The Future of Advertising and Publishing

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Sara Watson
With Emily Bell, Nushin Rashidian, and Abigail Hartstone

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The Policy Exchange Forums are a critical component of the Tow Center's Platforms and Publishers research project. In these sessions, participants representing both the platforms and publishing sides of the news industry can engage on issues related to the ethical and civic values of journalism. The forum focuses on the relationships between technology, business, journalism, and ethics, and brings together diverse stakeholders to discuss current issues and surface potential new ones.

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Executive Summary

The rise of digital media has fundamentally changed the relationship between marketers and publishers. As audiences increasingly move toward mobile consumption, publishers have had to adapt their business models based on new standards set by social media platforms and advertisers. They are now in competition with large tech companies to reach, and to own, the same audiences. The adtech ecosystem, which was designed by platforms and advertisers to capitalize on the growing amount of data retained about readers, has produced a mess of publishers' main monetization strategies—leaving the entire space in dire need of evaluation and experimentation.

On October 20, 2017, the Tow Center for Digital Journalism at Columbia University, the Digital Initiative at Harvard Business School, and the Shorenstein Center on Media, Politics, and Public Policy at the Harvard Kennedy School hosted a Policy Exchange Forum (PEF) and public conference to explore these shifts in "The Future of Advertising and Publishing."

The PEF took place in the morning and comprised a closed discussion (by invitation only) built around two major questions: What is the future of the relationship between publishers and advertisers? More specifically, how can platforms, news publishers, and advertisers ensure a robust future for news publishers by shaping the quality of advertising?

Findings

- The current adtech ecosystem is broken: Metrics are outdated, formats like banner IAB standards are stagnating, quality is diminished by rampant fraud, tracking has drastically impeded the user experience, and publishers have become reliant on clickbait to get revenue.
- Data leakage and the loss of first-party data to second- and third-party adtech is a huge issue. The data about users that is generated through click and navigation behavior is now mostly owned by second and third parties.
- Advertisers no longer need publishers to directly reach highly targeted audiences. Platforms have disintermediated the traditional relationship between publishers and advertisers.
- The lines between advertising and editorial journalism are blurring with the rise of branded content, as publishers are beginning to offer in-house studio services directly to brands.

- Coming regulatory changes in Europe in the form of the General Data Protection Regulation (GDPR), which gives readers the option to opt out of data collection, will have global impacts on the nature of all digital advertising, as brands are forced to rethink their strategies in the absence of user data.

Recommendations

- As publishers begin to focus on readers as a main source of support, they must reinvest in the user experience, asking what consumers want from both their journalism and advertising.
- In the same vein, the industry needs better metrics that account for the quality of users' experiences rather than click-through rates or pageviews. Pageviews or time spent on a site may no longer be the best metric to understand value to the user or audience. Advertisers, as well as publishers, are now looking to capitalize on attention, rather than scale.
- While the model for display and classified advertising is unlikely to support publishers in the long term, native advertising and branded content are still growing streams of revenue. One possibility put forward is that in the future all free content will have to be underwritten by commercial messages, and all commercial-free content will be subscription-funded. This creates urgency for improved nonprofit models and for clearer ethical standards when dealing with sponsored material.
- The issue of increased paywalling around journalism to support its sustainability presents a serious challenge for news as a public good, one which demands further exploration and discussion.
- In the face of GDPR and other forthcoming data privacy protections, models like Brave's privacy-enhancing, micropayment-enabling browser could improve user experience and preserve privacy, all while introducing new, direct monetization technology for publishers. The application of systems that use distributed technologies, such as blockchain, were seen as providing a possible route to a more independent, decentralized option for publishers.

Introduction

By Emily Bell, founding director of the Tow Center for Digital Journalism

“In the future we could see a world where all free content is underwritten by commercial interests, and everything else is paid for by subscription.”

