LOCAL BROADCAST NEWS AND OTT STREAMING SERVICES:

THE INSTITUTIONAL OBSTACLES FROM

AN ON-AIR TO DIGITAL TRANSITION

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Abstract 

The migration of legacy newscasts towards new delivery systems like OTTs has proven to be a slow process as both the legacy media institution and the new media institution face challenges in the ability to work together. The digital space is looking for low-cost, immediate, and evergreen content while legacy media newscasts produce high-cost, scheduled content that quickly expires. 

The study looks into the institutional norms in legacy media that stifle innovation and a quick migration into the new delivery systems. The research analyzes the discourse of fourteen interviews with different local news directors, general managers, and corporate representatives throughout the United States. The study examines the discourse used to legitimize legacy media and delegitimize new delivery systems through the use of tropes or myths that hold a belief as a set rule. 

The study aims to provide a window into the understanding of local news managers and corporate representatives vis-a-vis new media, how they perceive new media, and how (and if) they plan to set forth change in light of the viewership migration that is increasingly going towards the digital space.
Chapter 1: Introduction

As an avid consumer of visual content, I have observed how media is quickly changing in the way the industry is financed, producing content—being news or entertainment—and the way it is distributing that content. As a millennial, I have witnessed my own consumption trends change from a scheduled advertising-based content, to content I can stream online via a browser or via streaming services. The expression ‘binge watching’ was born from this shift in consumption, where audiences had access to full seasons of any type of programming and could watch without having to wait for commercials or the next episode to be released. I have noticed how I now expect the next episode of content to be immediately there, I get more frustrated with ads, and I want to access content without having to follow a schedule.

The rise of streaming services is a national trend (SNL Keagan, 2016). Broadcast viewership in the United States has declined three to four percent per year since 2012 and the audiences that have remained loyal to scheduled broadcast news tends to be older (Sambrook, 2016). The shift in consumption content, from a television set to an iPad and a smartphone, is also a trend. So much so that larger companies like Comcast are investing in wireless to cater to millennials who are increasingly consuming more content via mobile (Images, 2016). As consumption trends shift, the delivery of content has become an increasingly important facet of broadcasting. There is a high demand for subscription-based apps where the consumer can access an unlimited amount of non-scheduled content that is distributed by streaming services. On 2011, Time Warner Channel launched an app
for the iPad, where already paying customers could stream content. The app was so popular it crashed (“Raging Bulls,” 2016). This app is now on Roku, and functions as the cable box for Time Warner that has proven to be successful (Falcone, 2016). The results are coherent with the changing consumption trends that are moving away from broadcasting and into digital streaming; six in ten Americans use digital as their main source of daily news consumption (Rainie & Purcell, 2016).

Based on the understanding that audiences are shifting towards digital streaming, I thought legacy media would be working on moving towards new distribution models to follow the consumption trends of today. Yet local broadcast news is slow in making this transition, as their standard organizational forms and workflows are not experimental enough to crack the model that embraces innovation (Sambrook, 2016). As a part of a summer internship in a top-ten market in the United States, I discovered the some of the many obstacles on an institutional level that stifle the shift from on-air to streaming within local broadcast news.

There are many differences in the structural organization of broadcast news that do not fit with the new and changing structure of new media and new distribution models. There is also a belief that legacy media will be okay, because it has always been okay. New media is also seen as ‘not real journalism’ and broadcast journalists, I observed, were proud that they were one of the pillars of ‘true’ journalism. There are moral, corporate, structural and institutional complications that have hindered the innovation of broadcast news—and most dramatically in local broadcast stations.
During my internship I witnessed reporters showing me an Excel spreadsheet with the amount of people that were watching the newscast. One reporter in particular talked about people not watching the news anymore. He turned around and said that if he were young, he would not chose journalism as his profession. This top-ten market station also had young talent. One reporter in particular was 24 years-old during the time I interned at the station. He had been hired about a year after graduating from college. In addition, the web team had three members located parallel to one of the walls in the open newsroom. The web team members were seated behind the assignment desk to what appeared to be slightly segregated from the newsroom.

I was surprised to witness these observations in a top-ten market. However, it was meeting the news director that produced the most surprise. The news director visited with the interns to talk about the industry and we had the opportunity to ask him some questions, mainly about the topic most of us were interested in—digital news. The news director told us he was not experimenting with digital because they were not making money from digital. He said they were investing in what kept the business going and on-air advertising was paying much more.

The experience made me fear for the future of local broadcast news. National news is slowly evolving to fit the new media models. However, local news is not making this jump and, once I experienced working for a top-ten market, it became clear to me there were some heavy constraints for innovation and change, constraints that will be more thoroughly discussed in the following chapter of the research.
The importance of local news is paramount for the American democracy and the understanding of different communities in the country. Without local news we would see an increase in corruption and unchecked power in those communities where national media newscasts do not extend coverage. The importance of local broadcast news, therefore, validates this research in the sense that it intends to learn about the institutional obstacles that are hindering innovation in local broadcast news stations.

The purpose of the research is to explore the growing uncertainty in the future of the advertising-based broadcast television local news model as viewing trends shift to subscription-based streaming models. The study provides (1) in-depth interviews with news directors, general managers, and corporate representatives and (2) a discourse analysis of those interviews. The study will analyze the discourse related to the transition from on air to digital, and in particular, to OTTs and streaming services. The goal is discovering the institutional rules, practices and perceptions that will help us understand how the local broadcast news industry is reacting to change in a time of disruption.
Chapter 2: Literature Review

The rise of the Internet has changed the way audiences consume local broadcast news. New technologies have multiplied the possible interactions audiences and users are able to experience within media, and have diversified the options of consumption of media. This shift in audience consumption trends explains the demise of cable and the rise of Internet-based media systems (Lin, 2016). Audiences now have the option to watch content via IPTV, Internet Protocol Television, or OTTs, over-the-top box. IPTV, most commonly called Web TV, can be described as online television. The service is similar to that of cable and satellite and is bundled in a package that is determined by a provider. Conversely, OTTs function by delivering content on the open Internet and an un-managed network. OTTs tend to be more customizable and the business model is subscription based, like Netflix, Hulu, BBC iPlayer, and Sky Go.

The demand for OTTs has rapidly increased as audiences shift online (Correidora, 2016: McCreery & Krugman, 2016). The technology is now a thriving market with over 40 different providers, with Apple TV as the industry leader (SNL Kagan, 2016). But the OTTs are not having as much success with local broadcast news as they are with entertainment content. The lack of development of local TV news in the OTT industry can be explained by the nature of streaming services and OTTs, as well as the corporate, institutional, and financial conflicts that may arise as a result of a partnership between OTTs and media companies that own local stations.
The Challenges of an OTT-Network Partnership

The nature of OTTs leans towards Video On Demand content instead of live content; not to say it will not in the future, but the majority of the content currently is not time sensitive and does not lose relevance with time. This characteristic in OTT content contradicts the nature of news and the need for immediacy. A second challenge of a partnership between news content and OTTs is a loss of power and autonomy for news companies. News companies would have to give up some autonomy in the way they produce and distribute news if they were to partner with an OTT like Netflix. Because the news content would have to be distributed through the OTT, the OTTs would possibly have the power to dictate presentation and even some content. HBO GO and Vice News have successfully partnered and negotiated how Vice News would be presented. However, Vice does not include local news and it follows the style of storytelling similar to that of HBO. Sony’s Playstation Vue was the first to partner with networks and media companies to showcase local news in the OTT service. The display of the local news in the Playstation Vue is the same as what is aired on television. Although the user can fast forward, pause, and rewind the newscast, the newscast itself is the same as the broadcast content. This makes the negotiations easier between the OTT and the networks, but there is also a downside. Users consume content differently in one medium than in another. Distributers and content producers need to work together to craft a local newscast that is particularly catered for users who watch local news on OTTs. Having content on the Playstation Vue, however, is the beginning of this relationship that will likely evolve and expand to other streaming services.
There is also a conflict between the way new media and the way networks function on a corporate level. When networks sell content, they want to sell bundles of their programming, not only local news (J. Baumgartner, personal communication, September 08, 2016). If an OTT wanted to only buy local news, there would be conflict because the network would push for the OTT to buy more content. Network content is hard to sell individually. This incompatibility has stifled the entry of local news in the OTT industry and has left open a path for new media that has been built to work with the new business models. For instance, Newsy, a Scripps Media-owned multimedia news outlet, has thrived on Roku, not only because the content itself is valuable, but also because their business model is more flexible and compatible with that of OTTs. In addition, Newsy content on Roku is not competing with the major networks because these networks are not present in the distributer.

The nature of the OTT industry and the local broadcast industry are also divided by a cultural barrier that has been forged by the history, rules, and practices of each entity. The difference in culture between both media produces a resistance to possible cooperation (Ryfe, 2009). This resistance is the fruit of heavily institutionalized practices from the older media—broadcast television—that are not compatible with the practices of new media (Lowery, 2011a). Studying institutional practices in local broadcast stations will illustrate the lagging or unstructured progress of providing local news in new media. Understanding how local broadcast news managers think about new media and how they talk about the transition of local newscasts onto streaming services and OTTs will give insight as to what direction local managers are taking the local news industry, which is
currently seeing an aging audience and little adoption from millennial and generation ex’ers.

**Institutionalism Theory**

The resistance to innovation in local broadcast news might be credited to the network’s established rules and practices that have been institutionalized and adopted as norms of the industry. Institutionalized rules have been solidified as the proper way to do broadcast news. These practices are respected within the workflow of network broadcasting that leaves little room for speculation and individual skepticism for those established rules. Such perpetuation of norms can stabilize companies, or it can make institutions unlikely to change—especially when faced with a complete shift in audience consumption trends that could make networks and media companies change those core rules and practices to new ones that are deemed illegitimate by the industry (Dimaggio and Powell, 1983).

