IMPACT OF AI ON LOCAL NEWS MODELS
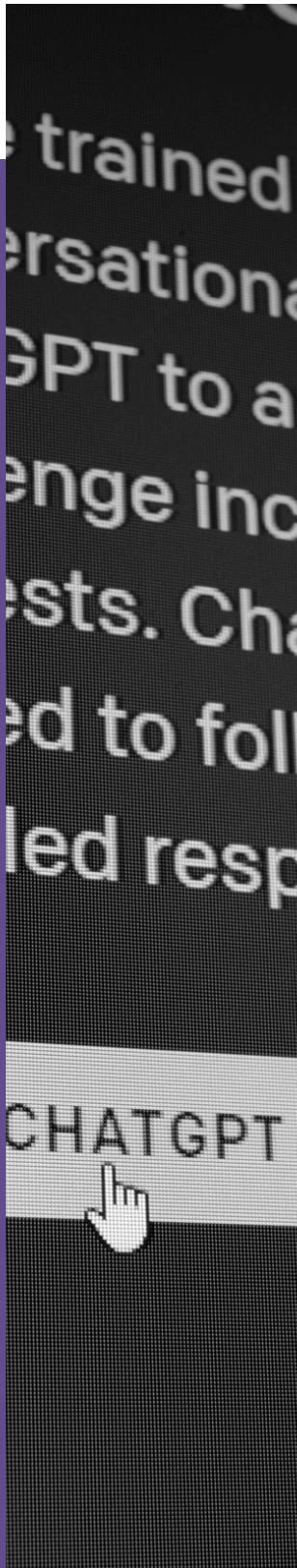
AI Is Disrupting the Local News Industry: Will It Unlock Growth or Be an Existential Threat?

Northwestern | MEDILL

KONRAD ADENAUER STIFTUNG

Artificial Intelligence timeline (2017-present)

2017
Google publishes groundbreaking research on large language models (LLMs).

2020
Microsoft lays off dozens of journalists and replaces them with AI software on its MSN website and Edge browser.

Mar. 2023
OpenAI releases GPT-4.

2024
Release of GPT-5 anticipated

2017	2018	2019	2020	2021	2022	2023	2024

2019
OpenAI develops the foundational GPT-2 large language model.

2022
OpenAI launches ChatGPT.

Dec. 2023
The New York Times sues OpenAI, alleging copyright infringement.

Experts' Summary: Impact of AI on Local News Models

POTENTIAL BENEFITS	POTENTIAL PERILS
• Improve news outlets' responsiveness with customers and consumers.	• Disrupt an already-ailing business model.
• Help news organizations operate more efficiently.	• Exacerbate the loss of web traffic as search engines train on news content and answer search queries directly.
• Allow for greater personalization of news and how it's delivered.	
• Inspire news organizations to rethink how best to serve audiences.	• Introduce errors into stories that damage credibility.
• Enable more effective targeting of marketing and advertising to consumers.	• Lead to the replacement of journalists with machine-generated content.
• Create new tools to improve storytelling and to monetize content.	• The lack of guidelines around its use could prompt ethical problems.
• Free up journalists for more original enterprise reporting.	• Limited resources could hamper small news outlets from capitalizing on its use.

TABLE OF CONTENTS

CONTENTS

INTRODUCTION

By Mark Caro
Editor, Medill Local News Initiative

Journalism has experienced its share of revolutions, from Johannes Gutenberg's invention of the movable-type printing press in 15th century Germany to the high-speed presses of the 19th century to the disruptions of radio, network television and cable television as primary sources for live, breaking news. Yet even as competition soared and the number of daily newspapers declined, local news thrived as an industry. In a 1990 Washington Journalism Review article, former Chicago Tribune editor James D. Squires called newspapers "the most profitable legal business in America."

Then came the internet.

The World Wide Web opened to the public in 1991, with documents and other materials becoming available via web pages and searchable via web browsers. Newspapers including the New York Times, Washington Post and Chicago Tribune launched their websites in 1996 and would come to wrestle whether and how to charge for online content.

The internet made news organizations instantly accessible to audiences in their communities and beyond while offering journalists an array of new tools to do their jobs more effectively. It also helped decimate the local news business model.

As more and more consumers opted to get their news for free online, print circulation and advertising revenues plummeted, and paywalls, digital advertising and online subscriptions didn't come close to compensating. News organizations found themselves reliant upon social media platforms they didn't own and couldn't control, with revenues they couldn't capture. The 2023 State of Local News Report—released in November by the Medill School of Journalism, Media, Integrated Marketing Communications—concludes that by the end of 2024, the U.S. will have lost a third of its newspapers and almost two-thirds of its newspaper journalists since 2005.

The collapse of the mainstream news media's financial model has affected more than just struggling journalists and those who consume their work. It may also represent a threat to democracy, creating vast news deserts and the opportunity for ill-intentioned players to fill the void with misinformation and disinformation. Given these high stakes, philanthropists, business professionals, politicians and others are dedicating time, energy and hundreds of millions of dollars to help sustain local news.

Amid this bleak landscape, it's understandable that some in the industry view the next technology-driven revolution with trepidation. Generative artificial intelligence has had an explosive impact on journalism and the broader culture since Open AI publicly launched ChatGPT on November 30, 2022.

ChatGPT, which stands for Chat Generative Pre-Trained Transformer, is a large language model-based chatbot that can create content based on prompts fed into it. With more than 100 million users signing onto ChatGPT within its first two months on the market, the global financial firm UBS deemed it to be the fastest-growing consumer software application in history.

Many people who practice or care about journalism fear that generative AI, with its ability to create content with little human involvement, could be the final nail in the local news coffin. Given how some chain owners have prioritized cost-cutting and profit-making over sustained journalistic quality, what is to stop them from replacing more reporters and editors with robots? Can news consumers be relied upon to discern between human-reported journalism and machine-generated content—and does it matter?

There are further dangers. AI, which has shown a propensity for mistakes early on, could be prone to spreading misinformation and disinformation, either by accident or design. And if Google can respond to reader queries by producing answers generated by AI and sourced without attribution from online news reports—instead of by offering links to the articles themselves—digital traffic to news sites may suffer a monumental blow.

In short, is generative AI an existential threat to journalism and local news models?
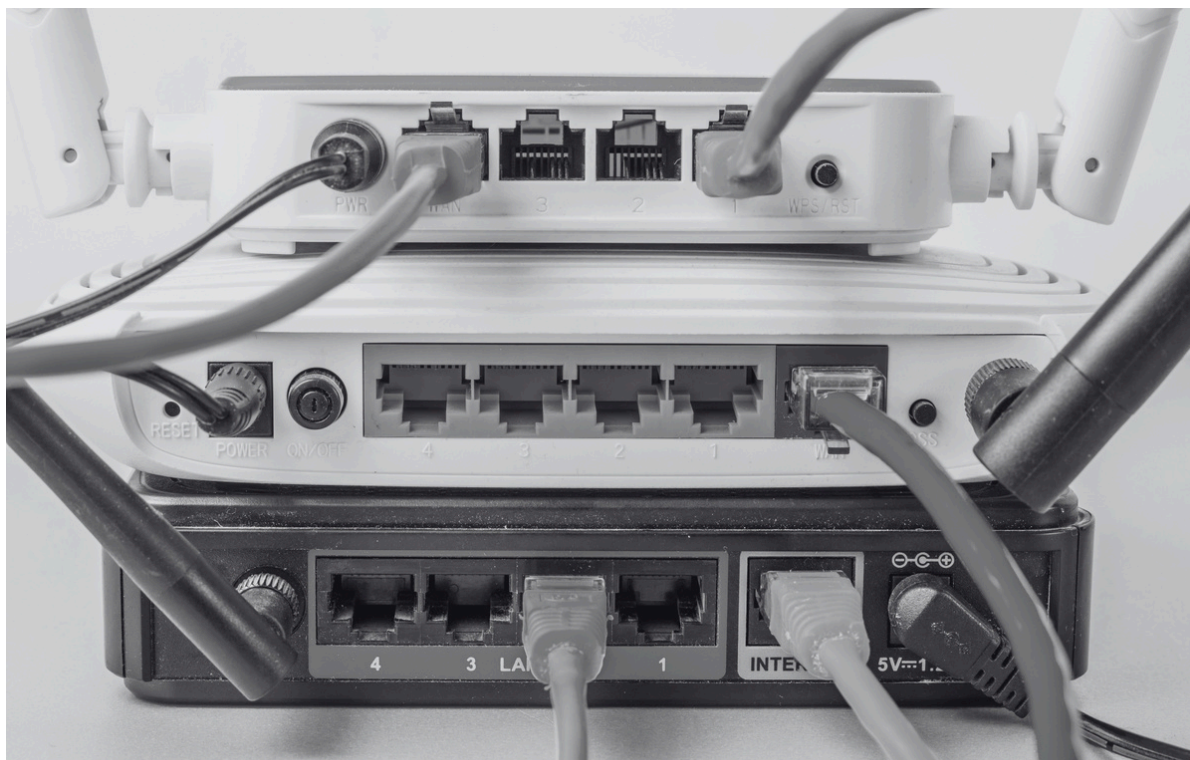
That question is a huge dark cloud looming over this game-changing technology. But there's another way to look at it.

Generative AI is only the latest in a long line of technological advancements that, when used correctly, should make work more efficient and easier. After all, computer layout programs eliminated the need for T-squares, glue and a paste-up department to get newsprint on the page. Cellphones and email boosted communication among editors, reporters and readers.

Modems allowed writers to file stories remotely, and then high-speed cellular made it possible for pieces to be sent from anywhere. Search engines empowered journalists to conduct research via button clicks instead of courthouse and library visits and exhaustive phone calls. Spell-check programs help writers and editors catch typos and misspellings, and style-checking tools flag possible punctuation errors. Those latter two are forms of AI.

Few would argue that using spell-check represents a threat to journalism.

So, AI represents opportunity as well as peril. How can this tool help news organizations do better? What can robots do so humans can be freed up to improve their work?

Can AI help news outlets rethink what they should be doing? Can AI help local news organizations solve the business problems that have been vexing human professionals for so long? Can the industry win battles with Big Tech over the use of its content to train its own models and to respond to user queries, leading to a potentially catastrophic decline in web traffic referrals? Is it possible for the journalism world not only to avoid the mistakes made with the advent of the internet but to create a new, better reality that leads to a more informed populace, a healthier democracy, and a robust, sustainable local news profession?

"When the internet happened, we basically were in fear and denial," said Tom Rosenstiel, Eleanor Merrill Scholar on the Future of Journalism, Professor of Practice, Philip Merrill College of Journalism, University of Maryland.

