UNIVERSITY OF CANBERRA

LOCAL NEWS CONSUMERS

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NEWS & MEDIA RESEARCH CENTRE
Google News Initiative

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NEWS & MEDIA RESEARCH CENTRE

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EXECUTIVE SUMMARY

This report is based on a survey of 2,038 regional news consumers. The aim of the study was to identify gaps in local news provision in regional parts of Australia and whether there is an appetite for new grassroots news offerings. The study finds the strongest desire for additional news services among residents of communities where news outlets have closed. In light of the ongoing decline of regional news services, accelerated by the impact of the COVID-19 outbreak, this report points to the types of news people in information-reduced communities are looking for and how much they are willing to pay for it.

AVAILABILITY OF LOCAL NEWS

There are large gaps in news provision to regional audiences

The majority (88%) of regional news consumers access local news regularly. However, one quarter of survey participants said they did not have a local TV news service (24%) or newspaper (25%). One third said there was no local commercial radio (33%) and more than half (55%) said there was no physical ABC local radio presence in their area.

Half of regional news consumers access local commercial TV news. About one-third (34%) use commercial radio for local news and 28% access local newspapers. The fourth most used source of local news was social media with 23% of regional news consumers accessing it for local news. On average, regional news consumers have five different types of local news media available to them and they typically access 2 different types of local media on a regular basis.

Trust in local news is higher than national news

Generally, regional news consumers have much higher trust in local news (63%) compared to trust in national (49%) or in news in general (48%).

QUALITY OF LOCAL NEWS

Majority are satisfied with quality of local news they currently receive

- 84% are satisfied with the relevance;
- 83% are satisfied with the content keeping them up to date about their local community;
- 83% are satisfied with the amount of local news available; and
- 81% are satisfied with the accuracy of local reporting.

Quality news lacking in small LGAs

However, residents in smaller Local Government Areas (LGA) tend to have lower satisfaction with local news compared to those living in larger LGAs. Those in smaller LGAs are particularly less satisfied with the quality and depth of local news, number of local reporters, relevance of the news to the community, the range of local news options, the number of news stories produced in their area, and the overall amount of local news. In response, **local social media sites are filling news gaps in small LGAs**. Not only do those who live in small LGAs access social media sites to get local news more than those in larger LGAs **they also actively seek news by joining local social media groups such as Facebook or WhatsApp groups.**

MEDIA CLOSURES AND NEWS GAPS

> Almost 1 in 5 (19%) said they had experienced a closure or merger of a news service in their area during the past five years. At the time this survey was taken, 62% said they did not know whether a local news service had merged or closed over that time; and 19% said they had not experienced local media going through a merger or closure in their area in the past five years. **However, 62% of those who were aware of mergers and closures said it had a negative impact on their local community.** Of most concern, **almost half (46%)** of those news consumers **said it had led to a reduction in the amount of local information available**; and around **one quarter (23%) said it had reduced their sense of belonging to their community**. These consumers, who were aware of a local news organisation shutting down or merging, also **had lower satisfaction with the current local news offerings** compared to those who hadn't experienced the loss of a local news service.

Loss of local information felt most in small LGAs
Those living in medium-sized LGAs with populations between 30-70k feel the most affected by media closures or mergers; 23% of consumers in those areas experienced a merger or closure in their area, compared to those living in 120k LGAs, where only 12% experience a closure or merger. **The perceived impact was also bigger in the smallest group of LGAs with populations under 30k**. In those areas, the majority (67%) experienced a decrease in information about their local community and resulted in a decline in topics to share with friends (33%). Overall, the biggest impact was in the decrease of local information about the community.

SUPPORT FOR FRESH NEWS OFFERINGS

> Almost one-third (29%) of respondents are willing to support a new online grassroots local news service. This is a much higher figure than the general willingness of news consumers to pay for online news (14%, *Digital News Report: Australia 2020*).

Loss of local news increases interest in a new grassroots news service
Regional news consumers who have experienced a local news service closing down or merging with another company are interested in financially supporting a grassroots local news service (38%) more than those who haven't experience a closure or merger (34%). Those who were not sure whether there was a closure or merger were least likely to be interested (25%), which reflects their low level of interest in local news. **Those living in medium sized LGAs are the most interested (32%) in a new online grassroots local news service.**

News gaps influence willingness to pay for a new service
Interest in a grassroots local news service is affected by the availability of local news in the community as well as whether the news consumer is actively consuming local news or not. About one-third (33%) of respondents who said they don't have any local news available in the area are interested in a new grassroots local news service, compared to 29% of those who already have local news in their area. Those who access local news regularly are more likely to be interested than those who currently don't consume local news. Desire to financially support a new type of grassroots local news services is also largely dependent on the current availability of traditional local news. **Those who live in areas without a local commercial TV station, a local print newspaper or a local commercial radio station are more likely to be interested in a grassroots local news service.**

Financial viability of local news
Local news consumers had somewhat contradictory viewpoints about the sustainability of news media and the social function they play. The majority of regional news consumers believe that everyone should have access to local news even if they don't pay for it (88%). Two thirds of regional news consumers (64%) think that local news organisations are vital and should be preserved even if they can't sustain themselves financially. However, about half the consumers (47%) think the news business is just like any other business and should be allowed to fail if it can't sustain itself financially.

News consumers consider quality, cancellation and in-depth coverage when paying
The top three factors that people consider to be important in making a decision about whether to pay for a new grassroots local news offering are

- Quality and credibility of the journalism;
- Easy cancellation of subscription; and
- In-depth coverage.

Interactivity and networking with others were not regarded as important.

Those interested in news want more of it
Those who already regularly access local news via various platforms are more likely to be interested in and pay for a new local news media; 30% of those who access any type of local news are interested in a new local news service; and 21% of those who don't consume local news at all are interested in a new local news service. Those who are heavy news consumers are more interested in a new local news service compared to light news consumers. News consumers who are dissatisfied with the amount of local TV news coverage and the number of local reporters, are more interested in a new local news service.

Community connection is key to news consumption
Regional news consumers access local news to stay connected to their community and keep abreast of critical information. The top reasons for consuming local news are to know what is going on in their local area (87%); and understand how things may affect them (86%).

Most popular news topics
'Breaking news' is one of the most valued types of local news among regional news consumers; 73% of respondents included breaking news in the top five topics of interest. 'Roads and traffic' (63%), 'weather' (59%), and 'community events' (55%) are also popular.

The sense of belonging to the local community is a crucial factor in influencing consumers' interest in supporting a new local news service
One third (32%) of those who felt they belong to the local area are interested, compared to 21% of those who feel they don't belong. Similarly, 35% of those who feel connected to others in the local area are interested in a new local news service and 20% of those who don't feel connected are interested. Those who are regular users of social media in general are more interested in supporting a grassroots local news service.

One-off donation is the most popular form of payment
The most preferred method of paying for an online grassroots local news organisation is a one-off donation (52%) followed by an annual donation (48%) and a monthly subscription bundled with other news brands (48%). The least favoured method of payment is paying per story (28%). Younger generations are much more likely to subscribe to a monthly service compared to older generations.

People who already support organisations financially are more interested in supporting local news
Those who belong to a local community organisation are more interested in financially supporting a grassroots local news service. News consumers who already pay for online content or print newspapers are more likely to be interested in financially supporting a grassroots local news service. Among those who have never paid for online content or newspapers, 29% are interested. Those have already paid for online content in the past are much more willing (59%) to pay.

GENERATIONAL DIFFERENCES

The young are less frequent consumers of local news

> There are huge generational differences in the type of media that regional news consumers use to access local news. Older generations access use local commercial TV, print newspapers, and local ABC radio the most. Younger generations use local social media sites just as much as they access TV news, and more than radio or newspapers. Local commercial radio is used similarly across all generations. Local news consumption level is lower among younger generations but the majority is still accessing local news where 86% of Gen Y and 76% of Gen Z are regular local news consumers.

Reasons for accessing local news are different
73+ and Baby Boomers (54-72) are more likely to access local news as part of their daily habits (73% and 60% respectively). Only 42% of Gen Z and 50% of Gen Y access local news out of habit. Younger generations (Gen Z, 56%; Gen Y 59%) are less likely to think of news consumption as a civic duty compared to older generations who think citizens should keep themselves informed (Baby Boomers, 62%; 73+, 70%).

Compared to older generations, young people access local news for social reasons – to discuss with others about current issues. This is consistent with the fact that younger generations access local news through social media rather than traditional news outlets.

Younger generations are more interested in the fresh news offering
Young people have higher interest in a new local news service, which implies that their news interests are not fully met by the current offerings. This presents an opportunity for a new local news service provider. However, the price younger people are willing to pay is lower than older generations. Younger people are more willing to commit to small micropayments. Younger generations consider easy cancellation of service to be just as important as the quality of news when considering online news subscription. These preferences reflect their already developed habits of subscribing to various digital content online such as music or video streaming.

INTRODUCTION

Local news is facing significant challenges as news publishers are competing with digital platforms and social media for both advertising and readership. The society is experiencing a rise in mistrust in all institutions including news. Local news is particularly vulnerable to these changes and has experienced waves of consolidation and closure resulting in fewer journalism jobs and increased work for those who remain. Ownership changes are a cause of insecurity and uncertainty among journalists.

BACKGROUND

The financial pressure of maintaining news businesses in the midst of these changes have left some small regional communities with no or very little local reporting. Recent research shows how harmful news deserts can be to the health and wellbeing of communities.

In communities where there is a decline of local news coverage, residents are getting less and less of the fundamental information they need in order to make informed decisions as citizens of democracy. In the long run, this may have an impact on the overall media literacy of Australians, and their ability to make informed decisions.

According to Australian Communications & Media Authority's 2017 report (ACMA, 2017) there was a 13 percent decline in the number of regional Australians who report having access to all the local content they want, between 2013 and 2016. The Australian Competition and Consumer Commission's (ACCC) Digital Platforms Inquiry (2019) revealed that in the ten years from 2008 to 2018, 106 newspapers closed in Australia, marking a 15 per cent decrease in the number of local and regional newspapers. During this period, 21 local government areas initially serviced by at least one newspaper were left with no coverage in 2018.

A decline in the volume or presence of traditional local media can have a negative impact on community cohesion. This may be partly offset by the rise of online news sources and social media for accessing local news in regional communities. However, it is unlikely that small regional areas will be sufficiently served by online media that do not have the resources to report on local courts and council.

Much of the focus in academia has been on national and international media companies. However, local and regional newspapers have also been experimenting with alternative strategies, including subscription and membership models, native advertising, in-house marketing, e-commerce, and events (Jenkins & Nielsen, 2018).

Local news is a critical source of information, an arena for public debate and force for cohesion in local communities. The importance of local media in democracy is evident. Local media serve communities, provide the opportunity for citizens to discuss and solve local problems and connect citizens in doing so (Hess & Waller, 2017). People may also feel a personal connection to local topics from their hometown and this may increase their willingness to pay. Local content can be specialised and people are more willing to pay for it compared to uniform, general national and international news (Goyanes, 2015).

Some studies show that audiences' undervaluing of local news is one of the main reasons for the troubles facing local journalism. While those who value the democratic function of journalism are more likely to financially support news media, this has not sufficiently compensated the loss in advertising revenues. Furthermore, societal and normative values of local journalism are one of the reasons for paying for news. However, audiences' decision-making is more complex (Ali, 2016).

Cisarova et al (2018) revealed that the interest in local news is not uniform across audiences and that there is considerable variance in audiences' relationship to public space and its geography as well as the audiences' relationship to locality. The perception around local news by audiences is far from uniform.

While it is important to explore the financial viability of new and existing business models to help make local news sustainable, it is equally important to acknowledge that public interest journalism needs public support. It cannot solely rely on commercial profitability. No matter where or how it is produced, public interest journalism will always likely need some outside support, particularly in small local areas where there is a limited demand for advertising or subscribers. It is of pressing concern to figure out how society can continue to support the monitoring of, and reporting on, the activities of public institutions not just in central government, but also in localities such as local councils and courts to ensure the future of public interest journalism.

More research is needed to identify the challenges facing local news and what can be done to regain what is lost (Wahl-Jorgensen, 2018).

THIS REPORT

To better understand the state of local news provision and consumption in regional Australia, this study surveyed 2,038 regional news consumers about their perception of local news, the changes in news provision that are occurring in their communities, and how much they rely on local news sources. We asked regional consumers about their interest in a new type of grassroots online local news service to gauge an appetite for fresh approaches for locally supported news services.

> The survey was conducted in November 2019 and since then unprecedented events have proven the importance and high demand for localised information. During the bushfires in early 2020 and the subsequent COVID-19 pandemic, news consumers are turning to local news for fast and reliable information related to their communities.
>
> Local newspapers have always been an important part of how local news consumers access localised information and news. However, these local newspapers have been hit hard by the COVID-19 pandemic, as social distancing measures have had an impact on the local economy and subsequent closures or suspension of local media businesses and advertising.

Regional news consumers are deeply affected as they rely on traditional forms of local news more than those in the city. *Digital News Report: Australia 2019* reports that 29% of regional news consumers access local newspapers compared to 14% of major city consumers. As their main source of news regional news consumers rely heavily on TV.

This study provides a snapshot of regional news in Australia from the news consumers' perspective, the state of local news provision, news consumers' needs, and whether there is an appetite for additional local news services. While the fieldwork was conducted before the bushfires and COVID-19 pandemic, the content of this report is still highly relevant to regional news consumers' experiences.

METHODOLOGY

METHOD

An online survey was conducted by McNair yellowSquares from 25 November to 20 December 2019, following a pretest and soft launch on 22 November. We mainly targeted Local Government Areas (LGAs) with a population between 25,000 to 100,000 for recruitment. In addition, Toowoomba (135k) and Griffith (20k) were included in the sample. All metro LGAs were excluded from the sample.

RECRUITMENT

In order to recruit respondents who would be interested in the concept of grassroots local news organisation, we used several screening questions. According to previous research (Fisher et al, 2019), those who pay for digital content subscription services are more likely to pay for news as well. Those who have been paying for newspapers are also more likely to pay for online news (Park, et al, 2018). Therefore, we targeted news consumers who have had paid for either digital content or print newspapers in the past. We asked potential respondents if they had ever paid for a digital content service or a newspaper subscription (Video services such as Netflix, Stan, Amazon Prime, iTunes; Music services such as Spotify, Apple Music; Online news; Pay TV such as Foxtel; Cloud data storage such as Dropbox; Online dating services such as eHarmony; Online games; eBooks such as Kindle, Audible and Medium; Print newspapers). Those who said they have never paid for online content were asked another question 'Do you think you would be likely to pay for a new quality local news service in your area?'. Those who said 'yes' were included in the survey.

RESPONDENTS

We used a quota for gender, age and education, reflecting the Australian Bureau of Statistic's Census 2016. This resulted in N=2,038 respondents with 50% male and 50% female; 12% aged 18-24, 24% aged 25-34, 17% aged 35-44, 12% aged 45-54, 16% aged 55-64 and 19% aged 65+; and, 19% low education, 37% medium education and 44% high education. Table 1 summarises the respondents according to various demographic factors (Table 1).

<<
Table 1
Summary of Respondents (%)

Variables		N	%
Gender	Male	1016	50
	Female	1022	50
Generation	Z (18-21)	135	7
	Y (22-37)	714	35
	X (38-53)	453	22
	Baby Boomers (54-72)	587	29
	73+	149	7
	Total	2038	100
Education	Low	387	19
	Medium	747	37
	High	904	44
LGA size	U30k (small)	138	7
	30-70k (medium)	714	35
	70-120k (large)	893	44
	120k+ (very large)	277	14
Remoteness Area	Major cities	297	15
	Inner Regional Australia	1493	73
	Outer Regional Australia	221	11
	Remote Australia	27	1
Job Status	Employed	1121	55
	Unemployed	133	7
	Retired, unpaid work or other	784	38
Income	Low(under $39,999)	528	26
	Medium ($40,000~99,999)	877	43
	High($100,000 and over)	478	23
	Don't know/Prefer not to answer	155	8
Employment	Employed	1121	55
	Unemployed	133	7
	Retired or unpaid position	664	33
	Other/Don't know	120	6

<<
Table 2
Distribution of LGA by Size (Number of LGAs, %)

	Very Small (Below 10k)	Small (10-30k)	Medium (30-70k)	Large (70-120k)	Very Large (Above 120k)	Total
City	-	18 (14)	32 (26)	26 (21)	49 (39)	125
Other	243 (58)	101 (24)	45 (11)	13 (3)	17 (13)	419
Total	243 (45)	119 (22)	77 (14)	39 (7)	66 (39)	544

Source: ABS. (2018). Australian Bureau of Statistics, 3235.0 Regional Population by Age and Sex, Australia, Estimated Resident Population by Age, by Local Government Area, Persons

As we only recruited consumers who had paid for online content or newspapers in the past, the majority of the sample was currently paying for online content when the survey was conducted; 94% of the respondents were currently paying for one or more digital subscription service and 8% of them were paying for online news. Among those who are currently paying for online news, the median monthly payment was $20. The median monthly payment for all digital content was $30. Those who are paying for online news spend more on digital subscription fees overall. The median monthly payment was $40 for online news subscribers. This includes all types of digital subscription.

We categorised LGAs into 'small (below 30k)', 'medium (30-70k)', 'large (70-120k)', and 'very large (above 120k)' based on ABS's distribution of LGA population (Table 2). Among 544 LGAs as of 2018, there were 125 in metro areas and 419 in regional areas. Of the regional LGAs, 58% were classified as 'very small', 24% 'small', 45% 'medium', 13% 'large', and 17% 'very large'. In the sample, respondents' distribution is mainly medium to large LGAs, as this study specifically aimed to examine areas with 30-100k population; 7% 'very small/small', 35% 'medium', 44% 'large' and 15% 'very large' (Table 3).

