A Territorialized Business Model? Exploring the Objective and Subjective Conceptualizations of the Local Scale Built by Mid-City Digital News Media in Chile

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Digital news media have struggled to find the most sustainable business model to survive and thrive in recent years. Current research has paid little attention to this problem at the local level in non-Western and peripheral media systems. By qualitatively analyzing six case studies of local news digital media in Chile, this article explores the connection between digital media business models and territory. The main findings suggest that the territorial dimension is most visible in *media sustainability*, *community-building,* and *journalistic value*. A single analytical model for both national and local media may be inadequate; therefore, a contextual and comprehensive approach to each media ecosystem is suitable to better understand media business models.

Keywords: business model, Chile, digital media, local media, territory, sustainability

Digitization seems to incarnate the opportunity to develop independent, nonprofit, innovative, and public service-oriented news outlets. For instance, nonprofit news organizations such as ProPublica (2023) and the International Center for Investigative Journalists (ICIJ) have built their sustainability on high-quality, multimedia, impactful, and cross-border journalism, supported by a diverse array of funding sources that combine philanthropy, partnerships, and subscriptions. In Latin America, most digital news organizations driven by public interest explore diverse sources of funding, relying on both public and private subsidies, as well as grants and subscribers (SembraMedia, 2021).

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However, for digital native media and well-established digital news organizations, money is always scarce: Subscriptions have stagnated globally, and the number of audiences paying for news is not growing (Newman, Fletcher, Eddy, Robertson, & Nielsen, 2023). Even the most inventive and recognized organizations, such as Radio Ambulante podcast—now Radio Ambulante Studios (Alarcón, 2012–present)—have not escaped the difficulties of funding their operations. It is thus expected that smaller and lesser-known news organizations will face even harder times, particularly in low- and mid-income regions, such as Latin America.

The picture is no better when we examine independent digital news organizations in Chile. For instance, Ciper is a well-known, nonprofit digital news organization focused on investigative reporting. It has maintained free access to all its content, embracing a partnership strategy with its audience rather than offering subscriptions with exclusive content. Despite the impact of its stories and the awards it has received since its foundation in 2007, Ciper still struggles to sustain its operations. In 2023, the medium launched a campaign to increase donations and alert its readers about the severe impact of the economic crisis on its finances. Both large media corporations and small- to medium-sized news organizations in Chile have struggled to increase their funding, revenue sources, and audiences. Nonetheless, little is known about how this experience unfolds at the local level across the country.

Thus, this article aims to understand how, and to what extent, digital local news media's business models incorporate a territorial dimension based on three dimensions articulating a digital media business model: *media sustainability*, *community-building,* and *journalistic value* (Jara, Faure, & Del Valle, 2023). We test whether this frame contributes to characterizing how local digital news outlets have developed in three mid-cities outside the highly centralized national news industry.

This article contributes to a better understanding of a relatively understudied subject, as local digital news outlets have largely been off the radar of research in this field. It enriches the growing literature on native digital news media in Latin America, which has primarily focused on well-known, more established news organizations based in capital cities, with embedded journalistic capital and recognition (de–Lima–Santos, Mesquita, de Melo, & Camargo, 2022), rather than on smaller and/or local digital news organizations serving local communities. This article aims to fill this gap.

The first section provides an overview of the theoretical frameworks informing the study of business models for digital news media. The second section describes the methodological design and decision-making processes triggered by the challenges encountered during the fieldwork. The section discussing the findings is organized around the digital media business model's five dimensions to explore its relation to territorial perspectives. The article concludes by highlighting the intersections between the local scale, contributions to better understanding small- and midsized local digital news operations in peripheral media systems, and the implications for further research in precarious journalistic and digital fields, as well as their connections to global trends.

Media Sustainability, Journalistic Value, and Community-Building at a Local Scale

Although there is no single definition of a *media business model*, we understand it as "the configuration of resources in response to a given strategic orientation" (Villi & Picard, 2019, p. 121). A business model expresses "the company's competencies, how it creates value through its products and services, what distinguishes it and its competitors, how it operates, how relationships with customers and partner companies are established and nurtured, and how it makes money" (Villi & Picard, 2019, p. 121). The novelty of this conception consists of "the way of relating to audiences, the added value and the continuous improvement of the product and the service provided" (Villi & Picard, 2019, p. 129). To explore local news digital media, we adopt the five-dimension framework of business models and define territory as a proxy for local scale.

Media Sustainability and Journalistic Value

Media sustainability is central to the digital news media business model, serving as a multidimensional approach that ensures both economic viability to secure independence and social differentiation to maintain its organization. Globally, native digital news media have been exploring various strategies, including philanthropy, competitive grants, public funding, partnerships, subscriptions, and technological tools, combining funding strategies, journalistic projects, and community engagement.

At a structural level, it refers to the financial crisis in the media market as well as public policies and laws. At a social level, it implies the question of journalistic culture and routines, its autonomy within the social division of work, and the ongoing epistemological challenges to journalistic authority. At the newsroom level, it is a problem affecting staff, contracts, funding, engagement, and audiences' strategies, as well as the production process, distribution system, and relationships with the media ecosystem.

