

Audio Transcript
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with *Mike Blinder*
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[We're in the "Final Phase" for local media: Gordon Borrell says content is our lifeline.](#)

During this exclusive E&P interview, Gordon Borrell, CEO of Borrell Associates, provided critical insights into the evolving landscape of local media. Highlighting a seismic shift in the industry, Borrell emphasized content as a key differentiator in what he terms the "final phase" for local media. To underscore this, he announced the relocation of Borrell Associates' 2025 annual conference from Miami to the Walter Cronkite School of Journalism at ASU.



0:00:03.9 Announcer: This is E&P reports, a vodcast from Editor & Publisher magazine, the authoritative voice of news media since 1884, serving newspapers, broadcast, digital, and all forms of news publishing.

0:00:19.9 Mike Blinder: And greetings once again. Mike Blinder, publisher of E&P Magazine. As always, we urge those listening to this program on podcast platforms to follow watching on our YouTube channel. Hit that subscribe button below, smash the bell to the right. You'll get an update each and every time we upload a new episode of E&P reports. Gordon, I owe you a jacket. This is your sixth visit to this program. So if we're like Saturday Night Live, I gotta come up with a jacket for you. Okay.

0:00:49.8 Gordon Borrell: Oh wow. Like a green jacket or something?

0:00:52.9 MB: Well, it could be any color you want, 'cause you're like the top guy. But I'll also say this in your favor, sir. Not to blow smoke, that we get more downloads and views with you. Actually, no, with Jeff Jarvis beats you ever so slightly, [laughter] but you're definitely not Jarvis...

0:01:09.8 GB: Yeah, well, we have something in common. We're both slightly arrogant and disagreeable in a lot of cases.

0:01:16.1 MB: There you go. [laughter]

0:01:18.1 GB: Everybody's tuning in to hear what that SOB is saying now. That's what it is.

0:01:23.1 MB: There you go. And we got some very, very exciting stuff to talk about. However, I do wanna introduce you properly, but not by me, but by ChatGPT. Is that okay with you? 'Cause I asked ChatGPT right before this interview. Who the hell is Gordon Borrell? Here's what it said. Tell me if this is right or wrong. Gordon Borrell is a prominent figure in the media and advertising industry, known for his expertise in local media, advertising trends in digital transformation. He's the founder and CEO of Borrell Associates, a research and consulting firm that specializes in tracking and analyzing local advertising trends. Gordon is widely recognized for his thought leadership in the industry. He frequently speaks at conferences, publishes reports, and contributes articles that are valuable perspectives on the evolving media landscape. How did it do?

0:02:10.9 GB: That was just fantastic. Robots are just so good at describing what we do.

0:02:17.1 MB: They're, I mean, I'd be...

0:02:17.3 GB: They just gloss everything over.

0:02:19.2 MB: And that is precisely not our topic with Gordon Borrell, [laughter] 'cause Borrell Associates is doing what I'd like to call a pivot into next year with a kind of a new focus. And I wanna tease that right now and let our audience stick around because we're gonna break down, may



I say this, Borrell 5.0 or 6.0 on the backside of this message.

0:02:43.8 Announcer: This episode of E&P reports is exclusively sponsored by BLOX Digital formerly TownNews. Even though the name has changed, their commitment to the media industry is as strong as ever. BLOX Digital is now even better positioned to deliver integrated solutions like content management, audience development, advertising revenue, video management, and more. Join the over 2000 news publishers worldwide that power their ongoing digital transformation with BLOX Digital, serving over 141 million monthly users who view over 6.5 billion pages of content each year. You can trust BLOX Digital to empower you, to connect you at scale with the community you need to reach. BLOX Digital, formerly TownNews, now reimagined to help meet the news publishing challenges of tomorrow and beyond. Learn more at bloxdigital.com.

0:03:48.8 MB: Alright, Gordon, thank you for reaching out to me. You sent me an email and said, Hey, this is we're making some changes. We're taking a look at your local advertiser study. And this is 2024-2025, right? And you're seeing some of the data now. You're about to wrap this up.

0:04:05.8 GB: Yeah, it's what we call, and we started seeing it and realizing it, looking at data from the past 20 years and then looking at the past couple years. And we went, well, there's a pattern here. The amount of digital growth has begun to slow to single digits. There was a blip during the pandemic, when everything went down. And then everything went back up into double digits and then came back down. Digital came way down. It's now in single digits. So we are in what we think is the final phase. And in the final phase, every three to five years we see dead people. A lot of people die, people, companies where, okay, you're gonna be either growing again in revenue or you've probably already kind of flatlined. And it's a struggle to grow and mostly decline even if you add digital revenue to it in the news, industry, broadcast media and print media. There're only gonna be a couple of companies. We think maybe 20% of media companies or less that are going to start growing again. They're gonna grow net revenue, adding digital with possibly the loss of the, of the core, the continuing loss. And that final phase is accelerating right now.