This was one startling scenario sketched out by a participant in an off-the-record symposium between agencies, publishers, academics, and technologists at Harvard in October 2017. The Tow Center for Digital Journalism at Columbia, the Shorenstein Center at Harvard, and the Harvard Business School Digital Initiative gathered the group to explore the relationship between advertising and publishing in a highly dynamic environment.

Journalism, in particular, has been affected by the redirection of advertising revenues from publisher sites to large-scale platforms, influencer networks, and new, native advertising businesses. The context for the discussion is well known. At a time when Google and Facebook are seeing record advertising growth, the pressing question for publishers is whether there is a place for advertiser-funded publishing outside big tech, and if so, what that might look like.

The fall of 2017 saw parts of the news industry facing a crisis. Despite a soaring stock market and continued growth in the U.S. economy, both new and old models of publishing were put under extreme pressure by the continuing shift in advertising revenues. In 2006, even amid a long-term decline in newspaper circulation, $49 billion in advertising went toward newspaper revenues in the United States. By 2016, the equivalent amount was $18 billion. As digitally native businesses without the high costs of traditional newspaper companies appeared, they grew advertising revenues but at a far lower rate than their predecessors. Even the most optimistic and successful digital publishers (such as BuzzFeed) had seen revenues from advertising fall below expectations. Local journalism continues to experience a particular crisis. Inability to generate the scale for digital advertising and difficulty replacing lost advertising revenues with reader revenues have played a part in the steep decline in local reporting jobs.

Still, much of the forum’s conversation, conducted under the Chatham House rule of quotation without attribution, was optimistic that there were opportunities for companies with nontraditional approaches to brand publishing. Participants cited new businesses such as Refinery29 that both address a niche and start with the concept of allowing closer integration between brands and content as finding a profitable business model. Publishers such as Quartz, which target high-value individuals and work with a small number of high-value advertisers, have also been able to retain and grow revenues. New players that leverage influencer networks and work with individuals to create more “authentic” channels for marketing also talked about opportunities for creating new businesses.

With only one or two exceptions, few participants could see a certain long-term future for advertising-supported journalism on anything like the scale of its historical basis. While it was noted that “brands want to tell their own stories, but are not very good at it, so they still need publishers,” the new hybrid model we’re seeing leads to a complete blurring of the lines between editorial and advertising which, at some point, consumers are likely to reject. Outside wealthy niches, general publishers will look to devise new products for advertisers, which will mean closer brand association or working far more intimately with brands—thereby altering the historic relationship between publishers and advertisers. “Church and state” divisions between advertising and editorial were under intense pressure, most participants thought, indicating that boundaries were being—reluctantly—redrawn.

Also mentioned was a further ethical dilemma for publishers: The operation of “adtech” systems serving programmatic and targeted advertising through their sites and products. Participants identified the lack of transparency and “brand security” offered by adtech systems as a problem, as well as the lack of transparency around where advertising money is spent.

The future of advertising and publishers looks very different from even the recent past. Modern media companies such as BuzzFeed, Vice, Refinery29, and similar publishers are, in effect, new types of advertising agencies which create campaigns that leverage their audience data and technical capacity to create faster, more viral, and “authentic” campaigns. However, this is a model that may find itself up against both advertisers and platforms, who might well discover it’s more efficient to work together with no intermediary in the future.

Forum participants likewise noted that even the digitally native publishing businesses were not necessarily flexible enough to keep up with the extremely rapid changes that platforms and advertisers might require. While the investments that companies like BuzzFeed and Vice make in original journalism were applauded, these were also thought to exist separately from their potential as advertising platforms.

The enormous influence of large technology companies in this market was identified as a defining issue, with publishing participants broadly falling into two categories: Those that cultivated the platforms with the hope of creating new revenues streams and products, and those that sought alternatives. Newsletters, podcasting, new subscription, membership models, and even investment in new types of technology platforms were all discussed with enthusiasm. The application of systems that use distributed technologies, such as blockchain, were seen as providing a possible route to a more independent, decentralized option for publishers.

