

Stars4Media - Strategy Document

The purpose of this document is to provide an overview of the achievements of the Stars4Media first and second edition and provide an outlook on the current third edition and the future. The focus is on the lessons learnt, participants' experience and overall impact the programme has had that has helped grow it all the way through the third edition. This reflects the necessity of becoming a permanent and indispensable option for any media professional seeking to bring their innovation to their business in a collaborative environment, receiving both funding and coaching to accompany the process.

Developed as a part of the Stars4Media: Second Edition

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Stars4Media

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1. <u>Introduction:</u> sector crisis plus acute need for press resilience and change management in media

European news media is currently facing an unprecedented crisis. The sector has already been undergoing radical changes since digital platforms entered the media field disrupting it with new business and content development models, while acting as gatekeepers. This was additionally burdened since 2020, due to the emergency of the Covid19 crisis, and additionally exacerbated in February 2022 by the war in Ukraine. Traditional news media that have already been struggling to re-position themselves in a digital-first media landscape are now dealing in circumstances of unseen political interventions and ideological divide that bring centre stage both fact checking and disinformation.

The European Commission has addressed directly the crisis of the news media by starting to channel resources toward media innovation. Among other actions, the Stars4Media "Pilot Project" was launched in 2019, responding to a proposal voted by the European Parliament in 2018. A total of 42 MEPs have backed the initiative, writing an <u>open call to the Commission President and other EU leaders</u>.

Started as a pilot programme, voted twice by the European Parliament, Stars4Media's original goal was to facilitate cooperation between media professionals ("rising stars") to accelerate media innovation and cross-border coverage and cooperation in Europe. The programme helped in supporting the transformation of the sector through a bottom-up approach, while motivating media companies and (freelance) journalists from different EU countries to collaborate in specific cross-border initiatives, testing ideas and technologies and introducing new business models.

Following the successful implementation of the first edition, the Second Edition was launched in 2021, allowing for more cross sector cooperation. While the First Edition welcomed 105 media professionals from 42 media, the Second gathered 185 media professionals in 30 initiatives involving 76 media organisations. Nearly doubling the number of participants allowed to extend the Stars4Media community and its impact; however, this was also a clear sign of a lack of framework support for the bottom-up innovation in the sector.

Reflecting this dire need for financing and guidance in the media, programme's third edition, Stars4Media NEWS launched in 2022. This new phase is building on the experience and results of the programme's previous editions, while providing media companies with new opportunities and skills. These will allow participating companies easier adaptation to an ever-changing environment, thus enabling their business and newsroom transformation. The focus here is on the long term impact of these changes that rely on the commitment of involved media professionals and the commitment of the top management of the media companies. This approach is the

only way the sector's change management can really be set in place and have long-lasting effects on changing behaviours of both media management and audiences' behaviours.

2. Background: the first two editions of Stars4Media

In its first two editions, the Stars4Media programme was co-funded by the European Commission under the DG Connect Call for proposal "Exchange of media 'rising stars' to speed up innovation and increase cross-border coverage".

The programme was implemented by a Consortium formed of <u>Vrije Universiteit</u> <u>Brussel (VUB)</u>, <u>Europe's MediaLab (Fondation EURACTIV)</u>, <u>European Federation of</u> <u>Journalists (EFJ)</u> and <u>the World Association of News Publishers (WAN-IFRA)</u>. Currently, the third edition of the programme, Stars4Media NEWS, is being implemented with the support of the European Union, under the <u>Journalism</u> <u>Partnerships scheme</u>. In Stars4Media NEWS, <u>European Journalism Centre (EJC)</u> joined the consortium with the European Federation of Journalists remaining one of the programme's main contributors particularly in terms of communication, promotion and jury evaluation. During the first edition, a total of 22 cross border initiatives were set in place to cooperate with other European media over a maximum of 16 weeks. This number increased to 30 for the Second Edition. Stars4Media NEWS presented a completely different approach that allowed for a smaller number of participating projects through two phases. More information can be found in Section 6. of this document.

3. Main results: lesson learned and useful statistics

Through first two editions of Stars4Media (First and Second Edition):

- **51** initiatives received funding for projects covering editorial, technological, marketing and other innovations;
- **285 media professionals** from over 100 media organisations in 22 EU member states participated in the programme;
- Regional and gender balance was respected;
- Online community of over 500 professionals was created.