"Now we have another chance because this is as big as the internet."

Tom Rosenstiel

Eleanor Merrill Scholar on the Future of Journalism, Professor of Practice, Philip Merrill College of Journalism, University of Maryland

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AI and News Organization Culture

Dorrine Mendoza, then a program co-lead of the Local Media Association and now AI product and partnerships lead at the American Journalism Project, recalled visiting a very small newsroom where a reporter was examining many 1099 tax forms for a story. "He was very stressed out about it, because he's not a numbers person—the numbers person was on vacation—but the story had to be written at that time," Mendoza recalled. "So I asked him, 'Are you going to use AI to help you sift through all of this documentation?' And his eyes got really big, and he said, 'God, no.' And then he said, 'Wait, is this a trick question?'

In contrast, she added, some newsrooms "are partnering with tech companies already and have the guidance to be led through [the steps]: 'Here's how you implement it in HR.' 'Here's how you implement it with ads.' 'Here's how you implement it with your copy editing.' And they're light years ahead of pretty much everyone else."

In some places, journalists are using AI secretly because their employers haven't implemented any policies or guidelines. "Then there are other newsrooms that are actively encouraging experimentation with small strike teams," Mendoza said. "They have a process, and it's mostly based on 'What did you learn?' not 'What failed or didn't fail?'"

One variable, she said, is how these news organizations are doing financially. Do they have the means to attempt AI solutions that may or may not work? Or are they spread so thin with their various products—a print publication, website, newsletter, what have you—that they lack the bandwidth to focus on how to implement AI?

As senior applications engineer for the American Press Institute, Stephen Jefferson has collaborated with many newsrooms and says most of them have focused their AI work on potential revenues, which can be limiting. "They would deny even a conversation if they didn't see that immediately: How would it make them a new dollar tomorrow?" Jefferson said. "I've seen that trend almost with every newsroom that I've encountered."

He appreciates the exceptions. "Thankfully, not every newsroom is like that," Jefferson said. "Some newsrooms are just curious about experimentation— 'What are we going to learn from this tool?'—which I think is a great question to ask."

Rosenstiel of the University of Maryland noted: "The response that Steven just described— 'What's the return on investment if we do something?'— was exactly the question that was asked 25-30 years ago [about the internet]. That question should be not what you earn but what you learn. The fact that we're seeing this movie again and seeing the same response again, it's sort of like the definition of insanity."

Mendoza, though, pushed back on the notion that local news businesses may be asking about revenues because they haven't learned the lessons of the past. "They are in dire straits, and they cannot afford to invest in something like this that is constantly changing," Mendoza said. "They have no idea where it's headed. They don't know if it's going to be helpful for them or not without understanding what the benefits are going to be, what the revenue is going to be. They struggle to hold on to certain employees, and if these employees are resistant to this technology, and it's a top-down mandate—'You will do this'— it's not going to work. So I don't think that it's a willful denial that this is important or that there is a lot to learn here. I think they just don't have the capacity to take it on."

To Local Independent Online News Publishers (LION) Executive Director Chris Krewson, the parallels with the internet's arrival go only so far, because the local news industry was in a very different place back then. "It was after 40 years of unprecedented monopolistic growth [for major metropolitan news organizations]," he said. "It turns out that was a crappy business model for the internet."

Krewson envisions digital-based businesses as benefiting most from AI, but the company culture and ownership remain important factors. "Is your owner patient and technology-friendly?" he asked. "Is your owner risk averse and extractive? All of this is going to color the response to an external stimulus like this."

Axios Managing Editor Holly Moore said an important part of the cultural question is how the journalists feel about AI.

"The journalism is fragile," she said. "The journalists are maybe more fragile." Journalists, after all, can have "big egos" and be very invested in their work and standards. "And they have a lot of PTSD from real-life cost cutting. So when you have this big, giant machine that could come in and possibly do the work for you maybe in a couple of years, that's very scary and not necessarily something that you want to jump on board with."

The state of news organizations' acceptance of AI is reflected in the Associated Press's report "Generative AI in Journalism: The Evolution of Newswork and Ethics in a Generative Information Ecosystem," released in April 2024. The six co-authors (including Aimee Rinehart, who participated in the LNI/KAS workshop.) analyze results of a December 2023 survey of 292 news industry professionals about their use of and attitudes toward generative AI. The respondents also expressed their ethical and practical concerns over how this new technology may be incorporated in journalism.

The report reflects widespread newsroom awareness of generative AI, with 81.4% of respondents indicating knowledge about the technology and 73.8% indicating that they or their organization had used it in some way. Most of that usage was related to content production, and most of that production (69.6%) was related to text, with 20.4% for multimedia and much smaller percentages for translation, transcription, user experience and metadata.

Dorrine Mendoza
Program Co-Lead, Local Media Association

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"Lots of journalists use Otter, right? They don't think of that as AI. They're just like, 'Oh, it's a great transcription tool,' right?' So we need to really think about how we talk about it and what value we're placing on different pieces of it."

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Of the respondents open to getting assistance from generative AI, the highest-interest category was analyzing data and information, followed by obtaining information, and communicating with people outside the organization. There was more resistance to asking AI to think creatively, to help make decisions or to communicate within one's organization.

In general, AI help was desired on the most mundane, least creative tasks.

One way to foster journalists' acceptance of AI may be to point out that they're already using it in ways that improve their work, such as by correcting spelling or grammatical errors or letting a program spare them the laborious task of transcribing interviews. "Lots of journalists use Otter, right?" Mendoza said. "They don't think of that as AI. They're just like, 'Oh, it's a great transcription tool,' right?' So we need to really think about how we talk about it and what value we're placing on different pieces of it."

An organization's dedication to use and to experiment with AI is essential to its ability to get on top of this paradigm-shifting technology and to reap its benefits.

Ways AI Could Help Local News Outlets

"Is AI going to replace journalists or is AI going to be additive—that AI will do some of the functions that humans used to do, freeing up humans to do the things that AI can't do?"

—Tim Franklin, Director, Medill Local News Initiative

Many journalists' reflexive reaction to generative AI has been to worry about being replaced by it. The next thought often is what tasks might AI perform that journalists don't want to do anymore, thus freeing them up for more substantial work? Then there's the next level: How can AI help a newsroom rethink what it should be doing in the first place?

"One of the things we forget is local news has failed because it was a bad product for the most part," Rosenstiel said. "If we try to reproduce the newspaper of the 1990s, I'm pretty sure that's a mistake."

AI may have an impact on local news outlets in direct and indirect ways— through what it does, what it enables others not to have to do, and how it changes the whole news-reporting formula in ways that may not be anticipated.

Prof. Tim Franklin

Senior Associate Dean, Professor and John M. Mutz Chair of Local News, Medill, Northwestern University

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Is AI going to replace journalists or is AI going to be additive—that AI will do some of the functions that humans used to do, freeing up humans to do the things that AI can't do?

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Noting that a small publisher in Vermont was using AI to generate news stories from local board meetings, Franklin asked, "Is that a model we're going to see more of?"

Last August, Gannett attempted a similar gambit with AI-written high school sports game stories—but readers were puzzled that the "writer" for the Gannett-owned Columbus Dispatch was coming up with phrases such as "The Pilots avoided the brakes and shifted into victory gear," a "close encounter of the athletic kind" and this lede: "The Worthington Christian [[WINNING_TEAM_MASCOT]] defeated the Westerville North [[LOSING_TEAM_MASCOT]] 2-1 in an Ohio boys soccer game on Saturday." After an onslaught of complaints, Gannett announced it was pausing its "experiment" with Lede AI, a company that generates game recaps from box scores.

Yet no one thinks such cautionary tales spell the end of AI-generated content. The widespread assumption is that AI isn't there yet—but such stories will improve and become harder to distinguish from copy written by actual people, even as many agree that human oversight remains essential throughout the process.

Given their ever-tightening budgets, local news organizations already have had to make tough choices about what coverage remains essential to their missions and what can be jettisoned. AI may help bring these choices into sharper focus. If AI can write credible stories about school board or town council meetings, do those pieces still support the news outlet's mission?

Tom Rosenstiel

Eleanor Merrill Scholar on the Future of Journalism, Professor of Practice, Philip Merrill College of Journalism, University of Maryland

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Journalism must shift from being alarmist watchdog to 'How do I help you make your life better?

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"Nobody reads meeting stories," Rosenstiel said. "We know this. So you were using AI to create a product that no one wants that already failed in the marketplace when you could be using AI at a much higher level to spot trends…and to create opportunities for journalists to do better journalism."

AI meeting coverage may have value but perhaps less as a published story than as a summary or analysis that journalists can use to identify more meaningful stories to pursue. The idea is for AI to do the grunt work and for talented people to do the higher-level journalism. One recent example is the Medill Knight Lab's work with Michigan Public Radio on a platform called Minutes. It uses OpenAI's Whisper tool to transcribe meeting recordings and then sends alerts to reporters about issues in communities they may not have been covering.

Local Media Association Chief Innovation Officer Frank Mungeam suggested there's also a value in publishing meeting transcripts, in part to let public officials know they're not operating in darkness. "If you're able to start making available and searchable the transcripts of public meetings, that's a tremendous public service," Mungeam said.

Rosenstiel said more newsroom soul-searching may be necessary to figure out the best ways to serve readers. "What is the uniquely modern local bundle?" he asked. "Journalism must shift from being alarmist watchdog to 'How do I help you make your life better?'".

"If there's anything that ChatGPT has taught us, it's that the public wants answers," said Aimee Rinehart, the Associated Press's senior product manager of AI strategy.

"They don't want more questions. How can news deliver answers?"

Florencia Coelho, co-founder of La Nacion Data in Argentina, said Ojo Publico in Peru has used ChatGPT to analyze articles from different media to identify and to determine the numbers of criminals in gangs. Coelho's own publication, La Nacion, published a comparison of five Argentinian presidents' inauguration speeches that tabulated words and applause interruptions; broke down the percentage usage of past, present and future tenses; and identified most-applauded phrases. A note at the bottom explained that the graphic was created using "a natural language processing (NLP) artificial intelligence model... validated by a group of journalists."

