2002 – International Symposium on Online Journalism

Panel 2: The Audience

What is the size of the audience for online journalism and how has it grown? Who is the reader? What, how, and from where do they read? How much do journalists interact with their readers: Does what readers want effect what journalists write? What level of credibility do online news sources have with their readers?

Moderator:
Max McCombs, Professor, School of Journalism, University of Texas at Austin

Panelists:
MJ Bear, New media consultant, American University Adjunct Professor, former NPR Vice President for online operations

Beau Brendler, Director, Consumerwebwatch.org, founder and former Editorial Director, abcnews.com

Stephen Newman, Deputy General Manager, nytimes.com

Dick Bennett, Senior Vice President and Chief Technology Officer, Audit Bureau of Circulations Interactive

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MAX McCOMBS: Welcome to the symposium. I'm Max McCombs, a faculty member here in the School of Journalism here at the University of Texas and I'm pleased to add my welcome to our audience this morning. There's been a great deal of flux in the news audiences even before the Internet came along. And since the arrival of the Internet and the introduction of many significant new news outlets, the flux has increased. For some of us it is very difficult to keep track of the ebb and flow of audiences for the various news media. But we're very fortunate this morning to have four experts in this area who will, I hope, help us find some of the patterns in this area and bring us to a better understanding of who are the audiences for the Internet as it exists today. I'm very pleased to introduce the four members of this panel and I'll see if I can get the order right. We've shuffled everyone around up here. Your test at the end of the session will be a picture and you have to identify the person. So pay very close attention.

I'm going to introduce them in the order that they're going to speak to you this morning. Your first speaker will be MJ Bear who's already at the podium and ready.

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She was formerly NPR Vice President for online and is now an adjunct professor at American University in Washington and also a media consultant. Our second presenter this morning, who is to my immediate right, is Beau Brendler, director of consumerwebwatch.org and also the founder and former editorial director of ABCnews.com. Our third presenter who is to our immediate left is Dick Bennett, Senior Vice President and Chief Technology Officer of the Audit Bureau of Circulations Interactive. And our fourth speaker this morning to my far right at the end of the table is Stephen Newman who is Deputy General Manger of the nytimes.com. It's a privilege to have these four speakers here this morning and we're going to begin the MJ Bear and the rest of us area going to wait in the wings so that you can see her presentation.

MJ BEAR: You just never know. I'm going to talk this morning about credibility and you know it's funny. As journalists you would think that's one thing that we shouldn't really have to talk about. But as we're in this new digital age, one of the great things about the Internet - bringing new ways to communicate with audiences - it's probably also one of the biggest downfalls. And so technology is one of our downfalls. We had a delay because we have four different computers with four different PowerPoints. Now my PC presentation is on a Mac so we can only hope to get together what we will actually see as we try and talk about credibility on line. So what I'm showing you right now - or attempting to show you - not very well - is a USAToday.com ad that appeared in 1996 and it was really a pioneering all over the homepage of USA today, right through their navigation. One of the great things about it, as all us geeks would like to say, is that it worked on all the browsers. The consumers really thought it was really cool, especially if you only see it once or twice. The journalists were completely appalled by that. We'll talk a little bit today about - does this affect things that USAtoday.com does? The New York times currently has a sponsored page of the Laramie project archives and while it's clearly labeled "sponsored archives" it was all sponsored content. We'll talk about what does that mean in this age. So what I want to talk today about is the online news association digital journalism credibility study. And we looked at, in 2000, we spent the year really looking about credibility in the new age. We had 3 major questions. What are the challenges to media credibility? What are the core ethics and values of traditional journalism still relevant to the digital environment? And are consumer views different from journalist perception?

It was a year-long study funded by the John F. and James L. Knight foundation which we always have to thank our supporters. I learned that very well at NPR. The directors of the study were Howard Fenberg, Martha Stone, and Diane Lynch was the editor. I'm just a presenter. Don't blame me. Let's talk a little about the survey itself. We did two major groups. We surveyed the public - a representative sample of over a thousand online users. We interviewed them from July 3rd to July 16th. The average interview lasted about 15 minutes. Then we had a self-selected group of broadcaster - all journalists - broadcast print and online. There were a sample of almost 1400. 685 of the self identify as staff members. 712 self-identified as editors. And they talked for about 21 minutes. There's a plus or minus factor in the study of 2.5%. We asked them key questions. What are the perceptions of credibility for online news? What attributes contribute to story's perceived credibility? Where's the line between content and commerce and how do interactivity and immediacy affect

credibility? All questions that you might think we didn't need to ask or answer, but what we really want to get down to the core notion of, are things different in a digital age with a different delivery platform or are they same as the traditional media? So let's get right to some of the study results.

There we go. The online public credibility rating. 82% of them said that cable TV news is credible and probably why they're more credible. National newspapers ranked second for the online public. And third, only about 1.5% behind that, followed was cable news websites. So Carin, you should be very proud and same with you Bob. The yellow area circled in red say basically that online consumers say they don't know. So there's a whole section of people that studies say they haven't made determinations about credibility. That's an important thing to remember as we go through the study.

Lets talk about what the journalists said. Some of the comments that they made is, I think national broadcast television is very credible and I think the website created by the same news agencies are equally credible. Kind of make sense? Brand to brand. After using other news methods one person said, "The news websites appear to have the latest news and to be most accurate." And finally, criticism. "Poorly written, incompetent small-town newspaper and the website is worse." We'll talk about local/national and obviously a trend as we heard in our first panel. There is a difference between national and local.

So now let's talk about what the media respondents had to say. Basically, the journalists were more than likely to have an opinion on online news. The difference is whether the source is local or national. It wasn't cable versus national news. The top four news sources rated by the journalists were all national outlets and they rated national newspaper websites as the second most credible source of news. A look at some of their verbatims - they were very scathing so we could spend all day talking about what some of the journalists had to say about online news. One was "An artifact, newspaper, magazine, book, that you can hold in your hand will always be more credible than ever-changing pixels. I mean there are just some things that you need a newspaper for." "Online news is not as credible for several reasons", said another person. "It's a new medium. Stories can be hacked by outsiders and God only knows who's running some of that news." Consumers fear the unknown for their credibility. I think probably the biggest issue that we're having and that we have seen in this study is the difference between traditional media journalists and their suspicion of "what are those online people? Who are they? And what are they doing?" We have just a couple more comments because there were so many choice ones. "The credibility of online news is more unstable because there is more chance for error. It could come from being rushed to be the first with the story or it could come from laziness and knowing that if the information is wrong, it can be removed with little effort. It is very easy to change a story once you put it up." "Newspaper have higher standards have higher standards in terms of accuracy," says another person. "In terms of accuracy, resourcing, completeness, balance and fairness. Online news sources are more concerned with getting the news posted as quickly as possible. They have fewer or less experienced staff and they don't have standards that are as stringent." That's the perception of journalists about online news.

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So what have we concluded? Well, the public has basically accepted online news as another source for credible news, but as we can tell, the journalists have kind of strong opinions and they are more concerned about digital news credibility than the public. Journalists also appear to consider national news outlets as more credible as local sources. Branding is important. And I think that as we drill down a bit into some specific key areas we'll see how that comes out for both the public as well as the journalists.

So let's talk for a minute about story credibility cause that was overall organizational credibility. Now we're going to talk about story. We'll go down to the site and then we'll talk about one or two business issues and I'll wrap up. So what makes the specific story credible? The drivers of the online story credibility really turned out to be accuracy, completeness and fairness and basically they're key to all forms of journalism - not just online. So if we look at the results we can compare both the online public as well as the journalists. And they really come out basically the same. The public basically wants accurate, fair, and credible stories. You know, is that too much to ask for? If completeness in reporting are the most important for both readers and the journalists.

