



NEWLOCAL

New approaches for local media

**REPORT ON ONLINE
ADVERTISING
NETWORKS**



**Co-funded by
the European Union**

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1. INTRODUCTION

Project name: New approaches for local media

Project acronym: NEWLOCAL

Call: CREA-CROSS-2022-JOURPART

Topic: CREA-CROSS-2022-JOURPART

Type of action: CREA Project Grants

Granting authority: European Education and Culture Executive Agency

Project duration: 01.06.2023. – 31.05.2025.

Local media have an advantage over big national media in direct access to local users and in serving content. The target market is limited, therefore working with small media organizations is sometimes not of interest to advertisers.

Our group of local media outlets will create a new approach on the audience through the NEWLOCAL cooperative project, which will also assist us in creating new products and possibilities to boost advertising revenues. We will concentrate on new technology, initially in the form of mobile apps for the media of all consortium partners, and afterwards to create tools to enhance user interaction. We'll concentrate on gamification, user-generated content, polls, quizzes, smart push notifications, and content customisation for each user.

Throughout the project, we will concentrate on exchanging internal know-how's through conferences, workshops, reports, and work-exchange programs. However, we will also share our knowledge with the public since the project website will make our findings available, allowing any interested local media to learn about our research, our activities, and what has and hasn't worked.

The project will have a significant impact on sustainability, competitiveness and long-term success.

Who's Participating?

Ten local media companies from four countries (Slovenia, Croatia, Serbia, and Montenegro) make up the consortium for the NEWLOCAL project. Our backgrounds range from radio, print, and internet to established digital media with editorial teams producing content for the web and growing online revenue.

From Croatia (HR)

Varaždinske vijesti d.d.

Sjeverni pol d.o.o.

RI PORTAL j.d.o.o.

Pro Media d.o.o.

From Serbia (RS)

Tim za razvoj i integracije

Radio Magnum-18 d.o.o.

Privredno društvo Boom93 d.o.o.

From Slovenia (SI)

NT&RC d.o.o.

RADIO TEDNIK PTUJ, družba za časopisno in radijsko dejavnost, d.o.o.

From Montenegro (ME)

Digital media factory d.o.o.

2. REPORT ON IMPROVED REVENUES OVER ONLINE AD NETWORKS

There are number of online networks, and partners in the consortium are using some of them, but not all. A consortium can take advantage of some networks that are not available to every media individually. This task will research opportunities and create instructions on how to implement them and tips on expected revenues.

A short survey was distributed across the project partners to gather the necessary data.

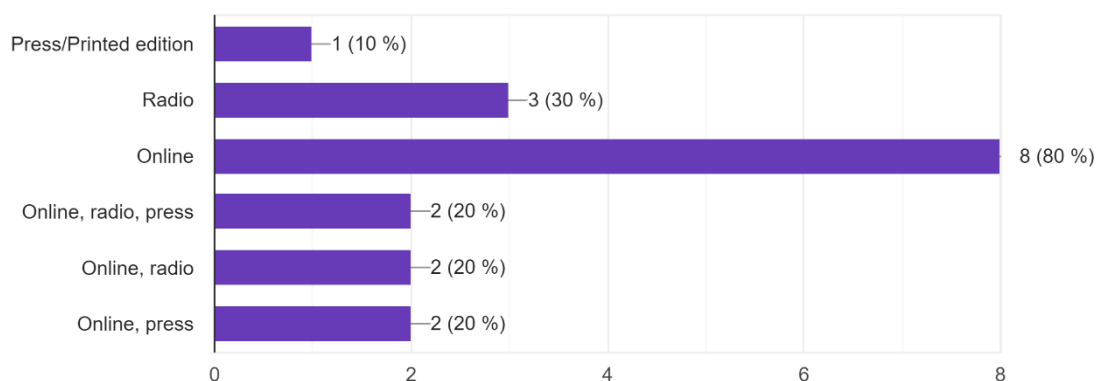
3. SURVEY FINDINGS

Each of the ten project partners completed a survey that asked questions about the implementation and revenues gathered from online ad networks.

The first question was in regards to what media does their business contain. Most common was online with 80% of the answers. Following that, 30% goes to radio, while 20% goes to a mix of both online and radio, online and press, as well as all three: online, radio and press. Lastly, 10% use only press as their primarily media in their business.