Many journalists envision a future in which AI will act as a reporter's assistant, crunching numbers, analyzing data, creating maps and answering questions that propel the reporting. These functions will become increasingly available and crucial as governmental bodies and other entities put more of their data online in searchable formats.
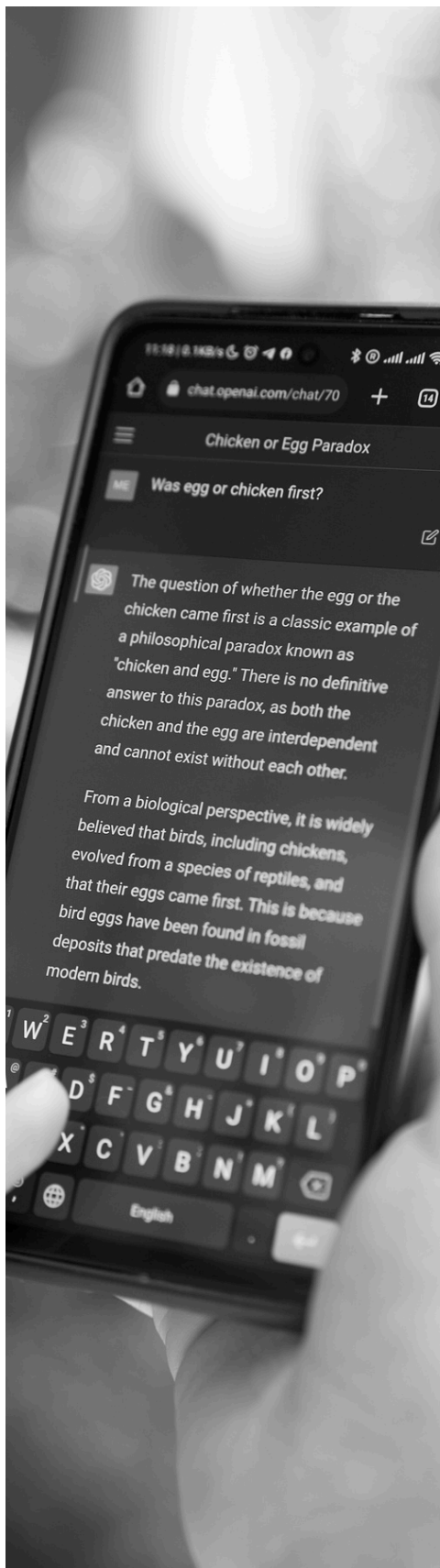
In the nonprofit tech-news publication The Markup, writer Jon Keegan reported on his own experiences using ChatGPT as an assistant, noting in the headline to his March 2024 piece: "It did not go well." The maps it generated were inaccurate, the information unreliable, and the AI bot did not show its work so Keegan could check sources. Plus, the interactions did not make his life easier.

"I spent a lot of time chatting with ChatGPT as part of this exercise and, frankly, sometimes it was exhausting," Keegan wrote.

The confidence that ChatGPT exudes when providing poorly sourced information (like Wikipedia) or imprecise locations can be misleading. At times I was able to get the chat agent to give me what I wanted, but I had to be very specific, and I often had to scold it."

In contrast, Wall Street Journal writer Christopher Mims' deep dive into generative AI proved to be a world changer. "For the past two weeks, I've used cutting-edge artificial-intelligence tools in every aspect of my day-to-day existence, from my job to my personal life," he wrote in a March piece. "Here's my verdict: The last time I had an experience this eye-opening and transformative was after I bought my first smartphone."

Baltimore Times associate editor Paris Brown told an audience in February at the Local Media Association's Local News Summit in Austin, Tex., that she is "fearless" regarding her use of AI. "I use it as a personal assistant, every day," she said in an LMA account of her talk, noting that her tasks for AI include generating emails, outlines and project timelines as well as checking spelling and grammar on what she writes.

Even if AI has yet to reach full functionality, its usage will only increase as journalists figure out how it might make their jobs easier. Axios's Moore said she spent years as a planning editor, determining what content would be pushed out onto which platforms and then compiling the analytics. "That's a job that does not need to be done by a human," she said.

AI may also help with customization, as news outlets figure out how to forge more personal connections between content and readers. As Gilbert noted, a generic high school football game story has less value to parents than a personalized one that spotlights their child's involvement. They'll read it "as long as my kid is the star," Gilbert said.

The Medill Knight professor also noted that the stories he reads about proposed property tax increases in his hometown never break down exactly how much each homeowner would owe and how much money would go to the schools and elsewhere. He posited that AI-generated cross-referencing with, say, Zillow about home values could lead the local news outlet to offer more useful information to each reader. "Some form of personalization might matter to me," he said.

He called for journalists to personalize their articles and generative AI to allow customization that moves the media from a "one-to-many" model to a "one-to-one for many" model.
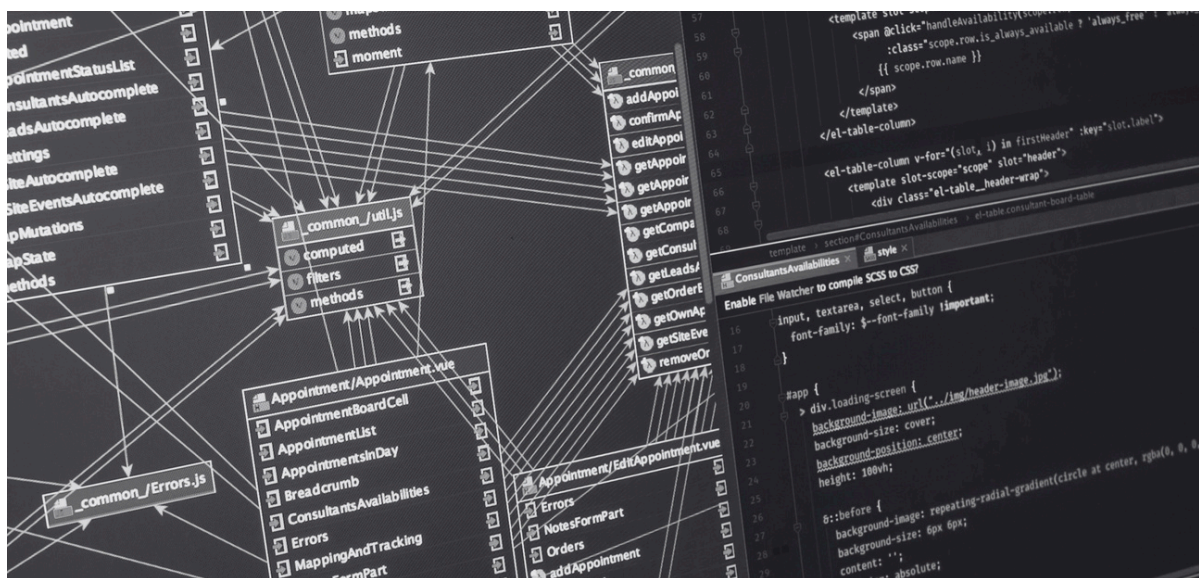
Some see AI as a way to address the growing disconnect between the public and their local news outlets, a dynamic exacerbated by the shuttering of so many newsrooms and the relocation of others from prominent, city-center buildings—all while those that still exist may strike the public as inaccessible.

Astrid Csuraji, CEO of Germany's tactile.news— which describes itself as an "innovation laboratory for new journalism"— said her company's research has shown that "one of the biggest concerns was not that newsrooms don't use enough technology but that they are not available [to the public] because they reside in these huge buildings and they have golden letters" on the wall and appear to be "elite." Csuraji said tactile.news uses AI to address this issue by creating a "dialogue bench" placed in the city center so people can pick up a phone and be connected to the newsroom.

"We first had the idea shortly before AI was available on OpenAI in 2022," Csuraji said.

"It's just another example of how local newsrooms running short of staff need to be more outside, need to be more available, more addressable. Put the bench outside, people can pick up the phone and can chat with you, and the AI chatbot makes it possible that they get some sort of feedback and engage. People then really share what they think because they don't have to say to people's faces."

Csuraji reported receiving feedback from people who said they feel more comfortable "speaking to an AI bot on a phone than to speak to a reporter in the face….People sometimes trust machines more than reporters."
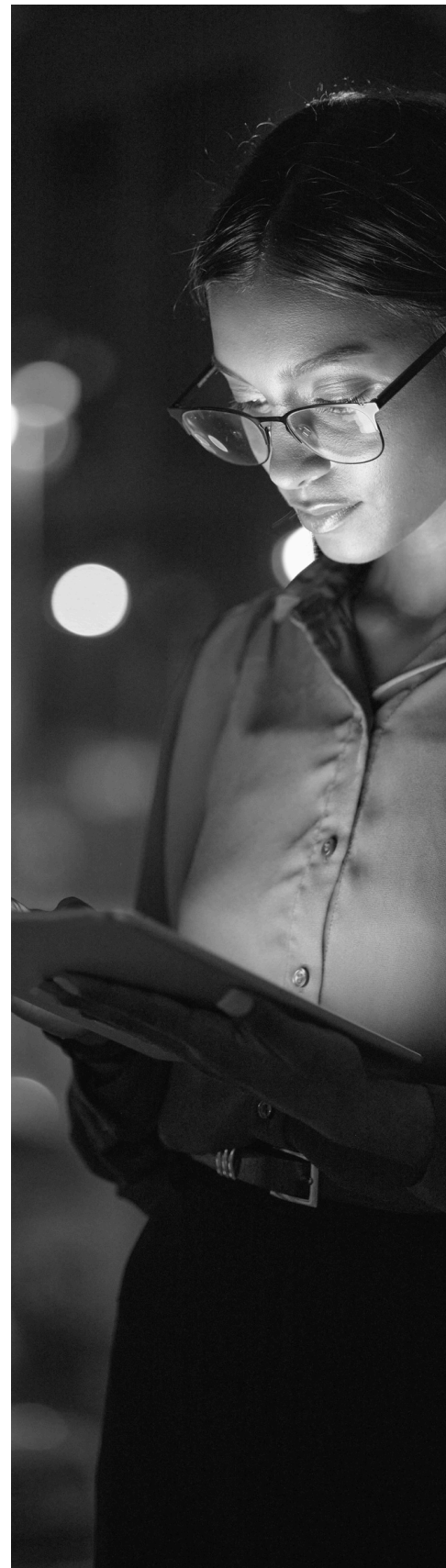
What's important, Csuraji said, is that news organizations remain clear about their goals rather than embracing the latest technology for its own sake. She noted that the fear of getting left behind, as many news organizations did with the internet, can lead to other undesired results. That happened with a small, family-owned newsroom in the west of Germany that wanted to implement AI on its website and smartphone app.

"We said, 'For what?'" Csuraji recalled. The answer was to enable people to "tap on a button and speak to the app and then get the news with the synthetic voices, because that's what they read somewhere and found it was really such a cool idea."

