



LION Sustainability Audit Report

This report has been lightly edited to remove identifying information.

Summary

[News business] is a private, non-profit, non-partisan, online newspaper devoted to reporting on the news, personalities, and activities of people, schools, merchants, farms, and government in and around the [local community].

It is just over a year old, and the [news business] has had a *very good* first year. It's in a stronger place than many local news startups with a couple years under their belt. A few of those first-year achievements:

- They were asked to partner with [partner] on a series of election events
- Their coverage of the short-term rental debate approached the topic from multiple angles and helped drive attendance at the public hearings
- Their [special series] generated substantial reader comments and qualitative feedback from readers
- Their first newsletter survey garnered higher-than-average response rates from readers and their newsletter has a 40% open rate

The [news business] is clearly meeting an unmet need for local information in this part of the [region]. Their new(ish) publisher has some strong plans for sponsored content and he and the editor-in-chief have a good working relationship. Their mutual respect for each other and strong communication were evident on the call.

But, as [founder] noted in our interview, there is a huge “elephant in the room” – their staffing pipeline. It was hard for them to find their current reporter, and they don't expect to retain them for more than a year. [News business] will need to fundraise aggressively to hire a second reporter as soon as possible and they will likely need to recruit outside their geographic area, given the lack of a local reporting talent pool. If they lost their reporter, there's just not enough manpower to keep up their publishing cadence, which would slow down the growth they've seen thus far.

Fortunately they are participating in NewsMatch this year and have some good ideas and processes in place for sponsored and underwritten content. Their Year 1 achievements position them well for success with both revenue efforts, which should set them up to hire a second reporter in 2023.



Strengths and Opportunities	
Strength	How to capitalize on it
Even with scarce data, you have your finger on the emotional pulse of [community], as evidenced by the success of your coverage of the rental debate and [special series]. They didn't just get read widely, they drove engagement and civic participation.	<p>Editorial capacity is a real concern, so take some of the burden off by templating these two approaches. [Special series] is a great template for how you can introduce residents to their neighbors in other ways (small business owners, maybe?) while your approach to the rental debate offers an action plan for future hot button issues.</p> <p>By templating these, you make it easier to potentially hire a freelancer to take them on as a project until you can add to your full-time staff.</p> <p>You also make it easier to raise new revenue because:</p> <ul style="list-style-type: none">• You can tell stories about each of these wins during NewsMatch• You can seek out sponsorship to continue [special series] or launch similar efforts• You can seek out philanthropic support for expanding the civic engagement capacity that you demonstrated in your coverage of the rental effort
You already have a small but mightily loyal audience.	<p>Ask for reader support. It's good timing for you to do NewsMatch. They will have excellent advice, and you should do everything they tell you to do! Do not let other things override your preparation for NewsMatch.</p> <p>Then, use the NewsMatch insights (average support, campaigns that worked best, etc.) to develop an ongoing reader support strategy. (Here's an example of how one newsroom used their first donation drive to guide their future membership strategy.)</p>
Your approach to sponsored content is very strategic and shows a lot of potential.	<p>You're off to a great start pitching sponsors on specific things to sponsor. That is a good way to ensure that sponsorships are setting you up to do more of what you want to do, not pulling you away from things you want to do. Consider adding underwriting for specific verticals or ongoing series to the pitch deck as well. (The Solutions Journalism Network has a good rundown of sponsored content vs underwriting).</p>



Your Journey to Sustainability

Stage of organization: Building

Iterating based on audience and market research while building a foundation for revenue and operations. This is the testing and tweaking stage when a news entrepreneur is revising their product and revenue model to match what the audience wants and what the market can bear.

Key Indicators Accomplished and to Achieve

Please see the Audit Profile and Key Indicators documents shared with this report. The Key Indicators document details recommended policies and processes and notes the ones you already have in place.



Recommended Actions

The Recommended Actions section outlines our proposed priorities for your news business based on your responses to the audit questionnaire, analyst interview, and other materials. The recommendations include a To Do (the proposed action to take), a Why (to underscore why taking this action may be useful for your news business) and a How (resources to support taking that action).

