UK DEMAND FOR HYPERLOCAL MEDIA

NESTA RESEARCH SUMMARY

April 2013

INTRODUCTION

In March 2012, we published ‘Here and Now’, the first landscape review of hyperlocal media in the UK. Since then, we have continued our programme of practical experimentation and research, called ‘Destination Local’ to develop a strong evidence base. One area of research which we believe is of critical importance to stakeholders concerns the demand for and use of hyperlocal media. This is of particular importance given the rapid take–up of connected devices such as smartphones and tablets, which enable citizens and consumers to consume hyperlocal media in new ways and which may help to drive new business models towards long–term sustainability.

We commissioned some consumer research with Kantar Media, using a nationally representative omnibus face–to–face survey in January 2013 to address key questions concerning the nature of demand for hyperlocal media across the UK. We used our broad definition of hyperlocal media – *“Online news or content services pertaining to a town, village, single postcode or other small, geographically defined community”.*[1] We think that this definition is appropriate given the different genres of content which people consume on a range of connected devices.

We believe that this research examines the use of hyperlocal media in more detail than previous studies. We hope that it is useful in assessing the scale of use of hyperlocal media, and illustrates barriers to and drivers for its consumption. We have designed this survey so that it can be easily repeated by others in the future.

While significant audience reach is important, we also acknowledge that a hyperlocal media service does not necessarily need large numbers of users for it to generate public value.

Overall, the research shows that hyperlocal users (who are more likely to be in the ABC1 socio–demographic group, use a connected device and be aged 35–54) are generally interested in consuming functional information including local weather and local breaking news, and do so from a range of sources. The most commonly cited sources are search engines, the app or website of local authorities and the app or website of local newspapers or magazines. Our research shows that the take–up of tablets and smartphones has been a driver behind the increased use of hyperlocal media.

This Nesta research briefing is a summary of a longer report on the findings from the consumer research. For the full report, including details on the methodology and survey instrument please see: **www.nesta.org.uk/destination_local_research**

KEY FINDINGS FROM OUR SURVEY

Levels of use of hyperlocal media

A series of questions in the survey address the overall reach and frequency of use of hyperlocal media, and the devices used by audiences to access news and information relating to immediate local areas. This enables us to better understand the overall scale of hyperlocal consumption, the context in which hyperlocal media is being consumed, and the devices with which it is being consumed. We are especially interested in understanding the relative use of stand–alone 'online native' hyperlocal media outlets compared to hyperlocal media provided by organisations with a track record in traditional local media.

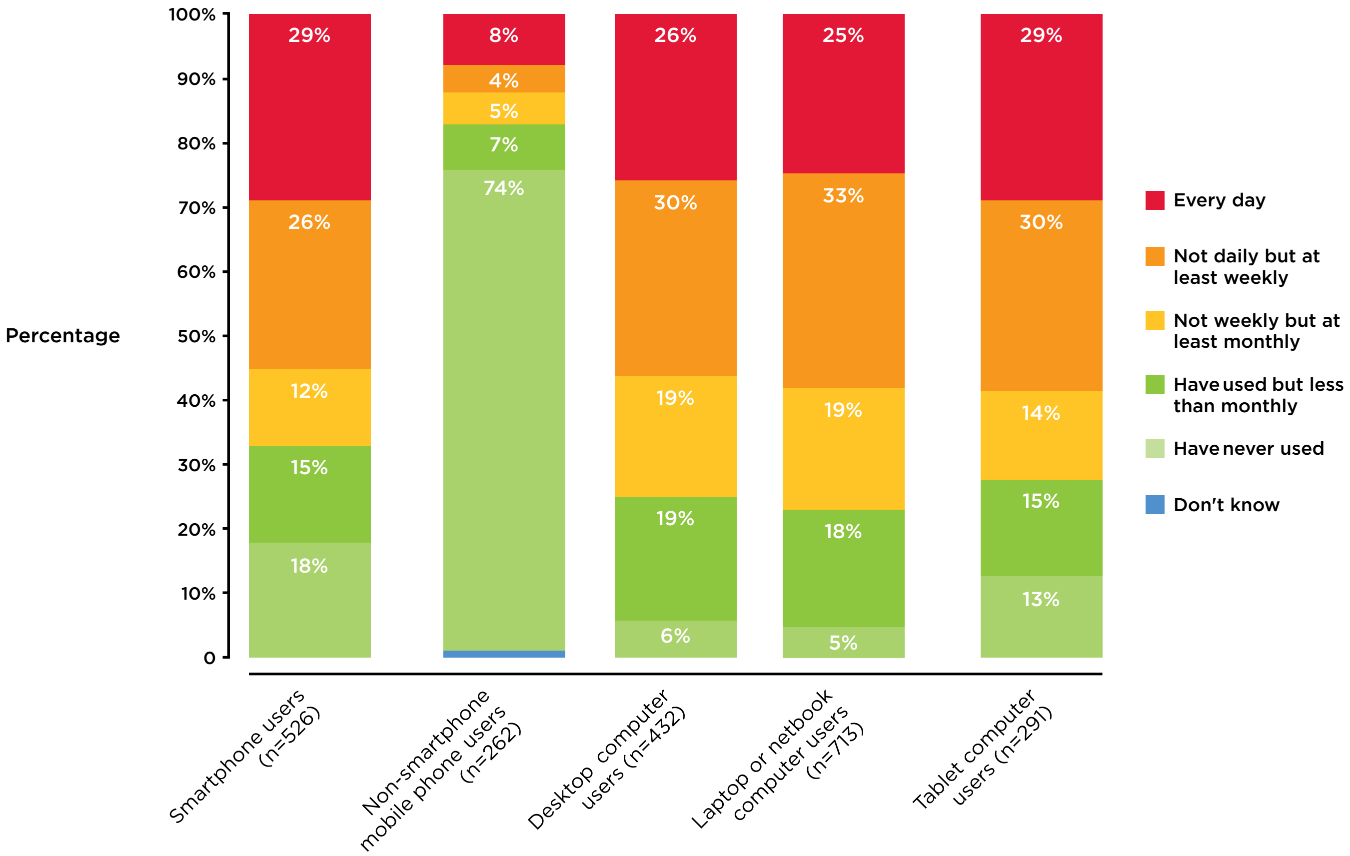
Our key findings are:

1. **Forty–five per cent of all UK adults (53 per cent of those with Internet access) have accessed some form of hyperlocal media relating to either the immediate area in which they currently live, a place they have visited, the area where they work, or an area where they have previously lived.** More specifically, 35 per cent of all UK adults (42 per cent of those with Internet access) report using hyperlocal media relating to the immediate area in which they live and 18 per cent of all UK adults (21 per cent of those with Internet access) have accessed hyperlocal media for a place they were visiting.[2] Overall, among hyperlocal media users who personally use at least one device such as a computer (desktop, laptop or netbook), a tablet or mobile phone or smartphone to access hyperlocal media, two–thirds (66 per cent) are calculated to use at least one of their devices to access it on at least a weekly basis (equivalent to 30 per cent of UK adults).[3]

2. **Use of hyperlocal media has been stimulated by the increasing take–up of connected devices.** Twenty–nine per cent of hyperlocal media users who use a smartphone say they use it to access hyperlocal content every day (equivalent to 7 per cent of UK adults). In addition, 29 per cent of hyperlocal media users who personally use tablets report using it to access hyperlocal content on a daily basis. Over half (55 per cent) of those who say they use hyperlocal media more now than two years ago agreed that this was due to them getting a smartphone and/or a tablet. Twenty–eight per cent of hyperlocal media users have used an app to access hyperlocal media.

3. **In the UK, search engines are the most common way for people to get hyperlocal content (selected by 56 per cent of hyperlocal media users). Traditional, established providers of local information such as local newspapers/magazines and radio/TV companies and local authorities remain important for hyperlocal media.** The websites or apps of local authorities are used by 30 per cent of hyperlocal media users, while the websites or apps of local newspapers or magazines are used by 27 per cent. In contrast, relatively few users of hyperlocal media report using websites written by volunteers or others with an interest in the local area (8 per cent) or following individuals or organisations via blogs (3 per cent).[4] We note that the respondents may have attributed a service such as a 'blog' to another category such as, 'newspaper/magazine websites or app', especially if this service also produces a print edition.