The competition for digital audiences is linked to the problem of sustaining news media (Ramos–Gil, Márquez–Domínguez, & Romero–Ortega, 2018). Beckert (2023) focuses on audience-catching actions comparing journalists' and sales managers' perceptions of native advertising. In Latin America, digital news consumption habits lead to some heterogeneity in the way news is produced and consumed (Arrese & Kaufmann, 2016). Both startup and legacy journalistic cultures show trends of hybridization (Chew & Tandoc, 2022), whereas sustainability appears as a source of both legitimacy and pressure (Becker & Waltz, 2017). Therefore, we need to conceptualize it in relation to two key dimensions: *community-building* and *journalistic value*.

Journalistic value refers to the nature of the services and products the outlet creates and distributes. It stresses how journalists organize their work, the values they prioritize, and their routines, such as assessing newsworthiness and managing relationships with sources. Specifically, it implies adapting to digitization as well as economic and authority crises. In a Bourdieusian approach, Chew and Tandoc (2022) speak of a *hysteresis* in the journalistic field between several profiles articulating distinctly two *habitus*: a journalistic and startup habitus. At an individual level, the changes imply "to stop dealing only with operational aspects, as this implies that they devote little time to deep strategic thinking, which would be associated with the development of digital products with less sophisticated perspectives in their

business models" (Villi & Picard, 2019, p. 129). This means experimenting with topics, formats, and timing (Jara et al., 2023) throughout the whole production process. These transformations also require multitasking for workers who are not yet specialized but combine previously separated roles. The best examples are advertising and journalistic functions, but they may also include technology, marketing, and audience engagement.

Localism and Community-Building

Between 2010 and 2016, research on local media increased tenfold (Gulyas & Baynes, 2020). The decline or weakening of these media in several countries undermines pluralism, affects diversity, and fuels news deserts (Choi & Malthouse, 2024). While news desert is an emerging area of research in Latin America, enterprise and business models are a more consolidated research agenda (Rodríguez–Urra, Trillo–Domínguez, & Herrera–Solano, 2024). Therefore, one of the key issues is local media and journalism's sustainability (Neff & Pickard, 2023). However, this corpus mainly covers cases in the Global North, and Latin American experiences have been fairly overlooked.

There are also differences in conceptualizing local media when looking at different experiences. Local media, community media, and local journalism have been used interchangeably, but they are context-dependent. For instance, in the United States, community media is understood as the press of towns; in the United Kingdom, it refers to media defined by a specific type of organization and professionalization, anchored in alternativity. Literature has also addressed what is known as hyperlocal media (Kurpius, Metzgar, & Rowley, 2010). Local journalism can be considered a provider of information, a market product, or an organization with social responsibilities (Matthews & Hodgson, 2024). Latin American media research has a rich tradition about alternative, community, and local media, as well as popular and underground journalism. Some of these differences have shaped national regulations (Sáez Baeza, Fuente-Alba, & Avilés Rojas, 2023).

A way to address the concept of "local" is disentangling social and spatial localism: The first is defined in terms of common interests and tastes, while spatial localism is established as where we live (Ali & Conrad, 2015). Then, audiences' identification with these news organizations can be conceived as a phenomenon integrating geographical and social dimensions, as well as people's experiences (Hess & Waller, 2016). Local media must consider three domains: geo-socio-political context, relationship with the community, and position within macro media ecosystems (Gulyas & Baynes, 2020). In other words, we conceptualize community as action, process, and practice (Walkerdine & Studdert, 2016) in relation to *players* and platforms (Donders, Onli, Raats, & Syvertsen, 2018) and as geographically located groups sharing symbolic, discursive, or kinship ties (Baines & Matthews, 2024). To explore the business models of digital local news media, we assume that the community's location within its territory contributes to configuring journalists' *habitus*, capitals, and trajectories within their local context. It sums up its experience in the media industry and within its previous local territory, as well as its relations to sources and audiences, while also revealing tensions between the two *habitus*—journalistic and startup, respectively—conceptualized by Chew and Tandoc (2022) as *hysteresis* in the journalistic field.

To address the local scale of digital news media's business model and the way it impacts the geographically located community and *habitus*, the concept of "territory" is productive; it enhances the glance at the scale variable of the media activity, and the analysis gains clarity. A territory considers two dimensions: objective territory/scale and subjective territory. The first implies an aggregate of quantitative data, while the second refers to a social construct operated by individuals. Thus, it helps to understand how local territory is a variable in developing a media model, as well as a process of social appropriation (Lefebvre, 1971) that local digital news media could operate through its editorial frames, beats, and spread across the territory. It implies the production of a local dimension and a shared territory between media staff and audiences, as well as sources and social media, as outlets are situated in a particular place and contribute to shaping it. Therefore, we characterize the relationship with territory through the strategies of *sustainability*, *journalistic value,* and *community-building*.