These recommendations are intended to offer potential pathways to help your news business thrive operationally, financially, and journalistically, and as encouragement to make progress toward strengthening areas of your organization. We offer them in a constructive rather than prescriptive spirit, knowing that you know your news business best, and that other priorities may emerge. Your organization may also decide to address Actions in a different order of priority.



Do Now

To Do	How	Why
<p>Get a handle on your newsletter data.</p>	<p>You need to be able to be able to access and track the following newsletter metrics (copied from the Local News Lab’s “Newsletter Guide” section on metrics)</p> <ul style="list-style-type: none">● Open Rate: What percentage of your list opened the email? (AZ add: you also want to know what percentage of your list is opening three times or more a week – in other words, what percentage are loyal newsletter readers)● Clickthrough Rate: How many people clicked on a link from your newsletter?● Conversions: What did they do once they clicked? (Did they take action, for example, buy something, or bounce away?)● List Growth: Is your list growing? What is the rate of growth? Has there been a drop off?● Forwards: Are people sharing your newsletter with other people?● Delivery Rate: How many of your emails are going to dead addresses? (Clean your list for better performance.)● Newsletter unsubscribes <p>Dan Oshinsky, Inbox Collective: Which Email Service Provider is right for you?: A guide to picking the right email tool for your newsroom</p>	<p>In the interview, you mentioned that you don’t have access to key newsletter metrics such as click-through rates and open rates. You were unsure if your vendor can provide this. Ask for this information ASAP and make sure that you can access it on your own whenever you want it. You shouldn’t have to pay an engineer to get it for you.</p> <p>If they can’t provide this, you should switch vendors ASAP. You plan to make email fundraising part of your strategy, and you won’t be able to do that without access to your newsletter data. I would strongly recommend sorting this out and/or switching to a new vendor at least a few weeks before NewsMatch, which you said you plan to participate in.</p>



<p>Double down on sponsored content, sponsored events, and underwriting</p>	<ul style="list-style-type: none">● Set a financial target. Perhaps a good starting point is to raise enough money through sponsorship and underwriting to replace [founder's] contribution to the [news business] budget, or to be able to reallocate that to experimentation, rather than essential operations.● Brainstorm a list of series and big projects that you would like to pursue.● For each series or project, consider what local businesses and organizations might want to be associated with making that work possible (this is the beginning of a list of sales prospects).● Pitch at least one company or organization on each of the series you brainstormed. <p>One small thing: Your pitch deck emphasizes Facebook, but you have strong newsletter open rates and newsletters are a lot less volatile than Facebook, so I would emphasize that instead.</p> <p>A few places with good advice:</p> <ul style="list-style-type: none">● This Richland Source post on 10 Steps to local fundraising has some very good tips● Solutions Journalism Network's revenue playbook – although focused on solutions journalism specifically, it has a lot of good advice on when to seek sponsorship vs underwriting vs philanthropic support, how to signal such content clearly, and how to track impact● The Branded Content Guide	<p>You scored the sustainability of the organization in the founders' absence as a 1 because [founder] is covering a significant portion of the organization's costs. Reader fundraising is a slower boil, but a few big sponsorship and underwriting wins can have a huge impact on the bottom line.</p> <p>You are in a great position to pursue this aggressively in the next year and you're off to a good start with your plan to bring them specific things to sponsor, rather than letting sponsors dictate editorial.</p>
<p>Formalize</p>	<p>Establish 1-year, 3-year and 5-year growth projections, taking into</p>	<p>This is a big lift, but with [partner]</p>



