for The Philadelphia Inquirer, could give LNOs a financial buffer against volatility, granting them security to plan beyond short-term grant cycles.

Funders can advocate for policy incentives that make it more attractive for audiences to support local journalism. Indirect subsidies, such as tax deductions and government-matched contributions, increase the value of each audience dollar. This allows organizations to earn stronger revenues without raising the cost for their communities. Audience revenue is vital as it provides the clearest signal of value i.e. whether LNOs are meeting community needs. Furthermore, policymaker attitudes are shifting towards viewing civic information as a public utility, such as the aforementioned New Jersey Civic Information Consortium blend state and philanthropic funds in a shared-responsibility model. This enables the distribution of costs across society and creates more stable, resilient support for local journalism. ≫

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

Furthermore, a healthy local news ecosystem depends on the success of both nonprofits and for-profits, and the accessibility of philanthropic funding should reflect this balance. In recent years, funding has tended to over-index toward nonprofits, partly because funders are more familiar with their structures and are cautious about being seen to subsidize commercial entities. Yet mission-driven, for-profit LNOs, particularly legacy outlets who have proven their value to the community through their commercial longevity, also play an essential civic role and require equitable access to catalytic support if the wider ecosystem is to thrive. This support should also recognize that not all for-profits are alike. To ensure fair access to funding, distribution policies should consider publicly-focused commercial outlets, compared to venture-backed or shareholder-focused models, if they are to maximize their impact on the ecosystem.

Therefore, allocating funding based on impact and mission instead of simply on ownership model is a more effective way to create a sustainable news landscape. Funders enable a wider range of community-focused organizations to succeed and innovate by opening funding to all who share their values. Democratizing the availability of capital can catalyze revenue diversification in organizations previously dependent solely on philanthropic capital. Simultaneously, philanthropic revenue can provide for-profit outlets the financial security necessary to invest resources into developing innovative strategies for growth that can be highlighted as models for others to emulate.


INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

4. Mission Alignment: Embedding Values in Strategy for Enduring Impact

There is no single blueprint for success in local news. However, for-profit or nonprofit, digital or mixed models can all thrive if they share the same foundation: a clear strategy with a long-term vision, strong leadership, commercial discipline and efficient operations anchored in a shared mission. From our research, we found the organizations that stand out are those that connect their editorial ambition with business reality, give teams clarity on shared goals, and build systems that make it possible to deliver on them. When strategy and operations reinforce the mission, newsrooms are better equipped to adapt, experiment, and stay focused on producing journalism that has real and lasting impact.

Exemplar LNOs are focusing on strengthening their revenue streams in the short term

% OF RESPONDENTS SELECTING THIS AS A TOP 3 STRATEGIC PRIORITY

Revenue growth & diversification
32%

Audience reach
19%

Community impact
17%

Audience retention
15%

Digital transformation
12%

Cost management
3%

Other
2%
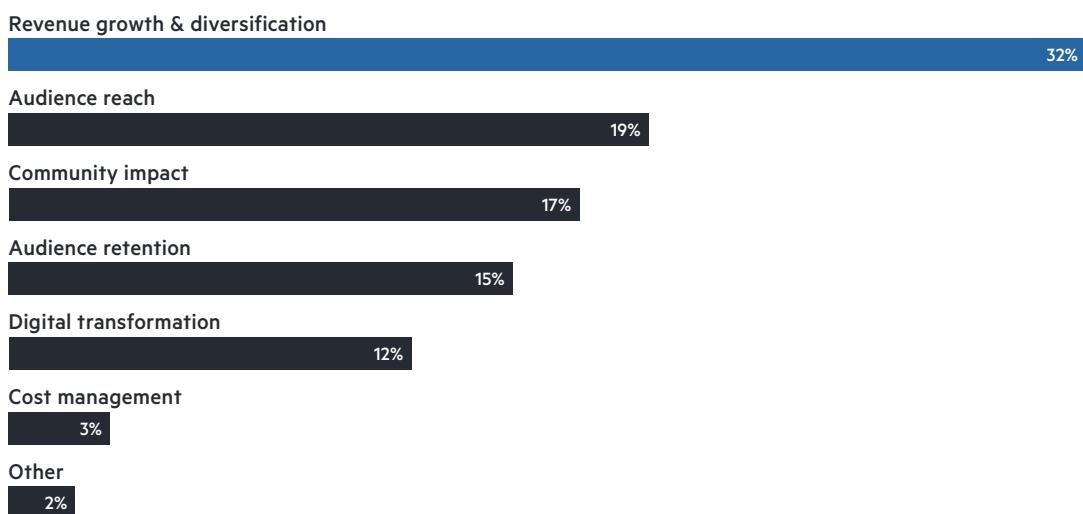
Source: FTS Local News Survey (N=32) • Q Thinking about the next 12 months, please choose the three most relevant strategic priorities for your organization

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

4.1. Lead with long-term vision and strategic resilience

In the organizations that we interviewed, leaders were thinking beyond the next financial year. Effective leadership requires setting a multi-year vision that integrates editorial ambition, audience understanding, and business economics. This includes taking calculated risks, investing through difficult cycles, and planning over 5-10 year horizons rather than short-term windows. 67% of organizations that experienced growth increased costs intentionally or reallocated spend for expansion defined as investment in new staff and products. This shows that growth is a choice or rather a conscious effort, achieved through investing in improving internal capabilities such as content production and user experience, the most popular areas of investment amongst the successful LNOs we assessed. One interviewee described their organization's "4-5 year plan" as vital to its goal of becoming a "30-year organization", and as another put it, "[successful owners] continue to invest and don't make rash decisions based on short-term economies."

> Effective leadership requires setting a multi-year vision that integrates editorial ambition, audience understanding, and business economics.

Exemplar LNOs are focusing on expanding their operations in the long term

% OF RESPONDENTS SELECTING THIS AS THEIR LONG TERM STRATEGY

Expanding
56%

Optimizing
16%

Transforming
16%

Sustaining
13%

Source: FTS Local News Survey 2025 (N=32) • Q Which best describes your organization's long term strategy?

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

The Texas Tribune exemplifies this approach. Its 2018-2025 strategic plan, developed with input from every member of staff, set four priorities: audience growth, membership conversion, technology investment, and revenue generation. By aligning its workforce around long-term goals, The Texas Tribune has grown to more than 3.5 million monthly readers, 13,000 paying members, and over $10 million in annual revenue. The Tribune turned a profit of over $500k in 2024, following a loss of $620k in 2023. The process shows how a long-term and inclusive vision combined with clarity of purpose can unite teams behind measurable progress. It means that even in difficult periods, all areas of an organization can pull towards the same goal and understand their role in achieving it.

> **The process shows how a long-term and inclusive vision combined with clarity of purpose can unite teams behind measurable progress.**

## 4.2. Embed commercial focus and shared accountability across teams

Clear strategy is effective when it connects meaningfully to employees and audiences alike. Inclusive planning and transparent communication ensure everyone in the organization understands how their work contributes to its success. In high-performing newsrooms, editorial, commercial, and product teams collaborate around shared metrics that link to financial sustainability, building commercial discipline and focus across the business. These metrics should be clear and actionable so that staff see the impact of their work on goals. They can range from simple metrics such as page views and number of paying members to more complex metrics such as subscriptions drop rate, conversion rates at story and reporter levels and quality reads. »

The Baltimore Banner actively ingrained a culture of applying commercial acumen to decision-making across the entirety of the business without compromising editorial mission. They couple commercial training with display of real-time statistics on screens throughout the office showing page views, subscriptions, content-driving conversions, and other key metrics. This transparency reinforces accountability: reporters understand the economics of their impact, while leadership continues to communicate priority of mission over immediate metrics, and that essential stories will still be pursued even if they do not drive revenue.

Furthermore, shared accountability extends to fostering internal practices that support long-term sustainability and trust. *Jersey Bee*, for example, demonstrates this by maintaining a maximum 1.5:1 CEO-to-staff pay ratio, linking its principle of fairness in its reporting to fairness inside the newsroom. *Sahan Journal* only works with advertisers aligned to its mission of amplifying underrepresented voices, ensuring coherence between its commercial partners and the values it presents to its audience.

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

Newsroom staff make up the majority of LNO headcount while audience roles are still nascent

AGGREGATED VIEW OF STAFF COMPOSITION OF SELECTED NEWS ORGANIZATIONS BASED ON LINKEDIN DATA

- Editorial & Content Creation **51%**
- Audience Engagement & Distribution **5%**
- Commercial & Revenue Development **14%**
- Technology, Data & Product **7%**
- Operations & Governance **9%**
- Other **14%**

Source: LinkedIn Data

4.3. Build lean, agile systems that scale efficiently

Operational coherence is what allows strategy and culture to work in practice. The most efficient newsrooms centralize what can be shared, automate what can be standardized, and protect local editorial autonomy where it matters most. Success of these models is evidenced by the growing number of ownership groups where enabling functions such as HR, Finance and Technology are centralized to reduce costs. *Deep South Today, Village Media* and *Mill Media* are examples of this in action. Each of these groups operates separate newsrooms for the audiences they serve across different regions, ensuring that coverage remains localized, but centralized operational functions support editorial teams. While it is important to say that group ownership should not be the aim for all newsrooms, these models show that networks of shared infrastructure within regions can prove effective.

There are a number of models that enable lean and agile organizations. Digital-first systems are often synonymous with agility. Small LNOs such as *Pamplonews* use AI and automation to test ideas and roll out new products quickly, proving that innovation does not depend on size. Lean leadership models, like *Charlottesville Tomorrow's* dual-role CEO and Editor-in-Chief, keep decision-making fast and overheads low. Efficient systems give organizations the flexibility to grow, adapt and innovate without losing quality.

Efficient systems give organizations the flexibility to grow, adapt and innovate without losing quality.

INTRODUCTION
PART 1
PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS
PART 3
CONCLUSION
APPENDIX

4.4. Collaborate with other ecosystem actors for collective strength

Many resilient LNOs do not meet their challenges alone. Collaboration with industry peers and capacity-builders leverages shared learnings and resources to build capability and capacity, and avoid duplicated effort. NOTUS, a nonprofit newsroom founded by the Allbritton Journalism Institute, exemplifies how collaboration can strengthen both capacity and civic reporting. Through its Washington Bureau Initiative, NOTUS partners with local newsrooms (such as Spotlight PA and Oklahoma Watch, among many others) to expand state and national political coverage, providing shared reporting resources and training for emerging journalists. *Bay City News Foundation's* decision to make some civic-impact reporting free to peers, demonstrates this "rising-tide-lifts-all-ships" approach. In a fragmented market, collaboration and collective investment often has an outsized and positive effect on those who take part.

When leadership sets long-term direction, teams are united by a shared mission, and systems are designed to deliver efficiently, newsrooms can focus on delivering continued value to their audience and thus sustain a resilient organization. This coherence enables successful LNOs to plan through uncertainty, invest in innovation and respond quickly to audience and market change. It also builds credibility: audiences, funders, and advertisers can see that purpose, strategy, and execution are all working in sync. In short, aligning strategy, culture, and operations transforms a mission from an aspiration into a sustainable model. One that keeps journalism relevant, trusted, and financially secure for the long term. »

So what does this mean for LNOs?

There is no 'one size fits all' approach to strategy that can guarantee success for LNOs. However, it is clear from our research that embedding your mission and values into every aspect of your operations is key. Organizations that aim to have long-term, tangible impacts on their community should reflect this in their internal practices to give them the best chance of achieving their goals. Those that look to empower and connect their communities should be implementing practices that do the same for their employees and external partners in the news ecosystem.

> **There is no 'one size fits all' approach to strategy that can guarantee success for LNOs**

To this end, there are a number of practical actions LNOs can take:

- **Shift strategic thinking** from focusing on short-term cycles to 3-5 year horizons to embed long-term resilience in your operating model

- **Drive commercial thinking** through the business by developing business skills in staff, embedding the right *metrics* and promoting a data-driven culture, to ensure staff are empowered and incentivized towards your organization's overarching goals

- **Design a lean, efficient systems architecture** that can grow with your business and facilitate innovation

- **Build a network of organizations** that share similar values to facilitate knowledge sharing, shared infrastructure and collective bargaining

So what does this mean for funders and policymakers?

Funders can help LNOs strengthen mission alignment by facilitating and incentivizing collaboration between capacity-builders and reforming grant design that inhibits it.

By focusing on developing leadership, collaboration, infrastructure, and innovation, funders can support the development of effective operational strategies for local outlets. This is vital to long-term ecosystem sustainability as it catalyzes innovation, makes core technologies accessible and imbues leadership with the necessary skills to meet the challenges that local outlets face.

Investment in executive training, equipping leaders with the mix of commercial and editorial skills their roles demand, remains highly sought after by many of our interviewees. Educational initiatives, such as CUNY's Craig Newmark School's Executive Program in News Innovation and Leadership show how targeted support can strengthen strategic and entrepreneurial capability while maintaining a clear focus on the needs of the local news industry. Yet leadership development alone is not enough. Funders can also invest in strategic and operational advisory, transformational support, and infrastructure-building to

help organizations move from ideas to execution. Strategic advisory and change management programs can guide outlets through complex transitions in business and operating models, technology and governance, while investments in shared infrastructure (such as data systems, back-office services and audience platforms) create the foundations for scale and efficiency. Moreover, bringing in talent and expertise from other sectors can further accelerate this transformation by introducing transferable practices from more mature industries and strengthening long-term operational resilience.

The recent Commoner report on LNOs makes clear, funders can not only *encourage* collaboration between capacity builders (e.g., journalism support organizations (JSOs), technology vendors, and educational institutions) but also actively incentivize it. Current funding models, however, often do precisely the opposite. By tying grants to narrow deliverables, short timeframes, or competitive award structures, many programs unintentionally create silos, forcing support organizations to compete for visibility and resources rather than collaborate to share them. This dynamic not only limits knowledge exchange but also fragments efforts to build scalable, system-wide solutions. »

To reverse this, funders can **embed collaboration incentives** directly into program design. For instance:

1. **Partnership-based grant criteria** can prioritize applications that demonstrate co-design between JSOs, tech providers, and universities.

2. **Shared infrastructure funds** can reward collective investment in open-source tools, training resources, or data systems that serve multiple organizations.

3. **Consortium grants or matching models** can multiply funding when different capacity builders work together toward a common goal.

4. **Joint evaluation metrics** can measure impact at a network level, encouraging alignment across projects rather than just isolated achievements.

These structural incentives make collaboration a competitive advantage rather than an afterthought. They also align with the *Commoner* report's finding that funders' current frameworks too often "reward differentiation over cooperation", stifling the cross-pollination and shared learning essential for a healthy ecosystem.

Strengthening peer and regional networks, alongside shared infrastructure and creating space for innovation will compound these gains. Funders can create spaces for LNOs to share proven strategies for amplification and impact. This can take the shape of forums, digital roundtables or workshops where funders convene those within their networks to highlight examples of innovative strategies. Funders could seek to connect outlets facing specific challenges with those with solutions, to act as mentors.

Commercially, support for regional collaborations that pool resources for advertising or technology while preserving local identities can minimize the costs of capability development. In New York, Documented and The City have shown how collaboration can widen reach and deepen impact for those involved by pooling resources to increase their quality of reporting.

Additionally, shared back-office services give smaller outlets affordable access to functions such as HR and finance as well as reduce costs for core tools. The Newspack platform demonstrates the impact that funders can have by providing funding for affordable tech solutions. Flexible, multi-year funding and small pilot grants allow teams to test, learn and refine ideas quickly; the Lenfest Institute's Local News Transformation Fund is one example of how targeted support can modernize operations and enable responsible adoption of new technologies.

