

# A SURVIVORS' GUIDE TO HYPERLOCAL MEDIA

by **Stephen Emms & Tom Kihl**, publishers of  
***kentishtowner.co.uk***

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# Foreword

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**T**HE IDEA of producing A Survivors' Guide to Hyperlocal Media - online services that target a relatively small geographic location - suggests that this form of publishing is in a state of peril.

In fact, over the last five years, developing a website has become so cheap and simple that it has led to hundreds of new, hyperlocal services in the UK. There is a wide variety of news, information, opinion and campaigning across these sites, but whatever their focus and frequency of publication, their emergence has, arguably, led to no less than a renaissance in local journalism. The best hyperlocal sites frequently give incumbent local media a run for their money in terms of quality and readership.

Audience demand for local, authentic information and other content is growing too, driven by the rapid take up of location-aware smartphone and tablet devices. It has never been easier for us to find out about our local surroundings and to connect with other local people, businesses and organisations. It will not be long before more than 50% of all search engine results are related to location.

So why the Survivors' Guide?

Despite the proliferation of hyperlocal services across the UK, professional and semi-professional publishers find it hard to generate sufficient revenue to pay for the costs of content production. Sustaining a hyperlocal website can be extremely challenging and Nesta research has shown that there is not currently a viable advertising market for hyperlocal media. Many services consequently stay as very good "amateur" sites, generating content when they can afford the time and money to do so. The ones that do survive are those whose publishers are entrepreneurs, seeking out a variety of funding models to make their site pay.

What compounds the difficulty for an emerging sector is that hyperlocal media is, by nature, a fragmented landscape. Publishers currently have no real forum or community to openly share best practice. Nesta believes that hyperlocal content is a new form of public service media, providing significant public

good. We are keen to support this nascent community in the UK to come together and to share information about what works and, importantly, what doesn't.

The Kentishtowner website is one of the UK's best hyperlocal media sites. Its publishers, Tom and Stephen, have experienced the challenges, opportunities and satisfaction of providing their community in north London with a first class public service during the last two years. They've had to be entrepreneurs, campaigners, diplomats and good citizens to enable their site to survive and grow. This guide is therefore, by design, a very personal one. But I hope that it offers all hyperlocal media publishers everywhere a practical and useful guide to making their own service as successful as it deserves.

***Jon Kingsbury***

*Director, Creative Economy Programmes, Nesta*

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kentishtowner



## *Introduction*

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**I**N THIS GUIDE, we're excited to share our learning after more than two years of running one of the UK's leading hyperlocal services.

Our aim is to present a toolkit for future publishers: advice on making the right editorial decisions, the importance of time allocation, how to approach tricky relationships with local businesses and maintaining a global outlook with branding and online identity.

We will reveal how to build relationships with Business Improvement Districts (BIDs), councils and property developers/estate agents, as well as exploring other ways to concoct revenue, from reader events to a print editions and e-commerce opportunities for selling merchandise and local products.

Join us for what is an exhilarating – if at times bumpy – ride...

***Stephen & Tom*** *London Belongs To Me Ltd, March 2014*

# 1. Beginnings

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**N**ORTH LONDON'S award-winning daily hyperlocal title, [Kentishtowner.co.uk](http://Kentishtowner.co.uk) is very much a product of a particular time and place. It simply couldn't have existed 10 years ago, before mass smartphone penetration, feed-based media consumption and free publishing platforms. Not to mention equally important cultural changes: the zeitgeist for start-up independent street food operators, a resurgence in postcode/neighbourhood pride and Twitter-led word-of-mouth buzz, for example.

*“Think of the fledgling title as a mini brand”*

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But where did it all start? Founder Stephen Emms, while freelance writing for titles such as Time Out and The Guardian, started a blog to celebrate his local area. Quickly finding an audience - but also realising how time-consuming it actually was - he set about relaunching it with old friend (and fellow journalist) Tom Kihl as a daily magazine-style site. Our simple plan? To focus on quality editorial with the goal of attracting advertisers – both local, and national..

We agreed on a schedule of intriguing weekly features and daily slots to give the site structure and uphold professional (rather than hobby-blog) standards and practices from the outset.

We set out with a tentative goal of making £1,000 per month in advertising revenues. When this target was swiftly achieved, we were quite chuffed – as sales is an area many editorial people recoil from.

## A NOTE ON NAMING A HYPERLOCAL

**IS** it actually a mistake to name your website after the area, as many hyperlocals do? Not necessarily, but it's important to think of the fledgling title as a mini brand: we were fortunate in creating a name that cast a nod to its locale, but - importantly - is a separate, new word. So it can mean everything and anything. That's not to say that there isn't frequent misunderstanding about who we are and what we cover, despite our simple tagline ("North London's award-winning cultural guide"). However, it means that people across the community (and beyond) have an interest in what we cover, whether we actually can write about it or not. Our advice is to research your title carefully, including current uses on social media, and define your unique selling proposition (USP) clearly in an "about" section: then stick to your guns.

Suddenly what began as a side project to our daily businesses started to become an all-consuming focus. But £1-2,000 income per month, though not unimpressive, was simply not enough to pay two full-time salaries. This is what led us to realise that some funding might be useful, and so in spring of 2012 we applied to Nesta's Destination Local programme, which is focused on stimulating innovation and investment in the UK hyperlocal media sector.

Receiving some funding helped us to establish a limited company, launch a mobile-friendly and location-aware version of the site, experiment with different revenue sources and models, and

focus on that hyperlocal holy grail – long term sustainability. We recommend all serious hyperlocal start-ups look for a source of seed funding – be it crowdfunding, angel funding, or government or industry programmes - to get them through the difficult stage when a side project becomes a daily concern, as it rapidly can do. However, external funding isn't necessarily a golden ticket to being a hyperlocal media survivor – all funding opportunities may not suit all hyperlocal start-ups, nor does it make good business sense to rely only on external funding to sustain a service.

