Media's focus narrowing, report warns

Splintering audiences in the online age are driving risky trends like "hyper-local ism," the Project for Excellence in Journalism says.

James Rainey, Times Staff Writer
March 12, 2007

News organizations confronted with declining revenue and increased competition are entering an era of more limited ambition in which they will drop a broad worldview for more narrowly focused reporting, according to an annual review of the news business being released today by a watchdog group.

The Project for Excellence in Journalism reports that the struggle to create sustainable media brands is driving "hyper-local" coverage in newspapers; encouraging citizen journalism on the Internet; and giving rise to opinion-driven television personalities like CNN's Lou Dobbs and Fox News' Bill O'Reilly.

"The consequences of this narrowing of focus involve more risk than we sense the business has considered," said the report from the project, an arm of the Washington-based Pew Research Center. "Concepts like hyper-localism, pursued in the most literal sense, can be marketing speak for simply doing less."

The review describes print, radio and television news operations as weathering "epochal" changes — with audiences splintering so radically that it is has become difficult to accurately measure new viewing and reading habits.

Daily newspaper circulation declined 3% in 2006, for instance, but the increase in online readership is more difficult to quantify. The three television networks collectively lost an additional 1 million viewers — about the average in each of the last 25 years — but YouTube and other online services created a new delivery vehicle for the networks' content.

Traditional newsrooms remain the primary source for information, and the report suggests that news organizations need to be more aggressive about mining revenue for their work. The old-line media may have to form consortiums to force Internet "aggregators," which compile content from other sources, to pay licensing fees for news and information, the report says.

Tom Rosenstiel, director of the Project for Excellence in Journalism, said that most news organizations would have to shrink their staffs but that much more thought needed to go into how the reductions are made.

"The current thinking, hyper-localism, seems problematic," he said in an e-mail response to a question. "In an era of globalism, how can you suggest that the L.A. or Boston market does not need its own specialized foreign reporting that informs the local economy, the local culture and more, in a way that is different than what generic wires would cover?"

Respected newspapers such as the New York Times and Washington Post have placed high hopes in replacing declining print advertising with ads on their websites. Indeed, as audiences online have expanded, newspapers have seen their online revenue grow by more than 30% a year.

But the Project for Excellence report suggests that the boom in online news audiences and income has begun to wane. A Pew Research Center study cited in the report found that the number of Americans who said they went online for news every day declined to 27% in June 2006, compared with 34% in June 2005.

The growth rate in online advertising is projected to slow and could drop into the single digits before the decade ends, according to the online research firm EMarketer. The report says growth online is therefore "not enough to clarify the future."

The economic challenges facing news outlets have prompted debate about the most effective modes of ownership, particularly in newspaper companies. That discussion came to a head in 2006 at the Los Angeles Times, after the paper's publisher and...
Today's report says that the loss of about 4,000 newspaper journalists since 2000, combined with the smaller number of pages devoted to news, "suggest that American newspapers have reduced their ambitions."

Newspapers have traditionally served a "complete diet" of news to the public and alerted television, radio and other media to stories, the report found, suggesting that more study is needed to determine "what is lost and what is left uncovered."

Executives at Tribune and other companies have said that critics have placed too much emphasis on the importance of the size of news staffs. They say that technological advances and better coordination between far-flung newsrooms can help maintain robust news reports in the face of staff reductions.

The Project for Excellence report says that the ethnic media sector is one of the few experiencing solid growth. Spanish-language newspaper circulation, for example, jumped 900,000 to 17.6 million in 2005. That was the most recent year with available data.

The report also summarized public attitudes toward the media — noting that journalists remained in relatively low esteem, though not substantially diminished in 2006. For about two decades, the audience has taken a more skeptical view of journalists' ethics, accuracy and professionalism.

But recent survey results also showed a capacity for opinion to evolve. After the Sept. 11 terrorist attacks, for example, a majority leaned toward favoring government censorship over freedom of the press. By last year, 56% in a Pew survey tilted toward press freedom over the 34% supporting censorship.

james.rainey@latimes.com