

NewsMatch

2017 Learning Report

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Executive Summary

In early 2017, journalism grantmakers and key leaders in the nonprofit news sector identified an urgent need and opportunity to strengthen journalism in the U.S. As the press faced extraordinary economic and political challenges, we wanted to spark a conversation about the value of journalism and create new ways for the public to support public interest reporting by supporting nonprofit news.

It was clear to us then — and still is today — that if nonprofit news organizations are to achieve long-term financial sustainability, they have to draw more support from individual donors. Individual giving provides nonprofit news organizations with the unrestricted dollars that are critical to safeguarding editorial independence, building organizational resilience, and creating relationships that can improve the public's trust in journalism. Yet despite the need for individual fundraising, many nonprofit news organizations lacked the resources and expertise to run professional fundraising campaigns. Nor had there ever been a unified national message around the importance of making giving to nonprofit news a core part of U.S. philanthropy, especially during the critical year-end fundraising period.

NewsMatch, an effort launched by Knight Foundation in December 2016 that supported 57 nonprofit news organizations, became the vehicle to address this urgent challenge facing the sector. Building off the success of the 2016 campaign, Knight Foundation partnered with Democracy Fund, the MacArthur Foundation, Ethics and Excellence in Journalism Foundation, Institute for Nonprofit News (INN), News Revenue Hub, and The Miami Foundation to co-design and expand NewsMatch 2017 in an effort to increase the impact and reach of the program. By the end of the year they were joined by more than 20 other foundations and donors who set up matching campaigns alongside the national NewsMatch effort.

The program had three goals:

1. Incentivize new donors to support nonprofit news organizations
2. Build the fundraising capacity of nonprofit news organizations
3. Raise awareness of nonprofit journalism and its need for public support

NewsMatch

Quality journalism matters.

To reach these goals, NewsMatch provided 109 newsrooms with more than 500 hours of fundraising training, a professional campaign toolkit, national marketing around the importance of contributing to nonprofit news, targeted advertising using \$100,000 in ad credits donated by Facebook, and a 1:1 match of individual donations, up to \$28,000 per news organization.

This approach was designed to drive impact across three sets of stakeholders: nonprofit news publishers, the general public, and philanthropists.

This report is an analysis of the impact of NewsMatch 2017 on those stakeholders. NewsMatch partnered with an independent evaluator, Third Plateau, who reviewed NewsMatch applications and documentation data submitted after the campaign, compared fundraising results from 2016 and 2017, administered a survey to participants, and interviewed 18 participating organizations and eight donors. Third Plateau found that NewsMatch successfully drove impact for all three of its intended audiences.

In the end, NewsMatch 2017 raised more than \$4.8 million in three months from individual donors and a coalition of foundations. Those dollars went to support critical reporting at more than 100 nonprofit news organizations. It was a record-breaking year for giving to local and investigative journalism. What's more, nearly every one of the more than 100 newsrooms that participated raised more money from more donors than ever before. During the three months of NewsMatch, 43,000 new donors gave to nonprofit newsrooms. However, NewsMatch will only be a success if it helps change the landscape of nonprofit news long into the future.

As we move forward, we are committed to learning from this evaluation and strengthening NewsMatch's ability to support a bright future of journalism in America.

— The NewsMatch Funders

Stakeholders and Objectives

For **nonprofit news publishers**, NewsMatch sought to:

- Strengthen core fundraising capacity
- Grow unrestricted funding from individual donors
- Connect new individual donors to newsrooms
- Increase the public profile of participating organizations

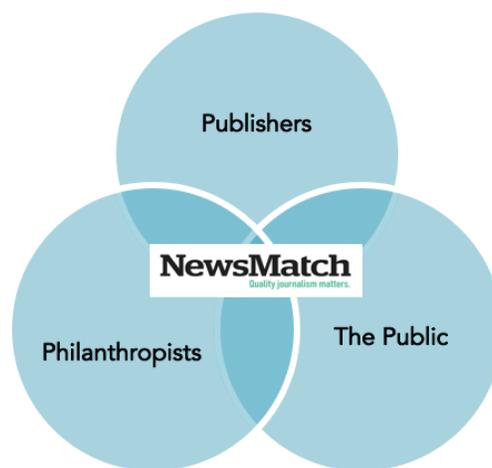
For **the public**, NewsMatch sought to:

- Increase awareness of nonprofit journalism and the need for public support
- Encourage donations from individuals
- Create a simple way for people to find and donate to quality journalism
- Increase exposure to high-quality nonprofit news organizations

For **philanthropists**, NewsMatch sought to:

- Increase awareness of nonprofit journalism and the need for philanthropic support
- Create a simple on-ramp for foundations to support nonprofit news
- Establish a scalable vehicle for foundations to support capacity building and newsroom sustainability
- Foster philanthropic partnerships that expand the impact of individual donors

Figure 1. NewsMatch Stakeholders



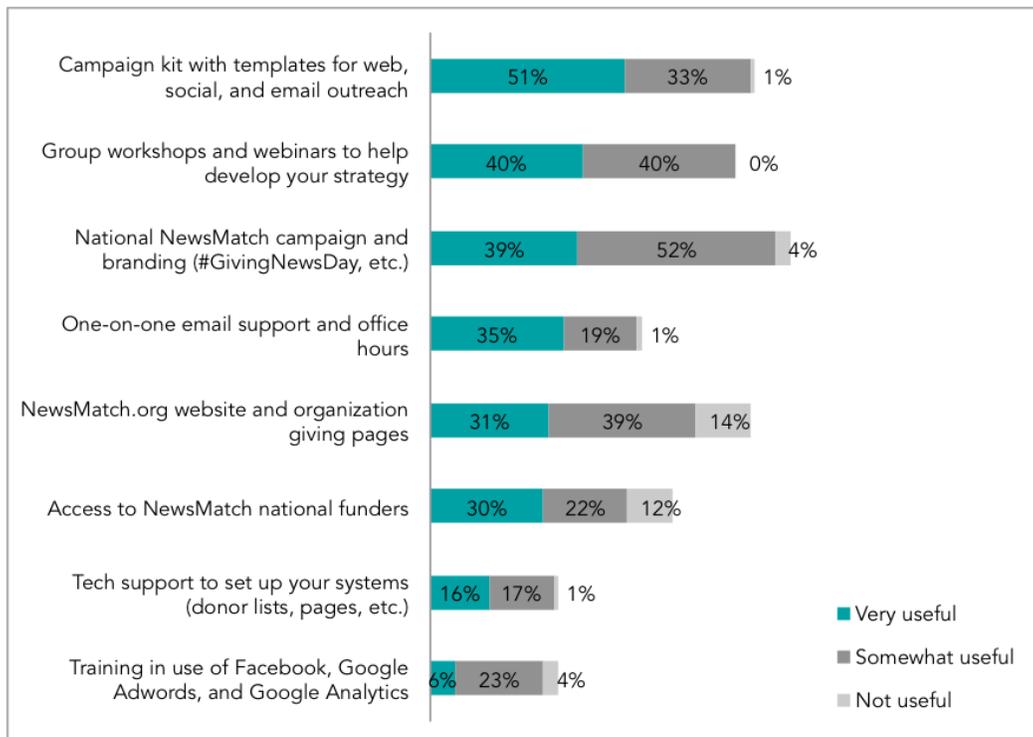
The Impact of NewsMatch on Nonprofit Newsrooms

The external evaluation found that, despite a wide range of initial fundraising capacity across organizations, participants were able to strengthen their internal fundraising capacity, acquire new donors, and observe increased awareness of their organizations through the campaign. The following findings are drawn from the evaluator’s report.

Increased Fundraising Capacity

According to the evaluation, “almost all participants (99%) found value in the NewsMatch support services provided through INN and News Revenue Hub. Most useful was the week-by-week campaign toolkit that was distributed to all participating newsrooms to guide their fundraising efforts, followed by the regular group workshops and webinars and the national NewsMatch campaign and branding.” (See Figure 2 below.)