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

5. Intelligent Innovation: Responsibly Harness Emerging Technologies To Reinforce Journalism

Exemplar LNOs strongest tech capabilities relate to content creation and distribution

% OF RESPONDENTS RATING THEIR CAPABILITIES IN FIVE CORE TECH CATEGORIES

Content Creation

| 7% | 29% | 56% | 8% |

Content Distribution

| 6% | 31% | 47% | 16% |

Reach & Engagement

| 9% | 57% | 28% | 6% |

Monetize & Manage

| 3% | 13% | 59% | 9% | 16% |

Digital Infrastructure

| 16% | 53% | 28% | 3% |

■ Not at all developed ■ Basic ■ Adequate ■ Strong ■ Very strong

Source: FTS Local News Survey 2025 (N=32) • Q Thinking about the technology your organization uses, how would you rate your capabilities in each of the following areas?

LNOs operate in a competitive information market where audiences expect relevance, speed, and convenience. Despite this, many local outlets still rely on legacy systems and manual processes. Technology and data now sit at the heart of successful newsroom strategy, as they support journalists to better serve communities. The most forward-thinking organizations are building robust data infrastructure, adopting automation and AI responsibly, experimenting with new products and formats, and developing staff capabilities to ensure that technology strengthens, rather than undermines, public-interest journalism.

> **LNOs operate in a competitive information market where audiences expect relevance, speed, and convenience.**

5.1. Build a strong data foundation for insight and independence

As third-party cookies disappear and algorithms increasingly shape how audiences find content, first-party data and enabling infrastructure have become essential to sustainable journalism. They allow LNOs to maintain direct relationships with audiences, supporting subscriptions, memberships and advertising models that do not depend on external platforms. A robust data infrastructure also enables faster, evidence-based decisions and strengthens both editorial and commercial independence.

The Salt Lake Tribune has made data capability a central part of its long-term strategy. Supported by philanthropic funding, the *Tribune* hired a Director of Analytics to lead an extensive project that unifies audience information across all products. The initiative includes a centralized data lake and a unique reader-ID system that links behavior, engagement and subscription data in one environment. Using tools such as Power BI, editors and managers can now visualize key metrics and understand how audiences engage with content across platforms. By moving away from third-party CRM systems, the Tribune has reduced dependency on external vendors and secured full ownership of its data.

Data use is prevalent across exemplar LNOs, especially when deciding organizational strategies

FREQUENCY OF DATA USE TO INFORM DECISION MAKING ACROSS EACH AREA OF THE BUSINESS

Editorial
| Never 3% | Rarely 3% | Sometimes 41% | Often 25% | Consistently 28% |

Product
| Rarely 13% | Sometimes 22% | Often 44% | Consistently 22% |

Commercial
| Never 3% | Rarely 19% | Sometimes 25% | Often 38% | Consistently 16% |

Audience Development & Marketing
| Rarely 9% | Sometimes 31% | Often 34% | Consistently 25% |

Organizational Strategy
| Rarely 9% | Sometimes 16% | Often 50% | Consistently 25% |

■ Never ■ Rarely ■ Sometimes ■ Often ■ Consistently

Source: FTS Local News Survey 2025 (N=32) • Q How regularly does your organization use audience data and analytics to inform decisions in the following areas?
Values have been rounded to the nearest whole number, as a result totals may not add to 100%

Elsewhere, successful LNOs are finding creative ways to collect audience data beyond registration walls and surveys. Pamplonews uses audience engagement tools such as local discounts and job boards that require user sign-up, helping them capture demographic and behavioral data to build richer audience profiles.

These profiles allow organizations to sell targeted advertising, ensuring that the right audiences see the right content, helping to maximize revenue while maintaining relevance and engagement.

5.2. Use automation and AI to enhance efficiency and scale responsibly

Responsible automation and application of AI can drive scale and efficiency. Such tools help small teams do more with limited resources while maintaining the accuracy and accountability expected of quality journalism. The most effective organizations use AI to automate routine or repetitive work, freeing journalists to focus on higher-value tasks, and to streamline operations that sustain growth.

Responsible automation and application of AI can drive scale and efficiency.

Jersey Bee uses its proprietary AI system, Harvest, to map, curate and distribute local news at scale. The system scrapes dozens of human approved sources to find relevant civic information, feeding into newsletters and social posts that are then refined by human editors pre-publication. Despite being only a small team, this application has produced 5,000 briefs and 2,200 daily newsletters across a 12-month period allowing them to deliver civic value that would otherwise be impossible. Bay City News won awards for their innovative use of AI to make local election data available in real time. Covering hundreds of races across 13 counties during the 2024 election cycle, the regional newswire used ChatGPT to develop an HTML-coded tool that could be integrated into their CMS. The tool allowed readers to track races live and enabled the editorial team to cover local races in greater detail than larger newsrooms. The AI-assistant automated the data collation process, saving hundreds of staff hours that could instead be spent on analyzing and interpreting the data.

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

5.3. Foster a culture of experimentation and innovation

The most resilient organizations treat experimentation as part of daily operations. At *The Baltimore Banner*, the mantra "try fast, fail fast, move on" encourages rapid iteration and learning. *Deep South Today* pilots new products, such as video in a single newsroom, before scaling them across its network once results prove viable. Multimodal innovation, combining text, audio, video, and interactive storytelling, creates more entry points for audiences and new opportunities for revenue. Our survey found that over half of tech investments by growing organizations in the last three years have focused on content creation and distribution.

Reflecting a growing need to produce exciting, multi-format content that can be distributed through owned innovative, direct-to-reader channels in the face of hyper-personalized content algorithms and short-form video content from social platforms. Organizations that nurture this creative elasticity are better equipped to respond to changing consumption habits and to use technology as a driver of reinvention rather than disruption.

Growing LNOs have focused investment on improving their ability to reach their audiences

DISTRIBUTION OF TECHNOLOGY INVESTMENT FOCUS OVER THE PAST THREE YEARS BY RESPONDENTS THAT HAVE EXPERIENCED REVENUE GROWTH

Content Distribution
42%

Content Creation
23%

Monetize & Manage
21%

Reach & Engagement
14%
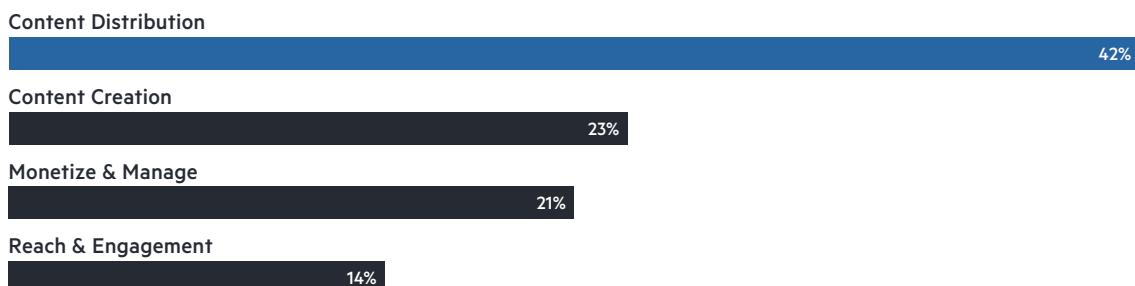
Source: FTS Local News Survey 2025 (N=32) • Q In the past 3 years, which areas of technology has your organisation invested in?

> **Multimodal innovation, combining text, audio, video, and interactive storytelling, creates more entry points for audiences and new opportunities for revenue.**

INTRODUCTION

PART 1

PART 2 – THE VALUE DRIVERS FOR SUSTAINABLE LOCAL NEWS ORGANIZATIONS

PART 3

CONCLUSION

APPENDIX

5.4. Develop people and skills for a data-driven, AI-enabled future

Technology delivers value only when people have the skills and confidence to use it. Many newsrooms are addressing skills gaps through intentional training and hiring. *Charlottesville Tomorrow* has expanded its product and tech teams to improve accessibility for diverse audiences, while *The City* partners with outlets such as Documented to bridge language and cultural gaps. Leadership plays a key role in demystifying technology. Some LNOs now run internal workshops on prompt-based tools like ChatGPT and Gemini to identify useful applications, supported by in-house experts. Others, such as *Georges Media Group*, establish clear AI policies that differentiate editorial from commercial use. »

Transparent disclosure of AI-assisted content and ongoing training on verification help maintain audience confidence.

Data and AI are reshaping how local journalism is produced, distributed, and funded. The organizations leading this transformation build strong data foundations, use automation responsibly, foster a culture of experimentation, and invest in their people. Responsible innovation allows LNOs to deliver journalism that is as relevant and responsive as any platform while remaining grounded in editorial judgment and community trust.

So what does this mean for LNOs?

To thrive in an increasingly competitive attention ecosystem, LNOs need the capacity to offer personalized, multimodal experiences to audiences. This reality is powered by data, automation and innovation. Successful LNOs have heavily

invested in the infrastructure required to support this with efforts continuing to create the culture and workforce needed to maximize the ROI.

While competing with digitally-native, complex social and entertainment platforms may seem daunting, there are a some key actions that can be taken by LNOs to ensure they have the necessary tools to serve their audiences:

- **Invest in robust data collection and analysis infrastructure** to enable the use of audience data in decision-making across editorial, product and commercial teams organization's overarching goals.

- **Create formalized avenues for experimentation** that promote a "try fast, fail fast, move on" attitude to give teams the space to innovate.

- **Implement transparent AI usage policies and guidance** to facilitate responsible use of AI, with human oversight, that serves to improve personalization and workflows and increase capacity.

- **Invest in training** to upskill employees in leveraging open-source data, tools and technologies when budgets are constrained.

So what does this mean for funders and policymakers?

Funders can help LNOs accelerate data and AI-enabled innovation by funding core data infrastructure and development of (responsible) AI skills while enabling fair data licensing frameworks.

In a rapidly evolving digital marketplace, the local news sector needs funding and policy support to compete with other players in the attention economy and continue to serve communities effectively. Funders can focus on improving access to vital infrastructure and improving technology and data literacy in newsrooms, so that local outlets can develop critical capabilities.

Core data infrastructure, despite often being expensive, complex and slow to monetize, is foundational to providing personalized, relevant experiences for audiences. Funders should offer investment into building these capabilities while simultaneously funding training to improve data literacy in local newsrooms to maximize return on investment. Pamplonews provides a clear example of the impact of data usage in local news. By developing sign-up applications that collect reader data, the outlet has been able to personalize engagement and lay the groundwork for future monetization. Similar investment in shared or open-source data frameworks could help smaller outlets build audience intelligence without prohibitive costs. »

This should be coupled with support for responsible AI use and training in the application of innovative technologies that bring local outlets on par with their national counterparts. Educating newsrooms on the responsible use of AI can improve efficiency and sustainability, and also help to prevent eroding audience trust in news content generation. This can be achieved by providing newsrooms with the necessary training and materials. Bay City News' development of an AI tool to optimize election night data analysis, driven by a single self-taught intern, is a great example of how providing capacity for upskilling can drive innovation.

Looking ahead, AI also presents new opportunities for LNOs to diversify revenue. As generative systems depend on high-quality, verifiable data, trusted LNOs can position themselves as reliable data suppliers within AI ecosystems. In this model, outlets could earn licensing or retrieval-based income for their content, similar to how other industries license data, creating a new B2B pathway that rewards transparency, accuracy and trust. Funders and policymakers can play a role by encouraging frameworks that support fair data licensing and ensure that public-interest journalism has a seat in the emerging AI economy.

PART 3

PATHWAYS TO SUCCESS

PART 3

PATHWAYS TO SUCCESS

Local news organizations (LNOs) that are succeeding today share a common foundation. As outlined in the previous section, resilient LNOs consistently demonstrate five universal value drivers: Community Connection, Direct Relationships, Revenue Balance, Mission Alignment, and Intelligent Innovation. These value drivers represent the core DNA of sustainability.

However, the way an individual organization expresses these value drivers can look very different depending on its structure, market, resources, ownership model, and mission. Our research shows that there is no single blueprint for success. Instead, there are multiple viable pathways, each shaped by how an organization activates the universal value drivers within its own context.

High-performing LNOs typically align with one of eight business model archetypes. These archetypes capture the most common and effective structural pathways used by organizations that are achieving stability, impact, and growth.

The purpose of this section is to bring these pathways to life.

For each one, we highlight:

- **What defines it**

- **Why it is sustainable**

- **How it uniquely activates the universal value drivers within its own context**

- **The risks or constraints it must manage**

- **A spotlight on an exemplary organization that embodies the archetype today**

While an organization may see itself reflected in several archetypes, these archetypes should be used as decision aids, not prescriptions. They offer a set of viable options that show how the five value drivers can be embedded in different contexts, offering practical lessons to borrow, adapt, or build upon.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

BUSINESS MODEL ARCHETYPES: ILLUSTRATING PATHWAYS TO SUCCESS

The following section details the eight business model archetypes high-performing LNOs typically align with, along with case studies and actionable takeaways for each. **There are a number of factors by which archetypes can vary:**

- **Ownership structure:** who ultimately owns and controls the organization
  → *Is it independent, group-owned, or co-owned (by members)?*

- **Profit orientation:** how the organization is permitted to use and distribute profits
  → *Is it for-profit or nonprofit?*

- **Maturity:** the growth stage of the organization, guided by categories defined by the Institute for Nonprofit News
  → *Is it a startup, small sustainer, mid-level sustainer, or large sustainer?*

- **Scope:** the geographic scale of primary news coverage (which aligns with the Institute for Nonprofit News' categories of State/Regional, Local and Hyperlocal, where hyper-locals are outlets with an estimated audience size of less than 100,000)
  → *What is its scale of coverage: state/regional, local, or hyperlocal?*

- **News desert presence:** whether this organization exists in a geography or community with little to no competing or alternative news coverage
  → *How competitive or underserved is its local market?*

- **Source:** whether the organization stems from a large print business or is digitally native with no print business
  → *Is it a legacy print publication transitioning to digital, or is it digitally native?*

- **Technology sophistication:** a qualitative roll-up relative index across areas of technology, including technology stack, data analytics capabilities and AI proficiency
  → *How advanced is its technology stack?*

- **Primary content type:** the content type the organization produces the most of and is the most known for (i.e. general local, investigative & accountability, service & utility)
  → *What type of content does it primarily produce and differentiate on?*

- **Primary audience type:** the target audience for this organization and whether the organization targets audiences beyond the local geography (e.g. wider community groups or diaspora)
  → *Who is its core audience, defined by geography, identity or community?*

- **Primary distribution channel:** refers to the channel that achieves the highest reach for this organization, and whether that is non-targeted (i.e. website/print/app) or targeted (i.e. newsletters/WhatsApp)
  → *Which distribution channel delivers the most significant reach and engagement?*