But the news organization hadn't asked readers whether they wanted these features and ultimately learned that they didn't. "Instead of asking what's really helpful for my reader or my user, they maybe go for the quick, cool solution that they think is interesting but not what really helps people."

Krewson called AI "an accelerant" to changes particularly for digital-only publishers, "profoundly altering everything around it and everything upstream and downstream of it. It will benefit small places disproportionately, because they can take advantage of all this stuff to make it more efficient and easier to do things that used take specialization and a lot of time."

For example, coding used to be out of reach for small publishers who may have wished to tackle a data project but couldn't afford to hire a coder. Now these publishers can train AI to analyze that data. . "Remember when coding in journalism was the ticket to a lot of money?" Krewson asked. "This killed that."

Astrid Csuraji
CEO, tactile.news,
Germany

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At the same time, Lucky Gunasekara, co-Founder and CEO of Miso.ai, which created the Answers AI search engine, envisions AI opening up opportunities for journalists who work with it. "This could be the new job category," he said. "You're more multi-modal. You don't need to be a photographer to make images now, and you don't need to be a data analyst to crunch the numbers and make a chart." Rather, people who become familiar and comfortable with these tools and may enjoy a new form of job security. "The better you can do that, the more vital you are to your organization."

The prospect of companies using AI to replace journalists remains a realistic, widespread concern, but some see more promise than threat. India Today Editor Ankit Kumar said he told a crime reporter of 18 years: "No AI can replace you. No AI can do crime reporting. The more AI develops, demand for people like you will increase."

The companies that succeed may be those that use AI to improve, rather than to reduce, their coverage. McClatchy Chief News Officer Robyn Tomlin said her company plans to be in that latter category.

"I don't think AI is going to replace journalists," Tomlin said. "I think journalists who use AI are going to replace journalists who don't use AI."

Ways AI Could Help the Business Side of Local News

In many ways the business challenges for local news models have overshadowed the journalistic ones. The internet—and the industry's reaction to it—wreaked havoc on local news organizations' revenue streams, which led to significant reductions in jobs and coverage. If local journalism can't resolve its business model issues, any improvements in the newsroom may be moot.

"The business model is already disrupted," Franklin said. "It already doesn't work. If we view AI as a tool to solve problems, then presumably we're going to apply it to this problem."

Could AI help fix local news models in ways that business professionals have failed to do? Could it identify potential subscribers? Synthesize metrics? Point out which stories are worth pursuing or may be a waste of time? And can this be done while keeping pace with the fast-moving changes being powered by AI?

"Like with the internet, we have a limited amount of runway to do this well," Franklin said.

As with the editorial side, AI can affect business operations in direct and indirect ways. It is being utilized to create products that generate income while the broader hope is it can help organizations to work smarter and to devise solutions to its revenue problems.

Rosenstiel sees potential for AI to boost bottom lines. "If we can use these AI tools to improve the journalism that has value for potential subscribers and use it to identify the metrics of who these subscribers are, all of that is a way to use AI to improve the business model," he said.

At Axios, it essentially is a national collection of local news organizations, Moore said one of the major challenges is drawing attention to multiple newsrooms' worth of content. The company would like AI to help determine what works best on which platforms, she said. Franklin asked Moore whether AI might help Axios expand to other markets, and Moore replied that if AI, for instance, collected birth rate data for Peoria, Ill., that information might be used in a localized version of a national story. Such advances could expand Axios's base.

"More inventory means more money, and AI could in theory speed up or put a motor behind inventory," Moore said.
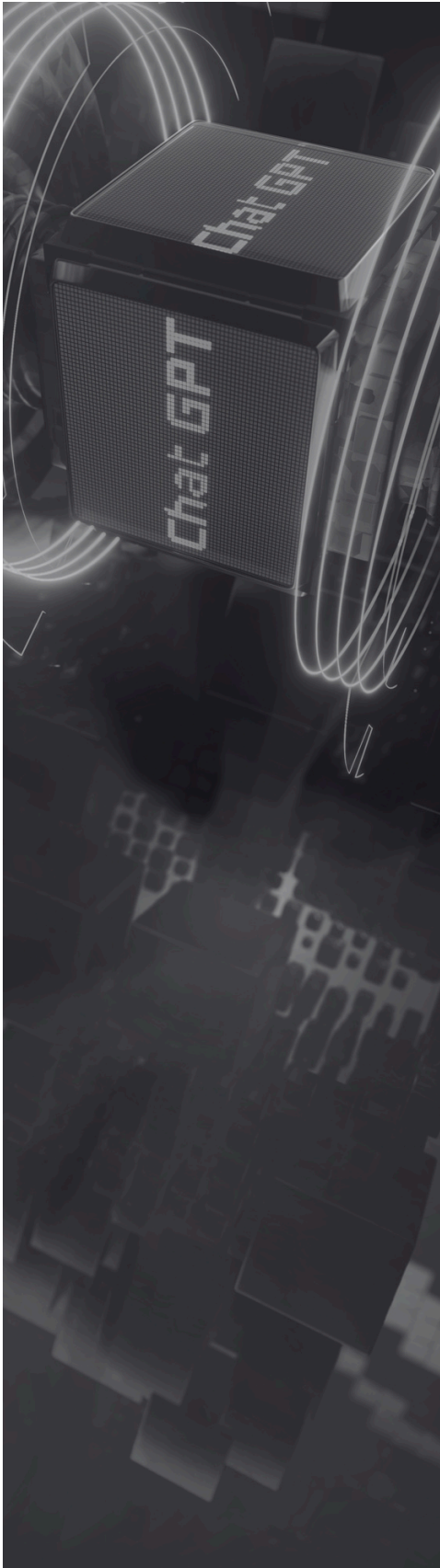
Csuraji said that in Germany, she is aware of AI being used more on the publications' business side than in editorial operations. Its functions have included "helping with [job] candidates, finding trainees or being in the HR development department," she said, noting that one major German business publication is using AI in human resources to evaluate candidates.

Mendoza said that in her work with the Local Media Association, she saw sales teams being way ahead of editorial teams in using AI. NOLA, the New Orleans-based news organization that operates several publications in the region, has applied AI to customer relationship management (CRM). "It's saving us time, it's teaching us a lot, but is it translating to revenue?" Mendoza asked. "I'm not sure they would say that it is."

Jefferson recalled that in 1986 the American Press Institute experimented with a form of AI, creating a simulation in which someone selected newsroom investments to make, and the simulation predicted what the organization would look like six years later. "Even that very early AI modeling was so beneficial for people to make decisions," Jefferson said—so a modern version might be helpful now.

McClatchy's Tomlin said AI might help news organizations serve and communicate with customers. "Do we need large call centers to be able to service those needs?" she asked.

She added that AI could help her chain determine the nature of its site visitors and when and how to erect paywalls.

For instance, 90 percent of the Fort-Worth Star Telegram subscriber base resides in the market, so does it make sense for out-of-town readers to be hit with a paywall? If they're regularly reading stories about the Dallas Cowboys, maybe; otherwise, maybe not. Tomlin said the hope is for AI to increase the publications' understanding of who is interacting with them and to build the right monetization paths for these customers, even if the technology is, for now, "still clunky at best.

Amy Kovac-Ashley, formerly the Lenfest Institute for Journalism's director of national programs and now the executive director of the Tiny News Collective, also envisioned publications taking a "customer service approach" with AI. For example, bots could inform readers of content available on other parts of the news site and perhaps offer prompts such as, "Do you want to see the voter guide that we created for you?"

Gunasekara suggested using AI to make newsletters more interactive, personalized and alert driven. Readers could scroll down the newsletter, see what stories have been chosen for them based on their interests, push a button and have a bot read a custom news briefing timed to the length of their commute.

As several participants at the workshop put it, AI might help news organizations move their relationship with readers from "one-to-many to one-to-one."

"We have to build different journeys for how we connect with audiences and how we keep them connected to us," Tomlin said. "That to me is where AI has the greatest ability."

Speaking via Zoom from Germany, Uli Koeppen, the head of AI and Automation Lab and co-lead of Bayerischer Rundfunk Data, said personalization is the key to her public-broadcasting company's AI efforts.

Uli Koeppen

Head, AI and Automation Lab and Co-Lead of Bayerischer Rundfunk Data (Germany)

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> *"An algorithm is gathering the different news that happened around a certain place and presents to you a personal news brief, You can choose different things; you can say, 'I want news that is not older than 48 hours,' 'I want a certain place plus 15 kilometers or plus 20 kilometers.' And you can personalize the audio for your interests."*
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"We are publicly financed here in Germany, so we are doing journalism for everyone," Koeppen said.

"And this is quite a hard mission because, as you all know, the user interests are getting more and more fragmented, and we're all used to personalized news feeds. So if we pick up our phones, we are used to Instagram tailoring the stories to our needs, and this is the expectation that users have when they're coming to us. We can't fall behind that."

She said her organization's efforts are concentrated in two areas: "versioning" and "regionalization."

Versioning is the idea that you're getting the news according to the user needs," she said, noting that her organization takes into account whether someone prefers to read short stories presented in a briefing style or longer pieces—and on which devices. Before ChatGPT came around, she said, her team built a "summarizer" tool in which a long text is pasted into a window, and a shorter version is created.

"Regionalization" involves customizing the news depending on the location you input and the preferences you select. "An algorithm is gathering the different news that happened around a certain place and presents to you a personal news brief," Koeppen said. "You can choose different things; you can say, 'I want news that is not older than 48 hours,' 'I want a certain place plus 15 kilometers or plus 20 kilometers.' And you can personalize the audio for your interests."

India Today Editor Ankit Kumar said that in his country, "I don't really see a lot of use of AI when it comes to new revenue generation, but I do see trends where AI is being used to cut on costs or some kind of cost management."

Kumar said India lacks large companies like OpenAI, Google or Meta innovating there, so small start-ups are trying to develop products. He said when a remote India newsroom with four or five reporters wanted an anchor to read its news reports, its management wasn't going to hire a separate presenter for that relatively small operation. Instead, the newsroom partnered with a local AI startup to create a virtual news presenter to read localized bulletins to be posted on YouTube and elsewhere.

They get the word of mouth, they get the publicity, and the local newsroom benefits as far as efficiency and novelty product is concerned," Kumar said. "I have yet to see a very successful revenue generation model."

Yet elsewhere AI is being used to bolster businesses in concrete ways.

At Aos Fatos, a Brazilian online journalism outlet that specializes in fact-checking, innovation director Bruno Fávero said reporters had grown tired of spending so much time transcribing interviews, particularly while working on a project that fact-checked everything that President Jair Bolsonaro had said. Part of the problem was that the transcription tools available to them were not accurate in Portuguese. Fortunately, he said, Aos Fatos is a large enough company to have its own team of developers, so the journalists talked with them about creating a transcription tool.

