THE STATE OF NONPROFIT NEWS

INN Index 2022



Institute for
Nonprofit News

About INN

The Institute for Nonprofit News strengthens and supports 500 independent news organizations in a new kind of news network: nonprofit, nonpartisan and dedicated to public service. From local news to in-depth reporting on pressing global issues, members of the INN Network tell stories that otherwise would go untold – connecting communities, holding the powerful accountable and strengthening civic life. INN programs help these news organizations develop revenue and business models to support strong reporting, collaborate on editorial and business innovation, share services and advance the diverse leaders who are forging a new future for news.

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About the Index

The INN Index is the most comprehensive study of the state of nonprofit news.

Since 2018, the Institute for Nonprofit News has conducted this annual Index survey of its member nonprofit news organizations. INN member news organizations act as a research consortium by sharing their business and editorial statistics to help each other benchmark their own development. The sharing also helps INN and the field evaluate and better understand new media models as they form: the staffing, business models, financials, and editorial focus of newsrooms in the growing movement of public service journalism.

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THANK YOU TO OUR FUNDERS

Google News Initiative

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The Nonprofit News Difference:

INN's work in the field points to key differentiators that characterize nonprofit journalism.

1. **EDITORIAL FOCUS:** Nonprofit newsrooms prioritize reporting that meets public needs but is challenging to produce, including specialized in-depth reporting, investigative and civic work to hold governments accountable, and robust, inclusive local coverage.

2. **TRUST & TRANSPARENCY:** Community-centric rather than shareholder-focused, nonprofit news is nonpartisan and focuses on facts, and news nonprofits are more transparent about their funding than most commercial media.

3. **SUSTAINABILITY:** News nonprofits are highly entrepreneurial and supported in good measure by the people they serve, making them more resilient than many for-profit media.

4. **COLLABORATION:** A culture of collaboration enables nonprofit news to share local reporting on a national scale. Most nonprofits share their coverage with commercial media, distribute through digital platforms and publish without a paywall – sharing information far beyond their own direct audiences.

Executive Summary

The 2022 INN Index Report shows that the nonprofit news sector largely weathered the threats and disruption of the COVID-19 pandemic and continues a growth cycle of more than a decade.

Growth can be measured across a variety of indicators, including the numbers of INN members, total revenue, philanthropic revenue, staffing size and audience reach. Collectively, these measures describe a robust field, increasing in capacity and influence. Beyond individual organizations' growth, growing coordination in reporting and networked content distribution expand the impact of this journalism beyond the size and number of newsrooms.

Going deeper, the Index shows that growth is differentiated. For example, gains in philanthropic support to nonprofit news is most densely concentrated among larger national and global organizations.

Smaller, local news organizations are driving growth in the number of nonprofit news outlets. Roughly 4 in 10 nonprofit news organizations are local, up from about 2 in 10 in 2017. Based on these trends, INN projects local outlets will make up the majority of nonprofit news organizations in 2024.

The Index also demonstrates challenges that could slow growth and merit attention in coming years. These include: the capacity to attract and retain diverse staffs, especially beyond a cluster of newsrooms primarily focused on serving communities of color; access to philanthropic support for smaller and emerging newsrooms; and the cultivation of market-based revenue where it is possible and aligns with the public service mission.

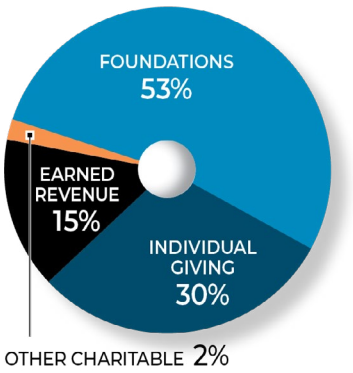
FAST FACTS

Here's what INN's 2022 Index tells us about the state of the field.

- **Most nonprofit news outlets are steadily growing their revenue.** Two-thirds of news organizations grew total annual revenue over the four years from 2018 though 2021, and the median growth was 25%. Nearly 1 in 5 outlets saw their revenue decline from 2018 through the pandemic while about 15% held steady. This trend data comes from a cohort of 92 outlets of which 82

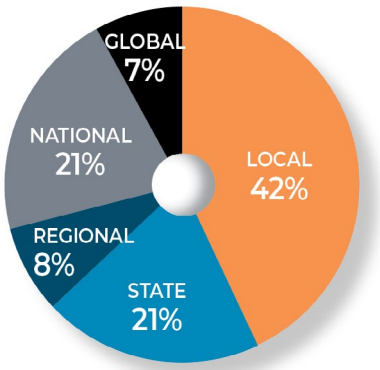
REVENUE STREAMS

% OF TOTAL REVENUE FROM ———



GEOGRAPHIC SCOPE

% OF OUTLETS FOCUSING ON ___AFFAIRS



Numbers may not add up to 100% because of rounding

LARGEST INN MEMBERS BY STAFF SIZE

Outlet	Based in	Launch Year	Total FTE
ProPublica	New York	2008	170
Mother Jones	California	1976	87
The Texas Tribune	Texas	2009	79
Chalkbeat	New York	2013	75
The Center for Investigative Reporting	California	1977	70
Grist	Washington	1999	61
CalMatters	California	2015	54
The Intercept	New York	2014	53
YR Media	California	1993	50
The Marshall Project	New York	2014	48
The 19th*	Texas	2020	39
Chicago Reader	Illinois	1971	38
OpenSecrets	District of Columbia	1983	36
The Forward	New York	1897	35
The Markup	New York	2020	34
The Conversation US	Massachusetts	2014	33
High Country News	Colorado	1970	32
THE CITY	New York	2019	31
Honolulu Civil Beat	Hawaii	2010	31
VT Digger	Vermont	2009	30

provided consistent revenue data for 2018 and 2021. Outlets reported consistently during this timeframe but we focus on the change from 2018 to 2021 as those two years generally reflect and quantify the overall trends. Throughout this report, you will find trend data from this group labeled as the **"Index trend set."**

- **The startup pace continues:** Since 2017, more than 135 nonprofit news outlets have launched, roughly double the number of startups that launched in the previous five-year period.
- **Local news is rapidly growing.** Over half of the news outlets that have launched since 2017 – 55% – are local, and the growth of locals has increased year over year. In 2020, 57% of new launches were local, and in 2021, 65% of launches were local. Based on early 2022 membership data, we expect this trend to continue. Local news startups are moving into smaller markets, and the fastest growth is in the Southeast and Western U.S. regions.
- **Nonprofit news outlets bring in a median $373,000 in annual revenue and have a median of 6 FTEs on staff,** consistent with previous years, but the median is increasingly "untypical" in that it is pulled from widening ranges of revenue, outlet type, audience and virtually every measure as the field diversifies. Total revenue ranges and revenue sources vary by the type of nonprofit news outlet. The median annual revenue for local news outlets, for example, is $245,000 with 40% of that from foundations, 29% from earned revenue and 28% from individual giving. National and global outlets bring in a median of $1.2 million annual revenue, with nearly 60% of their total revenue from foundations, 27% from individual giving and 12% from earned revenue.
- **Staff diversity stayed consistent but variable.** Across the field, a little over half (53%) of staff are white and over a third (35%) are people of color. This more or less represents diversity levels from last year. Yet, racial and ethnic representation remains highly variable across the field. Outlets with a mission to primarily serve communities of color drive most of the field's diversity gains.
- **Nonprofit news audiences grow over time.** Two-thirds of the Index trend set grew web traffic from 2018 to 2021 (measured by average monthly uniques), with a median growth in web reach of 33% over this four-year

timeframe. Today across the nonprofit sector, more than 7,100 outlets regularly published or aired INN member work in 2021.