Companies like *The New York Times* and *The Washington Post* were seen as being far more favorably placed than newer market entrants with less ability to leverage “owned and operated” products. *The Washington Post*’s position as a news company now owned by a highly successful technology entrepreneur demonstrates that with investment in both product and editorial this type of option is available for a small number of news organizations with scale.

Platform companies represented at the meeting were focused on trying to improve the revenues returned to publishers, but thought this would be more likely to happen through new subscription products than through a large rise in advertising revenues.

Although it is possible to become pessimistic about the long-term support mechanisms for serious journalism, the overall mood of the forum participants was generally positive. The clarity recognized among publishers around the collapse of the traditional advertising model is brutal, but it allows organizations to focus on the reader as a main source of support. The lack of funding for important parts of civic journalism such as local accountability reporting presents an urgent problem. In remodeling publishing, the role of public media is significant and growing as it provides one of the few durable models for journalism.

In summary, the disruption to the advertising market is more acute than anyone might have predicted. There is a vibrant future for advertising in the digital space, and some publishers, particularly those with niche, high-value audiences or advanced approaches to creating and targeting advertising, will survive. However, it is clear that the days of advertising as a reliable, long-term source of funding for journalism are over.

Note on formatting: This policy exchange forum, the second of four, was closed to the public and followed the Chatham House Rule. It was structured around themes about possible futures and advertising quality. Discussions were moderated by Kinsey Wilson (*The New York Times*) and John Deighton (Harvard Business School); each topic included several lightning talks by renowned professionals and academics, followed by 45 minutes of discussion among participants from publishing, technology, and advertising companies.

Discussion I: Possible Futures for the Relationship between Publishers and Advertisers

Drawn from presentations by Jay Lauf (Quartz), Laura Correnti (Adlandia), and Tara Marsh (Wunderman)

Identifying Key Challenges

For journalism publishers, it is clear that the current advertising ecosystem is broken. Between declining revenue and the interjection of social media platforms into the relationship between publishers and advertisers, news organizations are struggling to define their role in the new context. The question is, what does an evolving relationship between publishers and advertisers look like?

The first of three discussions began with lightning talks that asked participants to consider the future of advertising and publishing from the perspective of a publisher, a branded content partnerships manager, and a “data-inspired” marketer. Jay Lauf, Laura Correnti, and Tara Marsh set the stage with three key themes:

1. Church and state: Great media brands continue to create visceral, intellectual connections with the audiences they serve. This offers a great opportunity for advertising, but the barriers between editorial and business in the newsroom must be broken. Advertising is best when it is clearly labeled but still “as valuable or interesting as the editorial content.” While editorial teams should not get directly involved with ad content, we’ve entered a new era in which they should be sharing best practices and talk “hot topics” with the advertising side of the business. This, however, raises a number of questions around where, exactly, to draw the line between the two.

2. Brand trust: Trust is “the new Key Performance Indicator.” In a world full of fake news and uncertainty, people are narrowing their focus to the things they know and trust. Context matters more than ever. Around that focus, and the current interest in developing community, attention, and impact, niche the new scale. Outlets like Vox, Vice, Mic, and others promote passion-driven play, catering to specific communities. They are thinking about foodies, travel, and “how women are crushing it in the world,” and encouraging like-minded people to connect to a brand experientially. In some instances, this could involve newsletters or the rise of texting as a platform; or in the case of Viceland, allowing its readers to leave voicemails in reaction to its content to promote a two-way dialogue. Whatever its form, trust and transparency are today’s new gatekeepers.

3. The advertorial spectrum (or, what is an ad?): It's very possible that we'll see people embrace the continued blurring of lines between what defines an ad and what defines editorial. As "everyone has moved into everyone else's space"—meaning publishers, influencers, creative agencies, production companies, and media agencies—a new way of creating and distributing content could involve a scenario in which editorial teams work "with integrity" on what might be considered an advertisement.