Figure 1: **Frequency of accessing news or information about immediate local area by device**



Base: Hyperlocal media users with a named device

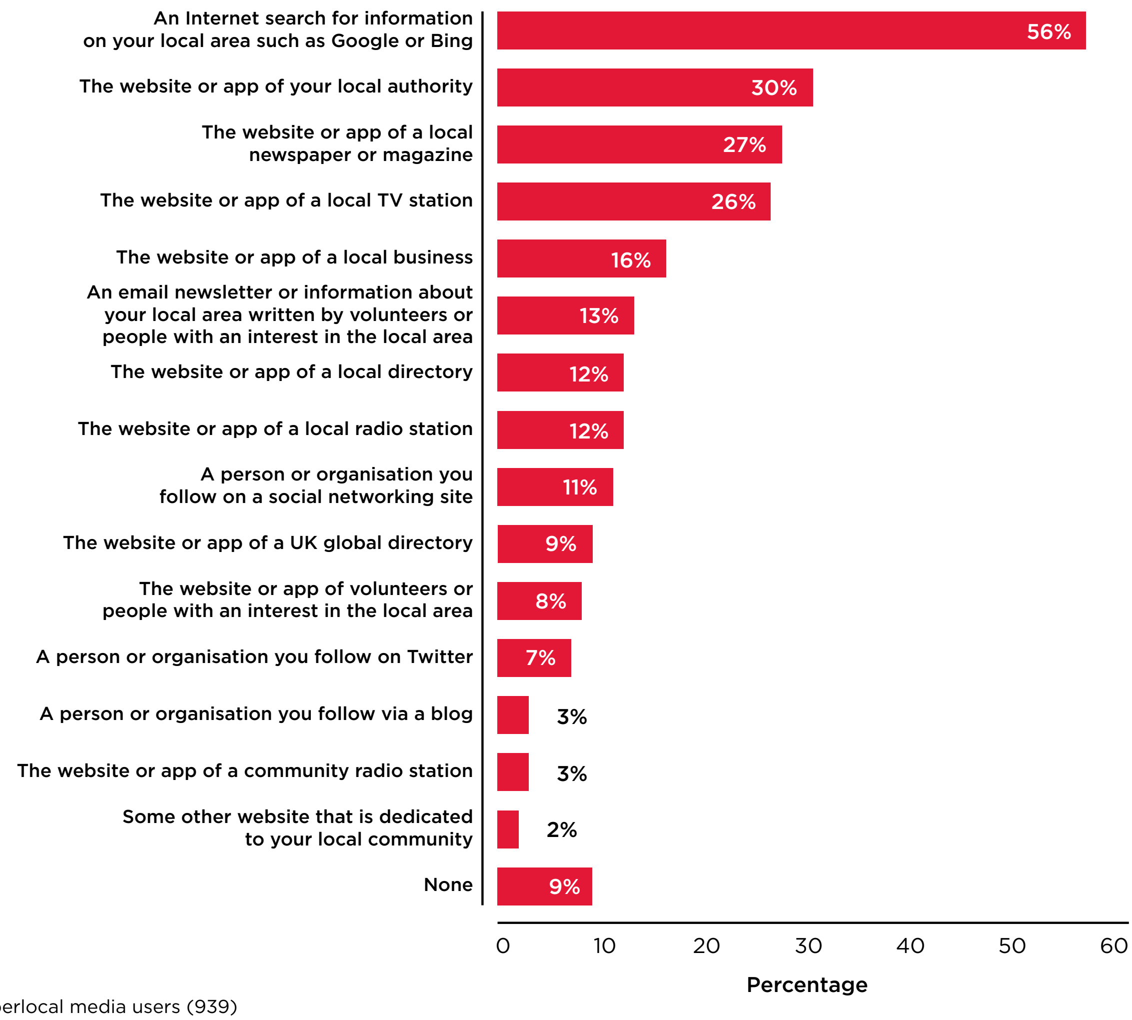
Q6 How frequently do you use each of the following devices to access news or information online about the immediate local area you are in, such as town, village or local neighbourhood? This could be either where you live, work, used to live but no longer live or are visiting.

Source: Nesta consumer research carried out by Kantar Media. Data collected between 4/1/13 to 13/1/2013.

4. **Social media is used by 17 per cent of hyperlocal media users as a source of hyperlocal content.** Those who are aged under 55 are more likely to report doing this. Social media sources are more likely to be used every day (39 per cent for a person followed on Twitter, and 36 per cent for a person or organisation followed on a social networking site[5]) compared to other hyperlocal sources.[6] In contrast, the apps or websites of local newspapers or magazines are used every day by 15 per cent of their users. Overall, around one-third (34 per cent) of respondents use one of the sources listed in Figure 2 every day and a further one-third (33 per cent) report not daily but at least weekly use.