Methods and Definitions

METHODS

About the survey: INN distributed the survey online in January 2022 to 338 INN network newsrooms, excluding service organizations that are also INN members, and 315, or 93%, completed the survey. Survey responses reflect performance in the calendar year 2021. Previous years' surveys were generally representative with response rates ranging from 60% to 94%. Starting with the 2020 Index survey, INN started requiring outlets participating in NewsMatch to complete the Index survey, which raised completion rates for both the 2020 and 2021 Index surveys. The data do not scientifically represent all North American nonprofit news outlets, since not all belong to INN, including an array of public media stations. Specific year-over-year comparisons should be interpreted cautiously; this report draws directional trends across the field.

A note on the cohort used for this report: Of the 315 news organizations that completed the survey, the data for 285 are included in this report. (Data provided by 30 members from the public media sector is not included due to systematic differences in how these organizations report revenue and expenses.) For the revenue analysis portion, 20 startups younger than one year were excluded, as they did not yet have comparable data for the entire year. An additional 18 organizations did not provide revenue data. Thus, the revenue section of the report is based on the information provided by 247 outlets. Year-over-year financial comparisons are drawn from smaller cohorts of outlets that provided complete financial data for 2020-2021 (N = 201), as well as 2018-2021 (N = 92).

A note on medians vs. averages vs. ranges: The authors of the Index Report prefer to use median calculations throughout the report largely due to two factors: 1) a relatively small N size with a population of roughly 300, and 2) some significant outliers that skew averages. However, for some calculations like the average donation in dollars, we are unable to calculate the median since we do not have a list of data points for this survey question. In these cases, we default to averages. We supply a range in cases where knowing the upper and lower limits of a data point are helpful in understanding the field.

DEFINITIONS

- **Core group of digital-first, independent publishers:** This term refers to the group of 285, non-public broadcasting publishers that completed the Index survey. The research team excludes financial data from 30 INN members from the public media sector, due to systematic differences in how these organizations report revenue and expenses.
- **Direct audiences:** Direct audiences refer to the audiences using and engaging with a news outlet's platforms, including its website, email newsletters and social media platforms. Direct audiences are largely interpreted in this report as a news organization's web traffic (measured by average monthly uniques) and email newsletter subscriber size.
- **Earned revenue:** Earned revenue can be understood as the funds a nonprofit organization generates by providing value to businesses and related goods and services, including sponsorship, advertising and underwriting. This contrasts with funds received from philanthropic sources, such as grants and major gifts. Earned revenue is one of the three major revenue streams for nonprofit news.
- **Foundations:** Foundations are nonprofit organizations that support charitable activities in order to serve the common good. Foundation funding is one of three major revenue streams for nonprofit news.
- Global news: Global organizations generally take aim at broad world topics or they produce news of distant places. There are 21 global organizations in this study.

- **Index trend set:** In addition to our 2021 Index survey data, the Index can now begin to identify longer-term trends from a group of 92 news organizations that provided consistent data for 2018 and 2021, capturing performance over a four-year period. Of the 92, 82 provided revenue data. We refer to this group as the Index trend set. This cohort of outlets represents a close to even split of local news organizations, state and regional organizations, and national and global organizations. However, since it reflects organizations that were active in 2018, it has a lower proportion of local outlets than the current field.
- **Individual giving:** Individual giving is an umbrella term that encompasses financial contributions from individuals, including small-dollar ($1,000 or less), mid-level ($1,000 – $5,000), and major donors ($5,000 or more). Survey respondents use these shared definitions for their Index survey reporting. Individual giving is one of the three major revenue streams for nonprofit news.
- **Local news:** Local news organizations are those that cover part or all of a community, municipality or county or a cluster of them, ranging from large metro areas to small neighborhoods. The study includes data for 121 local news organizations.
- **National news:** National organizations focus on public affairs issues that affect the entire country. "National" in this context largely means the United States, except for three survey respondents that cover national news in Canada. This study includes 60 national outlets.
- **Regional news:** Regional news outlets cover news within two or more states making up a region, such as a Midwest reporting outlet. There are 24 regional organizations in this study.
- **State news:** State news outlets primarily focus on government policy or politics or topics of public interest such as health or the environment in a single state. There are 59 state outlets in this study.
- **Third-party audiences:** Audiences interacting with a news outlet's coverage or services but on a platform not managed by the news outlet itself. In this report, we refer to the organizations managing these external platforms as "third-party publishers." Third-party audiences largely come from other news outlets republishing or rebroadcasting content, including on social media and other digital platforms.

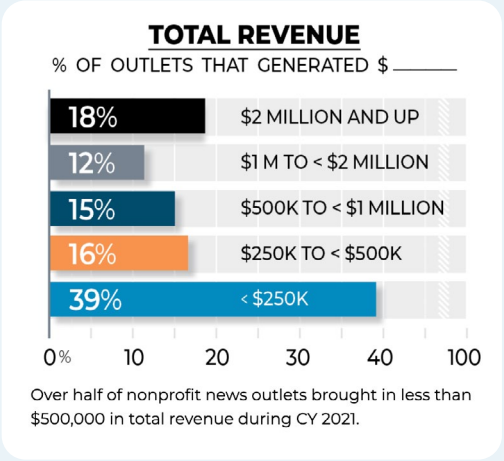
Multiyear Revenue Growth

Industry observers speculated whether the nonprofit news field's revenue growth in 2020 represented a blip – a short term injection of capital to help public service journalism survive a crisis year. The data show this is not the case.

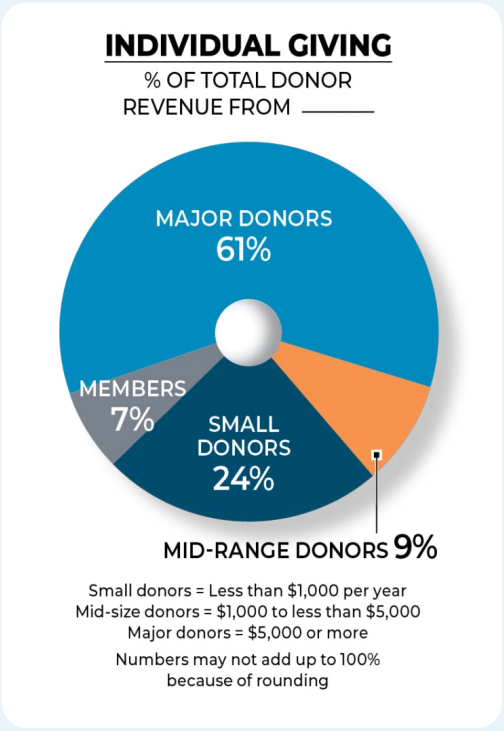
In fact, revenue totals reflect a field that continued to grow throughout 2021. The nonprofit journalism sector weathered the worst of COVID-19 without retrenching, and total fieldwide revenue and staffing figures grew from 2020 to 2021. The core group of digital-first, independent publishers came in at an estimated $400 million for 2021, representing growth from the $300 million to $350 million reported out of this subset the previous year.