INTRODUCTION
PART 1
PART 2
PART 3 – PATHWAYS TO SUCCESS
CONCLUSION
APPENDIX
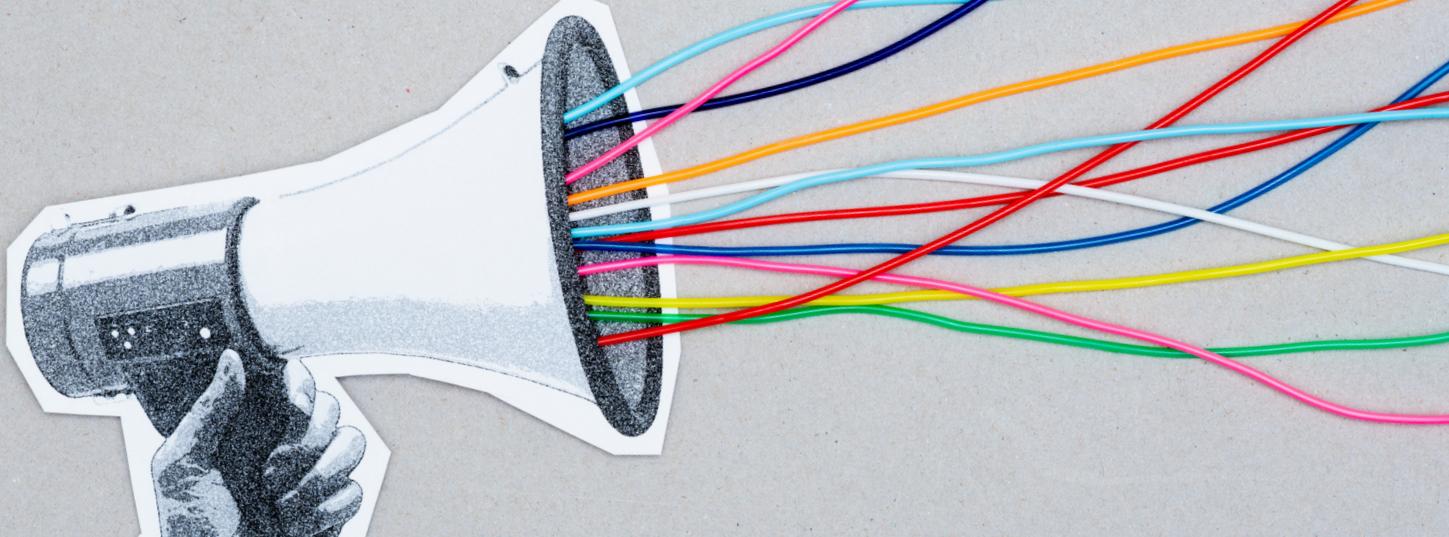
BUSINESS MODEL ARCHETYPES	DESCRIPTION
Networked News Hub	Group-owned, multi-brand operators using shared ops to scale efficient local/regional coverage.
Digital-only Local Generalist	Independent, all-purpose digital local newsrooms with lean, product-led ops and no print legacy.
Legacy Daily Modernizer	Established print brands using print income and recognition to fund digital transition into local markets.
Grassroots News Beacon	Lean independents in news deserts focusing on essential, service-oriented local coverage.
Stakeholder-Owned Collaborative	Employee/community-owned LNOs reinvesting profits into journalism, aligned with its mission and audience.
Lean Direct Messenger	Lightweight outlets built around newsletters/messaging apps, prioritizing habit, tone and practical utility directly to the audience.
Independent News Creator / Platform	Personality-led creators/micro-teams on unowned platforms (Substack, YouTube, podcasts) providing a distinctive local voice.
Community-Powered Public Media Network	Nonprofit regional news organizations that have evolved from public funding-reliant into community-funded, digital-forward networks anchored in trust and service.

$\frac{1}{8}$ Archetype
NETWORKED NEWS HUB

54

What defines this archetype?

Networked News Hubs are group-owned, multi-brand hubs that centralize shared operations to support a portfolio of local and regional brands. They blend shared back office functions: technology, finance, HR, audience growth, ad ops, etc., with locally branded newsrooms serving distinct communities. Most sit in the "large sustainer" band of maturity, operationally standardized and built for replication, while spanning both for-profit and nonprofit models depending on the market.

What makes this archetype sustainable?

The effectiveness of this archetype comes from structural cost efficiency: centralized back-office functions, a single tech stack and pooled ad operations that compress unit costs as the portfolio grows. Replicable scaling reduces time-to-market, while diversified exposure across multiple regions mitigates local risks (for example, advertising demand or regulatory changes). Some organizations such as Tapinto are taking the replicability further, creating an innovative franchise model. They focus on providing backroom functions to prospective leaders who aim to set up newsrooms in news deserts for a monthly share of profits. Alongside their 100 franchises, they licence their back office function to small news organizations who lack the capabilities, powering diversification without moving away from their core product.

⚠ What risks or constraints must this archetype commonly manage?

- Talent dependency in smaller markets, where finding experienced editors, product staff and ad ops specialists is difficult.

- Risk of over-standardization, where centralization dilutes local brand identity and weakens community connection.

- Scaling technology increases governance needs, requiring transparency, editorial safeguards and content-quality controls as AI and automation expand.

- Higher reliance on strong central capability, meaning gaps in the hub's product, tech or revenue functions can impact all local brands.

INTRODUCTION
PART 1
PART 2
PART 3 – PATHWAYS TO SUCCESS
CONCLUSION
APPENDIX

How does this archetype express the five value drivers?

Value Drivers in Practice: Networked News Hubs

1 COMMUNITY CONNECTION

- Local newsrooms hold full editorial autonomy, ensuring coverage reflects community priorities and local nuance.

- Expansion into news deserts and underserved localities addresses unmet information needs.

- Locally branded titles remain rooted in specific civic and cultural contexts, preserving community relevance.

2 DIRECT RELATIONSHIPS

- Autonomy over local sales, support and distribution enables relationship-building aligned with community expectations.

- Central audience acquisition and growth functions provide scalable support that strengthens engagement efforts.

- Local presence paired with centralized expertise creates consistent but locally resonant practices across markets.

3 REVENUE BALANCE

- Centralized back-office and pooled ad operations reduce costs and unlock multi-market advertising & sponsorship opportunities.

- Operating across multiple regions provides diversified exposure, lowering dependence on any single market.

- A broad revenue mix—advertising, sponsorships, subscriptions, events, and occasionally technology licensing—supports sustainable operations.

4 MISSION ALIGNMENT

- A hub-and-spoke model centralizes HR, finance, technology and ad ops to deliver efficient, mission-aligned operations.

- Standardized processes, such as shared CMS, analytics, KPIs, and dashboards, reinforce consistency and support expansion.

- Centralized systems combined with localized brand autonomy preserve local identity while maintaining consistent governance.

5 INTELLIGENT INNOVATION

- Standardized multi-site technology platforms streamline administration and enable seamless content sharing.

- Upfront investment in scalable tech (e.g. CMS, analytics, ad tech) supports efficient replication.

- As tech and AI adoption grow, transparency and editorial integrity remain essential to protecting trust and content quality.

INTRODUCTION
PART 1
PART 2
PART 3 – PATHWAYS TO SUCCESS
CONCLUSION
APPENDIX

Exemplar Spotlight: Village Media

Other notable examples include Deep South Today and Tapinto

Who they are

Village Media is a digital-only network of 27 local outlets across small and mid-sized Canadian markets, operating on a centralized technology and operations platform. Village Media has demonstrated sustained success, scaling to dozens of markets, increasing staff, and growing readership, revenues and profitability significantly while many peers contracted.
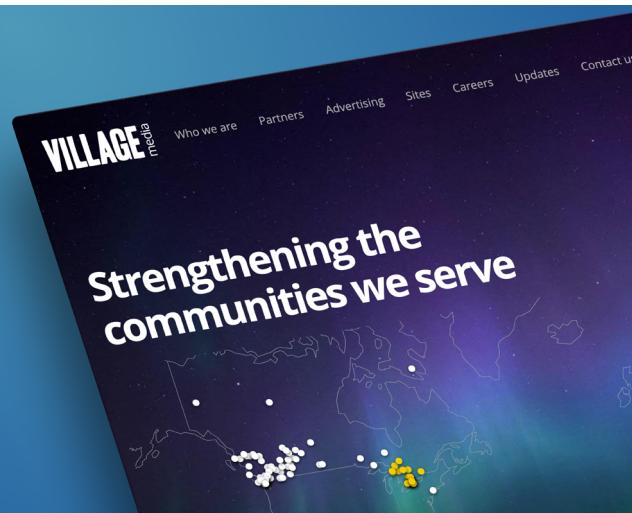
How they exemplify the 'Networked News Hub' archetype

Village Media embodies the Networked News Hub model by combining deep community presence with a highly centralized operational and technology backbone. Local editors run fully autonomous newsrooms, while shared services, such as tech, advertising operations, product, analytics and audience acquisition, create exceptional efficiency and scalability.

Signature practices that make them successful

Digital-only focus with centralized operations

- Village Media is digital-only, allowing it to channel all resources into digital products and growth without the typical complexities of legacy print operations.

- Core functions, such as technology, finance, and human resources, are run centrally, creating economies of scale that allow the organization to efficiently operate and scale outlets in small to mid-size markets that could not afford such specialized teams individually.

Technology as shared infrastructure and revenue

- The organization developed its own proprietary technology platform, the Villager CMS.

- This internal capability allows the company to integrate a rich feature set, including business directories, classified engines, and auction platforms.

- Crucially, the technology is licensed to other media partners, making the tech stack a profit center for the company rather than a cost.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

THE LOCAL NEWS PLAYBOOK: CREATING VALUE FOR A SUSTAINABLE FUTURE

A "community impact organization" mission

- Village Media deliberately operates not just as a news organization but as a "community impact organization", with a Cares team that integrates with the community and gives back through charities, nonprofits, and events.

- This civic-first identity strengthens trust and embeds each newsroom in local community life.

A diversified, locally aligned commercial model

- The business model is fundamentally ad-based, driven by a broad audience reach.

- Village Media believes that monetizing original journalism solely through display ads is unsustainable and should instead be weighted toward local-direct sold advertising.

- They focus on demonstrating performance for local businesses by integrating a suite of proprietary commercial products into their platform, such as sponsored content, classifieds, and e-commerce offerings.

The Bottom Line: What key lessons can local news organizations learn from Village Media and other successful Network News Hubs?

- **Centralize what can scale; localize what must stay close to the community.** Shared operations reduce costs, while local editorial autonomy preserves relevance and trust.

- **Invest early in technology that can serve multiple brands.** A standardized CMS, analytics, and ad tech stack enables efficiency, replication and consistent quality.

- **Use diversified footprints to spread risk.** Operating across regions protects against single-market volatility and strengthens long-term resilience.

- **Protect local brand identity as you scale.** Guard against over-standardization to maintain a strong community connection and prevent loss of authenticity.

- **Build critical expertise at the hub.** Product, data, ad operations and editorial leadership are foundational capabilities that underpin sustainable growth.

INTRODUCTION | PART 1 | PART 2 | PART 3 – PATHWAYS TO SUCCESS | CONCLUSION | APPENDIX
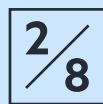
2/8 Archetype
DIGITAL-ONLY LOCAL GENERALIST

What defines this archetype?

Digital-only Local Generalists are independent, all-purpose local organizations that operate without the constraints of print. They are built to serve a hyperlocal or local audience, typically with compact teams and lean overheads, and rarely extend beyond a local footprint. They run product-first operations that closely align with the needs of the communities they cover and reflect distinctive local identities.

What makes this archetype sustainable?

The sustainability of this archetype lies in its agility. Without the operational costs of print or governance at a group level, these newsrooms can iterate rapidly on formats, distribution channels and propositions, learning in short cycles and reallocating resources quickly. Underpinning operations is a simple, modular technology stack that supports agility, while early adoption of AI and automation amplifies a small team's output and frees the editorial team to focus on original, differentiated reporting. Financial sustainability is rooted in revenue models that value distinctiveness: donations, memberships and subscriptions, complemented by advertising and sponsorships that emphasize the quality of local reach over scale (particularly effective in larger local markets with civic-minded audiences).

⚠️ **What risks or constraints must this archetype commonly manage?**

- Market size limits growth potential, as local-only reach can cap both subscription and advertising revenue.

- Platform dependency, particularly for younger audiences, exposes these outlets to algorithmic shifts and distribution volatility.

- Talent pressure on small teams, where limited capacity can stretch staff across editorial, product and commercial functions.

- Revenue fragility, as over-reliance on one or two income streams (ads or donations) can leave organizations vulnerable to shocks.

- Sustaining differentiation as larger regional or national players move into local formats and compete for attention.

How does this archetype express the five value drivers?

Value Drivers in Practice: Digital-Only Local Generalists

1 **COMMUNITY CONNECTION**

- Deeply embedded local reporting reflects distinctive community identities and needs.

- Compact teams remain close to sources, events and civic life, enabling highly responsive, relevance-driven coverage.

- A hyperlocal focus enables these organizations to address everyday community issues that larger outlets overlook.

2 **DIRECT RELATIONSHIPS**

- Owned channels such as newsletters and SMS/ WhatsApp products build habit and direct audience ties.

- Rapid experimentation across formats and platforms allows teams to meet audiences where they already spend time.

- Personality-driven writing and strong local voice often underpin trust and loyalty in smaller markets.

3 **REVENUE BALANCE**

- Donations, memberships and subscriptions reflect the value of distinctive, localized journalism.

- Advertising and sponsorship are strengthened by a high-quality, civically minded local audience base.

- Lean cost structures reduce financial pressure and allow revenue to be reinvested into editorial quality.

4 **MISSION ALIGNMENT**

- A product-first culture aligns the editorial, product, and commercial teams toward audience needs and community value.

- Smaller organizational size enables clear prioritization and fast decision-making around mission and growth.

- Distinctive editorial identity provides focus and helps maintain clarity about who they serve and why.

5 **INTELLIGENT INNOVATION**

- Modular, lightweight tech stacks allow quick iteration and adaptation to emerging audience behaviors.

- Early adoption of AI and automation increases capacity, enabling small teams to maintain quality and output.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

Exemplar Spotlight: Baltimore Banner

Other notable examples include The Daily Memphian and Block Club Chicago

Who they are

The Baltimore Banner is a nonprofit, digital-only newsroom serving Baltimore and the surrounding region. Since launching, it has built one of the largest digital local newsrooms in the U.S., reaching 70,000 paying subscribers and developing a strong advertising and events business, a level of growth only few local startups have achieved.

How they exemplify the 'Digital-Only Local Generalist' archetype

The Banner reflects this archetype through its lean, product-led, experimentation-driven model. Free from print legacy constraints, it reallocates resources toward distinctive local journalism, rapid iteration, data-informed decision-making and strong alignment between editorial and commercial functions.

Signature practices that make them successful

An "unashamedly local" mission

- The Banner focuses exclusively on Baltimore and its surrounding communities, pursuing a depth of local coverage that larger or national outlets cannot match.

- This clarity enables decisive resource allocation, scaling back low-performing areas and investing heavily where audience demand is strongest, such as local sports, which proved a reliable engine for subscription growth.

A culture of commercial transparency and shared accountability

- Real-time performance dashboards (subscriptions, pageviews, conversion triggers) are visible across the newsroom, and monthly organization-wide town halls build financial literacy.

- This ensures every team member understands how their work contributes to sustainability goals, including the 100,000-subscriber target.

INTRODUCTION
PART 1
PART 2
PART 3 – PATHWAYS TO SUCCESS
CONCLUSION
APPENDIX

A subscription-led model supported by mission-driven access

- Subscriptions form the center of the revenue model, supported by clear targets (50% subs, 25% ads, 15% philanthropy, 10% other).

- At the same time, the organization ensures broad public access by distributing critical content for free via social media and exploring partnerships that offer free access to eligible households, balancing sustainability with civic responsibility.

Early investment in data and an experimentation mindset

- The Banner built a robust data infrastructure from the outset, gathering behavioral data even before specific use cases emerged.

- This foundation supports a culture defined by rapid experimentation, "try fast, fail fast, move on", enabling new product tests and continuous audience-led adaptation.

The Bottom Line: What key lessons can local news organizations learn from Baltimore Banner and other successful Digital-Only Local Generalists?

- **A sharply defined local mission can create powerful differentiation** and unlock willingness to pay, if paired with disciplined resource allocation and bold bets based on audience insight.

- **Transparency around business performance** helps unite newsrooms behind sustainability goals and strengthens alignment between editorial and commercial teams.

- **Reader revenue thrives when supported by strong local identity**, high-quality journalism and a clear understanding of what audiences value most.

- **Early investment in data and experimentation** equips lean, digital-only teams to adapt quickly, test new ideas and build durable direct relationships.

- **Balancing access and sustainability**, through mission-driven free distribution alongside a core subscription model, can expand reach without undermining long-term financial resilience.

INTRODUCTION

PART 1

PART 2

PART 3 - PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX
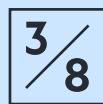
3/8 Archetype
LEGACY DAILY MODERNIZER

What defines this archetype?