Respondents were from 621 postcodes in 37 regional areas. In total 47 LGAs across Australia were included (Table 3).

<<
Table 3
Respondent Distribution by LGA Size (%)

	LGA	Respondents
Very Small or Small	Alice Springs (Town)	23
	Devonport (City)	25
	Griffith (City)	10
	Kalgoorlie/Boulder (City)	22
	Latrobe (Municipality)	11
	Mount Gambier (City)	24
	Mount Isa (City)	3
	Whyalla (City)	20
Medium	Albany (City)	29
	Albury (City)	41
	Armidale Regional (Area)	15
	Ballina (Area)	22
	Bathurst Regional (Area)	32
	Bunbury (City)	39
	Busselton (City)	28
	Dubbo Regional (Area)	32
	Gladstone (Regional Council)	39
	Goulburn Mulwaree (Area)	23
	Greater Geraldton (City)	29
	Greater Shepparton (City)	35
	Gympie (Regional Council)	18
	Launceston (City)	90
	Lismore (City)	26
	Mildura (Rural City)	26
	Orange (City)	21
	Palmerston (City)	30
	Tamworth Regional (Area)	37
	Wagga Wagga (City)	43
	Warrnambool (City)	29
	Wodonga (City)	30
Large	Ballarat (City)	96
	Bundaberg (Regional Council)	63
	Coffs Harbour (City)	62
	Fraser Coast (Regional Council)	89
	Greater Bendigo (City)	92
	Latrobe (City)	10
	Mackay (Regional Council)	66
	Maitland (City)	59
	Mandurah (City)	74
	Mid-Coast (Area)	79
	Port Macquarie-Hastings (Area)	47
	Port Stephens (Area)	60
	Rockhampton (Regional Council)	63
	Shoalhaven (City)	33
Very Large	Rockingham (City)	72
	Sunshine Coast (Regional Council)	67
	Toowoomba (Regional Council)	138

MEDIA PLATFORMS AND GENERAL NEWS CONSUMPTION

01

INTERNET AND TV ARE THE MAIN NEWS PLATFORMS

Regional news consumers most commonly use the internet to access news (99%) and television (97%), followed by social media (91%) and radio (87%) (Table 4).

>>
Table 4
Media Use (%)

Used in the Past Week	Media
99	Internet
97	Television
91	Social media (such as Facebook, YouTube, Twitter, Instagram)
87	Radio
87	Messaging apps (such as Facebook Messenger, WhatsApp)
66	Newspaper(print)
59	Magazine(print)
44	Podcasts

A1. How often do you use the following media or online services? [Base=All]

>>
Table 5
Social Media Use (%)

Social Media Platform	Used for Any Purpose in the Past Week
Facebook	82
Facebook Messenger	70
YouTube	65
Instagram	44
Snapchat	31
WhatsApp	15
Twitter	11
LinkedIn	10
Reddit	7
WeChat	1

A1a. Which, if any, of the following have you used for any purpose in the last week? Please select all that apply [Base=All]

We asked respondents which social media they use for any purpose in the last week. Facebook (82%) and Facebook Messenger (70%) are the most used social media among regional consumers. Two thirds of respondents also use YouTube (65%) (Table 5).

MOST REGIONAL CONSUMERS ACCESS NEWS AT LEAST ONCE A DAY

The most commonly used platforms for accessing news are the internet and television (94%). Only 6% of those surveyed do not use the internet or TV for news. However, 70% use the internet to get news at least once a day and 61% are daily TV news viewers. While 13% of regional Australians do not use social media at all to get news, 70% are daily social media news users, which is higher than TV news consumption. The majority of regional news consumers seek the news once a day, but a small number are high news consumers who access news more than 10 times a day via the internet (14%), social media (12%) and messaging apps (12%). Only a small number of regional consumers access newspapers daily (18%), with 11% not accessing newspapers at all (Table 6).

>>
Table 6
News Access and Usage (%)

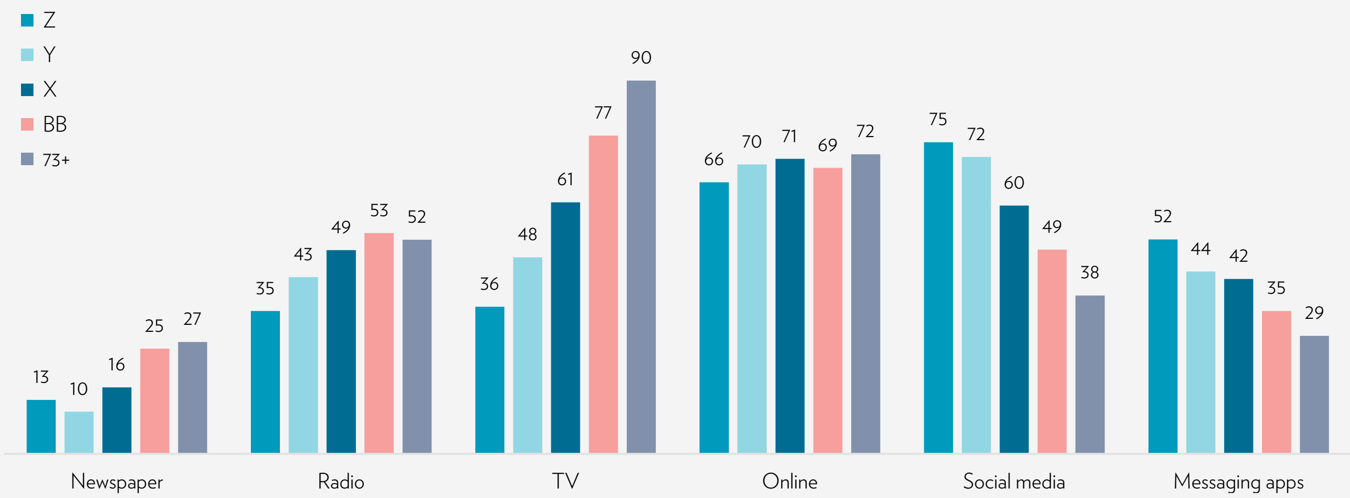
	Do Not Use for News	Once a Day or More	More Than 10 Times a Day
Television	6	61	4
Radio	7	47	2
Newspaper(print)	11	18	0.4
Magazine(print)	29	6	1
Internet	6	70	14
Social media	13	62	12
Messaging apps	31	41	9

A2. Among these, how often do you use the following media or online services to access or come across news? [Base=All]

YOUNG PEOPLE USE SOCIAL MEDIA FOR NEWS

While the frequency of news access on the internet is similar across all age* groups, there are significant generational differences in the uses of other platforms. Younger generations (Z and Y) use social media more than they use TV to access news. Older generations (Baby Boomers and 73+) use television more than social media or the internet. More than half of generation Z (52%) use messaging apps at least once a day to access news (Figure 1).

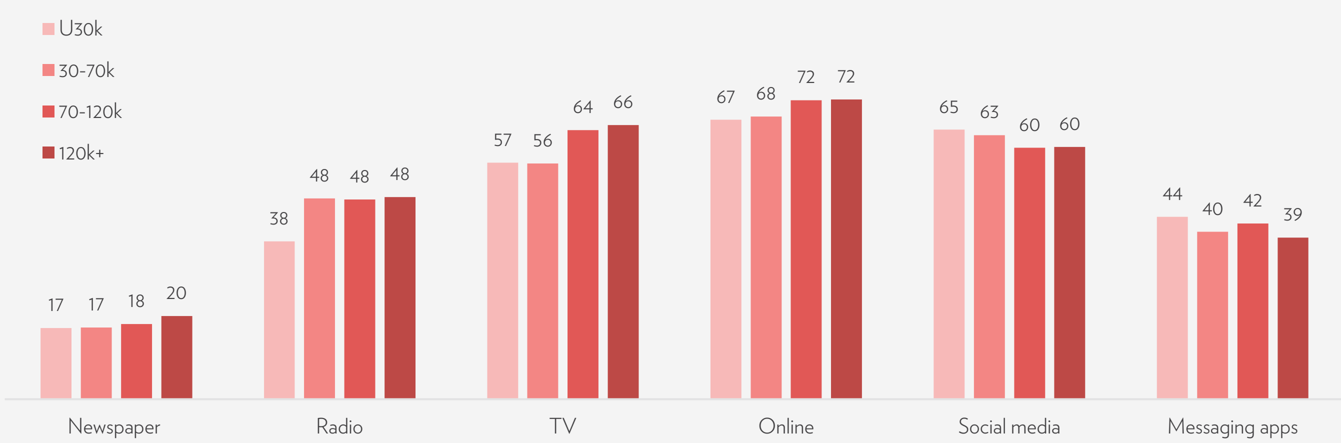
<<
Figure 1
Daily Access to News by Platform by Generation (%)



THOSE LIVING IN LARGER LGAS TEND TO BE HEAVIER NEWS USERS

Almost three quarters (72%) of those living in LGAs with a population larger than 120,000 accessed online news once a day or more, 66% accessed TV news once a day or more. In contrast, only 57% of those living in LGAs with populations of 30,000 or smaller accessed TV news once a day or more and 67% accessed online news once a day or more (Figure 2).

<<
Figure 2
Daily Access to News by Platform by LGA Size (%)



* As news consumption is closely tied to age, we adopted a generational approach to our analysis. We applied the generational categories used by the PEW Research (https://www.pewresearch.org/fact-tank/2019/01/17/where-millennials-end-and-generation-z-begins/). Instead of using PEW's Greatest and Silent Generation categories, we merged the two and used '73+'. As the fieldwork was conducted in 2019, we applied the age span calculation based on the respondent's age as of December 2018.

MOBILE PHONES ARE THE MAIN DEVICE FOR ONLINE NEWS

Most regional consumers (91%) used digital devices to access news in the past week. Mobile phones are used the most to access online news (72%), followed by laptops or computers (56%) (Table 7).

<<
Table 7
Devices Used to Access News (%)

Devices Used to Access News	%
Smartphone/mobile phone	72
Laptop or desktop computer (at work or home)	56
Tablet computer	24
Smart TV	30
Smart watch or wristband that connects to the internet	2
Voice activated connected speaker (e.g. Amazon Echo, Google Home, AppleHomePod)	5

*A3. Which, if any, of the following **devices** have you used in the past week to **access news online**? Please select all that apply. [Base=All]*

REGIONAL NEWS CONSUMERS ARE MORE LIKELY TO BUMP INTO NEWS ON SOCIAL MEDIA THAN ACTIVELY SEEK IT

The most popular method of getting online news is through social media (50%) followed by going directly to brand websites (36%). Search engines are used less (30%) and mobile apps even less (15%) (Table 8).

<<
Table 8
Pathway to Online News (%)

Pathway to Online News	%
Went directly to a news website	36
Used a news mobile app (e.g. ABC News, Guardian)	15
Used a search engine (e.g. Google or Yahoo) and typed in a keyword about a particular news story	30
Used a news aggregator service (e.g. Google News, Apple News)	12
Used social media and came across news that way (e.g. Facebook, Twitter, YouTube)	50
Used messaging apps and came across news that way (e.g. Facebook Messenger, WhatsApp)	12
Got news via an email newsletter	13
Received a news alert on my mobile phone/tablet (e.g. via SMS, app, lockscreen notification)	14

*A4. Thinking about how you got **news online** in the last week, how did you come across news stories? Please select all that apply. [Base=All]*

LOCAL NEWS PROVISION AND CONSUMPTION

02

THERE ARE LARGE GAPS IN NEWS PROVISION TO REGIONAL AUDIENCES

We asked respondents about the types of local news that are available in their area and which local news they use regularly. We provided a list of options to choose from. Only 4% of the respondents said none of the services was available in their area. One quarter of survey participants said they did not have a local TV news service (24%) or newspaper (25%). One third said there was no local commercial radio (34%) and 55% said there was no physical ABC local radio presence in their area.

The majority (88%) said they access local news from at least one of these local news services. While the majority have access to Local commercial TV news (76%) and local newspapers (75%), only 50% watch the local TV news and 28% read the local print newspaper regularly. Among the listed 13 different types of local news services, an average of 5 was available to respondents. Regional news consumers typically access 2 different types of local media regularly (Table 9).

>>
Table 9
Local News Provision and Consumption (%)

	Available	Access Regularly
Local commercial TV	76	50
Local print newspaper	75	28
Local commercial radio	66	34
Local community radio	48	14
Local ABC radio	45	13
Local ABC website	29	6
Local newspaper website	46	15
Local commercial TV station website	25	5
Local radio website	27	4
Local newsletters	22	5
Local council newsletter or website	35	9
Local social media sites	37	23
Other websites with local content	15	4
None of these	4	12

B1a. The following sources of local news may or may not be available in your area. To the best of your knowledge, which of these sources provide local news in your area? B1b. And which of these do you access regularly? Please select all that apply. [Base=ALL]

<<

Figure 3

Local News Access by Generation

THE YOUNG ACCESS LOCAL NEWS VIA SOCIAL MEDIA

The type of local news people access regularly differs by age. Older generations tend to use local commercial TV, print newspapers, and local ABC radio the most. Younger generations use local social media sites. Local commercial radio is used similarly across all generations. About 24% of Generation Z say they do not use any local news services, whereas only 4% of 73+ say they don't use local news. This reflects a declining use in local news among younger generations (Figure 3).

LOCAL SOCIAL MEDIA SITES ARE FILLING NEWS GAPS IN SMALL LGAS

In small LGAs (population below 30k), local news on commercial television is the most available type of news (72%) followed by newspapers (68%). Local social media sites are also the most available type of news in small LGAs (44%). This suggests local social media sites are filling information gaps in smaller communities. With an exception of local ABC radio, local ABC website, and local social media sites, the larger the LGA, the more local news options are available on all platforms (Figure 4).

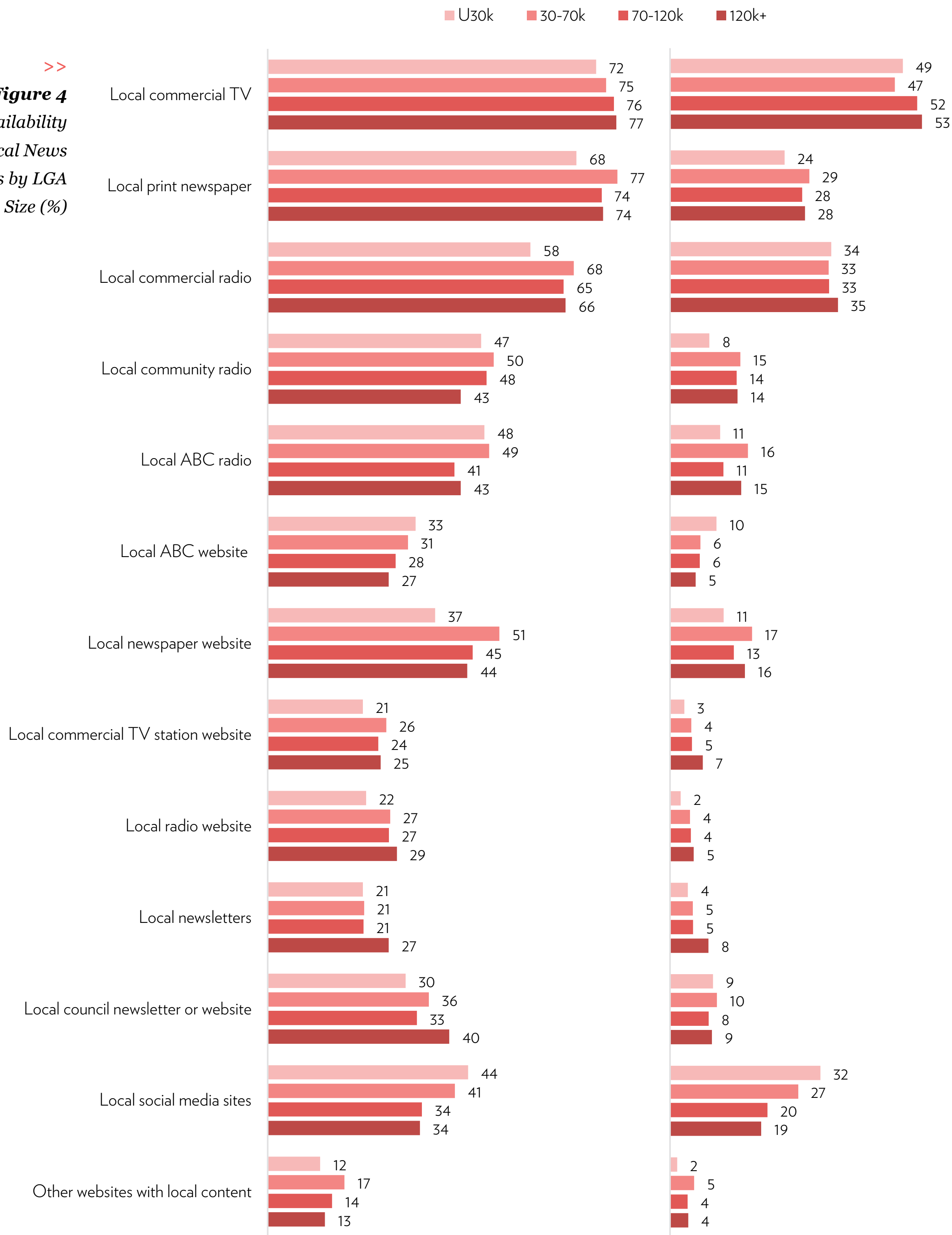
The type of local news people use also differs by LGA size. Those living in LGAs with under 30k population access local commercial TV news less than consumers living in larger LGAs. They also access local newspaper, community radio, ABC radio and local media websites less than news consumers in larger LGAs. Among those living in small LGAs, 32% access local social media sites for local news indicating a demand for local news that is not met by traditional news media (Figure 5).