The presentation techniques the multimedia capability, as much as we like them as journalists to deliver new meaning - as we talked about in the last panel - are not as important. Not as important credibility drivers. That doesn't mean that's not going to drive somebody to a website and have them spend more time. We're just talking about credibility and news right now. And journalists and consumers both ranked the separation between advertisements and news stories as 8th and 9th on a list of 11 attributes. So 11 credibility attributes ranked 8th and 9th of the separation of ads and news.

So what makes a site credible? We can look at some of the key drivers on this sheet and see that there are 3 main attributes: constantly updated, site is from a recognized organization, and accuracy. It's really a key driver. If you have an old smelly site, so to speak, it's going to appear that you're not very credible because you haven't kept it up to date. And it's more important for the entire site than for individual stories. There are - actually we found that the public is very forgiving about individual stories - when it was updated. They don't really know who's first to publish. They want to make sure you're accurate when you do publish. It's a really important thing for all of us to remember. It's really important. It was actually more important for the public than the media respondents. Brand recognition is more important for media respondents than the online public. And that probably has to do with - it was a self samp point of journalist. They probably came from major organizations and they trust different news sources. The public thinks, you know, if channel 4 in Spokane is their news source, they trust them because it's their local news source. So if they're online, they tend to also trust them equally as they would just being a regular TV station. Although we know that broadcast and local outlets are kind of way down the food chain in terms of credibility.

So is online news the most complete form? And what I really like about this - and I think why it's so important - is I think one of the best things about digital journalism is that you can publish so many different things. So President Bush yesterday spoke

about the Mideast. And you may be able to read a whole transcript in the Washington Post or the New York Times today. But chances are you're not going to read the whole transcript in your local newspaper or USA Today and you're certainly not going to get the whole 30 minute speech or however long he spoke on the 30 minute nightly network news. But you can do it online. So not only can you get the whole speech online, but you can also get key components of that speech. And you can also talk about the speech. And so, that I think is one of the great things about online and I think that the online public basically has decided they don't know what is the most complete form - but 47%, almost 50% of them were neutral as online as the most complete. And what the people who helped us do the survey say is that's a really good sign. That's a place that us as online journalists can win the audience. If we can start saying, you can get this, that, and the other thing and comments on this story online, then we have a chance to say, here's why online really differentiates from our traditional media partners. The media respondents disagree as most journalists would say. If I write a story and I have condensed the facts and I analyze what President Bush said, that is going to be very complete. So I think that's probably why the media respondents tended to disagree with online being the most complete form.

Now we get to some of the good stuff. Do business interests influence the site? You can read yourself. Basically the online public, 65% say they agree and 32% of the online journalists disagree. Is there a difference in what they're saying? A little bit. The separation of advertising and editorial - 72% of the online public says it's extremely or very important to have that separation. 86% of responding media said it's extremely important. Even the appearance of having advertising and editorial together can really be an issue. We had that debate at NPR for the 5 years that I was there. Should we link to Amazon.com to sell the books and CDs we talk about on the air or should we not? Five years we had that debate. There are still no links to amazon.com in that capacity at NPR. I'll let you draw your own conclusion.

One quick case study. CBS MarketWatch. We don't have anybody here from there but I don't think that they would mind us talking about their site. In February of 2001, they had a raging debate and they went with this. You can kind of see right here. If you see my cursor, that says "Budweiser". And so on the back of their stock quote pages they put a background for Budweiser. We'll call it wallpaper. So what happened? As you can imagine there was a lot of debate before and there's certainly much more debate after an online site does something new. One of the great things about online is that we can try all these new things and then we learn our lessons, we create standards, we do a lot of things after we try something new. So the critics said the ad logos behind the editorial content was too tight of an integration. It was really too closely integrated. MarketWatch said, it's like a scoreboard backdrop on quote pages but not on story pages. Their process now - I think it was before, but it's certainly very spoken about now is that they vet unusual campaigns. Ads that block or impede stories are not allowed. So that you're not going to see an ad hijacking a browser as we talked a bit in the last panel. And about a third of all the ads that are conjured up are rejected. So that there is a process. I think that this quote really kinds of sums it all up. A MarketWatch editor said "What I asked myself in every one of these situations is, could a reader be led to conclude that there's a conflict of interest between the journalists and the advertisers by looking at this

page? If the answer is yes, then it doesn't pass the smell test." It is not the conflict, it's the appearance of conflict that is most important. So where does that all leave us? We've drawn some conclusions and strategies for enhancing credibility

The first thing you can't see is "Hire journalists". You know, it's important. Doug said it and I think that most of us that have hired people to deal in online news rooms realize that we've hired journalists. You need to hire journalists to do editorial content. You can teach them technical. You can't teach them 101s that you're learning in school. That's why it's so important that you're in Journalism school. What we need to do internally in our organizations is make sure the other people in the organizations know we've hired journalists. At NPR, we hire the White House correspondent for one of the wire services to run our political coverage. And we still had questions about her credibility.

She was the White House correspondent. I rest my case. Train your staff. It's one thing that you need to do offline and online. If the staff doesn't know how to know the standards and practices of the main organization, they're going to get nowhere. One quote from the test group said, "Online reporters tend to be young, less experienced, and much less well paid and nowhere near as well supervised as edit or edited as journalists working in traditional news outlets." That tends to be true, unfortunately, for most online news rooms. Train them. Establish standards based on highest journalistic ideals. Implement them and broadcast that you implement them. One of the credibility factors is, if you have a standards in training practice, put it online. Tell the journalists in your organization it's up there, but tell your readers, viewers or users - however you want to call them online - that you have established journal standards. Interact with the audience. They want email back. They want to hear from you. One of the credibility factors that has been talked about - not in this study but just as journalists and other analysts talk about it - is if a writer has written a story, do you give their email address and can they respond to users questions? And that's a debate raging at many organizations, but it's one that helps the credibility of that organization. Admit mistakes. One of the great things about online is that you can correct a mistake. But one of the things that I think many of us that have done online news sites have a problem with is that we just fix a mistake and we don't say anything about it. So tell you readers. Have a corrections policy and publish it. And finally, when it's an ad, say it's an ad. Let's make sure all sponsored content is clearly marked that way. If it's an ad, maybe you don't say it's sponsored. That kind of conjures up other things rather than this is an ad. So clearly label and you tend to get away with other things. I went through very quickly the highlights of the report. You can get the whole thing at www.journalists.org.

MAX McCOMBS: Thank you very much MJ. We do have a very full program this morning, so I'm going to hold questions until after all four presenters have had an opportunity to speak with you. Our second presenter this morning is Beau Brendler, Director of consumerwebwatch.org.

BEAU BRENDLER: Bear with us for a second here. So let me tell you a little bit about what consumerwebwatch.org is. We're based at Consumers Union which is the non-profit publisher of Consumer Reports magazine. And we're supported by grants from the Pew Charitable Trust and the John S. and James L. Knight Foundation who

also supported ONA and the study that MJ was just taking you through there. And also the Open Society Institute. We're actually launching in a little less that two weeks at that URL - I realize it's sort of "org" there at the end, but it's www.consumerwebwatch.org. Really what we're intended to do is to look at kind of the web in general and most specifically e-commerce sites and sites that sell things to do research to kind of identify where some problem areas are.

Sort of follow up that research with talking about guidelines for these specific sites, for specific classes of sites to give them ideas of ways to help improve. And then further on down the line, probably 6 or 7 months after, do the research and talk about the guidelines, our intent is in the way the Consumer Reports online has done for a number of years to actually do ratings of websites. Not content websites. Really the focus more is on e-commerce websites, but one of the reasons that I'm glad that I was asked to join you all here is that our first research project is done just prior to the launch here, and some of the results did include some data from content sites that I thought might be of interest to you and in fact is sort of complementary to what MJ just went through. Basically, and I should say, we haven't talked about any of these results yet so the first time we've actually gone public with this stuff is here this morning in Austin. So come back and see us for more details on the 16th.