Main lessons learnt by the implementing Consortium:

- **Virtual cross-border collaboration** is successfully working, even for partners cooperating for the first time;
- Expert coaching during the pre-application phase can help applicants fulfil the admission requirements and submit stronger applications;
- Coaching and jury evaluation should be performed by two distinct groups of experts, to avoid any (seeming) conflict of interests;

- Establishing a **clear communication plan** of the transparent and fair selection procedure of project beneficiaries is of paramount importance;
- For more than **80% beneficiaries**, **Stars4Media** (data combined in the survey of participants in both editions) was **first experience in an European project**;
- A total of **48% participants** declared participation to **Stars4Media improved both their and their team's competencies**, among which most declare to have improved technological skills, with project management skills being in second and editorial competencies and skills in third position;
- Flexible and agile approach toward management of the beneficiaries is directly linked to the success of the overall programme. Easy administration and quick access to funding is key to attract media companies that might otherwise be overwhelmed by the resources potentially required for the participation in EU co-funding schemes;
- Collaboration between younger and more senior staff from a variety of professional profiles is essential to ensure long term sustainability of the media innovation;
- Online collaboration is an added value and allows for easy and smooth interaction between collaborating media companies, added to potential in person reunions that might be challenged by a variety of circumstances, such is the COVID 19 pandemic for example.

About the funded initiatives:

- In the Second Edition, there was a rather equal interest towards editorial, technological and marketing innovations;
- The interest and commitment of micro (less than 10 employees), small (less than 25 employees), and medium (between 25 and 200 employees) media organisations is the highest, with high participation by participating freelance journalist;
- The cross-border partnerships started within Stars4Media First and Second Editions are expected to continue in over 77% of the cases (renewed commitments).

The beneficiaries successfully faced across different challenges:

- Cultural challenges: resulting from the lack of cross-border cooperation between European media organisations. This might be the result of a lack of time and resources within news media for international projects, of technical difficulties but also of obvious cultural barriers. It is naturally easier to engage in complex projects with like-minded professionals with similar backgrounds, approaches, workflows, expectations, languages etc. For Stars4Media beneficiaries the element of internationality meant moving from the comfort zone of working only within a national dimension allowing them to acquire new sets of skills and competencies that only an international exchange can provide.

- Linguistic challenges: linked to the cultural challenges, linguistic ones represent an overarching challenge as media companies (even ones operating in several countries) usually operate in their national language. With short implementation times and requiring the applicants to invest their time while also carrying out their *business as usual*, this can be a challenge with strong impact on a company's interest to even apply for the programme.
- Unexpected challenges: what is clear resulting from the first two editions of Stars4Media is that flexibility is key for the success. This applies to the whole project, as well as to any single initiative. The **Coronavirus** outbreak was a massive unexpected challenge and its impact on the project was significant . Nevertheless, thanks to the commitment and resilience of the Stars4Media team and the third party beneficiaries, the limitations created by this new reality did not jeopardise the creative potential of the project. Allowing the creation of innovative initiatives in the media sector through the cross-border exchange of skills and competences has remained a cornerstone also in a new reality where remote work has become the norm. While any structural change brings both benefits and obstacles, Stars4Media managed to prioritise the benefits and allow the beneficiaries, in most cases, to make full use of the advantages of the new set-up.
- Administrative challenges: difficulty to comply with meticulous reporting requirements, to justify the allocation of grants to third party beneficiaries, in line with the Grant Agreement.

In summary, during the first and second edition of Stars4Media, media professionals seized the chance to:

- **Gain practical skills** such as quality reporting, data journalism, fact-checking, AI and translation technologies, marketing, new forms of journalistic storytelling and audience engagement; and social media
- Become part of a community of media professionals in Europe
- Implement innovative solutions in their media organisations
- Create a **trusted and collaborative community of media experts and journalists**, that expands beyond the Stars4Media programme duration

Media business managed to:

• **Grow their network** with the best innovative media companies in Europe and top media leaders

- Test ideas, develop new products and new business models and innovate
- Develop and motivate their staff and future management
- Benefit of **collaborative community** created by the Stars4Media participants (media and tech leaders, plus freelance journalists), jury, expert coaches and other
- 4. <u>Recommendations: helping the media industry by creating a safe framework</u> <u>for experimentation</u>