Figure 2. NewsMatch Support Services by Percent of Organizations That Found Them Very Useful, Somewhat Useful, or Not Useful



Source: NewsMatch 2017 Survey

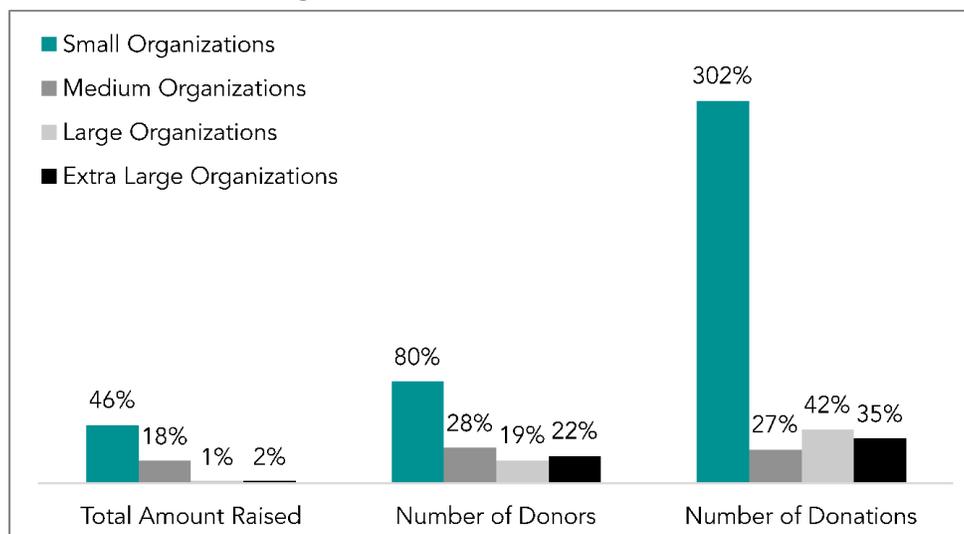
The evaluation also determined that:

Access to national NewsMatch funders was the only support service that higher performing organizations (those in the top half of dollars raised) found more useful than organizations in the bottom half, at a rate of 57% and 42%, respectively, according to the NewsMatch survey.

The support services may also have a positive impact on future behavior. One participant noted in the survey, *"I would not have invested the time or money to create such quality tools if they were not available to me as easily as they were. And now that I witnessed the power of excellent marketing tools, I WOULD invest the time and money in developing tools in the future (if and when NewsMatch goes away)."*

For most of the NewsMatch participants, capacity to fundraise from individual donors appears to be strengthening over time. In 2017, the majority of NewsMatch participants raised more money, attracted more new donors, and received more donations than they did in 2016 [January to December]. This increase was most dramatic for small organizations (operating budgets below \$200,000), which between 2016 and 2017 reported a 46% increase in the total amount raised from individual donors, an 80% increase in the total number of individual donors, and a 302% increase in the number of donations from individuals (see Figure 3 below).