Methodology

This descriptive-analytic research focuses on six case studies of local digital news media across three local hubs in Chile: Antofagasta (North), Bío-Bío (South), and Magallanes (extreme South). The design is qualitative and inductive, drawing conclusions of theoretical sensitivity from data collected and analyzed sequentially from the outlets' official websites (platform biographies) and semistructured interviews with nine key informants, combining them later to better understand business models deployed by small- and mid-sized local digital news outlets. We examined the news organizations' explicit statements about their scope and editorial position, analyzing how (if so) these have evolved (if at all) based on digital traces from their official websites and how they match (or not) with their staff's perceptions about their operations.

Sampling

Chile is a small–media system compared with other Latin American countries. Excluding Santiago, the capital city, where the media industry concentrates (Mastrini & Becerra, 2017), the three sampled regions match three of the largest media hubs with a deep-rooted local media history. Punta Arenas is not one of the most populated cities, but it is relevant because of its considerable distance from the capital (3,000 kilometers), its strong history of local newspapers and radio stations, and its strategic geographical location as the southernmost city in the Americas.

We purposefully sampled two digital media from each of these zones, including a digital native news outlet or/and the digital branch of an originally printed newspaper. We selected six digital news media—*Diariodeantofagasta.cl*, *Timeline.cl*, *Resumen.cl*, *Sabes.cl*, *Elmagallanico.com*, and *Ovejeronoticias.cl*—according to five sampling criteria. First, according to their websites, they are oriented toward local audiences. Most of the sampled media state this in their "About Us" sections, except *Sabes* that does so in their "Editorial Line" section. Second, all outlets self-define as "independent media," allowing us to compare business models based on a homogeneous sample. Third, the selected media operated online over a relatively wide timespan (between 2009 and 2017). This feature provides a reasonable range for studying the adjustments these media organizations have made since their launch.

Access to digital archives is always a challenge. Therefore, the fourth sampling criterion was the availability of the news outlets' archives on the archive.org website through the Wayback Machine functionality. Finally, every news outlet must have been active at the time of the fieldwork.

Table 1. Sample.

Case Study	Title	Region	Creation	Focus	Websites visits overtime December 2023	December 2023 to February 2024	Device Distribution Desktop %	Mobile %
1	*El Magallánico*	Magallanes	2017	Information	77,415	178,034	8.8	91.2
2	*Ovejero Noticias*	Magallanes	2015	Information/ Opinion	28,746	76,640	32.9	67.1
3	*Sabes*	Bío-Bío	2015	Information	233,545	671,126	20	80
4	*Resumen*	Bío-Bío	2009	Opinion/ Investigation	233,545	562,414	15.7	84.3
5	*El Diario de Antofagasta*	Antofagasta	2011	Information	249,246	675,430	12.8	87.2
6	*Timeline*	Antofagasta	2013	Information/ Investigation	479,147	1,108,000	8.9	91.1

Note. Source: Own elaboration (Similarweb, 2024).

The final sample consists of relatively small to medium-sized, locally based, private media companies. They are both economically and editorially independent from big media corporations in a highly commercialized and concentrated media system in Chile. The weight of telecommunication companies on such a convergent sector sharpens an industry that has very few players and a public broadcasting organization with no public funding, competing with private broadcasters for audiences and advertising (Mastrini & Becerra, 2017).

Most of the sampled outlets perform informative journalism, although *Resumen* gives more room to opinion pieces compared with the rest. *Timeline* seeks to perform a watchdog role. The outlets differ significantly in their origin, development, and time in operation. *Elmagallanico.com, Resumen.cl*, and *Diarioantofagasta.cl* come from the print press, while *Timeline* morphed into a digital news outlet from its Twitter account (now X) and blog.

Finding the appropriate business model was an early challenge for the studied news outlets. Over their lifetime, they have explored several sources of funding at different levels and in diverse areas of the organizations. In the second period, these outlets tried to diversify their formats using video, podcast,

blog, and print content. Behind the scenes, they were testing audiences and opportunities to capture advertising. At a later stage, it seems that diversification in their business models focused on funding, exploring public grants, advertorials, public and political communication campaigning, and on-demand advertising.

Platform Biography

First, we elaborated a platform biography (Burgess & Baym, 2022) for each sampled outlet. This is both a systematic and serendipitous approach that deploys various secondary sources to make sense of digital platforms' complexity and changes over time. It also helps to trace the footprints of their business model by inspecting the specific socio-technical tools involved in the platforms. This approach investigates the many intertwined levels that create meaning, and shows how innovation happens over time, including material affordances, media ecosystems, and user experience.

Originally designed to analyze digital platforms, we adapted platform biography to digital news outlets' websites because it captures changes in media that have not necessarily evolved into platforms over time. We compared data about each outlet's journalistic approach and business model, tracing changes over time. We developed a coding sheet organized into four dimensions: website description (i.e., the website's interface, menu, and topics), *media sustainability*, *community-building*, and *journalistic value*. The process was inductive and iterative between the main author and two research assistants, mainly because of two technical hurdles. First, the available data through Wayback Machine varied significantly since the different sampled outlets' websites had their own digital architecture, graphic design, and beats names. Second, the application leads to error pages when tracing a website. Building up these platform biographies contributes to exploring the material dimensions of each outlet, focusing on production, distribution, and sales milestones.