A total of **142** applications were received throughout the first and second edition of the Stars4Media. With each proposal gathering a minimum of two media companies, this translated into **246** media companies interested in taking part and receiving funding for their media innovations. Moreover, many of the interested companies that reached out to the project team during the pre-selection (*during application period, all interested companies were encouraged to contact the project team for further guidance and help with their application, in order to maximise chances of success. This does not impact in any way the chances of the project being selected) stated lack of resources (in terms of time, finances and human capacity) needed to even complete an application. This is a strong signal of how much the sector is being stretched thin not only creatively in the ways the companies fight fake news, disinformation and big data but also business-wise, as impossibility to innovate on the first front means lack of search for additional revenues.*

Additionally, a fact that an overwhelming **majority of applicants** (following the results of the First and Second Edition Participants' Survey) **never participated in an EU-funded project before joining the Stars4Media**, illustrate the need for publicly led EU projects for the media that do not interfere in content development or production (*as it can happen with private funding*) and create a safe framework for experimentation that is crucial for innovation and business development. The programme offers more transparency and better communication from the EU side about different funding opportunities for the media sector through a simplified administrative procedure, with a clear and user-friendly application process, as well as simplified reporting procedure

With the more prominent role big tech giants play in spreading (mis)information, the separation between tech and journalism steepens. When referring to media professionals, the majority of people tend to refer only to journalists, yet the solution lies in a new role that merges skills of both fields. Creating space for cross-country and cross-sector collaborations translates into a change management model that goes beyond one simple dimension and helps sustain long term transformations, all while improving the business sustainability of media thus improving the press resilience and independence. This is especially relevant to ensure the resilience and

trustworthiness of press that can operate deliberately and independently only where and when business sustainability is guaranteed and safeguarded.

With this in mind, Stars4Media aims to serve as a **building block in the formation** of media professionals and the transformation of the European media sector towards innovation, cross-border collaboration and achieving business sustainability. This would be achieved through a modular approach composed of a series of lessons that would offer expert insights on a variety of topics that go from data analysis, but also content development and business courses that all compose a plethora of knowledge needed to build and operate a modern media business. The training would be delivered (on-site and online) to the interested companies, both start-ups and media companies of all sizes, and would represent a sort of first step of the company's business transformation.



In order to participate in the programme, the company would submit a challenge they are facing on an organisational level and explain why the Stars4Media is their programme of choice. An idea of an innovation should be present at this stage and

would be elaborated and worked on through different models of the programme, in a sort of MBA inspired approach.

At the second step, the company staff who completed the training and hopefully worked on the innovation proposal would access the Stars4Media Community / Alumni Network. In the network, each participant would be paired with a mentor, one of the most successful Stars4Media beneficiary from the previous editions, who would lead and help the company to find an international partner. This approach comes as a direct result of the original efforts of the Stars4Media programme to ensure cross collaboration and media innovation together with long term business transformation of the sector. In this way, **Stars4Media** would act **as a hub**, leveraging on its **network and already tested practices to amplify the effect and ease both the business transformation and the cross country collaborations**.

By bringing the programme to the interested companies would allow for the long term effect of the transformation to have real and long lasting impact and for the company to be hands-on from the start by using the power of the existing Stars4Media community and network composed of more than 500 media professionals. Still, in this format, the Stars4Media would continue to act as a meeting space that fosters innovation, ensuring to provide timely and accurate information to all its network about the different opportunities at their disposal. The Stars4Media Hub would also support individuals aiming to launch their own media business and find collaborators and potential partners. It would act as a sort of intersectoral bridge and collaborative space where media innovations come to life.

Lastly, the diversified and modular approach would allow for diversification of funding within the Hub thus not only expanding beyond the EU public funding (lightening the burden on the institutions) and allow for private and corporate sponsorships. This would be particularly relevant for the tech companies aiming to sustain the fight against disinformation and to other companies interested in the subject of media innovation.