Institutional guidelines have rapidly spread in modern society as part of the rise of the post-industrial era (Meyer and Rowan, 1977). An established set of rules and practices have enabled institutions to grow and organize. However, these institutional forms have also been perpetuated and have become rules organizations must follow to achieve credibility in the field and ultimately survive as a company (Meyer and Rowan, 1977). The development of these institutionalized rules have helped establish the broadcast networks we see today. Broadcast networks have become massive institutions that are maintained through a set of rules that give them a sense legitimacy and stability. As any long-term industry, the broadcast networks have developed a series of rules and practices that are identified as the status quo. These rules and practices have led to organizational con-
formity and a perpetuation of those practices (Meyer & Rowan, 1977). However, the sta-
tus quo is currently being challenged by the new technologies. Networks are now faced
with the choice of continuing that legacy through their established rules and practices that
have provided—until now—a stable and successful business model; or they can change.
Change would disrupt the pillars of the institution by adjusting those rules, once consid-
ered to be set in stone, and adjust them to the perceived needs of the market today.

New institutionalism theory has developed in three different analytical approach-
es: historical institutionalism, rational choice institutionalism, and sociological institu-
tionalism. All three approaches developed as a reaction to the behavioral perspectives in
the 1960s and 1970s, although they address different topics within the study of the role
institutions play in social and political outcomes (Hall and Taylor, 1996).

The research will adapt a sociological institutionalist framework because it will
look into how local media management discursively construct new media challenges and
how the institutionalized rules and practices in the industry help them legitimize their po-
sitions. The study will also focus on discursive institutionalism, which is a part of new
institutionalism theory. Discursive institutionalism sets ideas and discourse in an institu-
tional context and analyzes those ideas within a ‘meaning context’ and a logic of commu-
nication (Schmidt, 2008). It ultimately focuses on the substantive content of discourse
and asks the questions following the institutionalism tradition. The underlying belief of
discursive institutionalism is the fact ideas and discourse can advance knowledge
(Schmidt, 2008).
Myths in Institutional Rules for the Sake of Legitimacy

Institutional rules can represent false notions of survival that, instead of enhancing the efficiency of an organization, give that organization a sense of legitimacy. The ‘this is how it’s done and how it’s always been done’ attitude gives an institution credibility (Morden, 2016). It gives credibility to the belief that if those rules have worked in the past, then they must work now and in the future. It legitimizes the way any given institution functions, even if it may not be the most effective procedure. Institutional rules, therefore, often serve as myths that represent stability and success, when in fact they do not perform well with the needs of the market (Meyer & Rowan, 1977).

Meyer and Rowan (1977) define institutional rules as myths when they (1) rationalize a norm as a mechanical and technical purpose instead of identifying its social purposes and when they can (2) make these rules untouchable to any individual or organization because they have been perpetuated through time. In other words, institutional rules can be used so often throughout time that they become ‘the way things are done’ and are not open to the scrutiny of evaluating how effective these rules actually are (Meyer and Rowan, 1977).

The search for legitimacy and the way things have always been done creates a disconnect between the expectation of how managers are supposed to act and how they do act. Managers can use these institutional forms and practices ceremoniously. Although managers are still tied to respect these institutionalized practices, they can adjust their decision-making practices to better fit any given situation (Lowrey, 2011a). The pursuit of legitimacy is still the underlying bottom line of institutions, which helps continue the
perpetuation of institutional rules that can contradict efficiency. There is a continuous struggle between coordinating activities that work towards making an institution more effective and the organization’s ceremonial rules that legitimize that institution. The myth that a group of set rules and practices will always work stifles the possibility of even questioning those rules and adjusting any given company to the changes of the market. Instead, the company remains the same and is under the illusion that those rules continue to provide a wanted service in the current market environment whose needs are, in reality, constantly evolving (Meyer and Rowan 1977, Lowery & Woo 2010b).

**Isomorphism Perpetuates Lack of Change in Broadcast Industry**

The institutional forms and practices are not only perpetuated within the organization, but also throughout the industry. Organizations mirror their competitors by looking at the leading organizations in their field and using them as example. The different networks in the broadcast industry look at each other to see what they are doing and tend to morph into a similar set of rules and regulations that will give any particular institution the belief that they are ‘one of them.’ How decisions are carried out in one media outlet versus another in a similar industry is heavily influenced by institutional factors and are mimicked throughout the industry by other professionals and organizations (Lowery, 2005c). This isomorphism contributes to the perpetuation of institutionalized rules on a larger scale. If the whole industry is acting in any particular way and through a structured set of similar rules and practices, then institutions that do not follow that status quo are open to not be deemed as ‘real’ broadcast media. The risk of not being considered legitimate keeps those
institutionalized norms alive and further contributes to the myth that these rules are essential to success (Meyer and Rowan 1977; Lower, 2005c).

Isomorphism has been a key factor in the lack of innovation in the local broadcast news industry as it faces the rise of digital technologies and distribution systems. The major networks have included Web TV streaming uniformly across the different networks, but they have not gone to the point of successfully crafting an alternate business model presented by the new technologies; nor has there been a movement to explore a way to modify the content to better fit new technologies, like OTTs.

Powell and DiMaggio categorize isomorphism as (1) *coercive isomorphism*, the instance when media organizations can feel the pressure from other media organizations to follow their rules and practices or when media organizations must comply with the demands of legal entities that require compliance on a set of rules, (2) *mimetic isomorphism*, the instance when institutions also imitate models that have been institutionalized through time, or as (3) *normative isomorphism*, when those practices and rules that can spread through the different companies within an industry because of a standardized education of the workforce and the mobility of that workforce through the different organizations within the industry (DiMaggio and Powell, 1991).

The process towards shifting local news broadcasts to OTTs is slow, and it is made even slower because there is no urgency within the networks to make that change. Isomorphism contributes to this lack of experimentation because the more that networks and local news stations wait to adjust to the new media landscape, the more that waiting is acceptable to wait. The change will come when one network decides to modify its con-
tent, business model, and storytelling to fit the new media landscape and succeeds in doing so. Before that point, broadcast news managers are comfortable enough not to invest in finding ways to change because the entire industry is complicit in its failure to find a business model and a new set of procedures that marries local news with new media.

**Loose Coupling as a Barrier for Change and Survival**

The dichotomy that exists between what the market wants and how an institution functions is meant to keep that institution safe from the ‘whims of the market’ (Lowery & Woo, 2010). There is a loose coupling that exists between institutions and the market that helps companies have stability through the institutionalized practices that create that legitimacy and public trust. As Wilson Lowery (2010) describes it, institutional rules and practices keep organizations from responding to every ‘ill the wind blows’ and it saves them from the quick market shifts. This loose coupling between the institution and the market through static ceremonial practices and routines buffer organizations from turbulence and help them become stable enterprises (Terreberry, 1968).

However, loose coupling is a double-edged sword. It can provide stability by desensitizing the organization to the whims of the market, but it can also keep that institution from providing a product or service that goes along with what people want. Institutional organizations therefore do not engage in the rigorous monitoring of the market and in considering how their service or product can better serve that market (Lowery, 2011). It creates a false sense of security that is not based on the actual needs of the public, but instead is biased in the created legitimacy of the institution. An abuse of this loose coupling between the institution and the market can make that industry irrelevant in society.
Loose coupling should not be an excuse for the lack of change in an institution; it should provide stability.

**The Moral Dilemma of ‘True’ Journalism**

Morality and journalistic identity add another layer of how broadcast journalism should and should not be. There is a component of mission that establishes the *correct* practices of journalism. Therefore, the moral component within journalism creates deeper roots and a more stubborn workforce because there is a belief that there is principle in the way things are done. The practices and the decision-making process within journalism are not only functions of the work journalists do, they are also part of a mission that stands for a set of values (Ferrucci & Vos, 2016). Changing those practices means altering those core values that are essential and a source of pride for journalists.

The personal identity of journalists is tightly bound to the practice of journalism (Ferrucci & Vos, 2016). Journalists find this identity in the structure of newsrooms and the established practices of the profession. This identity is shaped by the ideology surrounding journalism, the commitment to providing a public good, and following set practices that abide by a code of ethics. It is this professionalism that is the source of the journalist’s identity, and threatening a professional set of rules means threatening journalists on an intimate level (Ferrucci and Vos, 2016).

The bond between journalism practices and the identity of a journalist make it even harder for those practices to be modified because they not only stand for a workflow, but they also stand for the values of journalism that are deeply moral. There is a sense of *good* journalism and *bad* journalism within the journalism community, a sense of
pride in the production of what is deemed *good* journalism, and a sense of disgust in what is deemed *bad* journalism (Ryfe, 2009). There are innate moral implications in the trade of journalism. Journalists react to change with moral indignation, even if they need to change for their industry to survive (Ferrucci & Vos, 2016). We saw this stand on morality and *good* journalism when the newspaper industry did not adapt to the new media environment. This attitude led the newspaper industry to face economic difficulties because the business did not adapt to the new media climate. Moreover, even in those circumstances, some newspaper journalists have resisted change because they considered that change a violation of the morality of their profession and a violation of their own identity.

However, changing the distribution model alone will not directly change the established rules and practices of *correct* broadcast journalism. The Playstation Vue, for instance, showcases local newscasts as they were aired. In this case, the practices themselves are not severely modified and therefore more acceptable for journalists. However, partnerships between media companies, networks, and digital distribution models like OTTs are in their initial stages of change. The real change will come when the newscast itself adjusts to cater to a streaming service audience. As mentioned before, *Vice News Tonight* has created a hybrid of a traditional newscast with new tools available, like graphics and animation, to adapt the content to streaming services; a content that is no longer necessarily live, nor does it necessarily need main anchors to carry the newscast.

**Adapting to Change**

Media consumption trends are changing as the Internet is playing a bigger role in how and where audiences get news content. Local news may need to transition to go where the
audience appears to be moving—IPTV and OTTs. This transition, however, faces challenges. There are technical and corporate struggles that make it difficult for local broadcast stations to partner with Internet distributors, like OTTs. There are also challenges in the way legacy media, including local broadcast stations, conceive of the morality of their profession in light of the institutionalized practices that have, through time, established a sense of what good and bad broadcast news practices are. The technical, corporate, institutional, and moral struggles seemingly contribute to the slow movement of local broadcast news to the thriving streaming industry in face of a dwindling audience that is moving to streaming services and are slowly abandoning cable and broadcast services.