Semistructured Interviews

We conducted nine semistructured interviews with key informants, including the founders/owners (FO, 5), editors (ED, 3), and monetization managers (MM, 1) of the six news outlets. Seven of the interviewees were men, and two were women. Each interviewee signed an informed consent form granting anonymity.

As these news organizations tend to be small- and mid-size, their staff perform several tasks (FOs are also EDs, for instance). It is worth noting that *El Diario de Antofagasta* and *Sabes* are organized under a relatively sharper division of labor compared with the rest.

Interviews were conducted face-to-face between April and December 2023 in the cities where the interviewees worked. In doing so, we collected data *in situ* (i.e., at the outlets' offices) and kept a fieldwork notebook. The interviews lasted between 17 minutes and 7 seconds, and 79 minutes and 14 seconds.

The questionnaire considered three axes of analysis: business model: the outlets' strengths and weaknesses compared with the field (competition); journalistic project: audiences and operation; and funding: revenues, partnerships, and sales. The questionnaire was adapted to the role of each interviewee in the organization.

All the interviews were conducted in Spanish, transcribed, before we manually and inductively coded them using a thematic analysis, considering emerging categories. We identified sources' perceptions about the business model, competitors, relationships with audiences and communities, journalistic performances, funding strategies, revenue sources, partnerships, and services, as well as how these aspects have changed since the outlet's foundation. The authors translated the quotes included in this article.

For triangulation purposes, we combined the data obtained from the platform biographies and the interviews. The findings are organized around three dimensions of the media business model: *media sustainability, community-building,* and *journalistic value.* We selected the most revealing evidence and quotes from the interviewees to discuss each dimension and its relationship with the territory. Thus, we focus on actions (*what*) and modalities (*how*), avoiding attempts to justify or evaluate past decisions or performances (*why*).

Results

Chilean digital local news media struggle to sustain themselves because of a challenge peculiar to their local market context: Unable to finance themselves through paid subscriptions, memberships, donations, and/or other community-engagement formulas, they must rely heavily on an intensive digital advertising strategy. Such strategy compels them to constantly deliver content in a fast-paced, flexible, and competitive manner, while facing precarious production conditions and journalistic multitasking. Therefore, at the local level, the territorial dimension is only visible in two aspects of the media business model: *community-building* and *journalistic value.* The weight of each one varies from case to case, depending on how each news outlet relates to its territory. Some view the local as an objective cluster of sponsors, sources, and audiences within editorially predefined geographical boundaries, while others conceive it as a subjective online community built around their digital features. The findings are organized around the main argument that the studied news outlets secure their funding through digital advertising, identifying the production dilemmas it entails and connecting them with community-building and journalistic routines.

Securing Funds

One major challenge for these news organizations is sustaining their operations. Most FOs tend to justify their decision to create or morph into digital media to fund their news production, often based on profitability. Even *Resumen*, one of the most partisan outlets in our sample, does so. Starting as a print newsletter, *Resumen* became fully digital in 2015 because of "high economic costs" and "a series of time and effort-intensive resources" (FO2). MM1 soon realized that "human efforts to print thousands of copies were titanic, whereas we could have 3,000 online visits in just one day." Additionally, two interviewees

considered broader media transformations as an incentive to digitize, especially after COVID-19. In sum, paper was viewed by the interviewees as both expensive and environmentally harmful.

Although sustainability concerns have driven the digitization of local media, few news outlets have managed to use content subscriptions for news funding. As one interviewee said: "The media must be at the service of the community and find ways to sustain themselves without charging the readers" (ED1). Another respondent linked this challenge to pluralism: "I find subscriptions super unfair. It's unfair to pay to access information" (FO4). On this basis, securing funds means, first and foremost, distributing free content.

Free and Diversified Products in Exchange for Advertising

The six studied cases chose to provide free content and focus their financial viability on advertising. Most of the studied platforms, except *Sabes*, sell advertising online and have a web section where interested parties can get information on a range of products—banners, ads, or native advertising— and fees. We observe some level of product diversification according to source and type of ads among them (Chan–Olmsted & Chang, 2003) and the consistency between media size, reach, and levels of product diversification (Picard & Rimmer, 1999).

Many FOs confirm the importance of stabilizing at least one major advertiser. For example, a news outlet relies on the utility sector: "There are some companies that believe in us and have been financing us since year one" (FO4). FO5 states, "Most of them [advertisers] are small- and medium-sized businesses, and we have only one bigger client." However, facing the risks of over-reliance on local funding conveys the need to avoid "*putting all the eggs in one basket*" (FO5; emphasis added), and manage a balanced portfolio. In Antofagasta, where the large-scale mining industry concentrates, *Timeline* had to devise a model to avoid dependency: "A single company cannot represent more than 25% of our income [. . .] Therefore, today our project could potentially reduce its sponsors to half and yet, stay afloat" (FO1). The respondent explains such a risk as follows:

> You've got a virtue and a vice here: companies willing to sponsor the news media are quite large, including some of the world's largest mining companies. This element must be considered because once you, as a news media outlet, explore these product lines for sales, you start off with very high prices. (FO1)

Counterintuitively, only two of the six news outlets sustain their business models by combining traditional advertising—such as banners—with native advertising, like sponsored articles. In Magallanes, *Ovejero Noticias* follows a structured model to publish sponsored content not only from local companies and international agencies but also from public institutions, including parliamentary offices and government campaigns. The editor takes some precautions, mainly to avoid sex trade, while allowing online gambling. The director has set a fixed pricing policy: "I've prepared a proposal for sponsors that explains how our model works, when we normally publish, and also a FAQs section [. . .] After many years working with this model, I've standardized the fees" (FO4).