Revenue growth from 2020 through 2021 can be understood on two fronts. First, several global and national outlets grew foundation funding significantly during this timeframe, driving up both total revenue for the field and the share of total revenue attributable to foundation support. Broader trend data over the past four years (2018 through 2021) show that this revenue growth is sustained over time: Two-thirds of news outlets in the Index trend set increased their total revenue, with a median of 25% growth in total revenue during this four-year timeframe.

Second, newly launched outlets generated new revenue counted in 2021's totals.



Over half of nonprofit news outlets brought in less than $500,000 in total revenue during CY 2021.



Small donors = Less than $1,000 per year
Mid-size donors = $1,000 to less than $5,000
Major donors = $5,000 or more

Numbers may not add up to 100% because of rounding

A closer look at the ebbs and flows of the sector's major revenue streams (foundation funding, individual giving, and earned revenue) provides a more nuanced understanding of the field's financial health: Foundation funding remained constant overall while increased for larger outlets, earned revenue was the most volatile, and especially for locals, and individual giving grew for all types of outlets.

INDIVIDUAL GIVING GROWTH SPANS THE FIELD

A look at the last four years shows individual giving is a relatively well-dispersed and stable revenue stream for nonprofit news. Individual giving is an umbrella term that encompasses financial contributions from individuals.

Total individual giving to our Index trend set grew 53% over a four-year period, from more than $31 million in 2018 to more than $48 million in 2021, with a median increase of $37,000 per outlet.

The increasing numbers of people donating to nonprofit organizations is the major factor driving up individual giving revenue, rather than increases in median gift amounts, which largely held steady year over year. More than half (59%) of the Index trend set grew the number of major donors, with the median growing from 2 major donors in 2018 to 3 major donors in 2021. The number of small-dollar donors and members also grew: over three-quarters of outlets in our Index trend set reported increases, with the median growing from about 250 contributors in 2018 to roughly 550 small-dollar donors and members in 2021.

Wisconsin Watch illustrates long-term individual giving growth, increasing $100,000 in revenue from about 350 individual donors in 2018 to $280,000 in revenue from over 700 donors in 2021. Jay Burseth, Wisconsin Watch's development director, points to new, small-dollar donors attracted by expanded coverage and higher gift amounts from several mid-level donors as key drivers of this revenue growth. By the end of 2021, about half of Wisconsin Watch's individual giving revenue came from major donors, with the other half from mid-level and small-dollar donors. In 2022, Burseth is focused on retaining and growing the outlet's Watchdog Club, its group of individuals, families and corporations giving $1,000 per year.

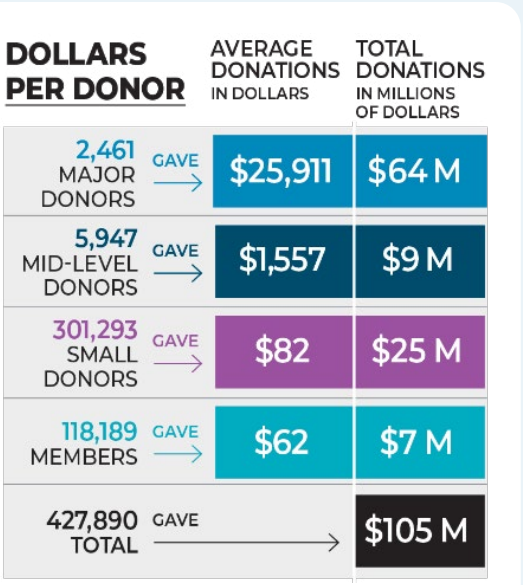
All types of outlets reported individual giving growth over the four-year period, with about 7 in 10 local, state or regional, and

national or global outlets in our Index trend set reporting gains. National outlets grew individual giving the most – the median growth of individual giving dollars to national outlets was more than 60% in the last four years – compared with local outlets (30%) and state and regional outlets (40%). Index data doesn't indicate why national organizations had the most success growing individual giving dollars over this timeframe, but INN's work in the field points to a possible cause: larger, national and global outlets are likely to have dedicated personnel designing and managing individual giving programs.

Individual giving also proved to be a reliable revenue stream for nonprofit news through and beyond the 2020 crisis year, with most news outlets retaining the new dollars and donors brought on in 2020. By the end of 2021, median individual giving revenue per outlet was at $79,000, consistent with 2020's $75,500 median. This roughly lines up with performance across the nonprofit sector broadly – Giving USA reports a 4.9% increase in giving by individuals from 2020 to 2021. See our 2021 Index Report for more on the swell of individual giving dollars to nonprofit news during the 2020 crisis year.

Of the three levels of individual giving, small-dollar contributions are growing fastest. Over the four-year period, nearly 80% of outlets in our Index trend set increased small-dollar donor or member revenue and half at least doubled small-dollar donations. The median increase in small-dollar donations per outlet was $24,000. INN's Index data doesn't point to a cause of this collective revenue growth, but our reporting indicates a combination of factors – including retaining existing small-dollar donors, upselling major and mid-level donors, and bringing on new, first time donors.

PublicSource, a local news site in Pittsburgh, identifies matching opportunities as the secret to keeping individual donors energized and motivated to give from 2020 through 2021. Membership and Development Manager Alyia Paulding works to build match pools throughout the year, leveraging skills she practiced through NewsMatch to translate pooled support from the outlet's board and existing foundations into new, small-dollar donors.



These 2021 average donation amounts can be used as benchmarks by INN member outlets.

FOUNDATION FUNDING, EARNED REVENUE SOURCES REMAIN VARIABLE

Foundation funding for the Index trend set largely held steady.

One driver of individual donations is NewsMatch, the largest collective fundraising campaign for nonprofit news.

News outlets use NewsMatch to incentivize individual giving and local funder contributions. In 2021, a nearly $4.1 million match pool from national funders was leveraged to generate more than $42 million from individual donors and $4 million in additional match funds from local foundations, businesses, and major donors. This number of local match funders nearly tripled from the year prior.

More than half of outlets reported increases in foundation funding over the four-year timeframe. The median increase for the whole group over a four-year period was more than $45,000, a nearly 40% increase. About one-sixth (16%) of outlets retained foundation funding at steady levels and more than one-fourth (28%) reported decreases.

INN's Index data doesn't point to a cause of foundation funding increases, but our reporting indicates a combination of factors: The successful cultivation of larger gifts from existing funders and new, restricted foundation funding to support specific beats or initiatives of interest to issue-based grant-makers were behind many foundation funding spurts for the cohort of larger, national and global outlets. For several state and local news outlets, multiyear support from the American Journalism Project made up the bulk of foundation funding gains, especially from 2020 to 2021.

