

# How mobile do you go: a study of 5 news media start-up cases in Portugal

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*Abstract* — Journalistic start-ups are thriving around the world, bringing new approaches to the news media environment in terms of concepts, contents, dissemination, internal organization, business models and, of course, consumption patterns.

But the concept of start-up, commonly used in the IT area (traditionally more agile in terms of innovation), is not easy to be adapted and redefined for the more traditional news media environment.

All over the world, innovation is growing in the news media business, and start-ups are a big source for it, even if the inherent fragility of many projects don't allow these new companies to fully accomplish all their objectives, even when they can assure its survival after the first years of activity.

This research aims to create a prospective view on the evolution of the mobile performance and consumption of news. As a case study, we try to do a panorama on the mobile consumption and performance of news in the Portuguese journalistic start-up scene, looking at a diversity of projects, with different goals, business models and audiences - and the relations established between them.

*Keywords*— audience relationship, business models, journalism, mobile consumption, news media

Using five news media start-ups as a case study might help to discover how niche or regional contents can be tailored and delivered to audiences, with mobile consumption in mind. The need to grow to create a sustainable business pushes these start-ups to be more agile and to embrace more risks than legacy media.

The innovation culture of these start-ups, the exploration of new business models and the approach to content production is relevant, but we are going to put a focus on their dissemination strategies, mobile focused contents and social media reach.

According to the Internet Trends Report (Meeker, 2019), for the first time more than 50% of the world population has access to the internet. The Digital 2019 report is more optimistic, and considers that 4.38 billion access to the internet, from which 3.98 billion (57% of the world's population) are mobile internet users (Kemp: 2019). The same report adds that 48% of the online usage time is made on mobile devices.

In the USA, each adult spends 3.6 hours a day with digital media on a mobile device (compared to 2.7 on desktop and other connected devices) (Meeker, 2019: 41). For the first time, Americans will use in 2019 his mobile devices more than their TV's (226 minutes vs. 216 minutes per day) and 26% of American adults admits being online "almost constantly" (Meeker, 2019: 160).

In Portugal, 67% of the population owns a smartphone and 32% a tablet, and 7.13 million Portuguese are active mobile internet users (69% of the population) and 6.00 million access social media on their mobile. (Kemp: 2019) "We found that the majority of the Portuguese have already adopted a style of digital life, makes intensive use of mobile devices and is constantly searching for online content, particularly through social media", adds a report from Ernst & Young (Padinha: 2019).

The same report concludes that "the Portuguese are in general demanding with the experiences online, signalling the importance of focusing the digital strategies in the client. With 73% regularly using mobile devices for the search of products or services, it is essential for the companies to ensure a consistent customer experience, that

allows easy access to information, is easy to use and with a level of interactivity that differentiates from the competition.” (Padinha: 2019)

For 95% using a smartphone or tablet on the street is regular or occasional. Even in the bathroom or watching television, “always on” is already a reality for many Portuguese. The use of mobile devices is even affecting moments that were traditionally more isolated from the outside world, such as family meals. On the daily Internet use, consulting news (58%) is the third most common activity for the Portuguese, only surpassed by accessing the social media (83%) and make calls/ send text messages (73%). (Padinha: 2019)

The importance of social media to amplify the reach of news and to keep your audiences connected is a world reality. According to the Pew Survey, quoted by Meeker (2019: 176), 43% of Americans get news or news headlines from Facebook, 21% from YouTube and 12% from Twitter. This trend is global, and it is very relevant that in the UK more people access news in the smartphone (28%) than on TV (27%), according to the Digital News Report 2019 (DNR).

“The topics for which Facebook & Twitter are most commonly sourced [in newspaper articles] are similar across all countries – among them are soft news topics as well as hard news topics such as domestic & international politics, breaking-news events or reporting on movements, the last of which highlights the relative advantages of social media as a source for journalists.” (Nordheim et al, 2018) Also, according to the Digital News Report 2019, “more people are paying for online news (in some countries) but the limits of subscription are becoming clear”.