What is key is transparency for audiences around who is behind what they are seeing, why it has been targeted to them (based on which data, and what that data suggests), and what the purpose of the content is (whether to get them to buy, to vote, etc.). Readers must have the opportunity to provide feedback.

Publishers versus Brands

The group discussion kicked off with what one participant called the elephant in the room: Since publishers have been "completely disintermediated," how do they maintain their position in this ecosystem?

Throughout the session, the subject of brands arose in three distinct ways: publishers as brands, publishers working with brands, and brands as publishers.

Representatives from publishing companies emphasized the necessity of maintaining their own brands, both within brand partnerships and in the distributed online ecosystem. A news organization's brand is key to its relationship to the audience, because, as one person noted, "people care that [content] comes from *The New York Times* or *The Washington Post*." There was some question, however, about whether advertisers care about brand or just performance.

A participant from the advertising industry said that people pay for the personalities and expertise that publishers provide. But, with programmatic and display ads "dead," another participant noted that custom is key: "Publishers have to get a backbone," they said, "and need to do better UX."

One way for publishers to capitalize on the quality of their brand involves their creating in-house brand studios, which allow both publishers and the companies they're promoting to bypass traditional creative agency relationships. This studio approach has already seen some publishers create bespoke content and forms for advertisers, and offer custom real estate that their readers really pay attention to. One example is the T Brand Studio, which takes *The New York Times*'s editorial talents in storytelling to create brand narratives. T Brand Studio has worked with almost 100 companies to date, including Goldman Sachs, BMW, and GE. Brands are coming directly to *The Times* because of the trust it's already cultivated with its audience.

Still, this a high-level solution that isn't available to most smaller publishers; bespoke advertiser-tailored products might have the potential to become a secure source of revenue, but are not necessarily scalable models for most publications. Even for publishers with in-house studios in place, the publisher/brand relationship is not without its issues as advertisers will often try to impose their demands on the content partnership. It takes careful effort to partner in a way that takes advantage of the local knowledge of how branded content will resonate with a publication's audience, while still maintaining editorial standards. One publishing participant put it concisely: "We are not a vessel."

On the flip side of that coin, one participant who works in branded content said that they see companies now asking: "Why can't we be media publishers, too?" They referenced a GE podcast that rose to a top spot on iTunes, suggesting, "It's only advertising when it's bad advertising." Though realistically, added another participant, "not every brand will be big enough to be their own publisher."

Publishers versus Platforms

Technology companies like Google and Facebook loomed large throughout the morning's discussion. Advertisers no longer need publishers or advertising agencies like they once did to reach consumers, because they can engage directly with consumers on tech platforms that are becoming what one person called "modern Multiple Systems Operators (MSOs)."

The Facebook ad interface and format, for example, is set up like an agency. Just as an advertising agency would ask a client about objectives for its campaign, Facebook asks a potential brand what its objectives are (e.g., app installs, foot traffic, event sign-ups). Platforms are so efficient at reaching audiences, in fact, that it is becoming less clear what the value-add is for advertisers to work with publishers.

As a consequence, one participant said, publishers must go where the audience is—and the audience is on platforms like Facebook or devices like Alexa. Subsequently, publishers and advertisers have to play by platform rules in monetizing those audiences.

The concerns that arise in this new ecosystem range from obscured brands (as one publisher put it, "now we'll all look the same in Alexa") to flawed measurement by platforms ("two seconds counts as a view on Snapchat"). This affects publishers and advertisers alike.

But where the platforms go, everyone must follow. One participant noted that if Facebook "flicks a switch," the industry reacts. In one example raised, Facebook's so-called "pivot-to-video," onset "the next crisis of advertising and publishing" as formats that the platform is now pushing for its own revenue goals are not proving successful for publishers.