The Narwhal's Emma Gilchrist pointed to a unique reason for foundation funding gains for the Canadian newsroom: a new status in Canada allowing registered journalism organizations to accept grants from charitable foundations. Such a move will continue to open new foundation relationships for Canadian nonprofit news outlets and likely spur growth of nonprofit journalism in the country. "The nonprofit news landscape is in its infancy in Canada, but I think this new status is going to encourage more to go the nonprofit route," Gilchrist said.

Grantmaking to nonprofit news remains concentrated in larger, national and global outlets.

Earned revenue was the most volatile revenue stream year over year, especially for local news outlets, most likely a pandemic effect. Across the Index trend set, about half of outlets reported an increase in earned revenue, and more than a third experienced decreases. Median earned revenue for local outlets dropped in 2020 and again in 2021 to just under $29,000 per outlet, lower by nearly a third than the pre-COVID the level.

Audience Growth

Our Index trend set shows that as nonprofit news outlets grow in size and number, nonprofit journalism serves more people.

A central piece of nonprofit news' audience and distribution models is encouraging third-party publishers, including digital platforms, broadcasters, newspapers and other news sites, to co-

publish, republish or air coverage and stories coming out of the nonprofit news network. This networked content sharing has developed because nonprofit news outlets prioritize journalism impact – making sure their news reaches more people through many channels – over audience totals and click-based ad revenue on their own sites.

Across the nonprofit sector, more than 7,100 outlets regularly published or aired INN member work in 2021, reflecting growth from the 3,800 publishing or distribution partners counted in the previous year's survey. The added distribution came mostly from 20 larger outlets that reported a significantly higher number of content publication partners in 2021 compared with 2020. Together, this mix of 20 large state, regional, national and global organizations account for a net of more than 2,700 additional third-party publishers year over year.

Nonprofit news leaders and INN's knowledge of the field point to a few factors driving third-party distribution growth. Several members launched new products on different platforms in 2021, including podcasts and radio shows, opening up possibilities for new broadcast-based distribution partners. Other outlets participated in editorial collaborations with shared content distribution baked into the process. Other less substantive factors included outlets shifting definitions of which partners qualify as a co-publisher or republisher from 2020 to 2021, including one larger outlet that told the Index team it started counting subsidiaries of the parent media company in its 2021 republishing count. Additional reporting is needed to fully understand changing third-party distribution tactics across the nonprofit news field.

The Daily Yonder, an outlet focused on covering rural issues across the country, doubled the number of news outlets publishing or broadcasting its coverage from 2020 to 2021. A new radio show and the routine use of a republication tool on its website in 2021 largely drove this year-over-year distribution gain. The Daily Yonder launched a radio program in August 2021 that's now broadcast by an average of 250 stations per week. Digitally, Daily Yonder continues to use a republication tool developed by INN and managed by NewsPack – a widget that has brought Daily Yonder stories to an additional 480,000 readers each month, a multiplier effect from the outlet's previous on-site reach.

The field also is seeing long-term growth in direct audiences – or the people who find, use and engage with news on a newsroom's own platforms, including its website and email newsletters. Building direct audiences is one of the most challenging aspects of media startups, as they must establish a brand and a new consumer habit, and audience development is becoming more challenging for all media as consumer attention is split among many channels. Direct audiences are largely interpreted in this report as a news organization's web traffic (measured by average monthly uniques) and the total numbers of email newsletter subscribers.

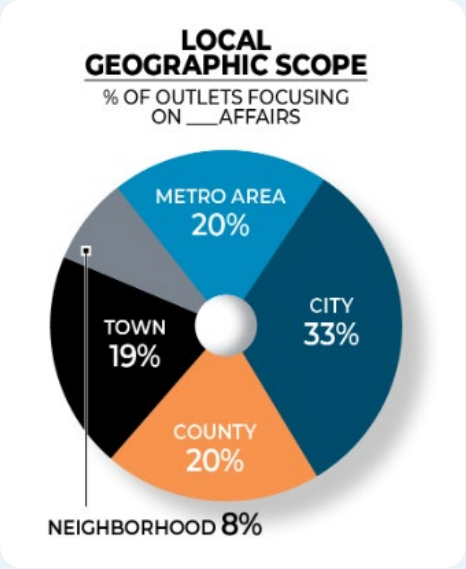
Nearly two-thirds of the Index trend set increased web traffic from 2018 to 2021 measured by average monthly uniques, with median growth in web audiences of 33% during this timeframe (about 11,500 new users). A big majority of outlets in this cohort – more than 75% – also reported gains in newsletter list size, with a median increase of 54% and adding about 2,700 new subscribers over four years.

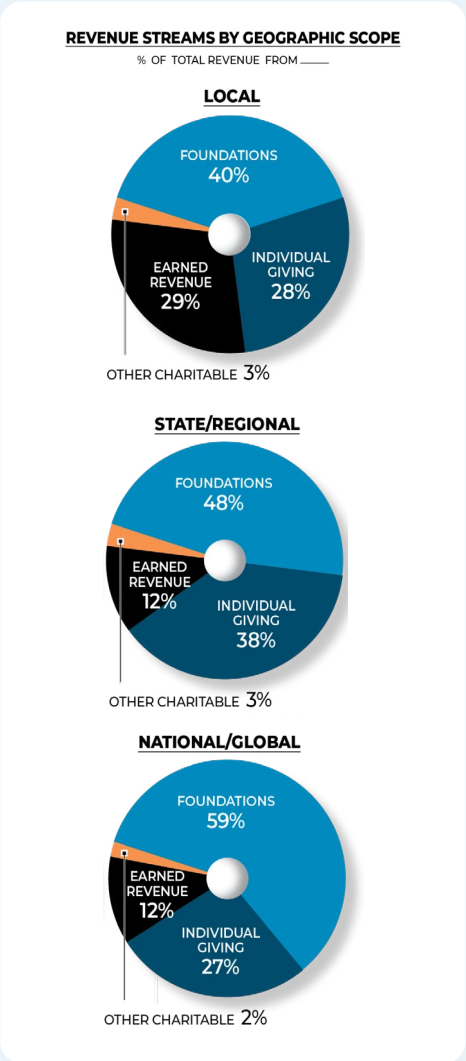
From 2018 to 2021, 7 in 10 outlets increased the share of their audience they reach directly, rather than through a third party. More than 80% of local outlets reported shifts toward direct distribution during this timeframe, with half of those doubling the share of audiences they reached directly.

Many publishers expected audience drop-offs to occur coming out of a crisis year that included a turbulent presidential election, racial justice movement and urgent public health information needs. Direct audience sizes did slightly decline from 2020 through 2021 for all types of nonprofit news outlets. As information demands started to subside and return to pre-pandemic levels, web traffic and email subscribers ticked slightly down, the former returning to 2019 benchmarks. The nonprofit sector's audience patterns largely resemble broader research by Axios and the Gallup/Knight Foundation demonstrating news

	2021	2020	2019
Average newsletter subscribers	20,249	24,331	14,569
Average monthly unique visitors	540,860	633,269	565,929

Across the network, web is the primary direct distribution platform for 73% of outlets, followed by email (10%).





consumption habits and attention to national and local news declining or flatlining since late 2020 and early 2021.

