



MEJO 490.5 Business and the Future of Journalism

Lee Meredith

Tuesday/Thursday 1:15-2:30 p.m.

305 Carroll Hall (Freedom Forum Conference Center)

Sakai site <https://sakai.unc.edu/portal/site/f50b2b3f-894a-46cf-b6a2-9389c4561e54>

Zoom site <https://unc.zoom.us/j/92812272017?pwd=Q3NydGI3akhhTlPOTjIwYUxUxQT09>

(Meeting ID: 928 1227 2017, Passcode: 826236)

Fall 2020

Instructor Contact Information

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Office hours (by Zoom): Tuesday and Thursday, 3:30-5:00 p.m. or by appointment

PRE-REQUISITES: N/A

COURSE DESCRIPTION:

To succeed in the current media marketplace, journalists are finding more frequently that they must become entrepreneurs and develop an understanding of business fundamentals. This course will provide you with a foundation in the core principles of finance, strategy, marketing and other business basics. The major project of the course will be the development of a business plan for a new journalism company. By the end of the semester, students will have a basic understanding of the principles of business as they apply to organizations of various sizes.

This is a class for people:

- who want to start the next era in journalism; especially, those who want to launch a new journalism company.
- who are going to work for legacy journalism companies; you will learn to contribute as “intrapreneurs” to lead your companies as agents of change.
- who want work as journalists, but will do so as members of the gig economy (by choice or otherwise).

This course will give you a background in the new media business environment and help you prepare for your own ventures upon graduation.

WELCOME:

I am very excited that you all signed up for this course. I love journalism! I hope you do too. We all read the same headlines about what's happening to our profession in the face of unprecedented changes in the way people consume media. The impact on news companies has been dramatic, yet the need for (and the appetite for) quality reporting has not really changed. What must happen now is for creative people to develop new business models that will spark a renaissance for the profession of journalism. To that end, leaders in the field of journalism must understand business fundamentals. This course will provide you with a foundation in the core principles of finance, strategy, marketing and other business basics. The major project of the course will be the development of a business plan for a new journalism company. By the end of the semester, you should have a basic understanding of the principles of business as they apply to news organizations of various sizes.

OBJECTIVES:

- Understand the key components of a business model and why they matter.
- Apply principles of strategy to analyze the competitive landscape within which journalism businesses operate. Also, develop plans for a small business venture using SWOT analysis, Porter's Five Forces and other tools.
- Access and use the vast array of market research tools that are currently available, especially as they pertain to sizing a market and estimating potential.
- Implement a marketing strategy to increase the audience for a new journalism entity. Also, understand basic marketing concepts including the 4 Ps: product, price, promotion, place.
- Understand the world of media sales including the difficulty legacy journalism entities have had selling advertising. Also, consider a pivot to new revenue models including event sponsorship sales and sponsored content.
- Comprehend the process by which new companies are financed including bootstrapping, angel investing and venture capital.
- Apply basic concepts of budgeting and accounting to construct a potential cost structure for a new or existing organization.
- Complete a revenue analysis and master other fundamental revenue concepts such as a breakeven analysis and a customer's lifetime value.
- Negotiate more effectively.

- Engage with the subscribers of a new journalism entity as if they are the actual owners of the enterprise (which in some cases, they will be).
- Consider and respond to ethical questions that arise with special attention to the issue of when business opportunities clash with the principles of journalism.
- Develop analytical tools for assessing entrepreneurial business ideas. In many cases, this will be a matter of picking a niche and going deep.
- Innovate from the inside (be an “intrapreneur”), because legacy media companies can still thrive if they adapt.

INSTRUCTIONAL MODE:

COVID-19 has created many challenges, but I’m happy to be able to tell you that this class has been scheduled for a very large room that will allow all of us to attend in person. We will all have to comply with the University’s guidelines on face masks and social distancing at all times. While this is a face-to-face class, I will attempt to accommodate those who are unable to attend due to COVID-19 issues. If you are in that situation, please let me know as soon as you can.

ATTENDANCE POLICY:

If you cannot attend a class, please notify me by phone or email **prior** to class. If you believe you will need to miss a class for a reason that falls within the policy on University Approved Absences, please communicate with me in writing as soon as practical. The University attendance policy is listed [here](#) for reference. Regular tardiness (more than 10 minutes late on three occasions) will also be treated as an absence.

