

MAX3 Leadership



Media for communities

How publishers are re-inventing specialist media



A DI5RUPT SPECIAL REPORT

NICHE GOLD

Driven by innovations in technology, a revival of 20-year old editorial concepts and smart new monetisation strategies, niche media is at the centre of a publishing revival



This is the third of three FIPP Congress 23 reports. The first on key trends, can be found [here](#), and the second (tech innovations, including AI) can be found [here](#).

“The only way to succeed in the media is through niches.”

Jacob Donnelly, Publisher, Morning Brew.

FIPP Congress, held in Cascais, Portugal in June 2023, hosted by Di5rupt, was staged against a backdrop of negative headlines about the future of the media. BuzzFeed and Vice Media, once proclaimed by many as the future for publishing, had both recently disclosed financial difficulties and their once sky high valuations were becoming a distant memory.

Yet in spite of the problems in some mainstream sectors, one section of the media in 2023 is thriving - media for communities.

It is not just entrepreneurs and startups powering the re-invention of media for communities. Large news media enterprises have noted that there is huge potential in doubling down on small, but lucrative audiences.

This report focuses on the many presentations at FIPP Congress 2023 that referenced media for

communities. You will hear from executives of leading publishing companies, consultants and academics as well as the innovators who are pushing niche publishing forward.

We look at what the 'media for communities' sector is, ask why it is undergoing a boom, and assess the editorial and revenue-generating innovations that are behind its renaissance.

Publishing's beating heart

In many ways media for communities has always been at the heart of publishing. It never really went away. It is just that for a period since the ride of digital and mobile technology the spotlight has largely been on scaling populist, broad media.

As the digital and mobile revolution gathered pace, publishers the world over faced a choice. Should they consider morphing all their print

products into digital-only ones? Create a hybrid, with print and digital co-existing? Or, as many chose to, cut costs and squeeze the last few dollars out of print brands before their apparent, inevitable decline.

While key areas of the media have become dominated by digital products, companies in the niche sectors who chose the second and third options and kept print media alive have often been rewarded by continuing to own these niche areas.

This has become especially apparent in B2B media where print has ultimately enabled strategies that have seen companies carry an audience from just being print subscribers through to consumers of digital products, video, conferences and events, and much more.

How do you differentiate niche media from the mainstream? **Jacob Donnelly**, Publisher, Morning Brew, says it's simple. "Unless you're the New York Times, you are not going to succeed going forward if you don't have a very clearly defined understanding of who your audience is. If you don't know who is behind



Jacob Donnelly,
Morning Brew
publisher

why you're creating content, you've got a problem. Niche media means picking a lane and knowing exactly who is the consumer of that content."

At FIPP Congress, Jacob referenced several companies who focus on community media, but he highlighted one which had connections with a speaker that had preceded him on the Congress stage.

"With Recurrent Ventures, every one of their publications is niche, and they all have a specific understanding of who wants that content. As long as you understand that you have a great business."

Several presenters at FIPP Congress 2023 said the key to operating successfully in the niches is by using content to generate an ongoing

We use the word ‘community’ in almost everything we say, because it truly means that our audience participates and inspires us.

Bonnie Kintzer, CEO TMB

dialogue with readers and watchers – making them feel part ownership of a community of like-minded individuals.

Trusted Media Brands’ CEO **Bonnie Kintzer** stressed that niche publishing is very much a two-way process. “We use the word ‘community’ in almost everything we say, because it truly means that our audience participates and inspires us. They share content with us, whether that’s a recipe or a photograph of a bird for Birds and Blooms, or a handy hint for Family Fandyman, a joke for Reader’s Digest, a video of a pet.”

“They inspire us to create new content, and we balance that with what is the right amount of new and the right amount of community-sourced. They go hand in hand, creating a strong relationship.”

This community-driven approach – where print products inspire digital



Bonnie Kintzer,
Trusted
Media Brands
CEO

responses which in turn drives publishers forward in media niches – is apparent in B2B and B2C media.

In the latter, larger companies have noted that scaling doesn’t have to be by going broad, but just by mining the niches. The Athletic was created in 2016 and swiftly built a reputation by offering its sport-obsessed readers deep dives into their favourite sports and the teams they are passionate about. The use of established journalists, as well as commentators and influencers, has enabled the company to build a successful multi-channel platform

offering consumers news and comment via video and podcasts.