But you can basically see here - in a way this is a little bit of a comparison of apples to oranges - but what it indicates is what our research said about e-commerce and consumer advice sites. So sites where you can buy things and sites where people tell you about which things to buy. At the bottom there you see - and I apologize for that not being so clear - but that websites that offer products and services for sale basically are at the very bottom of trust factors that include other organizations like small businesses, newspapers, and television news, health care companies, the federal government. So people's trust in the federal government as an entity - and I should be very clear - not federal government websites, but the federal government as an entity. They trust that much more than they trust websites that sell products and services. And I wish the words on that were a little bit clear, but I do have copies of this stuff if anybody wants to look at it afterwards. In the data we found a lot of the same things that apply for what UNH study did, also applies to people who look at e-commerce sites.

One of the most interesting findings to me was that as far as readers or users are concerned, being able to trust the website is now something that they rank as important as it being easy to use. And that seems very interesting to me. I mean it's literally as important as you see by the way the numbers break down there that a consumer feel, that he or she can trust the information on the site than it is to be able to actually us it.

Again, we saw that a lot of things that consumers want from websites is summed up by disclosure. Disclosed factors consistently important to users. Ownership and business relationships - don't hide anything, be clear about it. We also found that seal of approval and displays of awards are not as important to people as we thought they might be. There are a lot of seals of approval out there specifically in areas like health care and there are other sectors in e-commerce where seals of approval has kind of proliferated and consumers don't necessarily see those as a trust factor,

which we thought was interesting. Again, this applies directly e-commerce sites, but I've sort of found it interesting, given what I did for a living before this, that some of the very same things we're talking about here in terms of consumer trust and places to buy things are very similar to the things they want to expect and the things they identify with trust and credibility on commerce sites. 95% - a very strong finding and they want clear disclosure of all fees charged, disclosure of how their personal data would be used, a clear explanation of when products will be delivered and what the delivery policies are of the site, a statement of its return policies, and, one of the most obvious things, disclose where the site is produced.

We all know how this technology works and service can be on one coast and the producers can be in another country and all that sort of thing. And they also want to know from news and information sites, by the way, where they can literally get ahold of a human being who can help them cancel a transaction or who can answer a question or who can just sort of tell them something, or even to be able to correct wrong information. I included this in here. It's not really the focus specifically of what consumerwebwatch is about, but we did ask some questions about news and information sites. And as you'll see, these mirror in most regards, pretty closely what you guys found in your credibility study at ONA. Or actually I'm a member of ONA, so it's sort of one big happy family.

Disclosure of the site's privacy policy is very important. That was the number one credibility factor actually to consumers looking at news and information sites. We found that not only do consumers understand that there is a difference between it. They're more savvy I think given that data that we saw about what the meaning is of separating out advertising and editorial than we might have thought. And they think it's very, very important that advertising be clearly labeled as such and distinguished from news and information. My little notations there - just 59% say very important - which was the highest end of the scale and 25% said somewhat important. They're very interested in email addresses for the editor or people responsible for the content of the site. They want to be able to try to interact with the folks producing the site. A prominently displayed page for corrections and clarifications, they would like to see. And again, a detailed masthead. Because sort of what the data is telling us is that people want to try to feel like they can connect with some of these entities and have a dialogue or talk about information that's important to them, or even correct information that they might find that's not correct. And disclosure of financial relationships with other businesses. So the factors that really came through for us in the questions we asked about content sites were: disclosure, disclosure, disclosure. Don't hide anything. Sort of very easy concepts, really.

Just don't hide anything. Disclose fees up front. Don't make people go all the way to the end of the transaction before you tell them that you're going to charge the $20 to ship something. Lessons that we can all learn that we've all experienced ourselves, I think. And the corrections. Display a page here corrections are, or correct information quickly. We all know what a dynamic medium this is. And also, there were some concerns that sort of prompted us to say, whenever possible try to make sure that there's no allocated information on a site when that might mislead consumers. All of us know what it's like to try to date stamp everything and keep everything current 24/7 and that's not really the intent here. The intent is just more

so that people don't come across information about stocks or information about various health care treatments and such that might lead them to make a choice that hazardous to their health or to their 401K and privacy.

Another factor that we believe will lead to increased credibility on websites is that on a lot of websites, and not necessarily on news sites, but on a lot of websites this information is there and most of the best websites are already doing these kinds of things but sometimes it's hidden or sometimes it's not set in one particular place. It's hard to find and all that sort of thing. So we're encouraging as a part of these guidelines, that websites keep all this information in a relatively easily accessible place. The other result I just wanted to mention - it's not listed here in the PowerPoint, but we also found the same thing in terms of credibility and our survey readers generally attribute the same amount of credibility to an online brand as they attribute to the offline brand. So the Washington Post - it's credibility as a newspaper and its credibility as an online website are roughly the same. Consumers and readers correlate them almost identically. Same things with ABC news. So, that actually is it and we have some mouse pads back there and little tchokes and things like that for you to take along and we hope that all of you will come and visit us in two weeks. Thank you.

MAX McCOMBS: Thank you very much Beau. Our third speaker this morning is Dick Bennett from the Audit Bureau of Circulations Interactive. This will be technology take 3.

DICK BENNETT: Good morning. Maybe that shouldn't be too much of a surprise. I'm a little different, I think, than a lot of the people that are going to talk to you today. I'm an information systems auditor which makes me a combination of a bean counter, a regular auditor, and an information systems professional. Some how or another we got this to work, but I'll take the credit. I'm going to talk a little bit about measuring interactive activity today. We get exposed to the different kinds of measurement that are going out there in the industry. In many cases, we're asked to review it, we comment on it. Also, being an auditor, I'm a skeptic. Our job in many cases is to surface what's bad about what's out there, hopefully with the idea that it can be fixed. So with that I'll try to get started.

I guess the subject here that I was asked to discuss is, tell me something about the audience that's out there on the net today. While there's a number of questions you can ask about the audience, what I'll do is I'll give you the state of affairs as I see it today - or as my organization sees it - what we learned, where we think we are today and what we're actually doing or what we're seeing is being done to improve measurement today. Because frankly from my perspective, we've got a long way to go as far as measurement is concerned. Maybe also I'll make a real general statement. There is no perfect measurement system out there for really any transaction-based activity. I can tell you I've been involved in financial auditing - there is no perfect measurement system for financial statements. There is no perfect measurement system for circulation for newspapers and magazines just as there is no perfect measurement system for interactive activity. What you're doing is you're trying to apply theory and you're trying to measure transactions and lots of times you have problems doing that.

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A little bit about my organization for those of you who are not familiar with it. We were founded in 1996. I'm talking ABC Interactive here. We are the largest interactive verification company out there today with over 200 clients. We do over 100 website audits a month. And we've got some fairly well-known marquee clients. We are a wholly owned subsidiary of the Audit Bureau Circulations which is the largest print auditor in the world. We're a tripartite association which really is a combination of publishers, advertisers, and agencies working together to come up with common standards and a method of providing circulation information out to the industry.

