



Rebirth of the newspaper

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Abstract

A troubled local newspaper forms its business plan, *en route* to establishing a digital presence on the internet.

1 Introduction

Keeping up with times and anticipating change are righteous traits of business conduct, but only modest signs of leadership. Leading change pro-actively requires copious contemplation, and this poses challenges for businesses: how can they discover ‘what to do’ for their *particular* case in a creative, innovative, yet safe manner?

In this case study, a traditional local newspaper is preparing its business plan for the digital era through the exploration and good understanding of its operation (§ 2), encompassing situation (§ 3), and options for action (§ 4).

2 Operational concerns

The daily production of the newspaper involves a series of tasks and milestones (i.e. important states or stages) that form a process with fairly strict timing (Figure 1). In the same way that each milestone is time-marked with its respective deadline, each task is commented with what it represents for the newspaper — for instance, requirements (e.g. personnel skills), challenges (e.g. high costs), or vital characteristics (e.g. source of revenue).

In a marked decline of sales, the printing and storage costs (Figure 1) are big burdens for the newspaper, and in the light of modern technology they could possibly be curbed — with significant savings also in the production and distribution times. After all, the market leaders such as *The New York Times* ([website](#)) or *The Guardian* ([website](#)) have embraced the internet as their new medium of publishing, so ‘newspapers’ are indeed changing profoundly.

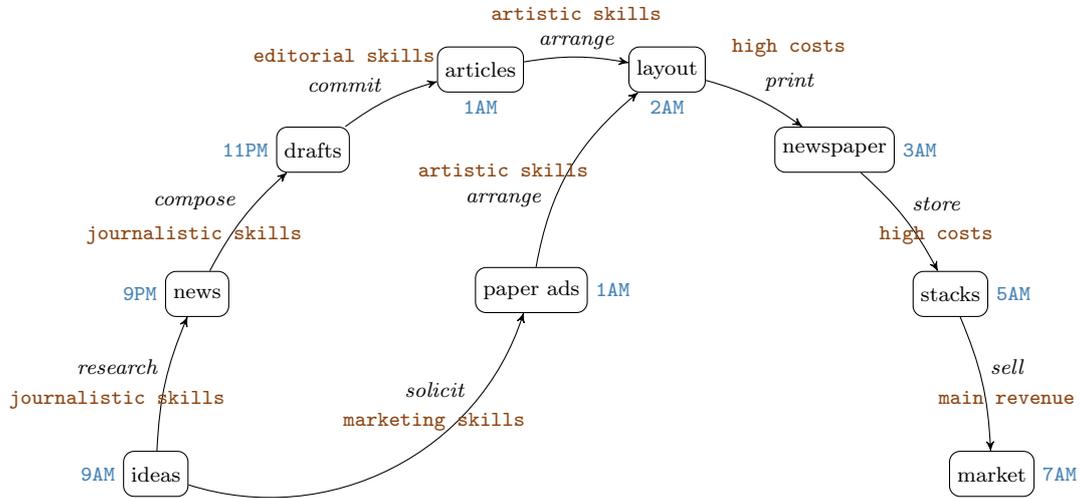


FIGURE 1 The daily production workflow with milestones and tasks (commented CPD)

3 Strategic view

The first ‘wishes’ from the process view (Figure 1) can be explored in more detail in a systems view that examines causal relationships between important factors of the newspaper business from the point of view of the particular publisher (Figure 2).