5. **Overall, it appears those in the ABC1 socio-demographic group, those who own their house with a mortgage and the 35–54 age group are more likely to consume hyperlocal media.** Consumption of hyperlocal media may also be driven by life stage. A greater proportion of the 35–54 age group consumes hyperlocal media than other age groups, and from a larger number of source types potentially because of the distinctive needs people this age have for local services such as schools.

Figure 2: **Use of hyperlocal media by source**



Base: Hyperlocal media users (939)

Q7 Do you use any of the following sources of information to get news or information about the immediate area you are in, such as a town, village or local neighbourhood? This could be either where you live, work, used to live but no longer live or are visiting.

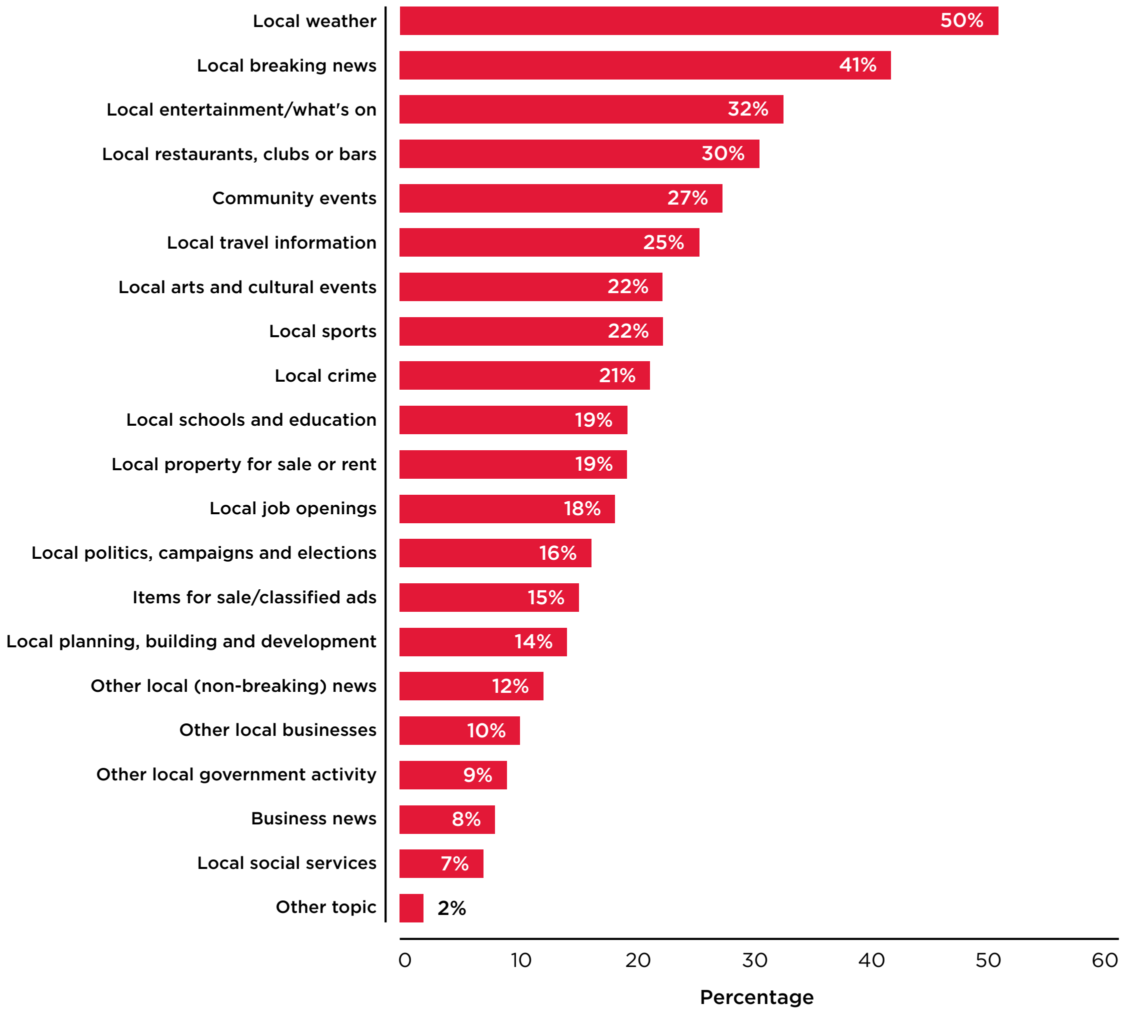
Source: Nesta consumer research carried out by Kantar Media. Data collected between 4/1/13 to 13/1/2013.