Local broadcast news managers are playing an important role in the broadcast industry. They will be the people deciding where the industry should or should not go. Understanding the stance local news managers have on the future of local news is vital to understanding the institution of local news itself. How local news managers perceive new media is critical to the future of the institution. Local news managers have the power to experiment and determine where local news fits with new media. In addition, corporate representatives provide a different perspective that allows for a better comprehension of the broadcast industry as a corporation. It will provides insight as to the higher decision-making processes that take place outside of the newsroom and on a company-to-company basis. It is crucial to understand how managers inside and outside the newscast negotiate change in the face of disruptive technology, how network institutions influence the way local news managers talk about technologies, and what language they use to legitimize their position on new technologies and, more specifically, on OTTs.
The study of how local news managers and corporate representatives are reacting to new media could either expose efforts to provide a stronger product in a new platform, or it can show the reluctance to change. Either way, it is vital for television journalists to know where the decision-makers of the industry are taking local TV news, how they feel about streaming services, and what they are doing to experiment and create models that will keep their stations afloat. The research will provide answers to the following questions:

(1a) How do news directors in local television broadcast stations explain the obstacles in moving resources from traditional scheduled newscasts to online streaming?

(1b) How do general managers in local television broadcast stations explain the obstacles in moving resources from traditional scheduled newscasts to online streaming?

(1c) How do corporate representatives overseeing local television broadcast stations explain the obstacles in moving resources from traditional scheduled newscasts to online streaming?

(2) What are the differences/similarities in their approaches to new technologies in the way news is told?
Chapter 3: Methodology

The current institutional and journalistic values deemed legitimate to the local broadcast news management in the United States can be best understood through concrete examples of how the industry is evolving today. The latest development dealing with OTTs—over the top box—and local broadcast news is the change in delivery via the Playstation Vue. Understanding the reaction of local broadcast news to this latest change and how the managers talk about that change can give insight into how these managers are perceiving the future of local broadcast news.

The study will consist of up to fourteen in-depth interviews with news directors, general managers of local broadcast stations across the country, as well as with some corporate representatives of the major networks and media companies. The example of local news in the Playstation Vue will anchor a topic to help describe the overall approach local broadcast news managers have on the technology. The in-depth interviews are designed to (1) illustrate how broadcast managers approach alternate storytelling, different media distribution models, and alternate business models; and (2) learn if broadcast managers are working on moving their content to streaming services or if they are reluctant do so. Asking particular questions about the industry today will reveal how local news managers legitimize or delegitimize their industry and the growing streaming news industry. Their discourse will tap into how bigger corporate institutions—such as networks and media companies—seemingly find it harder to innovate when practices are highly institutionalized.
The information from the interviews is beneficial to the industry regardless of the answers provided by those interviewed. Whether local news managers think it is a technology that will not work, a technology that is not proper for news, or whether they think it is a great idea—these answers will all be valuable because they will provide insight into how local broadcast managers, who have the power to change the industry, are reactive in a changing media environment.

In-depth interviewing has demonstrated to be the most adequate method to understand how journalists do their work and how they perceive their own rules and practices (Lewis & Reese, 2009). It is a method used when trying to analyze a journalist’s decision-making process or workflow that often serves as a self-realization for that journalist or group of journalists. In-depth interviewing is the most fitting method to use in exploratory studies of journalistic behavior to further discover the set of rules, practices, and overall perception within journalism (Lewis, 2008). In-depth interviewing serves as a mirror to reflect upon journalism and how concepts within journalism are formed and thought of in newsrooms today, particularly when deciphering how those institutionalized rules and practices are perceived and spoken about (Deuze, 2005; Lewis & Reese, 2009; Lewis, 2008; Lowrey, 2003; Robinson, 2007; Sumpter, 2000; Reader, 2006.)

The number of interviews is consistent with other qualitative studies and provides a manageable amount of interviews the researcher can perform and analyze for the study. The amount of interviews is also limited to 14 because of the time constraints of the researcher, and the difficulty in securing those interviews. It would not be possible, nor is it the goal, to provide an exhaustive set of interviews with all news directors, general man-
agers, or corporate network representatives in the country. The goal is to give voice to some managers in order to illustrate the current environment in broadcast local news today when faced with a time of change. The researcher will start by performing six interviews, and will continue to interview the participants until the researcher reaches theoretical saturation. Once the concepts that have already emerged in previous in-depth interviews continue to emerge in new interviews, the researcher should stop interviewing subjects and move on to the final analysis of the information. The goal is for the researcher to find conceptual patterns throughout the interviews by comparing the previous information on previous interviews to the new information in recent interviews. Once those patterns repeat and do not add new information, the researcher should move to the next step in the study. (Glaser, Strauss, & Strutzel, 1968). Ultimately, the amount of interviews will range from six to fourteen interviews.

News directors, general managers, and corporate representatives are selected as interviewees in this research because they are the personnel who are able to make decisions that can potentially change the way news is told and how it is delivered. Lower level employees may have their opinions that are important in the overall direction of the industry, but are not as crucial to the change. The selection of upper management as subjects for the study is consistent with other mass media research that looks into how concepts in newsrooms are understood (Reader, 2006). Studies that looked at those concepts and the bigger questions surrounding the rules and practices of journalism tended to interview those that are high up in the chain of command (Reader, 2006).
The sample of participants will be selected in accordance with the contacts of the researcher. Other contacts will be selected through the advice of the University of Missouri School of Journalism staff who may give some suggestions. The possible interviewees will be firstly contacted via phone to establish a personal connection. They will then be contacted via email with a recruitment script. The individuals interviewed should hold the titles already mentioned and should represent the different networks and the different media companies that own local news stations and are therefore owners of local content. As long as these qualities are respected, the location will be up to the discretion of the researcher. However, the researcher will clearly note from which company and network each interviewee belongs.

The names of the interviewees will be anonymously labeled in the study to (1) comply with IRB rules to protect the subjects, and (2) allow for a safer environment for the subject that will lead to more accurate results. As previously mentioned, the only data that will be available to the public will be what kind of company the interviewee works for. The location of the interviewee will also be indicated, but only to the extent of locating the region where he/she works. Keeping the interviewees anonymous is important to make sure the answers coming from those interviews are honest and do not take into account what other people would say.

The interviews will be recorded with the previous consent of the interviewee for accuracy purposes and each interview will be fully transcribed. The material will be studied and the researcher may need to go over it multiple times in order to study the content of those interviews, compare them, study the vocabulary used, and their overall stance on
The interviews will be in person or via Skype or Facetime. If the interviews are within driving distance of the researcher, it is preferable that the interview be in person. However, the research is limited to the finances of the researcher and the time it takes to travel from one end of the country to another. The researcher will be transparent in noting which interview has been done via Skype and which interview has been done in person. The distinction is important to note because in person interviews allow for richer conversations where the setting, body language, location, and the different people around that setting show a wider picture of the subject. Skype would limit the possibility of acquiring additional information in addition to the interview that would enrich the collection of data. As David Moon describes it, discourse ‘pertains to the realm of social objectivity, being conterminous with the being of objects, providing the horizon of the constitution of every object’ (Moon, 114). In other words, all practices and actions are part of discourse, and can be studied through not only analyzing that discourse, but also the situation around that discourse to unravel true meaning. Therefore, the in-depth interviews will be complemented with observational remarks. The researcher will note how expressive the interviewee is while talking about new technologies, their face and body expressions, their knowledge on the subject, and the overall setting. The pairing of observation with in-depth interviews strengthens the collection of information, and is often practiced in mass media research with in-depth interviewing as methodology (Lewis, 2008; Lowrey, 2003; Robinson, 2007: Sumpter; 2000: Reader; 2006).

The researcher will ask the following semi-structured in-depth interview questions. These questions are designed to guide the researcher, but there is always room to
ask follow-up questions, or any question that may develop from the conversation. The following questions are aimed at providing some uniformity to the interviews, although these cannot be exactly the same because of the nature of the research. The researcher should keep each interview within this format while not abandoning the opportunity to develop any point with each individual interviewed. The standard questions for each individual interview are:

- What do you think about the local news that is currently available on Playstation Vue?
- Do you think this could be a viable option for local broadcast news across the country?
- Are local broadcast television stations experimenting with new forms of delivery?
- Entertainment content has quickly jumped from on-air to streaming services; why has local news been so slow?
- What are some of the problems local broadcast stations face when trying to negotiate with streaming services?
- What are some of the fears local broadcasters have in outsourcing their delivery service?
- Where do you see local broadcast news going?
- Do you think local news distribution is changing? If so, how do you think it is?
- On a corporate level, what are some of the changes that would arise from a OTT-Network partnership?
The interview starts with a newsworthy topic (local news in the PlayStation Vue) that develops into a consideration of the digital outlet in that particular local news station. These questions allow for the interviewees to talk about their thoughts on local news in OTTs, their thoughts on the digital platform, their commitment to experimenting on new media and new technology, and their projection of the future of the industry.

**Data Analysis**

With a transcription of the interviews and an overall knowledge of the major themes and the most used language in the research, the researcher will look for specific themes in the discourse. The researcher will (1) unravel the major themes of each of the arguments, (2) look at the language and vocabulary used to express the legitimization or delegitimization of both new technologies and legacy media, (3) detect and analyze the use of metaphors or imagery to explain any given argument, and (4) note the tone of the voice when those arguments are explained. Each analysis will serve to answer the research questions and contribute to the new institutionalist framework by also focusing on how technologies are talked about as institutions. In both these themes, the researcher will focus on tone, repetitiveness, knowledge of the subject, and vocabulary used by each subject.

The subjects in the research may speak about OTTs positively, but also discredit them as non-threatening to their local broadcast news business. There may also be a difference in the assessment of the current affairs of the industry. The researcher should note if the subjects realize local broadcast audiences are diminishing, or if they believe the industry continues to flourish. The subjects may use language to discredit OTTs by questioning the technology’s role in journalism. They may even bring up the fact legacy me-
dia is ‘real’ journalism while new media is ‘infotainment.’ Conversely, the subjects may express their nervousness on the future of their field. The researcher should assess the awareness and realization the subjects have of their own industry and what language they use to talk about an industry that faces disruption. It is also important to note the language used to talk about new technologies because technology can also be seen as an institutional force. It is a point of comparison to look at the way language is used to talk about institutions, local broadcast news, and OTTs. The more established institution, local broadcast news, will likely call for a language that has been perpetuated through the duration of that industry, while the less established media, OTTs, will likely call for different language because of the new and disruptive nature of that industry.