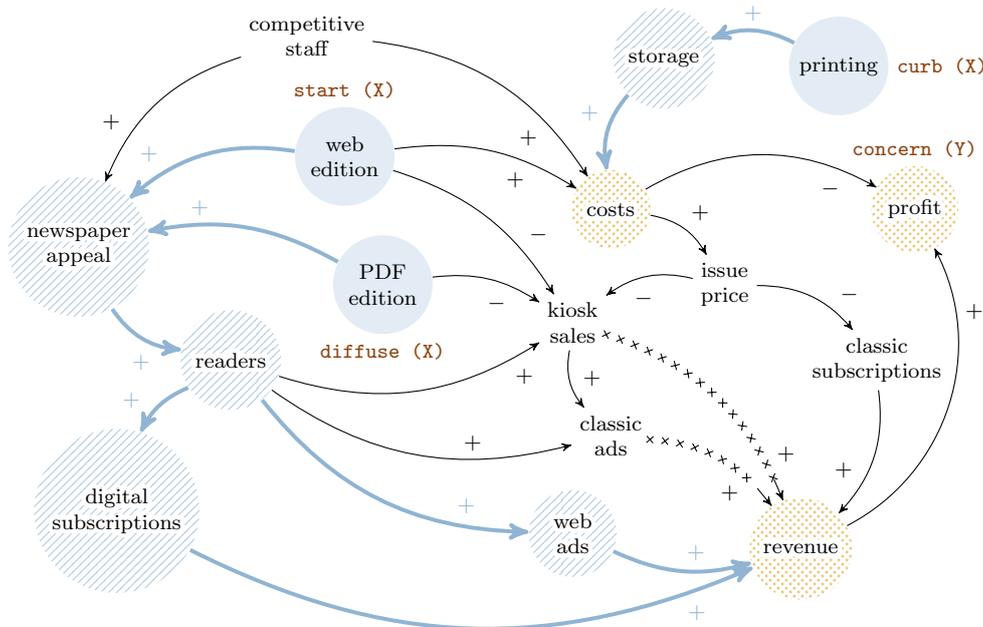


FIGURE 2 Focus: ; ‘leverage’: ; ‘prominent’: , ; ‘subdued’: (commented RBP)

4 Problem, solutions, and simulation

The ideas from the operational and strategic exploration (Figures 1 and 2 respectively) help define the publisher’s problem in an ‘XYZ’ form (Perdicoulis, 2010, 2011). Figure 3 presents the reasoning from the concerns (Y) to the objectives (Z), to the solutions (X), to the likely outcomes (Z’), to the resolution of the concerns.

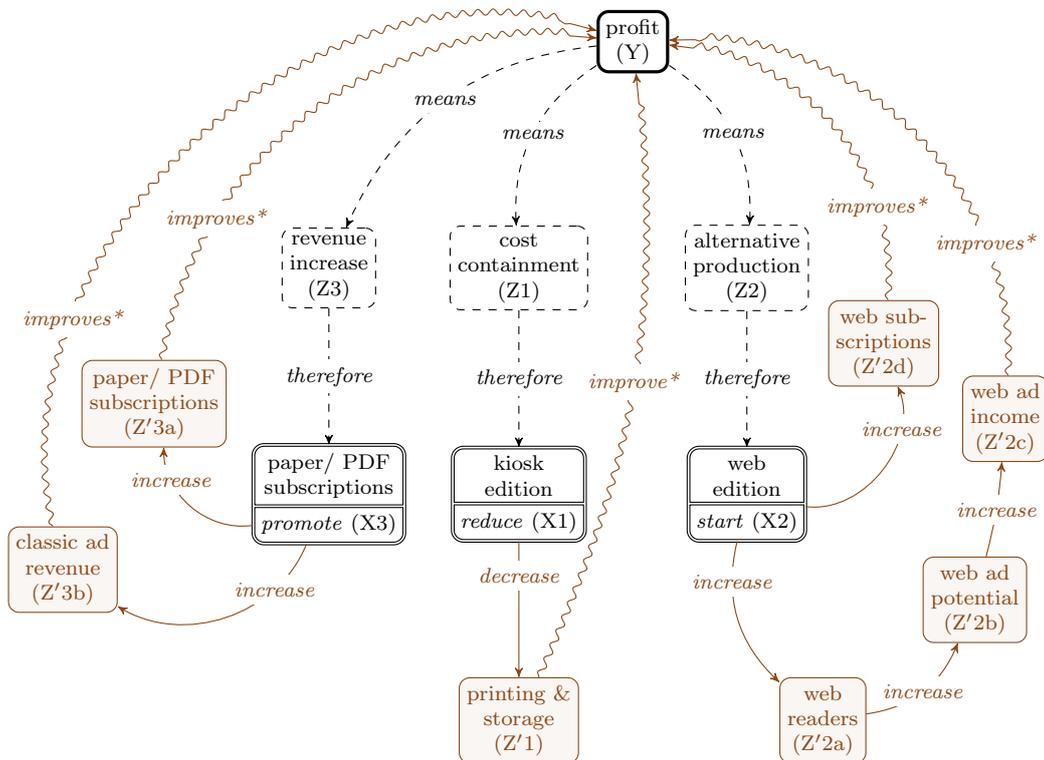


FIGURE 3 The mixed-mode business plan; simulated forecasts and assessments in colour