So what's happened since? Over the last two years we have seen our readership escalate to 50,000 monthly uniques, have been commended in the Newspaper Awards 2013 for Best Digital News Service; appeared on primetime BBC1 News for our launch into a monthly print edition; and experimented with a second title in south London, Below The River. We have also been shortlisted in the 2014 Newspaper Awards for Best Niche Newspaper.

Today, our business is maturing – and although there's a long way to go, it's nice to be considered among the UK's hyperlocal success stories.

## 2. Editorial

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**E**ACH DAY on Kentishtowner we publish between one and five stories (a figure constantly increasing). Our editorial deadline is 1pm for the main posts, as that's when our daily mailshot goes out to subscribers. This is also a good discipline as it means the afternoon is free to work on the business side of the company, as well as engage in correspondence with readers, contributors and other interested parties. The hyperlocal game is all about multi-tasking.

*“More colour supplement than front page, if you like.”*

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### **INTEREST BEYOND THE “POSTCODE”**

In the early days as a blog, Kentishtowner was a slightly irreverent take on the local cultural scene. Our thought process behind the relaunch was to turn our writing and audience into a sustainable business. From the outset we knew that hard news was the preserve of two very good local north London papers, the Camden New Journal and Ham & High. Our interests as arts writers was in lifestyle, culture, community and people. More colour supplement than front page, if you like.

Hyperlocal means different things to different people. Despite our title's name, we are more than relaxed about geographical

boundaries. We believe this kind of flexibility is key to building as big an audience as possible, with an area at its heart. Readers, however, often feel such strong connection with their local publication that they will quite readily tell us off if they think we have transgressed in any way.

Our criteria is that each story must appeal simultaneously to those living in what we loosely call “our” area (six postcodes: NW1, NW5, NW3, N7, N19 and N1) as well as those living in other parts of London and beyond (for example, we have a significant readership in the US). That way we hope the site is a must-read to anyone with the remotest interest in London culture. Focussing on articles’ dual appeal also means stories are more likely to be shared via social media and “go viral”, as dozens have over the last couple of years, (see box, left).

We suggest all hyperlocal publishers consider how they may attract an audience beyond the area they wish to base their service around. After all, people don’t spend their lives in a single neighbourhood.

## CONTENT FIRST, NOT LAST

Put the majority of your resources into developing content, rather than a fancy platform. Too many fledgling hyperlocal projects devote precious cash towards building apps or bespoke websites, leaving little to finance content creation once it is up and running. We believe local media should be all about the editorial.

We’re also always surprised by how caught up in local news some other hyperlocals are. We’ve learnt the importance of establishing and maintaining difference, as well as a strong



### *Case study* LOST LONDON NIGHTCLUBS OF THE 90S

**IN MARCH 2013** we published a longform 2500-word feature, based on co-editor Tom’s experiences as a DJ Magazine journalist clubbing in north London. Many of the era’s key venues were being redeveloped, and we’d taken dramatic photos of the destruction. We posted on a Friday evening via our social media channels and over the course of a weekend it was quickly shared locally, nationally and internationally – with the result that it became our first global feature. That month traffic tripled on the site, peaking at 300,000 visits. We learned first-hand about the power of nostalgia, a good photo, tapping in to a wider interest-based community and how a local story can be written for a global audience.

editorial identity and voice. Why not be a “good news” title, and cover topics such as art, food, pubs, celebrities, history, architecture and music? These are the subjects that people like to share, and online in 2014 – as we all know too well – it’s all about conversation.

Juggling contributions from all aspects of the community to create copy of a professional standard

A successful hyperlocal service will soon receive hundreds of suggestions, ideas and contributions from everyone, including local business owners, regular writers, advertisers and national PR companies. And, because funds are slim, it’s imperative to work with aspiring writers or volunteers regularly.

## **BUILDING A RESPECTED, TRUSTED VOICE**

For the reader, searching for local information online remains quite a murky business. User-generated reviews tend to offer little more than moans and are hugely subjective; even hard news stories often need to be checked for their source. More than ever, people need to identify trusted publishers – whether they be friends, celebrities, brands or experts – whose opinion they can rely on. A hyperlocal website should, by definition, be the expert voice on the area and subjects it regularly covers. But such respect needs to be earned, and can also easily be lost.

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*“A hyperlocal website should, by definition, be the expert voice on the area”*

Many readers regard their hyperlocal website as the #1 authority on where to go and eat, for example. Here, word-of-mouth is the most important marketing tool out there. We have hard evidence that a good review genuinely translates into footfall. Similarly, when an interviewee, gallery or businessperson is featured, they report increased enquiries from readers.

## MODERATING COMMENTS AND OTHER FEEDBACK

A popular hyperlocal site will mean a particularly highly-engaged audience, with daily communication from readers via emails, social media platforms and site comments, all of which need some kind of response.

Moderating and replying can be hugely time-consuming and occasionally draining. As there is much goodwill towards a site valued by its community, most communications will be constructive and on-topic, but equally, people do tend to be opinionated and impassioned about subjects with which they feel an emotional attachment.

As Kentishtowner has grown we have witnessed increased trolling much the same as any other publication. Although hyperlocal is not as savage an arena as the national newspaper comments sections (readers have some incentive not to be too aggressive with people who are likely to live a few streets from them), they do still regularly see negative statements posted. If questioned, most such commenters think they are being constructive or offering advice. In fact they can often undermine the hard work that local business-owners put in to their services.