The formula attracted over a million subscribers paying either a monthly or annual fee. It then came to the attention of the owners of The New York Times who purchased The Athletic in 2021.

Future built a global empire off the back of niche magazines and is now thriving thanks to a multi-platform approach and a diverse monetisation strategy.

SJC Media and Bonnier Group – both represented at Congress – have also significantly grown their readerships by building strong community-led content initiatives.

B2B is also finding gold in publishing for communities. **Rafat Ali** is a serial entrepreneur with several successful B2B initiatives to his name. He is the



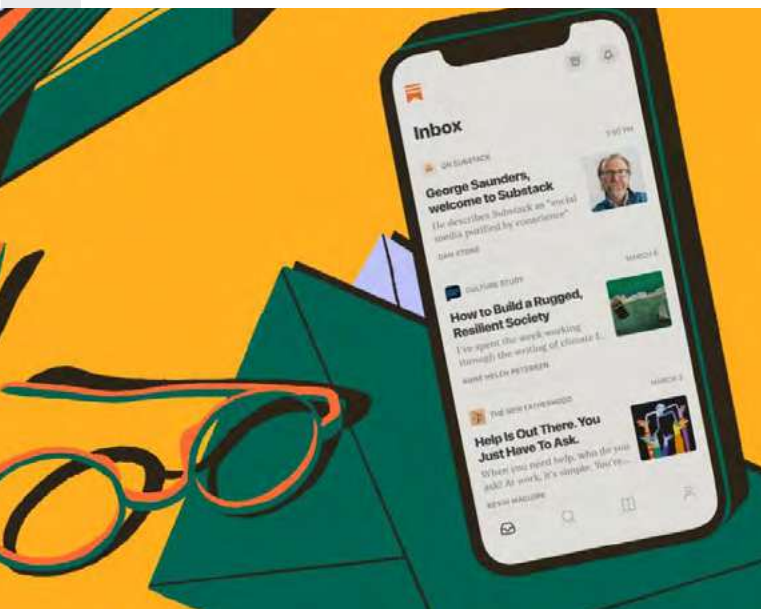
**Rafat Ali, Skift
CEO**

CEO of Skift, a media brand that focuses on the business of travel and leisure.

Addressing Congress, he said: “Pick a sector, pick a topic, be the best specialist you can be. This could be in the consumer or B2B sector. And either sell an audience or sell to an audience. That won’t change. Sometimes we forget how simple the media business is and we over-complicate it. Owning a direct relationship with users is the best thing possible.”



Take a deep-dive into the issues covered at Congress by watching all the full interviews online. The links are on inside back page.



Substack is powering a revival in email newsletters

WHY NICHE MEDIA IS HOT

Why is media for communities now so attractive to publishers? Analysing the presentations at Congress 2023 a few key points emerge:

- ➔ The explosion of digital products has enabled brands to go deeper into niches.
- ➔ The growth of personalised media such as email newsletters and podcasts.
- ➔ The growing popularity of premium print media.

The shift into deeper niches is one that has largely been powered by the digital revolution. When the advent of blogging in the mid-00s democratised the media - empowering anyone to be a content creator - it also meant established content creators launched blogs that went deeper into their specialist areas. Several large media startups such as Weblogs Inc and Mashable began in this way.

Conversely, as online communities and social media became more established they assumed the role of being the place where niche interests were best served. However, as has been argued by some media influencers, many consumers have tired of Facebook groups and other forums. Maybe they have lost their social media habit, or grown wary of conflict between commentators?

For niche communities to function properly they need content curators already established in their field - those who are immersed in the culture, but also equipped to offer insight and overviews.

In both B2C and B2B media niches can go really deep. In the latter, there

I am excited about the rise of niche media. Niches lead to more niches."

Reid DeRamus, Growth, Substack

are companies that exist to service a handful of powerful, influential readers, while in B2C, there is a growing trend of media niches becoming established and then splintering to create even more niches.