>>

***Figure 4* Availability of Local News Sources by LGA Size (%)**

<<

***Figure 5* Local News Access by LGA Size (%)**



Not only do those who live in small LGAs access social media sites to get local news, they actively seek news by joining local social media groups such as Facebook Groups or WhatsApp Groups (Table 10).

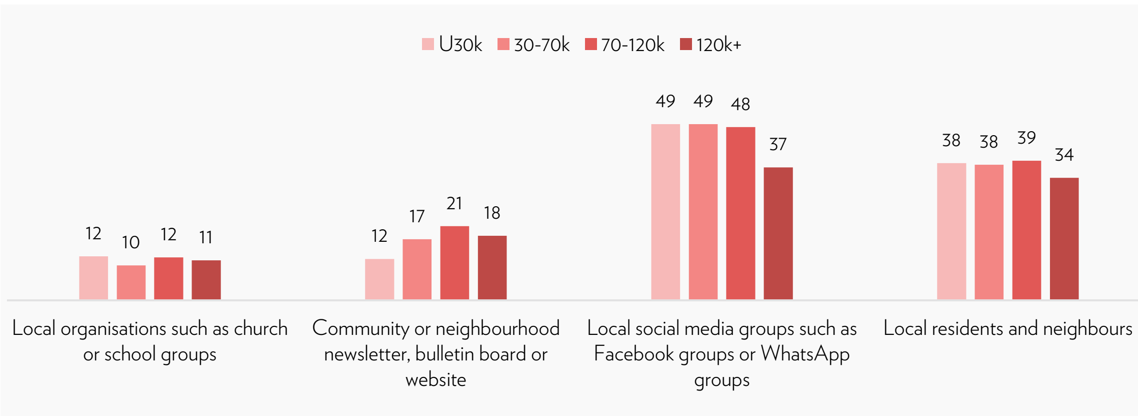
Overall, regional consumers do not rely much on alternative local news sources such as community organisations or schools with the exception of social media. About half of regional news consumers get local news via local social media groups such as Facebook groups or WhatsApp groups.

Those living in smaller LGAs tend to get local news from local social media or neighbours more so than those living in larger LGAs (Figure 6).

>>
Table 10
Source of Local News From Non-News Sources (%)

Local News From Other Sources	%
Local organisations such as church or school groups	11
Community or neighbourhood newsletter, bulletin board or website	19
Local social media groups such as Facebook groups or WhatsApp groups	47
Local residents and neighbours	38

B3. Do you get local news and information from any of these other sources? Please select all that apply. [Base=ALL]



<<
Figure 6
Alternative Local News Sources by LGA Size (%)

>>
Table 11
Interest in Types of Local News (%)

Types of Local News	First Choice	Within Top 5
Breaking news	29	73
Roads / traffic / transport	4	63
Weather	11	59
Community events	7	55
Crime / courts	9	42
Social / welfare issues	5	34
Cost of living	5	31
Local politics / government	5	29
Sport	6	26
Climate / environment	5	26
Local business / economy	3	26
Jobs	4	24
Rural / agricultural news	2	17
Education	2	16
Science and technology	2	12
Religion	1	4

B4. What type of local news are you most interested in? Please rank the TOP FIVE (5) options below in order of importance. [Base=ALL]

>>
Table 12
Types of Local News (Open-Ended Question) (%)

Total Open Text Responses	87
Nothing is lacking	18
Crime	8
Community events	7
Good news	5
Environment/climate change	4
Local issues	4
Local news	4
Sport	4
Jobs	3
Local government	3

B8. What kind of local news coverage (topics) do you think is currently lacking in your area? [Base=ALL]

>>
Table 13
Satisfaction With Local News Content (%)

Local News Content	Satisfied
Relevance to my local community	84%
Up to date news about my local community	83%
Overall amount of local news available	83%
Accuracy of local news reporting	81%
The number of local reporters	81%
Amount of local television news headlines/updates read by a presenter about my area	79%
Quality and depth of local news reporting	77%
The number of TV news stories filmed in my local area	76%

*B2. How satisfied are you with the following aspects of **local news** available in your area? (Not at all satisfied/not very satisfied/satisfied/very satisfied) [Base=ALL]*

BREAKING NEWS ABOUT THE LOCAL COMMUNITY IS MOST IMPORTANT

We asked respondents to rank the top five news topics of interest in the order of importance. The breaking news was the most popular (73%), followed by roads and traffic (63%), weather (59%), community events (55%) and crime (42%) (Table 11).

We also asked which local news topics were lacking in their area as an open-ended question. About 18% of responses said nothing was lacking. Local crime (8%), community events (7%), local issues (4%), climate change and environment (4%), sport (4%), and more general local news were mentioned the most (Table 12).

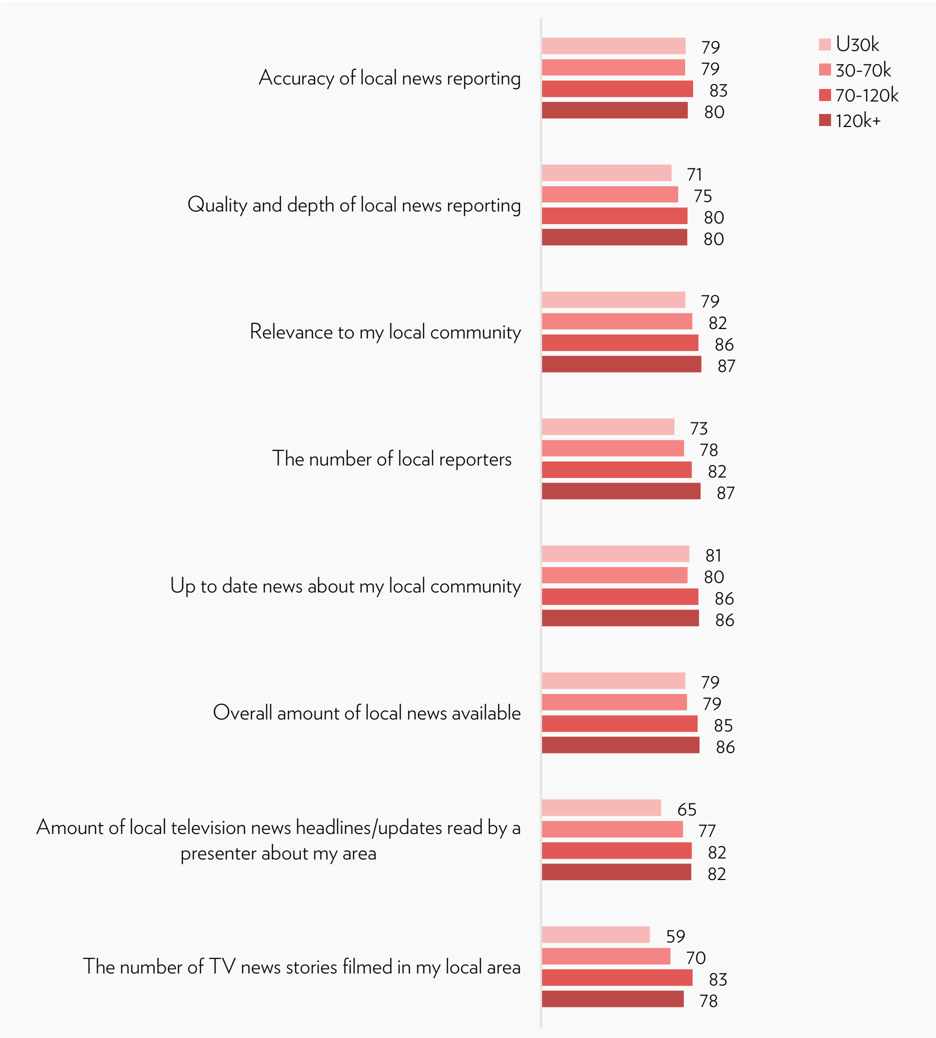
MOST SAY LOCAL NEWS IS RELEVANT TO THEM

The majority of people are satisfied with the local news content with 84% satisfied with the relevance of local news, 83% satisfied with the up to date news about their local community, 83% satisfied with the amount of local news available, and 81% of respondents saying there are satisfied with the accuracy of local reporting (Table 13).

QUALITY NEWS LACKING IN SMALL LGAS

The satisfaction level differed somewhat depending on the LGA size. Smaller LGA residents tend to have lower satisfaction with local news compared to those living in larger LGAs. Those in smaller LGAs are less satisfied with the quality and depth of local news, number of local reporters, relevance to the community, amount of available local news, the number of news stories produced in their area, and the overall amount of local news (Figure 7).

>>
Figure 7
Satisfaction With Local News by LGA Size (%)



DESIRE FOR LOCAL KNOWLEDGE DRIVES CONSUMPTION OF LOCAL NEWS

When asked the reason for accessing local news, the majority of respondents say that they want to be informed about what is going on in their area. Less important reasons are to pass time or to be entertained or out of habit (Table 14).

>>
Table 14
Reasons for Accessing Local News (%)

Reasons for Accessing Local News	%
I want to know what is going on in my local area	87
I want to understand things that might affect me	86
It is a part of my daily habits	56
It is a good way to pass the time	42
I can take part in discussions with friends, colleagues or neighbours about topical issues	58
I find it entertaining and relaxing	39
I feel I have a duty as a citizen to stay informed	61

B5. People have different reasons for accessing local news. To what extent do you agree or disagree with each of the reasons? [Base=ALL]

The motivation to access local news differed by age. Younger generations consume local news to take part in discussion with others about topical issues (64% of generation Z) compared to older generations (54% of 73+). Older people want to stay informed (70% of 73+) compared to younger generations (56% of generation Z and 59% of generation Y). Younger people also use local news to pass time (51% of generation Z) (Figure 8).

The reasons why people access local news differed by income as well.

Those who have low income tend to use local news to pass time (45%) and relax (41%), more so compared to those who have high income (41% to pass time and 38% to relax/entertain). Those with higher incomes are motivated by the need to understand things that affect them and know what is going on in their area (Figure 9).

>>
Figure 8
Reasons for Accessing Local News by Generation (%)

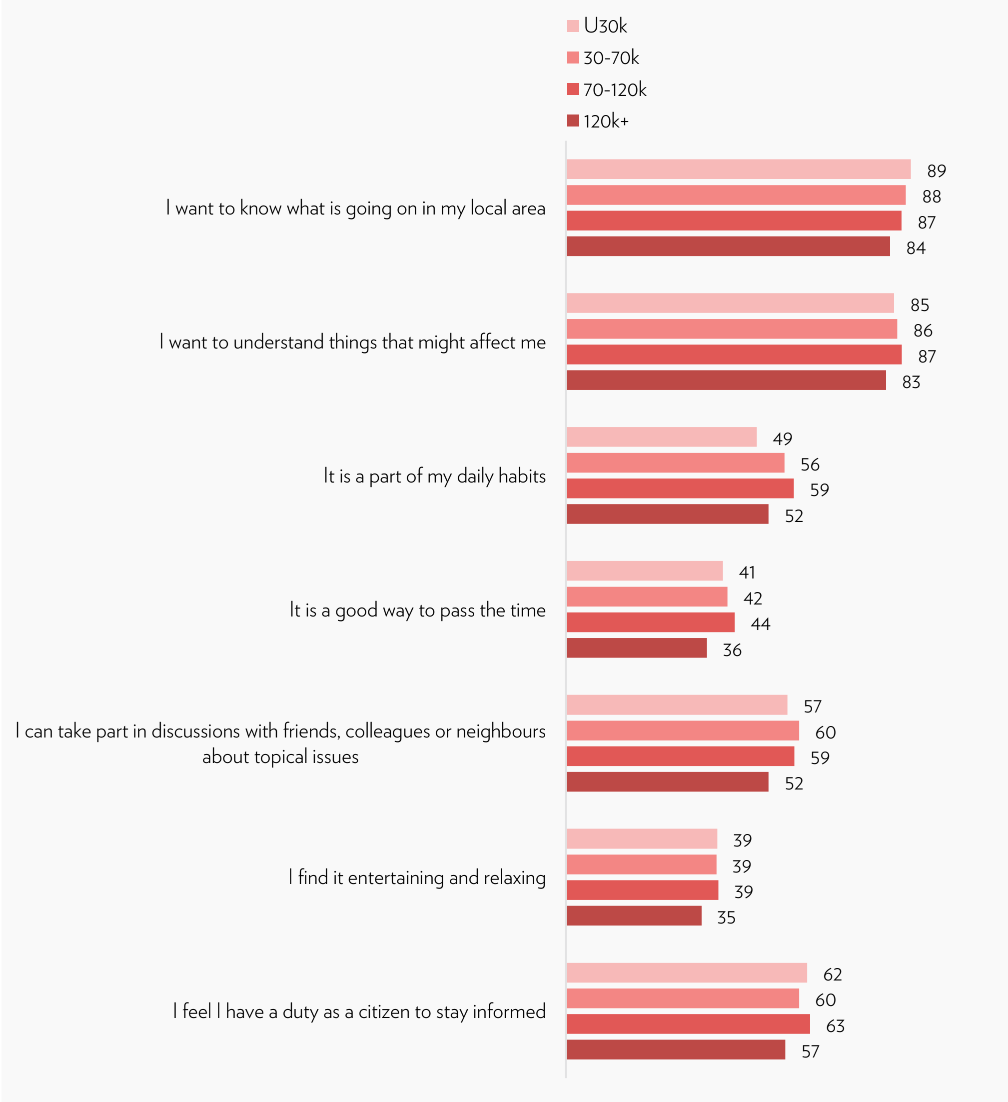
>>
Figure 9
Reasons for Accessing Local News by Income (%)

The overall unemployment rate among the respondents is 7% which is higher than the national average of 5.7% as of January 2020 (ABS, 2020) (Figure 10). Compared to those who have jobs, those who are unemployed are less likely to access local news for the reasons given in the survey. In particular, they were less likely to access local news to take part in discussion with others. They were also less likely to access local news to stay informed as a citizen, compared to those who were employed.

LGA size also has an impact on the reasons why people access local news. Those living in smaller LGAs tend to use local news to stay informed but also to relax and pass time more than those living in larger LGAs (Figure 11).

>>
Figure 10
Reasons for Accessing Local News by Job Status (%)

>>
Figure 11
Reasons for Accessing Local News by LGA Size (%)



IMPACT OF NEWS MEDIA CLOSURES

We asked local news consumers whether any local newspapers, radio, or TV outlets in their area went out of business or merge with other media in the past five years; 19% experienced a closure or merger, 19% didn't but the majority (63%) wasn't sure (Table 15).

We asked those who did say that they experienced a merger or closure in their local area, what kind of impact it had. About 62% think there was an impact on their local community. The most cited impact was the reduction in the information about the local community (46%) and a reduced sense of belonging to the community (23%) (Table 16)

>>
Table 15
Mergers or Closures of Local News Organisations in the Past Five Years (%)

Mergers or Closures of Local News Organisations in the Past Five Years	N	%
Yes	377	19
No	388	19
Not sure	1273	63

B6. In your local area, did any local newspapers, radio, or TV outlets go out of business or merge with other media in the past five years? [Base=ALL]

>>
Table 16
Impact of Local News Closure or Merger (%)

Type of Impact	%
Decrease in information about my local community	46
Reduced sense of belonging to my community	23
Fewer topics to share with friends	15
Loss of opportunity to advertise	15
None of the above	38

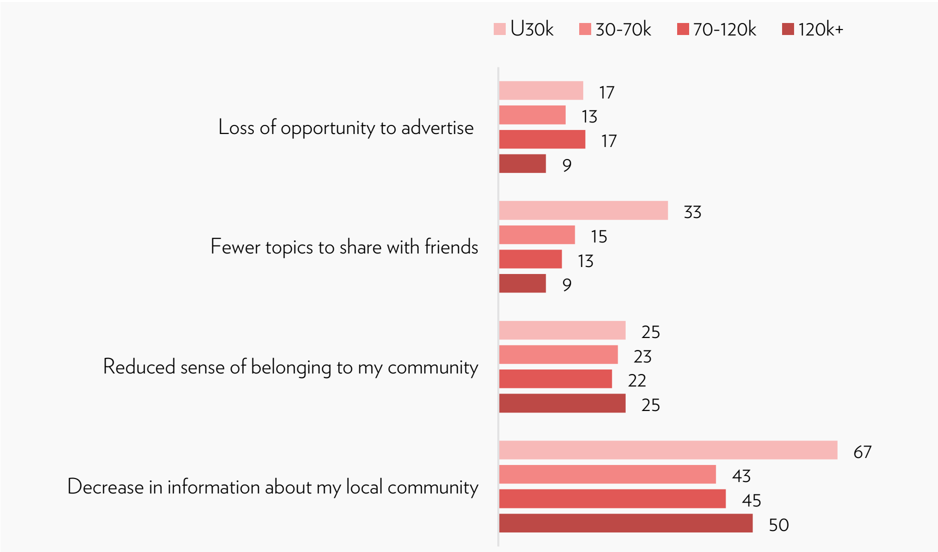
B7. Did the closing/merging of local media affect any of the following areas of your life? Please select all that apply.

LOSS OF LOCAL INFORMATION FELT MOST IN SMALL LGAS

Those living in LGAs with populations between 30-70k feel the most affected by media closures or mergers; 23% of consumers in those areas experienced a merger or closure in their area, compared to those living in 120k LGAs, where only 12% experience closure or merger.

The perceived impact, however, was bigger in the smallest group of LGAs with populations under 30k. In those areas, the majority (67%) experienced a decrease in information about their local community and resulted in a decline in topics to share with friends (33%). Overall, the biggest impact was in the decrease of local information about the community (Figure 12).

>>
Figure 12
Impact of Local News Closure or Merger by LGA Size (%)



CLOSURES HAVE LED TO A LOSS OF QUALITY NEWS

Those who experienced a local news organisation shutting down or merging in the past five years have lower satisfaction with the current offerings of local news compared to those who haven't experienced a local news media closing or merger. The largest difference is in the satisfaction with the quality and depth of local news reporting and the number of local reporters. Regional news consumers feel that closures and mergers have a negative impact on the amount and quality of local news in the community (Figure 13).