Our advice? Establish an in-house policy regarding communication with readers generally, and don't be afraid to delete comments that are offensively aggressive. If there's time or inclination, it can be rewarding to remind people that negativity doesn't usually do them, or their neighbourhood, much good.

## UTILISING YOUR WEBSITE'S "LONG TAIL"

Exploiting the "long tail" – or the extended popularity curve –

## MANAGING UNPUBLISHED WRITERS

**WE SUGGEST** having a regular slot in which a reader or contributor can wax lyrical about an issue close to their heart. However, we believe it's key to edit each post in-house to a high standard. This can involve hours of input, as well as explanations to the contributor about how and why their work has been shaped to fit our house style. Why do all this when resources are naturally stretched? Because of the importance of being a "professional" publication. In an era when anyone can (and does) set up shop as an online publisher, using a few freely available tools, we believe quality output is vital to the ongoing success of any professional title. Without the funds for a big marketing push, upholding consistently high quality is also one of the few ways a website can ensure it retains an audience and command a regular slice of their limited media attention time.

of previously published posts can provide thousands of extra hits per month. Highlighting historic content via a quick social media post, or even revising and refreshing an old feature, is a valuable technique for a resource-strapped hyperlocal. It allows your best content to reach a whole new audience, or even previous readers who often enjoy and share it again a second time around.

This also justifies the editorial decision to focus on lifestyle, community, history and the arts, rather than be primarily news-led, as the benefit is that stories often have no shelf life, and a timely retweet or repost can result in hundreds, sometimes thousands of extra views. Keep an eye on both the national and local news agenda and be ready to repost an article that fits well with the current discourse.



## THE POWER OF A REVIEW

**AN** example of how an editorial review can really capture the readers' imagination was our post headlined *Is this the best Chinese Takeaway in London?* Posing such a question inspired dozens of comments and social media interactions, with the owners telling us that they had three extra staff on the subsequent Saturday night after the review was published – and still couldn't keep up with demand. While reader feedback has been mixed about their venture, the publicity factor has been huge and the owners are delighted. Rather than being “wasted” on Tripadvisor, the comments under our review have much more value as being the voice of a community with a real interest in the product.

## A NOTE ON CONTENT TYPES:

### *i) Feature content*

This is social and popular, the kind of content people want to engage with, but be warned: it's also very time-consuming creating features that people successfully want to share. You really need to know your audience to make it worthwhile.

### *ii) News content*

Although plenty of people start a hyperlocal service to deliver news, we feel that – at this level – the demand is possibly better served by a degree of user generated content (UGC) and citizen journalists. Real time social media updates are often all people require. We suggest thinking very hard about the way news is consumed before focusing on trying to “own” it in a geographically defined locale.

### ***iii) Advertorial***

Nowadays online publications are inundated by emails from companies offering “free” editorial content, which has absolutely no value to us as journalists by trade. We are also frequently asked to publish sponsored posts, which always present a difficult decision. How to protect your hard-earned trusted voice while also trying to monetise such offers?

Some operators in this space are improving, offering more innovative and transparent ways for online advertorial to work for all, but the majority of local-level queries are not very sophisticated and often end up falling through. The wants of the advertiser are simply not attuned to either the editorial standards of the title and/or the tolerance/savvy of the audience.

However, a key finding is that in the future these issues will have to be resolved as paid content is an important revenue stream at any level of media, when consumers expect to access it for free; The Guardian’s thickset weekend advertorial supplements show the way forward, perhaps.



*Onstage at Barfly: Music content is a natural way to extend a hyperlocal's audience*

## 3. Community

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**H**YPERLOCAL was, of course, the level at which all media began. Only later did things go national and global, but it has taken the advent of the World Wide Web to bring a resurgence of interest in covering the very local, ironically where such interconnectedness actually means something. The parish newsletter evolved, if you like.

Living cheek-by-jowl with the people who are the subject of daily posts or advertisers/sponsors presents a number of delicate political, social and ethical challenges. The ability for all readers to comment publicly also adds a whole other complex layer to these relationships.

These community issues are the number one externality that a hyperlocal media provider needs to shoulder.

### **MANAGING CHALLENGING RELATIONSHIPS WITH:**

#### ***Local independent businesses***

The main problem is juggling the wish/need to cover the business editorially, their often lack of experience with the media, and a need to extract some form of advertising at a later date in order to survive as a publication.

*“Know your audience, and be well prepared for their reactions.”*

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Managing unrealistic expectations is also an issue. One well-known Camden restaurant expressed disappointment that they only had 50 voucher redemptions from an offer they ran with us; we had to suggest that such uptake was, we reckoned, pretty good.

### **Community groups**

Inevitably, a successful website is going to be seen as a threat to the established status quo once it starts to become the topic of local conversation and wields a little influence. Community groups, from the ladies who lunch to neighbourhood forums and residents' associations are likely to become quite hostile, unless they feel their agenda is being supported.

Ideally all such affiliations should be kept at arm's length. Although Kentishtowner avoids directly political stories, we have nevertheless become embroiled in a few keenly fought local battles. Know your audience, and be well prepared for their reactions. If a post is likely to generate a raft of impassioned comment from such groups, make sure to publish when there's enough time to moderate and react to the feedback.

Over time, the community will feel a degree of ownership over their hyperlocal title, and that means they become far more demanding about feeling heard.