0:05:28.7 MB: The big word here is final phase for local media. And I could not agree more because I think local media is there. I mean, in other words, I still say the biggest story last year was the merger of Arizona Press and Broadcast, where your legacy brand is your legacy brand, but it ain't your future. In other words, don't worry about Spectrum anymore. Don't worry about that you have a press back there, and final phase, and I just heard you say it means, we're all selling the same stuff now. If the seller's got OTT, the seller likely has some social media solutions, the seller's got a video solution and the seller has a core competency, which is hopefully now content. Am I saying that right? As we move into Borrell 7.0 or 8.0 or where you are, and you are now gonna shift even the conference to the, if I may announce this, the Cronkite School. And this is gonna be more centered on how media needs to be in the content space more and less worried about Spectrum and all that.

0:06:31.4 GB: Yeah. So yeah, that's a big announcement for us. Our first 10 years we held this conference starting in 2010 in New York at, the biggest grandest hotel in New York.

0:06:43.4 MB: I was there.



0:06:43.8 GB: The Grand Hyatt, the very first one had Gary Pruitt is a keynoter from McClatchy, speaking. And it was sold out at the Grand Hyatt. It's huge ballroom. And it was all about advertising. Mike, you remembered it was called LOAC or Local Online Advertising Conference.

0:07:02.4 MB: You had me on this date.

[laughter]

0:07:02.5 GB: So we've gone full circle from, paying attention to advertising, right? To okay, advertising services. That's really important. You have to shore that up. And now we're back and say, okay, let's assume, everybody gets the picture. They got a website, they're selling advertising on that website, as well as in their newspaper or on their radio station, on their TV station, etcetera, websites. Now focus on the content. We're going to Arizona State University. We've made a deal with the Cronkite School for journalism and mass communication. And loosely, I don't think we've really settled the title, but you've heard this saying, if content is king, distribution is King Kong.

0:07:47.2 GB: And we go, oh, hey. So it's really all about the distribution. It's not so much about the content. We've kind of flipped it and said distribution may be King Kong, but content is still king. So we're gonna spend a lot of time talking about content. Look at you, look at Editor & Publisher. You guys got a very successful vodcast. We're doing it right now. We just built out new offices in Williamsburg, Virginia, built out an entire office set. And there ain't too many offices in it. There are studios in it. We know for us as a company, it's about content. So, remember the Bill Clinton saying on the desk, if the economy stupid, everybody should have a saying on the desk. Now, it's the content stupid? Move the one that says it's the advertising stupid off to the side. It's still relevant. But now, if you wanna survive this final phase, you're gonna have to have first party data and an audience. That is something that a local ad agency or another competitor, maybe a radio station or a TV station, if you're in a rural market, they're way outside of the market. They have no local audience. You've got it. And that's important.

0:09:00.6 MB: Alright, so let me sum up what I remember from the conference I attended in Miami. And the latest and greatest data I always devour whenever you publish it. Are we still in an environment where your best opportunity is the local ad dollar, yes or no?

0:09:19.4 GB: Yes.

0:09:19.6 MB: Okay. That's what I figure. You keep predicting that. Number two, that means you gotta get in there and develop relationships with small businesses that you and I both agree are the hardest to prospect because they're busy, right? You gotta get in that door and develop those relationships. You have said, and I've had your minions, excuse me, I had your president on my show state that these buyers are more savvy. You said it earlier in this broadcast. Am I correct? They're no longer saying, Hey, what's this, social thing, they get digital media. Am I correct?

0:09:55.6 GB: Somewhat. I think there is the constant race. It's a marathon sprint by media companies to know more. So the theory, and it's not a theory. We have data to prove it. The advertisers are getting smarter. It's just a method, that involves time. So the calculation is the more time they spend on marketing their own marketing tests, which they've never had to do before,

they've never had to figure out how to get onto TikTok and develop a website and develop a Facebook page or things like that. So they're getting smarter. You, as a media company, have to stay ahead of that. You have to be smarter than them. That's the currency to be in the business, to be smarter than the advertiser, 'cause guess what? They're gonna kind of kick you out. If they know more than you about TikTok or they know that TikTok works for them and you're going, ah, TikTok, that's ridiculous. That's gonna be shut down. It's all by Chinese, it's this or that. And they're gonna go, wow, TikTok works for me. I don't know what this guy thinks, [laughter] I don't know why he thinks that. Maybe I need to deal with somebody who really knows what they're talking about.