business operations and long-range financial planning	<p>account strategic investments (potential new hires), major initiatives (strategic partnerships, formalizing operational workflow) and steady financial growth across multiple revenue streams (audience, ads/sponsors, grants, major gifts). Establish/update an aspirational organizational chart based on the short- and long-term roles the organization will need to execute this extended plan. Finally, establish a routine budgeting process based on the financial plan, which should be reviewed and revised as needed on a quarterly basis.</p> <p><i>Additional resources:</i></p> <ul style="list-style-type: none">→ LION Publishers - Financial Management for News Entrepreneurs→ LION Publishers - The LION Financial Planning Workbook→ LION Publishers - The LION Operational Readiness Handbook→ How to write OKRs→ How to plan for the future (presentation)→ Basic accounting concepts→ GNI Business resources	<p>joining [news business], you are in a good position to make major strides on the revenue side this year. Additionally, if you are going to try to build your reporting team, you can reassure people nervous about joining a startup that you have a strong plan for the future.</p> <p>This level of financial planning can also help guide price points for advertising, sponsorship, and underwriting.</p>
Get everything in place for NewsMatch	<p>Find many NewsMatch resources here.</p> <p>You should begin scouting for a local match partner now. NewsMatch will likely communicate soon about preparation if they haven't started already, so the only other thing I will say here is that preparing for NewsMatch is a lot of work, and the month of December will be very busy for both of you. Work ahead as much as you can so that you can devote all the time you need to fundraising aggressively that last month of the year.</p>	<p>You have a very loyal audience, a lot of goodwill for [news business] in the community, and a demand for more reporting from your community. Leverage all of that for a strong NewsMatch campaign!</p>
Take actions	<p>Review the survey results, with an eye toward what requests for improvements come up often that are feasible for you to address. I</p>	<p>Event listings are a key way that</p>



based on recent newsletter survey feedback

recommend making the following improvements to the reader experience, based on the survey feedback:

- Figure out why log-ins aren't sticking on your site, and explore whether you could implement [SSO](#) (this is when you can log in with one click via another account, like Gmail or Facebook).
- Send events information earlier in the week so that people can plan ahead
- Reply personally to negative feedback

You should also share a summary of the survey feedback with your community in a post on your site and explain why people need to log in, since it's generating so much frustration.

you're providing value in the newsletter, and sending it earlier in the week seems like an easy way to make readers happy! Since a registration wall is a key way you're growing your newsletter list, it's important to make that process as frictionless as possible.

When you conduct a survey, it's good practice to show people it was worth their time to answer by showing that you read their responses, took their feedback seriously, and are making some changes as a result.



Do Soon

To do	How	Why
Outline your editorial and community growth plan	<ul style="list-style-type: none">• Take the Listening Post Collective’s “start-up course for civic media.” which will walk you through conducting an information needs assessment, engaging your community more deeply, and inspiring civic dialogue• Take a look at site data and survey results to see what type of content draws the most readers, what loyal readers say they want you to start doing, and where your readers are concentrated geographically (on the call, you shared that local politics, farming, and schools coverage stood out in site data and survey feedback)• Make a call on whether to expand to [nearby area] or double down in [local community] in the next year (When you hire your second reporter could you instead organize the reporters by beat and have them serve both communities?)• If you decide to expand, conduct an information needs assessment among [nearby community] residents. <p>If you need a framework to get you started, a SWOT analysis could help, as could an impact/effort matrix.</p>	<p>As [founder] said in the interview, “We’re literally one year old. What should we be thinking about? Should we be thinking about expansion now or later?”</p> <p>This to-do will help you address those big picture questions, giving you thresholds for making decisions such as when you will expand to a particular geographic area. It will also help you assess when something is out of scope and make it easier to say no!</p>



Fundraise to add to your reporting capacity

Structure your NewsMatch campaign as a crowdfunding campaign to cover the costs for an additional reporter position.

- Set a dollar amount you need to raise to make it possible to hire another person
- Share how this person would help you expand your coverage
- If you hit your target and hire this reporter, make sure that when this reporter's first story is published, you make it abundantly clear to readers that they made that story (and all future stories) possible.

This case study on [how The Tyee designs its crowdfunding campaigns](#) might be helpful.

You should also look into whether [Report for America](#) might be a good option for [news business]. A bonus of working with Report for America is that they'll help you recruit beyond the local community, and I know you've mentioned there's not much of a pipeline locally.

You scored your staff workload sustainability at 1 and you shared that you're getting a lot of feedback from readers that they want you to expand your coverage, both in [local community] and in surrounding areas. That can't happen without adding manpower.