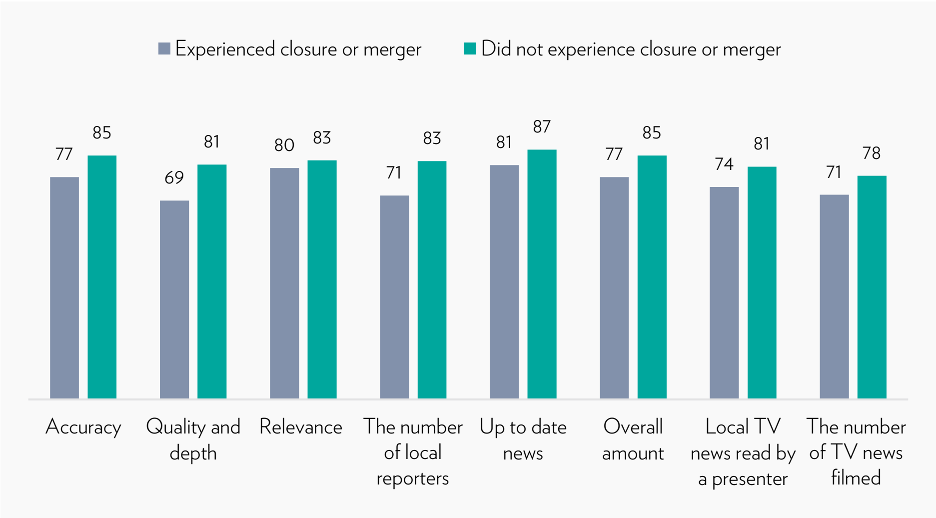


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Figure 13
Satisfaction With Local News by Experience of Closure or Merger (%)

TRUST IN NEWS

03

TRUST IN LOCAL NEWS IS HIGHER THAN NATIONAL NEWS

Respondents trust local news (63%) more than they trust general news (48%), news they consume (55%) and national news (49%) (Table 17).

With an exception of Generation Z, younger news consumers tend to generally trust news less than older generations. Generation Y news consumers are the most sceptical of news. Baby Boomers are the most trusting (Figure 14).

There is little difference in perceptions of trust based on income levels. Lower income groups tend to have a slightly higher general trust (Figure 15).

\>>
Table 17
Trust in News (%)

Trust Level	%
I think you can trust most news most of the time	48
I think I can trust most of the news I consume most of the time	55
I think I can trust news from Australian media most of the time	49
I think I can trust news from local media most of the time	63

B11. We are now going to ask you about trust in the news. Please indicate your level of agreement with the following statements. (Strongly disagree/somewhat disagree/neither agree nor disagree/somewhat agree/strongly agree) [Base=ALL]

\>>
Figure 14
Trust in News by Generation (%)

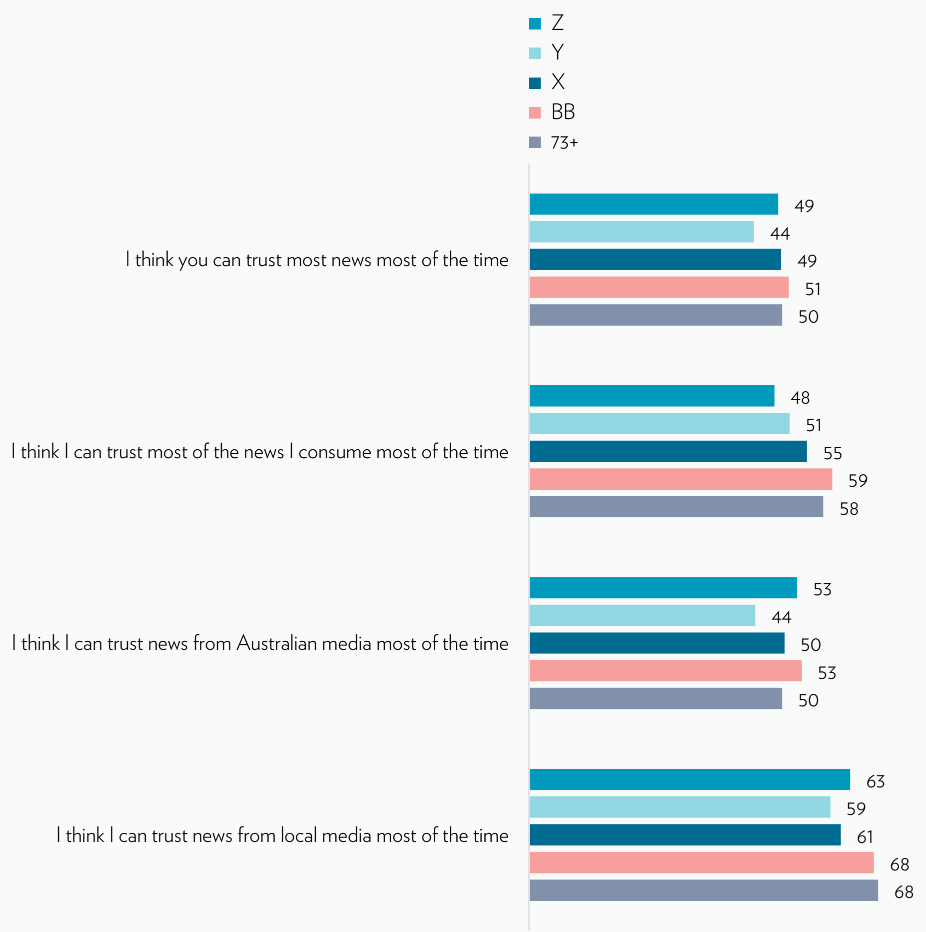

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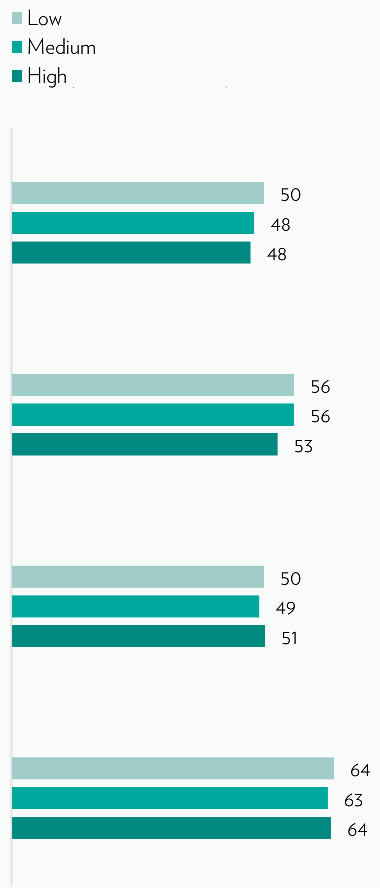
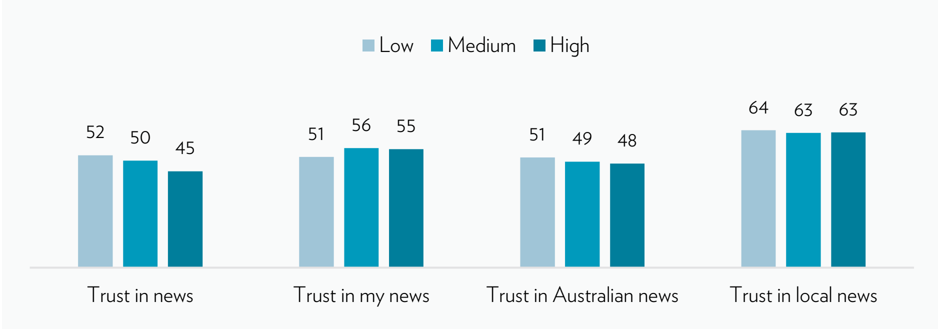
Figure 15
Trust in News by Income (%)



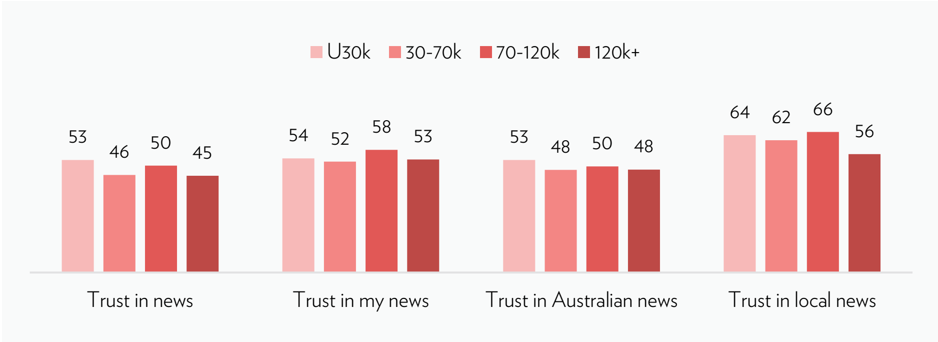
Those with higher education tend to trust general news less than those with lower education attainment. However, trust level in local news was not different by education levels (Figure 16).

>>
Figure 16
Trust in News by Education (%)



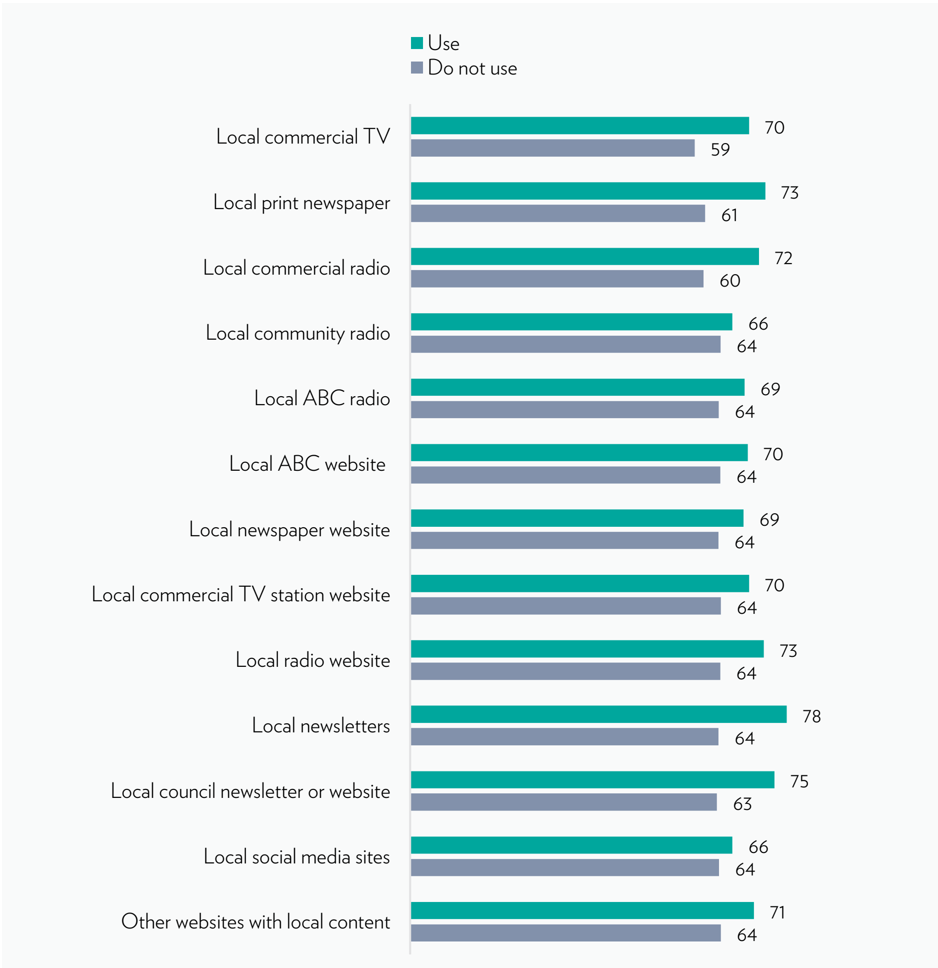
There is a difference in trust based on the size of the LGA one lives in. Consumers living in small and large LGAs tend to have higher trust in news (local, national and news generally). Those living in medium sized or very large LGAs tend to have lower trust in news. All of them trust local news more than any other type of news (Figure 17).

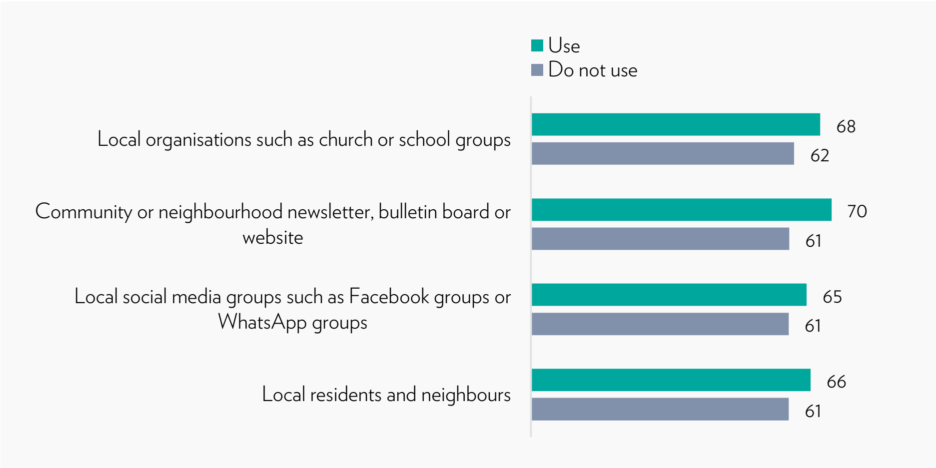
>>
Figure 17
Trust in News by LGA Size (%)



The level of trust in local news differed by which sources news consumers are accessing. Those who access local news via local newsletters and local council newsletters have the highest trust level in local news. **Those who access local news via local social media sites and local community radio have lower trust level in local news.** Overall, those who access local news have higher trust level compared to those who do not access local news (Figure 18).

>>
Figure 18
Trust in Local News by News Access (%)



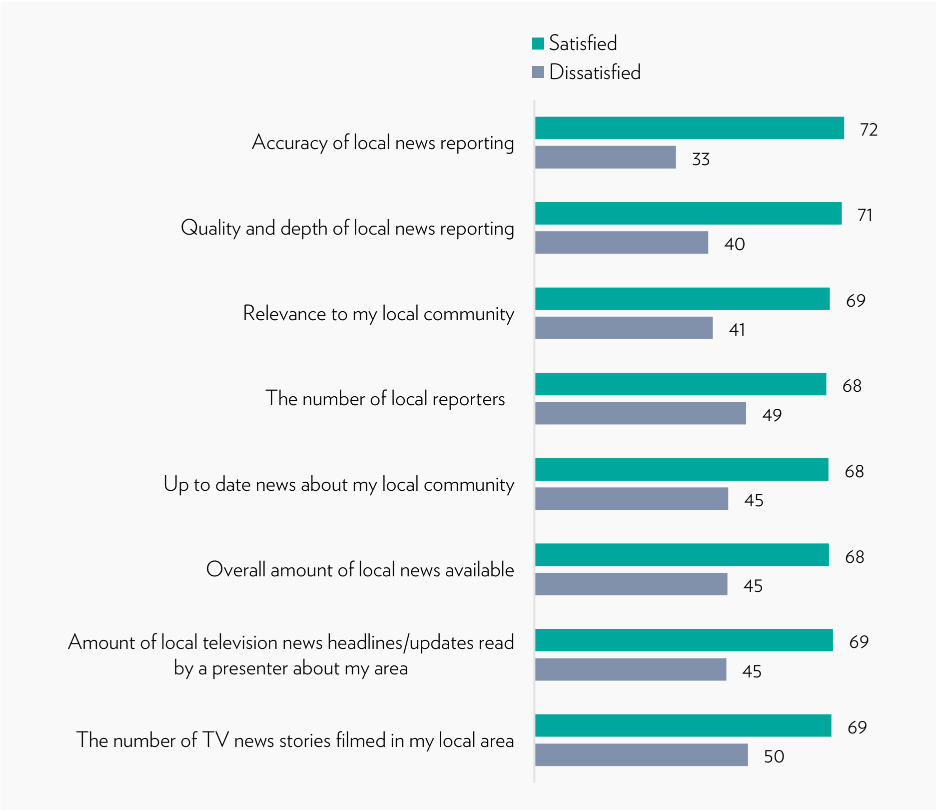


Those who access local news via non-news sources have higher trust in local news compared to those who do not access these sources to get local news. Those who access local news via community or neighbourhood newsletter or bulletin board have a higher trust compared to those who access local news via social media groups, local organisations or neighbours (Figure 19).

<<

Figure 19

Trust in Local News by Access to Local Non-News Source (%)



Overall, trust in local news is higher among those who are satisfied with local news. Some characteristics are more important than others. **Those who are satisfied with the accuracy of local news reporting have a much higher level of trust (72%) compared to those who are not satisfied (33%). Those who are satisfied with the quality have a higher trust (71%) than those who are not satisfied (40%).** The difference in trust level is smaller in aspects such as amount of local news presenters or number of TV stories filmed in the area (Figure 20).

<<

Figure 20

Trust in Local News by Satisfaction (%)

ATTITUDES TOWARD LOCAL MEDIA

04

COMMUNITY CONNECTION

We asked a range of questions about community connection and the role of news in creating a sense of community. Firstly, we asked respondents about their membership in local community organisations. The majority (63%) do not belong to a local organisation. About 19% are part of a sport club, 16% belong to a social or volunteer group. Only 6% are part of a religious organisation (Table 18).