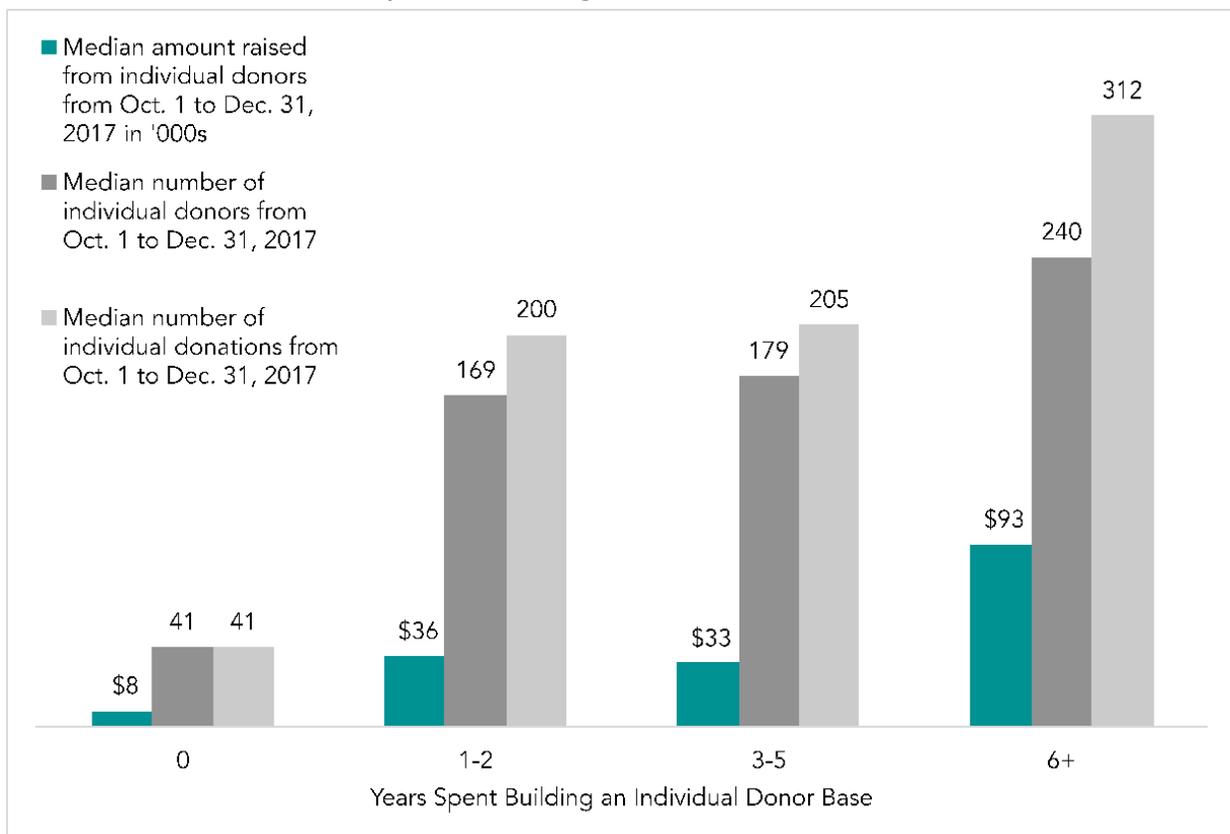
Figure 3. Percent Change in Individual Dollars, Donors, and Donations by Organization Size 2016-2017



Source: NewsMatch 2017 Submittable Form

Regardless of organization size, the largest performance differential — in the amount raised, number of donors attracted, and number of donations secured during NewsMatch — was between organizations that had not started building an individual donor base and organizations that had been building one for 1-2 years. As shown in Figure 4 below, organizations with 1-2 years of investment in individual fundraising raised 330% more dollars, attracted 312% more donors, and secured 388% more donations during NewsMatch than organizations with no prior experience going into the campaign.

Figure 4. Amount Raised, Number of Donors, and Donation Size by Number of Years Spent Building an Individual Donor Base



Source: 2017 NewsMatch Application Form

New Donor Acquisition

With regard to new donors, the evaluation found that:

All of the 106 organizations for which there are data reported receiving at least one donation from a new donor during the campaign. Of those, 50% secured 94 new donors or fewer, and 15 organizations (14%) secured more than 400 new donors. The percentage of new donors secured by individual organizations during NewsMatch ranged from 5% of donors during the campaign to 100%. On average, 51% of organizations' donors during NewsMatch were new. See Table 1 below.

Table 1. New Donors Secured During NewsMatch

Total	43,014
Maximum	8,051
Minimum	1
Median	94
Average	406

Source: NewsMatch 2017 Submittable Form. N=106

In the NewsMatch survey, 86% of respondents agreed that the campaign enabled their organization to bring in more new donors than they would have had NewsMatch not occurred. Of these organizations, most (32%) attributed their ability to bring in new donors to the 1:1 match itself. Other less frequently cited explanations for new donor acquisition noted during the evaluation were:

- The campaign serving as the impetus to launch a concerted year-end fundraising campaign targeted at bringing in individual donors;
- Increased pace of targeted fundraising communications that created a sense of momentum during the end-of-year giving period; and
- Increased organizational credibility due to the national NewsMatch campaign's association with prominent national funders.

One organization noted in the survey, "NewsMatch emboldened us to speak more positively and eloquently about our own accomplishments and the importance of our mission and our work. It even made us acknowledge our accomplishments more fully to ourselves than we had before! As a result, we felt comfortable asking more from our readers in return."