In the interview you also said, "Big picture growth is being driven by the availability of people to do the work" and noted that you don't expect the current reporter to stay more than a year. That means that the lack of a second reporter is preventing you from thinking strategically about your editorial strategy.



<p>Build a data-informed picture of your audience composition and begin developing your audience funnel</p>	<p>Some ways to track your audience composition:</p> <ul style="list-style-type: none">- New vs returning (a metric to pay attention to as it indicates habit, something you want to build for sustainability)- Geography- Age, gender, device- Audience behavior (time spent, top pages, scroll depth)- Audience source (organic, direct, social, referral, email)- Top Google search terms <p>Start mapping out your audience funnel, beginning with “What is an audience funnel approach?” from Better News.</p> <p>Other resources:</p> <ul style="list-style-type: none">• IndieGraf: “What the heck is a marketing funnel and why should I care?”; “How to put your audience funnel to work”• Medill Study: “Building Habit–Not Page Views–Matters Most For Keeping Subscribers, Data Analysis Finds”• Goals and conversions in Google Analytics	<p>You’ve had a really strong first year. You have good instincts about what your audience members are looking for. But it’s time to start making data-informed decisions about what to cover, how, and how often. Set up a metrics dashboard and build in time for monthly or even weekly reflections on what you’re seeing in your data.</p> <p>You should already have a decent handle on your newsletter metrics because of an early recommendation. Once you have both, you’ll be well positioned to start mapping out the [news business’s] audience funnel.</p>
<p>Signal your editorial focuses more clearly on your home page and in your tagging system</p>	<p>You mentioned that you get a lot of homepage traffic. Change up your navigation bar to be more specific, reflecting the things readers come to you for the most, rather than just listing out various beats. Exs might be: [special series], town hall coverage, schools, and events. (Check your newsletter survey data for more insights.) When you are covering a breaking news event, that should also go in the navigation bar so people can easily find all the coverage.</p> <p>You also noted that people enjoy unusual features, such as the one about a house owned by a mob boss, and the Ukraine coverage. Feature those items prominently on your homepage.</p>	<p>Generally speaking, move away from your homepage just being a listing of all the things you’ve done more recently and move toward it being a reflection of the information you know community members are seeking out, even if it’s not always the latest news. Evergreen content like how to engage in public hearings could be on the homepage always, for example.</p> <p>These changes will make your site more navigable, offering a more user-friendly and human news experience.</p>



Track your editorial impact

Develop a system for measuring local impact as [news business] grows, with a focus on the direct impact the publication has on the local community. Continue to summarize high-impact examples (such as the number of people who attended the public hearing on short term rentals) into 2-3 paragraph summaries available to share with readers and sponsors. Briefly record lower-impact examples, such as other organizations sharing your work or being invited to speak, so that you have a tally of these types of impact at the end of the year. Individually those data points don't say much, but when added up, they tell a story of being an agenda setter in the community.

Some resources:

- [Resolve Philly's customizable impact tracker](#)
- [SJN Revenue Playbook on tracking impact](#)
- [The Oaklandside mission metrics](#)
- [Chalkbeat Field Guide for Impact Tracking + Chalkbeat approach to journalism with purpose](#)
- [City Bureau measurement efforts](#)

Consider publishing an annual impact report as well.

You can get by for a little while with your current strategy of informal tracking because you are in such constant communication with each other, which is why I didn't make this a "Do now." But you don't want to put this off too long because the lack of a system for keeping track of this will start to hinder your efforts to raise money from readers and sponsors.