My folks audit from a media perspective which is a little bit different than other kinds of auditors. What I really mean there is we are focused on a planning, buying, and proof of performance perspective and we're talking about interactive activity we're really talking about the opportunity to see, not the measurement of an electronic transaction. We really provide three primary services. We audit websites and their activity; we audit ad activity so DoubleClick is a client of mine. The activity that they serve and measure. We also audit email activity. I got a bunch of bosses out there. These are all largely association types, but for those of you who are not familiar with acronyms, let me go down the list. The Interactive Advertising Bureau is obviously very influential in this space. The Online Publishers Association - they don't really compete - they've got a little bit different agenda, but they also give me plenty of directives. The Advertising Research Foundation, the Media Ratings Council who is another company who is primarily focused on the auditing of research companies rather than the auditing of census-based or circulation type companies. The Association of National Advertisers and the 4As, the American Association of Advertising Agencies. Then I've got this 34 member Board of Directors who has a lot to say about what I do. And we also have an Advisory Committee of folks who are focused in this particular space. We're a little bit off here.

Really there's a couple of major kinds of measurement that you can do for interactive activity. First off is research. You've got the syndicated research companies, the Jupiter Media Metrix sys, the Nielson Net ratings, and I'll call it the con scores of the world. And then you've got census-based measurement. I'm sorry, they you've got custom research which actually there are many companies out there that you can hire to measure anything you want about your website or other service. Over on the census-based side, really what we're talking about is log file based measurement there. You've got really two subsets there. You've got an inhouse-based measurement which is actually where a website - let's say like a Washington Post will actually measure their own activity with their own people. New York Times does that where they're measuring their webserver logs, they're measuring from their ad server logs or they're using some other beaconing technology out there right now which appears to be the hot growing technology. Also on the census-based side there are a number of commercial services out there who will - you can either send your logs to them to measure for you or they actually have a beaconing technology where you can tag your pages and they actually measure you remotely.

There's problems with every one of these different kinds of measurement. There are things that you can get from each one of them that are different from the other

ones, so in many cases I'm really a proponent that you really have to kind of use them all to come up with the true facts about what is going on with a given website or given program that you're running on your website. But to talk a little bit about syndicated research, you can come up with an audience size estimate for your website and you can do that consistently measuring across a whole volume of sites. Actually it's really kind of slick the way syndicated research works. Syndicated research obviously is used for broadcast media, radio, and TV and also for magazine and actually for newspapers - primarily local newspaper markets. You can also come up with a degree of demographic information associated with each one of the properties that are being reviewed. And actually you can get some depth of information by channel. There are obviously a number of other things that you can get out of syndicated research but these are kind of the highlight items that I see that a lot of buyers have focused on.

What are some of the problems? Well, the syndicated research companies have obviously taken some licks in the marketplace as some of the log-based measurers as well. And hopefully my friend David from Jupiter Media Metrix won't hammer me too much for this. But some of the problems that we know today - the sample sizes are small. It's pretty tough to get some accurate measurement from small samples. There's some questions about sample representativeness. The sample that you're actually analyzing representative of the population and how much waiting do you actually have to do to project out to the Internet population today. There's some issues with whether or not they can accurately measure international activity. I can tell you that I get exposed a lot to a lot of local newspapers so not only can we talk about U.S. and international, we can also talk about some problems that go on in local markets where a lot of people feel that they're not being measured accurately. We obviously have the problem with a very small sample of at-work respondents that these syndicated research companies are able to measure. We also have the problem of what goes on in the educational environment. And we also, there also are some questions as to whether or not the response rate that these companies are able to measure is high enough to give reliable results.

I also have a couple of my own little issues that I don't know whether or not they exist, but in my auditing of research, I always like to ask the question is: are there some things going out there that are tending to smooth the results over time or are there some other issues about how projections are being made which tend to make the numbers look a little better than if you got them at a little rawer level?

On the custom research side, you've got all kinds of opportunities for measuring activity or measuring audience. Really you can kind of do what you want. But there are some problems associated with that. Most custom research is nonstandard. It's really done the way the client wants it done. Thus you're potentially going to have issues with methodology and issues with how things are summarized. I know of a couple of major buyers in this country - major advertisers - who don't want to be subjected or have to review any custom research because they realize that normally somebody who is trying to sell advertising space is trying to make themselves look in the best light possible and as one of my people in an analysis I asked to do here a couple of weeks ago. He says, Dick, he says, I can make these numbers look any way you want them to look. So there's a lot of skepticism out there on people

looking at custom research unless they can essentially take a good look at the entire program, the entire project such that they can understand it.

The other issue that I have seen with custom research, and I primarily am focused right now in research that is associated with popup screens on websites. The response rates are notoriously low and the problem that you run into with very low response rates is that you're ending up with largely just cooperators who tend to have psychographic and demographic profiles that are very different from the entire population. At least from what I've seen. I'm not saying that this data is not valuable. What I am saying is that there are some issues with how it's created and you have to be careful as to how you use it.

Over on the census side. Really, the log file side, you've got a number of metrics that can come out of looking at a log file. You've got page views. We talked a little bit about that before. Visits. You've got unique visitors, which really is unique browsers, it's not unique visitors. You can talk about where people come from - the domain that their IP address is associated with. And you can in many cases get some fairly accurate numbers as to whether or not they're in this country or they're outside this country. There's a lot of opportunities that you can get out of looking at a log file. What are the normal people that come into a site? If you - you can define that any way you want - but actually I can tell you that there are some very interesting things that you can learn when you try to define what normal is for a given website. There's the other piece that we find actually very interesting is what we have been terming in our place - the one-hit wonders - the people who come in for one page at a time. And why they come in, and what they do, and how often they come in makes for measurement of them in many cases, very difficult. What people do when they visit, how long they stay, etc. etc. Then the actually the bottom line that people like to see is reach and frequency.

There's a lot of problems with log-based measurement. Page views. You've got problems with browser catching, proxy service cashing, you've got all kinds of problems with spiders and bots, newspaper sites can just hammered by robots and spiders. You also have some issues with how people count things. Frames can be a big problem. Visits. Visits might not be too bad, except you've got to define the user. If you can't define the user, you can't really measure a visit. So we've got all kinds of issues with unique visitors. Right now we've seen there are 5 different methodologies - largely 5 different methodologies employed for unique visitors. We have found in an analysis that we did on four different sites - depending upon which methodology you used to measure unique visitors, you can be 100 percent different in the numbers that result. So we can spend a lot of time and try to improve the methodologies employed to measure unique visitors from log files.

You have some big issues with users who don't accept cookies or users who come in without a cookie when they come into a website. And then you really have an issue that a lot of people have a lot of trouble with is - can browsers really be considered as a surrogate for users? Because depending upon the site they may be able to or they may not be able to. We did an analysis for a few clients here in the recent past - and I'm sorry this is a little low - and we actually showed some actually astounding differences between the measurements of unique users and page impressions for a

handful of sites that actually paid us to do this. Where the log file based numbers were significantly above the research-based numbers, the syndicated research numbers. There's a few reasons for this. But I can tell you, the reason why we were hired to do this was because these sites felt they were being undermeasured. I don't know whether or not that is true for the entire population, but it was true for these particular people here.

In 1999 the (inaudible) organization/IAB - we actually did an analysis for them with media metrics called a reconciliation study. What this graph tends to show Is the relationship between research based activity and log file based activity for 30 sites for 2 months. As you can see, it's real - if measurement was perfect between the two methodologies, things would, all the points would sit on the 45 degree angle. As you can see, there wasn't a lot of commonality between the two sets of numbers. We started to do some analysis as to why those differences existed. We came up with a few things after that period of time but then we kind of lost track of what we were doing. Frankly, as we both try to move under the direction of making some money.

This was relatively small sites, less than 10 million page impressions a day, but you've got some pretty big sites that are that size. Over in the census based side; there are several things that are going on to try to fix some of these problems. First off, you've got to acknowledge that you've got problems and now you decide what you're going to do to fix them. First off, the interactive advertising barrel - along with ourselves and the media ratings council, came up with some new measurement guidelines. The next version or the next generation of new measurement guidelines. Getting more articulate but actually doing things like talking about you have to get rid of the automated activity when you do your measurement. Automated activity from what we have seen right now is the biggest sources of error in interactive measurement today. In some cases, running from as high as 30 or 40 percent of the activity on a website.

