

Quartz rocks the boat

Is Atlantic Media's new digital-only, mobile-centric service the model for future publishing?

 Kyle Hardy



ioneers are almost always branded as crackpots.

Or at least their grasp on reality is questioned and their chances of success pooh-poohed.

Were it not for Atlantic Media's stunning string of recent successes (*TheAtlantic.com*, *Atlantic Wire*, *Atlantic Cities*), the launch of *Quartz* in the fall of 2012 as a digital-only, tablet-focused product with high-priced talent, no app, and limited ad inventory would have been roundly ridiculed.

Nonetheless, before the launch, doubters were still out in full force. "I'm not buying the pre-launch hype," wrote Paul Raeburn for the Knight Science Journalism Program at MIT website. The site's "ad-funded strategy remains dicey" headlined a *Guardian* preview. In a pre-launch interview with *AdWeek*, Economist Group's managing director Paul Rossi said he didn't see advertisers increasing their advertising budgets and added that "there's a portfolio of failed companies" in the startup world. The *International Business Times* was curt: "*Quartz* faces steep competition and the uncertain world of online advertising."

Good morning,

But the pioneers turned out to be completely, totally, profitably sane. Not only that, *Quartz* may be blazing the trail that most other publishing companies should follow.

On the one-year anniversary of the *Quartz* launch last fall, long-time French journalist and *Guardian* media columnist Frédéric Filloux wrote that *Quartz* is “smart, fun, witty, basic and sophisticated at the same time. Like Jony Ive design at Apple, its apparent simplicity is the combined product of deep thought and of a series of bold moves by its owner. From all standpoints, content, organisation or even business model, *Quartz* came up with innovations.”

And indeed they did. From its mobile-focused, digital-only platforms and unique approach to advertising to its staffing, design, promotion, and delivery methodology, *Quartz* is the latest iteration in what could become the media model of the future.

Aiming at the front half of airplanes

Its founders had a crystal-clear vision: *Quartz* would be a news outlet for business people operating in the new global economy built primarily for the devices closest at hand (tablets and mobile phones) with an intense focus on email and social media.

“The editorial product is aimed at the front half of airplanes that crisscross from Zurich to São Paulo to Singapore, serving executives who are increasingly having similar conversations no matter where they land,” wrote David Carr in *The New York Times*. “It was built for tablets, conceived as a mobile product for mobile people.”

Setting itself apart from the other financial news services (Reuters, Bloomberg, Dow Jones), *Quartz* decided that while data are ubiquitous, intelligent, informed, provocative

“Sending quality content into users’ inboxes is one of the most effective mobile strategies possible.”

Kevin Delaney
Editor-in-chief, *Quartz*

insights are a rare commodity.

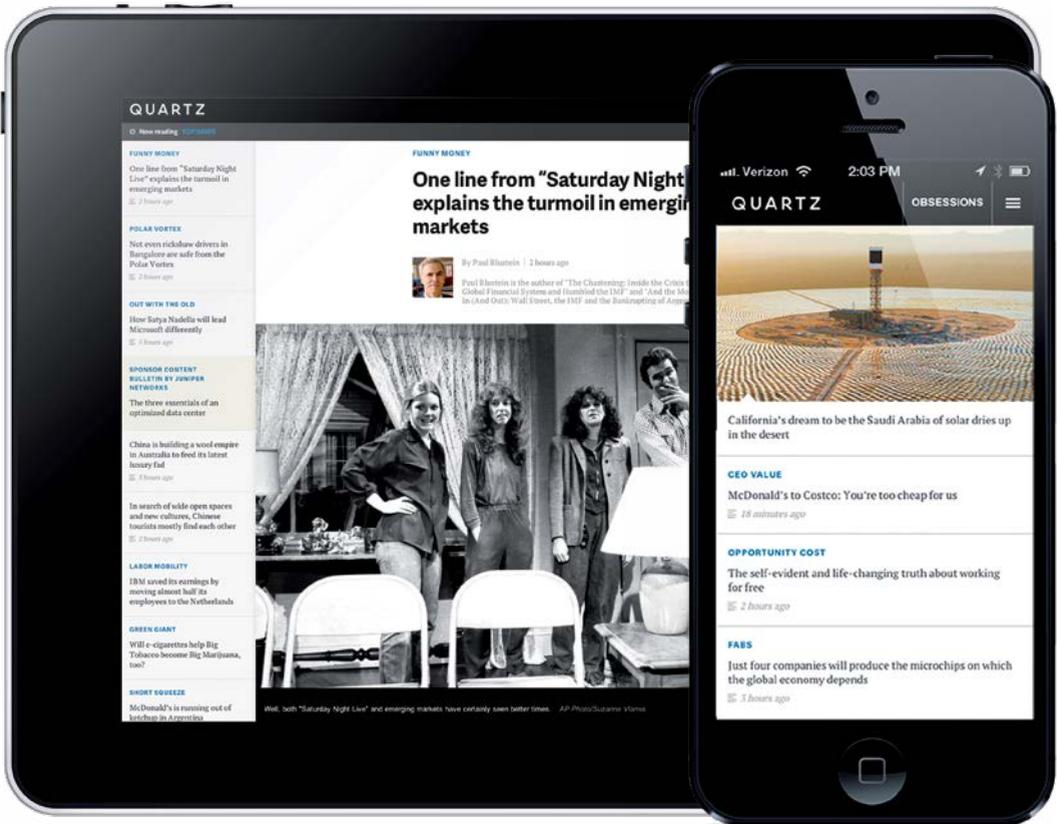
Quartz is “rooted in a set of defining obsessions: core topics and knotty questions of seismic importance to business professionals,” Atlantic Group owner David Bradley told *The New York Times*.