Analyzing the discourse of the in-depth interviews will show the language that is used to give credibility or to challenge the credibility of both (i) local broadcast news as an institution and (ii) technology as an institution. A discourse analysis will help de-mystify institutionalized norms by analyzing what those norms say and how they are said. The research is about the institutionalization of norms and how they affect legacy media in a time of change. A discourse analysis is a method by which the researcher can break down what news directors, general managers, and corporate representatives say and unveil the deeper meaning in the language, metaphors, examples and overall arguments used. A discourse analysis is the method that allows the researcher to unpack narratives and better identify the use of language to push for legitimacy, credibility, and further contribute to the myths of a particular institution (Morden, 2016; Gamson & Modigliani, 1989).
Chapter 4: Findings

The researcher asked a news director from a mid-sized market about the erosion of local news audiences in light of the new digital platforms that are more popular among millennials and generation ex’ers. The news director said: “Here's one thing I know for certainty: is everybody who thinks they know what it’s going to be is wrong. You have an awful lot of professed experts…” and then continues with a whisper: “who are really clueless.” He looked at one of his peers, also a news director working for the same media company, who briefly chuckled and nodded his head. The first news director continued saying:

Because if you go back and look at all the predictions from the past 10 years, if you look at the top companies in each decade, it's different every decade. Who would have predicted that these big name companies that we all grew up with are all gone? Completely evaporated.

The same news directors continued to list the different companies that had risen and crashed throughout history. The other news director weighed in and added more companies that had risen and crashed. He said: “IBM sold Mouse technology to Microsoft for 50 thousand dollars or something. Or was it Xerox?” “It was Xerox,” said the first news director. The second continued: “As long as we figure out what information we want in our local communities; I think that's kind of our key job.”

Expressing skepticism and delegitimizing new digital delivery systems were the key findings on how news directors and general managers explain the obstacles in moving resources from traditional scheduled newscasts to online streaming. As for corporate representatives, they were still skeptical of the new different digital platforms available
but more cognizant of the importance of experimenting and figuring out ways to make money through those digital distribution models for the future of the industry.

The results take into account the fourteen interviews conducted on news directors, general managers, and corporate representatives of media companies and networks in the United States. The media companies represented are both in small markets, medium-sized markets, and large markets. The interviews were analyzed and arranged by themes that answer the question: Why has the transition of local news to OTTs and streaming services been slow? The findings suggest there is not a direct rejection of new digital platforms, but a skepticism vis-a-vis the digital space and the new digital platform. News directors and general managers explain the obstacles of a transition to digital as inconsequential to the mission of journalism that is more related to content than the delivery of that service. This group used tropes deemed as law, such as ‘content is king,’ that legitimized their stance. This group also used the discourse of finality and vulnerability when describing the digital space to delegitimize the new distribution platforms like OTTs. In contrast, corporate managers were more conscientious about the importance of delivery systems, although they expressed the same trust in the survival of legacy media and local newscasts. The core differences between both groups can be partly explained by the way each group identifies. Most of the news directors and general managers interviewed thought of themselves as journalists whose mission was to provide truthful content in a democracy; corporate representatives saw themselves as in the business of media, which allowed them to be more aware of the industry as a business.
Clashing Cultures: The Economic and Cultural Perceptions of the Digital Space and the Broadcast Industry

The findings suggest a different consideration of content that is directly related to the way each industry makes money. While the digital space, and by extension the new digital platforms, look for low production cost of content and massive audiences, the local news industry traditionally produces high-cost content and aims at reaching the right audiences—the audiences local advertisers target which are strictly local.

The digital space functions through economies of scale, where the more clicks, the more revenue. The digital advertising model is, therefore, incremental because it immediately measures the direct effect of advertisement and pays the host of the digital ad according to those measurements. The incremental model depends on the quantity of clicks to make profit, and not a fixed income per spot or ad. Digital advertisers are willing to pay their host only in the amount of their success. Digital hosts don’t make the same amount of money consistently. Instead, it varies on the amount of clicks or impressions they attract, creating an immediate system that increases (or not) as fast or slow as users click on the ad. The host can get paid mainly in three ways: Cost Per Mille (CPM), Pay Per Click (PPC), and Cost Per Action (CPA). The CPM model, also known as Cost Per Thousand (CPT) model, is where advertisers pay for exposure based on the amount of visitors who look at the ad. The PPS model is when an advertiser pays the host depending on the amount of clicks. Finally, the CPA model pays the host only if a user clicks and completes a transaction (“Common Forms of Online and Digital Advertising”, 2017). These models are incremental because the revenue goes up or down depending on the
user interaction with that ad. The value is placed on popularity and attractiveness of the online content. The digital space is therefore risky for local broadcasters in two respects, among others: it is a financial risk to trust economies of scale because it does not provide a stable income, and it is a journalistic risk to consider clicks in the equation of responsible journalism. The latter would lead to yellow journalism that can be discredited as not fulfilling the mission of the press in a democratic society.

In contrast, traditional advertising is fixed and targeted to the local audience of the market’s viewing area. The amount of ads sold for a newscast does not change immediately with each set of content. If there are changes in the structure, it changes progressively over time. This gives local broadcasters more stability and more flexibility to focus on their journalistic mission. Local broadcasters account for a set amount of fixed income to function. If there is a change in revenue, it is done progressively, and not immediately as digital would allow. Traditional advertising does not aim at attracting a massive audience; it aims at attracting the largest local audience. A senior manager of a mid-sized market station said local advertisers don’t care if people outside the community look at their ads because most of this advertising deals with goods and services sold locally. “A local plumber doesn’t care if a person in Europe sees it,” he said. Traditional local newscasts do not see value in a global audience, although they do aim at amassing the largest local audience in their viewing area.

The dichotomy of content consideration follows the difference that exists in the structure of both business models. Networks and media companies are used to getting paid fixed and consistent revenue for their content, while the digital space allows for in-
cremental and malleable pay. This model has led digital distributers not to consider net-
work content because it is expensive for their business model that values low-cost content
and global audiences. Digital distributers have worked on getting Video On Demand
(VOD) that can exist in their service and be re-watched indefinitely. The live content
networks and media companies offer has a much higher cost of production. The high cost
has made it hard for digital distributers to replicate, which has, in time, made them more
keen in striking deals with media companies and networks to license their content. Digital
services, however, initially offered media companies and networks “pennies instead of
dollars,” as a mid-sized market news director put it. The networks and media companies
are used to receiving what their economies have consistently offered: fixed high income.
Digital services initially offered them much less than what they were used to. “They [me-
dia companies and networks] want retrans[mission] dollars,” said a corporate manager.
Another corporate manager stated it is much more feasible for over the top (OTT) ser-
VICES to go the VOD route instead of the retransmission route because it fits better with
their business. VOD provides content that can be re-watched by the user while live local
newscasts are expensive content and have an expiration date. Although there are no num-
bers that directly corroborate the need for local news in OTTs due to the limited amount
of local news in OTTs, a corporate manager said the OTT service directors believe there
is a demand for traditional content at a lower price than what it is now available via cable
and satellite, as they increasingly place more and more value on local news and network
content. “They are starting to see a value in traditional content and there are many deals
that will be struck soon because OTTs and alternate delivery systems like YouTube are
paying networks retransmission dollars,” said a corporate manager. The YouTube TV service was announced February 2017 and will include live TV, and therefore local newscasts ("YouTube launches its own streaming TV service", 2017). The service was made possible by an agreement between Google’s YouTube and the networks and media companies on the price to license legacy media content. Another corporate manager agreed and added there has been no direct digital disruption. “New media providers are realizing they need network content,” said the corporate manager. “They want the eyeballs network content attracts.” Another corporate manager, however, said she’s glad Google is YouTube’s parent company, because the technology giant would be able to mitigate the risk that comes from the high cost legacy content. “Thirty-four bucks and YouTube is paying for all those stations—great for networks. YouTube’s going to have a hard time recovering that revenue,” she said.

The difference in culture and economics between the two institutions, the digital space and the broadcast industry, produces a resilience in possible cooperation in light of incompatible practices (Ryfe, 2009; Lower, 2011a). These incompatible practices create an incompatible environment where it takes time an inevitable change or adjustments in the set rules and practices that were once deemed the legitimate path to success in that institution. The managers interviewed did not express unwillingness to be part of OTTs or streaming services, however they either (1) had limited knowledge of the technologies and OTT delivery systems, or they (2) were constantly experimenting with the digital space and saying they were trying to find ways to monetize it. Both these positions are fruit of the incompatibility of practice that produce alienation or experimentation into try-
ing to adjust two initially incompatible forms. However, the latter has a high opportunity
cost because innovation takes a lot of time and money—something some managers, spe-
cially those working in publicly traded media companies, are not willing or able to afford.

**Perception of the Local News Industry as a Corporate Subsidiary.** The structure of
the broadcast industry favors the compartmentalization of certain tasks to specific de-
partments. The burden of certain tasks, such as the innovation of delivery systems, is
therefore mostly kept in a particular department. When asked about the transition of local
news to OTTs, the subjects—and more frequently the local station managers—consis-
tently used tropes such as: ‘It’s not my job’ and ‘that’s above my pay grade.’ When a cor-
porate manager was asked why the local management knew little on the subject, he said:
“They probably missed the email.” The same manager said there is constant communica-
tion about the direction of the industry and the company, but that local news managers are
busy producing content and see the tasks beyond the production of that content are left to
what they referred to as “corporate.” However, local stations are not corporate sub-
sidiaries, they’re network affiliates, while stations are locally owned and licensed. Local
managers therefore see themselves more as a corporation than an affiliation. Another
high-level manager said: “I kind of don’t know an industry that doesn’t work that way,
the changes are made in corporate.” The discourse to equate local affiliations as corpora-
tions reveal the belief that they think of themselves as members of a corporation, and are
therefore less responsible in matters that are beyond their “pay grade” in a more paternal-
istic and structured environment.
The same applies to knowledge about the new ATSC 3.0 technology, the new signal set to upgrade quality, content and structural flexibility of broadcasting. Two of the thirteen subjects knew about the technology in depth. Twelve of them had at least heard about the technology, but did not know the specifics of the opportunities it presents for advertisers, the content of broadcast, and the distribution of the broadcast. Corporate representatives were more aware of the technology than news directors and general managers, since they are higher up the chain of command and more exposed to the latest news on the latest technologies (Reader, 2006).