We are also doing some further analysis to improve the current guidelines that are out today. We have submitted back to IAB a spider robot analysis looking at 7 different of our clients and showing what those clients experience as far as spider and robot activity. How much of it they were able to catch and how much of it they were not able to trap. Essentially, it took trying to come up with some additional recommendations as to how that measurement can be improved.

We also have done, completed a unique user analysis looking at, like I said, the 5 different methods of measuring unique users. We fundamentally support the IAB's guidelines but we also say that there are several additional things that need to be done to those guidelines to make that measurement more accurate. We also are doing a test with CNet to look at two different kinds of ad measurement to see how different they are from each other. The Advertising Research Foundation has a digital media measurement Council addressing a number of these issues from an independent and somewhat more buyer oriented perspective. Actually last week, was a very forward moving meeting of a reach and frequency task force, last week that one of the major conclusions out of that was that reach and frequency models for interactive properties need to consider both pieces of information - census-based and research-based information in those models to come up with the most correct

decisions. So it's the first time I think in the media industry that that conclusion has been reached. I'm talking print and broadcast. We're actually doing some things with the Newspaper Association of America to look at the quality of measurement of newspaper websites. I'm not talking so much about the big newspaper websites that you're seeing here today, but I'm talking about the medium sized to smaller websites and what they're doing, what they're finding successful, and how good of a job they're doing. We're actually kicking around a couple of different projects for the Online Publishers Association.

I've got a little bit of a bias cause I'm from a print circulation auditing organization. We see some parallels to what is evolving out of the interactive area to being very similar to what has happened in the print, magazine, and newspaper industries. The ARF appears to be moving in those directions too. Some of your larger research executives today appear to be supporting that movement to maybe more parallel what's going on in the print arena. Use one measurement to supplement the other. Pursue reconciliation between the two different kinds of measurement. Let's see how close we can get them. Let's make sure we understand what the differences are and use census based information to reach and frequency models.

My conclusion. Interactive measurement is complex. It sure is not straight-forward like a lot of people think it is. Models are evolving and solidifying. They've come a long way in the last 6 years that I've been watching this. Relatively few people are following standards today, but the numbers are getting better. We've still got most people out there who don't know how or don't want to follow the standards. It's kind of a little note for ourselves, though. The accuracy of measurement needs some verification. Not only - it's not so much that people are misrepresenting what they're doing. I don't think in many cases they understand where they might be having problems.

That's all I've got. Thank you.

MAX McCOMBS: Thank you very much Dick. If I can use a baseball metaphor since the season is open now. Our clean-up hitter this morning will be Stephen Newman from the New York Times. Technology take #4.

STEPHEN NEWMAN: Our previous panelists have given you a very macro kind of view of the audience. I'm going to try to do more of a micro examination of the audience and try to provide a better understanding of who our audience is and what it is they want. And I'm going to take the liberty of probably touching on some subjects that really have to do with some of the panels we've heard. The panel we heard this morning on the new genre as well as where the money is. Cause really, when it all comes down to it, it all starts with the audience and it ends with the audience.

I ought to take you through all this and give you sort of a tour of some of the stuff that we're doing on nytimes.com. I should be clear about just how important the audience is. Everything we do in product development, in feature development, in site design, usability, even advertising and marketing innovation begins with setting down and doing user scenarios. We actually create fictional users based on what we

know of our audience, create the scenarios both from an editorial standpoint as well as from a business standpoint. And from there, we use those scenarios to inform our product development, our feature enhancements, our usability and then we go through several rounds of user testing to further enhance and iterate off of what we come up, come off of.

Who are the audience and what do they want? As I said, I'm going to give you a quick introduction to nytimes.com, talk a little bit about our audience, talk about how we leverage the medium to meet the needs of that audience, which will include also the general user experience and usability that we try to strive for on newyorktimes.com. We really are trying to be as significant in the digital world as we are in the print world. As we talked about earlier this morning, it's really become a major player in digital content and become more than just newspaper.com shovelware.com. It's really also about developing an industrial strength infrastructure to be able to do all these things. Not only be able to do so in creating a digital products and serving them news in a timely manner but also be able to innovate in the advertising, the usability, and really take advantage of the medium in those ways.

At the end of the day, there is the money factor here. And so really what we're looking to do is try to build diverse revenue streams. Then finally the great thing about the digital medium is that we can blow away the barriers and really enhance the reputation worldwide of the New York Times.

So let me talk a little bit about the revenue streams. Display advertising represents about 60% of our revenue. We can really provide a premium to our user base and to our clients because we have a rich set of information about our users. I'll be talking about that in a minute as well. Classified advertising and these marketplaces are another big area for us. The New York Times real estate site represents 95% of all listings in the New York area and we're expanding that to go national. We've also been working very closely with the news jobs area and that's become an increasing focus for us to try to wean back some of the business that we lost to Monster and HotJobs. Finally, premium content licensing is becoming a much more area of focus for us and I'll be getting to that again. It's a really fast growing revenue stream and then the question is well, is this working? The aha moment for us was actually reaching profitability in 2001, recording operating profits in the last 2 quarters of the year. We haven't been able to reduce our figures yet to this first quarter. Things are looking very good and our goal is to be fully operating - record a full operating profit for the entire year of this year.

Let me talk a little bit about our size. We're not quite as large as MSNBC and CNN. Of course we also don't have the television networks to take advantage of the cross-platform promotion. September was obviously a big spike for us in usage. We've been able to hold on to a lot of that audience in the 6 months since. We are the #1 largest newspaper site out there. It has been for the last 24 consecutive months. We also are a leader along with some of the other well-known brands in usage per month. The number of minutes a user spend online per month. And we have an actually registered user base of ten million.

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As you might imagine, our audience is very well educated, affluent and accomplished. We know this several ways through research that we have done but also through our registration which I'll be getting to in one minute. We've also seen an extraordinary drop in the age of our users actually since September 11th which is an interesting phenomenon. And we're really seeing that that younger audience is beginning to be attracted to the value that the New York Times can offer. And a lot of these people are folks who never grew up with the brand that are now beginning to get exposure to it.

Nytimes.com is very much a national brand. The New York Times is very much a national brand. And as you can see we also [I'm not sure if you can see the very bottom] but the international audience represents nearly 20% of the total so we are doing a good job of extending that brand nationally and around the world. It's really great having come from CNN myself as well, hearing stories about folks in China getting exposed to the CNN brand. It was great, but it wasn't such a big deal. Hearing stories about folks in China reading the New York Times is really quite astounding.

Doug touched upon this in the earlier panel and I think this is a really important - the way we produce and use, the way we present it. Daytime is prime time. We have a penetration level just as much as the entertainment and television world does in the evening prime time. That penetration level is just about the same during the day for us. So that has enormous implications on how we produce a site, when we post things, keeping the site up to date, etc. This comes from the Online Publishers Association, which the Washington Post is a member of and many others. But I think this is very telling about not only the business implications it has, but also the editorial implications it has.

Registration. We've talked - it's been something that has been talked about quite a bit in the whole debate of - should you go pay? Should you not go pay? Should you require registration? Should you not? We have believed whole-heartedly from day 1 that registration is the way to go. We've stuck to it and it's paid off. When it comes down to it, much of what we do is all about managing a database. And if you can manage a database and do so in a smart fashion, you're going to be able to not only better inform the product development you do, and better serve your users on the editorial side, but you can also do a lot more on the merchandising, the marketing, the advertising side.