Additionally, such community organisations will regularly be putting on events for which they wish to receive promotion and coverage. It is guaranteed they will have unrealistic expectations of how much time their request



### **Success stories** **ART GALLERY AND INDIE CINEMA**

**A SUCCESSFUL** hyperlocal article can inspire funding for organisations that need it. Mel Hardwick is founder of a creative space in our local health centre and emailed to thank us for all the publicity. "When you ran the article about our funding problems last year I had emails of help and support from your readers with all kinds of advice on fundraising. And after a great swell of support we have been able to secure funding, proving there is a real need for the gallery space, the art therapy sessions and the weekly creative workshops that we run." Kentishtowner has also spearheaded a campaign for a new arts cinema in a boarded-up former poly, to great effect. Each story has been read thousands of times, with several new indie operators vying to take the space over. This proves that stories that really connect with readers have the power to take a life of their own.

to: “just pop by to do a review” or “please post a story about our event tomorrow” actually takes. It is easy to fall out of favour with such groups simply because they feel aggrieved that you are ignoring their cause, when in fact they offer nothing more than demands.

In what other job, for instance, would you ask someone unpaid to work at weekends at short notice? Every week people email or call the office asking for attendance at local events the next day, or on Saturday. It's very flattering to be asked, but a time-drain to navigate.

### ***Locally-based national brands***

#### **BUILDING A WATER-TIGHT SOCIAL MEDIA STRATEGY**

**TWITTER** remains the #1 platform for building a hyperlocal audience at the moment. That was how the word-of-mouth on Kentishtowner spread. So it's always been our biggest tool: we currently (April 2014) have more than 12K followers and tweet our features around three times each, with “repeats” at the weekend. Each tweet is always phrased intriguingly and differently; and we interact with feedback as much as possible, as well as tweeting relevant interested parties. We also post on Facebook to differing degrees of success. When a story is shared there by readers, it has the potential to deliver a huge amount of traffic, but posts via our own page have a limited performance, an experience any business not willing to spend money on promoted posts will appreciate.

National brands handled by ad agencies currently ignore hyperlocal audiences simply on the basis of being too small to matter. There is, however, one good way to get them advertising on the site: if they happen to be based locally. The problem of perception still remains though. Often they feel like they are “supporting” their local title, rather than, in fact, speaking directly to a valuable, highly-targeted, niche audience segment.

For example, we were told by one national property developer that our rates were “expensive”, despite offering them access to exactly the kind of potential local buyer they wish to attract. The lack of perceived value of what hyperlocal can deliver is huge.

We strongly believe that this will change though, as digital advertising exchanges remove the human element (i.e. prejudice and misheld ideas) and replace them with proven statistics for access to hyper-targeted audiences.

## ***Social media – how to shoot ahead of established local media in building an engaged following***

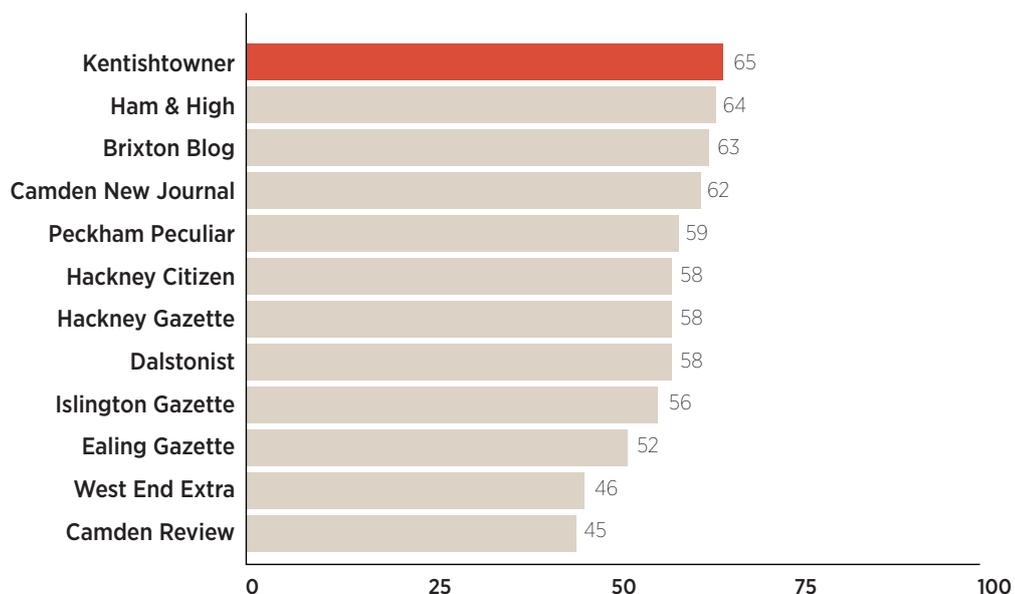
Kentishtowner operates to a very specific set of rules (see box, p.16) when it comes to our social media posts and interactions. These have evolved over time, and - by necessity of how rapidly the landscape changes - need to remain fluid. We suggest every start-up hyperlocal publisher establishes some internal best practices, particularly when the social media output is likely to be operated by more than one individual.

Any publication born in the digital era will have a natural advantage over the less agile, resolutely analogue-thinking local newspapers when it comes to Twitter, Facebook and the rest. Following a local paper on social media usually means being inundated with mundane stories across a wide spectrum of interests – exactly the type of content that isn't welcome intruding into a Facebook feed.

We rapidly overtook all north London-specific profiles on the key platforms by talking in a social way, and have pro-active policy of following people who talk about the area on Twitter.