Legacy Daily Modernizers are print-first dailies that leverage their established strong brands, subscriber bases, and distribution networks to fund a phased migration into digital models. Due to their operational scale, they typically serve audiences beyond a strictly local focus, maintaining a regional scope with brand recognition that extends beyond local boundaries. They operate in a transformational phase, using robust print revenues to de-risk the investment required to build digital capabilities and first-party data infrastructure.

What makes this archetype sustainable?

The sustainability of this archetype is driven by print revenue providing a considerable income stream. Organizations utilize robust earnings from markets with high loyalty to de-risk digital transformation efforts. Sustainability is further reinforced by combined print and digital sales that allow advertisers to target different demographics. Pricing power is preserved during the transition as a result of their brand recognition and distribution scale.

⚠ What risks or constraints must this archetype commonly manage?

- High operational overheads, as expensive print production and distribution costs can reduce the capital available for necessary digital investments.

- Demographic sensitivity, where an aging print subscriber base creates a risk of revenue decline before digital models fully mature.

- Technological deficits, as a lack of native digital infrastructure necessitates significant catch-up investment compared to digital-born competitors.

- Cultural inertia, where the challenge of shifting internal mindsets from print-first to digital-first operations can slow down product development and innovation.

How does this archetype express the five value drivers?

Value Drivers in Practice: Legacy Daily Modernizer

1 COMMUNITY CONNECTION

- Deep brand heritage and long-established trust allow for a strong regional voice that extends beyond immediate local boundaries.

- Broad operational scale enables comprehensive coverage of regional issues that smaller, hyperlocal outlets cannot address.

2 DIRECT RELATIONSHIPS

- Transitioning loyal print readers through print-digital bundles and e-papers preserves daily habits while shifting mediums.

- Aggressive investment in first-party data infrastructure secures ownership of audience insights independent of third-party platforms.

- Owned channels, such as specialized newsletters, build direct digital ties to replace anonymous print readership.

3 REVENUE BALANCE

- Robust print revenues provide a reliable income stream that de-risks the capital investment required for digital transformation.

- A hybrid advertising portfolio combines the demographic targeting of print with digital reach to preserve pricing power.

- Diversification of the client base reduces reliance on major accounts by cultivating a volume of smaller, local advertising partners.

4 MISSION ALIGNMENT

- Leadership guides a phased, data-informed transition that protects legacy income while building future digital capacity.

- Long-term strategic planning focuses on multi-year horizons to integrate editorial ambition with evolving business economics.

- Commercial longevity is leveraged to maintain an essential civic role, ensuring the mission survives the shift from print to digital.

5 INTELLIGENT INNOVATION

- Capital from print operations is reinvested early into technology stacks that deliver audience insights unavailable in the analog era.

- Centralized data infrastructure unifies audience information across products to inform decision-making and reduce vendor dependency.

- Clear AI policies and governance structures ensure that automation differentiates between editorial and commercial use to protect trust.

INTRODUCTION
PART 1
PART 2
PART 3 – PATHWAYS TO SUCCESS
CONCLUSION
APPENDIX

Exemplar Spotlight: Salt Lake Tribune

Other notable examples include Georges Media Group and The Seattle Times

Who they are

The Salt Lake Tribune is a 155-year-old legacy institution that has successfully reinvented itself as a hybrid nonprofit. The organization is in active expansion mode. It founded the Utah News Collaborative to share resources statewide, acquired the *Moab Times-Independent* to preserve community reporting, and recently launched a new print product to serve news deserts in southwestern Utah. In 2025, they are expected to make an estimated $2.6m in subscription revenue and plan to remove their paywall in 2026 and replace it with a voluntary membership system.
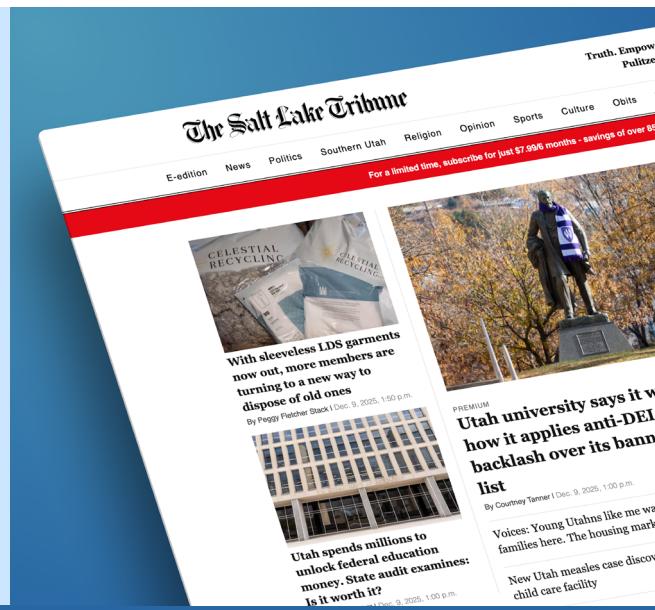
How they exemplify the 'Legacy Daily Modernizer' archetype

The Salt Lake Tribune personifies this archetype by strategically using its legacy assets, specifically high-margin print revenue, to de-risk the capital-intensive transition to a digital-first model. The organization uses established distribution networks to habituate older, loyal subscribers to digital formats while progressively removing friction, such as the planned 2026 paywall removal. This hybrid approach allows them to maintain pricing power and operational stability while building the modern data infrastructure required for a membership-driven future.

Signature practices that make them successful

'Smart Revenue' and Hyper-Diversification

- Rather than chasing high-volume, low-margin revenue, the commercial team focuses on high-margin local advertising and diverse income streams including legal notices, obituaries, and events.

- To ensure resilience, they strictly avoid relying on funding that comes with caveats from large donors that might compromise editorial independence. Instead, they prioritize a broad base of support over reliance on single major benefactors.

- By reorienting ad sales to focus on local margins rather than top-line volume, they have stabilized their financial outlook while preparing to unify subscription and donation asks into a single, frictionless membership system.

Platform Agnosticism and Total Audience Measurement

- The Tribune utilizes a Total Audience Measure to track engagement across all ecosystems, reflecting their multi-platform approach to content distribution. This helps to cement the value of each channel within the organization and aligns teams towards a single audience goal.

- They have cultivated such deep engagement on platforms like Instagram and YouTube that the audience actively helps police content alignment with community values.

- Their multi-platform approach allows them to maximize coverage on key issues, with reporting on a recent news event achieving 12 million views on YouTube and 4 million on their own website.

Serving a Unique Market with Authentic Independence

- Operating in a state where the dominant religion owns the primary competing newspaper and TV station, the Tribune markets itself as the essential independent voice.

- They build trust not just through accountability reporting, but by covering cultural nuances competitors miss. »

For example, their coverage of the release of new LDS temple garments provided vital service journalism for the state's majority faith population.

- They founded the Utah News Collaborative to share content resources statewide, rather than competing with smaller outlets.

Lean Operations & Strategic Expansion

- They have moved away from legacy systems like Salesforce to build a centralized data lake and implement modern tools, enabling more sophisticated user tracking and donor stewardship.

- To address the scarcity of business-side talent in the nonprofit sector, they launched a Business Development Fellowship with the University of Utah, successfully recruiting high-performing students to fill critical operational roles.

- Despite running a lean operation, they have successfully executed physical expansions, including acquiring the *Moab Times-Independent* (donated by a local family) and launching a new free print product in St. George to serve growing populations in southern Utah.

The Bottom Line: What key lessons can local news organizations learn from Salt Lake Tribune and other successful Legacy Daily Modernizers?

- Robust print revenues provide a critical financial runway to fund digital transformation, allowing organizations to build future capabilities without the immediate pressure of startup profitability.

- A clearly defined print-exit strategy enables leadership to maximize the remaining value of legacy assets while progressively shifting focus and resources toward sustainable digital-first models.

- Strategic bundling of print and digital products habituates loyal readers to new formats, preserving

the stability of the subscriber base while expensive print operations are streamlined.

- Immediate investment in first-party data infrastructure is essential to replace anonymous print readership with the deep audience insights required to drive digital subscription growth.

- Established brand recognition leverages trust to create powerful differentiation and diversify revenue beyond advertising, unlocking opportunities in events and partnerships.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

4/8 Archetype
GRASSROOTS NEWS BEACON

What defines this archetype?

Grassroots News Beacons are lean, independent outlets that specifically serve low-supply news environments or news deserts where few or no competitors operate. As a result of this scarcity, they prioritize essential coverage and service journalism over breadth. These organizations focus on accountability and practical problem-solving for residents typically overlooked by larger outlets. They typically operate with very small core teams supplemented by contract freelancers and community reporters. This allows them to maintain a visible presence in council meetings, school boards, and civic events.

What makes this archetype sustainable?

The sustainability of this archetype is anchored in its ability to fill critical information voids, becoming an indispensable utility that naturally garners community backing. By providing essential service journalism that offers tangible benefits to residents, these organizations strengthen the perceived value required to secure financial support through memberships, donations, and local philanthropy. Additionally, the scarcity of advertising options in news deserts allows them to capture local direct advertising from businesses seeking to reach engaged communities.

⚠ **What risks or constraints must this archetype commonly manage?**

- Resource and capacity limitations, as small teams and thin talent pools can hamstring operations and innovation.

- Dependence on philanthropy, where reliance on grants creates vulnerability to shifts in donor behavior or geographically uneven funding.

- Operational fragility, as heavy labor burdens on small core teams or single founders create significant key-person risk.

- Scaling challenges, where the lack of established infrastructure makes it difficult to grow operations as regional needs expand.

How does this archetype express the five value drivers?

Value Drivers in Practice: Grassroots News Beacon

1 COMMUNITY CONNECTION

- Editorial priorities are pragmatically defined by 'need-to-know' information, ensuring coverage directly addresses unmet community needs.

- Formalized listening sessions and surveys are used to embed the newsroom in the community and help set the editorial agenda.

- Active physical presence at civic events (e.g., school boards, council meetings) builds trust and demonstrates local commitment.

2 DIRECT RELATIONSHIPS

- Legitimacy is built through deep source networks and visible participation in civic life, distinguishing the outlet from distant regional competitors.

- Direct channels such as newsletters are prioritized to maintain habit and bypass algorithmic volatility.

- The focus on closing information gaps fosters a reliance on the outlet as a necessary public service, deepening audience loyalty.

3 REVENUE BALANCE

- Philanthropy and grants often form a key initial revenue stream, leveraging the mission-driven nature of providing news in deserts.

- Local direct advertising is captured by leveraging the organization's unique position as one of the few reliable reach vehicles in the area.

- Audience revenue models, such as voluntary memberships, are built on the premise of the organization as a critical community utility.

4 MISSION ALIGNMENT

- Operational decisions are made pragmatically to maximize the output of small teams while remaining strictly focused on community issues.

- A clear "service journalism" mandate aligns editorial output with the specific practical needs of the local population.

- The organization positions itself as a civic asset, aligning its targets with the goals of local philanthropy and community foundations.

5 INTELLIGENT INNOVATION

- Lightweight, modular technology stacks are utilized to minimize overheads and allow small teams to operate with agility.

- AI and automation tools are adopted early to multiply the output of limited staff, freeing up time for original reporting.

- Remote coordination and freelance networks are managed efficiently to expand coverage capacity without inflating fixed costs.

Exemplar Spotlight: Mat-Su Sentinel

Other notable examples include Cardinal News and Mountain State Spotlight

Who they are

The Mat-Su Sentinel is a nonprofit, digital-only newsroom serving the Matanuska-Susitna Borough in Alaska. Founded in 2024 by Amy Bushatz, it was launched to fill a critical information gap in a rapidly growing region where local government coverage had dwindled. Within its first year, it was named the "2025 New Business of the Year" by LION Publishers, recognizing its rapid growth and operational resilience.
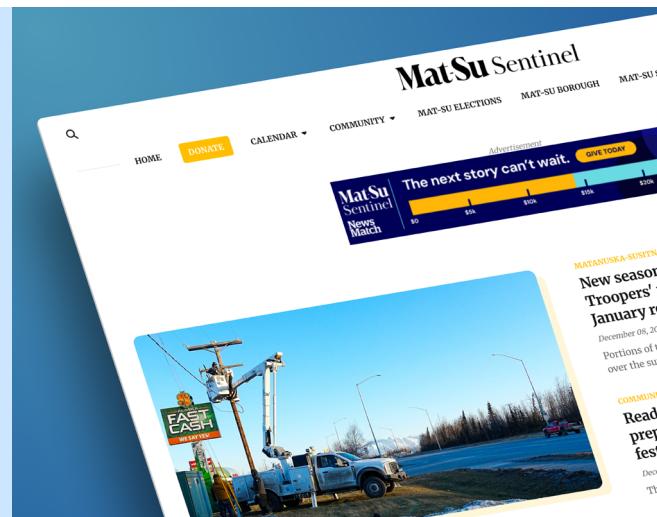
How they exemplify the 'Grassroots News Beacon' archetype

The Mat-Su Sentinel personifies this archetype through its 'listening-first' operational design, where the newsroom's beat structure is not determined by editors but by direct community input. They specifically utilize methods like 'vote by sticky note' sessions to identify need-to-know topics like local government accountability. By operating as a lean, fiscally sponsored project under the Tiny News Collective, it minimizes overhead to focus resources entirely on filling the region's information void. This effectively turns service journalism into a civic utility that has garnered 20,000 monthly readers in under a year.

Signature practices that make them successful

A 'Listening-First' Editorial Strategy

- The newsroom's beat structure was directly determined by community feedback, which prioritized local government accountability and education over general interest stories.

- They maintain continuous feedback loops through surveys and public events, ensuring coverage evolves with community needs. For example, responsiveness to reader feedback led to a dedicated investment in photojournalism equipment to improve engagement.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

Civic Events as Revenue & Trust Builders

- They launched *Flip the Script*, a civic event series designed to bring residents together to discuss divisive topics constructively. The success of the pilot led to it becoming an annual gathering.

- Their *Mat-Su Untold* event series, which features live community storytelling, sold out its venue and raised nearly $8,000 in a single night, validating a revenue model that blends journalism with live civic engagement.

Lean, Partnership-Driven Operations

- Operating under the fiscal sponsorship of the Tiny News Collective, they leverage shared back-office infrastructure to remain lean while focusing resources on reporting.

- They have successfully secured diverse funding early on, including corporate support agreements with major local utilities and capacity-building grants from local community foundations.

The Bottom Line: What key lessons can local news organizations learn from Mat-Su Sentinel and other successful Grassroots News Beacons?

- Embed deeply in the community through formalized engagement like listening sessions to establish the trust and legitimacy required for survival.

- Prioritize service journalism that provides highly utilitarian information, making the organization an indispensable tool for daily life rather than just a news feed.

- Maintain a lightweight technology stack and aggressively experiment with AI to maximize the output of small teams and overcome resource constraints.

- Diversify revenue streams early by combining philanthropy with audience revenue and local advertising to avoid fatal dependence on a single funding source.

- Plan for capacity constraints by building networks of freelancers and community reporters to sustain coverage without burning out the core team.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

5/8 Archetype
STAKEHOLDER-OWNED COLLABORATIVE

What defines this archetype?

Stakeholder-Owned Collaboratives are worker and/or community-owned local news organizations that align mission, control, and accountability directly with residents and journalists. Ownership resides with the creators and audience members rather than external shareholders. This ensures that profits are strictly reinvested into journalism rather than extracted. This archetype prioritizes long-term trust, audience participation, and recurring community support over short-term revenue maximization. These organizations often emerge as a response to the decline of traditional commercial media.

What makes this archetype sustainable?

The sustainability of this archetype is anchored in the loyalty derived from shared ownership. Journalists and community members hold equity and are incentivized to ensure the organization provides value. This structure converts civic affinity and community buy-in into sustainable audience revenue, as members are more willing to financially support an organization they co-own. Additionally, the model attracts local advertisers and sponsors who value the deep level of community involvement and trust inherent in the structure.