THE REASONS FOR CONSUMING HYPERLOCAL MEDIA

We asked respondents a series of questions about their use of hyperlocal media, the genre of content they consume, and barriers and drivers to use of hyperlocal media. The resultant data helps us to understand the range of business models which may emerge, and helps to build up a more detailed picture of the nature of public and private value which hyperlocal media may generate. Our key findings include:

1. **The rationale for hyperlocal media consumption appears to be primarily about getting to functional information – the majority (66 per cent) of adults in the UK are interested in news or information about the immediate area in which they currently live. Fifty per cent of hyperlocal users get information on local weather, and 41 per cent get local breaking news.** Information on community events is also popular. Fewer hyperlocal media users consume information about local social services (7 per cent) and local business news (8 per cent).

Figure 3: **Hyperlocal media use ranked by topic genres**



Base: Hyperlocal media users (939)

Q12 Which of the following topic areas do you get information about? Here we are referring to when you get news or information online, on your computer or laptop, mobile phone or on your tablet about the immediate area you are in, such as a town, village or local neighbourhood. This could either be where you live, work, used to live but no longer live or are visiting.

Source: Nesta consumer research carried out by Kantar Media. Data collected between 4/1/13 to 13/1/2013.

2. **The perceived benefit of hyperlocal media in developing local social capital appears secondary to getting information about the area.** The use of hyperlocal media for functional information appears consistent with the finding that while over half (56 per cent) of hyperlocal users agree that their use of local websites and apps made them more informed about their neighbourhood, only 29 per cent agree that their use of hyperlocal services meant that they felt they have influence in the decisions made about the area in which they live. About one–fifth (21 per cent) say their use of hyperlocal services had resulted in friendships in the local area.

3. **Different topic genres appeal to different age groups, suggesting that life-stage factors influence consumption of hyperlocal media.** Younger respondents (16–34) place a greater importance on information about restaurants, clubs and bars and sports than those aged 35–54, while those aged 55 and over place more emphasis on local arts and cultural events than the youngest age group (16–34). Those in the 35–54 age group are more likely to choose schools and local education information as their most important topic. Local job openings and other local government activity are more important among the C2DE group than ABC1s.

4. **When prompted, convenience and the fact that sources are free are key drivers behind choice of hyperlocal media source.** Key reasons given as to why people choose their hyperlocal sources include convenience (59 per cent), its availability for free (45 per cent), and their interest in the local area (32 per cent). Hyperlocal users also say that having to pay for hyperlocal media (49 per cent), concerns about inconvenience (26 per cent) and concerns about the source being up to date (18 per cent) would limit their use of a source of hyperlocal media.

5. **Frequency of use varies with the type of genre of content being accessed.** Unsurprisingly, time-critical content such as local weather, local sports and local news are most likely to be used at least daily by those who use it. Information about local public services (for example, social services, planning and building and development) are among the genres which tend to be accessed less frequently by those who use them.

ATTITUDES TOWARDS, AND SATISFACTION WITH, LOCAL AND HYPERLOCAL MEDIA

Our survey also looked at attitudes towards and levels of satisfaction with local and hyperlocal media, in order to build an evidence base around the performance of the sectors in delivering against user expectations. Exploring reasons why people do not use hyperlocal media is an important first step in considering what interventions, if any, may be appropriate in promoting uptake of hyperlocal media services. We find:

1. **Overall citizen satisfaction with local media as a whole appears high – just over three-quarters of UK adults feel that that the sources they use for local news and information give them 'some' or 'all' of the information that matters to them. Among hyperlocal media users this is even higher – 88 per cent of whom agree.** Large majorities report 'accuracy and reliability' and 'trustworthiness' as being important attributes of sources of local information. Users of hyperlocal media are generally satisfied with their sources of hyperlocal media – 75 per cent of hyperlocal media users report high satisfaction with the sources of hyperlocal media that they use.

2. **Lack of visibility and concerns about quality are not the major factors inhibiting the uptake of hyperlocal media among non-users of hyperlocal media.** Among those not using hyperlocal media, apart from lack of Internet access (mentioned by 27 per cent), the most frequent reasons given for people not using it are lack of interest in the local area (17 per cent non-hyperlocal users) and a belief that they already had enough information from other sources (23 per cent). Other potential barriers to adoption of hyperlocal consumption such as lack of awareness of services, and concerns about quality are much lower down on the list.