One participant noted resisting Instant Articles in their newsroom because they felt there was "a line in the sand that needs to be drawn" with the platforms. When publishers start to treat their content as a commodity, they begin to misunderstand their reason for existing, they added.

This new reality, wherein platform companies control content presentation and monetization, led participants to ask whether companies like Facebook are becoming more like publishers than platforms.

Keeping News Free

The failures of advertising threaten not only the quality of journalism but the ability to keep it accessible to the public. In other words, to keep it free.

Subscription strategies are on the rise among publishers, and subscriptions for trusted institutions have gone up in tandem. In part because of the "Trump Bump" and the current political climate, publications have seen an uptick in subscriptions with readers becoming what one participant called "shareholders for truth" by supporting good journalism.

One proposed scenario for how to keep news readily available, suggested by a participant from the advertising industry, was having publishers provide two tiers of content: 1) free content supported by brand partnerships and 2) premium content that people pay for.

A publisher participant said they were "deeply alarmed there's no in-between," meaning high-quality *and* free journalism. That, they said, is the current crisis, and advertisers don't appear to be taking responsibility for that. (What didn't come up for debate is whether this is the responsibility of advertisers alone.)

The group then discussed what the future institutions supporting journalism might look like and the question of subsidized access. One participant noted that the U.S. Government has long subsidized news distribution by covering the majority of Postal Service mailing costs, and suggested there might be more opportunities for similar funding.

Still, participants noted, while many consumers are willing to pay for quality content and better viewing experiences, most still deal with advertising in order to get free access. For example, Spotify still has 75 percent of its users listening free with ads.

Discussion II: How Platforms, News Publishers, and Advertising Agencies Can Shape the Quality of Advertising

Drawn from presentations by David Carroll (The New School), Jarrod Dicker (*The Washington Post*), and Brendan Eich (Brave)

Technology Solutions

Building upon the first discussion about the future relationship between advertisers and publishers, the second discussion focused on potential solutions to the poor quality of advertising and user experiences. The main question addressed was how the trio of platforms, publishers, and advertisers can affect the quality of advertising in the future.

The discussion began with three additional lightning talks. David Carroll, Jarrod Dicker, and Brendan Eich each presented perspectives from publishing, academia, and technological development.

1. Publisher as tech company: One proposed solution for how to “win” in a broken ecosystem was to skip the third parties and build as much of the adtech as you can in-house, and then license it. The key example shared was *The Washington Post*. With Jeff Bezos’s expertise and guidance, the company has introduced a novel business around building publishing technologies offered as a suite of products through Arc Publishing. Following Amazon’s Web Services (AWS) model, *The Washington Post* is building this technology not only for itself but also as a product to license to other publications.

Jarrod Dicker said, in reference to *The Post*’s Bezos philosophy in the newsroom today: “If we can be a better tech company than any media company and a better media company than any tech company then we will win.”

2. Advertising without data: A different solution for shaping better advertising involves what was called a “privacy reboot.” Efforts to make advertising more efficient have come at great cost to privacy. And the very targeting and data mining that made advertising efficient led to the spread of fake news and allowed for Russian interference in the U.S. presidential election.

The enforcement of Europe’s General Data Protection Regulation (GDPR) this year will dramatically reshape the advertising and publishing ecosystem not only in the European Union, but the world at large—as it will affect any company that serves EU citizens or even someone visiting the EU. Under the new regulations, publishers (and platforms) will be required to inform visitors to their sites about their data protection rights and to easily allow opting-in and opting-out of data collection, likely with pop-up dialogue boxes that will place consent at the front and center of user experience.

3. Blockchain browsing: In a third approach, Brendan Eich suggested using a browser built upon blockchain technologies as a form of monetization. “Browsing is broken,” he said, because of ads and trackers, and the subsequent malware, ransomware, and fraud that comes along with them. Brave, which is only just beginning ad trials in early 2018, uses blockchain technology (Ethereum) to put browser transactions on the local device without sharing any specific identifying data with the network. Instead of the advertiser (Google) owning both the advertising network and the browser, Brave becomes a trusted intermediary between user and advertiser.