Not only were the developers' efforts successful, thus aiding the journalists' work, but the company has been able to sell outside subscriptions to the service. "It's been a successful product for us, and it basically created revenue from nothing," Fávero said. What's more, the organization received a grant to make this tool available for free to Brazilian journalists during the presidential election, "so that also gave us a bit of money to pay for development costs."

In another successful product launch, Fávero said a Sao Paolo paper created an AI-based recipe app where someone can input their refrigerator's contents, and the app generates recipes that use those ingredients. Another Brazilian paper, Fávero said, developed a chatbot available only to subscribers that answers questions about tech coverage. "I think they are investing without actually knowing if it's going to be profitable or if it's going to bring revenue and just as a way to maybe attract readers to pay for subscriptions," he said.

Csuraji of tactile.news said she sees AI as boosting the value of publications' membership models. For example, AI could make decades' worth of news content available to readers who pay for a membership instead of just subscribing to a publication.

People want to be members if they really see a benefit for themselves," Csuraji said, noting that a gym membership is considered beneficial regardless of how often someone actually goes. "If I think my local news has the same impact on my life, it helps me to have a healthy relationship with our democracy or a healthy path towards information, then I'm keen on paying them. And they should offer me different options and make it as personal as possible. That's what AI is already showcasing or what some newsrooms are showcasing."

To the Local Media Association's Mungeam, AI presents an opportunity for news organizations to capitalize on the value of their long-accumulated journalistic work. In past years digesting, making sortable and searching a publication's entire archive would have exceeded a typical news outlet's technical and financial capabilities. Now AI's advanced computational power makes it possible to train a large language model (LLM) on everything the organization ever published.

"You train the LLM on your archive, and you can productize this incredible archive of quality reporting," Mungeam said. "You can create a direct query path for your readers where they can literally ask a local news question and get answers solely from the local news source."

National and international outlets are exploring this territory as well. In late March 2024, the Financial Times announced it was launching a beta for some subscribers to test its new Ask FT generative AI chatbot. Almost a year earlier, Bloomberg announced that it had built its own BloombergGPT, an LLM for financial data.

Mungeam touted other ways in which AI can enable news organizations to reach new audiences, such as through newsletters or "the ability to put out audio versions of stories and automate that and create a whole new platform for stories—almost overnight be able to productize an audio experience for audiences who prefer that."

Maybe, if the ideas and execution are right, the new model of the local news organization improves upon the old one.

"You can start to see versions of a future that is AI-enhanced, like better than what we were able to offer in the past," Mungeam said, "and it enables a news organization to protect the value of their decades of journalism and to convert it into value for their audiences."

Ethical Issues for Local News Organizations

The creation of AI avatars and use of AI voices trained on real people raise just a few of the many ethical questions being prompted by this quickly evolving technology. Generative AI did not come into being with a guidebook or set of rules or best practices to be employed by local news organizations. So while AI's adoption and advances are coming fast and furiously, news organizations must make swift, careful decisions on how to navigate this new territory without triggering ethical landmines.

Medill's Gilbert recalled that when he was director of strategic initiatives at The Washington Post in 2019, there was discussion about training AI on a veteran reporter's voice to create a "perpetual voice" of the institution. Instead, The Post opted to stick with real people recording their own voices for each usage to avoid being perceived as deceptive, he said.

AI and its applications have come a long way since then, and such matters are more pressing as news outlets—whether in print, digital or on radio or television— debate the extent to which they can use AI-generated voices and how transparent they must be about it.

In Germany, Csuraji said, she has been working with local radio stations facing personnel shortages because fewer people are seeking work in that industry. Many young workers don't want to take on-air night shifts, she said, so some stations have been using synthetic AI voices to deliver traffic and weather reports at those times. In such cases the radio reporters input their voices into the AI system so they can be replicated.

"It's the guy who does the traffic (and) who trains it with his own voice," Csuraji said. Listeners can't tell these are synthetic voices, she added, and some stations offer disclaimers about the use of AI while others do not. Does it matter?

"If it's my own voice, and it's my piece of work, then it's my piece of work whether I'm there or not," Csuraji said.

But there's a Pandora's box aspect to the use of AI voices trained on actual people. Who owns these voices? Can an organization keep using a voice even after the employee has left the company?

Last year's Screen Actors Guild-American Federation of Television and Radio Artists (SAG-AFTRA) strike against Hollywood studios revolved largely around the use of "digital replicas": AI-created reproductions of a performer's voice or likeness. The strike's resolution requires studios to obtain performers' permission for each such usage, with at least 48 hours' notice given before their likeness might be captured. The rights to these likenesses are not permanent; the performer must provide separate consent for each subsequent movie or TV show in which the replica might be used.

There are no similar news-industry-wide rules regarding the use of employees' voices or likenesses.

An organization is capable of having AI "read" all stories by a writer as long as that writer's voice has been captured previously. Translation programs could enable that writer to recite those pieces in multiple languages regardless of whether the writer speaks anything but English.

Krewson deemed the concept of putting machine words into human voices in different languages to be "dystopian." Mendoza recounted talking with a publisher who used AI to translate an English-language story to be voiced in Spanish. The publisher, she said, thought maybe he could do this with all stories before wondering: "Are we giving a false impression that we're doing Spanish-language reporting when we're not? Is it OK if you say we're just translating?"

"If you want to translate a story into other languages and are transparent, I don't see an ethical problem if you say this story was written in English and translated to Spanish," Rosenstiel said.

Yet Kirsten Eddy, senior researcher for the Center for News, Technology & Innovation, noted that if a publication aims to build trust with communities it has not covered adequately, translating stories to another language without boosting its reporting in that area or hiring a more diverse staff might backfire.

"If it's the weather report, who the hell cares?" Rosenstiel asked. "If it's a story about Latino culture, that could be a problem."

Astrid Csuraji
CEO, tactile.news,
Germany

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"If it's my own voice, and it's my piece of work, then it's my piece of work whether I'm there or not.

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The issue, he added, is larger than the use of AI. "Our newsrooms are too white, too male, too old," Rosenstiel said. "We need to diversify to produce better journalism....We need to change the culture inside the newsrooms, or our journalism is going to fail no matter how we do it."

The Baltimore Times, a free weekly newspaper focusing on the African-American community, uses AI to amplify diversity and inclusion. Working with Zing AI audio content extensions, it has created multiple avatars and "personas" that readers can choose for voicing stories.

"You can pick whoever you want to read the story to you," the Baltimore Times's Paris Brown said at the Local Media Association's Local News Summit. "It makes the voice authentic for the Black community."

The local news industry lacks uniform guidelines in many of these areas, including how much AI usage should be disclosed. No reporter is going to note that a story went through Grammarly or that an interview was transcribed using Whisper, yet a photographer who alters an image without revealing it may be accused of creating a deepfake.

"We still don't have guidelines for our newsroom," Coelho of Argentina's La Nacion said. "There is trust in the good sense of the journalists that they are going to use that as one source and check with other services."
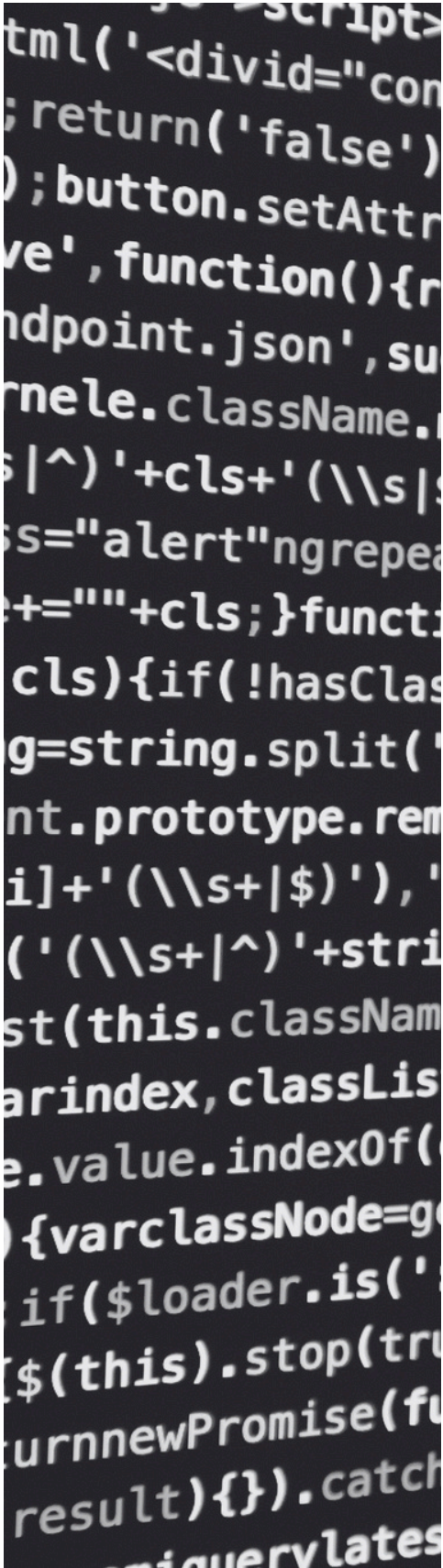
Other organizations have announced guidelines for using generative AI, including NPR, the BBC and the Guardian. The Associated Press released its standards in August 2023 via a blog post by Amanda Barrett, its vice president for Standards and Inclusion. Barrett wrote that "while AP staff may experiment with ChatGPT with caution, they do not use it to create publishable content. Any output from a generative AI tool should be treated as unvetted source material." The AP also prohibits the use of generative AI to alter photos, video or audio, and despite the organization's licensing agreement with OpenAI, ChatGPT's parent company, it discourages staff from putting "confidential or sensitive information into AI tools."

Bayerischer Rundfunk Data is among many organizations worldwide that have published AI guidelines, "which I think is a great thing," Koeppen said, "because you're starting this very important conversation on how you're going to use technology and on how we're not going to use technology in the future."

As recently as March 25, the Poynter Institute for Media Studies was urging news organizations to lay out AI guidelines. "Every single newsroom needs to adopt an ethics policy to guide the use of generative artificial intelligence," Kelly McBride wrote on the Poynter site. "Why? Because the only way to create ethical standards in an unlicensed profession is to do it shop by shop. Until we create those standards — even though it's early in the game — we are holding back innovation."