Do Later

To do	How	Why
Get a very basic handle on SEO and how it can help inform your editorial strategy	<p>It's easy to go overboard and overwhelm yourself on SEO, but mostly you want to figure out what people are searching for when they land on your website, and what people are searching for in your geographic area more broadly.</p> <ul style="list-style-type: none">● Beginner's Guide to SEO - Moz● Sign up for the WTF SEO newsletter.● Here are a few good foundational reads:<ul style="list-style-type: none">○ Evergreen SEO 2.0: Greener than ever○ Ask a News SEO: Claudio Cabrera○ What is search intent? <p>They have an extensive archive, so if you have a question about SEO, they probably cover it there! You can also join their Slack community.</p>	<p>Information on what people are searching for locally and when they land on your website will help you grow the top of your audience funnel. It can also be a source of story ideas – sometimes people start searching for things before journalists are aware that it is a problem. If you can answer their questions with a story, you'll be able to draw newcomers to your site.</p> <p>This data can also help you build out evergreen service journalism content and write headlines that will draw new people to your site.</p> <p>Once you get them on the site, your registration wall will help bring those newcomers down the funnel.</p>



Collect audience feedback on a quarterly basis.

Your starting point for what to ask about should be, “What decisions do we need to make this quarter, and what information do we need to make them?”

Take the [LION News Entrepreneurs Academy course on audience research and designing products with your users](#)

Read the [Startups Playbook Ch. 2, Sec. 3](#) (“How do you confirm your assumptions about your target audiences and their needs?”) and see the [Resources](#) section for survey and interview templates

Read “[How we used a jobs to be done framework to iterate on our newsletters](#)” for some inspiration on how to apply the feedback

You’ve got a big year of growth ahead of you, and it will be important to routinely collect audience feedback on how [news business] is doing with readers as you make strategic changes.

Data tells you who your audience members are and what content most appeals to them, but surveys and other forms of voluntary feedback tell you *why* that content appeals to them.

These insights help you design products, like newsletters, that can build loyalty and, eventually, financial support from readers. This will also help you figure out what types of fundraising messages will most resonate.

These qualitative insights can also help you tell a stronger story when you’re pitching sponsors.



Button down some key documentation

You should develop key documents, including:

- Ethics policy
- A RACI for you, [partner], and the staff reporter
- [Social media policy](#)
- Compensation policies and performance review process
- Employee/collaborator handbook
- [User manuals](#)
- Policies around payments, cancellations, and deadlines for advertisers
- Donor acceptance policy
- Add “How we make money” to about page

Check out LION’s [Onboarding and Preparing your New Hire for Success](#) for examples and guidance on setting up some of these key policies.

See the Startups Playbook “[Resources](#)” page for examples of ethics policies, About pages, and contracts

There are tons of examples of RACI/RASCI charts out there. [Here’s one good overview.](#) [LION RACI chart template.](#)

It’s a hard transition to go from founder and first employee to others. You quickly realize how much lives in your head. Get ahead of that by documenting all this before you make your next hire.



Explore opportunities in regards to education coverage	<p>Take the LION News Entrepreneurs Academy course on audience research and designing products with your users</p> <ul style="list-style-type: none">● Interview parents of children in local public schools, as well as teachers (you might want to reach out to the people who asked for more schools coverage in your recent survey)● Synthesize the results of those interviews● Design a survey to get broader feedback on some of the ideas that emerge from the interviews	<p>You mentioned a goal of growing your audience among 30 to 50 year olds. That is the parents demographic, so you should explore specifically what more robust schools coverage could look like. If you don't have good local schools coverage and other topics relevant to parents (for example, parks and recreation), you'll struggle to grow among this audience. Parenting is the lens through which they experience the world right now.</p> <p>You've been toying with the idea of topical newsletters – maybe a weekly education newsletter is a good place to start.</p>
Create a community advisory board to get regular, intentional, structured advice and feedback.	<ul style="list-style-type: none">● Read and follow the instructions in the American Press Institute's guide on how to form a community advisory board● Issue a call for nominations for members of the board● Once you have formed a community advisory board, make sure that information is on your About page● Regularly evaluate what perspectives are missing on your community advisory board	<p>As your geographic focus expands, it will be harder for the two of you to maintain a finger on the pulse of your entire coverage area. A community advisory board drawn intentionally from the different communities that the [news business] serves will help.</p> <p>Bonus: These board members will likely become even more invested in [news business] and will likely leverage their own networks to help you secure sponsorships and underwriting and can give you an assist during your fundraising campaigns by sharing with their networks.</p>