

## News Business Trends and Threats

### TV

#### Amount of local TV news

In 2019, more stations aired more hours of local TV news than ever recorded in the annual newsroom survey.

One fewer station originated news, but 30 additional stations began airing local news.

Increases of about 20 minutes each day on average in weekend news brought the average hours of weekly news aired to a record high. Average weekday news remained at last year's record high levels.

The increase came primarily from smaller markets and smaller newsrooms.

The number of news directors who predicted further increases in the amount of news produced – typically a reliable indicator – increased 50%.

#### TV news budgets and profitability

Local TV news profitability was mixed, with more top 25 market stations – 75% – reporting profitability, but fewer mid-market stations. Website profitability specifically increased slightly overall in 2019, except in the largest markets. Relatively low percentages of local TV news directors report profitability numbers, but of those who do, just over 60% report profitability.

For the sixth year in a row, fewer than 50% of TV stations reported budget increases. 2.5 percentage points fewer reported increased budgets than last year, but 4 percentage points fewer reported budget cuts.

Since the survey was conducted in the final months of 2019, broadcasters have seen significant hits to ad revenue resulting in [hiring freezes, furloughs and layoffs across the industry](#). News executives report some recovery is beginning, but the financial impacts are likely to last years – a preview of what's to come in next year's survey results. [Find an initial look at some immediate impacts on local newsrooms here.](#)

### OTT

For the first time this year, the annual newsrooms survey asked specifically about OTT. 53.8% of local TV news directors report some over the top streaming efforts. The larger the newsroom staff, the more likely to be focused on OTT. The most common types of OTT content reported include newscasts, digital-only content, longer form content and both live and on demand programming.

While 57.1% of news directors reported it's too early to tell exactly how OTT will benefit local stations, over half also report they expect to reach new audiences. News directors also report looking to OTT as an opportunity for more revenue and to share more in depth or additional content.

## News Business Trends and Threats

### Threats and Competition

A new survey question asked local TV news managers “What do you perceive to be the biggest threat to the long-term health of your operation?”

The most-reported answer dovetails with the push toward OTT and accompanying hopes it will help reach new audiences. Of more than 250 local news managers, 36.7% identified audience erosion and fragmentation as their primary threat.

[Attention to local news soared](#) during the first weeks and months of intense COVID coverage. In a March special edition survey, news directors hoped that trust and attention would be recaptured long-term.

Staffing (31.1%), corporate cuts and failure to innovate (17.9%), a weak economy (6.4%) and declining news appetite/trust (5.2%) round out the most commonly identified threats to local TV news.

When asked about competition from local newspapers, 53.4% of local TV news managers reported they do see local papers as competition, particularly in smaller markets.

When asked to elaborate, of those who indicated newspapers are competitors, 56.3% said the outlets compete digitally. Just over a fifth consider all other news outlets competition, and just under 15% cite the local paper’s strengths as a competitive challenge.

Among the slight minority who do not view the local papers as competition, 55.2% cited the local paper’s weakness (or closure altogether). 16.7% say their audience is different than that of the paper, while 10.4% say their local newspaper is a partner or even jointly owned.

### Radio

#### Amount of local radio news

Fewer stations ran local radio news in 2019, and close to a record high percentage of stations report running local news from other sources rather than originating it. While the amount of local news aired on radio in minutes increased slightly, fewer stations increased their news programming.

68.2% of radio stations surveyed report running local news, including 70.8% of AM stations (down slightly) and 69.6% of FM stations (up slightly).

Fewer radio news directors report plans to increase news, though public radio news directors were more likely to expect to increase news.

#### Radio news budgets and profitability

More local radio stations, especially non-commercial stations, reported decreasing budgets in 2019. Of radio news directors who were able to report on their website’s profitability, more reported losses.

### News Business Trends and Threats

Of nearly 350 radio managers who reported the biggest long-term threat to their organizations, the most common answer, reported by 39.7% of respondents, involved revenue. Both commercial and public radio station managers report cuts in funding, decreasing radio advertising or general declining community economies as threats.

#### Threats and Competition

Overall, the newsroom survey indicates that local radio began 2020 on tenuous financial footing – and its [challenges have only increased this year](#).

Similar to local TV managers, radio managers also report fragmented audience (25.2%) followed by staffing (11.9%), corporate cuts/consolidation (7.2%), declining news appetite/trust (4.9%) and technology and media landscape changes (4.6% and 2.9%) as key threats.

While just over half of TV managers report local newspapers are competitors, 71.5% of radio news managers say local newspapers are not competition, including two thirds of commercial radio managers and 80% of public radio managers.

While more than half of TV managers who said local papers are not competitors cited their local paper's weakness, just 37.3% of radio managers cited the same reasoning. 19.6% on the other hand reported their local papers are not competitors because they serve different audiences or provide different types of content, while 19.1% reported newspapers as partners rather than competitors.

Of local radio managers who did report competing with local newspapers, including more bigger radio news team managers, 39.8% said the outlets compete for content, while 17.5% said they compete digitally and 15.5% said they compete for advertising.

#### About the Survey

The RTDNA/Newhouse School at Syracuse University Survey, funded in part by the Lawrence Herbert School of Communication at Hofstra University, was conducted in the fourth quarter of 2019 among all 1,702 operating, non-satellite television stations and a random sample of 3,427 radio stations. Valid responses came from 1,313 television stations (77.1%) and 673 radio news directors and general managers representing 1,996 radio stations. Some data sets (e.g. the number of TV stations originating local news, getting it from others and women TV news directors) are based on a complete census and are not projected from a smaller sample.

#### About Bob Papper

Bob Papper is Adjunct Professor of Broadcast and Digital Journalism at the S.I. Newhouse School of Public Communications at Syracuse University and has worked extensively in radio and TV news.