GUIDELINES
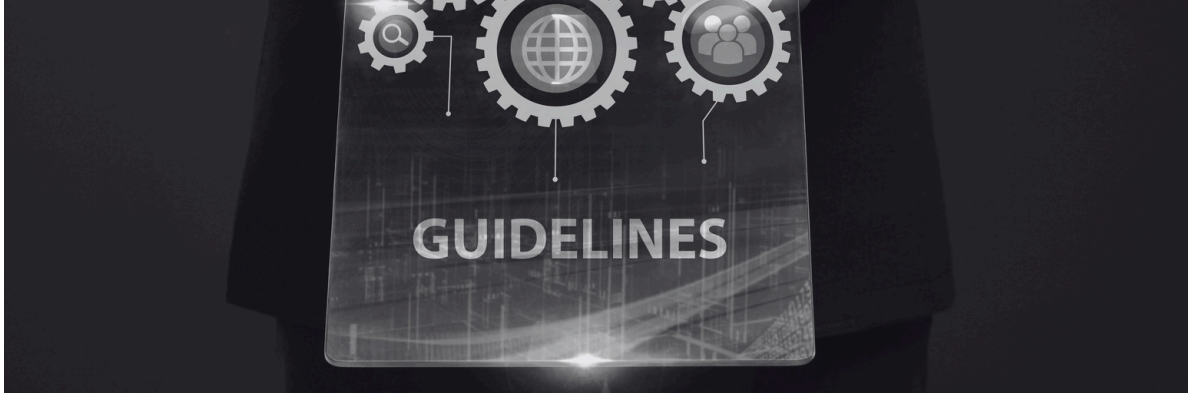
Among Poynter's suggestions:

01	Form an AI committee including representatives from each department, including on the business side.

02	Make decisions in three categories: "audience-facing uses, business uses and back-end reporting assistance."

03	Partner with technology companies and nonprofits— and disclose these relationships—"to get funding, explore tools and expand your capacity."

In the Associated Press's April 2024 "Generative AI in Journalism" report, the most frequently expressed ethical concern about AI was a lack of human supervision (48%), followed by inaccuracy (16.4%), bias (9.5%), quality reduction (7.7%), job displacement (6.8%) and lack of transparency (6.8%). The report concludes with calls for more concrete guidelines, research and training, plus the establishment of responsible practices and further design explorations to create "genuinely new experiences rather than just the optimization of existing workflows."

Csuraji said many European news outlets either have published AI guidelines or have created them and kept them in house. She cited the German newspaper/magazine publisher Funke as having developed but not made public its AI guidelines. She said she thinks this lack of transparency stems from the guidelines being "still a work in progress."

Although Csuraji said she understands the need for guidelines regarding data security and ethics, she argued that organizations can get bogged down in these "preoccupations, instead of doing things and then figuring out what really helps the newsroom and then starting the discussion [of] if that's ethically a good way to go. I think that the ethical discussion often just kills it."

In mid-March the European Parliament passed the AI Act, touted as "the first-ever legal framework on AI, which addresses the risks of AI and positions Europe to play a leading role globally." The areas most relevant to journalism involve transparency in AI usage, as explained on the EU's website:

"When using AI systems such as chatbots, humans should be made aware that they are interacting with a machine so they can take an informed decision to continue or step back. Providers will also have to ensure that AI-generated content is identifiable. Besides, AI-generated text published with the purpose to inform the public on matters of public interest must be labeled as artificially generated. This also applies to audio and video content constituting deep fakes."

Dr. Christopher Nehring, a Konrad-Adenauer-Stiftung guest lecturer in Media, Disinformation and Intelligence Services, isn't sure the new regulations clarify the issue.

Robyn Tomlin
Chief News Officer,
McClatchy

> " The law does not specify that, but it will require everybody to do so....We need better labels that tell the audience a lot more about the content and the usage of AI in production than simply, you know, 'Made with AI.' "

What exactly should the label tell us?" Nehring said. "You know, 'This voice has been generated with AI,' or 'This content is generated with AI,' and what does that even mean? The law does not specify that, but it will require everybody to do so....We need better labels that tell the audience a lot more about the content and the usage of AI in production than simply, you know, 'Made with AI.'"

Tomlin said McClatchy is upfront about integrating AI into its news sites. "We tell people transparently on our home pages that we are doing this, we're using AI to personalize that experience," she said. So the "Editors' Picks" are editor curated, but other content on the page is more personalized via AI based on readers' perceived needs.

A feedback form asks readers for their input: "We're using AI to help personalize your experience. Tell us what you think about it." Tomlin said there has been a wide range of responses. "Some people say, 'I don't want AI in my experience at all.' Some people are like, 'This is great.'"

Ways AI could be an existential threat

For many journalists, generative AI represents tremendous promise and significant peril. One can't reap the benefits without attempting to unlock this technology's potential, but working with it is like trying to harness power from a nuclear timebomb: Be careful or all will be destroyed.

AI's effect on web traffic is seen as an existential threat, and news organizations have already been experiencing sharp drops in traffic directed by social media. X, formerly known as Twitter, removed its verification blue checks from news organizations and journalists and de-emphasized (after initially eliminating) headlines attached to news story links. Facebook/Meta's readership numbers for news posts have also dropped sharply amid the platform's algorithm changes.

But the web traffic issue feels like a potential existential threat. For years if you asked Google a question, its response would include links to the sites—often news stories—that offer an answer. If Google and other search engines can scrape and process all local news content and supply links to the sites—often news stories—that offer an answer. If Google and other search engines can scrape and process all local news content and supply them.

This is a reset on the internet deal," Gunasekara said, noting that news outlets already were having a hard time monetizing its web traffic before AI changed the question to: "What happened to your traffic? Nice traffic you used to have. I'll take that too." The online business model is "already being hollowed out," he said. "You just slapped a turbocharger on it."

"If generative AI is going to give you the answer, and you don't have to click through to a local website, that could have a pretty profound impact on business models," Franklin said.

That impact already is being felt.

In Editor & Publisher Magazine in March, Philadelphia Inquirer reporter Rob Tornoe wrote that in previous years his paper's annual Groundhog Day "Did he see his shadow?" story drew tens of thousands of readers, most referred by Google, with more than 150,000 pageviews in 2023. But traffic for the story's 2024 version was down by more than 76%, and other newsrooms in the region reported similar drops. Tornoe and an Inquirer colleague pinned the blame on "Google's featured snippet, which uses information from a website to answer a user's question without ever needing to click through" to a story.

In December, The Wall Street Journal reported about the "gathering storm" as Google tests its AI search tool on 10 million users, putting at risk the nearly 40% of traffic that news sites had been receiving from Google pre-AI. This is the future newsrooms need to plan for," Tornoe wrote. "Even as referral traffic from social media websites like Facebook and X has plummeted, (and) search traffic has remained a consistent source of readers to news organizations."

This threat applies worldwide.

Speaking via a video conference, Dapo Olorunyomi, publisher of Premium Times in Nigeria and an International Consortium of Investigative Journalists (ICIJ) board member, said the prospect of "AI in the newsroom" in Africa has prompted "this massive fear about what it is going to do to the financing of journalism.

People already (are) quite apocalyptic about [that]."

Kumar said Google's changes to its algorithms and chatbots are the largest concern among India's newsroom leaders. "They don't know what will happen to all the stories that they're writing," Kumar said. "They would like to have some kind of control or better vision of how their content will be discovered in the future when the search is not happening in a traditional way. With ChatGPT, with Gemini, will their URLs be relevant?"

He added: "They don't know how to integrate AI into this because there is absolutely no solution that we are aware of. Will SEO [search engine optimization] continue to work the way it is being used traditionally? There is no clarity."

The response among some news teams, Kumar said, has been to publish less text and to emphasize video content instead. "They believe video is still relevant, and the time engagement is still there on video," Kumar said. "Videos can be distributed on social digital platforms and YouTube."
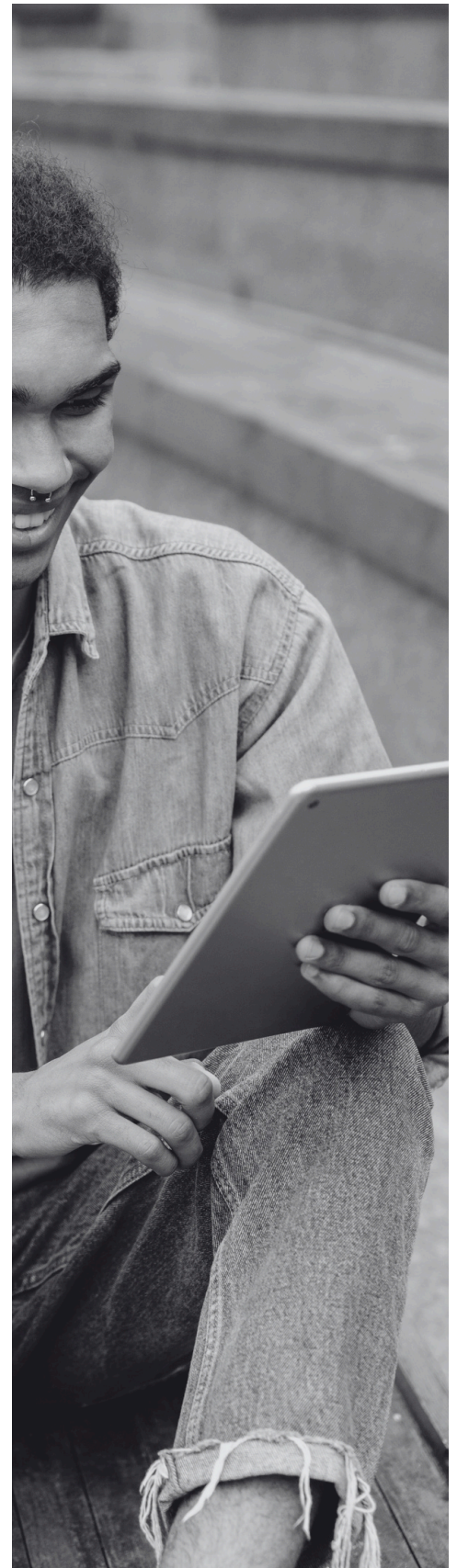
Coelho in Argentina shared Kumar's concerns. "Who is going to read the local, business, national outlets?" she asked. "I'm more afraid of what will happen when these generative AI solutions get more accurate, (and) are connected to real-time information. Usually you go through like three different links and read them and try to get your conclusion from different sources. I think that it will be more difficult."

At the same time, human-reported and -written news stories now face increased competition from content created via generative AI. Fávero said his publication reported on a large, traditional Brazilian company offering what appeared to be exhaustive information about pregnancy and baby care on its website. "They published more than 50 articles that were generated by AI and not edited; there was no actual reporting," Fávero said. "After we approached them, they deleted all of them."