<<
Table 18
Membership of Local Organisations (%)

Membership	%
A community group or neighbourhood association that focuses on issues or problems in the community	7
A local sport club	19
A local social club or volunteer organisation	13
A local religious group	6
None of these	63

B9. Do you belong to or work with any of the following local organisations? Please select all that apply. [Base=ALL]

When asked how respondents feel about their sense of belonging to their local community, the majority feel that they belong to their local area (61%) and 70% say they can get what they need from their local area. Most people (61%) are hopeful about the future of their community. However, only 43% think that if there is a problem it can be resolved by the residents (Table 19).

<<
Table 19
Sense of Localism (%)

Sense of Localism	%
I feel I belong to my local area	61
I can get what I need in my local area	70
If there is a problem in the local area, residents can get it solved.	43
I feel hopeful about the future of this community.	61
I feel connected to others in my local area	51

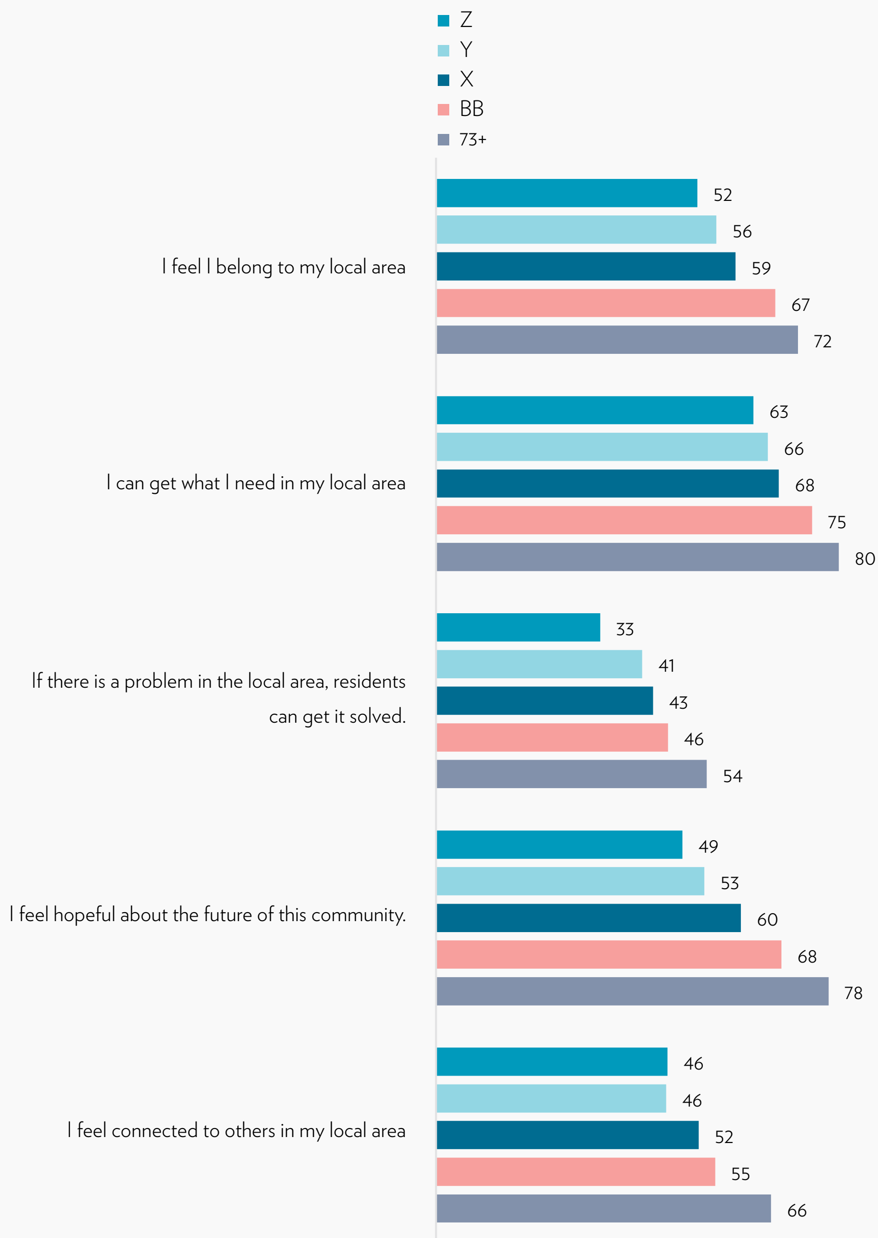
B10. How well do each of the following statements represent how you feel about your local area or town? Please select one option for each of the following statements below by clicking on the appropriate option. (Strongly disagree/somewhat disagree/neither agree nor disagree/somewhat agree/strongly agree) [Base=ALL]

YOUNG FEEL LESS CONNECTED TO THEIR COMMUNITY

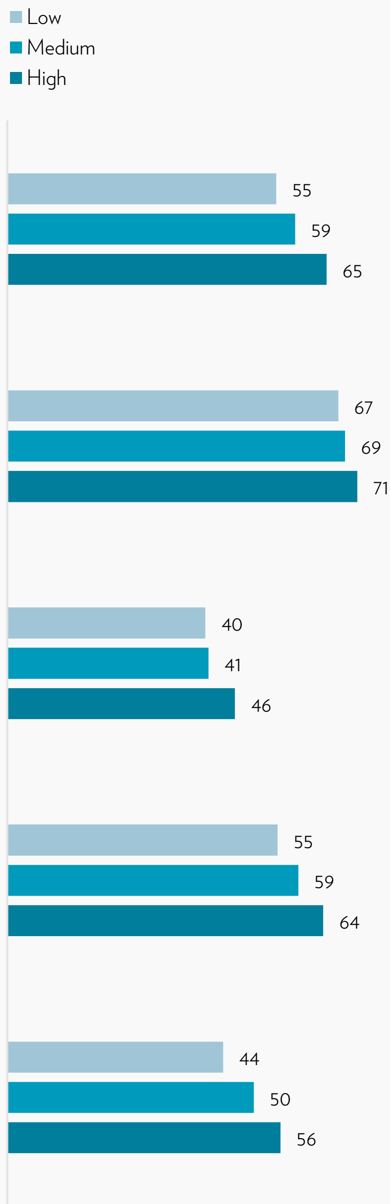
This sense of community belonging differed significantly by age group. Only 52% of Gen Z and 56% of Gen Y felt that they belong, compared to 72% of 73+. And 49% of Gen Z and 53% of Gen Y are hopeful about the future of their community (Figure 21).

The level of education affected the sense of belonging to the community. Those with higher education tend to feel they belong, think they can get what they need in their area, feel more agency regarding resolving local issues, are more hopeful about the future of the community and feel connected, compared to mid- and low education groups (Figure 22).

>>
Figure 21
Sense of Localism by Generation (%)



>>
Figure 22
Sense of Localism by Education (%)



Those who have lower income tend to be less optimistic about their community and have a lesser sense of belonging (Figure 23).

Employment is also an important factor in how people feel about their local communities. Those who are unemployed feel less connected, less hopeful and feel that local issues are hard to resolve compared to those who are employed (Figure 24).

Those living those living in small LGAs with populations less than 30k, tend to have lesser sense of belonging to the community compared to those living in LGAs with mid-size population. However, those living in larger LGAs are more likely to think they can get what they need from their area. They also think problems can be resolved within their community and are more hopeful about the future. However, those living in large LGAs also feel less connected to their local community (Figure 25).

>>
Figure 23
Sense of Localism by Income (%)

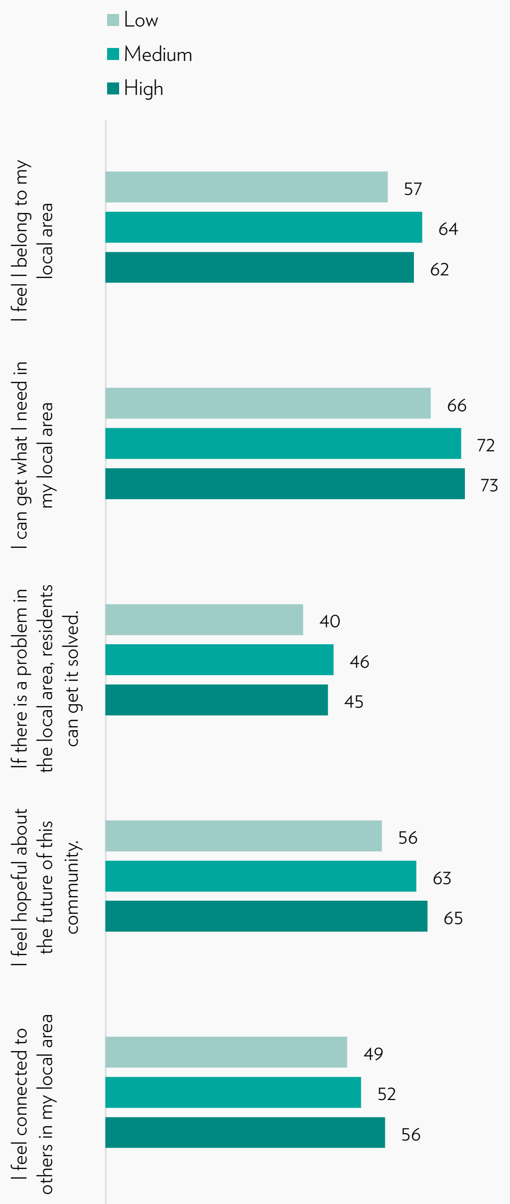


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Figure 24
Sense of Localism by Employment (%)

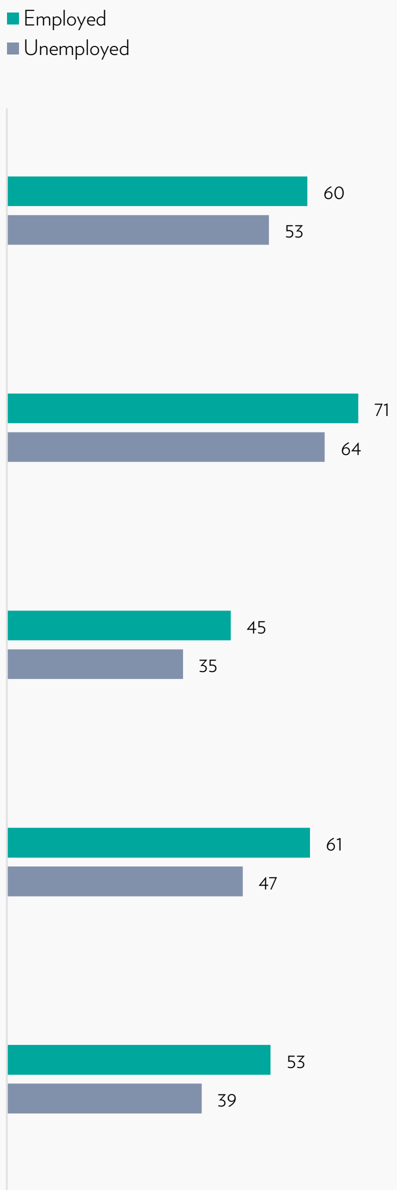

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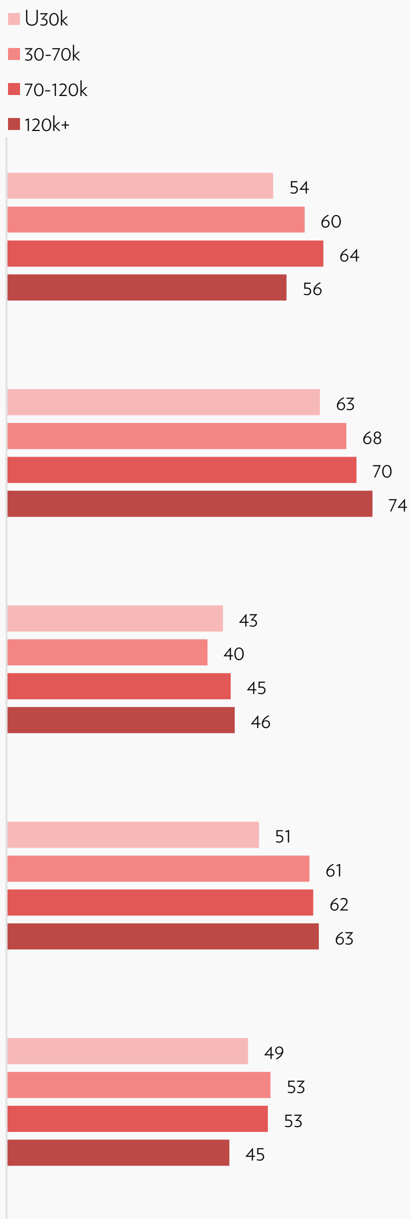
Figure 25
Sense of Localism by LGA Size (%)



FINANCIAL SUSTAINABILITY OF LOCAL NEWS

Local news consumers have somewhat contradictory viewpoints regarding the sustainability of news media and the social function they play. The majority (88%) of respondents think local news should be free for all and 64% said that local news organisations are vital and should be preserved even if they can't sustain themselves financially. However, about half (47%) also think that a news business is just like any other business and should be allowed to fail if it can't be sustained financially (Table 20).

These viewpoints differed somewhat between generations. Half of Gen Z thought news businesses are like any other and should be financially sustainable. Older generations tend to think that news should be free no matter what (Figure 26).

Higher education groups are marginally more likely to think that news organisations should be preserved regardless of financial sustainability compared to medium education attainment groups and low education groups. They are also more likely think that everyone should have access to local news regardless of pay (Figure 27).

47	64	88
A news business (newspaper, TV, radio, online) is just like any other business that should be allowed to fail if it can't sustain itself financially	Local news organisations (newspaper, TV, radio, online) are vital and should be preserved even if they can't sustain themselves financially	Everyone should have access to local news, even if they don't pay for it

B11a. We are now going to ask you about how you feel about local news media. Please indicate your level of agreement with the following statements. (Strongly disagree/somewhat disagree/neither agree nor disagree/somewhat agree/strongly agree) [Base=ALL]

<<
Table 20
Attitude Towards Local News Organisations (%)

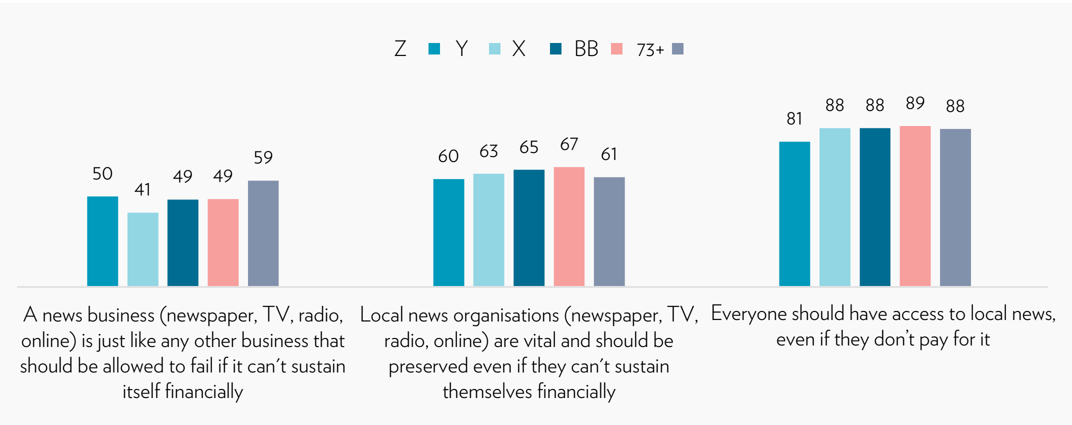


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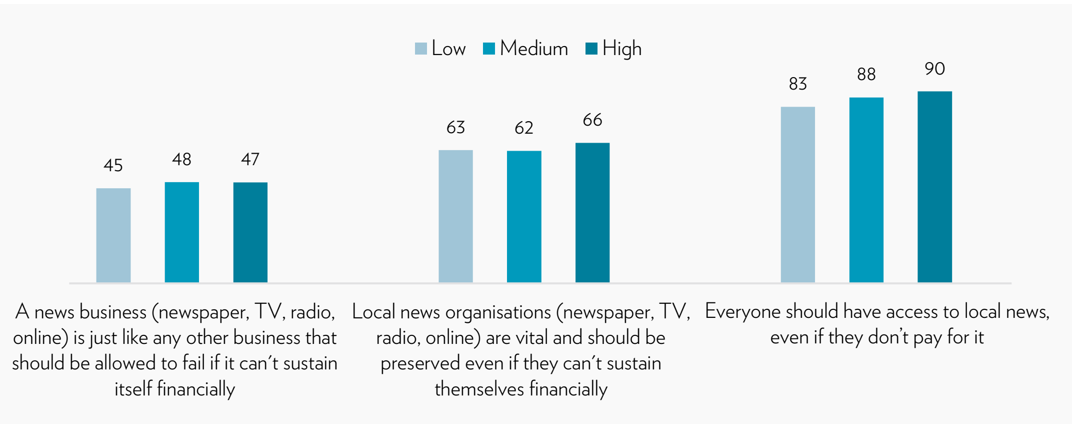
Figure 26
Attitude Towards Local News Organisations by Generation (%)



<<
Figure 27
Attitude Towards Local News Organisations by Education (%)

This attitude differed somewhat by income levels as well. Those with high income think that local news should be free (92%), compared to the low-income group (84%) (Figure 28).

Those in small LGAs or very large LGAs are more likely to hold the view that media businesses should be allowed to fail like any other business. However, they are also more likely to say local news media are vital to the community and should be preserved. There were no differences in the perception that local news should be free by LGA size (Figure 29).