0:11:01.9 MB: In the 2015, 2016, I remember something, I used to do speeches about the shiny toy syndrome, where local businesses would move in one direction, then the next one, and then the next one. Now, correct me if I'm wrong, and I think Corey did a wonderful job explaining this in a very fun way at your conference. The package is important. Now, they, they wanna spread out their media dollars. These small savvy businesses where some legacy can be in there, some digital can be in there, that some social, am I correct? They want it all in a package.

0:11:35.0 GB: They do; they want somebody to make it easy for them. They're not, they're with a plumbing company and they got leaks to fix, and toilets to unclog, right? So they don't wanna spend a whole lot of time and diminish their margins by hiring really smart, marketing people or staff, they want someone who can just say, okay, we'll handle the whole package for you. You wanna buy radio? We'll buy some radio for you. You wanna write a jingle? We'll write a jingle for you. And by the way, we're a newspaper company. You, we're a TV company and we'll help place the newspaper for you. We'll design the ad. So you don't really need to have a complete turnkey, but you do wanna have an approach that those advertisers, those businesses are gonna say, well, I just deal with this one guy.

0:12:15.1 GB: He seems to know what he's talking about. Or this one woman, she's doing a great job. I'll tell you this, Mike, also, it's just so fascinating. Corey's local marketing minutes which we just published last week, I think it was out on the 3rd of June, showed, and this is just so fascinating that within social media, there is now a marketing funnel. So remember the marketing funnel where television and branding was at the top, and then they came all the way down here to local classified sites, way down at the bottom. And newspapers are here, and radio was here, up court, the branding, it's all within social media. We asked SMBs, what do you use TikTok for? What do you use Instagram for? What are you using Reddit for? This and that and everything. And it mimics a funnel.

0:13:01.7 GB: So if you have one person coming out there and saying, well, we can sell you a newspaper ad in the print newspaper or a radio spot in drive time, and we can sell you some banner ads, how much more effective would it be if you said, you can execute an awful lot of your social campaign within social media. You start with branding in a video meeting, like medium like YouTube or TikTok, and then maybe Instagram reels. Then you come down, then you hear and here and, and you capture them here with your Facebook site, which is where Facebook is. It's at the bottom of that funnel. So having that knowledge, we're assuming at this point that the survivors of this last phase already have that savvy and that knowledge. And if not, better, hurry up with it.



0:13:48.9 MB: You better hurry up.

0:13:49.7 GB: It's now...

0:13:49.8 MB: And we've been preaching this for years.

0:13:51.1 GB: It's now time to turn to content. And that's your differentiator because everybody eventually will be able to say, the ones competing, oh, we have this, we have that. We have everything else. We can help you with all your stuff. But not all of them will be able to say, and we have this giant audience. We have...

0:14:06.6 MB: Exactly.

0:14:08.0 GB: 10,000, 20,000, 200,000 email addresses and contact with people. And we have X many followers and we have so many website visitors, that whom we have first party data on, not only their email address and their contact information, but we know which other sites they visit. So we can track them for you. That's the winner.

0:14:30.3 MB: And I couldn't agree more. I mean, what we do in media is rent eyeballs. But it's better to say, and let me rent you the eyeballs I own. [laughter] I mean, that's that simple. Whether, or I should say eyeballs and ears and maybe even smell someday. But let's move on now because we're, and time is short and I know you're busy and, but can I get out of you now, what you are seeing for advertising revenue in the months to come? 'Cause you were very Pollyanna in the last forecast. I have an idea that it's not as Pollyanna as you thought.

0:15:04.4 GB: Well, that's a good way to put it. It's still Pollyanna. And I wouldn't give it Pollyanna. Let's give it some research terms. It's healthy. So back in November was last time. We, what we do in forecast, they're driven by the number and types of businesses in each market. If you don't have, 300 HVAC companies in a market, it's suddenly down to, 250, guess what, you could have less HVAC advertising. So it's not that HVAC people are gonna cut back or plummet or this, it's tied to the number of businesses. And that's continuing to change since the pandemic. So back in November, we put out a forecast that was, I don't know, 3.6 or something like that, percent growth, which is healthy for overall growth in local advertising. We're bringing it down about a point and a half or so for 2024.

0:15:57.1 GB: So here we are, we're in June saying, well, it's still gonna be, two and a half, three points, maybe but not as good as we expected. The real thing that's happening, Mike and I can go over the individual categories if you'd like, but the overall picture, the real thing that's happening is just we can't quite say why, but advertisers have told us since last August, we do a quarterly business barometer of SMBs that hey, things look kind of good. It's back to where it was pre-pandemic levels, things look kind of good. The economy is a little dicey and everything, but we're feeling good that economic conditions for businesses over the next six months are going to improve. And then we ask them the question, Hey, you're gonna spend more or less or the same on advertising over the next six months, hasn't moved, still at the low level, so they're not putting their money where their mouth is, and we're just, we're waiting for that other shoe to drop. And it might not drop until after the election, which means...