Especially people in the ages 18-24 say that their first contact with news in the morning is done using the smartphone (45%), but even in the group 25-34 it is the highest value (39%) Also, the use of the smartphone is very relevant to listen to podcasts (55%), more than double compared to laptop use (27%) (DNR).

### **The Portuguese case**

In Portugal, online news are almost as relevant to the audiences as TV (79% vs. 81%) and the smartphone is already the preferred device (62%). Very relevant is the fact that 49% share news via social media, messaging or email, and 29% comment on news via social media or website (DNR). The Portuguese make intense use of social media, with Facebook (93%), Whatsapp (84%) and Instagram (72%) collecting the main preferences. (Padinha, 2019)

For this analysis the cases that we selected to study are Polígrafo (a fact-checking platform), Fumaça (an engaged journalism website/podcast), Sul Informação (a regional news website), Qinews (an engaged journalism website) and Shifter (a “digital generation” magazine). From all the possible research subjects (news media Portuguese start-ups), we first excluded those that didn’t match the start-up concept (Cardoso et al, 2016), especially the ones without a clear business model.

The subjects of this research were chosen by their diverse themes and editorial approaches, fitting the journalistic start-up concept, having a business model to assure their financial sustainability and being officially registered as a news media, according to the Portuguese law. All the case studies can be framed under the umbrella of the “‘second wave’ digital-born news sites, launched from the mid-2000s onwards, produce their own content, rather than relying primarily on aggregation and wire copy. There is huge diversity among these organizations in terms of audiences, scale, funding model, and the types of news produced.” (Nicholls et al., 2018: 6)

The concept of start-up is usually associated to technology new ventures, or, according to Eric Ries, “a start-up is a human institution designed to deliver a new product or service under conditions of extreme uncertainty.” (Ries: 2011) The underlined main ideas seem to be the keys to connect the concept to media (human), to innovation (new) and to technology (extreme uncertainty).

So, a journalistic start-up might be “a technology-based company with a focus on production and or distribution of media content” (Cardoso et al, 2016), or new ventures that create a strategy that links the production or distribution of news to a given technology, and a given monetization strategy that allows them to gain competitive advantages in a specific niche market. “Innovations in newsgathering practices and storytelling, publishing and distribution, audience engagement and participation, business model design, and news organization management have been essential to journalism’s digital transformation.” (Posetti, 2018: 9)

One main key idea from Küng is that digital storytelling formats are central to mobile consumption and digital business models. “Digital storytelling is developing fast (and yielded the most and the richest interview data). At the start of the transformation is a single mental shift – abandoning the newspaper story as a default template. (...) Three dimensions of storytelling are different in digital. The first is the relationship between writer and reader, which moves towards a dialogue.” Küng (2017: 27)

Nicholls et al. (2018) tried to relate the need of a closer relation between writer and reader. “What all of these organizations have in common are the core challenges of online journalism: producing news which serves the audience and mission they have identified, handling the problem of being found (discovery) and getting news into the hands of the target audience (distribution), and finding funding models which provide sufficient revenue to make the venture sustainable.” (Nicholls et al., 2018: 6)

### **Five Portuguese media start-ups**

To develop this research, we did semi-structured interviews with editorial managers from all the journalistic start-ups selected (by their diversity) and compare them to try to create a structured and broader view of the journalistic start-up scene in Portugal.

As for the semi-directive interviews that were made to members of each start-up editorial board, the option for this method was based on the possibility that they give richer information and reflection elements than if we had chosen a questionnaire. “The semi-directive interviews enabled the possibility of the interviewed members to express their opinions and speak freely, being at the same time guided in a way that didn’t disrupt their thoughts, helping to better understand some of the questions we wanted to answer.” (Quivy & Campenhoudt, 2013: 194)

As previously stated, the subjects of this research were chosen by fitting several criteria on production and dissemination, entrepreneurial and business practices, and legal framework.

**Fumaça**<sup>1</sup>, an engaged journalism website/ podcast, was born when a group of young friends got aware that was a lack of in-dept information on relevant matters for the development of the society - from politics, equality, fairness, environment –, all the big issues of human 21<sup>st</sup> century societies.