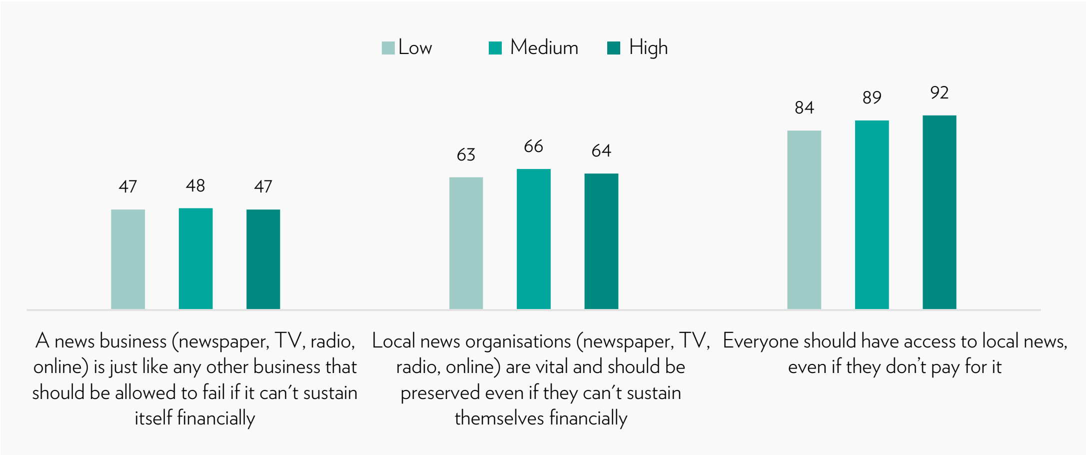


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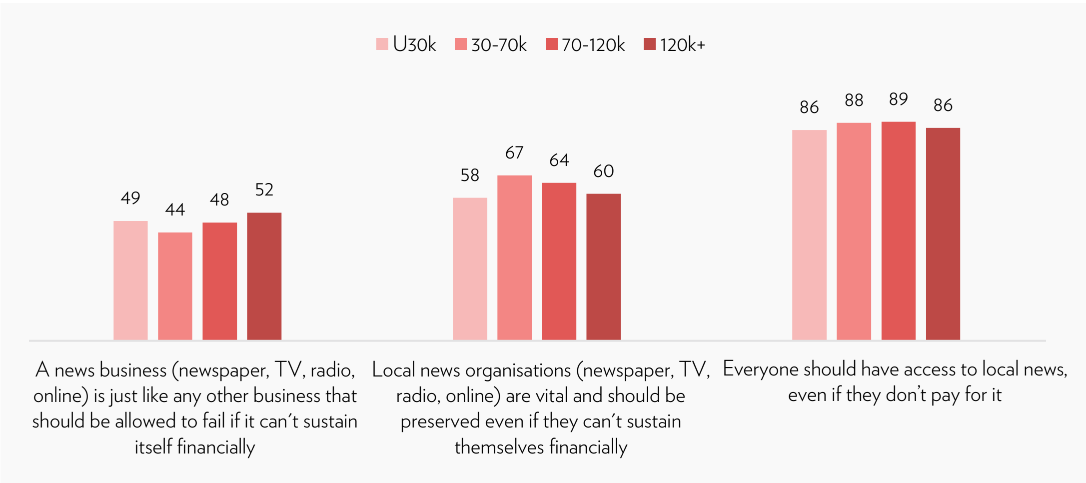
Figure 28
Attitude Towards Local News Organisations by Income (%)



<<
Figure 29
Attitude towards local news organisations by LGA size (%)

WILLINGNESS TO PAY FOR A NEW GRASSROOTS LOCAL NEWS SERVICE

05

FINANCIAL SUPPORT FOR ORGANISATIONS

To gauge the level of payment regional news consumers might be prepared to make toward a new grassroots news service, we first asked about financial support they might provide to other local organisations. About two-thirds of the respondents are already donating to various organisations including charities (53%) and religious organisations (24%) (Table 21).

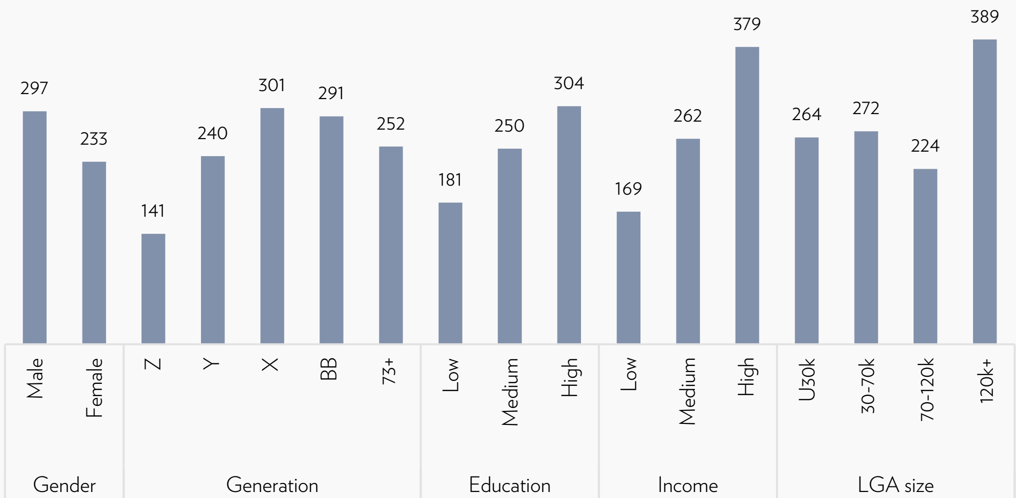
<<
Table 21
Financial Support for Organisations (%)

Financial Support	%
Charities such as Royal Flying Doctors, Cancer Council, RSPCA etc	53
Community groups such as Country Women's Association, Men's Shed Association	14
Religious organisations such as the Salvation Army, the Red Cross etc	24
Advocacy groups such as Sporting Shooters, Human Rights Council, GetUp etc	4
Political parties such as Shooters, Fishers and Farmers, Nationals, The Greens etc	4
Independent journalists or media organisations such as Greenleft weekly, Independent Australia, etc.	2
None	34

C4. What organisations and causes do you financially support, if any? Please select all that apply. [Base=ALL]

Among the 1,346 respondents (66% of total respondents) who support organisations financially, the average annual amount they donate is $265, and the median amount is $100. Men ($297) donate more than women ($233). Gen X ($301) donate the most and Gen Z ($141) donate the least. High income ($379) and high education ($304) groups donate the most. Those living in very large LGAs ($389) donate the most (Figure 30).

<<
Figure 30
Annual Donation by Demographics ($)



C5. On average, how much do you spend annually on donation? [Base=those who financially support]

PAYMENT FOR A GRASSROOTS LOCAL NEWS SERVICE

We asked respondents whether they would be interested in financially supporting **an online grassroots local news organisation that directly funds a reporter** in their town. Because this is a novel concept, it is hard to estimate the support level based on the survey results. Less than one third of participants indicate an interest in supporting an online grassroots local news organisation (29%) and 59% are not interested. 12% of the respondents are undecided (Table 22). According to the *Digital News Report 2018*, among news consumers who had already paid for online digital content, about 20% said they were likely to pay for online news from particular sources that they preferred in the next 12 months. Overall, the willingness to support a local news provider is higher than the willingness to pay for a general news service.

>>
Table 22
Financial Support for Grassroots Local News (%)

Financially Supporting Local News	%
Not interested	59
Interested	29
Undecided	12

C1. Would you be interested in financially supporting an online grassroots local news organisation that directly funds a reporter in your town? Please select one option. (Not at all interested/not very interested/somewhat interested/very interested/extremely interested/don't know) [Base=ALL]

Men (31%) are slightly more interested in supporting local news compared to women (28%). Younger generations are more interested in supporting local news. Older people are more undecided and not interested (Figure 31).

Those who have lower levels of education tend to be less interested and undecided. The proportion of 'not interested' is similar across the three education levels. Those with high education are the most interested and the least likely to be 'undecided'. Those with the highest incomes are the least interested (63% not interested). However, only 8% say they are undecided and 30% say they are interested. The low-income group have the most undecided (14%) of the three income groups (Figure 32).

Those living in medium sized LGAs are the most interested (32%) in a new online grassroots local news service. Regional news consumers living in large and very large LGAs are less interested (Figure 33).

Further analyses reveal that **those who already support organisations financially are more interested in supporting local news. And those who belong to a local community organisation are more interested in financially supporting a grassroots local news service** (Figure 34).

News consumers who are currently paying for online content or print newspapers are more likely to be interested in financially supporting a grassroots local news service. Among those who have never paid for online content or newspapers, 29% were interested, whereas 59% of those who have paid in the past were interested (Figure 35).

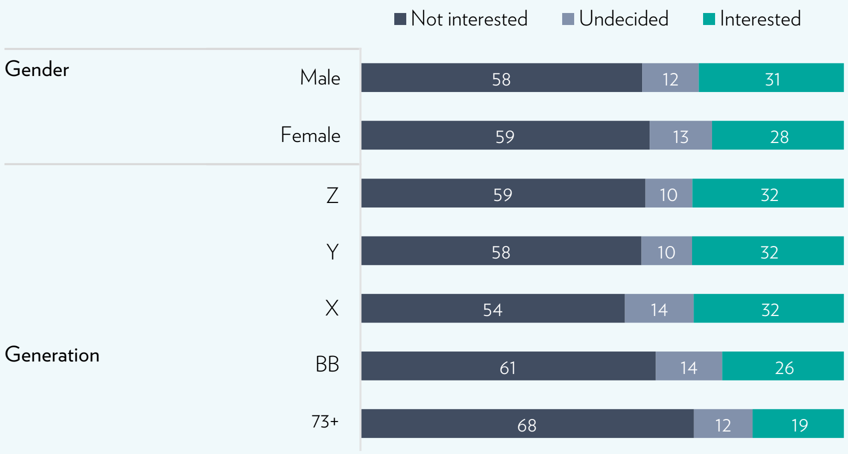


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Figure 31

Interest in Supporting a Grassroots Local News Service by Gender and Generation (%)

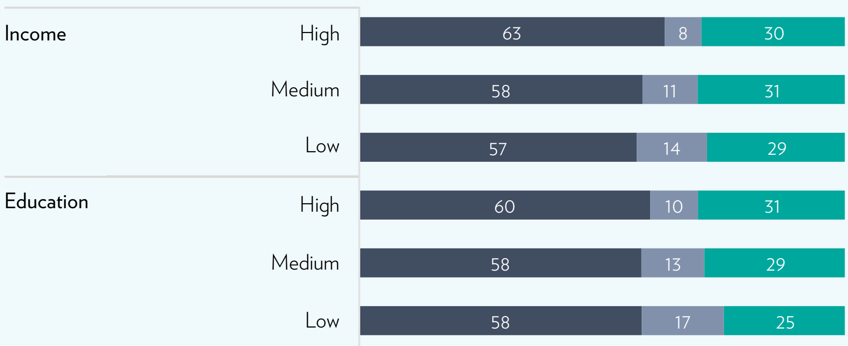

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Figure 32

Interest in Supporting a Grassroots Local News Service by Education and Income (%)

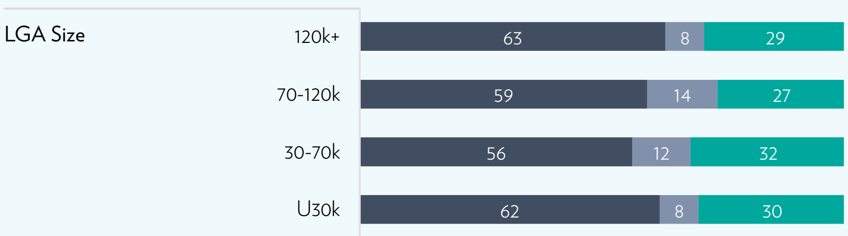

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Figure 33

Interest in Supporting a Grassroots Local News Service by LGA Size (%)

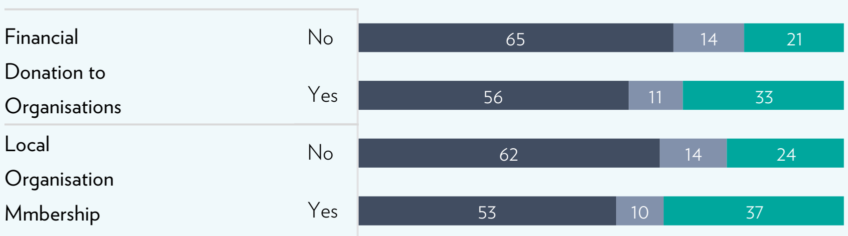

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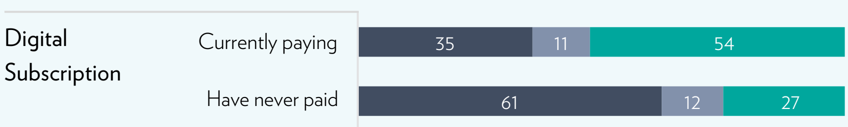
Figure 34

Interest in Supporting a Grassroots Local News Service by Existing Membership of Local Organisations and Donation (%)



Q1a. Have you ever paid for a digital content service, if any, what kind of digital content do you currently pay for? Please select all that apply. [Base=ALL]

<<

Figure 35

Interest in Supporting a Grassroots Local News Service by Digital Subscription (%)

DIGITAL SUBSCRIBERS ARE THE MORE LIKELY TO PAY

Among different types of digital subscription, those who are currently paying online news are the most likely to be interested in financially supporting a grassroots news service. On the other hand, those who subscribe to pay TV such as Foxtel or a video service such as Netflix were less likely to be willing to support a grassroots news service than those who do not subscribe to those services. However, those who subscribe to music services, cloud services, dating, games, e-books and physical newspapers are more likely to be interested than those who do not subscribe to those services (Figure 36).

Q1a. Have you ever paid for a digital content service, if any, what kind of digital content do you currently pay for? Please select all that apply. [Base=ALL]

<<

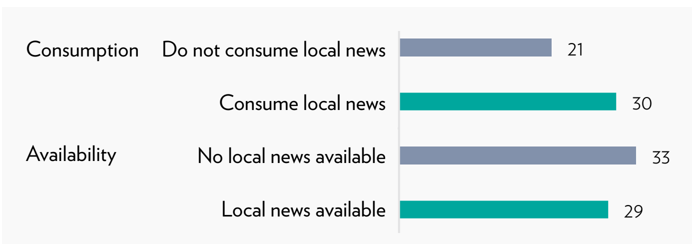
Figure 36
Interest in a Grassroots Local News Service by Online Content and Newspaper Subscription

NEWS GAPS INFLUENCE WILLINGNESS TO PAY FOR A NEW SERVICE

Interest in a grassroots local news service is affected by the availability of local news in the community as well as whether the news consumer is actively consuming local news or not. About one-third (33%) of respondents who said they don't have any local news available in the area are interested in a new grassroots local news service, compared to 29% of those who already have local news in their area. Those who access local news regularly are more likely to be interested than those who currently don't consume local news (Figure 37).

>>

Figure 37
Interest in a Grassroots Local News Service by Availability and Consumption of Local News (%)



Desire to financially support a new type of grassroots local news services is largely dependent on the current availability of traditional local news. Those who live in areas without a local commercial TV station, a local print newspaper or a local commercial radio station are more likely to be interested in a grassroots local news service (Figure 38).

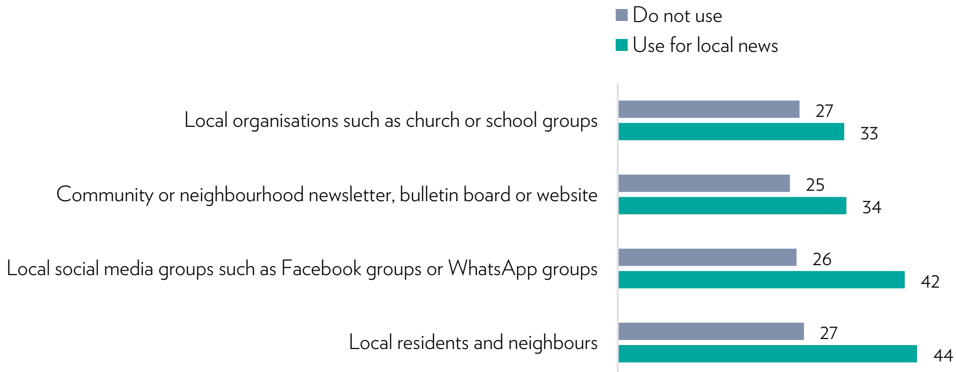
Regional news consumers who regularly access local news are more likely to be interested in a grassroots local news service. Those who access local news via online platforms such as websites and social media were more interested than those who access news via traditional platforms (Figure 39). The respondents in this study are those who are already paying for digital content. Therefore, they are more likely to be more active online.

Regional news consumers who access local news via alternative methods such as local organisations, community newsletters, bulletin board or websites, local social media groups or local residents are more likely to be interested in a grassroots local news service (Figure 40). This highlights the existing gap in local news services and a desire for ways to fill it.

>>
Figure 38
Interest in a Grassroots Local News Service by Availability of Local News in the Area (%)

<<
Figure 39
Interest in a Grassroots Local News Service by Local News Consumption (%)

>>
Figure 40
Interest in a Grassroots Local News Service by Uses of Alternative Local News Sources (%)

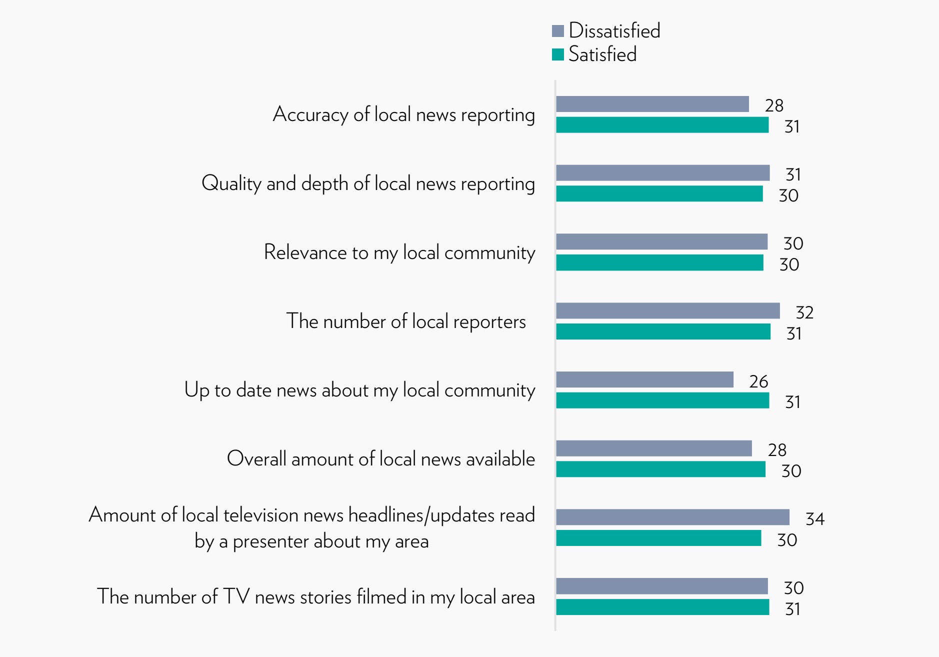


Satisfaction with the current quality of local news was not a factor determining the interest in a grassroots local news service. However, those who were not satisfied with the amount of local news reporting, and the number of local news reporters in the area were more likely to be interested in a new grassroots local news service (Figure 41).