Audience size benchmarks and tactics split across the different types of nonprofit outlets (local, state and regional, national and global) will be available in INN's Index Factsheets, coming early fall 2022.

Surge in Local Outlets

Running parallel to the track of larger, more established organizations growing revenue and audiences is a different kind of growth: Smaller, local news outlets starting up, many serving smaller populations and spreading into smaller markets than most outlets that launched in earlier years.

Local news outlets stand out within the sector, doubling in number since 2017. Local newsrooms now make up 42% of outlets surveyed. In 2017, they made up less than a quarter. INN projects local will make up the majority of nonprofit news organizations in 2024.

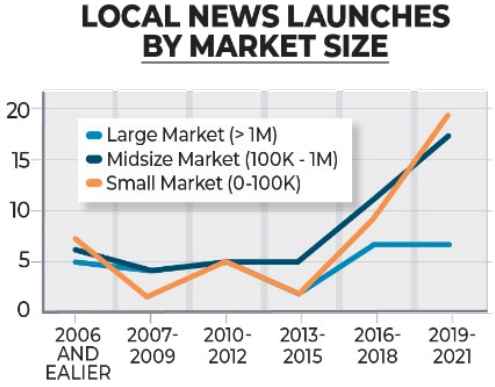
Use INN's Member Map to see where local, nonprofit outlets are based.

INN's network map shows member newsrooms across North America to help convey the expanding coverage of the nonprofit news field.

In raw numbers, local news outlets tend to have smaller staffs and lower revenue than state, regional, national and global peers – not surprisingly. About half operate on budgets of less than $250,000 per year, with about a quarter of local news outlets running on less than $100,000. The geographic focus of local outlets tends to correlate with the organization's budget and staff size: outlets covering metro or city areas operate on larger budgets than their hyperlocal, neighborhood and town counterparts.

Despite slim budgets, locals invest resources to cast wide revenue nets: they're more likely than counterparts to have four or more revenue streams, largely due to their ability to bring in advertising dollars.

Over the last several years, locals have launched in areas fairly



What does serving communities of color look like in practice?

It varies – from creating new coverage areas, distribution channels, partnerships, fellowships, and above all, creating trust in communities served. Learn more about how six INN member outlets serve communities of color in this Q&A series.

Founders of local outlets are motivated to fill community information needs.

Why the surge in local, nonprofit news? Our reporting points to a few key drivers, including founders noticing critical information needs in their communities not being filled by legacy or commercial media. Jump here to read more about lessons from local startup founders.

well-distributed across the five main geographic regions of the U.S., splitting out across regions more or less in line with population sizes. But in the past two years, locals have launched the most in the Southeast and Western regions: the number of local startups doubled in these regions compared to the previous two-year period.

Growth in local news means more nonprofit outlets are now serving smaller communities and operating in smaller markets than before. More than a third of local nonprofit outlets serve markets with populations under 100,000. In contrast, the pace of growth in the number of larger local outlets providing coverage for places with at least 1 million residents has been the same since 2018.

LOCAL OUTLETS SERVE COMMUNITIES OF COLOR

Local nonprofit news outlets are more likely to say coverage of a community or communities of color is a primary mission. Today, about 3 in 10 local organizations have that focus compared with 2 in 10 across the rest of the field. Local startups, in particular, are driving this audience focus: out of the 32 startup outlets with a primary focus on covering communities of color, 20 are locally focused organizations.

Outlets like Cicero Independiente, a bilingual newsroom serving Spanish-speaking immigrant communities in Cicero, Illinois, exemplify these efforts. Co-founder Irene Romulo said other media outlets were not meeting the informational needs of immigrant communities and were too focused on immigrants' trauma. The outlet, launched in 2019, surveys and conducts outreach with community members, mainly Latinx, to find and fill their information needs.

Canopy Atlanta launched in 2020 as a community journalism nonprofit working to train and equip residents from Black, brown, immigrant and working-class communities in metro Atlanta to access information and tell their own stories. Already, Canopy has become a trailblazer developing new models of journalism – local communities across Atlanta help the Canopy team choose story topics, and Canopy then trains and pays residents known as Journalism Fellows to tell those community stories alongside experienced journalists. Those stories are then shared back with the community through events, partnerships, printed material and more.

Quality and Purpose of Coverage

LOCAL NEWS FOCUSES ON CIVIC ENGAGEMENT

Running parallel to the track of larger, more established organizations growing revenue and audiences is a different kind of growth: Smaller, local news outlets starting up, many serving smaller populations and spreading into smaller markets than most outlets that launched in earlier years.

Defining and illustrating impact is one of the biggest challenges facing both emerging and established nonprofit journalism organizations. As nonprofit newsrooms are called on to demonstrate their impact – whether to funders, board members, supporters or staff – they have developed their own impact priorities and ways of measuring their work.

For the first time, the INN Index survey asked outlets to identify the impact they most seek to have through their journalism. The top-priority impact sought across the field is to build and expand knowledge around a complicated issue or topic, and also often mentioned is reflecting people's perspective and lived experiences.

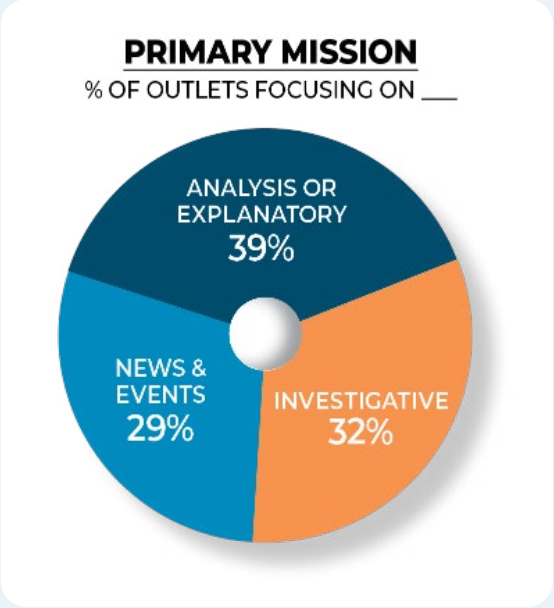
Local outlets are more likely than other types of newsrooms to focus on enabling or inspiring people to get involved in civic life.

Take for instance City Bureau, a local outlet based in Chicago that defines itself as a "nonprofit civic media organization." Darryl Holliday, co-founder and now co-executive director of national impact, says in this INN case study: "Imagine if the success of a newsroom were measured by the quality of civic action informed and inspired by its reporting." Today, City Bureau defines the key pillars of its impact as civic knowledge, information economy skills, generative relationships, and opportunities to engage in civic life. City Bureau is now bringing its reporting and impact approach to other local news markets around the country.