Brave also introduces a new means of monetization in the form of the Basic Attention Token, or BAT. Micro-payments can be allocated based on accumulated attention to any given site, artist, creator, etc. Browsing behavior results in prorated donations. The blockchain-based digital advertising model also gives users the opportunity to be rewarded with BAT for their attention to advertising.

Stale Metrics

When the room opened for discussion, conversation quickly turned toward the difficulty of measuring the effectiveness of advertising, and the issues around data collection and tracking required for that measurement. As one participant put it, “You can’t manage what you can’t measure, and what you can measure gets better.”

With more user data, advertisers were promised that their dollars would be put to use much more efficiently. Yet, this promise hasn’t yielded the results they were hoping for: .01 click-through rates are the industry standard, one participant noted, adding that a younger generation is asking “why” for the survival of the industry.

One potential remedy for empty metrics is to change what platforms optimize for. Advertising metrics have long stood unquestioned, defined by the major players based on what *could* be measured, not what *should* be. The current digital environment is optimized toward old, crude metrics like click, view, visit, and so on. As one participant put it, “Google knows according to Google’s definition of what works. There is no shared definition of what ‘working’ is. Sometimes it is exposure, or purchase. It could just be a click.” And what’s good for Google is not necessarily good for publishers.

One participant said publishers should “own and operate the tech stack” and, using what they know about their audience, make sure that it enables good journalism and a good experience. “Let’s not force ourselves to keep playing chase the cookie,” they added, referencing the dozens of third-party ad trackers many publishers have on their sites after years of plugins and Frankenstein technology stacks.

What Do Consumers Want?

One participant noted that amid all the talk of technology and metrics, “consumers are being left out of the conversation” as publishers target ads at them for revenue and brands target them to spark consumer actions. They further added that those in the room didn’t understand the impact upon the consumer and the community.

The participant had a plea for the academics in the room: “Help us have an unbiased perspective around what consumers really want.” While everyone is “chasing clicks,” they said, “consumers are more interested in a value exchange.”

Ad-blocking is one tool that threatens to jeopardize what profitability programmatic advertising has left. Because of device makers’ efforts and new default setting interventions, ad blocking software is now present on more than 600 million devices.

The one upside to ad blockers for both publishers and advertisers, suggested one participant, is that the presence of an ad blocker identifies the user as a human, rather than a bot: “Your most evasive consumer could be your most desired consumer.”

Of course, adtech also suffers from growing fraud (and was estimated to reach $16 billion in 2017). Advertisers have done little on behalf of the consumer to curtail bad behavior, because of their conflicting interests in increased numbers from fraudulent activity.

Said one participant: “In all this discussion we forget there is a human being at the other end of these transactions.” Another added, that from agencies, to broadcasting, to networks, cable, and film, everyone must look to consumers to lead business models. “Right now they’re moving faster than we can catch up with them. There’s extreme disruption. Everyone recognizes that the bar for innovation is there.”

Is the System Totally Broken?

The day’s moderator, Nicco Mele, noted that the conversation had progressed under the “assumption that the current setup is really broken,” and asked if participants all agreed on that. And, further, whether visions of the future are possible.

The views, other than yes, ranged from “broken feels hyperbolic” to “publishing is broken but advertising is not broken” (in other words, Facebook and Google—and, increasingly, Amazon—are doing just fine). Another participant proposed that metrics meet the consumers needs, for example, and that designers like Tristan Harris have been advocating for optimization goals like "time well spent."

Mele asked, "If advertising works but not for news, should publishers pay any attention? Should news publishers abandon advertising as a significant revenue stream?"

There was no unified response. Two other participants noted that the clear winners have been tech companies, which have now become the most successful brands in the world. One described the current landscape as tech brands building advertising as a medium for others.