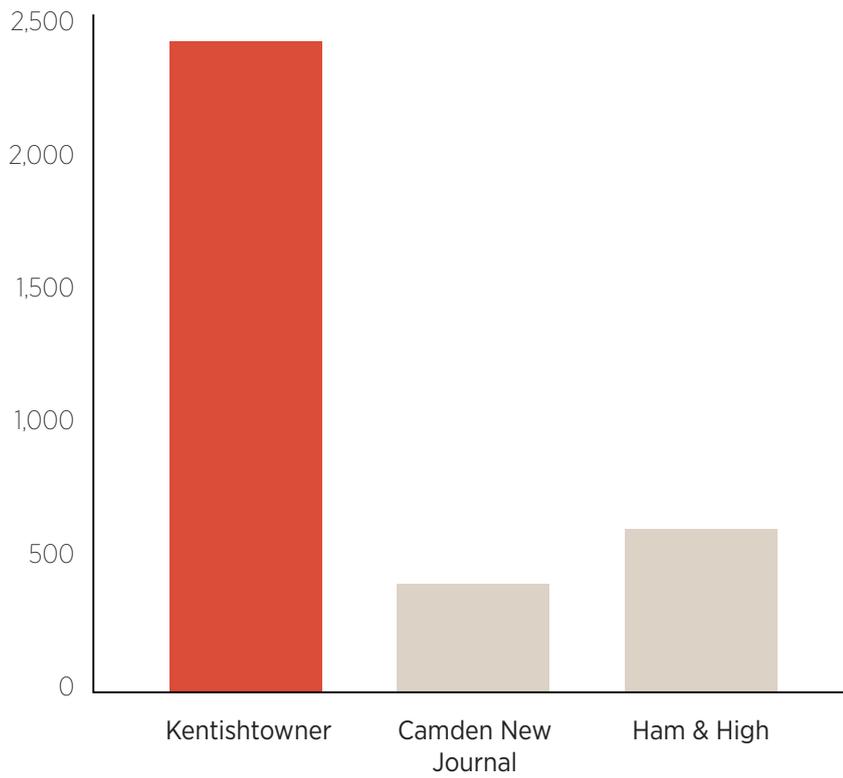
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### ***KLOUT Social media influence score (Feb 2014)***



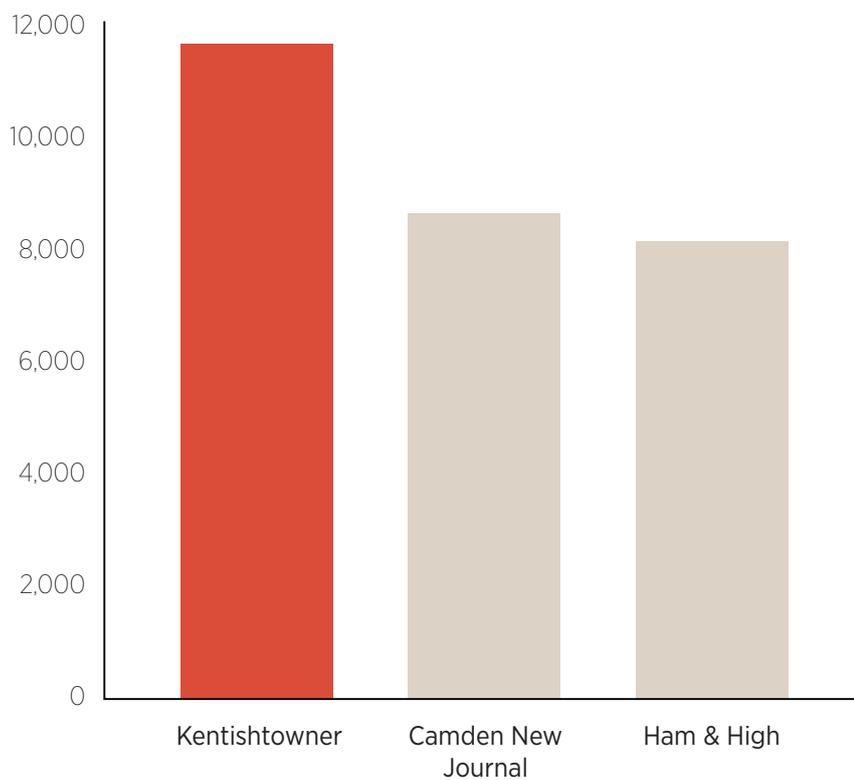
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***Local media Facebook (Feb 2014)***



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***Local media Twitter (Feb 2014)***



## 4. Technology

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**T**IME AND AGAIN, it's the same story: local government, national publishers or ambitious bloggers set up a web/mobile platform, spend countless hours on building it, and leave little or no funds for populating it, assuming that users will come, or that advertisers will self-serve. Hyperlocal in 2014 needs to sweep aside all such assumptions.

The tools now exist (WordPress, Twitter, YouTube) to set up a complete publishing house for free. It is a distraction to a fledgling hyperlocal to either try and build something new or to pay a larger organisation that claims to support them.

### ***What we've learned from experimenting with HTML5***

Forget desktop, the web is mobile. At a hyperlocal level this much should be a given, but it's surprising how many organisations still fail to grasp that. Native mobile app technologies hold much promise, but at entry level (and as the foundation for any hyperlocal operation) a solid, open source back end (i.e. WordPress) is essential. Don't even think about investing in fancy apps until you have responsive pages, geo tags, maps – all can be handled by HTML5.

*“Don't even think about investing in fancy apps”*

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of the digital era, where content must be given away, it is essential not to be operating an old-fashioned business.

Among the tools we have made use of on Kentishtowner, here are a few that are worth exploring in the following key areas:

**Accounts** – cloud packages such as SageOne or Quickbooks offer all a small hyperlocal needs to generate invoices, run payroll and have a realtime overview of debtors, P&L sheets etc.

**CRM** – A platform for tracking progress with advertisers quickly becomes essential if you want to remain efficient when multi-tasking. We've found Capsule easy to learn and use, also a key consideration when there is no time to devote to learning a whole new system.

**Social media management** – There are plenty of options, many free. We like Hootsuite for its stats reporting and multiple accounts. We also use CoSchedule, a start-up editorial calendar and social media manager that plugs into WordPress. And of course it goes without saying that Google Analytics data is very useful.