Moreover, on a local scale, proximity to local sources increases the possibility of selling advertorials and diversifying products, blurring the boundaries between editorial and commercial content. For example, *Timeline* publishes sponsored content covertly through the hashtag "executive agenda," making it indistinguishable from journalistic reports. For *Timeline*'s founder, the reason is that in Antofagasta, any ad from a mining company about investments, expansions, or mergers inevitably becomes national news. Like sponsored content, FO5 explains that winning public bids to publish legal reports and announcements allows local digital news media to generate limited but steady revenue. All these different actions about content and advertising show that product diversification brings local digital news media closer to the realm of public relations and campaigning. In turn, it renders journalistic practice more complex. For example, three of the studied media organizations have launched their own communication consulting services: *El Magallánico*, *Diario de Antofagasta*, and *Sabes*.

A Tailored System for Advertising Distribution

The data also show how this business model, based on free-access content, advertising, and product diversification, relies on targeting the audience—identifying specific segments of the audience—and delivery, which involves using the platforms to better distribute content. Most local news outlets seem willing to use clickbait and monitor web traffic (Table 1). Considering how much they depend on advertising, some digital news media develop strategies to increase their followers and generate enough web traffic to attract advertisers. FO3 highlights that "to sell advertising, you need to demonstrate with data to potential clients that you're the first choice." FO4 adds that "over a month, we can reach around 46,000 visitors [. . .], companies request this to know how much [to invest]." The local scale becomes important when it comes to showing these metrics to advertisers to compare and assess. These metrics (see Table 1), for instance, allow *Timeline* to claim: "We are Antofagasta's most read news website" in its logo (see Figure 1). Since 2018, the same outlet has used widgets to show the level of user engagement for each product and content.

Figure 1. Timeline's (2022) logo.
Note. Source: Website's caption.

Even *Resumen*, anchored to the working class through the city port's union, uses automated tools to track their metrics today:

> At some point, we had to take a big step and start using Google Ad Manager. Everyone else does so! That shit [. . .] we had heated debates over this decision. Our audience levels grew so much that our website and servers couldn't keep up anymore, we were paying out of our pocket and that was unsustainable. (MM1)

These different practices of digital tailoring and personalized ads have changed traditional advertising in local digital news media. Many news outlets intensively use streaming services and social media to promote their digital content, often as headlines, aiming to drive web traffic. In most cases, journalists shape diverse content delivery strategies based on both the distribution's platform and the type of content.

> We've got the full version of a news article on our website, while on social media we post a picture with a summary and a link. We don't do it for every piece, just the most important of the day. (FO5)

Interviewees report that, over time, experience as well as trial and error have taught them which social media and/or streaming service suits each content:

> We've already understood that Facebook users are older; so, a political story will do horribly there. But on Instagram and Twitter, it'll do great. We've already started to diversify [our social media strategies] as we begin to understand our consumers. (FO1)

In sum, Chile's local digital news media has increasingly focused on traditional advertising and product diversification. They aim to tailor content and advertising products to specific audiences, which involves adjusting content to fit each platform and journalistic genre. By doing so, they increase their online follower base and web traffic—key metrics that encourage advertisers to invest. The local marketplace in each studied mid-sized city becomes very competitive for advertisers' attention. Moreover, alongside the delivery process, both production and journalistic routines undergo significant redefinitions because of the use of viral amplification strategies and the flexibilization of distributing information.

Flexible News Delivery

Advertising at the core of the sustainability model of Chilean local digital news media seems to shape journalistic routines and materialities. The routines of verification and fact-checking incarnates traditional journalistic values, such as responsibility and newsworthiness. However, how these values are produced and distributed is changing on a local scale as journalists specialize in strategies and skills to make content viral in a flexible newsmaking process.

Although all the interviewees report rejecting copy-pasting tactics to build up their followers and readers, their dependency on web analytics impacts both their newsroom organization and newsmaking. One of *Timeline*'s reporters specialized in generating web traffic is "constantly checking social media for sources and daily news" (FO1). He stresses the importance of this activity to ensure "sustainability, audiences, and funding." He delivers his main headlines in the morning and breaking news during the day, thus fostering viral amplification:

> Nowadays, we digitally amplify [content] on WhatsApp, because it works in an extremely fun way: if you get information that makes sense to you, your first reaction, even before reading it, is to share it in your WhatsApp groups. (FO1)

FO1 compares this digital channel to old newsstands, where newspapers were displayed. Then, instead of triggering a purchase, it prompts users to click and visit the website, thus exposing them to ads.