5. Conclusions: Stars4Media can help to strengthen media

United Nations Goal 16 aims to 'Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels'. Right to Information is one of the key pillars of democracy, and media companies delivering it cannot fight this fight alone. Programmes like Stars4Media provide them with opportunities and motivate them to find time to work on their own business development by fostering innovation and enabling multidisciplinary and cross-border cooperation. Stars4Media project team encourages the EU policy officers to work closely with the media stakeholders, such as tech and media businesses on establishing a long term framework that will create a level playing field where Stars4Media can lead the way building on its

strong network, experience and community of innovators it has helped establish and grow. This has particularly shown relevance during the Stars4Media NEWS application phase where the majority of applicants referenced clearly to the contacts through the Stars4Media community as the motivation needed to submit their ideas. It is on this community and acumen of the media business, Stars4Media should become a dedicated Gateway for Media Innovation, providing training and funding for a more sustainable future of the sector.

6. Additional information: Stars4Media NEWS and the future of Stars4Media

Glimpses into Stars4Media NEWS (2022-23)

What is it? A two phase media transformation programme

Stars4Media NEWS proposes a pan-European, two-phase, funding programme that supports European news media organisations. Building on the experience and results of its previous editions (Stars4Media Pilot and Stars4Media Second Edition), Stars4Media NEWS foresees cascading funding, in-depth coaching, and peer-to-peer knowledge transfer.

Specifically, the Stars4Media NEWS programme provides financial support and in-depth coaching to collaborative projects under two tracks, one focusing on the Collaborative business transformation projects and other on Collaborative newsroom transformation projects. Total of 14 selected projects will join Phase 1 - EXPLORE, focused on the exploration of media innovation. After the completion of the first phase, 9 of most successful projects will continue their project development during the BOOST phase that will focus on the transformation of the newsroom and / or the business model. Overall maximum project duration across two phases will be 10 months through which the beneficiaries will receive up to 100k EUR of in-kind support, between direct funding, in-kind tailored coaching and training opportunities.

How does it differ from Stars4Media Pilot and second edition?

Stars4Media NEWS will offer increased financial support per participating company expanding beyond the EU Member States. Stronger focus will be given on the business transformation and dissemination of best practices with the aim of creating a larger, independent self-sustainable community that is both financially resilient and business ready.

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→ <u>Track 1</u>: Collaborative business transformation projects

Track 1 will gather projects whose scope is the partial or total transformation of the company, with an impact on one or several departments and/or workflows.

→ <u>Track 2</u>: Collaborative newsroom transformation projects

Track 2 will gather projects whose scope is the partial or total transformation of the newsroom, with an impact specifically on the functioning and organisation of the editorial and news content production activities.

Overall, support is foreseen for **14** and later **9 cross-border projects**, in two successive phases:

Phase 1 - EXPLORE is focused on the exploration of media innovation

- **Duration:** 4 months
- Number of Projects selected: 14
- **Grant amount:** in the EXPLORE phase, for a typical project of two partners (media companies based in two different countries): **€24,000** (€12,000 lump sum award for each participating media)

Phase 2 - BOOST is focused on the transformation of the newsroom and/or business

- **Duration:** 6 months
- Number of Projects selected: 9
- **Grant amount:** in the BOOST phase, for a typical project of two partners (media companies based in two different countries): €**64,000** (€32,000 lump sum award for each)

New aspects:

- Increased financial support per participating company;
- Not only EU member states;
- Stronger focus on business transformation (BOOST phase);
- Need-based, tailored coaching and continuous mentoring;
- Creation of a larger, sustainable community;
- Dissemination of best practices.

Participating countries in the Creative Europe Programme thus eligible for the Stars4Media NEWS, are: All EU member states; Iceland; Norway; Liechtenstein; Albania; Bosnia and Herzegovina; Montenegro; North Macedonia; Serbia; Georgia, and Ukraine.

Who is who in Stars4Media NEWS?

 Process coaches: these are representatives of the Stars4Media NEWS partners (VUB, Europe's MediaLab, EJC and WAN-IFRA) who will support projects during the first phases of the programme. They will make sure these are provided with answers to their technical questions about the application process, and, later, if selected, help them understand and implement correctly the process, from the first self-assessment to the EXPLORE and BOOST phases.

- **Transformation coaches:** experts from the media industry who will provide coaching and mentoring to the selected projects. They will work with each project team to help them reach their objectives and achieve business/newsroom transformation.
- **Jury:** media experts who will have the responsibility of evaluating all the proposals we receive and deciding on the projects that embark on the Stars4Media journey.