0:16:56.3 MB: I was about to say.

0:16:57.4 GB: We're gonna be wrong with our forecast.

0:17:00.7 MB: This could just be election oriented. This could be just a small blip as they say, well, this is a big deal coming up in November and I wanna see which way the wind blows. Possibly, I don't know. Well, okay, and, and not all markets are the same. Am I right? I mean, that's a fallacy. If you think it's going up in Cleveland, is it going up in Altoona? Markets vary around the country.

0:17:19.8 GB: Oh, gosh. Yeah, tremendously. And that's what people, they look at the numbers, oh, well, bro's got, newspapers going down, another 8% or 12% or, whatever it is. And no, we're not seeing that here. Yeah, I hope not, because that's average. You know what they say about averages. So, you look in an individual market, I'm gonna take a quick look here for you. And you see that now I'm in Williamsburg, Virginia, where I am, newspaper advertising is forecast two decline here, 13.6%. Oh, God, that's heart attack levels, right? But you go to Albany, New York and it's forecast to grow almost 4%, 3.7%. And again, it's due to the change in the business environment and the types of businesses that are light in size, a business is likely to spend on newspapers when you have more of an influx of them and a creation of them. In Albany, for instance, you get growth, when you have a decimation of them and more dollars due to tourism, which is what Williamsburg, Virginia really is all about. Looking at spending dollars outside of the newspaper industry, outside the local newspaper, maybe more in digital to reach audiences outside the market than you see a continued and stronger decline.

0:18:37.5 MB: Well...

0:18:39.6 GB: And it's for everything else too: Radio, TV, like it's always up in some markets, down in others.

0:18:41.0 MB: I was just about to ask, it's across the board. Yeah, it varies market to market and media to media. So I guess the big headline here is I love that we're at the final phase of media. And I don't know if that's the final, final, final phase, but it means that we're at a mature level now where the winners will be those that can seize this opportunity. And the losers will be those that don't, I mean, I know that sounds very basic, but isn't that what you're kind of, I mean, this is not a scare tactic. This is what you're forecasting.

0:19:22.7 GB: Yeah. It may be a little scare tactic, right? To say final phase, you're all gonna die, if you don't do this, it's not really the case. But I want you to think about this, the final phase for those who really want their businesses to grow again, and to have a healthy income, source of income profits. If you're the owner of a company, if you don't, do these types of things and be really, really aggressive in developing content and audiences, and certainly on the digital side where everything continues to be headed, what you're gonna have is you're gonna have a hobby shop. Any hobby shops there in Nashville, Mike? It's a little place that on Saturdays has people, and sometimes during the week, one or two people will show up. And you know what, you have a lot of fun because you're selling toy trains, right? Or you're selling, video game and anything related to Star Wars and that's what you like, but it's small and that's what you're stuck with.

0:20:21.6 GB: And it's gonna be hard to grow because you're still gonna compete with the internet in that business too. People buying stuff online. So do you want a hobby shop? Or do you wanna be a big company that grows and has a giant office again on Main Street and the raking and dough and they have modern offices and they have studios and things like that. That's the possibility. That's what a lot of businesses I think are gonna have to realize is do I wanna be in that 20% that is gonna survive and become the monolithic go-to media and marketing company? And I think there'll only be one, in big markets, maybe two, and everybody else is gonna be a hobby shop.

0:21:02.6 MB: And the second headline is content is king. Distribution is still King Kong, but the king still is gonna be content. And that's the reason that next year's Borrell Conference will be at the Walter Cronkite School of Journalism. And...

0:21:18.5 GB: Yeah. Well, let me phrase it a little bit differently. Content or distribution may be King Kong, but content is still king.

0:21:32.3 MB: There we go, Gordon Borrell.

0:21:32.5 GB: And we're gonna put King Kong in chains and, shoot them down from the top of the Empire State Building. Let's hope that happens.

0:21:40.7 MB: And we'll count up all the metaphors that we heard during this broadcast. Gordon Borrell, CEO of Borrell Associates, always an honor and pleasure to have you on the show, sir. We'll bring you back before the conference as well to make sure we get kind of a preview of how this is gonna be a brand new exciting way to not just talk advertising, but talk how advertising and content are just, I don't wanna say merge, but are closer than ever in the years to come. Gordon, thank you.

0:22:07.0 GB: Great.

0:22:07.8 MB: Thanks for your time.

0:22:08.9 GB: Thanks for having me on the show, and thanks for what you do with Editor & Publisher. Mike, we would love to have you as a part of the conference. You're a very integral part of communicating with the industry, so thanks.

0:22:17.5 MB: Thanks Gordon.