⚠ What risks or constraints must this archetype commonly manage?

- Governance complexity, as democratic decision-making structures can delay responsiveness to market changes if not managed with clear processes.

- Financial return limitations, where the difficulty of guaranteeing year-on-year financial returns for members can limit investment appeal.

- Lack of established models, as these organizations are often pioneers in local media, requiring them to test unproven business structures.

- Capital constraints, as the specific ownership structure may limit access to traditional forms of venture capital or scaling investment.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

THE LOCAL NEWS PLAYBOOK: CREATING VALUE FOR A SUSTAINABLE FUTURE

How does this archetype express the five value drivers?

◈ **Value Drivers in Practice: Stakeholder-Owned Collaborative**

1 COMMUNITY CONNECTION

- Co-ownership structures embed the interests of residents directly into business and editorial decision-making.

- A public service mentality prioritizes long-term trust and community welfare over commercial extraction.

- Editorial agendas are naturally aligned with local needs as the producers and consumers are often the same stakeholders.

2 DIRECT RELATIONSHIPS

- Direct distribution channels like newsletters and events are prioritized to emphasize community connectedness.

- Feedback loops are shortened as audience members act as active participants rather than passive consumers.

- The ownership value proposition fosters a deeper, one-to-one relationship that encourages high retention.

3 REVENUE BALANCE

- Audience revenue is the primary driver, as the co-ownership model offers a distinct reason for financial support.

- Local advertising and sponsorships are secured by leveraging the high trust and engagement levels of the community.

- Profits are reinvested back into the organization, creating a cycle of sustainability rather than profit extraction.

4 MISSION ALIGNMENT

- Mission-driven leadership guides a democratically run organization focused on positive community impact.

- Governance processes are designed to ensure accountability to the specific values of the owners and community.

- Reinvestment of surplus funds into journalism reinforces the non-extractive nature of the business model.

5 INTELLIGENT INNOVATION

- Compact technology infrastructure keeps operational costs low to ensure financial viability for smaller teams.

- Responsive feedback mechanisms allow for rapid adaptation to changing community needs.

- The lack of legacy corporate constraints allows for the testing of novel governance and operational models.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

Exemplar Spotlight: Hell Gate

Other notable examples include Racket and Defector Media

Who they are

Hell Gate is a worker-owned, subscriber-funded news outlet in New York City. It was launched in 2022 by a group of veteran local journalists. The organization is known for its witty, playful, and unapologetically voice-driven coverage of New York City politics and culture. Since launch, it has grown to over 9,000 paying subscribers and achieved profitability in 2024 without venture capital backing.
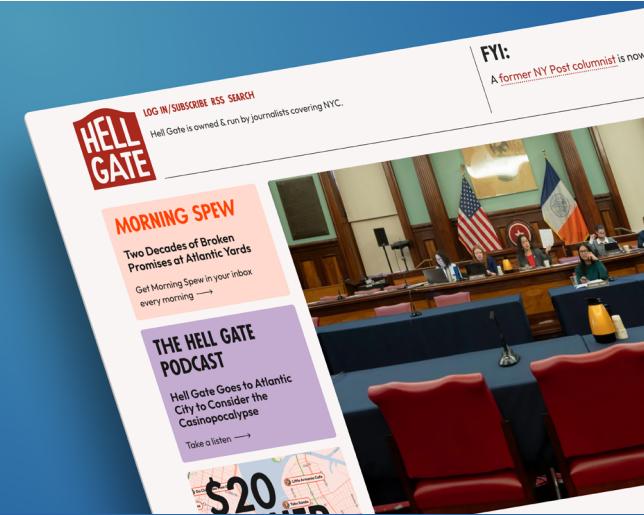
How they exemplify the 'Stakeholder-Owned Collaborative' archetype

Hell Gate reflects this archetype through its 100% worker-owned structure, where journalists hold the equity and decision-making power. This structure aligns the business model directly with the audience and the mission. Profits are reinvested into journalism and salaries rather than extracted by external shareholders, and the public service mentality is reinforced by a total absence of investor influence.

Signature practices that make them successful

Worker Ownership as a Market Differentiator

- They explicitly market their ownership structure as a guarantee of editorial independence. This converts civic affinity into sustainable revenue, as subscribers view their payment as a direct investment in the work done by the organization.

- Operational decisions are made democratically by the worker-owners. This ensures that the business strategy never drifts from the editorial mission, preventing the mission creep common in investor-backed startups.

Radical Transparency

- Hell Gate publishes detailed annual reports that reveal their exact revenue, expenses, and even staff salaries to the dollar. This practice builds trust with their owner-audience and reinforces the non-extractive nature of the business.

- In 2023, they used their surplus to cover 100% of health insurance premiums for staff, demonstrating a commitment to the sustainability of human capital.

INTRODUCTION
PART 1
PART 2
PART 3 – PATHWAYS TO SUCCESS
CONCLUSION
APPENDIX

Distinctive Voice & Adversarial Utility

- In a landscape of neutral reporting, Hell Gate differentiates itself with a 'blogging era' voice: funny, skeptical, and unapologetically subjective. This distinctive tone acts as a habit-forming product feature that mainstream competitors cannot replicate.

- They combine this voice with rigorous utility journalism, such as their 'Eric Adams Table of Success' which tracks administration failures. This blend of entertainment and accountability differentiates them as an indispensable civic tool rather than just another news feed.

Gated Community Stewardship

- Unlike ad-supported models that prioritize volume of engagement, Hell Gate restricts commenting privileges to higher-tier subscribers. This transforms the comments section from a moderation liability into a premium, high-value feature. Effectively turning the comment section into a 'stakeholder meeting' for invested readers.

- By placing a financial barrier to entry on participation they ensure that community dialogue remains constructive and aligned with the publication's mission. This creates a 'club' atmosphere that deepens retention and encourages readers to upgrade from passive consumers to active, paying members of the cooperative.

The Bottom Line: What key lessons can local news organizations learn from Hell Gate and other successful Stakeholder Owned Collaboratives?

- Strong mission-driven leadership is essential to navigate the complexities of a democratically run organization and maintain strategic focus.

- Clear governance processes enable efficient decision-making, preventing the 'slowdown' often associated with collective ownership models.

- Explicitly marketing the ownership structure converts civic affinity into sustainable audience revenue by offering a distinct value proposition.

- Maintaining a compact technology infrastructure keeps fixed costs low while enabling the direct feedback loops required by owner-audiences.

- Fostering deep loyalty through direct distribution channels and in-person events reinforces the sense of community participation and shared purpose.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

6/8
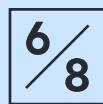
Archetype
LEAN DIRECT MESSENGER

What defines this archetype?

Lean Direct Messengers are agile organizations that build audience habits primarily through direct messaging and email channels, such as newsletters, WhatsApp, or Telegram, rather than relying on a destination website or app. Their product offerings are audience-specific, casual, and utility-driven, placing a strong emphasis on user interaction and daily habit formation. These organizations intentionally operate with lightweight structures to focus business efforts on fine-tuning formats, cadence, and voice based on direct audience reactions. Thereby minimizing the overheads associated with traditional digital publishing.

What makes this archetype sustainable?

The sustainability of this archetype is derived from the depth of the direct relationship with users. They utilize inboxes and messaging platforms to gain finer control over conversion funnels and reduce dependence on third-party algorithms. Lean operations keep fixed costs low while resources are focused on high-quality content production, allowing for healthier margins. Financial resilience is supported by paid subscription tiers from loyal users and premium advertising rates commanded by the precise targeting and clear performance data inherent to direct channels.

⚠ What risks or constraints must this archetype commonly manage?

- Scaling constraints, where the lean nature of the organization makes it difficult to increase content volume without significant external investment.

- Single-channel concentration, as dependence on a specific platform like Substack or WhatsApp leaves the outlet vulnerable to policy shocks.

- AI disruption, where automated summaries could make newsletters and email digests less relevant to casual readers.

- Platform volatility, due to the high degree of unpredictability around changes in discovery, policy, or revenue shares on external platforms.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

How does this archetype express the five value drivers?

Value Drivers in Practice: Lean Direct Messenger

1 COMMUNITY CONNECTION

- Authentic editorial voices create a distinctive personality and tone that resonates deeply with local audiences.

- Utility-driven content focuses on practical neighborhood guides and briefings that solve daily problems for residents.

- Staff are genuinely embedded in local events and civic life to foster the authenticity and accessibility that drives loyalty.

2 DIRECT RELATIONSHIPS

- Primary distribution through inboxes and messaging apps builds a one-to-one relationship independent of search or social algorithms.

- Audience teams control the product early on to maintain a user-centric approach to format, cadence, and delivery.

- First-party data capture is strengthened to hedge against unexpected product and policy shifts on external platforms.

3 REVENUE BALANCE

- Paid tiers and memberships convert highly loyal users into a recurring revenue stream based on habit.

- Targeted newsletter sponsorships command higher advertising fees due to accurate open rates and performance metrics.

- Operational costs are kept low by avoiding complex web infrastructure, allowing revenue to be reinvested in content quality.

4 MISSION ALIGNMENT

- A strong identity is formed around habit-forming alerts and practical utility to ensure relevance in daily life.

- Leadership teams align on treating direct channels as the core product rather than as a secondary distribution method.

- Service journalism sets a firm foundation of broad usefulness before addressing complex civic issues.

5 INTELLIGENT INNOVATION

- Foundational tech stacks are kept lightweight to enable rapid experimentation with new formats and products.

- A culture of "minimum viable product" development allows for fast iteration based on immediate user feedback.

- Investment is prioritized into distinct editorial talent rather than sophisticated technology infrastructure.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

Exemplar Spotlight: 6AM City

Other notable examples include Pamplonews and Mill Media

Who they are

6AM City is a newsletter-first, hyperlocal media company founded in 2016 in Greenville, South Carolina. It has become one of the largest newsletter-based local media networks in the US, reaching ~2m daily readers across more than 400 cities.

How they exemplify the 'Lean Direct Messenger' archetype

6AM City centres its model on direct delivery via email rather than serving as a destination website. Small local editorial teams curate hyperlocal content, while centralised advertising, audience, and operational infrastructure support rapid replication across cities. The morning newsletter is the core product: habit-driven, utility-based, and designed for frictionless daily consumption.

Signature practices that make them successful

Inbox-First Content Designed For Daily Habit

- The company delivers a quick, skimmable newsletter every morning that highlights essential local news, events, dining recommendations and things to do.

- This predictable, concise format is engineered to become part of readers' daily routines.

A Scalable Local Model Supported By Central Infrastructure

- Each city operates under a branded local identity (e.g., GVLtoday, CHStoday), with a small editorial team embedded in the community.

- Operational functions such as advertising sales, design, and technology are centralised, making it possible to expand efficiently into dozens of markets.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

Positive, Community-Centred Editorial Stance

- 6AM City intentionally focuses on uplifting, actionable local content and avoids polarising subjects such as crime and politics.

- This approach fosters broad appeal and provides a brand-safe environment attractive to advertisers.

High-value Newsletter Advertising And Sponsorship

- The organization monetises through integrated newsletter advertising targeted at highly engaged local audiences.

- Its direct-to-subscriber model enables strong open rates and advertiser alignment, supporting premium pricing and high renewal rates.

Data-Driven Market Expansion And Product Optimisation

- 6AM City adopts a structured market expansion strategy informed by demand signals and proprietary tools.

- Its teams continually refine product design using audience feedback, segmentation and performance data to sustain engagement across markets.

The Bottom Line: What key lessons can local news organizations learn from 6AM City and other successful Lean Direct Messengers?

- Treat direct channels as the primary product to optimize for habit, tone, and retention rather than chasing volatile web traffic.

- Invest in exceptional editors with a distinctive voice to drive the loyalty needed to convert to subscriptions.

- Focus on positive, actionable, community-centred content to foster broad appeal and differentiate from traditional local news feeds.

- Build monetisation around integrated newsletter advertising and sponsorships that reach known, engaged local audiences.

- Maintain a lightweight technology stack to keep fixed costs low and enable rapid experimentation with new formats.

- Adopt a structured, data-informed market expansion approach to grow sustainably and maintain product quality at scale.

INTRODUCTION
PART 1
PART 2
PART 3 – PATHWAYS TO SUCCESS
CONCLUSION
APPENDIX

7/8
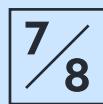
Archetype

INDEPENDENT NEWS CREATOR/PLATFORM

What defines this archetype?

Independent News Creators and Platforms are personality-driven organizations built on off-the-shelf technology platforms such as Substack, YouTube, and Patreon. They primarily focus on hyperlocal to local audience reach. The creator's voice and personality serve as the core brand, converting traffic into loyal followers through credibility, distinctive style, and personal perspective. Teams are typically solo operators or small collectives running lean operations that prioritize content craft over sophisticated proprietary technology.

What makes this archetype sustainable?

The sustainability of this archetype lies in the depth of the direct relationship with the audience, where high trust and personal connection result in a higher willingness to pay. Financial resilience is supported by a mix of reader revenue, such as memberships and donations, alongside sponsorships from advertisers valuing engaged communities and unique platform monetization streams like partner programs. Furthermore, the use of off-the-shelf, lightweight technology solutions significantly lowers fixed costs, allowing creators to focus resources on the quality and distinctiveness of their content.

⚠ What risks or constraints must this archetype commonly manage?

- Key-person risk, where the heavy labor burden on a single creator can lead to stress, burnout, and operational failure.

- Platform volatility, as dependence on third-party algorithms for discovery or revenue shares creates unpredictability.

- Financial uncertainty, where the lack of diversified revenue streams can leave long-term sustainability at risk.

- Limited capacity, as small teams may struggle to conduct on-the-ground reporting, relying instead on other media for facts.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

How does this archetype express the five value drivers?

Value Drivers in Practice: Independent News Creator/Platform

1 COMMUNITY CONNECTION

- The creator's distinctive voice and personality act as the brand, driving deep engagement and trust with the audience.

- Credibility and personal perspective convert casual followers into a loyal community that feels personally connected to the newsroom.

- High trust levels foster a sense of belonging, motivating audiences to support the creator's work financially.

2 DIRECT RELATIONSHIPS

- Direct relationships are strengthened through consistent publishing on platforms where audiences already spend time, such as inboxes and podcasts.

- Reliance on owned channels like newsletters helps reduce dependence on external platform algorithms for discovery.

- Creator autonomy allows for rapid responsiveness to audience feedback, building a dynamic two-way relationship.

3 REVENUE BALANCE

- Reader revenue via subscriptions and donations forms a highly viable income stream due to the loyalty of the audience.

- Sponsorships command premiums from advertisers who value access to highly engaged, well-defined communities.

- Platform monetization, such as YouTube or Spotify partner programs, provides a unique revenue layer not found in traditional archetypes.

4 MISSION ALIGNMENT

- Solo or small-team structures allow for agile decision-making free from the inertia of bureaucratic organizations.

- Content strategies are centered on standout voices and consistent cadence to maintain credibility and habit.

- Creators maintain full editorial autonomy, ensuring that output remains strictly aligned with their personal vision and audience expectations.

5 INTELLIGENT INNOVATION

- Off-the-shelf technology platforms reduce fixed costs and technical debt, enabling a focus on content quality.

- Lightweight operations allow for rapid experimentation with new formats like video or audio without heavy capital investment.

- Adoption of integrity tools and simple workflows helps maintain credibility without the need for large operational teams.