Another participant, from the branded content world, imagined a future where Dunkin Donuts and Starbucks would bid on them as they sat in their self-driving car, and the car would go to whichever business won. Then the participant added, "I've never been more excited to be in the business." This scenario, likely or not, obviously moves advertising far outside the world of news publishing.

Conclusion

The challenge to produce high-quality, free news for a digital environment is significant, and the advertising models currently in place do not adequately reward this. After a morning of serious discussion about the relationship between publishers and advertisers, what's clear is that beyond this one certainty, there are more lingering questions than answers for the future.

For some publishers, the business of advertising is no longer about creating a clean or inviting environment for advertisers, but actually creating the advertising themselves. We have seen companies like Conde Nast, Vice, and *The New York Times* develop branded studios which allow for a blurring of the line between editorial and advertising. The agency model certainly seems to be in existential danger, as studios in-house know their product and audience better than outsiders. For the time being, this model may lead us into the future. However, as a media company which espouses independence as a core value to its subscribers, the idea of actively involving yourself in creating the business success of an unrelated brand is unsettling. It goes far beyond the normal boundaries of hosting and placing advertising.

Elsewhere, we're seeing a rise in newsroom jobs directly paid for by outside companies or foundations. No matter where the degradation to the internal walls built between publishers and those who fund their work, there is no doubt that relationships are being altered.

What seems at risk in the current environment is, first, the media brand, and second, by association, the media institution. Neither advertisers nor platforms have a particular interest in maintaining institutional strength for news organizations. In fact, the opposite is true. Elevation of the personal is a key aim of social media, and an erasure of signals of other authority is a consequence of this goal.

The second issue here is the prospect that advertising will become indistinguishable from other commercial messages. Accepting this without much thoughtful consideration will be hugely problematic. Erasing the culture of separation between commercial and non-commercial messages to survive, thus endangering the whole project simply by making sustainability an end in itself, is dangerous.

It's worth mentioning that a number of alternatives to advertising arose throughout our discussion. Among those were subsidization, newsletters, niche subject focus, and blockchain technologies. Nicco Mele reminded us that historically the United States has subsidized news distribution through the Postal Service, which had a significant impact on the development of the business. Zero rating and subsidized access to particular types of content could guarantee access to free, high-quality, unbiased journalism, especially high-bandwidth video to mobile devices, but to the detriment of net neutrality principles.

The New York Times's daily newsletter model has generated some new traffic and keeps loyal subscribers coming back through a regular habit. According to some participants, it's the first step in getting the audience engaged with content and reclaiming a one-to-one relationship that might help build out other kinds of business models like donations and membership.

Fragmentation and distribution has led to new possibilities for focused publications. As one participant put it, "Niche is becoming the new scale." According to agency participants, millennial brands are not segmenting content into traditional sections like sports or health. They are thinking more about even smaller areas of interest, catering to those who consider themselves foodies, live to travel, or care specifically about, as an example, empowered women. Niche publications can focus on passions. In podcasting, specific subject matters also generate devoted listeners. This poses an interesting research opportunity for looking at audiences' interests and the sustainability of niche approaches.

That being said, with a focus on personalization, user privacy will not take a backseat with the introduction of the GDPR in the European Union. While newsrooms have long been collecting granular metrics with a myriad of trackers, it's time for them to think about creative ways to balance privacy and personalization.

Perhaps most encouraging, especially with regard to a user advertising experience in bad shape and the current threat to reader privacy, are models like Brave. At the very least, the blockchain technology venture tries to achieve a balance between giving consumers a good experience, while respecting their privacy and creating ways for publishers to actually get paid. It's a mature and creative attempt to reset a very broken ad/tracking system.

If nothing else, it’s encouraging to see bold experimentation. As it stands, the entire space needs a lot more of it. Whether it’s ventures like Brave or publisher-built tech stacks like we’re seeing at *The Washington Post*, overall there needs to be more research and development in the hands of publishers. Their industry depends on it.