3. **Relatively small numbers of hyperlocal users have either contributed towards or created content about their local area.** One-fifth of hyperlocal users have ever 'contributed' to hyperlocal media (i.e. by posting a comment, or uploading a photo) while 10 per cent of hyperlocal media users have created content about their local area from scratch. Those more likely to contribute content are those who personally use tablets, computers and smartphones.

IMPLICATIONS FOR THE SECTOR

Our examination of the survey results to date suggests that there are several implications from this research, and we set these out below with recommendations. We will continue to explore and refine these in our ongoing research as we continue to collect evidence.

1. **While news is consumed by a significant proportion of hyperlocal media users, other content genres are also valued.** Hyperlocal providers seeking to provide news, weather and other time–sensitive content may need to consider how they ensure that content is frequently added to their services. This may be of particular salience to very small hyperlocal services seeking to grow in scale.

2. **Our findings suggest that accurate geotagging of content and appropriate use of search engine optimisation are important in ensuring that relevant hyperlocal content is easy to find.** Search engines have an important role in ensuring that that geotagged content is fully reflected in results. The use of search engines to find hyperlocal news and information may potentially underplay the role attributed to some of the sources listed in Figure 2, though this raises questions about branding given that respondents to the survey were asked to recall their source use.

3. **Traditional local media brands online (such those of local newspapers or magazines and local broadcasters) retain an important role in reaching audiences for hyperlocal media, as do local authorities.** Audiences look to these providers for their hyperlocal content. While our other research suggests that a small number of stand–alone hyperlocal services can have significant reach in their local areas, across the UK there is little evidence of online native content providers having significant reach. Content partnerships between established local media brands and other hyperlocal sources such as blogs may play an important role in promoting the consumption and sustainability of hyperlocal services.

4. **Audiences value local media sources for being up to date, accurate and reliable and trustworthy.** This may be especially important for content genres such as local news, weather and sport and suggests that frequent updating of content is important for maintaining attention.

5. **The survey suggests that hyperlocal sources are likely to struggle to attract and retain audiences if they are unable to offer an easy to access, and free–to–use service.** This supports the view from many in the industry that paywalls around hyperlocal content may not be sustainable and that providers of hyperlocal content will need to seek revenue from other sources such as advertising and sponsorship.

NEXT STEPS AND ACKNOWLEDGEMENTS

In conclusion, we believe this research is a valuable contribution to the ongoing collection of a solid evidence base regarding hyperlocal media and we would like to thank Kantar Media for their help and assistance throughout the project. The full report is available from Nesta's website: **www.nesta.org.uk/destination_local_research**

We intend to complement and build upon the findings of this work with other pieces of research we are intending to publish over the coming months, including our findings from the hyperlocal services we have funded in 'Destination Local'. Through our work and our partnerships with other organisations active in this area we believe that we can help to make the UK one of the most attractive environments for hyperlocal media.

This summary was written by Jon Kingsbury and Mark Pearson.

ENDNOTES

1. See: Radcliffe, D. (2012) 'Here and Now.' London: Nesta. Available from: http://www.nesta.org.uk/library/documents/Here_and_Now_v17.pdf [Accessed 3 April 2013.]
2. Respondents were able to report accessing hyperlocal media both for where they currently live and for a place they were visiting and also for a place where they work, and a place where they have previously lived but no longer live in.
3. This number is derived from survey responses and relates to the most frequently used device for consuming hyperlocal media out of any of the devices used by the respondent which are listed in the survey (smartphone, non-smartphone mobile phone, desktop computer, laptop/netbook and tablet computer). This means that examining use on a single device-by-device basis as we have done in Figure 1 results in lower levels of 'at least weekly use.'
4. We also note that a proportion of respondents identified as hyperlocal media users said they did not use any of the listed sources, albeit a relatively small base. Further analysis suggests that around of third of these did not select any genre at Q12, of those who did, local weather, local breaking news and information on job applications were most frequently cited.
5. We note low bases for Twitter and social network users. We also note that 36 per cent of those who followed a person or an organisation on a blog as a source of information about their immediate area said that they use them every day. Caution is needed when interpreting this finding given the very low base involved.
6. The way users interact with hyperlocal content from social media sources may differ from some of the other sources of hyperlocal content given the way that social networks and Twitter aggregate and push feeds to users from a range of followed sources, including non-hyperlocal.

About Nesta

Nesta is the UK's innovation foundation. An independent charity, we help people and organisations bring great ideas to life. We do this by providing investments and grants and mobilising research, networks and skills.

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