The Current Structure for Innovation: Top-down Innovation. Despite the trust in the broadcast industry and the high value local managers and corporate representatives place on local news, there is still experimentation, particularly top-bottom experimentation that comes from the corporate headquarters of the media company or network and moves to local stations. Bottom-top experimentation was not as common in the local broadcast industry, due to institutional structures that favor a top-bottom flow of ideas. For instance, local stations have less financial freedom and face greater pressures to top the revenue of the previous year while the corporate or network headquarters has more money to spend on new projects and innovations.

One of the most notable efforts involving innovation in the delivery method of local newscasts includes CBS All Access, a service where a user can access all CBS content, including the content from local affiliates, for 5.99 a month (Perez, 2017a). This effort came from the corporate headquarters of CBS, and not from the local managers, although each local station gets a cut of the profit from the venture—a small amount of money
compared to the advertising spots local broadcasters sell for their newscasts. CBS All Access works as an OTT for the Fire TV or the Apple TV and has, according to the management interviewed, been successful because it is able to amass its content into one recognizable brand. A recognizable brand that gives it visibility in the vast content available on OTTs.

The effort of individual local stations is more complicated and less compatible with the OTT model. First, local stations need to get permission from the media company and the network to put their content up on an OTT and streaming service, and even when they do put their content under their local brand, it is lost in the sheer volume of apps competing on a global scale with other better-known OTTs, like Netflix, Amazon Prime, and HBOGO (Organization for Economic Co-operation and Development, 2013). “Some stations have put their own station branded content on Roku, but no one finds them, they’re so deep down in the stack you'll never find them,” said a corporate representative from a media company. A concentration model like CBS All Access provides an identifiable brand that includes a bundle of that brand’s content, making the bundle more identifiable to a more global audience. The individual local station brand is only identifiable in the locality it serves, not nationally or internationally, and therefore would have less visibility in an OTT platform.

There has, however, been delivery system innovation starting at local stations or outside local stations, although these stations have been less financially successful that the corporate efforts like the CBS All Access. NewsON, for instance, is a venture that includes around 120 local television stations from around the country and offers a stream-
ing service for chord cutters (Perez, 2017b). It is an app, downloadable for mobile on Android and iOS and on Roku, that gives the user access to a bundle of local newscasts. A corporate representative from one of the largest media companies said:

> Even though if it's an aggregation of local newscasts, it's essentially a national news service because at any given point you can tap into the live real time local station coverage from anywhere in the country, and so if you're a real newshound its a great way to see the developments from around the country from the eyes of the people that are most informed, which are local newscasts.

Although this effort has many local broadcasters excited about the possibilities, it is yet not producing substantial revenue for NewsON, nor for affiliated local stations and media companies, according to the subjects. NewsON is monetized through advertising and the advertising benefits both NewsON and the stations that collaborate in the venture. “We are not doing it for free, that’s all I can say,” said a corporate representative.

In addition, the structure of the broadcast institution contributes to the difficulty of bottom-up innovation. While corporate headquarters count on some funds to invest on innovation, local news stations’ “budget is pretty tight,” as a news director said. The managers are busy creating the content and have limited additional resources to innovate. Media companies, however, account for more budget to experiment on digital platforms and digital models. In 2013, Scripps acquired Newsy, a news aggregator that creates short anchored videos (Spangler, 2017). In 2015, Sinclair acquired Circa, a news venture that packages news in a more concise way (Hagey, 2015). Both ventures target millennial and generation ex’ers and work as a digital experimentation hub of the company that gets funding from corporate headquarters and does not produce significant revenue.
Local news directors also face the financial pressures to surpass last year’s revenue, particularly those media companies that are publicly traded. As a publicly traded company, they have to bring back revenue to the stockholders. Publicly traded media companies are more interested in immediate revenue. A news director of a publicly traded media company said he needs to meet his financial goals. “We all have revenue targets we have to hit and it is my job to figure out how to innovate while still meeting the goals I have to meet, and that's part of the job,” he said. Family owned media, however, have more flexibility because the owners are more invested in the long term success of their company.

Out of the eight media groups represented in this study, two provided targeted support for innovation at a local level. The managers at one of these media groups are evaluated on innovation. Their contributions on the subject affects their annual bonus and their raise. The managers at the second media group developed a “slush fund” to support innovation. The corporate manager in charge of the fund said:

It's an innovation where the station has an idea that's going to require some re-sourcing that's not in their budget. We don't want them to miss their financial goals because they've committed some of their resources to innovate. They would be disinclined to do that because there'll be a bonus if they hit their financial goal. So, we wanted to remove the disincentive that exists to innovate because it's not big into your budget.

The remaining companies represented in this study did not have any targeted procedures to boost bottom-top innovation. “I get to keep my job,” said a news director of a media group that has mostly small market stations. “I think we are expected to be looking at all times as part of our roles as managers. We expect looking at opportunities and try-
ing to think of things out of the box. It's just a culture in a company,” said another news

director.

Skepticism and Lack of Control: Delegitimizing the Digital Space

Local news managers and corporate managers say they are not resistant to change, but it’s
just the economics are not viable for a significant digital distribution turn. Local stations
need the backing of their media company and the network to strike deals. A corporate
news manager from one of the largest media companies stated:

   The thing you need to understand about local broadcasters is we've never fought a
distribution point we didn't like. When satellite cable went on, we've never said:
'oh no, we're distributing our signal through Cable, we're not going to distribute
through satellite.' From our perspective, the more the merrier, the more distribution
points, the merrier… so long as a provider steps up and offers a proper eco-

   nomics, we're inclined to work with them.

   Although the local managers and, in particular, the corporate representatives state
they are not resistant to new delivery systems, there is a sense of skepticism surrounding
the way broadcast managers talk about the digital space. The pace at which technology
and the digital distribution platforms have changed creates uncertainty and increases the
risk of investments since the digital delivery platforms are constantly changing and have
not been thoroughly vetted as they have in the broadcasting industry. There is no guaran-
tee that a distributer like an OTT would be successful. “I’m sure Apple TV will be gone
tomorrow,” said a news director. A general manager said they are trying to do everything
but “how do we serve all these masters?” He described the timeframe of success within
new technology as lightning in a bottle. “My only argument is, just like lightning in a bot-
tle, it will only be there for a moment. Then it’ll go away, then you’ve got to find the next
lightning in a bottle. It’s just happening at break-neck speed,” he said. These expressions of new technology being unreliable are ways to delegitimize new media and creating a sense of buffer from the turbulence of constantly having to change delivery systems (Lowery, 2010; Terreberry, 1968). As an institution, managers are looking for stability, security, and therefore deem those that change too fast as liabilities that should not be fully trusted.

Local broadcasters are in the digital space for two main reasons: (1) to have digitally native content with more reach, and (2) to bring more people back to watch the TV broadcast. Local stations have an app, a sports app a weather app, a traffic app; they are on YouTube, Facebook, Twitter and Periscope. However, their priority is the newscast and the different digital platforms are not handled with as much care or urgency. As a result, local broadcasters dip their toes everywhere but are not fully committed to the digital space. They “have to be there,” but can’t use more resources on something that doesn’t make money. There is a pressure news directors, general managers, and corporate representatives feel to use the newest of technologies and take advantage of the digital space. A corporate representative from a major media company treated the “having to be there” as the logical procedure to follow, and was excusing the company’s stations possible lack of digital platform involvement. He said: “Granted, we have to be there, we have to be there where our longer range consumer is, but at the same time, we're a publicly traded company. We have to bring value to our shareholders.” Another news director put it this way:
We very frequently have the conversation in our newsroom if we build some fantastic social media video that more or less breaks down a story and everybody's so excited, and then we're like ‘oh my gosh we got like 4 million views and 2 thousand shares, and look how fantastic that is’, and they know what my answer is going to be, which is: ‘great, how much money did we make on that?’ Because they know the answer is zero. To the extent that it got us more likes, it increased our footprint, it created some loyalty to our product; great, but that can't be our number one priority.

The skepticism that exists not only pertains to the difference in economics, but also in the quickly changing technology that creates uncertainty and prompts industry players to hold on to what they know works, even if the audiences are shrinking. The expression of skepticism is a result of the loose coupling that exists in institutionalized industries, where they are separated from changing with every new demand in the market, or as Wilson Lowry puts is, ‘with every ill the wind blows’ (Lowery, 2010).

**Overwhelming Trust in the Survival of Legacy Media.** There was a consensus among the managers interviewed that there is concern over the shift of audiences toward streaming. However, all but one were convinced local newscasts will unquestionably survive in the future. Corporate managers, who are higher up the chain of command, were more cautious than local managers, but were equally confident in the survival of traditional local news. They thought about the larger questions regarding the business of local news and the need to adjust to the new platforms available, although they remained confident that local news was a “need” that would never go away (Reader, 2006).

The dissenting opinion was presented by a retired corporate manager who stressed the need to innovate in local newscasts for the future of the local broadcast news industry. This former manager stated local broadcast news would face a demographic cliff where
the audience that is used to scheduled, linear, broadcasts will pass on, while the new generation will not follow the habits of their parents. He said:

I think they [local broadcast industry] are in an odd, anomalous position of having a successful business that's headed for a demographic cliff. In the sense that your generation won't have plans to watch the 5 or 6 o'clock news ever. So it's not a slow deterioration. It's more; it's going to be a mass abandonment of the core product.

The rest of the subjects discredited the notion of a ‘demographic cliff.’ Instead, they stated a belief in a progressive decrease in audiences as they slowly migrate to the digital space. They also expressed trust in the industry and it’s adaptability to survive in the future, regardless of whatever technological advancement that may come.

A corporate representative legitimized the value of legacy content and local newscasts because digital has not been able to come up with anything to top the viewership of legacy content. He said: “The digital guys have not been able to disrupt television; they’ve been wrong already so far, Steve Jobs would have conquered TV by now.” A news director simply stated: “The most valuable media is legacy media.” Although the news directors, general managers and corporate representatives say they are open to new digital delivery systems, they talked about their content as irreplaceable and the one that still garners the largest amount of audience despite recent decline.

**Delegitimizing the Ubiquity of Digital Through Fake News.** The news directors, general managers and corporate representatives in the study expressed skepticism at the ubiquity of the digital space and legitimized the broadcast industry by using fake news as an example that delegitimizes new media. A news directors from a mid-sized market said:
We’re going through is this idea of fake news, what’s to say and validate? what are the credentials of all these other places of where you get news. You already know the credentials for [names station]. Because its something that we protect, its something that we never lower our standards for anything.