The most commonly cited successful new donor acquisition tactic noted by nonprofit participants in the survey was the email campaign, cited by 24 respondents, followed by social media ads, cited by 15 respondents. However, social media more broadly was also the most commonly cited unsuccessful tactic for new donor acquisition, cited by 22 respondents. The participants that cited social media as a tactic they tried but did not work to bring in new donors specifically mentioned the difficulty of driving potential donors from their social media pages to their donation pages, low response rates for getting supporters to set up their own peer-to-peer fundraising efforts, and general uncertainty around the impact of their efforts.

According to one survey respondent, *"We mistakenly used Facebook to collect donations but later learned that those donations are in most cases anonymous. So while they were probably new donors, we can't tell if that's true or not."*

Increased Awareness

In terms of increasing awareness about local journalism, the evaluation found that:

According to 55% of survey respondents, NewsMatch helped build awareness and support for local journalism in their communities. While this represents just over half of survey respondents, only 9% overtly disagreed with the statement, and 36% were unsure. Organizations cited the following evidence as reason to believe that the campaign raised awareness of nonprofit journalism:

- The number of new donors that contributed to their organizations during the campaign;
- Comments in donations indicating the influence of NewsMatch messaging on their decision to contribute; and
- Mentions of NewsMatch on social media.

According to one nonprofit survey respondent, *"To the extent that it made us do more outreach, it definitely helped build awareness not only about issue itself but also about the role journalism has played in bringing a once-invisible issue into the public view and spurred public debate and policy reforms."*

The Impact of NewsMatch on the Public

NewsMatch.org, the website created for the 2017 campaign, was the first-ever one-stop website where people could search nonprofit news organizations by topic or geography and donate to multiple newsrooms with a single transaction. NewsMatch.org was designed as a national campaign landing page; but we didn't force people to donate through NewsMatch.org to have their contributions matched. Most participating newsrooms chose to drive traffic to donation pages on their own websites to build direct relationships with donors. This was encouraged by NewsMatch funders. Yet, most NewsMatch participants (93 out of 109) also raised money on NewsMatch.org during the campaign. However, the \$244,000 raised through the site represents just 1% of the total funds raised from individual donors from October to December 2017.

This unique campaign landing page was complemented by a national day of action on Giving Tuesday, which NewsMatch dubbed #GivingNewsDay, when journalists, celebrities, and politicians on both sides of the aisle talked about the importance of donating to nonprofit news. Mark Ruffalo, Michael Kelly, Cara Mund (Miss America), Dana Bash, Greta Van Susteren, and others joined the effort.

Near the end of the year Facebook donated \$100,000 in advertising credits to publicize NewsMatch and drive donors to support local and investigative newsrooms via NewsMatch.org. An evaluation of this effort by BerlinRosen found that "the Facebook Ad campaign successfully reached a large, targeted audience during the final two weeks of NewsMatch. NewsMatch ads were seen seven million times, generated over 55,000 clicks to the NewsMatch.org website, and brought in 76% of the total dollars raised on NewsMatch.org during the final two weeks of the campaign."¹

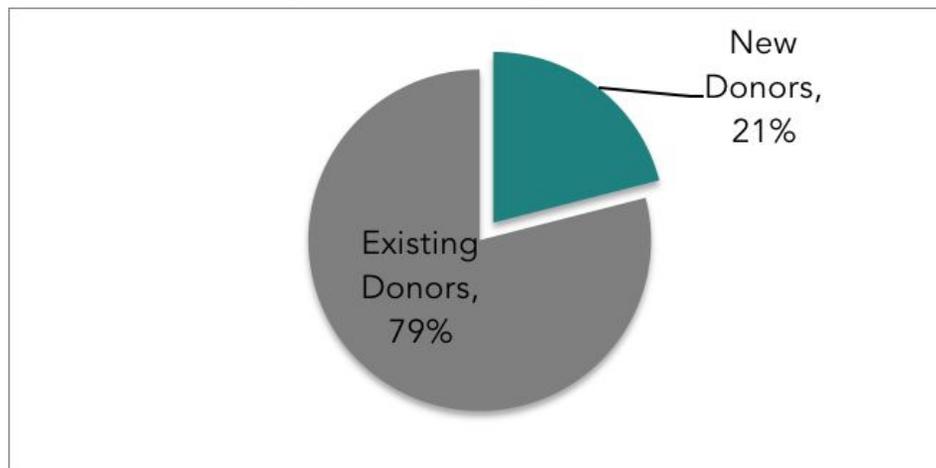
Six of the eight donors interviewed for the evaluation heard about NewsMatch before contributing to the campaign. One donor noted that they converted from a reader to a donor when they recognized the need from the organization during NewsMatch. The individual contributed to the

¹ Proportional estimate based on percentage of web traffic generated by the Facebook campaign. Source: NewsMatch Digital Advertising 2017 Report by BerlinRosen.

organization before realizing the money would be doubled and decided to contribute again to increase the amount of their donation for the match.