>>

Figure 41

Interest in a Grassroots Local News Service by Satisfaction in Local News (%)



LOSS OF LOCAL NEWS INCREASES INTEREST IN A NEW GRASSROOTS NEWS SERVICE

Regional news consumers who have experienced a local news service closing down or merging with another company are interested in financially supporting a grassroots local news service (38%) more than those who haven't experience a closure or merger (34%). Those who were not sure whether there was a closure or merger were least likely to be interested (25%), which reflects their low level of interest in local news (Figure 42).

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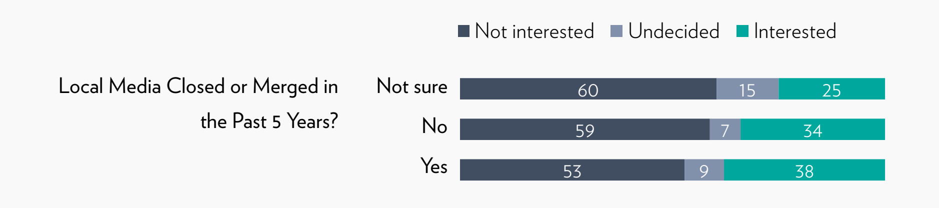
Figure 42

Interest in a Grassroots Local News Service by Local News Closure or Merger (%)



TRADITIONAL NEWS USERS ARE MORE INTERESTED IN A NEW ONLINE GRASSROOTS NEWS SERVICE

Regional news consumers who access news on a daily basis tend to be more interested in financially supporting a grassroots local news service more than those who infrequently access news. In general, those who consume traditional news tend to have a higher interest overall, compared to those who access news online. Those who are daily magazine or newspaper readers are most likely to be interested in the grassroots local news service (Figure 43).

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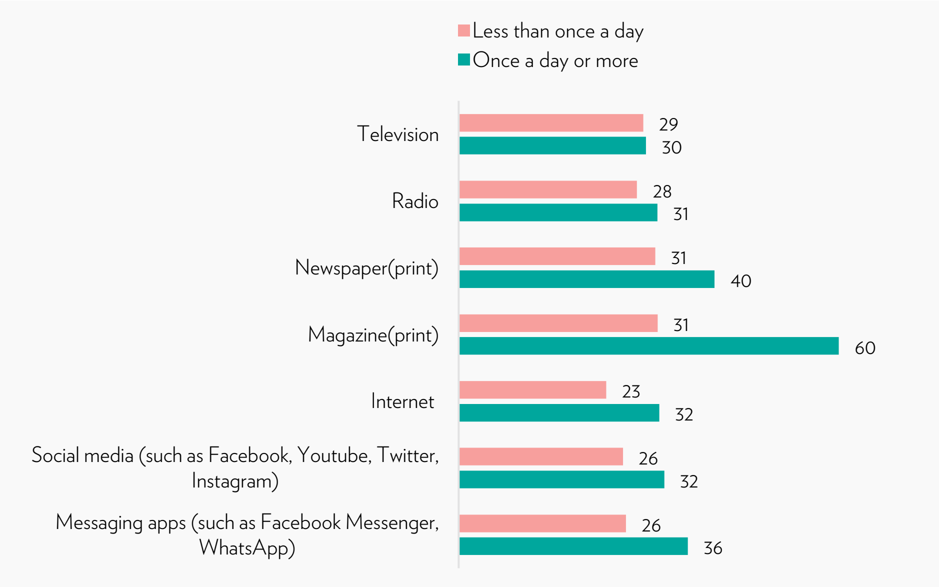
Figure 43

Interest in a Grassroots Local News Service by Daily News Habits (%)



Regional news consumers who have a sense of belonging to the local area and feel connected to others in the community are more interested in supporting a grassroots local news service. Those who are less hopeful about their community and think they can't resolve local issues are less likely to be interested in paying for grassroots local news service (Figure 44).

>>

Figure 44

Interest in a Grassroots Local News Service by Sense of Localism (%)

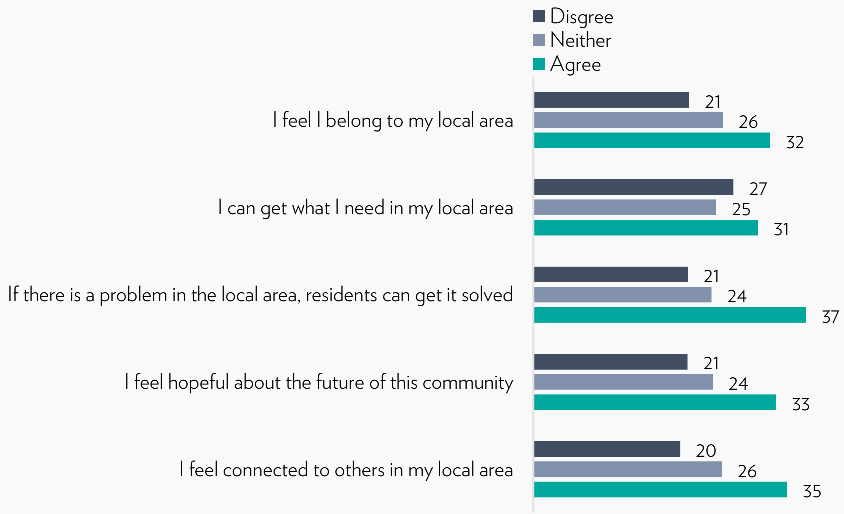


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Figure 45

Interest in a Grassroots Local News Service by Trust in News (%)

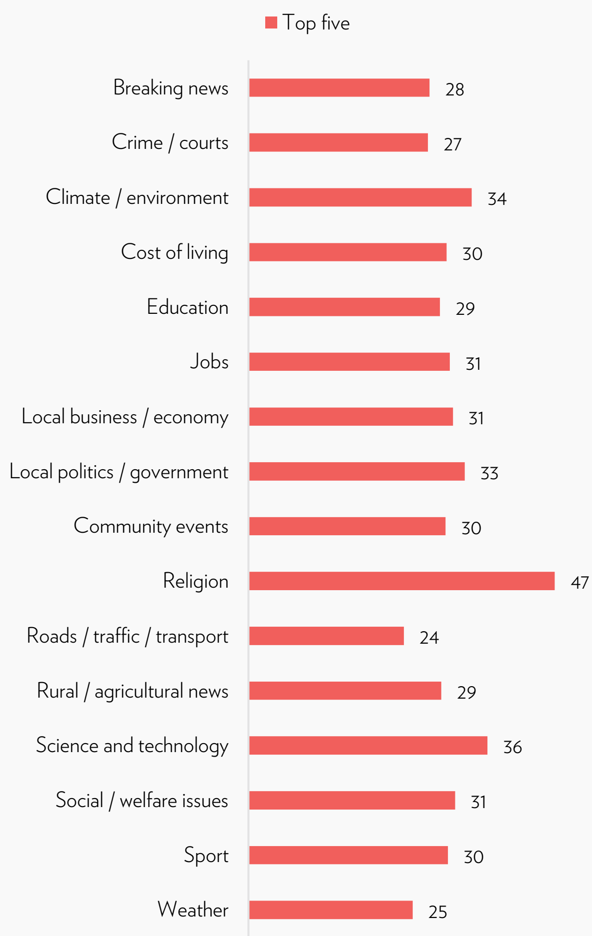
NEWS TRUSTERS ARE MORE INTERESTED IN A NEW GRASSROOTS NEWS SERVICE

Those who trust news (local, national and general) tend to have a higher interest in a grassroots local news service compared to those who do not trust news or who are indifferent. There were no significant differences among those who trust news in general, trust in news they consume, trust in national and local news (Figure 45).

>>

Figure 46

Interest in a Grassroots Local News Service by Topics of Interest (%)



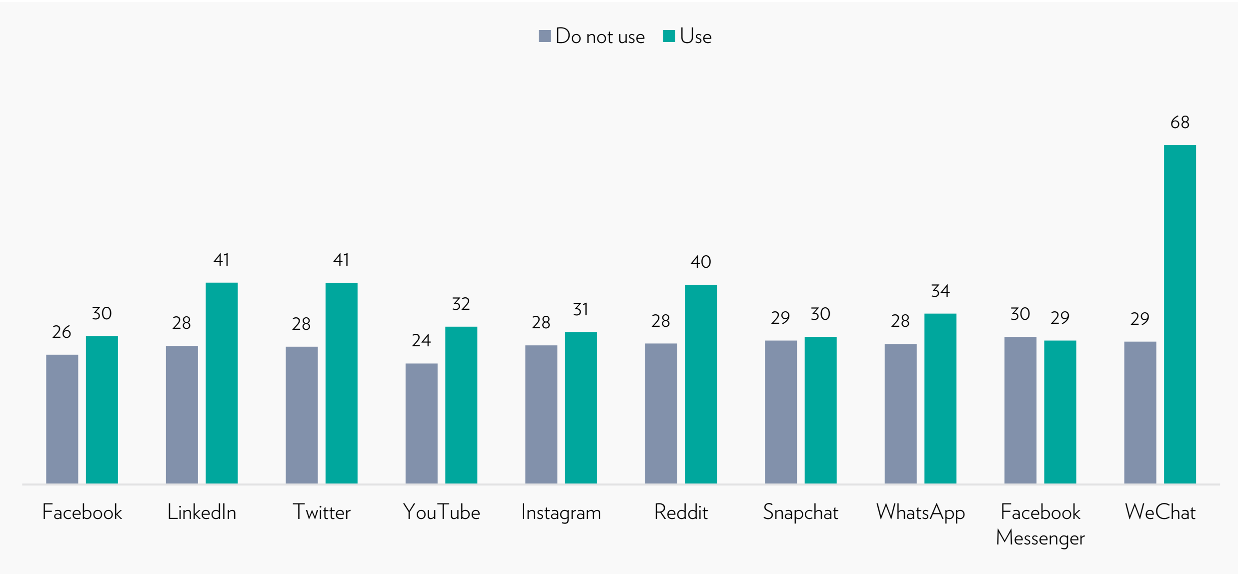
We asked respondents to pick the top five local news topics that they are most interested in. We then compared those who chose each topic with those interested in a new grassroots service. Those who ranked climate/environment, cost of living, jobs, local business/economy, local politics/government, community events, religion, science & technology, social & welfare issues, and sport were more likely to be interested in a grassroots local news service. Those who ranked breaking news, traffic, and weather as the most important topics were less likely to be interested in supporting a local news service (Figure 46).

One-third (30%) of those who use social media platforms said they would be interested in supporting a grassroots local news service, whereas only 21% of those who never use social media said they would be interested. Interest in a grassroots news service differed by the type of social media platform news consumers were using. Those who use WeChat (68%), LinkedIn (41%), Twitter (41%) and Reddit (40%) are more likely to be interested in a grassroots local news service (Figure 47).

>>

Figure 47

Interest in a Grassroots Local News Service by Social Media Use (%)



PREFERRED METHOD OF PAYMENT FOR A GRASSROOTS LOCAL NEWS SERVICE

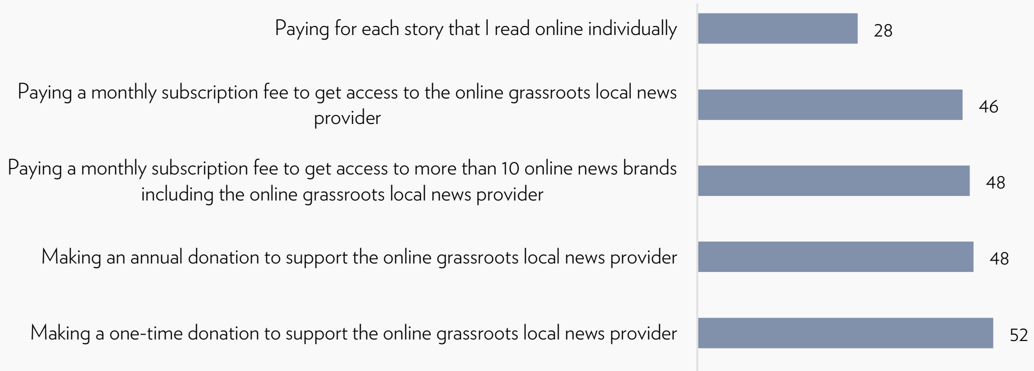
06

ONE-OFF DONATION IS THE MOST POPULAR FORM OF PAYMENT

We asked whether and how much they would be willing to pay for a range of options: a single news story, monthly subscription, annual subscription, or a one-off annual donation. The most preferred method of paying for an online grassroots local news organisation is a one-off donation (52%) followed by an annual donation (48%) and a monthly subscription bundled with ten other news brands (48%). The least favoured method of payment is paying per story (28%) (Figure 48).

THE MAJORITY OF RESPONDENTS ARE NOT INTERESTED IN PAYING FOR EACH STORY

If charged per story, 28% of respondents are willing to pay 50 cents to $1 per story, 7% up to $2. They are more interested in a monthly subscription, where 46% are willing to pay up to $5 per month for the subscription. If bundled with ten other news brands, 48% are willing to pay up to $5 per month. Annual donation or one-off donation were the most preferred payment options, where 48% are willing to pay $20 per year and 52% are willing to pay a $20 one-off donation. However, only 3% are willing to donate more than $50 (Table 23).



C3. How much would you be prepared to spend on each of the options? [The percentage is those who said they would pay.]

<<
Figure 48
Preferred Types of Payment (%)

<<
Table 23
Willingness to Pay for Grassroots Local News (%)

Per Story	50 cents to $1	$1-$2	$2-$5	More than $5	I would not pay for this
Paying for each story that I read online individually	20	4	2	1	72
Monthly	**Up to $5**	**$5-$9**	**$10-$15**	**More than $15**	**I would not pay for this**
Paying a monthly subscription fee to get access to the online grassroots local news provider	30	11	5	1	54
Paying a monthly subscription fee to get access to more than 10 online news brands including the online grassroots local news provider	26	12	7	2	52
Donation	**Up to $20**	**$20-$29**	**$30-$49**	**More than $50**	**I would not pay for this**
Making an annual donation to support the online grassroots local news provider	28	9	8	3	52
Making a one-time donation to support the online grassroots local news provider	32	8	8	3	48

HOW WILLING ARE LOCAL NEWS CONSUMERS TO PAY FOR A MONTHLY SERVICE?

We analysed differences among demographic groups in relation to the willingness to pay for a monthly subscription (second option). The willingness to pay a monthly subscription is slightly higher among women. However, the price men are willing to pay is higher compared to women (Figure 49). Women are more likely to be willing to pay compared to men, which is different from the *Digital News Report: Australia 2020* findings, where men are more likely to pay. Overall, 14% of Australian news consumers had paid for online news content in the past year; 17% of men and 12% of women said they had paid.

The willingness to pay annually is also higher among women compared to men. However, similar to the monthly subscription, men are likely to pay a higher rate for the subscription.