So there we have it. All of our article pages, tools, services, email, all of that require registration. The homepage and the section fronts are unprotected. And we also distribute it some full text content to some of the larger partners out there that are also unprotected. Forty percent of our traffic is on the homepage, which is quite considerably down from the highest 60% before we did our site redesign. And we've really seen that registration has not affected site traffic that much. Scale is very important to us. Don't get me wrong. But what's also very important to us is revenue per user and we're able to increase that by having that information on our user. And we haven't seen a very dramatic rise in the penetration of users behavior in to the site when we've taken registration down as we did in the aftermath of September 11ths and in a few other cases. And we use it very effectively and we're also very

clear about how we use this information. A privacy information policy are absolute core to our brand and to the royalty and to the trust that we have earned with our user base over the course of many years but we do use the information on an aggregate level - target advertising. We use it to inform our product development. It's a great retention mechanism. And it's also a great way to promote a expanded relationship with the brand. We find that last year, the nytimes.com generated 85,000 new credit card starts for the newspaper at the same time that the audience is going up on the site. So we're really seeing that the two mediums serve a different set of needs and we're not really cannibalizing on each other.

Now, it's one thing to have them registration. It's quite another to make sure that relationship and that dialogue is fostered and continued and continues throughout the relationship with the website. So our recent addition to our site has been the members' center which is an area for our users to continually update their information. Not only their registration information, but also if they happen to purchase any products off of our website, there's a place for them to go, centralized. A place for them to go to manage their premium account status as well as all their email preferences, their mobile preferences, etc. etc. So this is something that we've found has been quite successful without any promotion after a soft launch we found many of our users really interacting with this area of the site and finding great value in it because of the ease that we've been able to provide to them of finding everything they need to manage a relationship with us in one place. And the hope will be to build this out, to extend it to a global brand ID that will eventually cut across all of our platforms - the Internet, newspaper, television - our television offerings as well as radio and whatever else we might get into.

Now I'm going to talk a little bit about how we are leveraging the medium and using the information and really trying to extend the brand and the medium to fit the needs of our users. As I showed in the slide previously about the time of day that folks are using the Internet. It's obviously very important to keep this site up to date. We've heard in the research just before how important it is. We have an operation called a continuous news desk that actually operates out of the newsroom at 43rd Street. New York Times digital is actually in a building a few blocks away, but we do have a very close connection with the news room with our CND operation and they're working constantly throughout the day to keep the website up to date with well known NY Times reporters' names on these stories and it's really paid off. We're finding that the users are really into it. Another way is to use multi media. And multimedia isn't the silver bullet and you have to be careful about how you use it because it can be very costly. But I think one of the big success stories has been our ability to really enhance and to add value to what you can find in the newspaper. A great example of that is our photographer's journal. It's been traditionally that a photojournalist would go out, cover the store, send some photos back to the photo desk. They'd cut it, print it and that would be the end of the story. Well, we've taken an opportunity to use audio which is really the key here in terms of the economics. Audio is just an amazing resource. To allow our photojournalists to really enhance the story by creating these photo essays so as the user does a self-guided tour through these photos, they're hearing the audio commentary coming through from Vincent and James who are in Afghanistan and giving context to these photos that you're seeing. And it's been just wildly successful.

Another good example is the conversation that we do - again audio - where throughout the course of the day, we can have in Bernie Gordsman our four year veteran on the New York Times newsroom and former international editor can pick up the phone with correspondence in the field or in the newsroom and really provide added value, extra perspective on top of what you can get on the newspaper in a timely fashion. Again these are short clips. The interviews run anywhere between a minute and 3 or 4 minutes, but it really provides some great perspective on the breaking news and news analysis. Another thing that we're doing a lot of is interactive graphics. And again, it's a way to really take advantage of the medium, enhance the experience, and do so in a way that economically makes sense. And our coverage of the Enron story is one example of how we're using that.

Another area is, tying back to the revenue development, is taking advantage of the archives, the franchises of the New York Times. We're sitting on a goldmine of information news and there are really two models. One of which was alluded before which is the ad-supported model - the Laramie Project - and I'll get to that in a minute. The other is a truly non ad-supported but premium offering that is tapping into the archives and our extended franchise. So Glory Days, is a great example. It's a look at one of the greatest decades in the history of baseball in New York. My apologies to the Rangers and Astros. I should mention that I'm from Houston, so I'm a big Astros fan. But, you know, back in those years, a New York team was in a world series or playoffs 8 of those 10 years and it was a great time. We have a treasure trove of information. The editorial staff are the folks that put this stuff together. The non ad-supported premium products are purely done by the editorial staff as opposed to the ad support stuff which is actually not done by the editorial staff. And we've now made very clear that it's not done by the editorial staff. Then expanding on premium franchises like crosswords, are things that we are experimenting with, continuing to develop and seeing that it is actually working out quite well. We're not going to the full pay model. We're not going to be completely free, so to speak. But we're finding that because of the information that we collect on our users - their interests, the beaconing that we can do, the behavioral understanding of our users that we can segment that in a way to be able to merchandise to them products that make sense for those user groups.

Digital is not just about the Internet. It's also about other platforms. It's about email, it's about PDAs, wireless, etc. Email has been a tremendous success story for us. We have gone, we have invested a lot of time and energy in this platform. We believe in it wholeheartedly, not only in editorial side to enhance again the experience, but also on the marketing side. But on the editorial side, Today's Headlines is interesting. When I came on board in 2000, nytimes.com, there were 350,000 to Today's Headlines. There's now 3.5 million subscribers. The open rates on these emails are just tremendous and they really, they come back to the site. So it's an incredible retention tool, extend our reach, and it builds loyalty. And when you think about it, more people are receiving the New York Times in their inbox every morning than are receiving the paper in the analog fashion.

And on the marketing side, we're doing tremendous things there. Being able to not only market our greatest and latest editorial features to our users to make sure that

they're engaged, but also to provide opportunities for our advertisers. Half of our active users are signing up to at least one email, so it's been something that's been tremendously successful and something that they truly, truly want.

I want to talk a little bit about the way we've gone through and extended that toward innovation to advertising. Surround Sessions is the latest thing that we've introduced. What this is trying to do, basically… First of all, Surround Sessions is the ability for an advertiser to phone a user throughout a session. Right now, the metrics are based on - you come to the site and you are under 5 pages. We will not count that. We will not charge the advertiser and count that as a session. Anywhere between 5 pages and 10 pages, that's counted as a session. And during that period, the user is basically exposed to one advertiser. What's ground-breaking about this, and it's kind of surprising it's taken this long to get off the ground, is that what this does is it really builds on the broadcast model of reach and frequency. And it allows us to hopefully get the rest of all of you guys started doing Surround Session. Really begin to tap into the broadcast budgets which would do a tremendous amount for all of our bottom lines. So if you want to know more about Surround Sessions, I'd be happy to talk more about it. But we have found that it performs 4 times better than banners on message association and 3 times better from brand awareness and capability. We've had major national clients buying Surround Sessions and they've all been tremendously happy with the performance. But the key here is that we are moving away from the click and the click thru as a measure of success, which is our greatest downfall of sharing that information from the beginning, and going to reach and frequency which is a broadcast model, not only can tap into those dollars but moves away from the click which we all know. So that's Surround Sessions.

The other areas where we've done and tried to push the envelop and we're going to continue to do so in advertising, is the products that we've done like the Laramie Project which is the Mathew Shepard story and there'll be more to come. What we've learned there is that it's extremely important to make sure that you're properly labeling the stuff through visual cues and through outright disclaimers that this stuff has been produced not by our editorial staff, but rather by our product management team and that this stuff ultimately is really taking just stories that have been written, pulling them out of the archive, and explain them. There hasn't been anything further added to that in terms of editorial reportage. We're finding that the users are understanding this, they're getting it and we're able to provide users with exposure to content that had not seen the light of day or would not have otherwise seen the light of day. And Glory Days is a great example. We had to digitize a lot of that stock. But we're working with Don Halid to go back 150 years and digitize the full archive of the New York Times. Until that happens, a lot of the stuff is completely not available to users, and if we can surface that up, then I think we're providing a good service to our audience. And they're loving it.