INTRODUCTION
PART 1
PART 2
PART 3 – PATHWAYS TO SUCCESS
CONCLUSION
APPENDIX

Exemplar Spotlight: Charlotte Ledger

Other notable examples include Puck and The Tucson Agenda

Who they are

The Charlotte Ledger is a digital-first local media company founded in 2019 by Tony Mecia, a former business editor at the Charlotte Observer. Launched initially as a solo-operated Substack newsletter, it has evolved into a sustainable, multi-product news platform serving Charlotte, North Carolina. The publication focuses on 'smart and essential' original reporting, primarily covering business, real estate, education, and local culture. Over the last few years it has grown from a single writer to a small, profitable team with a robust freelance network.
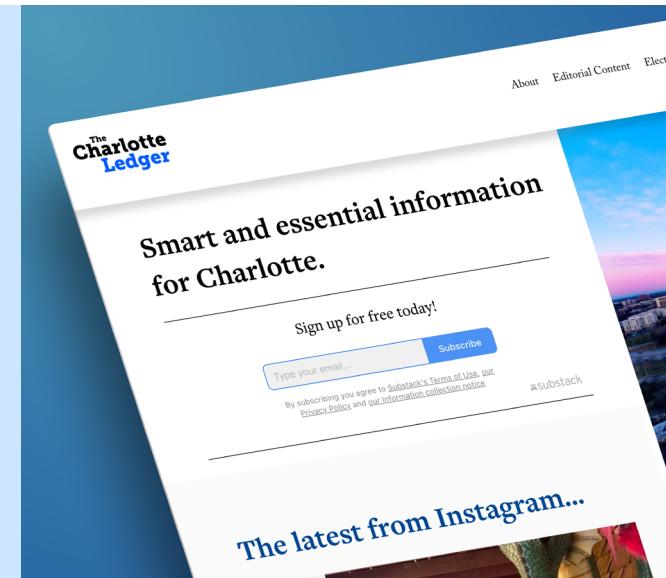
How they exemplify the 'Independent News Creator/Platform' archetype

The Charlotte Ledger perfectly embodies this archetype by demonstrating how a single creator can build a scalable news business using off-the-shelf tools without heavy capital investment. It leverages a distinctive, voice-driven approach to build deep loyalty with a specific audience segment. The organization has successfully transitioned from a solo creator model to a platform mode. This has been achieved by launching vertical-specific newsletters under a unified brand umbrella, all while maintaining a lean operational structure.

Signature practices that make them successful

'Smart & Essential' Newsletter-First Strategy

- Unlike traditional outlets that chase clicks, the Ledger prioritizes 'smart, engaging, and entertaining' content delivered directly to inboxes. This direct relationship bypasses algorithmic volatility and creates a daily habit for readers.

- They differentiate themselves by producing original scoops and in-depth analysis rather than 'hot takes' or aggregation. This focus on unique value has driven a paid subscriber conversion rate of 15-20%, significantly higher than the industry standard of 5-10%.

Vertical Expansion via Niche Products

- Instead of just adding more general news, they have expanded by launching specific verticals that serve distinct community passions and needs. This includes *Transit Time* (transportation policy), *Fútbol Friday* (local soccer), and *Ways of Life* (a unique, members-only obituaries newsletter celebrating everyday locals).

- They leverage partnerships to fuel these verticals without bloating their full-time staff, such as collaborating with local NPR affiliate WFAE for their transit coverage and North Carolina Health News for healthcare reporting.

INTRODUCTION
PART 1
PART 2
PART 3 – PATHWAYS TO SUCCESS
CONCLUSION
APPENDIX

Tiered Subscriptions & Diversified Revenue

- Beyond standard individual subscriptions ($129/year), they offer a Premium tier ($379/year) specifically designed for local businesses and power users who want to support independent media at a higher level.

- They have successfully monetized community engagement through events like the *40 Over 40 Awards* which recognizes local leaders often overlooked by other outlets. This not only generates sponsorship revenue but also deepens their connection with the city's professional community.

Gated "Insider" Intelligence

- To justify their premium price point, which is significantly higher than many local peers, they reserve their most valuable business data for paying members. A prime example is *Real Estate Whispers*, a weekly gated newsletter that provides the 'inside scoop' on local development trends, zoning records, and construction before they hit the general news cycle.

- By packaging need-to-know industry intel such as office vacancy rates or retail planning as an exclusive product, they effectively segment their audience. This aids them in converting local professionals and business leaders who view the subscription as a deductible business expense rather than a discretionary media purchase.

The Bottom Line: What key lessons can local news organizations learn from Charlotte Ledger and other successful Independent News Creators/Platforms?

- A distinctive editorial voice or creator personality must be the core brand pillar to convert casual traffic into loyal, paying followers.

- Diversifying revenue streams beyond a single platform is essential to mitigate the risks of policy changes or algorithm shifts.

- Expanding the team or outsourcing reporting provides necessary operational cover to reduce the key-person risk inherent in solo operations.

- Maintaining a light technology stack allows resources to be directed toward content quality rather than unnecessary infrastructure.

- Strengthening legitimacy through physical community presence and events differentiates the creator from purely digital commentators.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

81
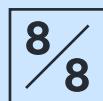
8/8 Archetype
COMMUNITY-POWERED PUBLIC MEDIA NETWORK

What defines this archetype?

Community-Powered Public Media Networks are regional and local nonprofit news organizations that typically operate with a public-service mission, reaching audiences primarily through radio and broadcast platforms while expanding their digital footprints. Historically supported by government and federal funding, these organizations are increasingly shifting their economic core toward community loyalty to reduce reliance on public subsidies. They operate with a mandate to produce impartial, "need-to-know" news that provides a clear public benefit, translating perceived utility into member support.

What makes this archetype sustainable?

The sustainability of this archetype relies on converting deep community trust and perceived utility into ongoing financial support, allowing audiences to view the organization as a necessary public service. As government funding becomes less predictable, these networks build resilience through diversified, community-driven revenue portfolios that include recurring memberships, private donations, and local philanthropy. This model leverages the relatively high trust found in local news compared to national outlets to justify philanthropic and public backing.

⚠ What risks or constraints must this archetype commonly manage?

- Maintaining trust and political independence, as the community funding model is powered by trust, and any perception of bias can quickly erode financial support.

- Local news competition, due to the focus on audio and video, placing them in direct competition with global podcast networks and streaming platforms.

- Aging demographics, as traditional broadcast platforms skew towards older audiences, making the acquisition of younger donors challenging.

- High fixed costs, as maintaining public radio and broadcasting infrastructure is significantly more expensive than running a digital-only newsroom.

- Traditional, high dependence on public funding yet this is not guaranteed.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

How does this archetype express the five value drivers?

◇ **Value Drivers in Practice: Community-Powered Public Media Network**

1 COMMUNITY CONNECTION

- A mandate to produce impartial, need-to-know news provides a clear public benefit.

- High levels of audience trust are leveraged to position the network as a credible, service-oriented public utility.

- Governance structures often include high degrees of community involvement, such as member boards, to maintain local accountability.

2 DIRECT RELATIONSHIPS

- Membership models serve as the primary mechanism for direct engagement, familiarizing audiences with the concept of paying for public service.

- Habit-forming channels like audio broadcasts and newsletters are prioritized to reinforce daily loyalty and recurring interaction/

- Investments in community engagement, such as events, help transition passive listeners into active contributors.

3 REVENUE BALANCE

- Diversified revenue streams reduce reliance on government funding by mixing memberships, donations, and underwriting.

- Philanthropic funding is utilized to support capacity building and growth, complementing the recurring revenue from members.

- State and federal funding remains a key, albeit decreasing, source of stability while alternative community models are matured.

4 MISSION ALIGNMENT

- The organization operates as a nonprofit with a clear public-service mission, ensuring all profits are reinvested into coverage.

- Editorial independence is fiercely protected to maintain the impartiality required to sustain broad community funding.

- Leaders focus on evolving the organization into a civic network that serves the community rather than just a broadcaster.

5 INTELLIGENT INNOVATION

- Cross-platform newsrooms are structured to blend audio, digital, and event teams, breaking down traditional broadcast silos.

- Regional partnerships allow for shared technical and editorial infrastructure, leveraging economies of scale to reduce costs.

- Digital formats are adopted to compete for attention on video and podcast platforms, specifically to reach younger demographics.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

Exemplar Spotlight: Minnesota Public Radio

Other notable examples include LAist and KQED

Who they are

Minnesota Public Radio (MPR) is one of the nation's premier public media organizations. It operates as a nonprofit, non-partisan multimedia network. Headquartered in St. Paul, it serves approximately 1 million listeners weekly through a network of 46 radio stations and 41 translators across Minnesota and parts of neighboring states. Unlike traditional broadcasters that rely heavily on subsidies, MPR has built a massive financial engine rooted in community support. It generates approximately $113 million in annual revenue with a diversified portfolio that includes regional news, music services, and national programming through its parent company, American Public Media (APM).

How they exemplify the 'Community-Powered Public Media Network' archetype

MPR defines this archetype by successfully transitioning from the historic government-subsidized public radio model to a community-powered financial model. MPR derives roughly 75% of its revenue directly from its audience through memberships, donations, and underwriting. This reduces reliance on unpredictable state and federal funding. It operates not just as a radio station, but as a civic network that blends broadcast, digital, and live events to serve distinct community needs.
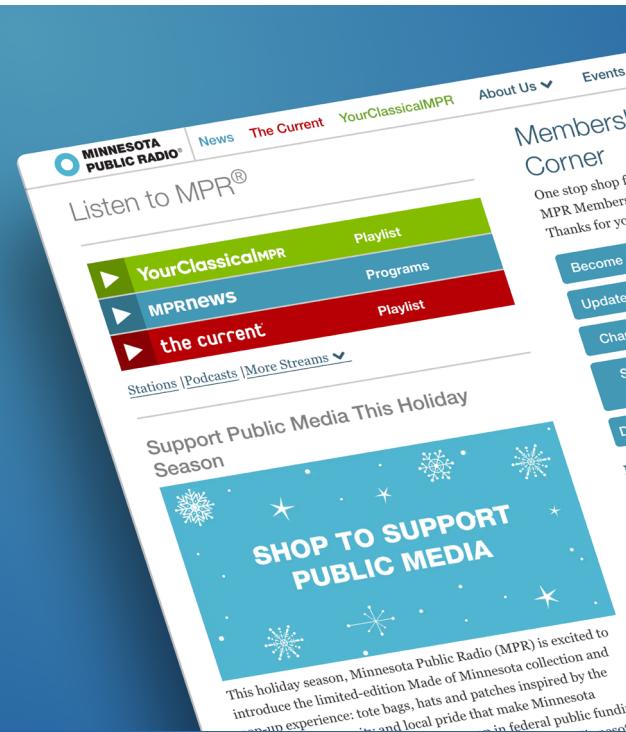
Signature practices that make them successful

The Three-Service Segmentation Strategy

- Instead of trying to be everything to everyone on a single frequency, MPR operates three distinct regional services: *MPR News* (information/service), *YourClassical* (cultural heritage), and *The Current* (music discovery). This allows them to capture diverse demographics using The Current to reach younger, alternative audiences who might not tune into traditional news, while maintaining deep loyalty with older classical listeners.

- Each service acts as a distinct entry point into the membership funnel. A listener might join for the indie rock on *The Current* but eventually support the broader news mission, allowing MPR to maximize its share of wallet across the region.

INTRODUCTION

PART 1

PART 2

PART 3 – PATHWAYS TO SUCCESS

CONCLUSION

APPENDIX

84

Translating Trust into Recurring Revenue

- By positioning itself as an essential public utility, providing need-to-know coverage on climate, education, and public safety, MPR has convinced its audience that they are responsible for its survival. This public service value proposition is the primary driver that converts passive listeners into active donors, achieving the archetype's gold standard of 75% audience-derived revenue.

- They have aggressively shifted donors from one-time pledge drive gifts to monthly sustainer memberships. This creates a predictable, recurring revenue baseline that stabilizes the organization against economic fluctuations, a key strategy for this archetype.

Expanding the 'Public Square' Beyond Audio

- MPR invests heavily in physical community presence, notably through the Fitzgerald Theater and the Glen Nelson Center (an incubator for media innovation). They host live events, town halls, and Rock the Cradle (events for families), transforming the brand from a disembodied voice into a physical community hub. »

- Initiatives like 'Call to Mind' a comprehensive mental health coverage project, exemplify the archetype's focus on service journalism that solves local issues. By addressing a specific community crisis with depth and utility, they deepen the trust required to justify philanthropic backing.

Content production & Economies of Scale

- Unlike most public media organizations that primarily purchase content from national distributors, MPR created its own national production and distribution arm. This structure allows MPR to reduce costs while simultaneously producing hyper-local content by mixing nationally produced content with that produced closer to home. This local content can be syndicated by other local organizations, helping to create a new revenue stream.

- By producing hit national programs like *Marketplace* and *Brains On!*, they generate syndication and sponsorship revenue that flows back into the organization. This national income subsidizes their deep local reporting in Minnesota, allowing them to maintain a newsroom size that far exceeds what local member donations alone could support, ensuring the need-to-know coverage remains robust.

The Bottom Line: What key lessons can local news organizations learn from MPR and other successful Community-Powered Public Media Networks?

- Translate public trust into recurring revenue (such as memberships) by positioning the organization as a credible, service-oriented utility that the community relies upon.

- Mitigate for government funding gaps by building a funnel of large donors and managing it as a tight sales pipeline.

- Form strong governance structures embedded in the community to maintain the high levels of impartiality required to secure broad public support.

- Share regional operations and back-office functions with similar organizations to create platform-agnostic newsrooms that blend audio, digital, and events.

- Compete for attention on new platforms by investing in formats like podcasts and video that meet younger audiences where they already consume content.

- Invest in channels that foster direct relationships, such as newsletters and apps, to deepen loyalty and build the foundations for a robust contributor network.

CONCLUSION

Systemic insights and interventions

The future of local news depends on a system capable of continuously creating, circulating, and capturing value in sustainable ways between communities, local news outlets, funders, and the wider ecosystem of enablers. Financial sustainability in the sector requires more than isolated interventions; it calls for a system in which leadership capability, data infrastructure, shared services, and enabling policy frameworks collectively reinforce one another. These levers can restore a healthy flow of civic, journalistic, and economic value, allowing relevance and trust to translate back into resilience.

This study does not claim to perfectly capture the current state of local news or indeed predict its future but rather to provoke ongoing inquiry, collaboration, and collective action. The media ecosystem is complex and adaptive, and solutions that work today will need to evolve tomorrow. A process of **continuous learning and outreach** is therefore central: learning from experience, expanding the resource pool, and scaling what works.

> **The media ecosystem is complex and adaptive, and solutions that work today will need to evolve tomorrow.**

Successful sustainable models

Across geographies and ownership structures, sustainable local news models share a set of common value drivers: **community connection, direct audience relationships, revenue balance, mission alignment, and intelligent innovation**. These elements underpin success but take different forms in practice.

Networked News Hubs achieve efficiency through shared operations, **Grassroots News Beacons** prioritize service over scale, and **Independent News Creators** sustain local relevance through personal connection. What unites these

diverse approaches is not a single formula but an ability to align purpose, efficiency, and financial resilience.

Sustainability, therefore, is best understood as an evolving system of relationships rather than a fixed business model. It relies on continuous learning, adaptation, and collaboration across the ecosystem, where trust, operational discipline, and responsible innovation reinforce one another to deliver lasting impact.

For funders and policymakers: key recommendations

Funders and policymakers play a pivotal role in reshaping the system's underlying conditions.

Our findings suggest five priority actions:

- **Invest in leadership and organizational capacity** to enable strategic and operational coherence.

- **Incentivize collaboration between capacity builders** — from JSOs and technology vendors to educational institutions and other funders — through partnership-based funding and rewards for joint innovation.

- **Support shared data and service infrastructure** to reduce duplication and strengthen collective efficiency.

- **Champion frameworks and regulations that support journalism** as a public good, ensuring fair market conditions and civic protection.

- **Encourage experimentation and learning networks** that allow evidence, not ideology, to drive practice.

Through these interventions, funders can catalyze systemic change and reinforce the continuous value loops that sustain healthy local news ecosystems.