Increasing online traffic also seems linked to speed and immediacy. "We need to be the first," says an editor. *Ovejero Noticias* (2015) aims to inform people "at any time" (para. 1). Therefore, local digital news media follow the same impulse as media of national reach: priming is more important than scoop (Jara et al., 2023). In terms of territory, mid-cities' size helps with speed: "Here, fortunately, you can get everywhere fast" (FO5). Fast delivery is crucial for increasing advertising: "[We'll cover] whatever is happening on the streets; so, that gives us the advantage of being above the rest [of the news outlets]. It's also profitable" (ED1).

Strategic and fast digital news delivery, tailored to different audiences, may lead to an increasingly flexible production process but also to precarious working conditions. ED2 summarizes it this way:

> Technically, there're so few journalists that if I dismiss one, I'm left with a significant loss and I don't have anyone in the market to replace them immediately [. . .] Also, there's so much work. They work many hours, and the salary is low [. . .] Shifts are harsh because they work six days a week. (ED2)

The "sustainability" model of Chilean digital local news media is based on an intensive advertising strategy, relying on an endless cycle of news distribution, high-flexibility in production, and precariousness. These strategies vary greatly about each news outlet's relationship to its territory in terms of community-building and journalistic routines.

Territorialized Business Models: To What Extent?

The above analysis helps identify a common approach to sustainability among Chilean local digital news outlets and its consequences to journalistic production and distribution processes but also reveals some important differences in how they subjectively think about and objectively relate to their local territory. Two dimensions of the media business model configure this relationship with the territory: *community-building and journalistic value.*

Building Local: An Editorial Community

Local scale shapes community-building actions of digital news media's business model in, at least, three media dimensions: editorializing local issues, producing a local public sphere, and serving as a spokesperson for the community.

The local scale appears in the sampled outlets' editorial statements as a "regional area," often framed as an objective geographic territory, namely, a given scale embodied by an array of local institutions and organizations. In the Magallanes region, *Ovejero Noticias* defines itself as a *regional*

communication company that delivers "the most important news from the region to the people of Magallanes" (Ovejero Noticias, 2015, para. 1). However, they symbolically expand their territory to cover other areas they deem relevant, such as the Aysén region in the north of Magallanes and some Argentinian provinces to the east, like Santa Cruz's province, Tierra del Fuego, and Islas del Atlántico Sur (Ovejero Noticias, 2019). *El Magallánico*, on the other hand, claims, in its logo, to produce "news with a real regional identity" (see Figure 2) and deliver "100% regional news information" (El Magallánico, 2022, para. 6).

Figure 2. El Magallánico's (2017) logo.
Note. Source: Website's caption.

In Northern Chile, *El Diario de Antofagasta* defines itself as "a 100% local social media" (El Diario de Antofagasta, 2012, para. 1). It aims to "crack the communication monopoly in the city" and, as a spokesperson, to "be the voice serving all *Antofagastinos* without making any differences about their age, ethnicity, gender, class, politics, or religion" (El Diario de Antofagasta, 2012, para 3). Initially focused on the region's main city—Antofagasta—in 2013, it changed its scope "to deliver local, national, and international information" (El Diario de Antofagasta, 2013, para. 1) and, in 2015, "cover the three provincial capitals" of the Antofagasta's region (El Diario de Antofagasta, 2015, para. 3).

Timeline, on the other hand, describes their local scope as content-based. According to "About Us," its aim is to "reach readers with content 100% focused on Antofagasta" (Timeline, 2020, para. 1). Although its focus is local, its website features three news beats—regional, national, and foreign. This seems to be part of its strategic goal of competing with *El Mercurio*, the country's most prominent legacy newspaper and the owner of the main local newspaper: "Why my obsession with *El Mercurio*? Because I've always believed that *Timeline* had to take *El Mercurio*'s path [. . .] we had to rectify *El Mercurio*'s both editorial and strategic mistakes" (FO1).

These examples show how these news outlets editorially conceptualize local issues, and their geographic communities based on different criteria: cities, administrative divisions, economic and/or symbolic areas, and even different market strategies. Local companies, or both public and private local institutions, can embody these geographical areas as well. *Ovejero Noticias* (2015), *Resumen* (2013), and *Sabes* (2017) claim to have close-knit relationships with sponsors, audiences, and sources that are representative of the regions where they are based. The outlets' news beats underscore the importance of these different local organizations, particularly sponsors. For example, *Timeline* has been providing mining-related content since 2013. In its "Editorial Goals," *El Diario de Antofagasta* excludes sponsors

from its key stakeholders, focusing on audiences and sources when it aims "to provide Antofagasta inhabitants, as well as different actors excluded by the legacy news media, with a means of expression" (El Diario de Antofagasta, 2011, para. 5). This outlet then works as a producer of a local public sphere. El Magallánico explicitly distances itself from the "political, economic, and business sectors" (El Magallánico, 2017, para. 7). In sum, community-building derives from editorial decisions to interact a lot, little, or nothing with certain players. It contributes to their objective territorial definitions.