Newsrooms covering national, global, state or regional issues largely focus on building and expanding knowledge around a complicated issue or topic. Investigative outlets are more likely to say "reveal or prevent corruption or abuse of power" is their primary impact area, whereas outlets that focus on producing daily or weekly news are more likely to focus on "reflecting people's perspectives and lived experiences."

What does impact tracking within a nonprofit news outlet look like in practice?

Jump here to see INN's case studies on how four nonprofit news leaders are defining and measuring their impact.



Understanding the different buckets of impact will be critical in the coming years, as attention shifts from questions around the field's stability toward how this stabilizing field can maximize its impact and service to the public.

THE QUALITY AND CHARACTER OF NONPROFIT NEWS STANDS OUT

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While some nonprofit outlets focus on reporting the news of the day, the sector can primarily be understood as contributing in-depth, time-intensive news – investigations, enterprise, and explanatory reporting. Many focus on public policy issues.

Since 2017, the field's focus on investigative and explanatory journalism has remained consistent, with a slight increase year over year in the share of explanatory reporting and declines in strictly investigative shops. Today, about a third of the field focuses on investigative journalism. And even outlets not strictly investigative demonstrate a commitment to depth: Fieldwide, 78% of all outlets employ or contract with at least one investigative journalist or editor, and 70% of newsrooms conducted at least one FOIA/public info request in the last year.

NONPROFIT NEWS TARGETS UNDERSERVED COMMUNITIES

Many nonprofit news outlets say they produce this in-depth journalism for populations historically underserved by commercial media, including people of color, rural and low-income communities.

About a quarter of all nonprofit outlets (28%) – most of them local – target low income populations. Nonprofit outlets also focus on providing services and coverage for changemakers, focusing on elected officials and policy makers (29%), community organizers and activists (25%), and civic leaders (20%). About a quarter say rural communities are a primary target audience of their coverage. INN's Rural News Network (RNN) is a reporting consortium connecting more than 60 of these outlets serving rural communities – leveraging a network approach to sustainability, story generation and dissemination.

About a quarter (26%) of outlets surveyed say their primary mission is to serve communities of color. Startups, mostly local, are driving this focus. Nearly one-third of the 55 outlets that launched in 2020 and 2021 say serving communities of color is a primary mission, and more than half make specific efforts to serve these communities even if it isn't the primary mission.

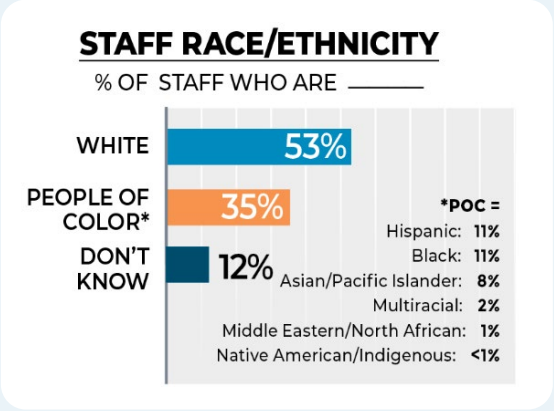
INN's research shows efforts to serve communities of color range from launching new coverage areas and building partnerships with other news outlets to using new audience engagement and distribution strategies (including podcasts, niche print products and SMS or texting services).

Dallas Free Press is one of many nonprofit news outlets leveraging different platforms, such as texting, to serve people of color. As the outlet's executive director, Keri Mitchell, said in a recent INN Q&A, community leaders told the Free Press: "'If you try to do this with email, you'll fail.' They said we needed to get information directly to people's phones. They also told us that if we didn't have Spanish-language content, we would fail. So before we even had a website, we launched our texting service in both neighborhoods, and in both English and Spanish."

Charlottesville Tomorrow built a partnership with Vinegar Hill Magazine, an independent African American publishing company, in order to better serve Black communities in Charlottesville. Together with other community partners, the two Virginia outlets launched the Charlottesville Inclusive Media Project in order to co-produce and co-publish new projects focused on highlighting Black perspectives and experiences. Jump to INN's Q&A with Charlottesville Tomorrow to learn more.

Key Challenges and Opportunities

While the Index findings show a sustained pattern of growth and stabilization, they also illuminate challenges that could slow or limit the field's growth, or accelerate it if the challenges are met. They include broadening gains in staff diversity, addressing the uneven distribution of major philanthropy, and the need and opportunity to develop more market-based revenue that aligns with the public service mission of nonprofit news.



U.S. diversity on the rise.

People of color make up 38% of the U.S. workforce and that share is projected to grow to 43% by 2028, according to the U.S. Bureau of Labor Statistics. People of Hispanic origin make up 18% of the total workforce. Black people account for 13%, Asian Americans for 6%, and "all other groups," which includes multiracial, Native American/Alaska Native and Hawaiian/Pacific Islander, account for a small percentage.

Diversity numbers are not enough.

Organizations must strive for equity and foster an inclusive environment and accurate coverage by ensuring all voices are heard, valued and reflected in news coverage. INN launched the Racial Equity and Inclusion in Nonprofit News program to help members advance racial diversity, equity and inclusion in their organizations and their journalism. INN is also working to become a more equitable and inclusive organization itself.

STAFF DIVERSITY GAINS ARE DRIVEN BY STARTUPS

As staff counts across the nonprofit news field grow, racial and ethnic diversity levels have kept pace. Across the nonprofit news sector, about half (53%) of nonprofit news staff are white and about a third (35%) are people of color. Leadership and board member breakdowns will next be available in INN's 2023 Index Report.

Fieldwide race and ethnicity breakdowns more or less represent diversity levels from the prior year and, at the most basic level, are roughly representative of the U.S. labor force. The nonprofit news field also remains more racially and ethnically diverse than legacy media (the News Leaders Association's 2019 ASNE Newsroom Diversity survey reported that people of color represent 22% of the salaried workforce and updated numbers are not available).

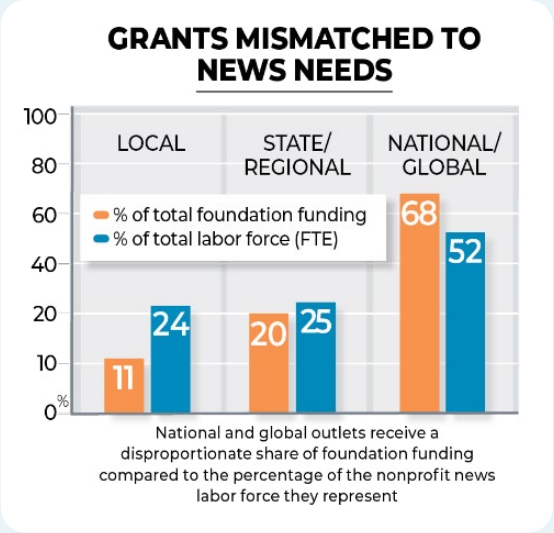
Yet, the nonprofit news field has work to do and recognizes that diversity numbers from commercial media do not serve as impactful or equitable benchmarks. Racial and ethnic representation remains highly variable across the nonprofit news field. Startups serving communities of color are driving much of the field's diversity gains, whereas long-established nonprofit organizations serving more general audiences tend to lag behind. About a third of all outlets – 35% – account for 83% of all staff of color fieldwide. A large portion of that third of the field is startups and outlets with a primary mission to serve communities of color.