2. What types of media does your business contain?

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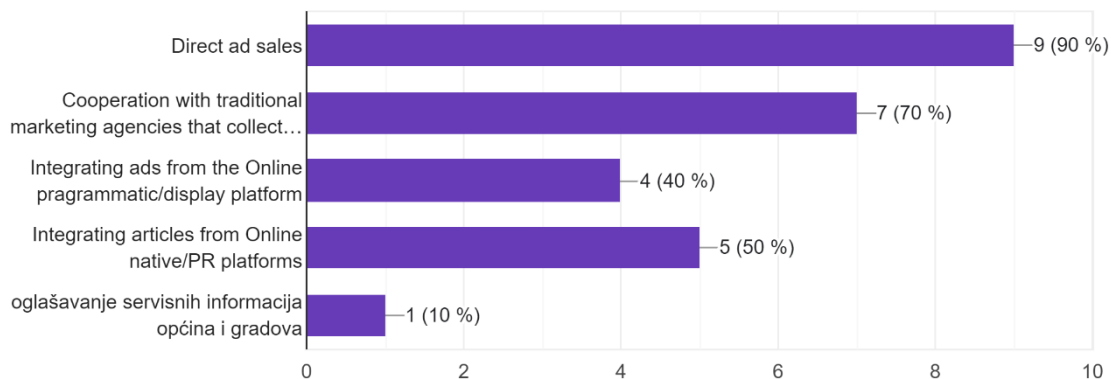


Almost all of the consortium members, 90%, use direct ad sales to get to advertising revenue. Furthermore, 70% get to their advertising revenue by cooperating with traditional marketing agencies that collect ads for their business, while 50% integrate

articles from online native/PR platforms. Less than half, 40% of our participants get their advertising revenue by integrating ads from online programmatic/display platforms, and 10% by advertising service information from municipalities and cities.

3. How do you get advertising revenue?

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Next, the participants clarified what percentage of their advertising revenue do they get from previously mentioned sources.

InfoVranjske gets 21 to 30% of their advertising revenue from direct ad sales, 11 to 20% from cooperating with traditional marketing agencies that collect ads for their business, 21 to 30% by integrating ads from the Online programmatic/display platform, 1 to 10% by integrating articles from Online native/PR platforms and 41 to 50% from other sources.

Novski portal gets 71 to 80% of their advertising revenue from direct ad sales, 1 to 10% from cooperating with traditional marketing agencies that collect ads for their business, 11 to 20% by integrating ads from the Online programmatic/display platform, none by integrating articles from Online native/PR platforms and 11 to 20% from other sources.

Pro Media gets 51 to 60% of their advertising revenue from direct ad sales, 11 to 20% from cooperating with traditional marketing agencies that collect ads for their business and by integrating ads from the Online programmatic/display platform, as well as 1 to 10% by integrating articles from Online native/PR platforms and from other sources.

Varaždinske vijesti gets 81 to 90% of their advertising revenue from direct ad sales and 1 to 10% from cooperating with traditional marketing agencies that collect ads for their business, integrating ads from the Online programmatic/display platform, integrating articles from Online native/PR platforms and other sources.

NT&RC gets 41 to 50% of their advertising revenue from direct ad sales, 1 to 10% from cooperating with traditional marketing agencies that collect ads for their business, integrating ads from the Online programmatic/display platform and by integrating articles from Online native/PR platforms.

Radio Magnum gets 61 to 70% of their advertising revenue from direct ad sales, 1 to 10% from cooperating with traditional marketing agencies that collect ads for their business and 11 to 20% from other sources.

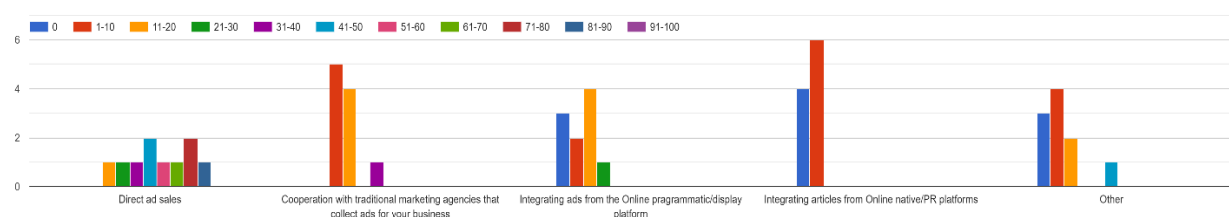
Radio-Tednik Ptuj gets 71 to 80% of their advertising revenue from direct ad sales, 11 to 20% from cooperating with traditional marketing agencies that collect ads for their business and 1 to 10% from other sources.

Dalmatinski portal gets 31 to 40% of their advertising revenue from direct ad sales and by cooperating with traditional marketing agencies that collect ads for their business, 11 to 20% by integrating ads from the Online programmatic/display platform and 1 to 10% by integrating articles from Online native/PR platforms.