This was coverage of a particularly sensitive topic, Fávero pointed out, yet that company had no qualms about removing the human element from the equation. "We saw other examples of that in other countries too, but the one thing that concerns me is that the financial pressure that all newsrooms are subjected to," he said. "The [AI] models are an opportunity for some newsrooms that maybe don't have the highest journalistic standards to basically create content almost for free, and it's harder to spot that it's rubbish, that it's not reporting, because those models are so good at creating content that looks reasonable."

As AI models train on and regurgitate their content on one side while misinformation, disinformation and sloppy robot-generated stories undermine their credibility and threaten jobs on the other, it's no wonder that news organizations feel like they're fighting for their lives. At stake is nothing less than the value of all news content.

So some news organizations have taken their battle to the courts.

In December 2023, the New York Times sued OpenAI and Microsoft in Federal District Court in Manhattan seeking "billions of dollars in statutory and actual damages" regarding the "unlawful copying and use of The Times's uniquely valuable works." As the Times' own story notes, the suit "also calls for the companies to destroy any chatbot models and training data that use copyrighted material from The Times."

The complaint says OpenAI and Microsoft "seek to free-ride on The Times's massive investment in its journalism." It accuses the defendants of "using The Times's content without payment to create products that substitute for The Times and steal audiences away from it."

"The New York Times lawsuit, however, it goes, was a crucial step because we're going to have to answer some of these fundamental questions about who owns information in what we think of as the journalism journey," Mungeam said.

OpenAI issued a statement in January calling the Times' suit "without merit" and defending the "fair use" of "publicly available internet materials" while offering companies such as the New York Times "an opt-out because it's the right thing to do."

The nonprofit public-interest news organization The Intercept and the progressive sites RawStory and AlterNet sued OpenAI in late February, complaining that the company had trained ChatGPT on their stories without permission or compensation. The Chicago-based civil rights firm Loevy & Loevy, which represents all three news organizations, accused OpenAI of violating the 1998 law the Digital Millennium Copyright Act (DMCA).

"We think that this is the model that will give online news organizations, especially smaller ones, the best opportunity to ensure that they're compensated for the use of their work in training AI models," Loevy & Loevy partner Matt Topic, a lead lawyer on the suits, said in a NiemanLab news story.

On the flip side, some news organizations have struck deals regarding AI. The Associated Press agreed to a licensing agreement with OpenAI last July, and in December, Axel Springer—the German publisher of Politico, Business Insider and other publications—and OpenAI announced "a global partnership to strengthen independent journalism in the age of artificial intelligence." Microsoft announced an AI partnership in February with the global news startup Semafor, the Online News Association and other organizations.

The American Journalism Project, a philanthropy dedicated to "rebuilding local news," announced a partnership in July 2023, with Open AI "committing $5 million to the American Journalism Project to support the expansion of AJP's work and up to $5 million in OpenAI API credits to help its grantee organizations assess and deploy emerging AI technologies within their organizations."

"The collaboration aims to establish lines of dialogue between the local news industry and OpenAI, and to develop tools that could assist local news organizations," the AJP announced.

At the November workshop in Washington, D.C., the AP's Aimee Rinehart struck a pessimistic note regarding news organizations' ability to win copyright-related lawsuits against Big Tech companies.

"The legal issues are not in our favor based on the precedent of previous cases involving Big Tech," Rinehart said.

She noted that judges have sided with Google and Big Tech in five previous cases involving potential AI copyright infringement, concluding that AI has created something different from the original content, and the resultant product makes the world a better place. "That's sort of the precedent we're looking at. It doesn't look good."

Rinehart described the AP's "four knocks at the door" approach if it feels copyright is being violated through a borrowed image or another piece of AI-generated content. This process begins with a request for payment and ends with a lawsuit—but that last option is undesirable. "The prospect of it being an unfavorable decision to newsrooms is very high," Rinehart said. "I don't see any world in which a tech company is threatened by a news organization," Mendoza said. "If LION, INN (Institute for Nonprofit News), LMA, NMA (News Media Alliance), ONA (Online News Association)_—all the A's—got together and said, 'You can no longer have access to our content, I don't care if you collapse if you don't get it,' they're not going to do it." The larger problem may be the anything-goes nature of the internet. "The big elephant in the room is there's no limitation on scraping," Gunasekara said. "We're just nowhere near solving that problem," Rinehart said. "The web is built to share. And steal."

Bruno Fávero

Innovation Director, Aos
Fatos, Brazil

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But in a session the following morning, Danielle Coffey, president and CEO of the News/Media Alliance, expressed optimism and a willingness to fight—and win—copyright battles with Big Tech over AI. She said Big Tech, dominated by Google, has "gotten too comfortable," and its usage of journalism content—whether to train its own systems or to include it in searches—amounts to a copyright violation, "because if you're making a copy, regardless of whether you keep it, you made an infringement." Then Google is using that news content to answer questions. "Does it replace us?" Coffey asked. "Yes. Come on."

So more lawsuits may be coming. "Litigation is being explored, so everybody should feel good about that," Coffey said. "I mean it to say we are ready to go....We should also be paid for our stuff. That has to be a part of it. There's a value there, and it's protected."

Duc Luu, the Knight Foundation's director of sustainability initiatives in the Journalism Program, said part of the rift between Big Tech and news organizations is that journalism is not a priority for AI companies, is not seen as an interesting puzzle for developers, and may not survive. Why would AI companies devote resources to an area where they don't think they can make significant money? "They're betting against the industry," Luu said.

"The fact that some media companies don't look attractive to AI companies is OK," Mendoza countered, arguing that news organizations can develop their own products. Others agreed, touting the potential of open-source software and platforms to level the playing field while preventing Big Tech from controlling everything.

"I'm skeptical about the ability of media organizations to develop products for other media organizations," Luu responded. "I don't think we have a good track record of being that experimental and innovative when it comes to new products."
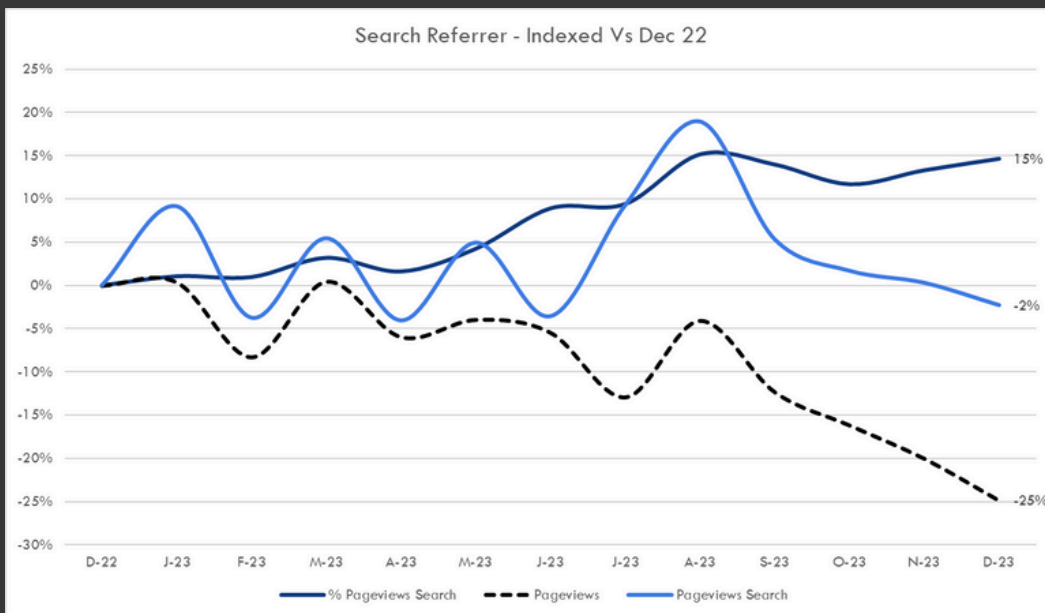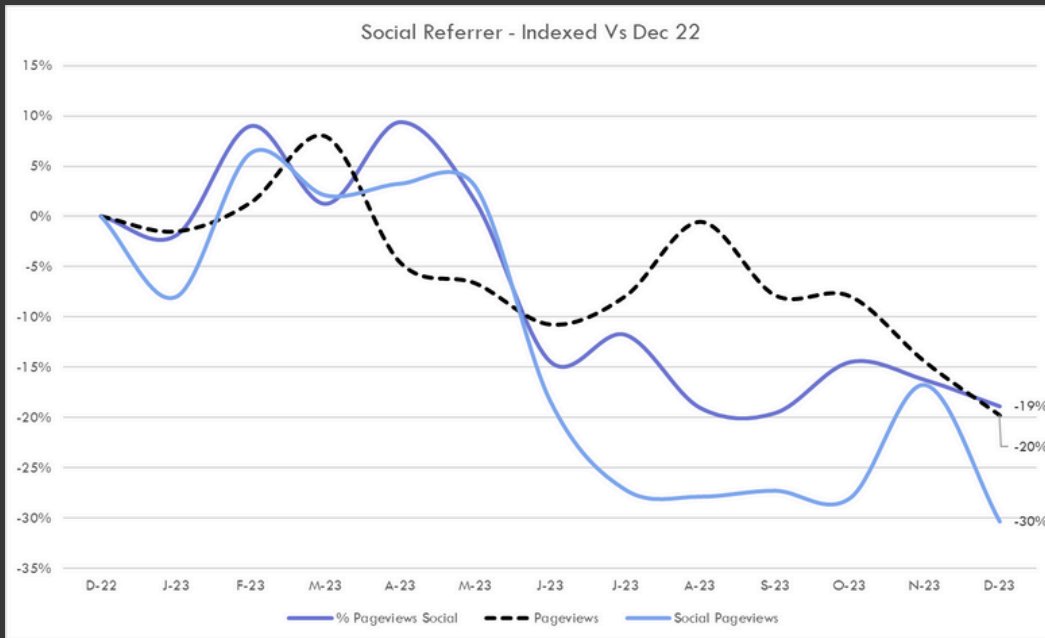
Gunasekara compared this juncture for journalistic organizations and AI to the period when Napster popularized free, unauthorized peer-to-peer music file sharing before the service was shut down in 2001 amid copyright-infringement claims. By that point, the music industry's business model had been obliterated.

"Napster was a very clear existential threat to the music industry," Gunasekara said. "This really should be like a Napster moment for the entire [journalism] ecosystem."