Site design is extremely important. Again, the audience wants to be able to find things easily and to navigate around easily, so we've made it easy for them to do so through global navigation and unified search. And we've also been able to do so by, again, taking advantage of the technology. All of the content that comes over from the newspaper goes through a categorizer. It's categorized using a thesaurus that we've developed over the years with all types of metadata so that we can manipulate

and do things with this content that makes it - not only enhances the user experience - but provides additional value in understanding the story. So we can do that through related content. Again, we can do that through the merchandizing of content through contextual converse engine and we'll soon be able to extend that to textual covers and textual content even further based on behavioral profiling from users. Again, the beaconing.

Finally, personalization has been something that has been talked quite a lot about. Personalization is very interesting. I guess the days of the sort of - if you can do it you might as well do it - those days are kind of over. And I think you need to be really careful about what you do in the personalization area. We're trying to strike a balance providing an experience that can be tailored to individual users but do so in a way where the economics don't go so out of whack. On a site like ours, you can imagine the data measurement costs with millions and millions of users to getting too granular. But one thing we have introduced is Times news tracker which uses that categorization and taxonomic structure to surface topics that are relative to the story and then allow the user to further expand on this till we surface the topics on the articles. Allow users to then sign up for basically alerts, email alerts, of when stories are published on that story, on that topic. So they can do so either through the topics that have been categorized and surfaced to them, but they can also go in and create their own alerts through and get quite detailed on what they're trying to do. And tracker is going to evolve into further personalized service down the road. But we've seen it be wildly successful. Our soft launch was literally one month ago today. We've done really no promotion for it and users have already created over 100,000 personal news tracker alerts.

I know I've kind of blown through all this. I want to thank you. And if you have any questions I'll be happy to answer it.

MAX McCOMBS: Thank you Stephen. If all the presenters would wedge themselves back onto the platform now, we do have a few minutes for questions. The floor is open for questions. Who would like to go first? Mark.

AUDIENCE QUESTION: I think it was one of the questions on the blurb here while you were introducing your panel. Maybe each of you could give your opinion as to who the online news consumer is. Is it at this point just the general population demographic that you're looking at. That newspaper readers and the television viewer? Is it that person or is the online news consumer different in some ways?

MAX McCOMBS: Jay, we'll just start and come down the table.

MJ BEAR: I think it's both. I think the online news consumer is your general person interested in news and information but somebody did this study that came out - Pew, was it the Pew study that came out over the fall after September 11th that 13% of online news users online news is their primary source for news and information. I think what we're also finding is that people are using several mediums in their day to consume news and information. So they may listen to the radio or watch the television when they wake up. They may read the newspaper or parts of several

newspapers and then they will check online for their favorite news sites or portals several times a day to get updated information.

MAX McCOMBS: Do other presenters have…

STEPHEN NEWMAN: We're finding that we have very loyal newspaper subscribers who are frequent visitors to the website. An interesting example are our crossword fanatics. They are all over our site - just all over it. And they subscribe to our crosswords product and they probably do in the paper as well. So that's an example, but we're finding that, as I said before, that the audience is getting younger. We're introducing the brand to a new generation, which is great, and we're really seeing that there is a wide spectrum of folks out there who are increasingly relying on the Internet in their circuit. It's about a circuit. People have circuits for different things. And in the circuit of news, we get a lot of Drudge Report people too, so they come from all over and they include the Internet in that circuit.

MAX McCOMBS: Thank you. Another question?

AUDIENCE QUESTION: Yes, do we know anything much at this point about the demographics when it comes to age or the generation? Do we know if most of this resource is still dedicated toward, as you said, the readers and viewers of traditional outlets and brands. What do we know about the new kids in the next generation who are coming up? There has been much said early on that the Internet was going to fragmentize - that they're getting their information more not from these brands but web logs or other alternative type situation. Do we have any evidence that that's still occurring or what do we know about the audience that's coming up from the earlier days?

MAX McCOMBS: Who would like to field that? Who has any information on that?

MJ BEAR: I can't quote any studies, but I think what you're finding is, and I think the New York Times is showing that their demographic has lowered is really key, especially post-9/11. You are finding younger demographics coming online for news and information where they wouldn't have before. They may have bumped into it and that has been proven in studies as a factor. So they'll be on AOL instant messaging their friends and they happen to see a headline and it may lead them somewhere from the homepage. Same with Yahoo. That's one of, I think, the greater benefits of having so many news outlets provide on the portals is that people tend to bump into things online that they aren't searching for, but they really like it anyway.

BEAU BRENDLER: At Consumer Reports, it's actually kind of an interesting - consumer reports and consumers are interesting just generally because they're unique organizations. They're sort of part activist, they're part journalistic new organizations, and they're also scientists that like great stuff. So really the demographic for a lot of the stuff that's online for consumer reports is getting much younger. Consumers Union launched Consumer Reports Online to try to capture younger readers because I think the median age or the general age of people who read the magazine is about 64. They also have a couple of newsletters that are in the same category. One is on travel and one is on healthcare. They are successful

newsletters but their age is 64, so Consumer Reports Online has been incredibly successful. In fact, it's the most successful subscription website on the Internet. It's just surpassed the Wall Street Journal by 200,000 page subscribers. Ironically it's a nonprofit, but then so are all of you. That's right, sorry. Present company…. I don't know what that really tells you, but..

MAX McCOMBS: Thank you Beau. Other questions.

AUDIENCE QUESTION: I wonder if you could address the emailing of web pages. Dick, you mentioned something about tracking email. I understand anecdotally, that a story now might reside in an archive or be 2 or 3 days old and this is particularly true of CNN and all of a sudden somebody will discover it and start emailing it out and then word of mouth and then the next thing they know is that it's one of the most heavily used stories in the database. And that it just sort of happens overnight and there doesn't seem to be much known about the mechanism of this or the volume of it. Do you have any way to talk about it - the numbers?

DICK BENNETT: You know, we've seen some of it in our audits. I know that it happens because I know it happens to me. That I'll actually probably be part of the group as something starts filtering out. One of the things that I can tell you but I know I've seen it is that one of our auditors might run into it in an audit and they're wondering, why did this happen? What is actually happening here? We actually have to go through a practice verifying that actually it was valid. I don't know how often it's happening. I just know that it is. And actually newspaper sites seem to be more prominent with it than some other ones.

STEPHEN NEWMAN: Just again on the micro level, I can tell you that the "email this article" function that every site has is just extremely popular and we're doing billions of them every day. So it's out there. Measuring it… Please measure it!

MJ BEAR: Well anecdotally, what we found at NPR prior to ever putting the "email this article or this story" or this audio function up on the site, was that we would find a tremendous volume of audio files that were listened to that was equal to the number of unique visitors. And we know that not everybody that comes to a website is going to listen to audio. So what we were finding is that before we got the email this story function, people were doing it on their own. And because the way to audio on the NPR site is configured, is, you have to be connected to the server so that you're able to actually count a unique user. That's one of the few things I think that's somewhat of a pure count. Or at least every time somebody is listening to that. So, anecdotally.

STEPHEN NEWMAN: For the 24 network, especially CNN. But for the New York Times, until the Internet came along there was no way to get the New York Times, not to China, let alone parts of Idaho. You know, so that's had a huge impact on our ability to get our brand of journalism out there. But just in terms of measurement, we wish there was a more accurate measurement because we do believe we have a great penetration overseas and part of how we measure is also through registration so we can understand a little bit better about our audience because we ask, where are you coming from?

