

# **The Big Sellout: A Critical Snapshot of the Rise of “Entrepreneurial Journalism”**

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In January, 2015 Condé Nast, the publisher of *The New Yorker*, *Vanity Fair*, *Wired*, *GQ*, and other magazines, announced it would be using its editorial staff to write advertising copy in a new initiative that would allow marketers to work directly with editors to create “branded content.” Branded content, native advertising, and sponsored content are all new terms for advertising that mimics the look and feel of editorial content. Though the Condé Nast announcement “caused a stir in the media world” according to the *Wall Street Journal* (Perlberg 2015), it wasn’t much of a stir, since other major publications, including the *New York Times*, the *Globe and Mail*, and the *Wall Street Journal* itself had already announced similar initiatives (Brown 2014; NYT Innovation Report 2014; Mitchell 2014). An idea that was anathema to all journalists for most of the 20<sup>th</sup> century – that an advertiser could buy the services of a reporter and get a story published – was now being lauded as “innovative,” “collaborative,” and “strategic” (NYT Innovation Report 2014). “Advertising,” as journalist Andrew Sullivan put it, had “defeated Journalism” (Braiker 2014).

This paper will provide a snapshot of the forces and developments that have brought us to this juncture. In the process, it will illuminate – both empirically and theoretically – the inherent contradictions of the current accepted wisdom regarding the future of journalism. It will propose that journalists and journalism educators, instead of embracing “entrepreneurial journalism” and seeking new ways to serve advertisers and maximize page views, should stand firm against new attempts to appropriate journalism as a commercial enterprise enlisted to serve the market instead of the public.

## **Disruption and Disintermediation**

New technology is reshaping the media industry and the practice of journalism. Disruption in the

traditional audience/advertiser economic model that fuelled newsrooms for decades has placed increasing financial pressure on legacy media organizations, resulting in widespread job losses and many newsroom closures (Downie and Schudson 2009). In daily newspaper newsrooms alone, the numbers are staggering. A census conducted by the American Society of News Editors revealed that between 2007 and 2011, 13,500 newsroom jobs were lost. That was a decline of 25 per cent (ASNE 2010). The numbers in Canada are similarly bleak: the Canadian Media Guild has reported media job losses (in the newsroom and beyond) of 10,000 over the past five years (Canadian Media Guild 2013).

The advertising model that supported journalism for decades – particularly in print – has broken. So argued Clay Shirky in his seminal piece, “Newspapers and Thinking the Unthinkable” (Shirky 2009). Shirky admitted he had no idea what would come next: “Nothing. Nothing will work. There is no general model for newspapers to replace the one the internet just broke.”

### **The Restructuring of Journalism**

Ironically, the disruptive technological innovations that undermined the business model supporting journalism were simultaneously being heralded as exciting new tools for journalists to create and disseminate their work. Reporters were exhorted to embrace Web-based technologies, which would let them become part of the “conversation” that journalism had now become (Gillmor 2004, xiii). Many online enthusiasts called on journalists to use these tools to build new business models, launch independent initiatives, and soften or remove the “wall” between news organizations’ business and editorial divisions lest they be stranded in shrinking newsrooms. In the face of rapid economic and technological transformation, and of what has been termed “survival rhetoric,” fundamentals in the media landscape began to shift (Coddington 2015).

Media companies, old and new, exploited the technologies and began to build audience and generate revenue through content aggregation, curation, reposting, and repurposing. Much of this content was used without permission or payment to its creators (Shirky 2009). Branding and promotion accelerated the growth, and various media start-ups emerged as nascent business successes. At the same time, technophiles, pundits, and academics began to embrace and promote new, more “inclusive” models of journalism. Journalism became a conversation between journalists and the public; people equipped with Internet access and Web 2.0 tools were transformed from audience members into participants. Viewers and readers became content creators, partners in the conversation that is journalism. Consumption and production merged, and the consumer became the “prosumer,” further blurring the line between journalist and audience (Comor 2010).

