

# News Revenue Hub

Sustaining Public Service Journalism



# What is the News Revenue Hub?

We help digital news organizations achieve financial sustainability through customized tech tools and tailored strategies.

- **Strength in relationships:** Foster audience trust and loyalty that inspires long-term investment.
- **Save time and money:** Automate and manage critical fundraising tasks allowing news organizations to focus on content production and audience development.

# What do we know?

Our executive team worked at **Voice of San Diego** where we developed a best-in-class membership program for nonprofit digital news. Our Director of Client Relationships ran the membership program at the **Texas Tribune**.

We've been in your shoes before.



# Who's In The Hub?

Current Hub clients are national, state and local news organizations, including Pulitzer winners. Most are nonprofit, all are renowned.



# More Than \$4.2 Million Raised

- **Immediate results:** Clients collectively raised more than **\$2,945,175** in secured donations
- **Predictable revenue:** More than **\$1,336,013** pledged by donors (committed monthly/yearly gifts)
- **New constituents:** Clients increased their pool of potential members (subscriber database) by 22 percent

# Why membership?

- It's not about transactions. It's about relationships.
- Build an informed community by making information accessible.
- Be honest and transparent about your financial needs.
- Ask your readers, “How much do you value quality reporting?”

# Case Study: Honolulu Civil Beat

- Launched in 2010 as a for-profit shop with a metered paywall.
- They also had the backing of a billionaire.
- Steadily reduced the price and saw mediocre growth.
- Made the switch in 2016. Became a nonprofit and dropped the paywall.

# Case Study: Honolulu Civil Beat

- Editors, reporters and the development team introduced themselves over a series of emails.
- They asked their audience to **give what they thought the content was worth.**
- Results: revenue from individuals increased by 78%. Average “transaction” increased from \$60 to \$140.



# Case Study: Honolulu Civil Beat



Dear Reader,

I'm Ben Nishimoto, the director of philanthropy at Civil Beat, here to give you some insight on our guiding principles as a nonprofit news organization. I want you to know that we demand transparency from government, business and others in positions of power. We hope that you benefit from these efforts, especially when our investigations shed light on things that are unjust and potentially harmful.

But none of what Civil Beat does would mean anything if we fail to earn your trust. That's why we are committed to transparency in every aspect of funding our small nonprofit newsroom.

- Be transparent.
- Educate readers on your real needs.
- Help them understand the responsibility of a news consumer.

# Quality vs. Quantity

The success of a membership program depends on how strong your relationship is with your readers.

No gimmicks or tricks. Genuinely help subscribers understand your purpose, mission and challenges.

# Case Study: Spirited Media Group

Local for-profit news orgs in Philadelphia, Pittsburgh and Denverite.

Launched in February and March.



# Early Results

## Newsroom #1

**Email Subscribers:** 9k and growing

**Total raised:** Approx. \$20k

**Conversion:** 4%

## Newsroom #2

**Email Subscribers:** 7k and growing

**Total raised:** Approx. \$6,500

**Conversion:** 1-2%

# Priming your readers

# Back to basics

At the Hub, we've found that many news readers don't know much about the sites they visit.

- They probably don't know you're a nonprofit. They're probably not familiar with the concept of "nonprofit news."
- They might see your donate button, but they don't know why they should click on it.
- They might think you're a newsletter only, and not even know you're a website.
- They may distrust you. Have they been given a reason not to be skeptical?

# Goal

Help readers understand your organization's purpose—and prime them for donating in the future.

- Tell readers about your organization and make a case for its need
- Ask readers to evaluate the service as they get to know you
- Tell readers you intend to ask them to donate later, so they should think about value now
- Clearly state options for accessing your work
- Give them a way to reach you

# Create a Welcome Campaign

- Put these concepts into practice by creating a welcome campaign or a “drip campaign.”
- Send your subscribers a series of automatic, pre-written marketing emails to help them understand your organization.
- MailChimp offers automation for free. Alternatively, you can manually send a welcome email to new readers once a week.



# Prime them for an ask

- By the time you're reading to ask for a contribution, readers will already be familiar with your mission and what you need to operate.
- Connect the dots: help them understand how their contribution powers your reporting and how your reporting impacts change in your community.

# Afternoon workshop

1. Outline your welcome campaign
2. Try writing a timely topical pitch