The interviews also show that local digital news media performatively build community through subjective territory conceptualizations. Like national digital media, their strategy is to engage audiences in the newsmaking process. *El Diario de Antofagasta*'s website has devised affordances to enhance user interaction, such as an opinion poll widget on the homepage. The poll seeks to represent the array of local population's attitudes and perceptions on issues that are typical of Northern Chile, such as mining and local elections. *Timeline*'s platform aims to foster citizen deliberation as well but through what they call *cyberconversations*: "a meeting place where cyber-inhabitants of this community gather to discuss online and exchange ideas on current events" (Timeline, 2014, para. 2). It is an aggregator of user content posted on different social media under the hashtag #Antofalovers. Indeed, these community-building efforts seem to activate a subjective online territory and produce a local public sphere.

In some cases, journalists also act as sources and even as community spokespersons for other national news outlets. *Sabes* is one of the most outspoken in this regard: "[committed to] represent those who inhabit this geographical space we all share" (Sabes, 2017, para. 2). *Ovejero Noticias* (2015) states that they serve as "the spokesperson for the people of Magallanes when needed" (para. 2). Acting as professional sources entails a higher level of credibility and helps these journalists turn into intermediaries between the local- and national-based newsmaking process; eventually, even on a foreign scale, too: "I've been called several times to be interviewed by radio BioBio, Chilevisión, Canal 13, TVN,[2] from Argentina and Colombia, as well" (FO4).

As spokespersons, local reporters embody their communities in the national, mainstream, and public spheres. The local scale and subjective territory appropriation also appear in journalistic routines in the shape of precarious multitasking professionals.

"One (Wo)man Band": Local Reporters and Their Routines

Local journalistic work is shaped by territorial elements such as the local scale, its context, and the audience. In the objective concept of territory, scale drives local journalists to prioritize breaking news and priming, despite their limited resources and skills to build a team capable of managing a rather complex newsmaking process. Most sampled local news outlets focus on informative content, particularly high in volume and immediacy, rather than investigative journalism. This seems related to the specificities of a mid-city's marketplace. For example, FO1 highlights the importance of breaking news stories as it gives them leverage over their competition within the local news ecosystem: "It's strategic for us to

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[2] BioBio is a network chain of radio stations across the country. Chilevisión and Canal 13 are private broadcasters and TVN is the public, national-wide, broadcaster.

publish live minute updates on social media. It happens quite often that *El Mercurio de Antofagasta* publishes, the next day, something we've already posted" (FO1).

To sustain this fast production pace, many media workers end up multitasking. One interviewee used the metaphor of a "one-(wo)man band" to illustrate how local journalists handle the demands of local news production under resource constraints. Multitasking refers not only to simultaneously handling news production, layout, and distribution but also to meeting multiple deadlines. The local scale, related to proximity and accessibility, seems to contribute greatly to multitasking. FO4 emphasizes the endless pressure to go live on Instagram and write stories on WhatsApp while unexpected events unfold. FO4 demonstrates that media directors can do a bit of everything: reporting, publishing, editing, and running a business. Our data consistently indicate that all the studied media organizations have small newsrooms with no more than three journalists. Furthermore, over more than a decade, teams have shrunk and shown instability (see Table 2). This highlights their limited capacity to hire more journalists and the shortage of qualified professionals in their locations. For instance, there are no training programs on journalism or communications in Magallanes.

Table 2. Estimated Staff Members (2009–2022).

	2009	2011	Dec. 2011	2012	Dec. 2012	2013	Dec. 2013	2014	2016	Aug. 2016	2018	2019	2020	2021	2022
Diario de Antofagasta		1	10	13	15	13	12	12	N/I	N/I	N/I	N/I	3	6	6
Timeline								4	4	4	2	5	5	5	5
Sabes									6	5	5	5	5	12	12
Resumen	1	N/I	N/I	N/I	N/I	N/I	N/I	N/I	N/I	N/I	N/I	N/I	N/I	N/I	N/I
El Magallánico													2	2	2
Ovejero Noticias													2	2	2

Note. Source: Own elaboration.

Multitasking in digital local news media has two main implications. First, the phenomenon reveals a pervasive precariousness: Many reporters have more than one job to increase their income. Second, as local FOs handle several roles, local elites tend to move more fluidly between the economic, political, and cultural fields in local territories.

This previous point is key because multitasking journalists do not seem open or able to develop new skills or collaborate with other professionals to perform a more complex or interdisciplinary newsmaking process. The interviews show conservative discourses about journalistic capital and trajectories, as if it were a question of defending a professional field. FO4 thinks that *journalism* is for *journalists*. He validates his status based on years of experience in the media industry, which gave him

transferable capital, access to sources, and recognition from audiences. Previous experience in a given territory is pivotal for journalistic capital. FO5 knows very well the times and rhythm of her mid-city's community, which provides her a relative vantage in accessing sources and meeting the requirements of the local audience. Then, territory is a shared experience among media workers and entrepreneurs, which has oriented journalistic routines and production processes toward multitasking, immediacy, flexibility, and precariousness.

In sum, local digital journalism has accumulated its capital by adapting to the local scale, leading to professional multitasking and community-building actions related to editorial, commercial, and representation goals. All these transformations lead them to implement flexible content delivery, which increases labor precariousness, and tailored product distribution, which prompts them to depend financially on advertising.