**SEO** – There's little point in dealing with the dark arts of topping search results. Best to set up a solid site structure using free plugins such as Yoast and Facebook Open Graph.

**Marketing** – MailChimp is a very slick platform for email. Kentishtowner's mailout is sent once a day with highlights of the day's stories for regular subscribers.

**SurveyMonkey** - We've used this to great effect several times, most notably with our annual Reader Awards, which resulted in some very useful feedback about our demographic for potential advertisers.

**File storage** – Despite the prevalence of free Gbs of storage being thrown at web users from all angles (Dropbox, Google Drive, Microsoft OpenDrive and many more all offer free space), small businesses still don't seem to be making full use of the technology. When an entire operation is run from a single laptop, it is crazy to have any info stuck on the hard drive alone.

**E-Commerce** – The toss-up between using a white label version of an existing shop service or building your own is a difficult one for a hyperlocal. Going with a platform means easier set-up and a robust framework, however, it also means traffic leaving your site and the need to share revenues with the service provider. For the Kentishtowner shop, we chose to build and run our own store, using the process to learn a lot about e-commerce. It runs on WordPress, using the WooCommerce platform and the GoCardless direct debit payment gateway. We also use Intuit Pay for taking credit card payments, which includes a fantastic iPhone-based card reader to use when we've run a stall at local events.



*Our bestselling shop item – a cultural map of the area by local artist Sian Pattenden*

## 5. *Making it pay*

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**A** SUCCESSFUL hyperlocal's audience, with its natural tendency for engagement and word-of-mouth endorsement of the neighbourhood, should be extremely responsive to advertising: a quality special offer (20% off for example) can fill a restaurant. But it's a challenge from the start. Conveying the power of a small but devoted readership to both local and London-wide advertisers remains our constant battle.

*“Better to set prices for advertising as quite high, and build in plenty of room to bargain.”*

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### **ETHICAL CONCERNS OF REPORTING IMPARTIALLY WHILE ALSO ATTEMPTING TO MONETISE LOCAL RELATIONSHIPS**

As traditional publishing structures have been broken down by digital disruption, the lines between advertising, advertorial and editorial have become less defined. Nowhere is this more pronounced than for a hyperlocal publication. However, as with any other title, we believe it is still possible to write impartially, while agreeing on a campaign with the business that may or may not be financial.

Despite this, some more vocal readers have been unable to understand that Kentishtowner does carry advertising, and that we do this for a living. Classic “first comment syndrome” (i.e.

finding the inevitable fault or chink in the argument and needing to be the first to draw attention to it) might question impartiality and relationships, when we make no pretence that many local companies are also advertisers, and that we are more often than not friendly or on good terms with people we write about.

## DON'T SELL OUT

From the outset we priced advertising space on the site relatively high to reflect our belief in the quality of the writing and our product. As the project quickly became our central focus, we also knew we had to try and make a living out of it. At a local level, people are going try and get you to promote them for free. Better to set prices for advertising as quite high, and build in plenty of room to bargain, rather than end up at next to nothing immediately.

## DESIGNING ADS

Small local businesses have neither the internal infrastructure nor the vision to create effective display ads, so hyperlocal publishers often have little alternative by to do this for them, often for minimal or zero extra revenue, but representing significant additional work. This sort of relationship also often can lead to a stream of further communication and disagreement about what constitutes an effective or attractive ad.

## WHY BANNER ADVERTISING IS NOT ENOUGH

A hyperlocal website can accommodate several banners, sidebar ads and even site takeovers, but this has a natural ceiling due to the real estate on a website verses page views. So we recommend encouraging creative or strategic partnerships with bigger local

### *Case study* TWO STRATEGIC PARTNERSHIPS

**KENTISHTOWNER** has developed creative promotional relationships with key local heavyweights. Working with Milligan Retail, we helped promote the relaunch of Camden Lock Market as a destination worth reconsidering by locals. By highlighting the quality new foodie outlets and creative stallholders, we were able to reposition a place known to most as a strictly tourist attraction. In a related, but very different capacity, we forged a commercial deal with Argent LLP, lead developers in the regeneration of King's Cross, to draw readers' attention to the 2013 summer cultural programme in the brand new NIC postcode.

advertisers and brands, as well as campaigns to communicate different sides to a particular brief.

## **WHY SPONSORSHIP WORKS**

Hyperlocals should celebrate the positive aspects of the area, a stance also held by everyone from art galleries to property developers. Therefore, we have worked with several major companies all with vested interests in Camden Town, the King's Cross redevelopment and Kentish Town. As a lifestyle site we can cover these editorially without being at cross purposes.

Work to support and promote the high street. For ongoing sustainability, hook up with others whose interest lies in the local economy. To differing degrees of success we have partnered with Business Improvement Districts or BIDs and key local organisations (see case study, p.24).

## **TACKLING LOCAL COUNCILS AND BIDS**

We are often surprised at the budgets expended on PR and marketing by councils and BIDs compared with those reserved for strategic partnerships with local independent titles. One big obstacle that exists is the regularity of councils' in-house vanity publishing projects: the money expended by Camden Council, for example, on their regular magazine amounts to £165,000 (or nearly £17k per issue). BIDs, on the other hand, are driven by their very nature to pouring budget into glossy self-publishing projects. Yet the aims of both these bodies are in fact so similar to those of a hyperlocal that there needs to be a major culture shift to release more control to independent media publishers. Without this support we believe the nascent hyperlocal sector in the UK remains under threat.

## **OTHER FORMS OF REVENUE GENERATION:**

### ***i) Holding reader events***

Liaise with other local small businesses (coffee shops, independent bakehouses, cocktail bars, restaurants) to hold events to build your profile. We have held a handful in the last year, all of which have sold out quickly while being resource-

heavy in every aspect. As a revenue stream, however, events need to be selected carefully as their production can become a distraction from the core business objectives.