Reid DeRamus, Head of Growth at email-based content platform Substack, told Congress: "I am excited about the rise of niche media. Niches lead to more niches. I'm a big golf fan. We used to only have the Golf Channel, and that was where you got all your information. Now there's all these new media companies offering podcasts, YouTube



Reid DeRamus,
Head of
Growth,
Substack

channels and newsletters. One of my favourite writers just covers the Majors and the Ryder Cup."

"You have all these different flavours of media companies that have now emerged instead of just this one kind of old school traditional cabled TV channel. And it just creates a lot more texture to the conversation, more storylines, more characters - it just makes the media more interesting. I'm excited by the prospect of this subscription-centric ecosystem expanding."

One salient piece of advice for media companies looking to expand into niches came from **Dom Needler**, Head of Operations, Gfinity. In a discussion with Damian Radcliffe, Professor in Journalism at the University of Oregon, about what the gaming industry can teach the media, Dom said: "We had identified the niche community and had the magic of a growing audience,



Gfinity's Dom Needler (right) is keen on recruiting gamers to his editorial team

but we knew that we needed people who understood the community to run the website. We recruited from within the community and hired people who played the game professionally.

"We taught them how to do editorial journalism and run communities as opposed to trying to train someone who knew a bit about the game and was a bit like a journalist. We found that that works a lot better, especially in the gaming community - getting people who play the game 10, 12 hours a day and pay them to do what they love and channel it. It's easier to train someone to write and to manage a community when they know that core subject inside and out."

THE REVIVAL OF PERSONALISED MEDIA

One of the biggest ironies of contemporary media is that two of the hottest editorial innovations are over 20 years old. Nevertheless, no discussion of niche media can be had without referencing both email newsletters and podcasts.

Although they have played an important role for media companies for many years, that role has been heightened in recent years for a number of reasons. Firstly, consumers love the direct personalised approach based on relationships between the presenters and their audience.

Secondly, email newsletters and podcasts cut through the noise of online content and instead offer

perspective. They enable content experts to curate the stories that matter to their audience, which deepens the relationship via insightful takes on those stories. They can save readers huge amounts of time too. B2B newsletters are often at their most useful when they round up stories, saving time for those who daily search the news that matters to them.

Technology has played a key role in making it easier for media companies to experiment with email newsletters and podcasts. The growth of platforms like Substack has also simplified the entry price for entrepreneurs who want to operate in a niche market and monetise through subscriptions.

Most analysis of the popularity of podcasts focuses on the mainstream, from pioneers like Serial to more established organisations such as The BBC, The Guardian and The New York Times.

Yet there are now reckoned to be around five million podcasts available across the globe, the vast majority of which have niche audiences. Some of these podcasts have acted as a springboard for their hosts or creators

to extend their reach by helping groups on social media channels and exploiting other content opportunities such as newsletters and websites.

Despite the popularity of podcasts, it is worth remembering that it is still quite an experimental media, so there are no hard and fast rules on how to create a podcast and what chimes best with audiences.

Ileana Grabitz, Head of Politics, Economics and Society at Zeit Online, began a podcast for her company called Das Politikteil (The Political). She admits that even with that group's financial muscle and experience, ensuring a successful podcast is not an easy business. "The fact is we struggled for quite some time," she said, adding that as print journalists, they realised that what works in a magazine doesn't necessarily work in a podcast.



Ileana Grabitz, Head of Politics, Economics and Society at Zeit Online

She added: "We wanted a one-hour deep dive into complex political issues, so we invited experts such as scientists, sociologists and drug experts, but our colleagues from the site also joined the discussions. Our aim is to show that we are joining our listeners in wanting to learn more about the topic we are talking about."

PRINT RESILIENCE

In the search for a deeper, more meaningful connection with communities many readers returned to printed content. Many of the existing print brands in niches, which a decade ago looked as though they would not survive the onslaught of digital content, have turned a corner and now appear to have a long term, profitable future.

At the same time many of the content creators who were innovators in the digital sphere have now begun to experiment with print. Stores like Magculture in London are full of magazines created by enthusiasts who target ultra niche audiences. Moreover, the content here may be print-based, but these titles are very much an offspring of the digital world in that

their profile and sales are driven by the web and social media.

Juan Señor, President of Innovation Media Consulting, may have spent years championing digital transformation, but he sees an exciting future for print.