With goals like defend and promote social progress and human rights, or to question and scrutinize democracy’s process and structures, Fumaça doesn’t have some of the constrains most media have: they don’t produce breaking news (only features – that can be serials – and interviews), they don’t have advertising, and they are not driven by audience numbers (they are growing, and to have 3.000 listeners to a more than an hour long podcast can be considered a good result for Portugal).

On social media, they have 5.500 followers on Twitter, 26.500 on Facebook, 2.900 on YouTube and 4.100 on Instagram. Most of their audience access and consume the contents through mobile devices, and social media interaction are also mostly on mobile.

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<sup>1</sup> <https://fumaca.pt/>

**Polígrafo**<sup>2</sup> was born on the 6<sup>th</sup> of November 2018 as an online media, hosted by the biggest Portuguese web portal, Sapo.pt (with around 140 million pageviews/month). Since the beginning of April 2019, there is a partnership with SIC television network, a free-to-air national channel, for producing a weekly fact-checking segment in the prime-time news (after, also broadcasted on SIC Notícias news TV channel), “Polígrafo SIC”.

Here the mobile access is clearly dominant. 69,5% access the website using a smartphone, and 4,1% via tablet, so only 26,4% use a computer. It is very relevant that even most of the contents are text, the ones which include video have 30% more reach. This confirms the international growth of video news in the last years.

“The plan agreed with Sapo aimed to have one million pageviews at the end of six months (May 2019). What happened was that in 19 days (by November 25<sup>th</sup>) we reached the million. In December we doubled it, to 2 million, and in January we reached 2.25 million”, Fernando Esteves, CEO and editor-in-chief, stated.

On social media, they have 5.000 followers on Twitter, 25.000 on Facebook and 2.900 on Instagram. Very interesting is the way how they develop and encourage readers to interact, since the relationship with the readers is also fundamental. “We have WhatsApp and Telegram accounts just for that, so that the readers can make requests to us, and we receive dozens and dozens, every day.” (Esteves) Mainly through WhatsApp, in six months of activity they already received more than 2.500 requests.

**Sul Informação**<sup>3</sup> is a regional news website with focus on information from and for Algarve and South Alentejo. It was created in September 2011, when a group of five journalists that worked together on a regional newspaper decided to leave and launch their own project, even only three went forward. Designed as an online only media – since they knew that print has high fixed costs of production and distribution and that potential audiences online were much bigger – it’s being redesigned to mobile consumption first, since 65% of readers access through smartphone.

Their audiences are quite stable, on around 28.500 pageviews per day (or 850.000 per month), but due to the regional focus, on special occasions or events it can double or triple (a tornado in the region make it spike to 105.000/day). On social media, they have 2.600 followers on Twitter, 46.000 on Facebook and 1.300 on YouTube.

**QiNews**<sup>4</sup> has a strong focus on social issues such as poverty, immigration, ethnic-racial issues, etc. The project has one full-time employee and two part-time employees. The work is organized in a relatively informal way, with the workers exploring topics to their liking, with the focus they prefer. So, the impetus of the project is more emotional, related to the will to produce content freely, and based on the relevance and preference of employees. Most of their audience access and consume the contents through mobile devices.

QiNews is focused on video news, so social media might be crucial to get them to a broader audience. But, for some non-disclosed reason, their presence is very small on social media: they just have 136 followers on Twitter, 3.100 on Facebook, and 570 on YouTube.

**Shifter**<sup>5</sup>, a “digital generation” magazine, produce 4 articles per day, except on weekends, days when there are no new publications. The audiences are between 250.000 to 300.000 pageviews per month. There have been more, up to 1 million, but with the change in social media algorithms they have decreased. According to one of the editorial managers, João Ribeiro, legitimacy as a product of journalistic information came, initially from outside, with the recognition of some peers.

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<sup>2</sup> <https://poligrafo.sapo.pt/>

<sup>3</sup> <https://www.sulinformacao.pt/>

<sup>4</sup> <https://ginews.pt/>

<sup>5</sup> <https://shifter.sapo.pt/>

Initially the main theme of Shifter was technology, but they have been growing and now approach more generalist themes as well, and characterize their focus as being to make information so that it is the reflection of the digital generation - "we talk about what is said on the Internet" to "do more in-depth and different work than what we find in other media". (Ribeiro) Since the audience is mostly young, most of their audience access and consume the contents through mobile devices. On social media, they have 6.500 followers on Twitter, 45.500 on Facebook, and 6.100 on Instagram.