### ***ii) Offering paid-for membership packages***

Kentishtowner introduced a reader membership scheme in summer 2013. This allows regulars to pay between £2.50 per month and a one-off payment of £500 (as founder member status) to get special offers, deals and to receive our monthly print edition by mail. Uptake has been steady but not overwhelming. The danger is that by identifying your “super fans” via financial commitment, it adds another layer of pressure to deliver additional perks for them, stretching limited resources further. Yet we are keen to continue experimentation with a freemium tiered payment structure. Unlocking revenue from those who perceive value beyond daily unpaid-for content is vital to any free publication today.

### ***iii) Creating a bespoke online shop***

This is a tested way to extract value from your brand. From the outset we always had the idea to launch local artist-designed Kentishtowner t-shirts and tote bags around our cult weekly Q&A column. Now, in addition to those, we sell kids’ hoodies, babygros, our back issues, and original art commissioned for the cover of each monthly print edition. Uptake has been really good in this area, with hundreds of products sold and a strong revenue over the festive period in particular. It underlines the pride people have in their area, and in what ways they’re prepared to support a hyperlocal title. Some downsides? You



need plenty of storage space for stock, have to engage in seeming endless customer relations, and navigate the logistics of pricing, VAT and mail-outs.

## **NAVIGATING THE MINEFIELD OF ESTATE AGENTS AND PROPERTY DEVELOPERS**

It's unavoidable that estate agents may become key business partners for a hyperlocal site, yet as with BIDS and councils (see p.25) it can be a tricky relationship to balance. On the one hand they are quite literally "selling" the area, and making revenue from its desirability. On the other, while we have worked with almost every estate agent in our borough at various points (many of whom use the title to demonstrate how up-and-coming parts of the neighbourhood are), they often try and engage with locals themselves via vanity magazines or "blogging" on their websites.

So there's a potentially perilously different worldview between how we operate as editorial people, and how estate agents or other property-focused companies do business. Nevertheless these kinds of commercial relationships are unavoidable and essential when building a sustainable hyperlocal.

## **LEARNED BEST PRACTICE WITH ONLINE DISPLAY ADVERTISING**

Local business owners generally need some convincing about the potential of spending money online. Many have had their fingers burned, either by being ripped off with expensive website development costs for a rapidly out-of-date homepage, or paying for dead-end advertising or business directory listings. The concept of seeing their ad "on rotation" after a page refresh simply does not wash with them. A virtually guaranteed response to putting a small business in a rotating sidebar position is to receive a phone call saying they can't see their ad, or that it has vanished. It must not be underestimated how difficult the concept of rotation is to a person used to the idea of purchasing display ad space in a local newspaper.

This is one of the reasons we experimented with a monthly print edition; and also why we decided to go with limited number of premium ads rather than the kind of small ads or worse, a self-serve platform.

## 6. Marketing

**A** S A DIGITAL publication at heart, the most effective marketing for a hyperlocal is going to be via social media (see p.16-17), but there are some decent opportunities in the “real world”, too. As well as reader events and merchandise (see p.25-26), we can also recommend considering the following two avenues as well:

### PRINT AS A PROMOTIONAL TOOL

Once a readership is established, consider turning your hyperlocal web service into an occasional (or regular) standalone newsprint publication.

We did this a year ago. Why? Simply because our initial idea - to print up leaflets or postcards, posters and stickers - suddenly seemed prohibitively expensive with limited returns. When we investigated a potential printers, we realised that we could expand our audience - and hopefully up our ad revenue - simply by publishing fresh editorial (not previously available online) in print.

We had no idea how the decision would be received, but happily it was embraced by the national media, with even the BBC covering the story on their primetime news.



One of Nesta's key Destination Local findings is the viability of print publications to complement hyperlocal websites. Instantly advertisers warmed to the print edition concept, but be warned: with a print platform comes the potential risk of cannibalisation (i.e. advertisers preferring one platform over the other) and so a delicate balancing act is essential. On the other hand, you will pick up local advertisers who "get it" instantly in a way that they don't with an online publication.

Finally, to encourage advertisers to understand the value of online too, we always push best ratecard deals to stimulate businesses to take out a contract across both.

## READER AWARDS

Awards drive footfall, so they are a hit with local businesses on the high street. They also encourage deeper engagement with readers, and further a sense of ownership. Ours was a specific decision to put our brand into the physical environment before the launch of the first print edition, too.

Having celebrated the best of the area's independent businesses informally at the end of each year, in December 2012 we operated our biggest ever reader-voted awards event. We asked all Kentishtowners to fill in a brief, open survey to let us know their local favourites across 12 categories.

Each category winner and two runners-up were presented with quality, framed certificates which we encouraged them to put up in their business windows (and most remain prominently, to this day). The outcome of this was a resounding marketing success all round, especially as it was sponsored by a national brand, Kabbee, the mobile minicab app, from whom we secured a four-figure deal.

## SOME LEARNING ON PRINT DISTRIBUTION

**PRINT** edition margins are beyond tight, so hand-distributing each issue personally saves on expensive companies and logistics. We deliver to more than 50 local outlets, from galleries to shops and pubs. It's very time-consuming but at present we haven't worked out a more efficient solution within our resources. On a positive note, however, it's proven essential for the client-facing side of the business, furthering relationships with valuable potential advertisers.