Boom93 gets 11 to 20% of their advertising revenue from direct ad sales, 1 to 10% from cooperating with traditional marketing agencies that collect ads for their business and none from other sources.

Ri Portal gets 41 to 50% of their advertising revenue from direct ad sales, 11 to 20% from cooperating with traditional marketing agencies that collect ads for their business and integrating ads from the Online programmatic/display platform, as well as 1 to 10% by integrating articles from Online native/PR platforms and other sources.

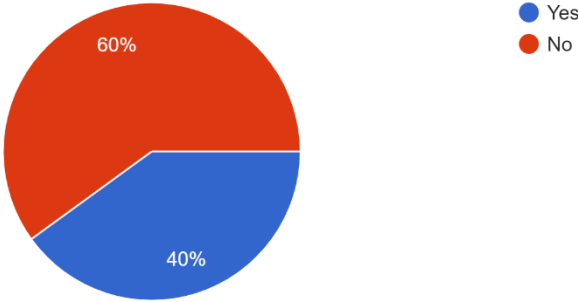
4. What percentage of your revenue comes from advertising?



While being asked if they cooperate with larger media partners to distribute ads on their platforms, 60% of the participants stated that they do while the other 40% does not.

5. Do you cooperate with larger media partners who distribute ads on your platforms (eg partnership with subdomains in a larger advertising network)?

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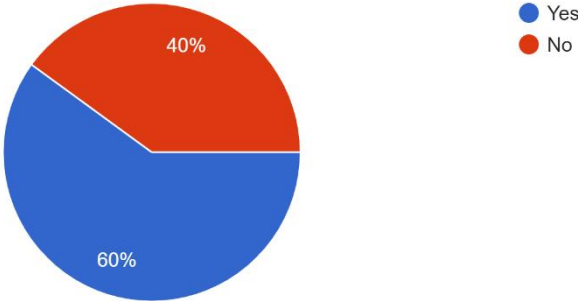


When being asked if they use integrated Online programmatic/display platforms, most of our participants use Google ads, Vidomy or Vidverto. They are integrated into their online news page through codes, by exchanging articles with other platforms, or integrating them inside the articles. The minority doesn't use the platforms at all.

Concerning the recommendation of previously listed online platforms to project partners, 60% of the participants would recommend them to others while the other 40% disagrees.

7. Would you recommend these platforms to project partners (and help with integration)?

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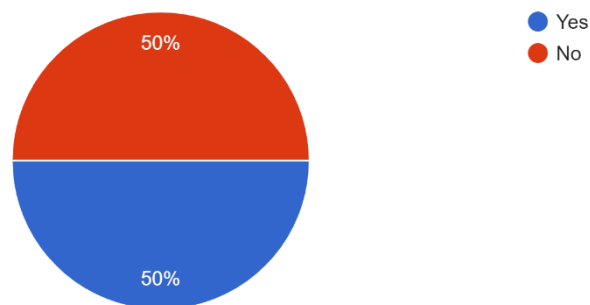
Furthermore, when being asked if they use integrated Online native/PR platforms, most of our participants said Midas and Whitepress. One of our participants does not

use the platforms, but works independently at the level of city of Vranje and the Pčinj district. The minority doesn't use the platforms at all.

Additionally, concerning the recommendation of previously listed online platforms to project partners, the participants are split down the middle. Half state that they would recommend these platforms while the other half disagrees.

9. Would you recommend these platforms to project partners (and help with integration)?

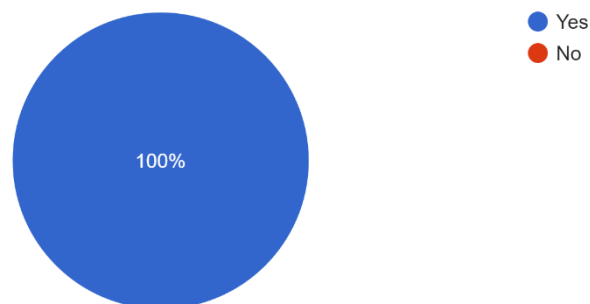
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All of the participants claim that they will integrate online advertising platforms into the final application created in the NEWLOCAL project.

10. Will you integrate online advertising platforms into the final application?

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Finally, most partners state that the percentage of advertising revenue expected from the application that will be developed as part of the NEWLOCAL project is on the lower side and it ranges to 10%. The minority claims that the increase will be from 1 to 5% and some even up to 40%, while other state that they can not estimate the percentage.