The plan for the newspaper (Figure 3) establishes a digital presence, which is expected to gain prominence gradually. The resulting model is similar to [The New York Times \(website\)](#) and [The Guardian \(website\)](#), but customised to the particular preferences of the local publisher.

Suitably for a commercial venture, the main concern of the publisher is financial (i.e. ‘profit’), while the the objectives (Z) and actions (X) are — quite appropriately — expressed in physical terms (e.g. production, editions). To assess the *fulfilment* of the plan’s purpose — i.e. the adaptive survival of the newspaper —, the outcomes (Z’) revert to financial terms as gains or losses (Perdicoulis, 2014).

The financial focus of the plan directs other important aspects to the complementary diagrams. For instance, the continued commitment to *quality journalism* is evident only the strategic view (Figure 2), while gains in *production time* — about five hours in the daily workflow — and subsequent flexibility in the production process are evident only in the operational view (Figure 1).

5 Discussion

5.1 Newspaper

The plan to gradually shift the business model of the newspaper from the classic ‘paper-only’ to digital (website and PDF editions) can be recognised as keeping up with the times, and the industry leaders have already paved the way. Hence, the innovation achieved by the local publication is limited to the publisher and the readers. Most importantly, the publisher reduces the physical production, thus gaining flexibility and savings in time and operations — e.g. production time, printing equipment, consumables, and servicing, as well as warehousing.

The innovation for the readers is also expected to be significant: the publication they know and appreciate will be now available on their computers and mobile devices — exactly as they like to use nowadays. For a brief initial ‘launch and level’ (promotional–experimental) period, the digital editions (website and PDF) shall contain full articles *free* of charge, aiming to establish a subscription base — i.e. long-term commitments or ‘pay-per-view’, like the [The New York Times \(website\)](#). For readers who like the paper edition, every issue will be cheaper, printed faster, and (optionally) delivered at their homes — with a few copies still available at the kiosks.

As the newspaper business is taken to the digital platform, new challenges are expected to emerge along the way. Commitment to good journalism should continue to be honoured, but marketing is expected to change — e.g. with new concerns for search engine optimisation (SEO), web analytics, and customer relations management (CRM). Consequently, the work posts and the daily production workflow (Figure 1) are expected to change, adapting to the new plan (Figure 3), so a new version of Figure 1 must be produced for the implementation of the plan.

5.2 Planning

The operational and strategic views (Figures 1 and 2 respectively) were necessary to focus, explore, contemplate, and define the publisher’s problem (Figure 3), and are always necessary to explore and/or adjust special issues of operational or strategic nature — e.g. quality, timings. Their respective final versions were achieved over a number of iterations per diagram through the construction, verification, and improvement of the arguments stated in each one — i.e. the production process (Figure 1), the dynamics of the business (Figure 2), and the business plan (Figure 3).

While the dynamics of the newspaper publishing business (Figure 2) do reveal ideas for action, the diagram of the plan (Figure 3) was necessary to present the full argument with regards to concerns (Y), intentions (Z), actions (X), and outcomes (Z′). The main part of the plan (Y-Z-X, in black) has analytic and creative value, while the outcomes and assessments (Z′-Y, in colour) are simulated, and may contain mis-judgements — for instance, promoting subscriptions (X3) may not bring about a significant increase in ‘classic readers’, or this outcome may taper off after a while. Hence, it is worth monitoring the outcomes (Z′) for the year following implementation, and schedule a plan review — and possibly a revision — for that time.

6 Conclusion

The local newspaper ends up adopting a business model similar to those of the newspaper leaders, yet customised to their own preferences with mixed-mode options of free digital content, classic

paid subscriptions, and limited kiosk copies. A steep learning curve is expected on the side of the digital editions of the newspaper, as is inherent to all internet ventures.

References

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