In the process, many distinctions became blurred: between news and content; between consumers and producers; between reporting and posting. Labels such as user-generated content, citizen journalism, participatory journalism, journalism as curation, journalism as aggregation, link journalism, and “journalism as an act of pointing” (Somiaya and Kaufman 2009) became commonplace. Concepts such as “random acts of journalism” (Myer 2011) and even “ambient journalism” (Hermida 2010) further eroded definitional boundaries. The result was that journalism became everything. Joe Tacopino, a 2010 graduate of Jeff Jarvis’s CUNY class on entrepreneurial journalism, captured the issue succinctly: “I questioned whether some of the ‘business ideas’ we were creating [in the program] were related to journalism. He [Jarvis] said that journalism could be defined as anything that allows people to communicate with each other” (cited in Abad-Santos 2011).

The contradictions inherent in these ideas were downplayed or ignored, opening the door for the next logical development. If all people can be journalists, and almost everything they do online, from posting on Facebook to tweeting, is journalism, then all content is, in some way, journalism. And if curating and repurposing and linking is journalism, then so is anything that promotes, disseminates, compiles, searches, or expedites the use of content. Quite seamlessly, enterprises such as the *Huffington Post*, *Vice*, *Upworthy*, *Gawker*, *Mashable*, and *BuzzFeed* become part of the discussion about journalism. Tech sites, search engines, celebrity gossip, user reviews, and all manner of content appropriation become part of the new (new!) journalism, increasingly discussed and indeed promoted in j-schools (Jarvis 2010).

In the process, online tools, potentially useful in reporting of stories, are mistaken for journalism. Journalists and journalism students are encouraged – almost coerced – to use these tools lest they miss the wave of technological change washing over the craft. Everyone is being exhorted to blog, tweet, upload, share, and curate in an increasingly accelerated cycle of production (Bartlett 2014).

### **Survival Above All**

The obvious and historic tension between the role and goals of business versus those of journalism became lost in the tired contradictions that characterized the sometimes desperate discussion around the survival of journalism. Journalism, as it was practised for most of the twentieth century, aspired to public service, and the “Chinese wall” served to highlight the newsroom’s separation from the demands of advertising (Hackett and Zhao 1998). The ideal of independent journalism in the pursuit of the public good has since its inception been threatened from forces both outside and inside news organizations, but the twentieth-century codification of

the routines and practices of factual reporting and the development of professional standards served as a bulwark against these incursions. As Daniel Schiller explains, “The equation of professionalism in journalism with the practice of objective news reporting thus gratified the occupation while simultaneously serving the encompassing need of commercial journalism to legitimate its major institutional role as the self-announced protector of the public good” (1989).

Though this “wall” was widely and justifiably critiqued for at times being easily breached, at least it was there, and honoured in spirit if not always in practice. Now, such a division is not only disregarded but openly mocked. Bryan Goldberg, writing for *PandoDaily*, called the separation of “church and state” “a dogma so brainless and idiotic that the only way it could *possibly* exist in the modern day is because generations of publishers have brainwashed themselves into accepting it” (2013).

Entrepreneurial journalism, by its very nature, calls for a fusion of editorial and business concerns. The pundits don’t apologize for the perceived need to abandon the wall in the face of dire economic reality; they welcome this development as long overdue, a necessary adaptation (Andreesen 2014). As journalist Joe Banks wrote on Canada’s journalism website, *J-Source*: “Major fault lines have existed between advertising and editorial interests since Gutenberg was a startup, the fabled ‘separation of church and state.’ And it needs to end ... The church-and-state attitude no longer has a place in the business of media” (2014).

Some in the news business attacked the wall as weak and now utterly anachronistic. More insidiously, they upbraided journalists for not engaging in the business side. Former reporter and media blogger Scott Rosenberg encouraged a new path:

Let’s take the principles we understand – accuracy and fairness and independence and speaking truth to power – and see how we can ferry them into the new environment. Doing so requires some level of entrepreneurial thinking. You can’t avoid getting your hands a little grubby. You can’t sit back and let somebody else worry about the “dark side” while you keep yourself immaculate. (2007)

Rosenberg is unclear about how one practises journalism that “speaks truth to power” with hands “grubby” from business engagements with sponsors, investors, and advertisers. In journalism education, the refrain is similar, with many educators eager to engage in new, increasingly business-oriented models of journalism. Baines and Kennedy (2010) admit that research indicates that journalists value public service, autonomy, and objectivity, and that they feel they must

operate independently of the demands of business. But Baines and Kennedy set this finding aside because surveys suggest that journalism students are less keen on public service and more keen on lifestyle:

It would seem that ideological factors which might have mitigated against would-be journalists espousing business values are less strong than might appear; that some students are motivated by the ideal of public service, but most who really want to go into journalism do so because it offers an exciting non-routine job with a degree of autonomy – and the prospects of poor wages, routine grind and limited opportunities for creativity turns them off.