The evaluation found that for local communities and donors, NewsMatch increased broad awareness around the importance of nonprofit journalism and the need for public support. As mentioned above, 55% of survey respondents agreed that NewsMatch helped build awareness and support for local journalism in their communities. Awareness-building tactics included in the design of NewsMatch were a national marketing campaign, the NewsMatch.org website, a national-to-local Facebook ad campaign, and individual advocacy by participating organizations and donors. The combination of these efforts with the efforts of participating news organizations led to a total of 202,921 donors contributing during NewsMatch (October to December 2017) and 43,014 individuals (21%) supporting organizations for the first time (see Figure 5 below).

Figure 5. New vs. Existing Donors During NewsMatch (Oct. to Dec. 2017)



The Impact of NewsMatch on Philanthropy

NewsMatch was designed to be a platform for philanthropic partnerships, welcoming both long-time media funders and those new to funding journalism. NewsMatch made it easy to participate by working with The Miami Foundation to administer the fund and centralize due-diligence and grantmaking. NewsMatch leveraged foundations' contributions through its individual-matching requirement as well as by providing capacity building support for participating newsrooms. This helped ensure that foundation

investments had impact well beyond the dollars put into the fund and helped increase the financial sustainability of nonprofit news into the future.

In 2017, NewsMatch drove additional philanthropic dollars to participating organizations in three key ways:

- By growing the national matching fund from \$1,425,000 in 2016 to \$3,080,000 in 2017, an increase of 116%. Four funders contributed to the national fund.
- By partnering with regional and topic-specific funders to create additional, targeted 2:1 matches:
 - The Rita Allen Foundation joined NewsMatch to support 12 nonprofit news organizations conducting science journalism
 - The News Integrity Initiative joined NewsMatch to support 10 nonprofit news organizations led by and serving diverse communities.
 - The Wyncote Foundation joined NewsMatch to support three nonprofit news organizations in Pennsylvania and New Jersey
 - The Gates Family Foundation joined NewsMatch to support one nonprofit news organization in Colorado
- By supporting participating newsrooms that wanted to leverage the national match to secure additional matching funds from local foundations. At least 17 additional local matches were set up by participating newsrooms with local donors and foundations.

NewsMatch was highly collaborative, strengthening relationships between funders across different topics and geographies. “We haven’t been a media grantmaker per se but we do make grants to nonprofit news outlets,” Melissa Milios Davis, Gates Family Foundation vice president for strategic communications, told NewsMatch project manager Jason Alcorn. “NewsMatch really allowed us to leverage the grantmaking we do locally and work with national partners to get more engaged in the conversations around independent media.”

“The NewsMatch platform allowed us to target our support to an area of particular interest for us — connecting citizens with high quality, vital scientific information,” said Jonathan Kartt of the Rita Allen Foundation. “The simple platform and support team at the Miami Foundation made it all

possible with minimal administrative burden on our end. Perhaps the most valuable part was the opportunity to connect with and learn alongside existing and new partners and colleagues about sustainable support for nonprofit journalism.”

In total 25 funders and donors participated in NewsMatch. According to the NewsMatch survey, these efforts resulted in at least an additional \$886,352 (on top of the \$3 million national fund) secured by 77 participating organizations during the campaign.

Remaining Questions

While NewsMatch was incredibly successful in meeting its intended goals this year, critical questions remain for each set of stakeholders. The evaluation raised a number of important questions, including:

For **nonprofit news publishers**:

- How can nonprofit news organizations fully leverage the match and stretch to meet increased end of year fundraising goals?
- What role might nonprofit news organizations play in rallying support for nonprofit and fact-based journalism beyond their own organizations?
- How can nonprofit news organizations continue to build fundraising capacity within their organizations, including hiring staff, leveraging technology, and being more strategic in their efforts?