“Journalists in most news organisations have fixed ‘beats’: bond markets, personal technology, international trade, and so on,” the *Quartz* editors wrote. “At *Quartz*, we organise ourselves around the seismic shifts that are changing the shape of the global economy. We call these topics our ‘obsessions,’ and they evolve over time.”

“Any good blog or magazine has defining obsessions, and we’ll structure around the ones that we think smart, globally minded people will be interested in,” editor in chief Kevin Delaney told *The New York Times*.

When *Quartz* began, the 10 obsessions at the top of the home page included: The Fiscal Cliff, Low Interest Rates, Modern States, The Next Crisis, China Slowdown, Startups, and Consumer Class. In January of 2014, the obsessions included: Davos, The Sea, The Mobile

Quartz readers!



Web, Energy Shocks, Digital Money, The Euro Crunch, China's Transition, The Future of Finance, The Cloud, and How We Buy.

How Quartz stories are developed, created and delivered also breaks the mould.

Most of the 25 journalists on the staff of 50 are experienced professionals drawn from traditional brands. But there's nothing traditional about how they approach their jobs.

According to Delaney, the writers actually deliver complete content packages themselves, including photos (from services like AP or Getty or from Creative Commons sources) already cropped with captions, headlines, subheads, links, even infographics (made easy to create by ChartBuilder, an open-source program designed by one of the Quartz technologists and made available to publications worldwide). Many decisions, including final headlines, are often handled by quick, collaborative team chats.

"Our staff is slightly younger than the average newsroom, and it is steeped in the notion of entrepreneurial journalism," Delaney told *The Guardian*.

Print was never an option. "It's become very, very clear to me that digital trumps print, and that pure digital, without any legacy costs, massively trumps print," Bradley told *The New York Times*.

"Our design began with the iPad foremost in mind, and we modified it from there to suit smartphones and, finally, personal computers," the company announced. "Your experience with Quartz should befit the hardware you visit us with and shift as seamlessly as you do from phone to tablet to laptop and back again. Call us a website or, if you like, a web app: Quartz combines the benefits of the free and open web with the elegance of an application."

Quartz relies intensely on its daily e-news-

letter (and the subsequent sharing of stories by the e-newsletter recipients) to grow “earned” traffic. Called the *Quartz Daily Brief*, it goes out each morning (actually three times a day so readers get it in the morning wherever they are – 6am in London, Hong Kong, and New York City).

“Email is kind of the original social media, right?” senior editor Zach Seward told email service provider MailChimp in a blog interview. “It’s how people share the most important things with their most important contacts. As people spend more time on phones, email will only become more important. It’s a good way to stay in touch with our most loyal readers when people are consuming a wider array of sources and are less likely to visit homepages.”

“Publishers have old email templates that force you to pinch, zoom, and scroll to read them on a smartphone,” Seward added. *Quartz* uses responsive design so the content, including images, looks great on everywhere.

“Sending quality content into users’ inboxes is one of the most effective mobile strategies possible,” Delaney told *Folio* magazine.

The email delivery of content not only gets the *Quartz* content directly into the hands of readers but also yields an extremely valuable result: precise analysis of what’s working (and not) with individual readers and, taken together, different types of readers.