Among the outlets not primarily serving communities of color, 58% of staff are white and 28% are people of color. Some outlets did not provide diversity figures for their staff, accounting for the remaining 14%.

INN realizes these numbers require a broader look, especially since essential components of diverse, equitable and inclusive organizations cannot be measured by headcount, such as newsroom culture, support for staff and leadership of color, burnout and turnover. INN's 2023 Index will focus on diversity, equity and inclusion.

CONCENTRATION OF FOUNDATION FUNDING REMAINS WITH NATIONAL, GLOBAL OUTLETS

Foundation funding, a major fuel supplier for public service journalism, remains concentrated in the larger, national and



global news outlets – and remains elusive for smaller, local organizations.

Comparing labor workforce sizes with total foundation funding shows this disparity. Local news outlets employ about a quarter of the nonprofit news sector, yet receive only about a tenth of the field's foundation support. In contrast, national and global outlets employ a little over half of the field yet bring in close to 70% of the field's foundation support.

The disparity is even more dramatic when comparing the number of outlets against total foundation dollars. National and global organizations make up roughly a quarter of all outlets surveyed, yet bring in over two-thirds of the field's foundation funding. Compare that to local organizations, which comprise 42% of outlets across the field yet bring in only 11% of the field's total foundation funding.

The direction of foundation funding affects total revenue breakdowns across different types of outlets. Global news organizations are primarily fueled by foundation funding: the typical global organization brings in 75% of total revenue from foundations. Local news organizations, on the other hand, typically derive 40% of their total funding from foundations. As a result of disproportionately low foundation funding, small local news organizations often have to invest more heavily in developing different revenue streams.

The discontinuity between foundation funding of large organizations and the growing needs of smaller, local outlets is dramatically raising a need gap in news philanthropy. Several funding programs, including NewsMatch, Rural News Network and other holistic collaborations that reinforce sustainability as well as expand editorial impact, and systemic funding initiatives such as Report for America, address this need by packaging and funneling donations to many smaller local and state news organizations, leveraging national funding as a catalyst for broader support. INN is looking at expanding those systemic solutions, and the issue merits more attention as local startups increasingly show success in preventing news deserts and addressing inequities in news access.

Foundation funding for organizations focused on serving communities of color equaled – at least in proportion – the amount of investment for the rest of the field. About one-fourth (28%) of the nonprofit journalism workforce operates at an organization whose primary mission is serving such communities.

In 2021, 29% of foundation funding went to those organizations. Similarly, organizations that represent a higher degree of staff diversity (defined here as at least 40% journalists of color) were met with proportional philanthropic resources in 2021.

While encouraging, these numbers don't address the extent to which BIPOC-led and focused organizations are playing catch-up. Nor do these numbers assume foundation funding will remain stable or grow for this cohort in the future. But the data at the very least suggest a sign of momentum that should encourage funders to double down.

EARNED REVENUE REMAINS AN UNDERDEVELOPED OPPORTUNITY

Earned revenue (including sponsorship and advertising dollars from businesses and institutions) is inconsistent across the field, remaining a source of opportunity for most and yet underdeveloped for others. This is the revenue source that also appears to have been most affected by the pandemic, and it remains to be seen if those impacts will be temporary or slow the growth of earned revenue for an extended period. From 2018 through 2021, nearly half of outlets in our Index trend set reported gains in earned revenue. A third of outlets reported decreases over the four-year period.

Local outlets were hit hardest, largely due to the pandemic causing many local businesses to cut spending or close. The median earned revenue for local outlets dropped in 2020 and again in 2021 to just under $28,000 per outlet, lower by nearly a third than the pre-COVID level. Ten out of 22 local outlets in the Index trend set reported declines.

A handful of local news outlets were able to retain and even grow earned revenue throughout 2020 and 2021, including Madison 365, serving communities of color in Wisconsin and Patagonia Regional Times (PRT), serving communities in southeastern Arizona. The secret to these outlets' success? Their leaders point to relationship-building between an outlet's sales representative and businesses, and reframing advertising and sponsorship opportunities as a way to support high-quality information.

The PRT successfully retained its clients and revenue from earned sources from 2020 through 2021, largely by prioritizing its relationships with clients. PRT's board president, Kathryn Schrag, said that in the summer of 2020 the staff and board of directors made the decision to offer all ads in the monthly

How can nonprofit news build advertising, sponsored content and event sponsorship dollars into sustainable sources of revenue?

INN documents earned revenue best practices for publishers in its Guide to Earned Revenue. One key finding: don't sell widgets, sell solutions. In other words: Use a consultative selling approach that focuses on clients' and prospects' needs – and offer them solutions.

print edition free of charge for one month, and at 50% reduction for two more months. Schrag points to this gesture as one successful strategy for maintaining relationships with clients over time – making the point that the exchange of dollars is more about uplifting a community rather than one organization profiting off another.

Madison365 grew its earned revenue from about $360,000 in 2020 to over $380,000 in 2021 and documented its revenue strategy in this INN case study. Since 2020, the team's earned revenue tactics largely remained constant: leading with its mission in all business dealings, prioritizing creating custom "membership" packages with business clients, valuing relationships with clients, and committing to serve a specific audience.

Conclusion: Looking Ahead

The Index findings underscore four key media development focal points for the next few years, within the broad, continued development of revenue and audience:

- **Continue to spread diversity, equity and inclusion gains across the field, in staffing and leadership but also community coverage and service.** Gains have been substantial but vary widely across the field. The reporting of staff diversity stats by nearly 95% of the field indicates there is a broad commitment to building on that accountability.
- **Work with national funders to expand funding of local news in systemic, scalable ways.** The data shows national funding can advance broad sustainability in news through highly leveraged, catalytic funding programs such as Report for America, NewsMatch and holistic collaborations and consortia within the field.
- **Rebuild the earned revenue gains that took a hit during the pandemic,** and resume the growth trajectory for sponsorships, underwriting, events and other earned revenue streams.
- **Fund and support reporting consortia that take on complex topics and provide that expert reporting broadly across the country.** The field is transforming, and reporting consortia and alliances including the Rural News Network, Open Campus and Kaiser Health News are creating new and enduring collaborations to produce mission-driven reporting and deliver it to larger audiences.

INN Index participants

100 Days in Appalachia

100Reporters

Adirondack Explorer

Advocate Media - Dallas Inc.