The recognizable problem of fake news was used in the speech of the management interviewed to validate their work that is described with words like “trust” or “validated,” contrary to those describing fake news.

In addition, all news directors in this study talked about the importance of credibility and the brand of the station as a sign of trust. A news director from a small market said: “Credibility is the bedrock of what we do; they [the viewers] see an anchor at that station that they trust and you can’t throw that away, that trust— like taking away a security blanket from them.” Another news director from a mid-sized market: “Our journalistic standards are the most important thing we have— and so we protect it. And other people can’t take what we do and how we do it and have the same impact.”

The rise of fake news has therefore given legacy media more legitimacy and authority in the space of information and has reinforced the rules and practices of the broadcast institution as the proper way to not only achieve credibility, but also fulfill the mission of journalism that is intimately tied with the identity of a broadcast journalist (Dimaggio and Powel, 1983; Meyer and Rowan, 1977; Ferrucci and Vos, 2016).

**Delivery System Agnostic versus Delivery System Atheist.** The news directors, general managers, and corporate representatives said they were not closed off to new digital distribution platforms, but that their traditional model still worked well financially and they could not abandon an industry that still worked. A news director from a large market said:
It's not a crisis situation yet despite ratings erosion. There's still only one place that reaches that large of an audience. The audience is so fragmented now that if you try to advertise your product, I mean, how many websites do you have to go to? Or how many social media platforms do you have to go through to try to get some attention for your product, only television can still generate enough mass audience, that you get your product out there. Particularly live sporting events like the Super Bowl or something like that; it's just giant. So we've had some erosion, but everything else is fractionalized, so we still have the line secure of the audience even though it's not as large as it used to be, and as a result you get higher and higher [advertising]… If you are selling Fords, where else are you going to get an audience in one place that's that big? … whether people are watching television or not, we're still amassing a huge audience at 10 o'clock. [Although] not as big as it used to be.

Most of the revenue comes from the broadcast. In 2015, only 5 percent of the revenue came from digital advertising (Matsa, 2017). “Digital is still a small percentage of revenue compared to the mothership, the TV station,” said a from a metropolitan news director. Managers are following the business model that is working now, because the incompatibility of practices and business models of both industries have not adjusted enough for there to be no or little risk in a change from traditional broadcast to a digital platform.

**Loss of control in the digital news-making process.** In addition, local broadcasters are skeptical of the digital space because it requires that they relinquish some of the control of the news making and distribution process. Having a third party provider creates less control and less sense of urgency. For instance, third party providers create the news app of most local stations. The third party provider controls the back-end of the app, meaning the technology itself. Local broadcasters are able to work with the front-end, where they are able to feed the app the stories they want. If there is an issue regarding the app, for
instance if there is a troubleshooting issue, those responsible for the back-end need to fix it. Here is how a local news director described the experience:

A lot of times we're in bed with third party providers and that infrastructure at this point is awkward... Every mobile news app I've seen from a local TV station sucks. Some are slightly better than others but none of them really match the way people actually consume news. That is just not something that's really available out there. I am mystified. The thing that is crazy to me is that every company, this is true of every company, it's true of the networks, is if your mobile app goes down, if it has some fatal flaw to it, the response is 'oh gee that's— you elevate it to the trouble section in that 'well we've created a ticket and drafting documents and meeting on the best way to approach this.' It's a week before anybody does anything. If your tower went down, there would be 12 guys with screw drivers and welding torches working all night until that got fixed. And yet we don't place urgency in these other products and partly it's because we're in bed with these third party people.

There is also skepticism that exists towards digital because local broadcasters feel uncomfortable giving away their information for free. The traditional broadcast does not live forever. It is live. In contrast, the digital space allows the content to live online indefinitely. The digital space allows access to all content for free, in the absence of a paywall, which is how local stations have it set up.

We don't want to make the same mistake that newspapers did and give away everything for free and then go out of business, so it is a process of understanding how you can engage the viewer and engage the consumer but still make money off of it. Because if you don't make money off of it, we're all getting fired. Which is what happened to newspapers,” said a corporate manager from a mayor media company.

Local broadcasters are also relinquishing part of the news delivery process to social media platforms. A news director from a top 75 market said using social media as one of the main platforms to access audiences is “heading into very dangerous territory” because posting stories on Facebook or Twitter doesn’t come with a business model for content
producers who are building Facebook’s audience instead of working to building their own. The same news director continued:

It’s wonderful that we can use it to recruit back to platforms that we own… If I could create a site and people would fall all over themselves to create high quality content that brings people to my site, who I can then sell adds to, fantastic. I love that business model. It just doesn't happen to be the business that I’m in. I wish I thought of it first, but I didn't, Mark Zuckerberg did. We got to get out of that loop, we gotta get out of the business of building his audience instead of building our audience.

There is a sense of pressure having to use social media platforms and third party providers and a frustration that comes from not being in charge of the full production, distribution and presentation process of your content—something traditional broadcasting assured through the scarcity of the technology. Although managers express the need to being there, in the digital space, they do not fully commit because (1) the money is not there, and (2) they are relinquishing their control of the news making and/or content delivery process to online players that are profiting from the content they once had full control of.

**Over the Air Broadcast and the Journalistic Mission**

The news directors interviewed raised the issue of the public’s ability to access news and their journalistic mission, and the original over-the-air mission of broadcasting as a public service. They recognized the practice of broadcast journalism is tied to an underlying mission and a set of values that must be protected (Ferrucci and Vos, 2016). Television makes its revenue through an advertising model, but the original mission of broadcasting was a public service and hence should be free and accessible to all. To maintain the public tradition, a migration towards new digital platforms and streaming services would
mean a need to have good, cheap (or even free) internet. A news director from a small market said:

There's some egalitarian issues to talk about as well, so how much does this technology for me to be fully up to date in my world and things that affect me, how much does that cost me? And, are there segments in the community who can't afford to be as informed? Is that really what we want? Some people can be more informed because they have the means to pay for it.

A manager from a top ten market said paying for broadcast is a problem. “Information is a right,” she said. “The fact that it is a public resource means it will never go away,” said a local digital director. Broadcasting is therefore tied to the values of a democratic society, which solidifies its need and secures it as a platform that cannot die because it is a need of a democratic society.

Corporate representatives, however, did not see an issue in the accessibility of broadcast content. If it were to migrate to digital because a development in newscast distribution, they said, doesn’t mean the over-the-air content will cease to be free.

There is no issue. We are still making it available... The moment a channel aggregator that charges the customer with packaging and bundling with other stuff, starts charging consumers for it, we're entitled to a slit of that. It's no different than bottled water. Water is free, if you want to go find a water fountain—knock yourself out, but if you want to get a chilled bottle of filtered water, you have to pay someone who did that extra work. It's the same logic. But is it incongruous with our public mission? No. There's free TV.

The difference between the positions of local news managers and corporate representative is inconsistent with Reader’s finding that those who are high up the chain of command tend to think about the bigger questions surrounding the rules and practices of journalism (Reader, 2006). Although that was true in other respects, it did not hold true in regards to the mission of journalism. The managers that are lower down the chain of command, in
this case the news directors, had a stronger sense of their journalistic mission and their
identity as a journalist.

**A Journalist’s Identity as a Content Producer.** A manager’s identity is linked with how
each manager saw him/herself: as running a media business, like most corporate repre-
sentatives, or as producing journalism (Ferrucci and Vos, 2016). Those who identified
themselves as journalists, all news directors and general managers interviewed in this re-
search and some corporate representatives, were more aware of the underlying value of
broadcast news in democracy and less aware of the business behind it. They were more
combined of reaching those journalism serves. In addition, the managers that consider
themselves journalists, which are mostly news directors, used the trope: “content is king.”
A news director from a major media company said: “I think if you find good content, the
delivery system will find you.” A general manager from a mid-sized market said: “They
always say content is king. However you put it, on whatever platform, I don’t care. So
you gotta have good content.” Another news director from stated that what people want is
good content. “Don’t worry about delivery, just worry about compelling content,” said a
local news director. Most of the news directors and general managers interviewed said
they mainly have to worry about content, and as far as the delivery systems go: “the con-
sumer will decide.” There is a notion of a naturally recurring adjustment that will happen
once the consumers of content fully migrate onto a different platform.

Independently to the value of the words, the use of the trope ‘content is king’ was
spoken as law. Whatever the managers were asked, this trope would consistently be men-
tioned and would always stand for the unequivocal truth. It served as a myth that gave
some of the managers a rule to show that content—what they mainly work on as part of their daily job—is successful or not independently from the delivery system. It gave them a law that served as proof that they were on the right and did not have any urgency to change. The trope therefore served as a rule that, if believed and followed, will bring stability or success. Out of the managers that mentioned this trope, only one deliberately said something different: a retired corporate manager. After asking him if content was the most important piece of the newscast, he said: “No, it’s both; delivery is important, but not to the exclusion of content.”

The way each manager identified him/herself was key in the way they determined their mission in the local station or corporate headquarters. News directors and general managers, who saw themselves more as journalists, used the trope “content is king” to circumspect their mission as journalist: creating truthful, compelling content. Corporate managers used this trope less than news directors and general managers and were more aware of the importance of the delivery systems.

**Mitigating Risk through Procedural Technological Processes and Media Company Collaboration**

The existence of broadcasting is tied to a scarce technology. This reality produces a *naturally recurring isomorphism* where all members of the industry innovate slowly, but in unison, because there is no competition in that marketplace (Lowery, 2005c). If there is no open competition and every player will get access to the technological innovation, then there is a tendency to collaborate and work together because it will be greater risk not to collaboration. There is, however, a competition for how good the providers are, but
not in the creation of the technologies. Therefore, working together is less of a risk than working alone (Lowery, 2005c).

When a new technology is available, there is media company and network collaboration. Once the ATSC 3.0 technology became available, a consortia called Pearl TV was formed to figure out the new business models with the new technology. Pearl TV is backed by Cox Media, Graham Media Group, Hearst, Meredith, Tegna, Nexstar, Raycom, and Scripps. The goal is for Pearl TV to monetize the opportunities the new technology offers, including addressable advertising (Wire, 2017).