## 7. Sustainability

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### **EMBRACE THE DIY ETHIC**

This is at the heart of what we do as hyperlocal publishers. From hand distribution of the print edition (see box on p.29) to collecting cheques to packing and dispatching shop items, it's not for the faint hearted! In a single day, we can be editors, sub-editors, journalists, ad salespeople, delivery team, customer service reps and consultants. Our key learning? If you're not prepared to multi-task, long term sustainability of a hyperlocal media title is going to be tough.

*“If you're not prepared to multi-task, long term sustainability of a hyperlocal media title is going to be tough”*

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### **HIRING SALES STAFF**

Many hyperlocals start from a content or platform perspective as there is often not an obvious scalable revenue-generating business model. These sites are from a social media era, where hard sales don't really work. We have built up more personal relationships with dozens of local businesses who then in turn understand the value of taking out ad space when speaking directly to our readers.

Unless the sales member of staff is part of founding team, a key finding is that it's a tough call to hire the right person. The challenge is employing someone who meets the criteria of knowing the area, with the right approach to hyperlocal sales, and having the skills to secure accounts.

A traditional ad salesperson working in a "sales patter" way is not the right solution; a more creative approach is required as local advertisers need a great deal of hand-holding and educating about the product.

## THE POTENTIAL FOR BUSINESS CONSULTANCY

Hyperlocal operators can establish a consultancy side to what they do, which has the potential to be monetised. For example, we offered some free advice to a new pub opening ahead of their launch, and they in turn became regular advertisers. The logical next step is to offer a paid-for service to new business owners looking for a successful launch, and underlines the unique value of "insider" knowledge that hyperlocal publishers have for revenue generation – if they can get the model right.

## A NOTE ON NOT-FOR-PROFIT ACTIVITY

**SUSTAINABILITY** requires money, but profit is not the motivation behind every launch. The catalyst for many people is simply to do something positive for the community, yet many well-intentioned projects dry up when enthusiasm and time resources wear thin.

It was always important for us to have a charitable arm, and so two years ago we launched Young Kentishtowner Foundation to help nurture journalism among disadvantaged under18s.

While we have published dozens of stories (written in conjunction with our associate, who works with kids in the area), our main finding is that this sister project, though more than worthwhile, stretches resources, potentially threatening the sustainability of the parent site. Like our main site, it still needs funding in some way to operate. However, we are keeping the site alive and plan to give it an injection in 2014.

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## 8. *Making it big*

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**B**Y DEFINITION, a hyperlocal service has a limited scope for growth. Although we advocate the potential of every post being read by a global audience, the reality is that a natural audience-ceiling will occur for a site with a geographic remit. That is its USP, so how can you grow the business without destroying the essence of what you do?



*Pictured are Stephen and Tom (far right) at a Kentishtowner reader event*

For those that run their hyperlocal as a hobby or a community project, the idea of sticking to the local area is probably enough, but for those seeking to turn their work into a profit-making enterprise, the task of constantly increasing revenues is a tough one.

### **A HYPERLOCAL NETWORK?**

To date, there have been some high profile failures in this space. In the UK, respected media organisations including Northcliffe's Local People and Guardian Media Group's Guardian Local have tried and failed to create viable networks of hyperlocals, while in the US, AOL's expensive franchise purchase, Patch, has recently imploded.

Instead of attempting hyperlocal at a national level, the growth plan for our company, London Belongs To Me Ltd is to build a London network of quality sites from the ground up. Why? As

experienced in-the-field practitioners, scale is clearly the only way to make the project truly sustainable. With this in mind, we have already launched *Below The River*, a south London-focused website with a broader geographical remit than *Kentishtowner*, the idea being to allow a greater editorial net as well as capture a broader advertising market.

We are convinced advertising agencies will respond to a local-level collective of websites, the USP being that it offers access to audiences segmented via geo-location and interests (plus the availability of further anonymised data), offering a uniquely well-targeted platform for national advertisers wishing to speak to a genuinely engaged – and quantifiably receptive – audience.



*Urban regeneration in King's Cross – such projects are a key opportunity for any hyperlocal*

## 9. Recommendations

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*Here we list some key recommendations for the industry*

### **POTENTIAL FOR HYPERLOCAL SECTOR GROWTH IN THE UK**

We strongly believe national advertisers will pay to speak to a hyperlocal audience in the future, but the sector needs to provide a compelling and easy way for this to happen. Unlike the previous failed attempts at building nationwide networks, we believe in the viability of a "bottom up" community of independent websites run by professional publishers, offering highly specific audience segments.

### **TOOLKIT**

At local advertiser level, tools need to be developed that allow small high street businesses to explore the digital landscape. They may not be natural digital players, but they will increasingly require a presence online, and this is an income opportunity for anyone struggling to sustain their hyperlocal publication. We hope that the projects awarded funding in the Destination Local Demonstrators competition (the continued programme of work between the Technology Strategy Board and Nesta) produce such a tool set.

### **ESTABLISHING THE UK HYPERLOCAL SOCIETY**

As the network of professional hyperlocal journalists running their own sites grows, so does a potential pool of journalists-for-hire available to any small business in the UK in need of quality

digital editorial and/or marketing content. Budgets that have traditionally been spent on local listings, classified ads and even Google AdWords, will be far better invested in hiring from this talent pool. This is a project we plan to explore further, with key partners.

## **BIDS AND COUNCILS TO ALLOCATE BUDGET TO INDIE HYPERLOCALS**

A resolution to the resistance of local councils, BIDs and business groups, with their traditional focus on analogue media and vanity publishing projects, needs to be found for the growth of the UK hyperlocal sector. With such collaboration, the shared aims of supporting local business, community and culture can enjoy sustainable media platforms on which to flourish ■

*Found the Hyperlocal Survivors Toolkit useful? London Belongs To Me Ltd offers consultancy services for any publishers looking to enter this sector.*

Contact us via ***info@kentishtowner.co.uk***