Alabama Initiative for Independent Journalism

Amjambo Africa (Ladder to the Moon Network)

An Arm and a Leg/Public Road Productions, LLC

Anthropocene Magazine

Applegate Valley Community Newspaper

Arizona Center for Investigative Reporting

Arkansas Nonprofit News Network

Asheville Watchdog

Aspen Journalism

Atlanta Civic Circle

Austin Monitor

Bay City News Foundation

Bay Journal

Bay Nature Institute

Belt Media Collaborative

BenitoLink.com

Block Club Chicago

Bloomfield Information Project

Borderless

Borderzine

Boston Institute for Nonprofit Journalism

Boulder Reporting Lab

Boyle Heights Beat

Breckenridge Texan

Bridge Michigan (formerly Bridge Magazine); BridgeDetroit

Bucks County Herald Foundation

California Health Report

CalMatters

Canopy Atlanta

Capitol News Illinois

Carolina Public Press

CatchLight

Cecil Public Media

Center for Collaborative Investigative Journalism

Center for Public Integrity

Center for Responsive Politics

Center for Sustainable Journalism

Centro de Periodismo Investigativo

Chalkbeat

Charlottesville Tomorrow

Chemical City Paper

Chicago Reader

Cicero Independiente

Circle of Blue Inc.

City Bureau

City Limits

Cityside

CivicLex

CivicStory

Civil Eats

CoastAlaska, Inc.

Coda Media

Colorado News Collaborative

Colorado Public Radio

Columbia Insight

Connecticut Health I-Team

Connecticut Mirror

Corner Post

Crosscut

Current

Daily Yonder (Center for Rural Strategies)

Dallas Free Press

DC Witness

DCist.com

Deep Indigo Collective

Delaware Currents

Delaware Public Media

Detour Detroit (Detour Media LLC)

Detroit Public Television's One Detroit

Documented

East Greenwich News

East Lansing Info

Economic Hardship Reporting Project

ecoRI News

Eden Prairie Local News

EdSource

El Paso Matters

El Tecolote

El Timpano

Energy News Network (Fresh Energy)

Enlace Latino NC

Ensia

Evanston RoundTable Media

Feet in 2 Worlds

Flatwater Free Press

Flint Beat (Brown Impact Media Group)

Floodlight

Florida Bulldog

Food & Environment Reporting Network, Inc.

Food Bank News

Foothills Froum

Fort Worth Report

Fostering Media Connections

Foundation for Financial Journalism

Foundation for National Progress (Mother Jones)

Fresnoland

Futuro Media

Georgia Health News

Georgia News Lab

Gig Harbor Now

Global Press Journal

INN Index participants

Global Reporting Centre

Grist

Growing Community Media

H2O Radio

Harpswell Anchor

Hidden City Philadelphia of CultureTrust

High Country News

Highlands Current Inc

Highway 58 Herald

Honolulu Civil Beat

Hoptown Chronicle

Hyattsville Community Newspaper Inc.

In These Times

India Currents Foundation

Indian Country Today, LLC

inewsource

Injustice Watch

Inside Climate News

Institute for Public Service Reporting

InvestigateWest

Investigative Journalism Bureau

Investigative Post

Investigative Reporting Workshop

Iowa Center for Public Affairs Journalism (IowaWatch)

Ipswich Local News

Isthmus Community Media, Inc.

Ithaca Voice

Jewish Currents

Jewish Telegraphic Agency

KCUR

Kentucky Center for Investigative Reporting

Kentucky Center for Public Service Journalism/Northern Kentucky Tribune

KERA

Key Biscayne Independent

Key Peninsula News

Knock Publishing Company

KOSU

KPBS

KPCW

KVPR

Limestone Post

LkldNow

Lower Cape TV

Madison365

Making Contact

Maryland Matters

MarylandReporter.com Inc.

Matter News (Grey Matter Media)

Mendocino Voice

Midwest Center for Investigative Reporting

Milwaukee Neighborhood News Service

Mineral Wells Area News

MinnPost

Mission Local

Mississippi Center for Investigative Reporting

Mississippi Free Press (Mississippi Journalism and Education Group)

Mississippi Today

MIWISCONSIN MEDIA INC.

MLK50: Justice Through Journalism

Mongabay Org Corporation

Montana Free Press

Montclair Local Nonprofit News

Mountain Journal

Mountain State Spotlight

MuckRock

NancyOnNorwalk (Chapman Hyperlocal Media)

National Parks Traveler

Nevada Public Radio

New Hampshire Center for Public Interest Journalism-

New Haven Independent

New Mexico In Depth Inc.

New York Focus

Next City

NJ Spotlight News

NOISE

North Carolina Health News

NOWCastSA

Ohio Center for Journalism (Eye on Ohio)

Oklahoma Watch

Open Campus

Open Vallejo (Informed California Foundation)

Outlier Media

Oviedo Community News

PassBlue

Patagonia Regional Times

PBS NewsHour

PBS39/WLVT

Piedmont Journalism Foundation

Planet Detroit

PolitiFact

Prism

Prison Journalism Project

ProPublica

PRX (Public Radio International)

Public Health Watch

Public Square

PublicSource

Pulitzer Center

Radio Ambulante Studios, Inc.

Religion News Service

Resolve Philly

INN Index participants

Retro Report, Inc.

Rochester Beacon

Rocky Mountain Public Media

Sahan Journal

Salish Current

San Antonio Heron

San Antonio Report

San Francisco Public Press

San Jose Spotlight

Scalawag

Science Friday

Searchlight New Mexico

Shasta Scout

Shelterforce (National Housing Institute)

Sierra Nevada Ally

SJVWater

Sludge

Solitary Watch

Sonoma County Local News Initiative (SoCoNews)

Sopris Sun

South Dakota News Watch

South Side Weekly

Southerly

Southern California Public Radio (KPCC & LAist)

Spotlight PA

SpotlightDC

St. Louis Public Radio

Stateline

Street Sense Inc

The 19th*

The 74 (74 Media)

The Appeal

The Austin Bulldog

The Badger Project

The Beacon

The Bedford Citizen

The Center for Investigative Reporting, Inc.

The Charlotte Bridge

The Charlotte News

THE CITY

The Clayton Crescent, Inc.

The Climate

The Contributor

The Conversation US

The Counter

the crime report

The Current

The Current Media

The DC Line

The Forward

The Frisc

The Frontier

The Fuller Project

The Hechinger Report

The Hummel Report

The Indiana Citizen

The Intercept

The International Consortium of Investigative Journalists

The JOLT News Organization

The Land

The Lens

The Maine Monitor (The Maine Center For Public Interest Reporting)

The Marjorie

The Markup News Inc

The Marshall Project

The Narwhal

The Nevada Independent

The Nonprofit Quarterly

The Objective

The Record Community News

The Red & Black Publishing Company

The Reporters Inc.

The Texas Tribune

The Trace

The Tributary

The Tyler Loop

The Uptake (UpTake Institute)

The Utah Investigative Journalism Project

The War Horse

Threshold

Tone Madison

Tostada Magazine

Tradeoffs

TucsonSentinel.com

Type Investigations

Underscore

Virginia Center for Investigative Journalism

Voice of OC

Voice of San Diego

Voices of Monterey Bay

VoxPopuli Corp.

VT Digger (Vermont Journalism Trust)

WABE

Washington Monthly

Wausau Pilot and Review

WCBU

WDET 101.9 FM

WFAE (University Radio Foundation)

WFYI

WHYY

Wisconsin Center for Investigative Journalism

WITF

WitnessLA

WJCT

WNIN

WyoFile

Yale Environment 360

YES! Media

YR Media



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