SOCIAL AND SEARCH REFERRAL TRAFFIC.

For the time period Dec 22 - Dec 23

Even as AI takes hold, traffic to news sites has been declining, particularly from social media. The graphs below illustrate this trend.

Social Referrer - Indexed Vs Dec 22

% Pageviews Social · · · Pageviews — Social Pageviews

Search Referrer - Indexed Vs Dec 22

% Pageviews Search · · · Pageviews — Pageviews Search

Credit: Mather Economics

CONCLUSION

"Is AI going to replace journalists or is AI going to be additive—that AI will do some of the functions that humans used to do, freeing up humans to do the things that AI can't do?"

—Tim Franklin, Director, Medill Local News

Generative artificial intelligence isn't just a river that's different every time you step into it; it's more like raging whitewater rapids. The scenery is constantly changing, and assumptions you made yesterday about your journey may be obsolete by tomorrow.

The Local Media Association's Mungeam reflected in late March on how perceptions and the reality of generative AI had changed among news leaders over the past half year. "Six months ago the conversation was really powered by 18 variations of 'Is it going to take my job?'" Mungeam said. "It was a very visceral reaction to the first fear of any technology disruption."

Although those fears haven't gone away, he added, the focus has shifted. Amid "shrinking budgets and staffs," news organizations lack the capacity to do what they want to do, so they're turning to AI for help. "The ability to use AI today in just about every workflow you can imagine to build capacity in news organizations is an immediate opportunity," he said.

Can journalists and local news organizations stave off the massive changes being brought by generative AI?

Likely not.

Can they afford to sit passively while this revolution takes place?

Absolutely not.

Does AI open doors for publishers, reporters, editors and other news content creators to improve the quality, distribution and financial sustainability of their work?

It very well may. To find out, journalists must engage in this technology without being paralyzed by fear or losing sleep over the large unresolved questions.

"The average local news outlet is going to be downstream of the mega issues of what does copyright mean in an LLM world? Who owns content? What is the threshold for transparency in using AI in storytelling?" Mungeam said. "They're big, big questions that are going to get settled at a high level and cascade down."

So in the meantime, innovate, collaborate and figure it out.
Some recommendations:

01	Now is the time for every news organization to have an AI strategy.

02	Experiment with AI on an organizational level and on specific functions.

03 Pilot AI business-side projects and routine tasks to see whether they can make the organization better and more efficient.

04 Move cautiously when using AI for editorial content and think about how AI can help personalize the news and other forms of content while freeing up the human reporters and editors to produce more original, unique local storytelling.

05 Create guidelines for how AI will be used, make them clear throughout the organization and determine how much of this policy should be shared with the public.

06 Leverage—and, when possible, monetize—the value of your organization's accumulated content.

07 Collaborate and establish best practices.

08 Be less afraid of failing than not learning.

Mendoza said now is when news organizations should discover and share what is working and not working in AI. "Richland Source [a local digital news outlet in north central Ohio) has a small strike team that tests and learns one thing a month and reports back on what was learned," she said. "If they could scale that experiment with 100 other newsrooms that say, 'Here's what we tried and learned,'" many problems could get solved. In contrast, Mendoza said, she fears for organizations that "get into a panicked position and start leaning on AI to do this or the other in isolation."

Again, the fear of AI's repercussions is rational, the implications overwhelming.

"I feel that we are in a tsunami," Coelho said. "We are on the beach, and here comes a very huge wave."

"On Mondays, I tend to be more euphoric, and Tuesdays I'm more afraid," Csuraji said. "I have three teenagers at home, and they already have a hard time to know what's true." She is worried what kind of information will be available to them in five to 10 years when they must make their own decisions about their jobs, lives and politics. But she tries to be optimistic and to fight the good fight.

"If we don't have the same weapons, we will never go on to win this war on news, so we really need to be on top of our game and not say this is all frightful and fearful, and it will destroy our democracies," Csuraji said. "We should dive into AI and really try to help us because otherwise we have no chance on winning this war on disinformation. The other side is going to use it, so we also need to use it."

Aimee Rinehart

Program Manager Local News & AI, The Associated Press (AP)

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"If you can bake a cake, you can work with generative AI. It is that simple."

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At the same time, news organizations and journalists may be well served by playing offense as well as defense and finding new ways to get ahead via AI.

"I hope that news leaders are thinking about the hazards and the risks but leaning into the opportunities to use AI to create new kinds of news products that better serve their audiences," Mungeam said.

The consequences may be astronomical, but the threshold to working with this technology is low. Anyone can be part of the solution.

"If you can bake a cake, you can work with generative AI," Rinehart said. "It is that simple."

METHODOLOGY

In November 2023, Northwestern University's Medill Local News Initiative and Knight Lab, in conjunction with Konrad-Adenauer-Stiftung USA, presented a workshop in Washington, D.C., titled, "New Models in Local News: How AI Will Change the Business of Local News." The program included a day-and-a-half-long conference at Konrad-Adenauer-Stiftung USA's D.C. office and at the Medill campus in Washington.

This report is a product of that workshop and subsequent discussions with an array of news executives, journalism organization leaders, technologists, scholars and philanthropists working in different countries and continents, and follow-ups through late March 2024.

The 26 participants in the D.C. workshop included a cross-section of U.S. journalists, academics and philanthropists plus a few experts appearing from other countries via video conferences. Leading the program were the Medill School's Tim Franklin, senior associate dean, professor and John M. Mutz Chair of Local News, and Jeremy Gilbert, Knight Professor in Digital Media Strategy. KAS USA director Paul Linnarz hosted the program and Program Manager Sabine Murphy initiated and organized it.

The workshop was presented as "a series of conversations to assess the state of local news, the areas of opportunity and how generative artificial intelligence can fill the gaps. All attendees will actively engage in frank discussions and an exchange of knowledge, looking at the issues with a global lens." The follow-up "Global Conversation on the Impact of AI on Local News Business Models"—a set of three video conference discussions engaging five news professionals from India, Germany, Brazil and Argentina—took place in late February 2024. Further interviews were conducted the following month.

These conversations addressed a broad range of questions regarding how AI might transform the economics of local news—on both the content-creation and business sides—and what steps journalism professionals might take to amplify the positive impacts and to mitigate the negative ones.

A starting point is the culture, as news organizations' ability to utilize and react effectively to AI may hinge on their receptiveness to this new technology. Are they avoiding it? Resisting it? Embracing it? Experimenting with it?

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In presenting this report, we extend our heartfelt appreciation to all those who have contributed to its completion.

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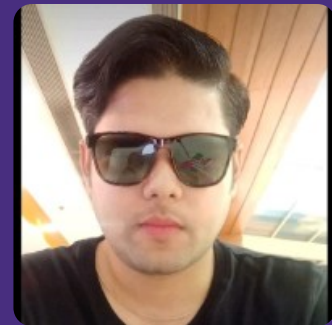
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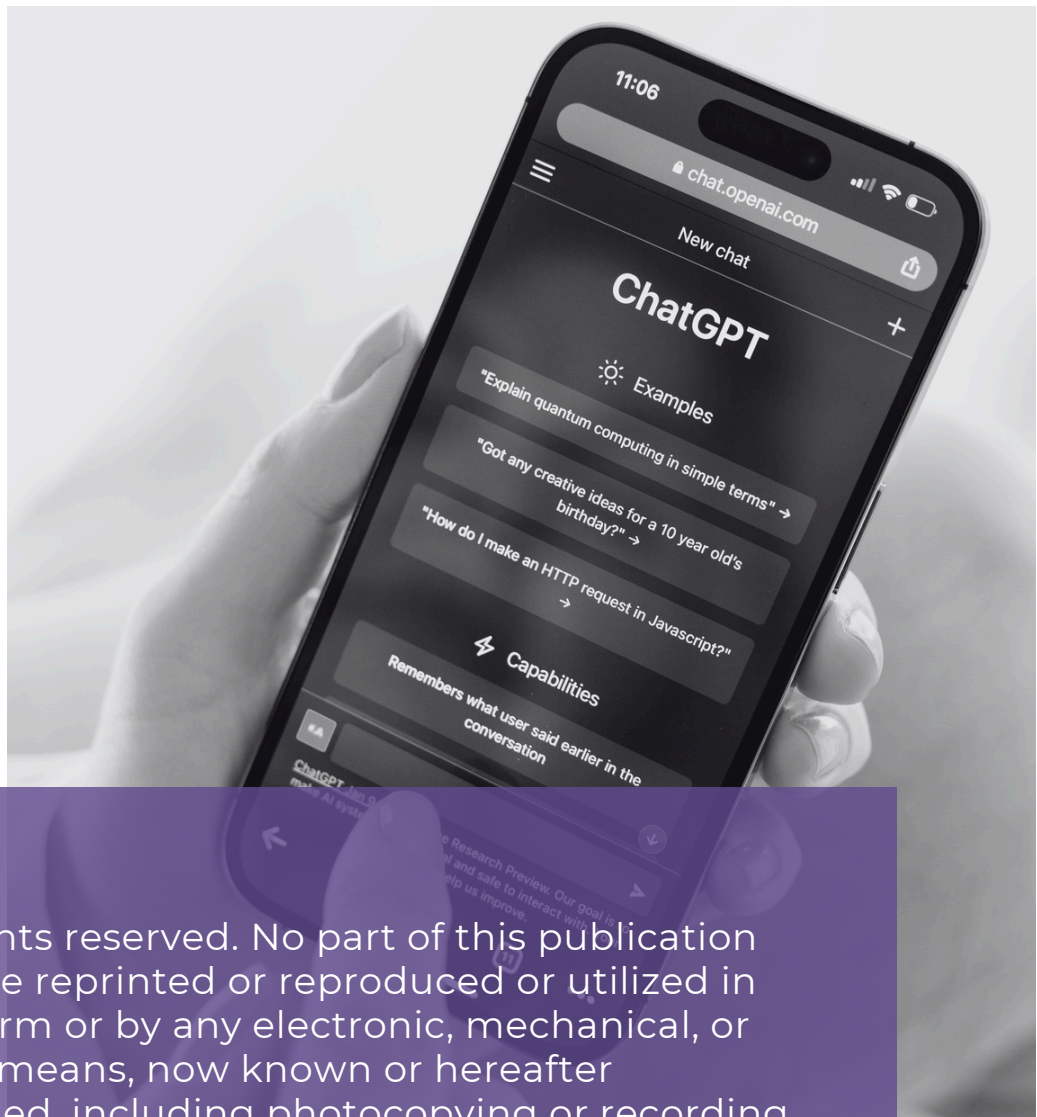
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