### Analyzing mobile and desktop performance

Besides the in-depth interviews, to evaluate how these media outlets look at mobile and how they are in terms of online audiences, we analyzed the websites with Google developer's tool Page Speed Insights<sup>6</sup>. "PageSpeed Insights (PSI) reports on the performance of a page on both mobile and desktop devices and provides suggestions on how that page may be improved" (Google page "About PSI"<sup>7</sup>). With this tool we can estimate the level of preparedness a page has for mobile access and desktop access. This preparedness is accounted specially through the estimated time of downloading a page. This is very relevant since usability studies always suggest that the time users are willing to wait for a page to download is very low.

When asked on what defines a quality digital experience, what the Portuguese most value is "to have an easy navigation website" (Padinha: 2019), but the news sector are just in the 6th place on the list of "the best digital experience", with 61%, below social media (82%), music (77%), hotels (75%), entertainment (74%) and travel (72%).

So, for this study we did not make an in-depth analysis: we just focused on the primary results of the tool to try to understand if the websites meet the most basic usability needs. We found that even though they all assume the mobile focus, some of the websites are not optimized for news consumption through mobile phones.

The PSI tool makes an evaluation estimated between 0 and 100, regarding the speed of access, and classifies data into three "buckets": fast (between 90 and 100), average (between 50 and 89), and slow (between 0 and 49).

Table 1

	<b>Fumaça</b>	<b>Polígrafo</b>	<b>Sul Informação</b>	<b>QiNews</b>	<b>Shifter</b>
Mobile	71	64	17	19	31
Desktop	99	99	58	65	84

Source: Analysis made on July 4<sup>th</sup> between 1 p.m. and 4p.m., using PageSpeed Insights Google developer's tool.

From the data collected we can clearly see that all the websites are more optimized for desktop, according to the speed of download. The websites of Fumaça and Polígrafo are the ones more optimized for both mobile and desktop. And Sul Informação is the media that has the lowest scores on both devices. This is just an exploratory research that is hoped to be more developed in the future, to include possible ways of enhancing the websites performance.

<sup>6</sup> <https://developers.google.com/speed/pagespeed/insights/>

<sup>7</sup> [https://developers.google.com/speed/docs/insights/v5/about?hl=en-US&utm\\_source=PSI&utm\\_medium=incoming-link&utm\\_campaign=PSI](https://developers.google.com/speed/docs/insights/v5/about?hl=en-US&utm_source=PSI&utm_medium=incoming-link&utm_campaign=PSI)

## **Pointing to the future**

Despite not being extensive, the diversity of the case studies can help to deliver clues on the ways journalistic start-ups can invest in mobile to better reach their audiences. Analyzing the data from the subjects, we can take some first insights on the mobile consumption of news from the journalistic start-ups in Portugal.

They all intend to produce largely sharable contents to spread across social media (particularly Facebook, Instagram and YouTube) and bet in establishing two kinds of relationships with their audiences: direct - producer to consumers (readers/listeners), interactive - with publics (via social media and/or comments on the websites).

Even with different audiences (niche of regional), the approach is always similar: to offer something different, tailored to their audiences, and to be consumed primarily on mobile devices.

We can say that the Portuguese case studies line up with other European cases, since as Nicholls et al. (2018: 21) wrote, “digital-born news outlets in Europe constitute a diverse and growing sector of the news media, despite the challenges of building sustainable funding models in a difficult online environment.”

Also, we can see that audiences for mobile devices is growing, and that almost all of the media we interviewed report that they get more users/readers from mobile devices. Even though, when analyzing their page’s performance, for both mobile and desktop with Google’s PSI, we concluded that there is still a lot of work to do to optimize the access to the information, because some of them are labeled as slow, in what regards the downloading of their pages, and even slower for mobile, so there is a big space for performance improvement, both mobile and desktop.

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