Quartz editors pore over the results, learning from which stories get clicks, and which don’t. “We look at that pretty closely,” Zach said. “We see that people don’t much click on links in the first half of the email, which makes sense since those are part of pretty concise news summaries. But they click a lot on the links to opinion pieces and ‘random discoveries’ that we include in the second half of the email, which also makes sense. Sometimes we notice a particular link is really popular among our readers and assign a follow-up story for *Quartz* based on that. So there’s a feedback loop in the click data.”

As a result of paying close attention to reader behaviour, publishing compelling stories that invite sharing, and encouraging social sharing of its content, *Quartz* is in the “sweet spot” of digital publishing: great volumes of “earned” traffic.

“It’s such a privilege, to be inside our readers’ inboxes each morning.”

Zach Seward
Senior editor

Between 85-90 per cent of *Quartz* traffic is “earned”, with social referrals making up 50 per cent of the total traffic, according to Delaney. Readers are no longer coming through the front door (the home page). By comparison, on legacy media sites, as much as 40-50 per cent of the traffic is through the home page, with only five per cent coming via social traffic.

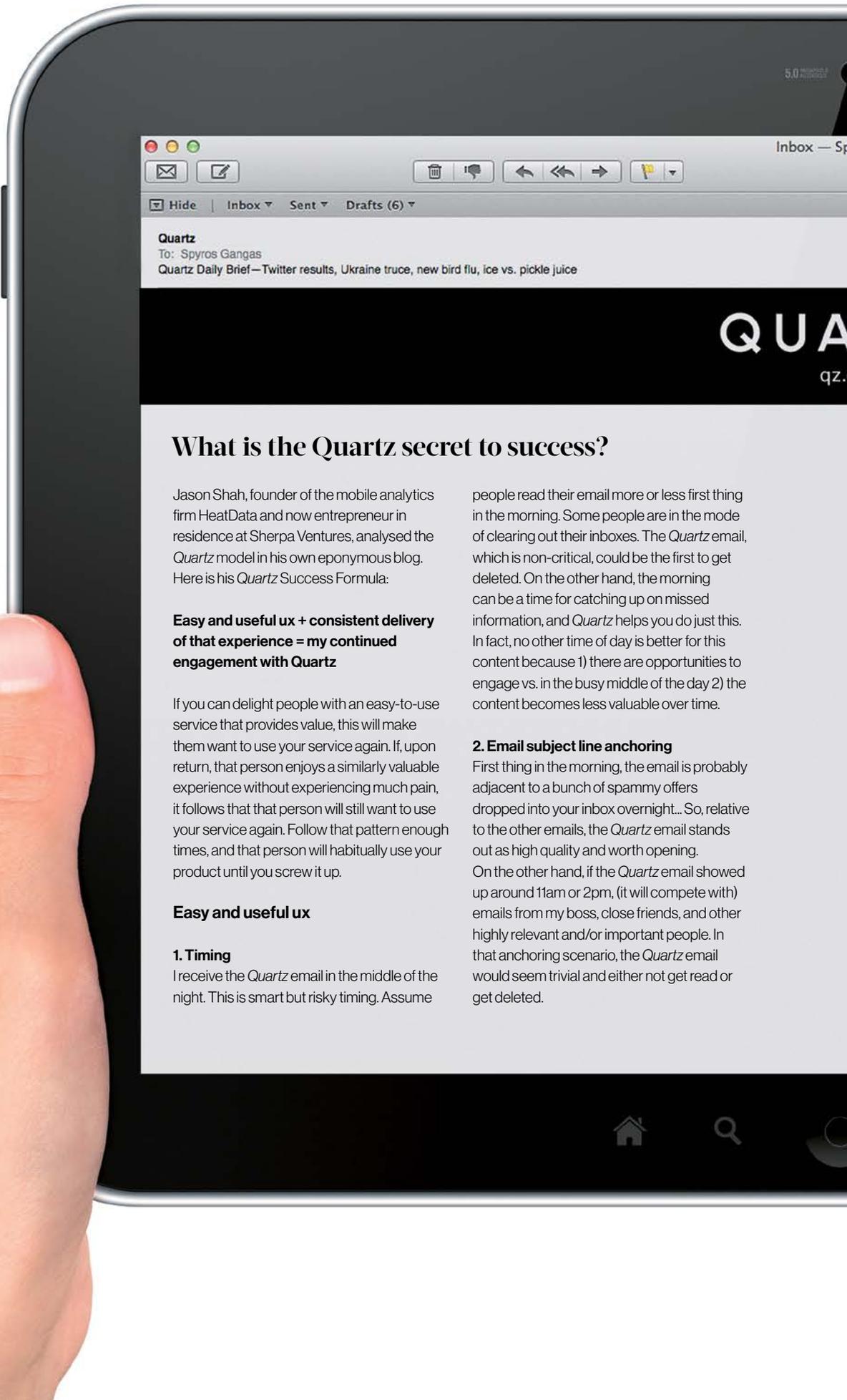
One of the biggest criticisms of *Quartz* before it launched was the company’s plan to eschew not only banner advertising but also a paywall, choosing to rely completely on contextual or native advertising.