For **the public**:

- How can donors to nonprofit journalism organizations support nonprofit fact-based journalism more broadly, beyond individual donations to organizations?
- How can nonprofit, fact-based journalism continue to provide and articulate its value to more people and communities?
- What inspires individuals to invest and continue to invest in nonprofit journalism organizations?

For **philanthropists**:

- What is the most sustainable funding/business model for nonprofit news organizations?
- What fundraising capacity support do nonprofit news organizations of different sizes and structures need to become more financially sustainable?
- How can NewsMatch continue to grow foundation support to local and investigative nonprofit newsrooms?

What's Next

To leap forward in these areas, nonprofit news publishers, the public, and philanthropists can and should consider the following.

To **nonprofit news publishers**: Build on your success with NewsMatch through year-round individual donor cultivation and stewardship; continue to experiment with diversified funding models; and share best practices and insights with one another.

To **the public**: Continue to recognize the importance and impact of nonprofit fact-based journalism in their daily lives and decisions; increase individual, peer, and community investment in nonprofit fact-based journalism; and support nonprofit fact-based journalism in ways beyond their own individual giving.

To **philanthropists**: Continue to fund NewsMatch with new partners, structures, and incentives in place to further drive its intended outcomes; provide customized trainings to support nonprofit news organizations at different stages of organizational development and growth; and create spaces for peer learning and connection across nonprofit news organizations and funders.

We hope you will join us in exploring these questions and opportunities to support the sustainability of the journalism field and the future of our democracy.

About the NewsMatch Partners

Democracy Fund

The Democracy Fund is a bipartisan foundation established by eBay founder and philanthropist Pierre Omidyar to help ensure that our political system can withstand new challenges and deliver on its promise to the American people. Since 2011, Democracy Fund has invested more than \$70 million in support of effective governance, modern elections, and a vibrant public square. For more, visit democracyfund.org.

The John S. and James L. Knight Foundation

Knight Foundation is a national foundation with strong local roots. We invest in journalism, in the arts, and in the success of cities where brothers John S. and James L. Knight once published newspapers. Our goal is to foster informed and engaged communities, which we believe are essential for a healthy democracy. For more, visit knightfoundation.org.

The John D. and Catherine T. MacArthur Foundation

The MacArthur Foundation supports creative people, effective institutions, and influential networks building a more just, verdant, and peaceful world. MacArthur is placing a few big bets that truly significant progress is possible on some of the world's most pressing social challenges, including over-incarceration, global climate change, nuclear risk, and significantly increasing financial capital for the social sector. In addition to the MacArthur Fellows Program, the Foundation continues its historic commitments to the role of journalism in a responsible and responsive democracy, as well as the strength and vitality of our headquarters city, Chicago. More information is available at macfound.org.

Ethics and Excellence in Journalism Foundation

Founded by Edith Kinney Gaylord, Ethics and Excellence in Journalism Foundation's mission is to invest in the future of journalism by building the ethics, skills and opportunities needed to advance principled, probing news and information. For more, visit journalismfoundation.org.

Institute for Nonprofit News

The Institute for Nonprofit News is an incubator and support network for nonprofit newsrooms, strengthening the sources of independent, public service information and investigative journalism for thousands of

communities across the U.S. INN is the only organization in the U.S. specifically focused on supporting the emerging nonprofit news sector. For more, visit [INN.org](https://inn.org).

News Revenue Hub

The News Revenue Hub helps news organizations build the trust and financial support of their audiences by providing customized technology tools and proven strategies to create and sustain successful digital membership programs. For more, visit fundjournalism.org.

The Miami Foundation

Since 1967, The Miami Foundation has used civic leadership, community investment and philanthropy to improve the quality of life for everyone who calls Greater Miami home. We partner with individuals, families and corporations who have created more than 1,000 personalized, philanthropic Funds. Thanks to them, we have awarded over \$250 million in grants and currently manage more than \$300 million in assets to build a better Miami. As the Foundation marks our 50th anniversary, we are celebrating great Miamians who have championed what matters to them, encouraging all residents to share their Miami stories and unite around the causes they care about. For more, visit miamifoundation.org.