"I am a firm believer that print is eternal. There are great examples of how print is growing in many markets. Much of this is based on fandom and hobbies. People still like and will pay a premium price for the experience if it's unique, if it's tailored, if it's niche."

Morning Brew's **Jacob Donnelly**, also sees a dynamic future for print. He points out that printed magazines are still a catalyst for companies to begin a journey down a niche path, often in tandem with digital content.



Juan Señor,
President,
Innovation
Media
Consulting



Niche has worked in the media for decades. And that's what we're going back to."

Morning Brew, Publisher, Jacob Donnelly

"Magazines are very uniquely positioned to excel over the next 10 or 15 years," said Señor. "Maybe not only as a print product, although I think that's also starting to work a little bit more. But if we think about media before the internet, everything was about niches. You look at the newsstand you had at knitting magazine, a boating magazine, an aeronautical engineering magazine. Niche has worked in the media for decades. And that's what we're going back to.

Señor continued: "If magazines can overcome their cost structures and financial burdens, and start to invest more in great content, they'll do fine. Your niche certainly can evolve. And as the things that your readership cares about evolve, then you should certainly also evolve your editorial strategy.

If you've picked the right niche, like if you pick boating as your niche, some people might leave and others will

come in. But people who like boating are going to always like boating and they're going to display similar behaviours. I don't think that your editorial strategy should inherently follow people if they evolve outside of what that core content focus is."

INNOVATION IN MONETISATION

For much of the last decade online monetisation strategies were dominated by display advertising, invariably driven by a third party delivering ads based on a person's browsing history. Now, however, and for a number of reasons, not least of which is the decline of third party driven ad solutions, niche media is starting to look more and more attractive to brands again.

It isn't just about display advertising-based solutions. If a publisher can

Jacqueline Loch,
SJC EVP of
Social Platforms.
(right) An
example of
the 'quality
content that
attracts quality
audiences'



curate and maintain a niche audience they can monetise that audience in a number of different ways.

Jacqueline Loch, EVP Social and Emerging Platforms at SJC Media argues that media for communities offers brands a compelling proposition. "What is our value proposition as publishers? Three things: domain authority, consumer engagement and quality audiences. Number four is exceptional content. But the reason that we have domain authority, consumer engagement, and quality audience is because of our content. This is the value that we bring to an advertising brand. We can turn quality audiences into customers."

Juan Señor at Innovation Media says that a number of years ago his team

identified over a dozen potential revenue sources for publishers. In reality the numbers that matter to niche publishers are smaller, but are proving ever more lucrative. Sure, he adds, display advertising is still the core element of the mix. But memberships and subscriptions, affiliate revenue, content-based advertising and events and conferences are becoming the staple ways that media generates revenue from communities.

Donnelly rang a word of warning for publishers. Firstly, work out how to make money from day one. "If we look at the likes of BuzzFeed and Vice, and a lot of large general interest publications, their dream was to get as big as humanly possible. BuzzFeed raised hundreds of millions of dollars. Vice who look as if they might be about



Morning Brew's portfolio of brands covers a wide range of B2B businesses

to go bankrupt, thought they were worth \$5.8 billion. You cannot build a media company and not be profitable.

"But if you are not immediately trying to figure out how to generate revenue for your business, you're going to be on a hamster wheel of investing, of raising money. If you're on a hamster wheel of raising money, you're going to fail, because you lose sight of what matters. Your customer is no longer your reader – your customer is your investor.

"A successful business serves the customer – your reader. That's what happened with these big companies. If you're a niche operator, however, like I am either at Morning Brew or with A Media Operator, I need to be myopically focused on the readers' needs.

"Also, always have a Plan B when it comes to revenue generation. Many

B2B companies learned this the hard way in 2020 when Covid meant that they had to cancel events and conferences – leaving a gaping hole in their business plans."

Donnelly says niche media companies should constantly be monitoring where their money comes from and adjusting business their plans accordingly. "The real secret is that you should figure out different models. If you look at the most successful B2B media companies, they have advertising, they have subscriptions, they have events. If things fluctuate, they're fine because they have other models. When you are so focused on just one stream, the risks are too large.