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AUDIENCE QUESTION: What proportion of your audience…

STEPHEN NEWMAN: 20 percent. Just under 20 percent.

BEAU BRENDLER: When I was with ABC news - it's been about a year - it was about 20% of our audience was international and we as journalists, found that fascinating. We were very interested in that. We loved to sort of look at the various IP addresses and determine where people were reading from. We found that terrific information. But the financial folks - really the international audience is treated with disdain and looked upon as something that was just … there was really no concern about them whatsoever simply because the bromide is that advertisers don't want international traffic and all that sort of thing. I don't know if that's changed after September 11th. It's quite possible that it has but I would doubt it.

MAX McCOMBS: Dick, any additional comment on measuring the international audience?

DICK BENNETT: Well, you know, you've got some ability to measure international. We see it kind of for raw numbers going anywhere from 10-25% based on the site. But you have some real big holes in that. You've got on the average for a lot of sites 15% of the traffic that's not resolvable. If you work real hard you might be able to squeeze that down to 10%. We're actually looking at a couple of companies that claim they can do better than that. You've also got American Online who can be a real large piece of the traffic of a site and if somebody is coming in internationally on American Online, you can't tell that's going on. They all look like they're coming out of Reston, Virginia. So, you can do some things and then try to project from that, but yeah, there's a lot of slop in that number. But you look, based on what I'm hearing the New York Times saying, and I think we're auditing that number for them anyhow. That's reasonable based on what we are actually seeing today across a number of different clients.

MAX McCOMBS: Thank you.

AUDIENCE QUESTION: My question is for the New York Times. I wonder, is this any kind of impact in the way that the website is initially determining the needs of the audience and the way that is going to be configured to what's actually in the print world? Is the online code made to modify also the concept of you how - that you have produced your information? And my second question is, What has happened with an audience that isn't there but cannot be measured does not respond or is linked to the commercial needs, the commercial flow of revenue in the newspaper both in the online and flow online version? Are you considering the social factors, the social obligation, and social consciousness for policing this?

STEPHEN NEWMAN: We have worked really hard as you heard from Doug with his efforts in the Washington Post to really try to get involved from the ground level more and more as much as we can in the planning process, in the enterprise planning. And we're seeing that begin to make real inroads there. Just right off the top of my head, they're not specific examples I can think of where what we've done

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has had impact on the newspaper itself from a sort of product standpoint. Although there are times when we are aware that the breaks in news - during the day first and it later appears in the paper. But what it has done is that we've been able to somewhat alter the role of the staff in some ways and I think that's an uphill battle and I think we're getting much better at it. I think it's the Photographer's Journal is an example of that with the photojournalists, as is Floyd Norris taking time out to do a quick sit-down audio interview. William Grimes going on a video restaurant tour with our video staff to give a behind scenes look at the kitchen and the food at some four star restaurant. So we are seeing the symbiotic relationship grow and I think it's a benefit for both the readers of the newspaper and also the users of the website.

Can you repeat the second question?

AUDIENCE QUESTION: …. Basically related to the question of how, is the concept of audience something that is going to be measured by connectivity think that you cannot measure what they are feeling. I'm talking about the ethical foundation of the product you have. Are those parts possibly measured in the sense that would be concerned about what you putting out there for the general public?

STEPHEN NEWMAN: The New York Times - you know the sanctity of the editorial staff and the advertising staff is the New York Times. Everything we do is rooted in the notion of making sure that our trust, the brand, the credibility is all going to be protected. And so we're finding our way. This is a new medium. And it would be wrong of us to kind of shy away from trying new things because we're afraid of what that might bring. We've got to engage in a conversation with our users and really listen to them. And that's really what I talk about in going back to … You know, it can't be measured in quantitative terms, but it certainly can be measured in qualitative terms. So we start by understanding our audience, creating user scenarios to inform what we do. Everything from the production of the news - and the display of that news, but also on the sales side and what we're doing with advertising. And then do usability tests and really, if what we find is not working, then we go back to the drawing board and we try to come up with another rev. And I think a good example of that is the evolution that the sponsor archive feature has taken on in only 2 revs from the Tolkin archive project that we did now to the Laramie and it's even getting further developed. We're listening to our audience. There's a customer service feedback. There's direct links to Arthur Solzberger himself and we're - and to Martin Niesenholtz and to Bernie, our editor. And we're listening to all that to help inform, kind of understand how we can take full advantage of the medium but not go too far, not step over that line.

MAX McCOMBS: We have time for one more question.

AUDIENCE QUESTION: Well, I'll make it quick. This is a first. I'm actually standing between myself and a meal, so I'll be as quick as possible. Mr. Koon asked a good question which I think is one that's worth considering and I wondered if you all considered it about the demographics of people that get their information online. Is it possible that either mechanically because if you looked at the age profile, for instance, of your audience, that the median age would be 50. Or from a messaging standpoint, because if you figured out that within demographic bounds that, for

instance, women ages 18 to 34 used your site, that that's just way to broad of a net. We all know that women 18 to 34 are not all the same so it's really impossible to message to them or market to them in any way. Is it possible that the right measurement might be something beyond demographic? Maybe the reason we struggle for an answer is because it's - I don't know what a psychographic is, but it's a psychographic in attitude and motivator that has to do with something else besides how old you are, what race you are, that online medium in general appeals to those kinds of things. I just wondered what your experience was with that?

DICK BENNETT: Well, from what I see, and actually I could tell you some of those goes back to when I was involved with auditing research in the print side. There's different schools of thought. There's the standard approach that says I'm really looking at demographics and I'm looking at specific demographic breaks which have to be very rigidly set. But what I've also seen is that as you start digging in that data, the question is, is whether or not you really have any answers there. And what I have then seen is that in many cases, especially where I have seen this over on the print side. They go back and ask other questions. Either they've already asked them in other parts of the interview or they go back and re-ask questions to come up with in many cases, psychographic information which in many cases will tend to answer the questions or explain the behavior that they actually are experiencing. I don't want to say that that's a completely correct statement that I just made. But I have seen that happen and it's always I think been on a rework rather than on an upfront… You know, you do have these people in the research community that say, I have to do research according to the advertising research foundation's standards. And they don't focus as heavily on psychographics as they do on demos.

STEPHEN NEWMAN: Just from a tactical in the trenches level, I want to go back to this notion or two things. One, that to the extent that you can, can you in your online business create an infrastructure to allow you to take advantage of what the Internet can provide. I highly recommend it. But it's back to this notion of database management. And you know the database is just as important to us as it is for eBay and for Amazon and for all of those folks out there. I'm not just talking about merchandising products or selling advertisement. I'm talking about creating a news experience that goes beyond anything, which our readers or users have seen thus far. It's almost as if this technology - and we're just beginning to understand how to use it - is really taking away the need for asking a lot of those questions over and over again because you can see through the behaviors of our users what they're reading, how they're using it, how they're interacting with it, and that then can be used and fed back into the way you develop your website. It's what we do everyday. It's what I do everyday. I look at what our users are using and how does that inform how we run our business. I just want to add one last thing that privacy and permissions policies are at the core of being able to do it successfully. I chair our privacy committee and we meet every three weeks and we look at it in fine detail we say okay, what are we doing that's going to impact our privacy policies? What are we doing about our permission policies to make sure that we're at the highest standard and that we're not abusing their privacy rights or their permission rights because once you've done that, you only get on show at it. So it's something that's very important to us.

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MJ BEAR: To take Stephen's comments one step further, I think really personalization really gets at the heart of it and what are people not only choosing to do when they're on your site, but how they set up their profiles and what news do they want delivered and were do they come in from and how do they serve your site in that manner really takes that traditional demographic idea and gives it a whole new, kind of scary, meaning.