Closing reflections

Ultimately, this report aims to open the conversation, increasing the awareness of the interdependencies that shape local news and illuminating where small, well-placed actions can produce outsized effects. Sustainability in local journalism is not an endpoint but a dynamic process of learning, rewiring, and renewal. By working together, LNOs, their communities, funders, and other key actors in the ecosystem can ensure that local news remains a valued, trusted, and sustainable component of civic life for generations to come.

Sustainability in local journalism is not an endpoint but a dynamic process of learning, rewiring, and renewal.

INTRODUCTION

PART 1

PART 2

PART 3

CONCLUSION

APPENDIX

APPENDIX

APPENDIX

ADDITIONAL ARCHETYPES

In our assessment of sustainable local news organizations and classification into business model archetypes, we identified a number of additional archetypes that instead fit into 'value proposition' archetypes. While business model archetypes describe the structural and operational foundations of news organization, value proposition archetypes focus on how LNOs can offer distinctive value to their audiences.

The six value proposition archetypes outlined in this section illustrate a number of effective ways in which LNOs create, communicate, and capture audience value. They show how outlets can differentiate themselves through content focus, audience relationship, and distribution approach, while translating their mission into meaningful audience experiences to diversify into sustainable revenues.

INTRODUCTION

PART 1

PART 2

PART 3

CONCLUSION

APPENDIX

89

1/6

Value Proposition Archetype
THE HYPERLOCAL GENERALIST

Archetype overview

The Hyperlocal Generalist serves a tightly defined locality which can include a town, neighborhood or city. They produce street-level reporting and coverage on issues that have direct local impact. The types of content these organizations produce can be broad but they are all hyper-relevant to the local community they belong to.

Differentiators to highlight

What sets this archetype apart is the breadth of relevant coverage to a local community. They are in direct competition with other larger regional or national news organizations that cover significant issues, but lack the relevance to a specific local community. These organizations are formed of journalists that understand and belong to the community, turning broader issues into locally relevant stories. The value proposition is highlighting the "how this affects our community" perspective.

> **The types of content these organizations produce can be broad but they are all hyper-relevant to the local community they belong to.**

Considerations for LNOs

These organizations are run by a newsroom with a journalist group that is embedded in the community to identify relevant issues quickly. These journalists understand the needs and wants of the community and are able to apply a local lens on stories, so that these issues are understood and discussed within local communities. Revenue typically mixes local business advertisements with classifieds, supported by reader contributions.

Examples in local news include: Block Club Chicago (US) & MinnPost (US)

2/6 Value Proposition Archetype
REGIONAL INVESTIGATIVE SPECIALIST

Archetype overview

Regional Investigative Specialists are LNOs who primarily produce investigative, watchdog or accountability journalism. They act as checks and balances in local communities, especially around political, policy and civic issues.

Differentiators to highlight

These organizations exist to bring attention to systemic issues within a local community and are change drivers in a community, whether that be through policy changes or wider community reforms. As such, there is a higher emphasis on noticeable public impact, as opposed to growing reach and revenue streams.

> **These organizations exist to bring attention to systemic issues within a local community and are change drivers in a community, whether that be through policy changes or wider community reforms.**

Considerations for LNOs

Whilst some organizations operate at a local level, coverage is often expanded to a regional or state-wide level to investigate a broader range of issues. Due to the nature of content they publish and to avoid conflicts of interest, an independent (as opposed to group-owned) ownership structure and nonprofit status is predominant, and there is reliance on philanthropic funding and reader donations. Due to the in-depth reporting and lead times to produce content, these organizations operate as lean expert teams backed by robust and transparent governance standards with clear verification standards.

Successful examples in local news are Spotlight PA (US) and the Invisible Institute (US).

INTRODUCTION
PART 1
PART 2
PART 3
CONCLUSION
APPENDIX
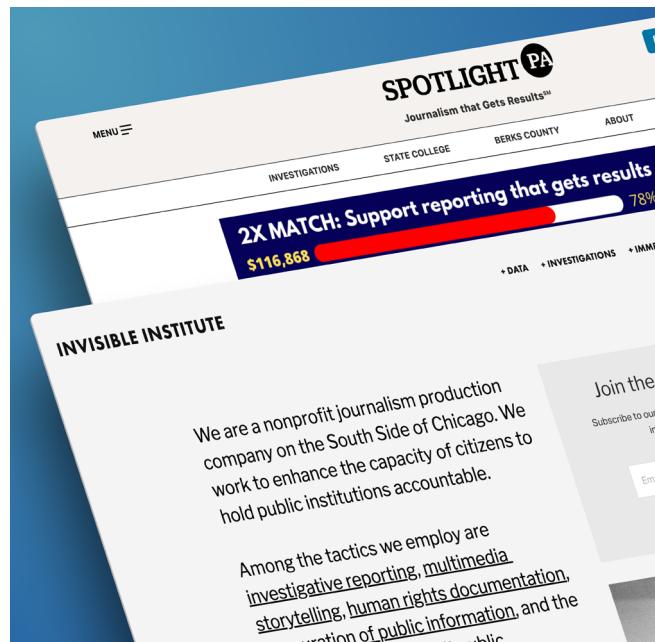
3/6 Value Proposition Archetype
COMMUNITY AND ISSUE SPECIALIST

Archetype overview

Community and Issue Specialists publish content targeted to clearly defined community groups that extend beyond geographic boundaries of locality. These groups include migrants, diaspora and community interest groups that do not necessarily reside in the local vicinity. This can also include organizations that specialize in certain verticals such as healthcare or education.

Differentiators to highlight

These organizations define their remit by audience and not by geography, and cater to the needs of that set audience group, whether that be through multilingual reporting or adapting to community channel preferences. The issues that these organizations surface are often not covered in volume by traditional news organizations, due to audience groups often being minorities within a local population. This value proposition relies on covering audiences that extend beyond its local geographic boundaries.

> **The issues that these organizations surface are often not covered in volume by traditional news organizations, due to audience groups often being minorities within a local population.**

Considerations for LNOs

They typically operate at a local or regional level (with community groups often living outside) and the relatively smaller scale of these operations means they have an independent ownership structure. These organizations are typically funded by philanthropic organizations looking to empower certain minority groups. Considerations for these organizations include the tracking of impact metrics to prioritize practical utility to the community groups they are serving to ensure there is a clear differentiating factor between these organizations and news organizations within the groups' locality.

Successful examples include the New York Amsterdam News (US - African American population) and the Sahan Journal (US - immigrants and minority communities in Minnesota)

INTRODUCTION

PART 1

PART 2

PART 3

CONCLUSION

APPENDIX

92
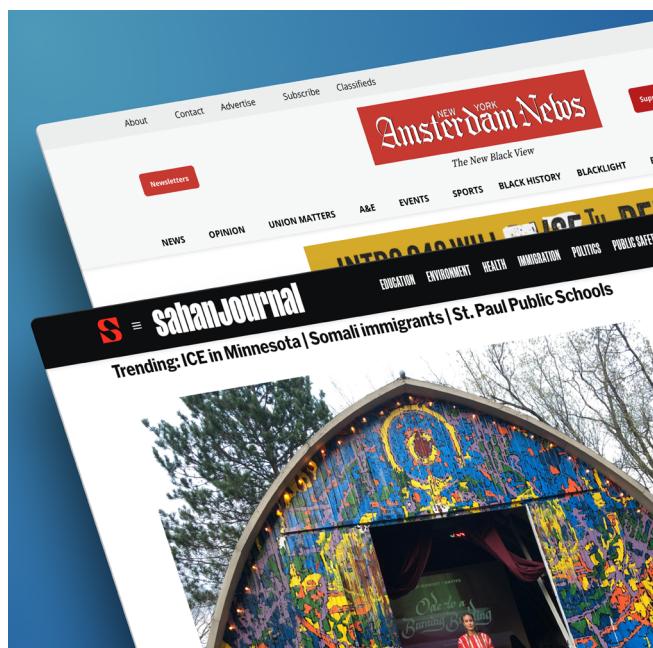
4/6 Value Proposition Archetype
THE SERVICE-FIRST UTILITY NEWSROOM

Archetype overview

The Service-First Utility Newsroom produces local news that can provide practical and useful information to local communities. This includes explainers, navigators, obituaries and community alerts and any other notices that the local population will find as useful.

Differentiators to highlight

This archetype's focus is on producing content that is defined as service journalism according to the community needs, actively avoiding divisive topics such as national politics. As such there is a big focus on identifying audience needs, through open hotlines, community listening sessions and community messaging boards. Success is measured through how much utility the public finds in the content they provide, such as what problems have been solved and what actions have been taken. This enables these organizations to embed themselves into the community as a public service utility rather than a traditional newsfeed.

> **These organizations are often smaller, targeting smaller populations in the hyperlocal or local areas.**

Considerations for LNOs

These organizations are often smaller, targeting smaller populations in the hyperlocal or local areas. There are notable examples where these newsrooms are owned by a wider group (e.g. Village Media in Canada), where the group ownership structure allows for the rollout of multiple newsrooms across smaller communities in a standardized and time-efficient manner. Due to the perceived high public utility, these organizations are typically successful in receiving financial support directly from the local community.

Other successful examples include Bay City News (US) and The Charlotte Ledger (US).

INTRODUCTION
PART 1
PART 2
PART 3
CONCLUSION
APPENDIX

93
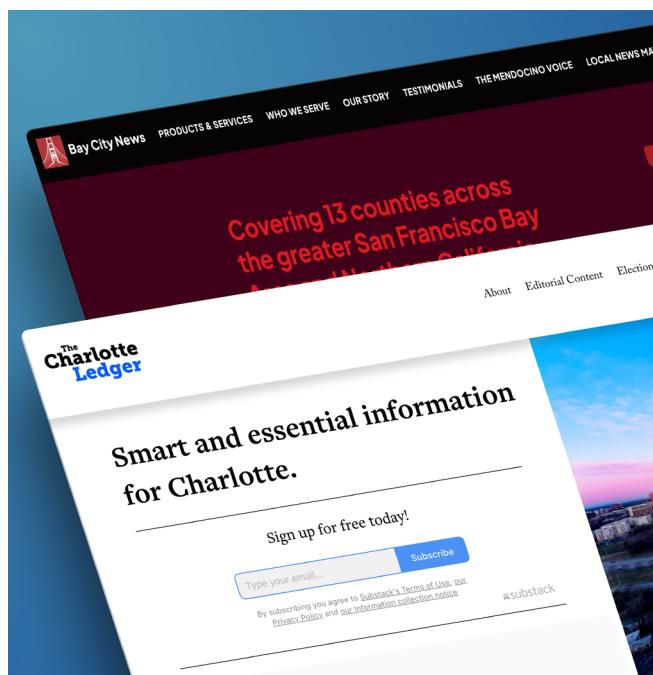
5/6

Value Proposition Archetype

THE CURATED STORYTELLER

Archetype overview

The Curated Storyteller focuses on narrative-led pieces crafted for reading for pleasure over urgency. These organizations direct efforts on perfecting tone, photography and design and publish at a slower pace. The resulting outputs are evergreen stories about the local community that deepen a sense of belonging and connection for local audiences.

Differentiators to highlight

These organizations value the art of curation and craft in all the content they produce. Established local editors commission and shape stories to feel collectible and high quality, often delivering directly to subscriber inboxes to enhance the feeling of personalization. They track the community impact on how much time is spent reading a piece of content and the loyalty of its subscribers.

> **These organizations value the art of curation and craft in all the content they produce.**

Considerations for LNOs

This relies on smaller talented editorial teams supported by freelancers, to produce personalized, easy-to-read stories that both read and look premium. This premium and personalized feel fosters reader loyalty, and paves the way for paid memberships and voluntary contributions. Considerations have to be taken for longer than average production lead times and balancing the portfolio of content to include public utility and service-related content to avoid being perceived as a lifestyle luxury product.

Successful examples include Mill Media (UK), known for richly reported city features in cities like Manchester and London.

INTRODUCTION

PART 1

PART 2

PART 3

CONCLUSION

APPENDIX

6/6

Value Proposition Archetype

PERSONALITY-DRIVEN COMMENTATOR

Archetype overview

Personality-Driven Commentators are organizations centered around a distinctive voice or personality providing analysis, commentary and reporting on local issues. Audiences are usually reached through newsletters, podcasts or other existing platforms. Supporters tune in for the judgment and style of specific commentators rather than being selective about the topics that are covered.

Differentiators to highlight

This archetype builds a robust foundation of a direct, personal and trust-based relationship with its audience. A consistent point of view from a personality they enjoy, perspectives on local developments and transparent values foster habit and loyalty amongst audiences for these organizations. The audience often reads about similar stories in other local publications, but they show a desire to understand why it matters in their community as seen by this commentator or personality.

> **Common characteristics include very lean operations, based on a single commentator (typically with an extensive editorial or media background).**

Considerations for LNOs

Common characteristics include very lean operations, based on a single commentator (typically with an extensive editorial or media background). This is supported by limited layers of editing and direct channels to audiences, whether through newsletters, podcasts, or social media. Revenue is generated through memberships, paid tiers and supporter perks, with sponsorships and affiliate marketing opportunities providing additional revenue. These organizations are not as prevalent in local news, potentially due to the limited breadth of coverage, and are very dependent on the following of a specific commentator in the local community.

Successful examples in national news include News Not Noise (US - founded by Jessica Yellin) and The Popular Information (US - written by Judd Legum).

INTRODUCTION

PART 1

PART 2

PART 3

CONCLUSION
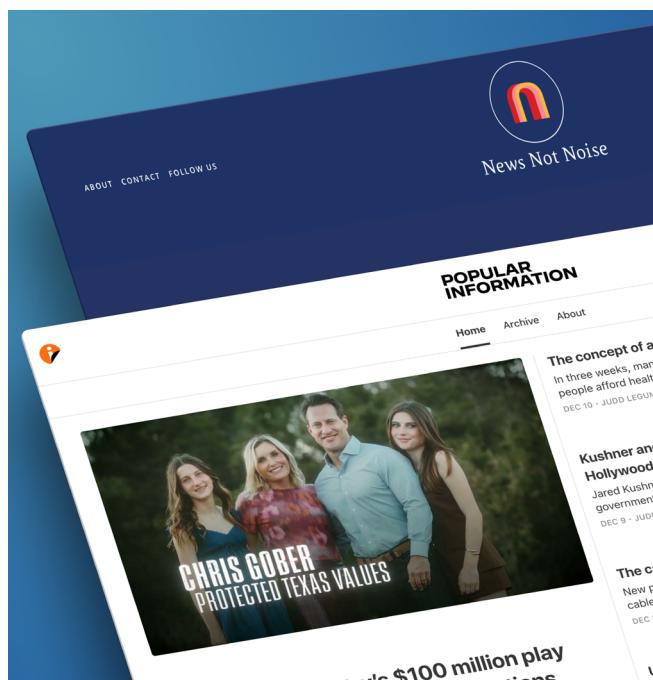
APPENDIX

APPENDIX

METHODOLOGY

This report is based on independent research conducted by FT Strategies.