"True, long-term sustainable media companies will have multiple streams. We're starting to experiment with events. We're rolling out education products and we are trying to unlock all

kinds of ways for people to buy content from us.”

One revenue stream that is especially important to companies in the B2C arena who focus on niches is affiliate-based. By offering expert opinion, brands can recommend products and then provide direct links through to retailers taking a cut of the deal along the way.

Affiliate revenues have always been in the background for media companies, but the boom in online shopping, boosted by the pandemic, has propelled affiliates higher up the list of revenue options.

In his presentation, **Lance Johnson**, Executive Investor and Advisor, and former CEO of Recurrent Ventures argued that simply placing




Lance Johnson,
former
Recurrent
CEO

revenue links next to content was not enough. Companies need to look at how that content works with affiliate deals, and potentially build a staffing strategy around it.

“Our working assumption at Recurrent was Google’s always going to get better at determining what expert content is,” he said. “You might as well hire the experts. Affiliate content, for most leading publishers, makes up 20%, 30%, 40% of their revenue mix. That didn’t exist five to 10 years ago.



Recurrent Ventures has developed a powerful affiliate engine to monetise its niche content products



We need to understand where the user goes when they come to our website? How do they travel? How do we get them through the purchase funnel?

Bonnie Kintzer, CEO, TMB

“You create that content once every year with minimal refresh. As long as that’s high quality content you’re generating income and revenue from that title without the day-to-day drain of creating news content with a very short shelf life.”

At the same time, one of the pitfalls of affiliate strategies is the way that, if not handled correctly, they can be seen to be compromising the integrity of the editorial.

Bonnie Kintzer of Trusted Media Brands has some timely advice. “When you have the trust of your audience, you must be very careful to preserve that trust. All of our affiliate content is written by our editors. We want it to be from a brand perspective, whether it’s Taste of Home or Reader’s Digest or Family Handyman or Birds and Blooms, to really be talking about the products that are important to our customers, that our editors have knowledge about.”

Bonnie adds that niche companies need to continuously study the data and tweak their approach to the best results from affiliates.

“We need to understand where the user goes when they come to our website. How do they travel? How do we get them through the purchase funnel? We use that data to inform what topics we want to cover. Then we create the right partnerships. If we have the best partnerships with different vendors, we can create a better economic situation. The data and the content, the content and the data. We we love this business model. We think that there is a lot more growth to affiliate.”

Memberships and subscriptions have become ever more important across the industry in recent years - and not just for the big news organisations.

Many B2B titles have built business on paid-for print models and online



The Pet Collective, TMB's highly successful animal-based video brand

content that is behind a paywall. One of the most interesting discussions at Congress 2023 was around the way in which subscriptions schemes are managed.

Kerrin O'Connor, founder and CEO of media consultants Atlas says media companies aren't always the best at doing the maths when it comes to the potential revenue they can harvest from their customers. Companies should be in it for the long haul, he says, offering incentives to keep customers on board and looking for other ways to monetize the relationship over time.

"The most important thing is to understand how a subscription business works. It's a calculation of how much profit a business can make from one customer over the whole period that they remain a customer. Why is that important? We're talking about profit, not revenue, not volume. We're talking

about long time periods of time.

"People have incentives to try and drive customer relationships to stay for a long time. Felix Dennis, my old boss, used to say turnover is vanity, profit is sanity. I think he probably stole that from someone. But it's a brilliant saying. And the idea that you are going to try and propose things that people should do that don't make money, doesn't seem to make sense to me. When you look at lifetime value, it becomes a structure to understanding your brand's past, present, and future."



Kerrin O'Connor, CEO, Atlas

CONCLUSION

FIPP Congress 2023 appeared to reveal that media for communities is in rude health. Legacy players continue to find that their long-standing business models are robust, while startups, driven by a personalised media approach, are increasingly establishing their own niches.

Many of the challenges media for communities face are those that are impacting media across the board: the training and retention of staff, the post-pandemic calibration of revenue sources and the rise of generative AI.

However, it seems that niche media players are proving to be agile, lean and fit enough to meet those challenges.

Future trends

01

There is always room for more niche media

Although some niche media markets might seem crowded with lots of legacy players, Rafat Ali believes there are still a plenty of opportunities for new companies to establish themselves. Here is his take on crowded markets and how his brand Skift has become a leader in the B2B travel space.