Articles on journalistic innovation promote monetization, business models, and promotion. The conflation of innovation and entrepreneurship is sloppy, but perhaps this is by design. It blurs the line between creative ways of employing new technology to report and tell stories, and the leveraging of those tools to monetize content. The result is a drift towards the colonization of journalism and journalism education by the market. And while many enthusiasts have proclaimed these developments as ushering in a new “Golden Age of Journalism” (Blodgett 2013), they are ignoring the contradictions inherent in this integrated model.

### **Erosion of the Elements of Journalism**

Concepts that would have been unacceptable to most journalists only a few years ago are now openly discussed and celebrated. Many of those concepts are being included in the calls by some educators for a more entrepreneurial curriculum for journalism students. In July 2014, more than fifty educators, funders, and professionals gathered at the CUNY Graduate School of Journalism Summit for Entrepreneurial Journalism Educators. This was followed by the annual meeting of the Association for Education in Journalism and Mass Communication in Montreal last year, during which media entrepreneurship was highlighted. That event’s program included sessions in which “more than 100 attendees learned about innovations across higher education, including the master’s in media entrepreneurship program at American University, new business development classes and their structure at the CUNY Graduate School of Journalism and co-curricular activities like the Scripps Innovation Challenge at Ohio University.” (Ferrier 2014) Rosental C. Alves, director of the Knight Center for Journalism in the Americas at the University of Texas at Austin, participated in both the CUNY Summit and the AEJMC events and commented on the spread of these ideas in the academy:

I was pleased to see both at AEJMC and at the summit that entrepreneurial journalism has become a discipline widely adopted in journalism schools around the country. I was impressed with the number of colleagues who said at AEJMC that they are considering to teach entrepreneurial journalism or to include it on the journalism classes they are already teaching ... Journalism education cannot afford to recycle best practices of an industry in crisis in the midst of the digital revolution. (in Ferrier 2014)

Many of the new entrepreneurial journalism ideas being considered today involve precisely the kind of corruption of the news that the “wall,” so cavalierly discarded by many, was designed to prevent. The first such idea relates to new approaches to the monetization of journalistic content that involve directly connecting that content to page views and, thus, advertising value. The technology that enables audience traffic to be measured has redefined news as well as news judgment. As Kovach and Rosenstiel (2001) point out, journalism has a responsibility to distinguish the important from the merely popular, but the financial incentives to generate more traffic (and hence more advertising dollars) are leading to a rejection of this dictum (242–54). The result? Editors are prioritizing stories that garner page views, and reporters are chasing the sensational or the titillating to drive traffic. This impetus is, of course, not new, but technological advances have accelerated the process and further undermined long-held notions of editorial judgment (Baldasty 1992). When editorial content is linked directly to commerce, many of the fundamental elements of journalism find themselves overridden in the chase for page views. Accuracy, a cornerstone of journalism (Kovach and Rosenstiel 2001, 98–100), is the first casualty in this new entrepreneurial model. Ryan Grim, the Washington bureau chief for the *Huffington Post*, was responsible for reposting several highly popular stories in 2013 that turned out to be fictitious. He told the *New York Times*: “If you throw something up without fact-checking it, and you’re the first one to put it up, and you get millions and millions of views, and later it’s proved false, you still got those views. That’s a problem. The incentives are all wrong” (Somaiya and Kaufman 2013).

Key principles of journalism – fact checking, accuracy, news judgment, and what Kovach and Rosenstiel term “proportionality” (the privileging of stories that are in “the public interest” over those that are merely “interesting to the public”) – are increasingly being jeopardized (Kovach and Rosenstiel 2001, 242–43). As *Slate* reporter Dave Weigel wrote: “Reporters want to publish stories that people read. If there’s great reward, and little downside, to be had in

publishing bullshit, the Internet's going to get more bullshit. As one of my colleagues put it, 'Too good to check' used to be a warning to newspaper editors not to jump on bullshit stories. Now it's a business model" (2013).