4. CONCLUSION AND RECOMMENDATIONS

Based on the findings from the survey and analysis of current practices among the ten local media companies in the NEWLOCAL consortium, it is evident that there is a diverse range of methods for generating advertising revenue. ***The primary methods currently used include direct ad sales, cooperation with traditional marketing agencies, and integrating ads or articles from online native/PR and programmatic/display platforms.*** However, ***not all partners are utilizing the full spectrum of available online ad networks***, indicating an opportunity for increased revenue through better integration and use of additional networks.

General Recommendations

1. *Expand Use of Programmatic and Native/PR Platforms*
2. *Leverage Cooperative Opportunities*
3. *Utilize Cross-Promotion and Content Exchange*

Additional Online Advertising Networks that could be used:

1. Outbrain and Taboola: Recommended for increasing traffic through content discovery networks. Both platforms can help monetize content via sponsored links and articles, potentially raising revenue by 5-10%.
2. Ezoic: A machine-learning-driven platform for automated ad optimization, suitable for all media types. Ezoic can help increase ad revenue by dynamically testing different ad placements and formats.
3. Media.net: A contextual advertising network powered by Yahoo and Bing, useful for expanding beyond Google Ads and diversifying revenue streams. This can add an estimated 5-7% to overall advertising revenue.

The findings suggest that there is significant untapped potential in the use of online advertising networks across the consortium media partners. Currently, many partners rely heavily on direct ad sales and traditional marketing channels, which, while effective

to some extent, do not fully exploit the diverse revenue opportunities available through digital ad networks.

By strategically leveraging a wider array of online advertising networks — including programmatic, native, and content discovery platforms — each media partner can enhance their revenue streams through better ad targeting, increased user engagement, and broader audience reach.

Adopting a more diversified approach to online advertising allows for several key advantages:

1. Increased Revenue through Targeted Ad Placements: Programmatic advertising platforms like Google Ads, Vidverto, and Ezoic offer advanced targeting capabilities that match ads to user behavior and preferences in real-time. By integrating these platforms more broadly, partners can deliver more relevant ads to their audiences, leading to higher click-through rates (CTR) and conversion rates, which directly translates to increased revenue. For instance, using programmatic networks can help media partners reach niche local audiences that are particularly valuable to advertisers, thereby optimizing their ad spend and enhancing the value proposition for advertisers.

2. Diversification of Revenue Streams: Currently, many partners are over-reliant on direct ad sales, which can be volatile and dependent on a small number of large clients. Expanding into online native/PR platforms such as Midas and Whitepress, or content discovery networks like Outbrain and Taboola, can help partners diversify their revenue streams. These platforms offer monetization opportunities that are less dependent on direct sales efforts, providing a buffer against market fluctuations and enhancing financial stability.

3. Expanded Audience Reach and Higher Engagement: Cooperating with larger advertising networks and platforms not only provides access to a wider array of ads but also expands the potential audience reach. Content discovery platforms like Outbrain and Taboola can help drive new traffic to partner sites by promoting content on a global scale. This increased traffic can boost page views, ad impressions, and engagement rates, further elevating revenue potential. Enhanced user engagement through native content, such as sponsored articles or videos, also improves the overall user experience, encouraging repeat visits and fostering loyalty.

4. Synergies from Consortium Cooperation: The consortium's strength lies in its collective bargaining power and shared knowledge base. By pooling resources and negotiating as a single entity, the consortium can secure better terms and access to premium ad networks that might be beyond the reach of individual partners. Additionally, exchanging best practices, insights, and data analytics among partners will allow for continuous optimization of ad strategies and better-informed decision making. This collaborative approach not only improves individual outcomes but also contributes to the overall growth and competitiveness of the local media market.

5. Long-Term Sustainability and Competitiveness: Prioritizing new technology adoption, such as smart push notifications, gamification, and personalized content, will enhance user interaction and retention, which are critical factors for attracting advertisers. A diversified approach to online advertising and a focus on innovation will help the consortium stay competitive in a rapidly evolving media landscape. By maintaining a dynamic and adaptive strategy, the consortium can ensure long-term sustainability and growth, better positioning each partner to capture a larger share of advertising revenues and reduce reliance on traditional, less predictable revenue streams.

In summary, ***the consortium should aim to expand its use of online advertising networks and employ a mix of programmatic, native, and content discovery platforms to fully exploit digital advertising opportunities.*** This comprehensive approach, coupled with a cooperative strategy to share resources and expertise, will position each media partner to maximize revenue potential, ensuring the sustainability and long-term success of the consortium as a whole.

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