We derive our insights and conclusions from:

1. **Interviews with 12 thought leaders** from academic and other industry institutions

2. **Interviews with 18 C-suite and senior representatives** from leading local news outlets

3. **A survey completed by 32 leading LNOs** based across 9 countries

4. **FT Strategies' existing knowledge base** from past projects and research initiatives

5. **Secondary market research** conducted by FT Strategies

$\frac{1}{5}$ Thought Leader Interviews

Thought leader Interviews focused on exploring topics including, but not limited to:

- Key factors for the financial sustainability of LNOs

- The role of newsroom composition, governance, and organizational culture in shaping the resilience of local news outlets

- Technology's role in the ecosystem, including the influence of emerging technologies

- Successful content, audience, engagement, and distribution strategies

- Sustainable revenue models and commercial strategies

- Distinctions between for-profit and nonprofit local news models

We would like to thank the following experts for offering their time and expertise:

- Amalie Nash, Vice President of Journalism, Knight Foundation

- Charlie Beckett, Professor of Practice, Director of Polis and the Polis/LSE JournalismAI project, London School of Economics

- Cheryl Phillips, Founder & Co-Director of Big Local News, Stanford University

- Emily Roseman, Research Community Lead at the Shorenstein Center, Harvard University

- Eric Ulken, John S. Knight Journalism Fellow, Stanford University

- François Nel, Associate Professor of Media Innovation and Entrepreneurship, University of Lancashire

- Jim Egan, Senior Research Associate, Reuters Institute for the Study of Journalism

- Jim Friedlich, Executive Director & CEO, The Lenfest Institute (owner of The Philadelphia Inquirer)

- Julia Wallace, Professor of Practice & Frank Russell Chair in the Business of Journalism, ASU's Walter Cronkite School of Journalism and Mass Communication

- Marie Gilot, Executive Director of J+, Craig Newmark Graduate School of Journalism at CUNY

- Richard Gingras, Chairperson of the Board, Village Media

- Timothy Franklin, Professor and John M. Mutz Chair in Local News, Northwestern University's Medill School of Journalism

$\frac{2}{5}$ Local News Leader Interviews

Local News Leader Interviews focused on exploring topics including, but not limited to:

- Overall financial health and future financial sustainability

- Strategy, culture, operations and ways of working

- Technology, product and data capabilities

- Proposition and audience development

- Commercial and monetization strategies

We would like to thank the following local news leaders for their invaluable time and insight:

- Angilee Shah, CEO & Editor-in-Chief, Charlottesville Tomorrow

- Ciel Hunter, Chief Development Officer, The Salt Lake Tribune

- Imtiaz Patel, Former CEO, Baltimore Banner

- Jeff Elgie, CEO, Village Media

- Joshi Herrmann, Founder & Editor, Mill Media

- Juan Andres Muñoz, Founder, Pamplonews

- Judi Terzotis, CEO, Georges Media Group

- Jung Shin Ho, CEO of The Reporter

- Katherine Rowlands, Owner and Publisher, Bay City News

- Kyle Villemain, Founder & Editor, The Assembly

- Lauren Gustus, CEO & Executive Editor, The Salt Lake Tribune

- Lukáš Fila, Head of Publishing, Dennik N

- Nic Dawes, Strategic Advisor & Former Executive Director, The City

- Nicolás Ríos, Chief Product & Education Officer, Documented

- Simon Galperin, Founder & Executive Editor, Jersey Bee

- Steve Waldman, Founder & President, Rebuild Local News

- Styli Charalambous, Co-Founder & CEO, Daily Maverick

- Warwick Sabin, President & CEO of Deep South Today

INTRODUCTION

PART 1

PART 2

PART 3

CONCLUSION

APPENDIX

$\frac{3}{5}$ Exemplar Organizations Survey

To complement the qualitative interviews, FT Strategies conducted a quantitative survey of exemplar LNOs. Exemplar organizations were shortlisted based on demonstrated strengths across financial sustainability, audience impact, strategic clarity, operational effectiveness, and innovative monetization models.

The survey was designed to capture a detailed picture of how these outlets operate and their plans for the next 12 months.

Structured into four sections, the survey explored the following areas:

- **Strategy and Operations:** Examined each organization's long-term vision, near-term strategic priorities, cost management approaches, and team structure.

- **Technology and Effectiveness:** Assessed digital maturity and data capability from content creation and distribution to monetization and infrastructure. Questions also covered how regularly data informs editorial, product, commercial, and strategic decisions, as well as recent areas of technology investment.

- **Proposition, Audience, and Market:** Explored audience reach, engagement, and product focus. This included questions on traffic, paying audiences, key formats (e.g., newsletters, video, social media), core coverage areas, retention strategies, and target audience segments, as well as perceptions of local market competitiveness.

- **Commercial Models and Monetization:** Captured the composition of revenue streams over the past year, expected sources of growth, and overall revenue trends. Respondents shared their income mix from subscriptions, advertising, grants, events, services, and other activities.

INTRODUCTION

PART 1

PART 2

PART 3

CONCLUSION

APPENDIX
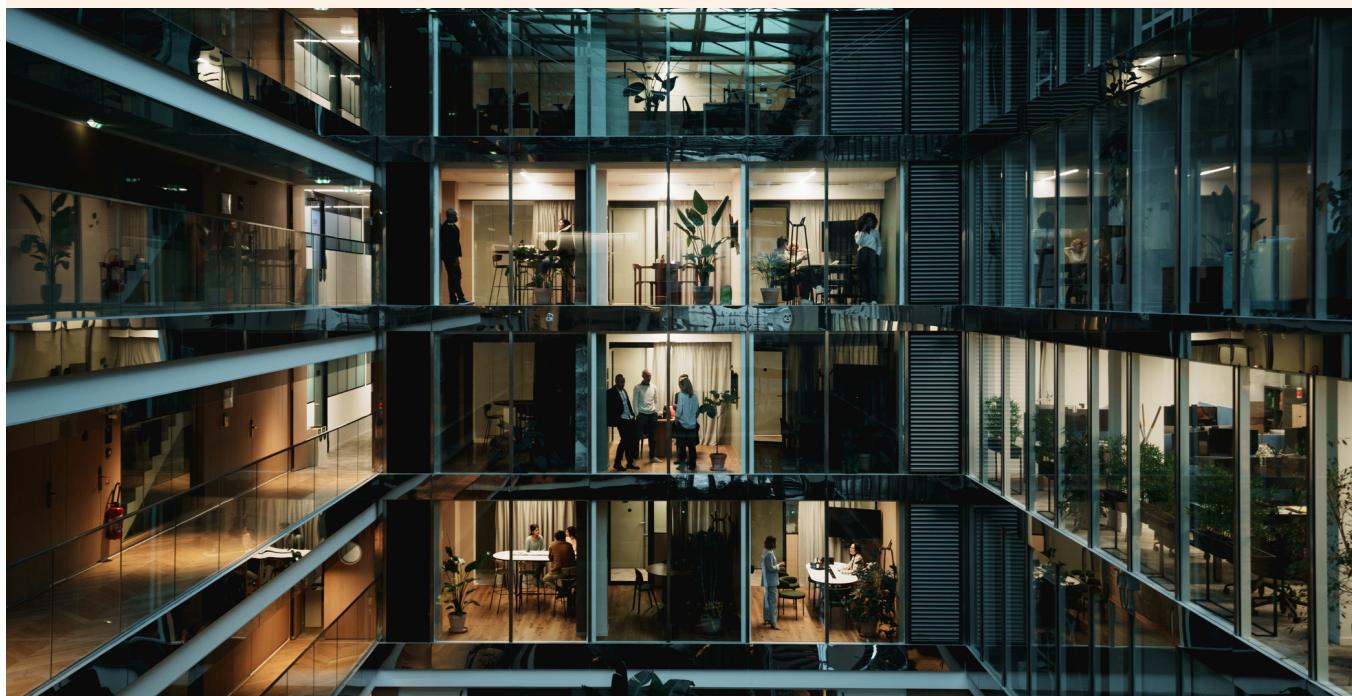
## The survey was completed by 34 LNOs across nine countries, with the following demographics:

1. 58% of responding organizations were nonprofit, while 42% were for-profit

2. 65% were based out of the US, while 35% were based elsewhere in the world

3. Within the US, responding organizations operate across 18 states

**LEGAL STATUS SPLIT OF RESPONDENTS**

58% Non-Profit   42% For-Profit
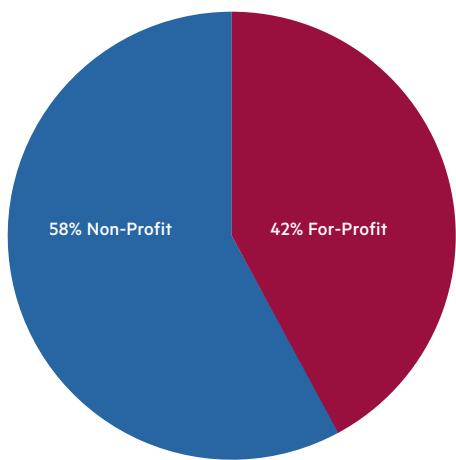
Source: FTS Local News Survey 2025

DISTRIBUTION OF RESPONDENTS BY US STATE
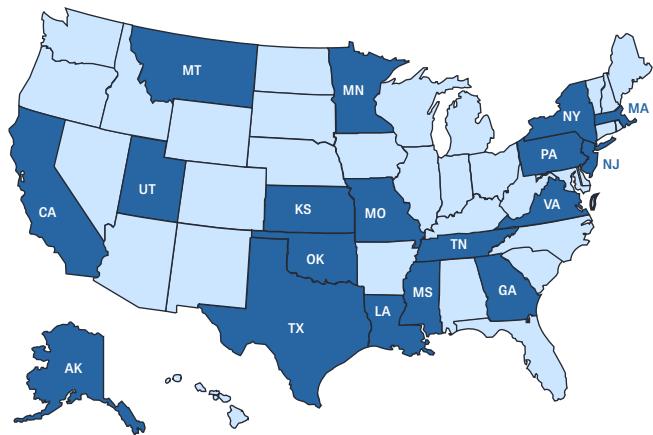
Source: FTS Local News Survey 2025

DISTRIBUTION OF RESPONDENTS BY COUNTRY

USA
Canada
UK
France
Slovakia
South Africa
India
New Zealand
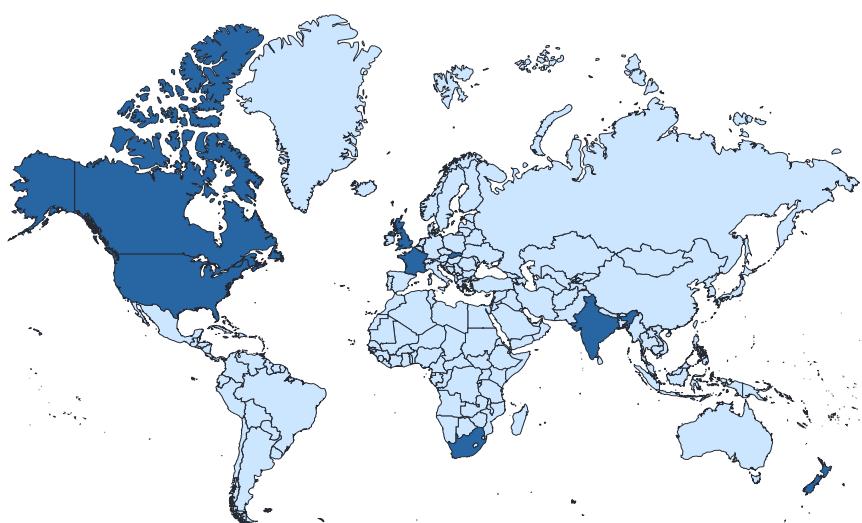
4/5 FT Strategies' Knowledge and Research Base

Born out of the Financial Times, FT Strategies is a specialist media consultancy that advises news and media organizations globally on growth, sustainability and digital transformation. This report draws on FT Strategies' deep knowledge of news media across national, regional and local news at various stages of digital maturity. Insights have been informed by our industry-leading research initiatives, such as the News Sustainability Project and the Next Gen News project, as well as direct experience supporting over 1,000 organizations.

5/5 Secondary Market Research

The project team conducted extensive secondary market research to contextualize and validate the primary findings derived from the interviews and surveys, as well as FT Strategies' internal knowledge. We combined these sources of information, both primary and secondary, to gain a deeper understanding of the challenges and needs of LNOs. The scope and focus of this secondary research primarily pertained to examining existing reports, white papers, audience surveys, and data sets focused on the industry. These resources were selected based upon clear criteria that assessed the reliability of the source, rigor of the underlying methodology and their relevance to the scope of work undertaken. Insights from this review were synthesized by the project team, creating a foundation of industry understanding that informed our work. Where relevant, we have referenced these works directly. Our intention with this work is to build upon and complement the excellent work that has been done previously in this space, integrating the collective knowledge already established to ensure our work provides actionable perspectives on the future of local news.

INTRODUCTION

PART 1

PART 2

PART 3

CONCLUSION

APPENDIX

GLOSSARY

Accountability Journalism:
Content that asks questions of individuals and institutions of power, aiming to create a fairer society.

Actors:
An entity that generates, consumes, funds, distributes or supports journalism as part of the US local news ecosystem.

Archetypes:
The report outlines eight business model archetypes (how LNOs operate) and six value propositions (what sets them apart) that represent the different viable pathways to sustainability for LNOs.

CMS:
CMS or 'Content Management System' is the software used to credit, edit, publish and organize digital content.

CPM:
CPM or 'Cost Per Mile' represents the price advertisers pay to reach 1,000 audience members with an ad.

Currencies:
In the context of this report, currencies refers to the five forms of value exchanged between actors:

1. Content & Services - Core journalism and products

2. Capital - an organization's financial resources

3. Time - the community's attention and participation

4. Soft Capabilities - leadership, culture, strategy & skills

5. Hard Capabilities - tangible infrastructure such as tools, data systems and tech stack

Ecosystem:
The interconnected network of actors that sustains local journalism. It includes the following actors:

- LNOs
- Audiences
- Funders
- Advertisers
- Technology & data vendors
- Journalism Support Organizations (JSOs)
- Educational institutions
- Policymakers
- Distribution platforms (social, search, AI tools)

Funders:
Funders are philanthropic foundations, corporate sponsors, and private investors who inject capital into the local news ecosystem.

Journalism Support Organizations (JSOs):
JSOs are specialist organizations (such as intermediaries, consultancies, research labs, training bodies, and collaboratives) that work with LNOs to build capabilities.

Local News Organizations (LNOs):
LNOs are the core producers of distinctive, high-quality journalism and services with the objective of supporting civic life in their communities.

Local News Value Loop:
The core cycle that explains sustainability:
Community Time → Engagement → Revenue/Capital → Improved Content → Renewed Time.

News Desert:

Geographic or community areas with little or no access to reliable local news services.

Platforms:

External digital intermediaries such as search engines and social media networks that act as distribution channels for local news content.

Service/Utility Journalism:

Content designed to provide practical, actionable information for daily life.

Sub-functions:

Sub-functions are the five internal functional components of LNOs that store and exchange different forms of value inside the ecosystem. External actors (funders, advertisers, tech vendors, platforms, JSOs) interact not with the LNO as a whole but with these specific sub-systems. These sub-functions are:

1. Content & Services:
2. Audience Engagement
3. Revenue & Profitability
4. Strategy & Operations
5. Tech & Innovation

System Interventions:

Actions by government, funders and capacity-builders to improve value flows (e.g. regulation, subsidies, capacity-building programs).

Tech Stack:

The complete set of technology tools a newsroom uses to produce, distribute, monetize, analyze, and manage its content and operations.

APPENDIX

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This section lists external sources consulted or referenced during the development of this report. Primary research (including expert interviews, survey results) and FT Strategies' internal knowledge base is documented separately in the Methodology section.

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ABOUT FT STRATEGIES

FT Strategies is the specialist media consultancy owned by the Financial Times. Staffed by the experts who successfully transformed the FT's business model in the face of disruption, FT Strategies provides the expert insight and consulting excellence required to transform the future of business based on real-world, first-hand experience. FT Strategies has worked with over 1000 organisations globally, helping them to address strategic challenges, drive sustainable growth and innovate using AI, technology and data.

ABOUT THE KNIGHT FOUNDATION

The Knight Foundation are social investors who support a more effective democracy by funding free expression and journalism, arts and culture in community, research in areas of media and democracy, and the success of American cities and towns where the Knight brothers once published newspapers.

INTRODUCTION | PART 1 | PART 2 | PART 3 | CONCLUSION | APPENDIX

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