But the critics were quickly quieted when *Quartz* debuted in September 2012 with four high-caliber brands – Chevron, Boeing, Credit Suisse, and Cadillac – who bought out the entire inventory for the rest of the year. Today, *Quartz* has more than 20 advertisers of the same caliber, and is reported to be close to break-even ahead of schedule.

While no one at *Quartz* has revealed any financial data, the word in the advertising community is that the CPMs for *Quartz* campaigns are as much as ten times higher than banner ads.

Because *Quartz* limited its ad inventory, there is a concern that once the inventory is sold, revenue is capped, outside of rate increases. So lately, *Quartz* started “*Quartz Live*,” its first foray into the event business that its parent company already does so well.

For a new venture that was considered risky, it’s been wildly successful. One good indicator? The critics have disappeared.



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Inbox — Sp



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Quartz

To: Spyros Gangas

Quartz Daily Brief—Twitter results, Ukraine truce, new bird flu, ice vs. pickle juice

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What is the Quartz secret to success?

Jason Shah, founder of the mobile analytics firm HeatData and now entrepreneur in residence at Sherpa Ventures, analysed the *Quartz* model in his own eponymous blog. Here is his *Quartz* Success Formula:

Easy and useful ux + consistent delivery of that experience = my continued engagement with Quartz

If you can delight people with an easy-to-use service that provides value, this will make them want to use your service again. If, upon return, that person enjoys a similarly valuable experience without experiencing much pain, it follows that that person will still want to use your service again. Follow that pattern enough times, and that person will habitually use your product until you screw it up.

Easy and useful ux

1. Timing

I receive the *Quartz* email in the middle of the night. This is smart but risky timing. Assume

people read their email more or less first thing in the morning. Some people are in the mode of clearing out their inboxes. The *Quartz* email, which is non-critical, could be the first to get deleted. On the other hand, the morning can be a time for catching up on missed information, and *Quartz* helps you do just this. In fact, no other time of day is better for this content because 1) there are opportunities to engage vs. in the busy middle of the day 2) the content becomes less valuable over time.

2. Email subject line anchoring

First thing in the morning, the email is probably adjacent to a bunch of spammy offers dropped into your inbox overnight... So, relative to the other emails, the *Quartz* email stands out as high quality and worth opening. On the other hand, if the *Quartz* email showed up around 11am or 2pm, (it will compete with) emails from my boss, close friends, and other highly relevant and/or important people. In that anchoring scenario, the *Quartz* email would seem trivial and either not get read or get deleted.





3. Compelling subject line (before it gets cut off)

Quartz squeezes in major news (that) I'm compelled to check out. Every day the subject line is different enough to entice me, but similar enough for me to identify it with a quick glance. Also, it manages to do all of this within the display character limit.

4. Personality

I am glad that at least *Quartz* takes the time to say "Good morning..." It's nice to read it first thing in the morning from what could otherwise easily be a robotic feeling newsletter. *Quartz* could also just end the email. But *Quartz* takes time to say goodbye to me and wish me a productive day. You know what? "Productive" is a key way in which I measure my day. So now I feel like *Quartz* gets me.

5. Laundry lists are lazy; Hold my hand and show me why i should care

Quartz has a problem. There are dozens of valuable stories to share every day. One

single list of article after article is hard to parse and hard to scan when necessary. Instead, *Quartz* breaks out articles with logical and consistent categories.

6. Focus my attention on the right things

Quartz is limited by the email client. The *Quartz* newsletter avoids images, perhaps because it would often not show up for readers with images turned off, the mobile rendering would be challenging, and scanning would be harder. So with just text, and basically bolding and hyperlinking, at its disposal, how does *Quartz* manage to focus readers on the most important content?

- a. Consistent, bold lead-ins for each story. This lets me scan easily.
- b. Strategic hyperlinking.

7. Facilitate further action without forcing it / have my back

It may be common practice by now, but the simple practice of accurately linking to parts of stories that need more evidence or support makes me trust *Quartz*.