REQUIRED MATERIALS: (Both free!)

News Deserts and Ghost Newspapers: Will Local News Survive?, Penny Muse Abernathy, Center for Innovation and Sustainability in Local Media, UNC Press. (Abernathy)

https://www.usnewsdeserts.com/wp-content/uploads/2020/06/2020_News_Deserts_and_Ghost_Newspapers.pdf

Media Innovation and Entrepreneurship, Edited by Michelle Ferrier & Elizabeth Mays, Creative Commons Attribution License. (Ferrier)

<https://press.rebus.community/media-innovation-and-entrepreneurship/>

IN-CLASS PARTICIPATION:

You will need to actively participate in class. Participation will include discussion of the textbooks and other reading assignments, questions for our guest speakers, and playing active roles in group activities. The participation requirement can also be partially fulfilled by taking part in online discussions in the class forum in Sakai.

ENTREPRENEURIAL JOURNALISM BUSINESS PLAN:

You will be assigned to work together on a five-person team. Your team will be responsible for completing a 15-20 page paper that details a business plan for a new journalism company. The model could be for-profit, non-profit or a hybrid. Your planned new company must be a local or regional news organization. The company must have a hard news focus. Sports and/or entertainment could be a part of the mix, but the primary product must be journalism that serves a community or region. In addition to the written business plan, your team will make a 20-minute oral presentation as you would to the investment community or philanthropic underwriters. The presentations will take place during the class’s scheduled final exam period.

GRADING:

A numerical grade scale will be used. Here are the letter grade equivalents:

- A = 95-100
- A- = 90-94
- B+ = 87-89
- B = 83-86
- B- = 80-82
- C+ = 77-79
- C = 73-76
- C- = 70-72
- D = 65-69
- F = below 65

Grading rubric

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|-------------------------------------|-----|
| Class participation/attendance/etc. | 15% |
| Midterm exam | 20% |
| Business plan | 35% |
| Presentation of plan | 5% |
| Final exam | 25% |

HONOR CODE:

The Honor Code (<https://catalog.unc.edu/policies-procedures/honor-code/>) forms a bond of trust among students, faculty, and administrators. The University of North Carolina at Chapel Hill operates under a system of self-governance, as students are responsible for governing themselves. As such, our University is transformed into a powerful community of inquiry and learning. The Honor Code embodies the ideals of academic honesty, integrity, and responsible citizenship, and governs the performance of all academic work a student conducts at the University. Acceptance of an offer of admission to Carolina presupposes a commitment to the principles embodied in our century-old tradition of honor and integrity.

SEEKING HELP:

If you need individual assistance, it is your responsibility to meet with the instructor. If you are serious about wanting to improve your performance in the course, the time to seek help is as soon as you are aware of the problem – whether the problem is difficulty with course material, a disability, or an illness.

DIVERSITY:

The University's policy on Prohibiting Harassment and Discrimination is outlined on the Equal Opportunity and Compliance Office's webpage (<https://eoc.unc.edu/our-policies/ppdhrm/>). UNC is committed to providing an inclusive and welcoming environment for all members of our community and does not discriminate in offering access to its educational programs and activities on the basis of age, gender, race, color, national origin, religion, creed, disability, veteran's status, sexual orientation, gender identity, or gender expression.

SPECIAL ACCOMMODATIONS:

If you require special accommodations to attend or participate in this course, please let the instructor know as soon as possible. If you need information about disabilities visit the Accessibility Resources & Services site at <https://ars.unc.edu/>.

ACCREDITATION:

The Hussman School of Journalism and Media's accrediting body outlines a number of values you should be aware of and competencies you should be able to demonstrate by the time you graduate from our program. Learn more about them here: <http://hussman.unc.edu/accreditation>. No single course could possibly give you all of these values and competencies; but collectively, our classes are designed to build your abilities in each of these areas. The values and competencies associated with this course include being able to:

- Demonstrate an understanding of gender, race ethnicity, sexual orientations and, as appropriate, other forms of diversity in domestic society in relation to mass communications;

- Understand concepts and apply theories in the use and presentation of images and information;
- Demonstrate an understanding of professional ethical principles and work ethically in pursuit of truth, accuracy, fairness and diversity;
- Think critically, creatively and independently;
- Conduct research and evaluate information by methods appropriate to the communications, professions in which they work;
- Write correctly and clearly in forms and styles appropriate for the communications professions, audiences and purposes they serve;
- Critically evaluate their own work and that of others for accuracy and fairness, clarity, appropriate style and grammatical correctness;
- Apply tools and technologies appropriate for the communications professions.