Each of these groups is composed of different experts, without any overlap of responsibilities but in perfect coordination.

Tentative ideas to be developed for the future

a) Tentative emerging topics: more business and tech

Some of the suggestions below are results of the 'Nascent ideas', which were proposals and ideas discussed with a variety of media and tech companies during the application process. This offer a valuable insight into the needs of the sector, crucial for defining the future funding topics:

- Monetization of content and data leveraging
- Support to the exile media from Russia, leveraging past Bonnier Russia experience.
- Al showing women text & picture visibility
- Content customization to create revenue diversification
- Create ad sales house for media in Ukraine & around Russia
- Social media aggregator of Russian news, with journalists and design value added
- Expand Ukrainian radio to other broadcasters
- Impact of live journalism on the joint membership programme
- Multilingual membership options
- Use of data as an investigative tool in traditional newsrooms
- Full list of 60 stakeholders who signed and declared support to the Stars4Media Pilot Project. The same is available on the following link: <u>https://medium.com/@EuropeMediaLab/yes-to-erasmus4media-60-stakehold</u> <u>ers-support-stars4media-10ae2143465e</u>
- <u>Stars4Media 2nd edition call for initiatives</u>
- Media4 Europea "Media Transformation and democracy building" May 2022
- <u>Stars4Media NEW's Call for projects</u>

b) Early Statistics from NEWS applicants (pre-selection)

Below figures taken from the applications recorded by the 30 June 2022 deadline, before "pitches" in July and before September jury decisions:

- Applications: 50 received, out of which 48 eligible
- Representing 80% media companies and 20% tech and associations
- Type of transformation: 50% is Business transformation, 42% is Newsroom transformation, and 8% of both
- Size of Partner 1 companies: 31% of the companies are large (more than 200 employees), 42% medium (between 25 and 200 employees) and 27% small (under 25 employees). Partner 2 companies 14% of the companies are large, 36% medium and 53% small
- Percentage of applicants already partnered with at least one partner is 77%
- Geographically, the companies that submitted an application are based in 24 countries in total: 23% are from Eastern Europe, 23% from Southern Europe, 35% from Western Europe and 17% from Northern Europe
- Gender balance: not calculated yet since a list of people involved will be provided only after jury selection, in two stages. Thanks to our past experience, this balance (not parity though) could be quite satisfactory, like in previous rounds.

c) Looking at the "big picture": fit and cooperation of media support programmes

Help for media innovation and media operation, comes from three broad areas:

- corporate (mostly Google & Facebook)
- public (both EU and national not in all countries, regional or even local)
- philanthropy (growing interest, exceptional since the start of Russia's invasion of Ukraine)

Related programmes exist for media literacy and fact-checking. Overall this is spread over many programmes and projects, difficult to both administer and apply for, reducing the overall impact, especially for outsiders and inexperienced EU applicants.

Discussions are taking place as we write, in order to bring the different areas closer (corporate/philanthropy/public) and better help applicants. <u>EDMO</u> may play a special role supported by its sister organisation <u>European Media and Information Fund</u>, <u>EMIF</u> and partner with other organisations for example: Europe's MediaLab or other associations and bodies involved in running innovation media programmes.

d) Practical ideas to be discussed

- i) **Mapping all funding initiatives** a possible "practical research" topic for a small EU project or EMIF project
- ii) **Cross-category gateway** (website for self-preselection plus expert coaches to guide media organisations in the maze of programming from different sources (*NOT limited to EU-funded programmes*)
- iii) **Permanent budget line for EDMO** (procedure similar to the one used for Euronews until a few years ago): ensuring long term planning , continuity of co-regulatory roles and skill retention, reducing admin burden on all sides
- iv) Permanent budget line for Stars4Media and for other third party programmes validated by several pilot projects on rounds of programmes like Journalism Partnership: some advantage as for EDMO. Should be complemented by stronger evaluation of impact (cancelling rewards if not strong) and a say by funder on the Stars4Media trademark ownership.
- v) Other ideas? To be discussed with stakeholders and relevant MEP's possibly in a workshop reporting to the next NEWS MediaForum.