"If you look at any sector there's always 20 publications, sometimes more. I'm a big believer that there's always a white space as the media is a very 'point of view' driven business. If your lens on the world - in the case of Skift, the world of travel - is different from

anybody else, then you make your own white space. You and the other media brands can coexist. It's just like we have taken a bigger space of people's mind space than others, but others still exist. To create the white space, you have to have an original point of view."



Many B2B brands such as Skift, above, have developed a thriving events business

02

Content creation

When printed magazine were at their sales peak, most specialist media was run by journalists who got to know their topics over time. That is still the case today to some degree, but things are changing. More content will be created by enthusiasts who have become journalists, and there'll also be the inevitable contributions from AI.

Damian Radcliffe, Professor in Journalism at University of Oregon and Columbia University, said: "With the likes of Morning Brew on TikTok, for example, they've taken people from that community and taught them editorial skills rather than the other way around. You need to look across your competitors - who's doing this well and what should you and others be learning from them?"

03

AI tools

Almost every area of the media is likely to be shaped by Artificial Intelligence, including niche media. There are already entrepreneurs harnessing ChatGPT and other automated content creators to populate their websites.

The challenge for niche media companies from AI is obvious. Why will audiences continue to consume their content when they can create their own bespoke answer to questions with AI?

The answer, as always in publishing, print or digital, is that in a world of cluttered information overload, readers grow to trust curated content. Machine-generated content will inevitably throw up contradictions and misinformation and be subject to hacking. Readers in turn will be wary of impersonal content and instead turn to brands they know and respect - brands they've known for many years.



Zetland has harnessed AI to make automatically transcribed content available to its journalists

There is potentially a plus side to Ai, however, and Congress 2023 featured several examples of brands who were using the technology to give them a boost in their niche markets.

Tav Klitgaard, CEO, Good Tape and Zetland in Denmark, spoke about how his tech team had harnessed AI to deliver highly effective tools that transcribed Danish speech into text, a challenge that had previously not really been addressed by earlier technology.

Richard Lee, Chief Integration Officer, The News Lens Group, spoke about how AI had created many new opportunities for translated content. "We started to play with ChatGPT late last year and immediately found that it helped our editors and translators a lot. We have successfully deployed our

translation engine for English, Japanese and Chinese languages. AI translation workflow has created a lot of benefits for us. It's cost-effective. Adding a new language to news sites has become vastly more efficient. More importantly, it's really time efficient. Humans need to sleep, we need to eat. AI doesn't."

Skift CEO **Rafat Ali** said his company was working on an innovation that could deliver an editorially focused chatbot that could be a premium service offered to Skift's customers.

"The most exciting part for me is what our readers are used to in the media, generally having a readership relationship with the media. Can we create a Q&A relationship with our users based on our knowledge base? One of the tools that we're working on is how to create a Q&A and relationship based on training the AI, what they're calling a LM model on our corpus of knowledge. It will give you all the data on a topic or company instantaneously.

"These are premium tools for our paid subscribers, not necessarily a public tool. We're just in early stages, however..."



WATCH THE FIPP CONGRESS 2023 PRESENTATIONS

▼ Links to videos below

▤ **Rafat Ali**

CEO, Skift

▤ **Reid DeRamus**

Growth, Substack

▤ **Jacob Donnelly**

Publisher, Morning Brew

▤ **Ileana Grabitz**

Head of Politics,
Economics and Society.
Zeit Online

▤ **Lance Johnson**

Executive Investor, former
CEO, Recurrent Ventures

▤ **Bonnie Kintzer**

CEO, Trusted Media
Brands

▤ **Tav Klitgaard**

CEO, Good Tape
and Zetland

▤ **Richard Lee**

Chief Integration Officer,
The News Lens Group

▤ **Jacqueline Loch**

EVP Social and Emerging
Platforms, SJC Media

▤ **Dom Needler**

Head of Operations,
Gfinity

▤ **Kerrin O'Connor**

Founder and CEO, Atlas

▤ **Damian Radcliffe**

Professor in Journalism at
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▤ **Juan Señor**

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