Government approval of the ATSC 3.0 technology is fruit of collaboration as well. The National Associations of Broadcasters filed a petition with Consumer Technology Association, the Association of Public Television Stations, and the Emergency Service group to ask the Federal Communications Commission for permission to use ATSC 3.0 technology. The ATSC technology will allow for 4K HD. It will be a hybrid IP model that will be malleable enough to allow different platforms and technology like 360 video and virtual reality ("About ATSC - ATSC", 2017). Its flexibility also allows for new ways to advertise, like targeted ads, and it allows for different business models like over the air TV, subscriptions, and advertising. Broadcasters collaborated to get the this technology approved by the FCC.

In terms of producing content in the digital space, there is caution among local broadcasters. There is risk and an opportunity cost in innovating. It is easier to collaborate, screen an innovation, and work through it together as an industry for the sake of
each of the members of the industry that are not pressured by competition. A news director said:

   We're not rolling the dice on a lot of things, you know 'gee we don't know if this will work but let's give it a shot. We'll do those small scale concept type of things and try to roll them out.

   In the digital space the competition is different since the technology is open and available to anyone. If someone manages to make a digital native newscast that makes money, it will be copied by the other competitors and directly compete in the marketplace. A corporate representative said being a newcomer in the space is hard. “It's easier to be an new interim when you have a couple trillion dollars to bring where you are a traditional startup and don't have that cash in order to play in that sandbox,” he said. The Sony Vue was the first OTT to offer local newscasts. However, its service failed and is now being copied by other digital providers like Hulu, Roku and YouTube. A corporate news manager said:

   They I think miscalculated the ‘if you build it people will come’ concept. And they thought if they put this wonderful product out to market, everyone would want it and that would be it. When they think that later players, including for example Direct TV Now, was more than just building the product but was actually finding the right market niche and selling that product to that market niche. So, Sony I think actually got a pretty good roster of programming, but never really capitalized on that roster programing.

   Moreover, being a new interim is more risky that collaborating in the broadcasting industry. The similarity in culture, or this case the use of the same technology and the same established rules and practices create collaboration, as opposed to two opposing cultures of two different institutions that tend to resist collaboration (Ryfe, 2009).
Chapter 5: Conclusion

The slow transition of local news and OTT services is explained differently among those managers interviewed. All managers expressed the obstacle of incompatible business models that lead to an incompatible culture that stifles collaboration (Lowery, 2011a; Ryfe, 2009). There is also a structural obstacle within the broadcast institution that allows for top-bottom innovation and makes bottom-up innovation more difficult. Aside from the structural and financial obstacles all the managers interviews agreed on, there were some differences in the way they talked about the obstacles facing the transition of resources from traditional newscasts to online streaming. Two groups were formed: (1) news directors and general managers, (2) and corporate representatives. The discrepancy that exists between both groups is related to the way they identify themselves.

News directors and general managers saw themselves as journalists, and therefore placed a higher importance on the content instead of taking delivery systems into account. The use of tropes like “content is king” served as law, or as a myth, that backed their understanding that good journalistic content was their mission. They expressed frustration in relinquishing control over their news production process in the digital space, either through third party providers or social media. They expressed trust in the traditional broadcast system and delegitimized digital platforms by describing them as ephemeral that “will only be there for a moment.” They also described the ubiquity of digital as untrustworthy, and used fake news as an example. They talked about their company structure like it was a corporation, where they relied on the higher-up managers for delivery
system business models and used expressions like: “It’s above my pay grade” to pass the burden to the corporate managers in a paternalistically conceived structure of the broadcast industry.

Conversely, corporate representatives identified themselves as being in the business of media, and although—similar to news directors and general managers—they expressed absolute trust in the value of legacy media, they were more conscientious of the importance of delivery systems and were looking for ways to take away the opportunity cost of innovation to move resources towards online streaming. Corporate representatives were better versed in the new technologies like the ATSC 3.0 technology and other “tricks up our [their] sleeves,” as a corporate representative put it. However the bigger questions regarding the mission of journalism were more fully addressed by those working directly in the local stations: the news directors and general managers. This high regard for the mission of journalism contributed to the skepticism news directors and general managers in particular express, because it looks at the digital space as a threat to their identity as journalists and content producers (Ferrucci and Vos, 2016).

**Contribution to Institutionalism Theory**

All new technology is by definition new, but its development and implementation into an industry takes into account (1) the nature of the procedure, (2) the nature of the actors that are setting forth that technology, and the (3) nature of the market that technology competes in. This contributes to the new institutionalism theory in how technologies are institutionalized and the main factors that determine the nature of that process. In the case of the broadcasting industry and the digital space— technologies like over the top stream-
In the case of the ATSC 3.0 technology, it was implemented by an institutionalized procedure led by the Advanced Television Systems Committee founded in 1982. Institutionalized groups are part of the committee: the Electronic Industries Association (EIA), the Institute of Electrical and Electronic Engineers (IEEE), the National Association of Broadcasters (NAB), the National Cable Telecommunications Association (NCTA), and the Society of Motion Picture and Television Engineers (SMPTE). ATSC not only represents the broadcasting industry, but also the motion picture industry, the consumer electronics industry, and the computer, cable, satellite and semiconductor industries ("About ATSC - ATSC", 2017). The players within the ATSC are institutionalized groups that have joined to push a technology that affects them as an industry. The producer of ATSC 3.0 is Dielectric, an antenna and signal transmission provider that holds a monopoly in the market and is loyal to the networks with whom the company has worked since 1942, when the founder, Dr. Charles Brown, developed radar systems for the Second World War ("Pioneering. Engineering. - Dielectric", 2017).

In addition, ATSC, in conjunction with America’s Public Television Stations, AWRN Alliance, the Consumer Technology Association, and the National Association of Broadcasters, sent a petition to the Federal Communications Commission (FCC) to approve the technology (AMERICA’S PUBLIC TELEVISION STATIONS AWRN ALLIANCE CONSUMER TECHNOLOGY ASSOCIATION NATIONAL ASSOCIATION OF BROADCASTERS, 2016). The FCC has approved the deployment of ATSC 3.0 for
February 2019 ("FCC Proposes ATSC 3.0 Deployment", 2017). The process of the new technology advancement and deployment was in itself highly institutionalized procedurally and by the groups that participated in the process. The ATSC 3.0 technology is therefore the sole technology champion of the industry, to which all institutionalized members have placed trust as the vehicle for true journalism distribution that will last for decades.

The OTT technologies have had a looser implementation procedure by few institutionalized actors. Netflix, for instance, was founded in 1997 by Reed Hastings and Marc Randolph. The company pivoted from DVD rentals to Video on Demand (VOD) to adapt to the demand of consumers in the digital space. The company went public in 2002 and has been innovating the way to present VOD content, by predicting the user’s tastes through personalized movie recommendations and by offering Netflix produced content ("About Netflix", 2017; "Netflix Announces Initial Public Offering (NASDAQ:NFLX)", 2017). The steps of implementation of the new technology/service competed in the open market and used an open technology as a resource: the Internet. The Internet is open for anyone who wishes to use the technology. Likewise, the players of OTTs are new in the space and constantly competing against other players for an audience that leads to a constant adjustment and, by most accounts, a better product or service. The Sony’s PlayStation Vue, the first to provide local news in an OTT service. “From an economic basis, being a new interim is hard,” said a corporate manager. The same corporate manager stated that Sony Vue failed because “they thought if they put this wonderful product out to market, everyone would want it and that would be it.” Sony treated the OTT technology as
broadcasters treated the ATSC 1.0 technology and the proposal of the ATSC 3.0 technology—with the assumption that it will be universally adopted. Instead, many services competed with Sony Vue and became more dominant in the competing market of, including services such a Sling TV and Direct TV Now, among others.

Furthermore, the level of institutionalism of a technology is not only the nature of the technology, whether it is a closed technology like the ATSC 3.0 or an open technology like the different OTT services, but also the actors and the procedure by which those technologies are implemented. Monopolized technologies with an institutionalized process create a greater sense of trust and stability due to the loose coupling of the service or product provided by the immediate demand of the market (Lowery, 2010). This monopolized technology leads to a universal adoption of the technology that is deemed legitimate by all groups of that industry. Moreover, there is a naturally occurring isomorphism because all members of the industry adopt the technology in the absence of competition and have no choice but to collaborate to push a technology that in time will be universally adopted by the industry. Technologies living in a competitive market are more malleable and constantly changing because they quickly react to the ‘whims of the market’ (Lowery & Woo, 2010). The competitive technologies lead to inconsistent adoption rates due to the open marketplace where consumers look for the higher quality service or product with the lowest price.

Overall, (1) the nature of the technology, (2) the nature of the actors of that technology, and (3) the nature of the process of implementing that technology, contribute to the institutionalization of that technology. For the ATSC 3.0, a monopolized technology
pushed by institutions through a set of rules and guidelines, there will be a deeper institutionalization of the technology. For OTTs, an open technology pushed by different actors that are constantly changing through an evolving set of rules and practices, will be less institutionalized, more prone to change, and more receptive to the demands of the open market.

**Regular Industry Gatherings Enable Flow and Adoption of Ideas.** Few of the local news directors included in the research were aware of the ATSC 3.0 technology or the different OTT providers. They were partially disconnected from the business side of the broadcast industry. In the same regard, only a few news directors went to the National Association of Broadcasters (NAB) conference every year. And those who did go to the NAB conference every year were more aware of the new technologies and innovations. Almost all corporate representatives went to the NAB conferences and were more aware of the innovations in the industry. The news directors who worked in a higher ranked market said they went to the NAB conference every year or almost every year. Two news directors who work at the bottom 100 market stations said they don’t usually go. A corporate representative explains the difference in NAB conference participation between corporate managers and local managers. News Directors “are hassling to get content up,” she said.

Having regular industry gatherings to share novelties and industry news is therefore a way to keep the members of that industry informed of the latest innovations. Regular industry-wide gatherings allows the members to be informed of the latest innovations and be better prepared to adopt that innovation in their own local station. Regular industry
gatherings stimulate the flow of innovation and change by providing a platform for communication and sharing of ideas. In fact, the NAB show is set to debut the ATSC 3.0 technology to the industry and is being treated as a “coming out party” of the technology ("NAB Show Marks ATSC 3.0’s Debut", 2017). The members of the NAB will be able to discuss and learn about the innovation and will have direct contact with experts who will showcase the technology.

