Digital-First at La Presse

I would like to report to you on a field trip to Montréal’s La Presse that is now hurtling along on its accelerated transition from a print to digital product.

On May 23rd I accompanied a delegation from Local 87-M that was welcomed by President of the La Presse union, Charles Côté at their building on the edge of the old town.

La Presse’s Gesca owners (the Désmerais brothers of Power Corporation) have gone all in for digital, in particular a tablet based, once-a-day download edition.

It is not a replicate newspaper. It is a heavily visual product with liberal use of streaming video, stills and graphics. It exploits the functionality of their home-grown app and the high-resolution retina display of the i-pad hardware. The most common story presentation is to take a longer text piece and break it up into three or four tabs, integrating graphics, tables, stills and video. They call it “i-padization” (they have also recently launched an Android version and have 30,000 downloads of that app already, while the ipad app is at 400,000).

This tablet product is one possible future of a successful transition from print to digital. It is a lot easier to see than describe, so just download the app onto your tablet (La Presse [Plus] not the old La Presse [Mobile]...there are no subscriber fees or paywalls.

We took an extensive tour of the workplace. It was a very young workforce compared to today’s print newsrooms, perhaps the median age was in the late 30s.

There is a dedicated floor of about 90 programmers. There is a main newsroom with graphics, paginators, photographers, reporters, video editors and so on. There is a video studio. Reporters and video/photographers work closely with paginators, graphic artists and video staff as you might expect in such a heavily visual news product. (Incidentally, the union contract prohibits reporters from doing images, something that does not appear to be a significant issue for the company). Given the high quality visuals, it is not surprising that they maintain segregated and specialized roles for graphic artists, photographers, video editors, and reporters.
I don’t pretend to have a deep insight into the workplace morale, but it seemed very positive. The 300 unionized staff is a mix of younger workers and middle-aged dogs. Many of the kids are on a two-year temporary status at 15% below start-rates but will mostly graduate to the full-scale (similar to Sun, Star, Globe and Sun-Province rates). The staff is full of younger workers who in fact journeyed through that temporary status onto permanent staff. There is a long history of the union successfully fighting to for jurisdiction over digital products and wage parity for print and digital. As a result, membership support for the union is high.

The place has a start-up feel to it: the aforementioned younger workers, shiny 21-inch i-Macs, an i-pad at each workstation, refurbished physical plant, etc. Combined with European-flair of the Québeçois deportment, it bears little resemblance to the drab English-Canadian newspaper dungeons we are accustomed to! The place has vitality and optimism.

Of course this could all be a matter of appearances were it not for Gesca’s very tangible investment on a big gamble that print is going to die very soon. They have gone all-in for a digital first product.

Well, it is a truly digital-first enterprise. There is a small staff replicating the digital edition for print, not the other way around. Gesca is aggressively phasing out its printing and distribution of the paper product. It has cut the print run by about 60%, rolled up most of its street distribution network, and renegotiated its contract with Transcon in anticipation of being digital-only.

It also is not the four-platform product envisioned by PostMedia in its recent revamp of the Ottawa Citizen. Instead, it is tablet all the way. The print edition will disappear soon. The website and the phone app are mere appendages to the tablet: just basic news and sports updates to which the tablet edition is hyperlinked.

It is a free product and there are no plans for paywalls, in fact that it seen as the wrong way to go.

So will it work? We didn’t get a deeper insight into the business metrics than what has already been made it into the public realm.

As mentioned, the apps have been downloaded by more than 400,000 readers. Readership is climbing (130,000 downloads of the daily edition), particularly among young readers who would otherwise be repelled by a paywall. Charles cited audience engagement numbers which suggest a newspaper-type readership commitment, both in length and time of day.

The tablet ad revenue is 30% of the overall newspaper revenue. Charles contrasted this to the web product where revenue was very weak.
Indeed tablet ad sales are strong, as you can see when you use the product, although we did not get insight into where the line rate stands in relation to print, ie whether it has improved upon the 10 to 20 cent on the print dollar ratio in the rest of the industry. The high quality production values ---contrast this to say, the Toronto Star tablet product--- gives ad reps a selling point. In spite of this, they have yet to really break through with national advertising agencies based in Toronto, which is why they are hoping their vision catches on in English Canadian newspapers.

The zeitgeist was easy to catch, especially for us print-firsters. La Presse Plus is a daily edition, and thus almost as time-static as print, so it's possible to be nostalgic and forward-looking at the same time. It's an exciting future scenario and it may work. Or not, and you may be interested in reading the New York Times' long internal memo-to-self on digital-first, which suggests other scenarios:


Lastly, I invite the other members of the delegation to add their comments, and look forward to your own comments.

In Solidarity,

Howard Law
Director, Media Sector

May 26, 2014