WEEKLY CLASS SCHEDULE:

Week-by-week schedule.

| Class No. | Date | Topics Covered | Readings/Assignments (Readings should be complete prior to class on the days listed below) |
|-----------|---------|--|---|
| 1 | Aug. 11 | Class introductions. Review syllabus. Outline expectations. Roles and deliverables for workgroups | |
| 2 | Aug. 13 | Situation analysis Assign workgroups, initial workgroup meeting (peer evaluation) | Abernathy, pp. 5-30 Ferrier, pp. ix-xiii www.usnewsdeserts.com Do you live in a news desert? Examine your state Extra: Rate your local news |
| 3 | Aug. 18 | Situation analysis (cont.) Developing the Entrepreneurial Mindset | Abernathy, pp. 31-41 Ferrier, pp. 2-15 |
| 4 | Aug. 20 | The Uncertain Future of Unicorns Taking Risks . . . on the Path to Innovation | Ferrier, pp. 16-18 Ferrier, pp. 22-30 |
| 5 | Aug. 25 | Media business environment: markets, business models, mergers, alliances, partnerships, SWOT analysis | |
| 6 | Aug. 27 | Media business environment (cont.) Blue Ocean Strategy | |

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| 7 | Sep. 1 | Ideation | Ferrier, pp. 36-57 |
| 8 | Sep. 3 | Ideation (cont.) | |
| 9 | Sep. 8 | Customer discovery | Ferrier, pp. 58-81 |
| 10 | Sep. 10 | Customer discovery (cont.) | |
| 11 | Sep. 15 | Business Models | Ferrier, pp. 82-106 Abernathy, pp. 42-46 |
| 12 | Sep. 17 | Business models (cont.) Ethnic media | Ferrier, pp. 107-116 Abernathy, pp. 55-66 |
| 13 | Sep. 22 | Nonprofit business models | Ferrier, pp. 117-142 Abernathy, 47-51 |
| 14 | Sep. 24 | Nonprofit business models (cont.) Midterm exam review | Ferrier pp. 143-150 Abernathy, pp. 67-71 |
| 15 | Sep. 29 | Midterm exam | |
| 16 | Oct. 1 | Startup funding | Ferrier, pp. 174-237 |
| 17 | Oct. 6 | Startup funding (cont.) | |
| 18 | Oct. 8 | Pitching ideas delivering your elevator pitch | Ferrier, pp. 238-270 |
| 19 | Oct. 13 | Your elevator pitches, pt. 1 | |
| 20 | Oct. 15 | Marketing to audiences Your elevator pitches, pt. 2 | Ferrier, pp. 271-307 |
| 21 | Oct. 20 | Audience analysis Your elevator pitches, pt. 3 | |

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| 22 | Oct. 22 | Intrapreneurs Your elevator pitches, pt. 4 | Ferrier, pp. 31-35 |
| 23 | Oct. 27 | Intrapreneurs (cont.) Your elevator pitches, pt. 5 | |
| 24 | Oct. 29 | Product management | Ferrier, pp. 308-325 |
| 25 | Nov. 3 | Product management (cont.) | Abernathy, pp. 72-76 |
| 26 | Nov. 5 | The gig economy – a how-to guide | Ferrier, pp. 151-172 |
| 27 | Nov. 10 | Gig economy business issues – finance, taxes, sustainability. | |
| 28 | Nov. 12 | Wrap up Review for final exam | Abernathy, pp. 90-92 |
| 29 | Nov. 17 | Final exam | |
| Final exam period | Thurs., Nov. 19, 12 noon | Final new journalism company presentations | |

FINAL EXAM: We will schedule our last test for the final regular class period and use the final exam period for your formal pitches for your new journalism company.