Final Remarks

This study contributes to the growing literature on local digital news media by exploring how two conceptualizations of the local territorial scale—objective and subjective—impact at least three media business model dimensions: *sustainability, community-building,* and *journalistic value.* We contend that the way a mid-city news outlet assembles the elements to map out an objective territory and dispute its subjective meaning is not neutral but rather shaped by factors such as available resources, staff, users, audiences, sources, metrics, roles, and platforms.

Each of the studied Chilean local news outlets builds up the territory where they operate, engaging with it as a community to create a sustainable business model and gain journalistic capital. For some, the territory is of editorial interest in news coverage; for others, it is a market, a media ecosystem, or a shared experience. Consequently, our analysis shows two main ways in which territory—a given scale of events, issues, and interests—seems to fit into the digital local media business model: (a) an objective scale defined by geopolitical and economic variables, and (b) a subjective scale defined by both shared interests and experiences or a common history.

Therefore, digital local news media deploy distribution strategies to bulk audiences and community-building actions to promote a local identity based on the overlapping geographical, social, and cultural dimensions of a territory, as previous studies have shown (Waller & Hess, 2014). As stated by Becker and Waltz (2017), by orienting the production process to this form of distribution, the studied news outlets end up turning their sustainability approach into a source of journalistic legitimacy and a way to exert pressure on the national digital news media. Similar to legacy media, economic viability hybridizes and becomes both a framework and a journalistic objective. As Gulyas and Baynes (2020) described in other cases, these community-engagement strategies pose a challenge to Chilean local digital news media. However, considering Chile's particular geography, this challenge does not necessarily stem from having a marginal position within the broader media ecosystem but rather from a limited relationship with it because of geographical and symbolic distance.

On their local scale, the analyzed media are small and operate within communities that are limited both objectively and subjectively. As a result, it seems difficult for them to attract many followers, which could enable new ways of funding. Therefore, they depend almost exclusively on advertising. This strong reliance on advertising is in turn shaped by the main economic activity of their respective territorial scale because it defines the type of advertisers and their purchasing power. Political and normative actions and frames are also important but are experienced by the local news media as opportunities or constraints in their relationships with advertisers, sources, institutions, organizations, and industry competitors. In some of the studied cases, such as *Timeline* and *Resumen*, we can identify a certain level of continuous improvement in services and products, which is a clear indicator of a media business model (Villi & Picard, 2019). However, these improvements are driven more by competition and available resources than by an interest in fostering community participation.

Digital local news outlets in Chile do not diversify their sustainability strategies beyond the field of media and communication. In this context, these news organizations develop services and strategies within the communication industry in a very narrow way (Chan–Olmsted & Chang, 2003). They offer products, consulting services, and even corporate spin-offs within the boundaries of media production. This confirms the consistent correlation between media size and reach and product diversification levels (Picard & Rimmer, 1999).

Therefore, community-building responds to engagement with certain types of local institutions and organizations to the exclusion of others and a given way of configuring their participation about metrics, audiences, and funding sources (Donders et al., 2018). The best example is the journalistic adjustments to the local economic activity observed in the studied news organizations' website beats and editorial statements. As stated by Baines and Malthouse (2024), these findings imply some threats to the role of journalism in the quality of democracy. The strong dependence on local sponsors and sources might compromise the independence and pluralism of local digital news media. We contend that their mere digitalization has not disrupted the corporate sponsorship model that has characterized legacy news media. At the local news media scale, opportunities for gatekeeping and framing on news content production and distribution persist, reducing the possibilities for community unbundling, civic debate, and public interest.

Therefore, the meaning of territory influences the *habitus*, trajectories, and status of local reporters. The cases we analyzed confirm that journalistic capital, on a local scale, declines with limited experience within the local media industry and that production rhythms and relationships with sources and audiences specifically fit to that scale. Against the low availability of professional training in journalism and communications in the explored Chilean mid-cities, *habitus* also appears related to *hysteresis* (Chew & Tandoc, 2022) in this context, where multitasking works as a blend of journalistic and startup cultures. However, there is an important nuance to the *hysteresis* phenomenon because even if multitasking is set in local journalistic teams—namely, the merger of the roles and tasks previously separated—traditional capital continues to be the way to acquire or maintain professional status.

Professionalism is still present in the imaginary of newsmaking at the local level, albeit challenged by the restricted chances of multi-competitor markets, increasing the risks of a "news desert"

(Choi & Malthouse, 2024). Therefore, local market and territory's subjective conceptualization, as well as media size, should all be considered to address both "news desert" and journalistic culture's transformation in territorialized business models. We additionally observe that the interviewees do not flesh out the challenge of collecting data for digital content distribution strategies, which largely threatens users' right to privacy and confidentiality. Further research could explore the likely paradox that local journalists are disconnected from what is at stake in media economic models when managing open-access websites.

This study is relevant because it examines an understudied case in a Southern country that has a high Internet penetration. In this context, the promise of greater pluralism is prominent because of the explosion of well-functioning independent digital media, yet our data show limited opportunities for this to happen. In the future, a bigger picture of this scenario should include studies focused on digital media from major media companies, which often compete for audiences with local media. It is also crucial to compare and stress the status of local digital news outlets across the region. These rich data could bridge the gap produced by the growing global interest in media business models.

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