More insidious than new ways of leveraging editorial content to drive revenue is the implementation of new business models that directly invade the editorial space. These innovations go by many names – sponsored content, native advertising, custom content, and brand journalism – but all have the common feature of leveraging the publication's trusted name to produce advertising content that is virtually indistinguishable from regular news. The Pew Research Center has reported that some television stations have taken to running video news releases – stories that look like real news reports but are produced for commercial clients – without identifying them as such (Golding 2006). Commissioner Jonathan Adelstein of the US Federal Communications Commission noted: "Americans have a legal right to know that what appears to be independent news reports are actually bought and paid for by a private corporation" (cited in Golding 2006). Closer to home, witness the recent revelations about sponsored content on polar research and the Calgary Stampede being presented as independent editorial in *Canadian Geographic* (Brown 2015).

One would think that these assaults on editorial autonomy and integrity would be met by violent opposition from editors. But for the reasons outlined above, these incursions into previously sacrosanct areas are being welcomed by some as innovative new models for journalism. Greg Satell (2015) articulates this view in a recent article in *Forbes*:

The core challenge in journalism today is that everyone is trying to finesse the problem of Chinese walls without addressing it entirely. Bob Steele at the Poynter Institute says that what we really need is a "picket fence" that allows information to flow through. Others just think we need better rules for branded content.

Both are wrong. The truth is that to create a successful business today, the mission must drive the strategy. For some publishers, that mission will be an editorial mission. For others, servicing the needs of marketers will be primary. Still others will focus on advocating for a particular lifestyle or area of interest. In all cases, the mission needs to be shared across the enterprise and that means killing Chinese walls.

A few critics have voiced opposition to these proposed changes. "None of these gimmicks is on the way out," writes Bob Garfield in *The Guardian*. "Au contraire, they're all

growing. Which is terrifying, for what they all have in common is that, to one degree or another, they compromise editorial integrity. Readers and viewers have no way of knowing that they are being marketed to, or that the content is inherently untrustworthy” (2013).

As journalist and blogger Andrew Sullivan plainly stated, commenting on branded advertising, “It’s a huge story: the complete transformation of the economics of journalism in a way that renders the concept of journalism extinct. Advertising snuck into the editorial pages in a way that advertising has always wanted to do. It used to be an axiom that the job of journalists was to be resistant to that and sustain the clear distinction between advertising and journalism. One side has effectively surrendered” (in Braiker 2014).

### **The Duty of the Journalism Educator**

We may be losing our way. In the rush to respond to a virtual collapse of the business model that has for decades supported journalism, we are in danger of abandoning the fundamental principles of journalism. Accuracy and relevance are the casualties when we conflate the exchange value of journalism (business) with the service value of journalism (public good). Somaiya and Kaufman (2013) put the issue succinctly in their article on viral Internet stories: “Truth has never been an essential ingredient of viral content on the Internet. But in the stepped-up competition for readers, digital news sites are increasingly blurring the line between fact and fiction, and saying that it is all part of doing business in the rough-and-tumble world of online journalism.”

The notion that journalism schools should be educating entrepreneurs is very troubling. It is fraught with contradictions, most of them intractable, not “negotiable” as some educators have argued (Baines and Kennedy 2013). The goal of business is to make money, whereas the goal of journalism, as noted by Kovach and Rosenstiel in *The Elements of Journalism* (2001), should be to provide citizens with the information they need to be free and self-governing. Business uses content to drive traffic; mistakes can be corrected later. Journalism is first and foremost a discipline of verification. Business serves its owners, its shareholders, and its customers. Journalism serves citizens, and whereas business’s first duty is to owners and employees, journalism’s first duty is to the truth (49). Journalism educators, perhaps more than anyone else, must strive to uphold the essential values of “independent reporting” (Downie and Schudson 2009).

Like vaccination programs, clean water, fair courts, and stable government, journalism is a necessary public good, a requirement for a liberal democracy. It should not compromise its core mission. If corporations or capitalists are no longer willing to fund journalism, another model must be found. It is beyond the scope of this paper to explore alternative models in any detail, but

several could be part of the answer, including non-profit or foundation ownership of media, low-profit limited-liability news organizations, taxpayer-supported public news operations, and other hybrid models (Hamilton 2009; Downie and Schudson 2009). No matter what the market-driven dominant logic of the day is, journalism instruction should not waver. It must teach to the highest standards and impart the highest ethical and professional values. To do less would be to abandon the primary mission of journalism education.

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