The findings suggest consistent meetings by the members of a particular institution stimulate the flow of new ideas and innovation, which serves as a catalyst to readjust the set rules and practices that have been deemed legitimate by that institution. This speeds up the process of change by legitimizing a new set of rules and guidelines that are recognized industry-wide. Consistent industry meetings therefore minimize the risk of implementing new rules and practices by establishing an industry consensus in the belief that a certain rule or practice is legitimate and should be accepted by those members of the industry. Consistent industry meetings are therefore a vehicle that facilitates change within an institution by legitimizing a new idea or technology that will serve as the “go ahead,” prompting a more smooth adoption of that technology or set of rules by those who went to those industry-wide meetings.

The Point of View Inside and Outside an Institution. The discourse of the management interviewed was consistent with the new institutionalism theory in that it (1) aimed at delegitimizing new media, (2) it aimed at legitimizing legacy media, (3) it created myths that legitimized their professional identity, and (4) it established a paternalistic way of understanding the broadcast industry. However, one of the subjects, a retired corporate
manager, had a different perspective that did not fully fit in the new institutionalism paradigm by doing the opposite: legitimizing new media and cautioning for a possible delegitimization of legacy media in the absence of change. The retired manager had dissenting opinions regarding audience deterioration, the doubt of legacy media survival, and the sole importance of legacy media. The majority of the managers recognized a progressive deterioration of audiences, while the retired manager believed there would be a sudden ‘demographic cliff.’ In addition, he expressed doubt in the survival of legacy media if there was no successful effort to appeal to the younger audiences that were not “growing up into the habits of their parents and starting to watch television news.” The retired manager also placed higher importance on the value of new delivery systems than the managers that were still working inside the institution.

The difference between the rest of the managers interviewed and the one mentioned in this section is the position he is in. While the rest of the managers interviewed are part of the institution, the retired manager is not. He sees the institution from outside, although he has profound knowledge of its inner workings. This input provides an interesting result because it shows the difference in thought between those inside an institution who, although well versed in the nature of the industry, are outside the institution.

**Practical Implications.** Local broadcasters and corporate managers are not rejecting alternate distribution systems. Although they are skeptical of digital, they are trying to implement new technologies and online distribution platforms. Local stations are involved with many different social media platforms and third party players, that not only bring frustration because they are relinquishing some control of the process, but also because it
is more work with little reward. The first practical suggestion is to have fewer technologies and digital distribution platforms, and a more in-depth commitment with the new technologies and digital distribution platforms. Individual television stations cannot ‘dip their toes’ in every new distribution platform and every new technology, because it is impossible to get every new involvement right. Instead of ‘dipping their toes,’ local stations should strive to experiment in a more in-depth way, where there will be a much larger possibility of discovery. Local stations need research and more resources dedicated to specific new digital distribution platforms to do more accurate tests that will lead to more accurate results that have a greater chance to starting to solve the problem of audience erosion.

To have deeper and more time-consuming efforts towards adopting new distribution platform and trying to find a corresponding business model, however, is expensive. The only way to foster this kind of innovation is for media companies to invest in innovation at a local level, despite the structural boundaries that do not foster this type of effort. Two out of the eight media groups and networks represented in the study had specific procedures to support bottom-up innovation, either through bonuses and evaluations, or through a specific fund local stations have access to. There needs to be more media groups that join in this kind of effort to take away some of the risk present in innovating at a local level; such as reaching financial goals, bringing revenue back to the stockholders, and dealing with limited budgets. These efforts are difficult because they may result in a loss of resources today, but only through these kinds of efforts can there be change that will benefit the industry in the future.
This idea is married to the perception of how news directors, general managers and corporate representatives see the broadcasting industry. There needs to be a recognition that local stations are affiliates and not corporate subsidiaries. With this change in self perception, local stations can realize they are more responsible in the experimentation of digital delivery systems and overall innovation.

In addition to these suggestions, all members of the industry should be urged to participate in industry-wide conferences, such as the NAB conference. A greater attendance to this yearly conference will stimulate the flow of information regarding technologies and new distribution and business models. It would therefore benefit the industry by providing more direct and open communication between the members of the industry that will lead to more innovation and a more efficient collaboration.

**Limitations.** The interviews on Skype or FaceTime were limited to what the researcher can perceive through the computer. In-depth interviews in person allow for the researcher to take note of the setting and have more observations of the interviewee’s office, facial and body expressions, and the natural setting of the interview. Skype or FaceTime interviews hinder a better set of observations as to who the interviewee is and how he/she thinks and feels about the topic.

It was also challenging to get interviews scheduled and have a long period of time to perform the interview. The participants in this study have high demand jobs and are busy people. The researcher scheduled the interviews with broadcast managers through the contacts provided by the professors at the University of Missouri School of Journalism, and by researching candidates, looking up their information, and reaching out to
them personally. Both instances complied with IRB regulations on how to recruit subjects for the study. In both cases the managers were pressed with time and could only give the researcher 30 minutes to ask questions. Others gave the researcher more time. (Lewis & Reese, 2009). There was also a limitation of the time zones, where managers from across the country had a different schedule which created a need for better coordination between the researcher and the subject.

Finances were also a limiting factor in the research. The researcher did not have the budget to travel around the country and interview the participants. This hurt the research because Skype or FaceTime interviews limited the perception of the responses and were not as engaging. They lack the contact needed to make detailed observations. However, the limited finances will not affect the researcher’s ability to answer the research questions.

Other limitations included the level of knowledge the news directors, general managers and corporate representatives had on the subject of OTTs and streaming services as well as their personal expressiveness. Some managers were more interested in the topic and were more articulate in their responses, while other were less expressive and were less effective in bringing their point across. Some managers did not know much about the topic. Because of this, the researcher had to find related topics and introduce them to the conversation in order for that interview to contribute to the research. For instance, when a manager did not know much about OTTs, the researcher talked about innovation, asked if the manager received any incentive to innovate, or asked about their app and the relationship the manager’s team has with social media and the website. These
were all topics that contributed to the larger topic. The researcher, however, had to be creative when discovering that some subjects were not well versed in the main issue.

The study is also tied to the interpretation of the researcher. The information is filtered through the researcher and the news directors, general managers, and corporate representatives. The information travels from the perception of the broadcast manager, to the perception of the researcher. The information is tied to the analysis of the researcher that will make sense of that information, but who will inevitably run it through his/her personal culture and biases. To minimize this limitation, the researcher became aware of his/her personal biases and back up any decision within the research with a rationale.

The final and most important limitation is that the study is not generalizable to the entire population of local broadcast news. Because of the qualitative nature of the study, the research can be valuable to a theoretical understanding of the challenges facing broadcast news depending on the research’s credibility, dependability, confirmability and—naturally—its transferability (Lincoln & Guba, 1985). For the study to be credible, the researcher needs to present an accurate depiction and interpretation of the information, in this case, the interviews. The goal is for local broadcast news managers to read the research and recognize the experiences mentioned in the study. The research narrows down on the population represented in each part of the study to gain more transferability and make it more impactful to that particular population. In this case, the research will narrow it down to news directors, general managers of local broadcast news stations in the United States, as well as corporate representatives of networks and media companies that oversee local stations. In addition, the researcher needs be thorough in the findings.
Thoroughness fosters trust because the researcher will be showing care and mastery of
the area of study. The study will also be judged in how much it is reflective to the popula-
tion’s experiences. This confirmability is crafted through reflective practices. Because of
this, the researcher let the subjects lead the conversation and made sure to clarify am-
biguous language, like slang and metaphors (Lincoln & Guba, 1985; Golafshani, 2003;
Holloway, 1997).

**Reflexivity.** The position of both the researcher and the subjects was hierarchical. The
researcher, a student, interviewed corporate representatives and high-level local man-
agers—a situation that is usually reversed. The fact that the subjects were so experienced
and successful in the field could have led to a less aggressive line of questioning. The re-
searcher did not push for answers as much as she would have liked partly as a result of
this hierarchical difference. In addition, the researcher could have also pushed less in her
line of questioning because some of the subjects were visiting the University of Missouri
School of Journalism to recruit students. They had limited time and did not know with
much anticipation that they would be interviewed.

**Future research.** The study focuses on the transition to new digital delivery systems,
however, delivery systems are only one side of the coin. The structure of the content
needs to transition as well. A corporate manager said: “Many of the so called breaking
news stories, particularly on the late program that have a false sense of urgency, but actu-
ally don’t have real relevance.” A news director agreed and said:

You just can't be pushing things out that people that people don't care about: a
traffic accident injures two on Smith street; well, okay, but traffic accident on
Smith street has three mile backup, now I know there’s a three mile backup, that’s far more relevant.

Moreover, there is a need to research the lack of change in the content structure of local newscasts that have remained unchanged despite the delivery systems. In whatever delivery system a local newscast goes, the content stays the same. The only exception is when local stations cut the newscast to put one to two minute clips on YouTube or the station’s website. The content itself, however, does not change.

It would be interesting to learn through a qualitative study with in-depth interviews, why there has been little experimentation with local news content, even when it is consumed through other delivery systems. Based on the literature, the actual content is expected to be more resistant to change because it is tied with the workflow of journalists that hold themselves to a set of values that are tied to the identity of the journalist. A change of format or storytelling would therefore mean a change in intimate and moral component of what a journalist does (Ferrucci and Vos, 2016).

A qualitative study of the slow change in the local broadcast content will not only be useful in itself, but it will also be timely, as the broadest industry plans to implement the ATSC 3.0 technology and is planning to strike new deals with OTT providers. The new distribution models and technologies have greater storytelling flexibility. The ATSC 3.0 will allow for audiences to interact through hyperlinks, 360 video, virtual reality, among other innovations ("About ATSC - ATSC", 2017). Likewise, the demand for video in OTTs is different than the demand for video on traditional broadcast. Digital audiences want more interaction and control over the content.
The question answered by this research: why have local newscasts been slow in transitioning to OTTs? would be complemented by the research of why the content has been slow in adjusting to the new delivery systems. The nature of the evolving delivery systems call for an innovation of newscast format, content, and a reevaluation of journalist-istic values such as “breaking news,” which begs the question of why local stations have not significantly experimented with different content structures in light of the new delivery systems.
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