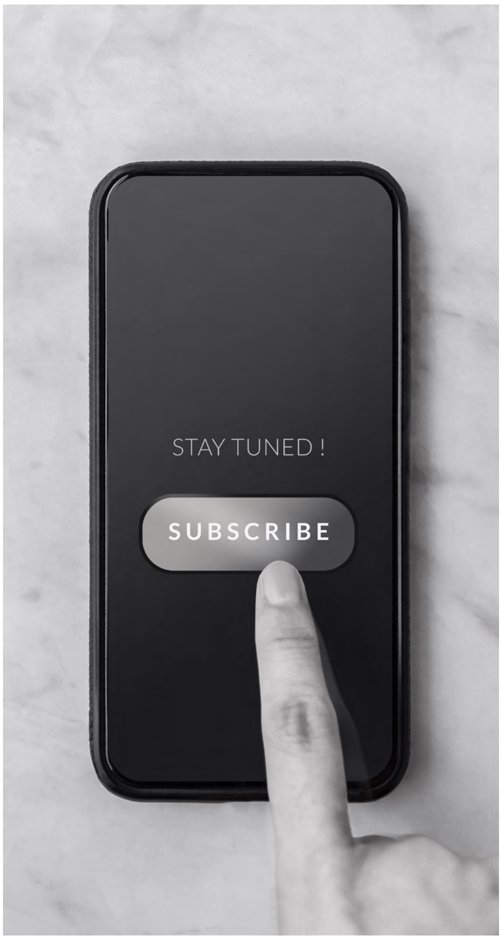


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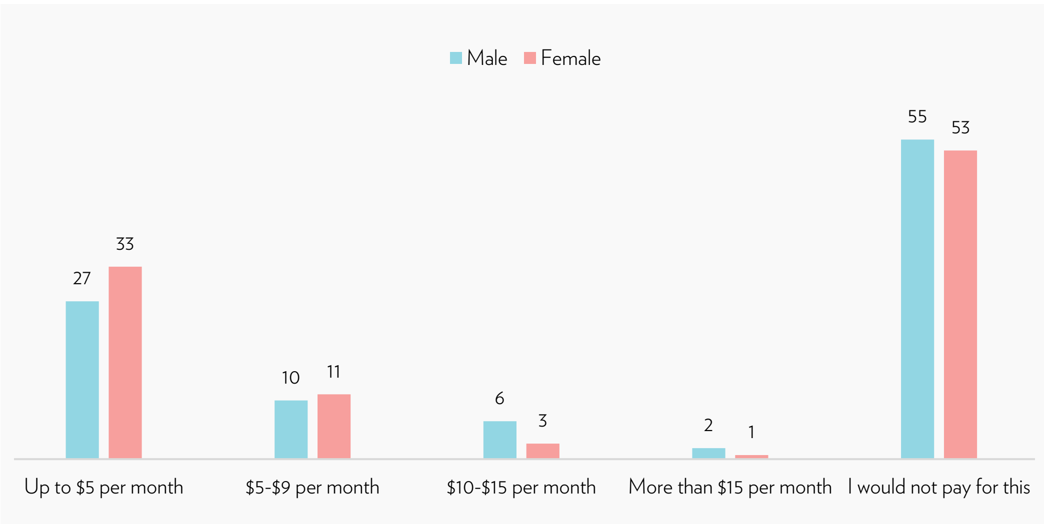
Figure 49
Willingness to Pay Monthly by Gender (%)



YOUNGER GENERATIONS PREFER MONTHLY SUBSCRIPTION

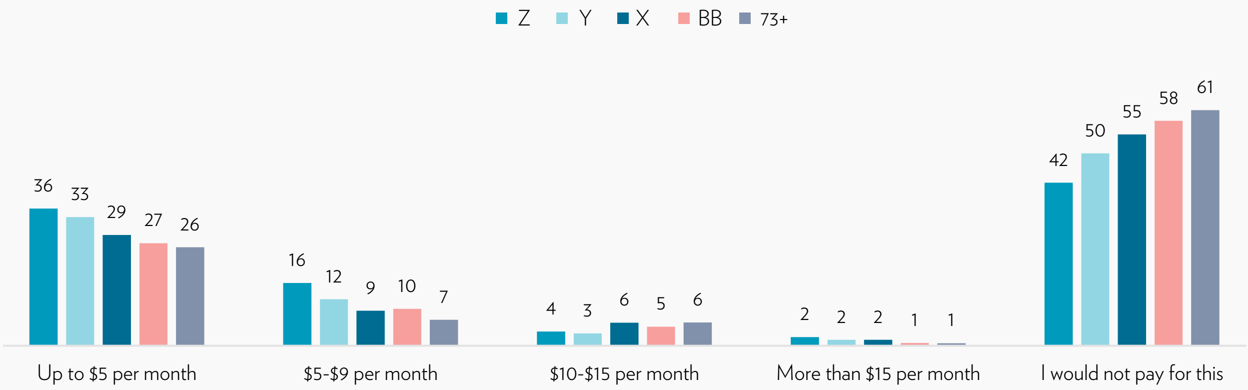
Younger generations are much more willing to subscribe to a monthly service compared to older generations. However, among those who are willing to pay, the price they are willing to pay is lower than older generations (Figure 50).

The willingness to pay monthly possibly reflects a greater familiarity with online subscription culture among younger generations than older.

Similar to the monthly subscription option, younger generations were generally more in favour of an annual donation compared to the older generations. The only difference was that generation Y were the most likely to pay (53%).

Of those willing to donate annually, the price respondents were willing to pay was highest among Baby Boomers. This tendency reflects the affordability and financial status in various life stages.

>>
Figure 50
Willingness to Pay Monthly by Generation (%)



Education was also related to the willingness to pay for a grassroots news service; the more educated the participant, the more likely they are willing to pay for such a service. The same pattern was found in both monthly subscription and annual donation (Figures 51).

This is consistent with the findings in the *Digital News Report: Australia 2020*. For general online news payment, only 10% of low education group were paying compared to 20% of high education attainment group.

>>
Figure 51
Willingness to Pay Monthly by Education (%)

Income was an important factor in determining the willingness to pay for an online grassroots news service. Those with higher income were more willing to pay as well as more willing to pay a higher price for the subscription both monthly and annually (Figures 52).

<<
Figure 52
Willingness to Pay Monthly by Income (%)

Those living in medium sized LGAs were most likely to pay a monthly subscription fee for an online grassroots news service. Among those who are willing to pay, those in very large LGAs were more likely to pay a higher fee (Figures 53).

Consumers living in medium sized LGAs were mostly willing to donate to a grassroots news service on an annual basis; 29% are willing to pay up to $20 a year, 10% are willing to pay $20-29, 9% are willing to pay $30-$49 and 3% are willing to pay more than $50 a year in donation .

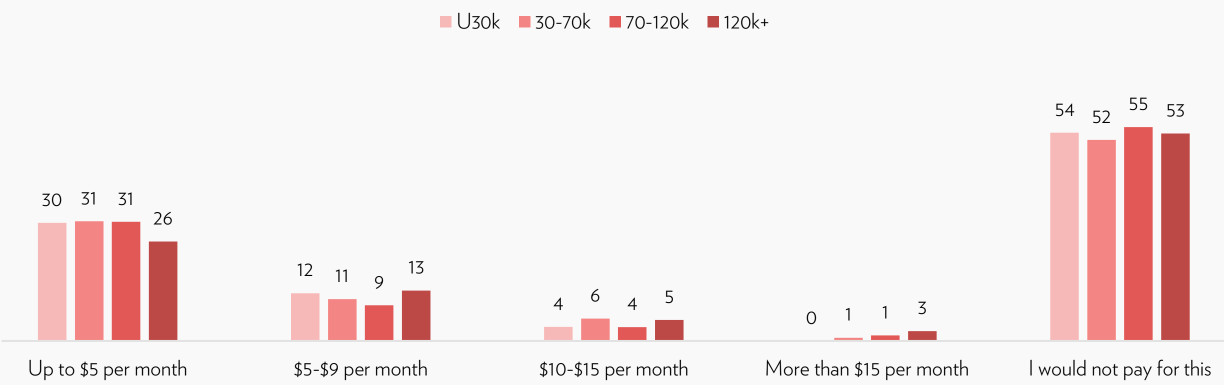


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Figure 53
Willingness to Pay Monthly by LGA Size (%)

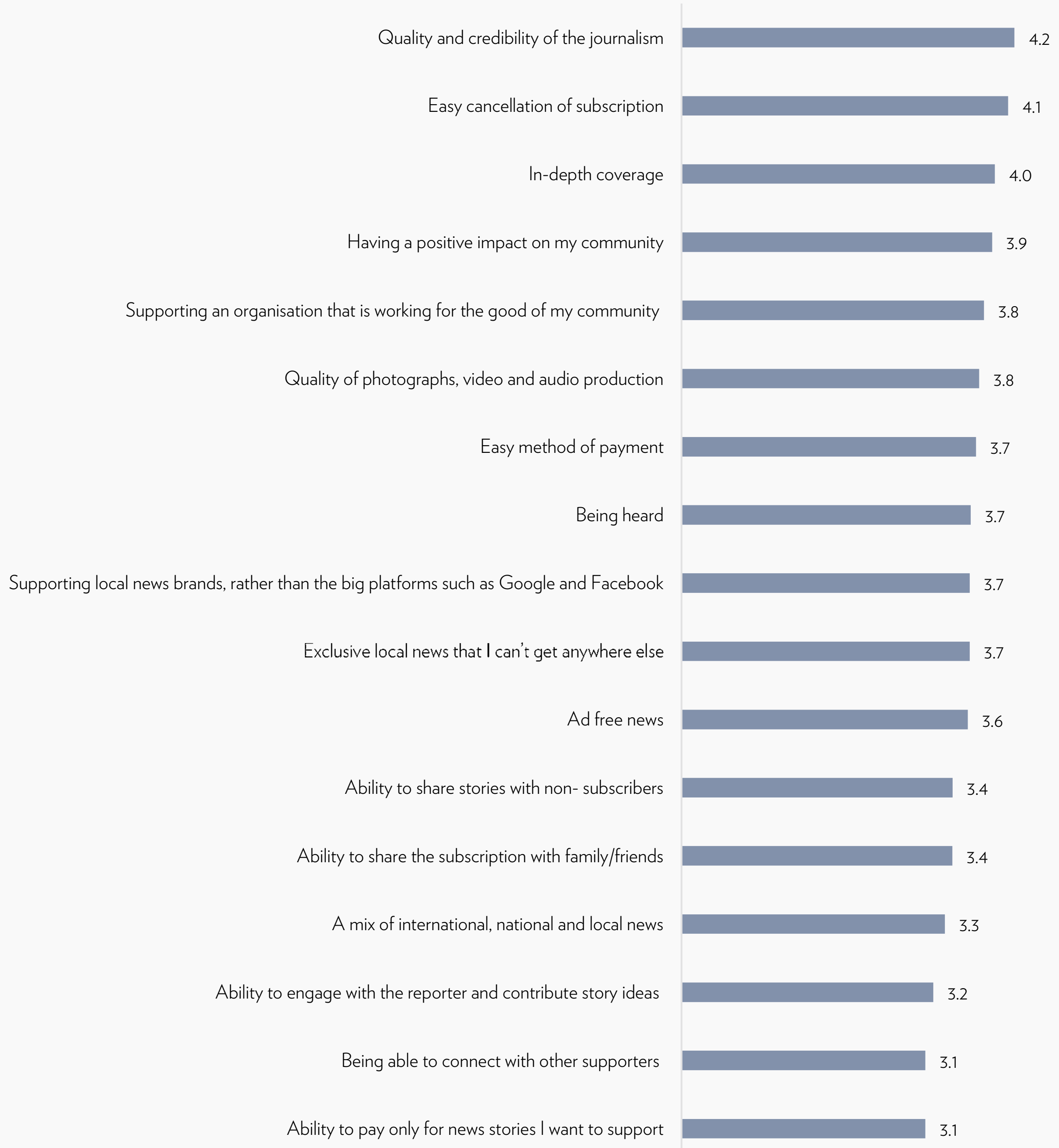
NEWS QUALITY AND PAYING FOR NEWS

There is clearly a demand for quality local news among participants and it influences their willingness to pay for it. The most important factors that news consumers regard to be important to an online grassroots local news service are

- (1) Quality
- (2) Ease of cancellation
- (3) In-depth coverage (Figure 54).

<<

Figure 54
Factors That Influence Payment Towards Grassroots Local News Media



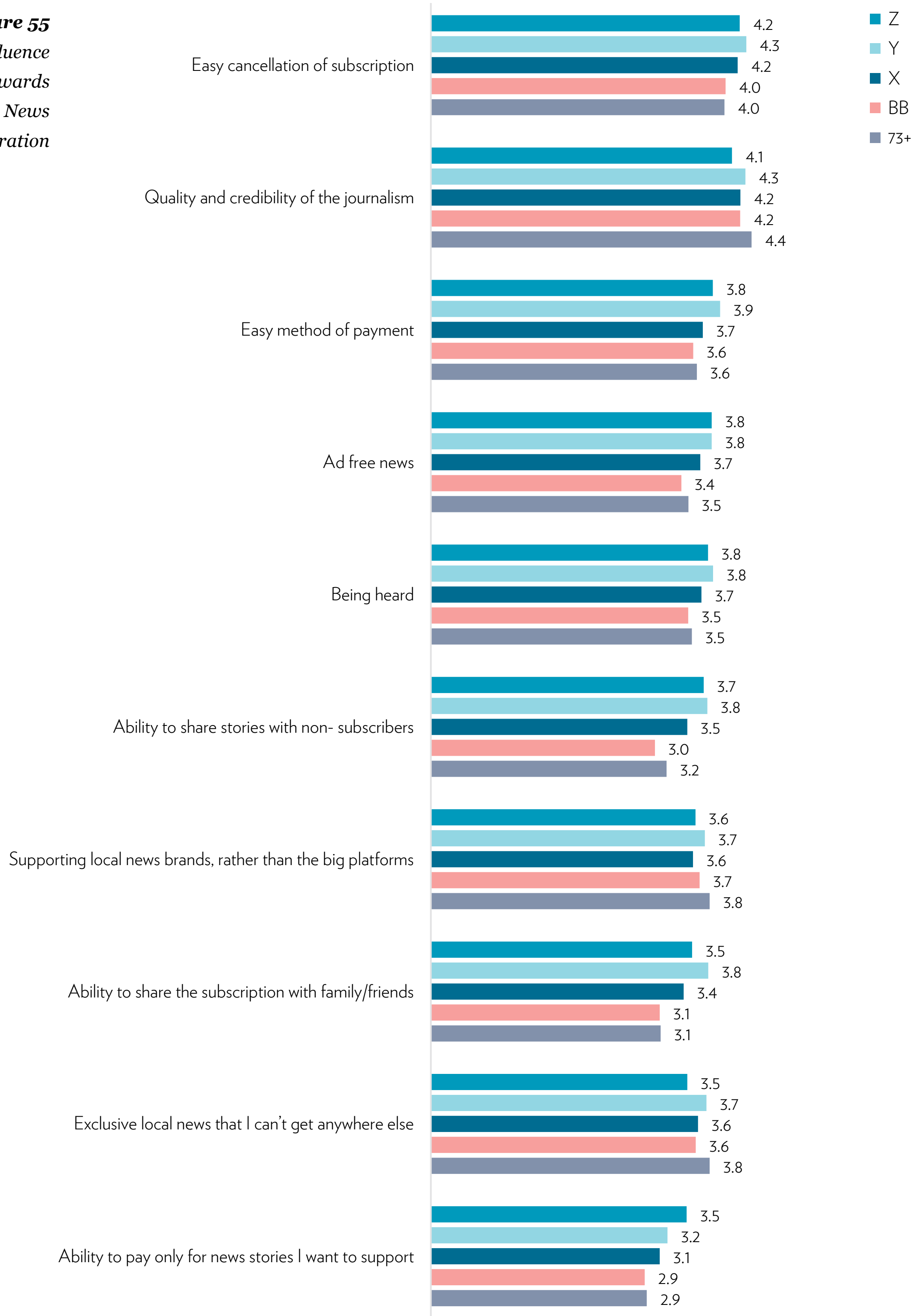
C2. In considering whether to pay for such an online grassroots local news provider, how important would the following factors be? Rating out of 5. (Not important/ slightly important/moderately important/important/ very important) [Base=ALL]

These factors are considered differently by generation. Gen Z values convenience such as easy cancellation of subscription and method of payment. Whereas older generations place more value on the content such as exclusive local news items, as well as the quality and credibility of the journalism. Younger generations emphasise the importance of sharing functions, the ability to be heard and customised news. They are more attuned to the interactive and participatory news environment where they can actively engage with news (Figure 55).

>>

Figure 55

Factors That Influence Payment Towards Grassroots Local News Media by Generation



Rating out of 5


JOIN US
UNLIMITED
$30

CONCLUSION

News is distributed through multiple platforms in many different ways to consumers. This has shifted how news consumers access and consume news. The vast majority of regional news consumers access news online and on social media, mainly through mobile phones.

Generation and geography largely determine the type of local news that consumers access. Older generations mainly access commercial TV, print newspapers, and ABC radio for local news. Younger generations use local social media sites. Overall consumption of local news is declining among younger generations, where a quarter of Gen Z do not access any local news. Those who live in small and medium sized LGAs tend to access local news via social media, whereas those in large and very large LGAs access news on traditional platforms such as commercial TV and newspapers. Almost half of the news consumers in small to large LGAs access local news through local social media groups, which indicates a strong demand for local news that are not serviced by traditional news media.

Most regional consumers are not aware of the changing news environment in their community. However, those who do recognise the changes are concerned about the negative impact it has had on the community. Those who live in small LGAs feel the impact the most.

Regional news consumers feel relatively connected to the community and feel hopeful about the future. However, many of them don't feel that they can resolve issues they may have in their community. Younger generations and those in small and mid-sized LGAs feel less hopeful.

There is a definite appetite towards a new type of grassroots local news service and regional news consumers are willing to pay a modest subscription for it. Quality, convenience and supporting the goodwill of journalistic activities are important factors that determine the willingness to pay. In areas where local news is lacking and where news consumers are dissatisfied with the local news offering, there is a higher demand for a new online news service. Those who use social media generally are more likely to welcome a new local online new service.

Public interest news is an essential function of journalism that has undeniable societal benefits. The costs of providing local news often outweighs the profits the news media can generate from the stories, particularly in small local areas where there are limits to attracting advertisers and subscribers. However, there is a clear demand in regional areas for local news and to some extent a willingness to pay for it. As evidenced in other country examples, people are more willing to pay for unique content; local and regional newspapers with non-substitutable, high value content. People feel a personal connection to local topics from their hometown and this may increase their willingness to pay (Goyanes, 2015; Kvalheim, 2014).

However, an ongoing challenge exists in regional areas where audience demand for local news is declining due to generational shifts, where younger generations have different values and perceptions towards localism and local news. The early adulthood demographic represents a particular challenge for news providers in small areas that aim to build a digital subscription base (Olsen, 2020). Early adulthood is when people pursue professional aspirations, establish a niche in society and raise a family. Therefore, they are not a major market for news companies to target. In this study, while younger generations are less interested in local news in general, they are actively consuming news online and on social media. Furthermore, they are more willing to pay for a local news service compared to older generations. This provides an opportunity for news providers.

Cisarova et al (2018) revealed that the interest in local news is not uniform across audiences and that there is considerable variance in audiences' relationship to public space and its geography as well as the audiences' relationship to locality. The perception around local news by audiences is far from being monolithic. This is consistent with the findings in this study where there is a variety of viewpoints and demand among different regional news consumer groups.

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