

# The State of Nonprofit News

Rising to new  
challenges and  
public needs  
in a crisis year



## About the survey

INN distributed the survey online in January 2021 to 284 INN network newsrooms, excluding service organizations that are also INN members, and 268, or 94%, completed the survey. Previous years' surveys were generally representative with response rates of nearly 60%. Survey responses reflect performance in 2020. Survey language is [provided here](#). The data do not scientifically represent all U.S. 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 FINANCIAL DATA:** The research team excluded two segments of respondents from the financial analysis portion of this report: financial data from 24 public broadcasters, as they do not generally break out news revenue and expenses in a comparable way, and from 20 startups younger than one year, as they would not have complete, comparable data. Financial reports are based on 217 outlets that submitted complete data. Year-over-year financial comparisons are drawn from a smaller but significant subset of outlets that provided complete financial data for 2019-2020, as well as 2017-2020.

## About INN

The Institute for Nonprofit News supports and strengthens a network of more than 300 newsrooms. In partnership with our members, INN is creating a new future for news: independent, inclusive, non-partisan, and dedicated to public interest rather than private profit. Our success supports informed communities and democratic life across North America. In a little over a decade, the INN network has grown tenfold. INN is now advancing another cycle of tenfold growth to build an American field force of more than 20,000 public service journalists.

## 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 nonprofit news organization members to evaluate the staffing, business models, financials, and editorial focus of newsrooms in the growing movement of public service journalism. [Previous Index reports are archived.](#)

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# EXECUTIVE SUMMARY

In 2020, the COVID-19 pandemic, racial justice movement and presidential election intensified demand for high-quality news. The crisis year proved the value of public service journalism and accelerated the growth and public dependence on nonprofit news outlets.

Nonprofits rose to the challenge to meet the most intense news year in a generation. Community-centered media rapidly read the public's needs and ramped up coverage to provide information and connections that people couldn't find anywhere else. Journalists tackled their own field's racism as they covered a national racial reckoning. And in a polarizing election year, they provided nonpartisan voting guides and fact-based coverage.

Through it all, more and more people turned to nonprofit news providers. Audiences swelled. So did community support for this journalism. More individuals donated to newsrooms, and they donated more. Foundations also pumped funding to the field to help with emergency coverage.

This tumultuous year generated the fastest growth in nonprofit news media since the financial crisis of 2008, when many journalists left legacy media to create nonprofit newsrooms, with the aim of saving accountability and investigative reporting considered essential to democracy.

The remarkable thing about the field's growth in 2020 is that it spans almost every measure. INN has been studying the field since 2009, and with Index and NewsMatch data trends now going back to 2017, we also are able to see that the breadth of growth in 2020 is part of a pattern – a steady, broad sustained growth, based on a healthy mix of revenue sources coupled with experimentation and entrepreneurship to build more.

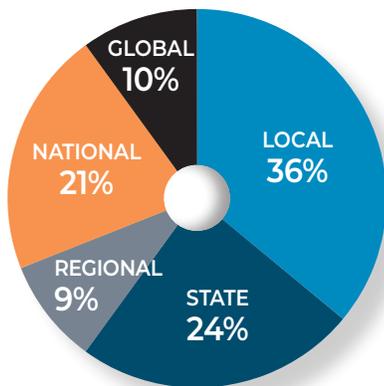
The breadth of growth in 2020 accelerates the establishment of this new kind of media across the U.S.

Here's what INN's 2020 Index data tells us about the state of the field:

- **News nonprofits produce in-depth, specialized coverage.** One third of the field focuses on investigative reporting, and close to 40% primarily provide deep explanatory coverage. Specialized reporting has migrated to nonprofits, many of which have become the “beat reporters” for other media. Most nonprofit newsrooms focus on one or a few related topics. This

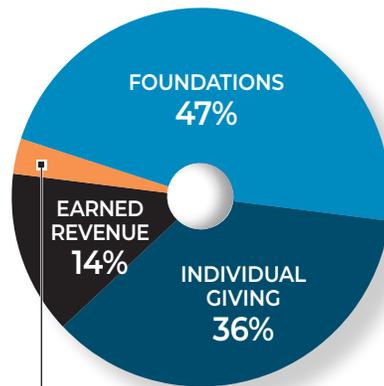
## GEOGRAPHIC SCOPE

% OF OUTLETS FOCUSING ON \_\_\_\_ AFFAIRS



## REVENUE STREAMS

% OF TOTAL REVENUE FROM \_\_\_\_



OTHER CHARITABLE 3%

## 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.

in-depth coverage is generally not paywalled, but provided as a public good.

- **Audiences grew and the journalism served more people.** Web traffic to nonprofit news sites grew by 43%, newsletter lists by 36%. Direct audiences remain small and targeted compared with broad commercial media, but nonprofits also collaborate to provide coverage to millions through partners: More than 3,800 third-party outlets regularly published or aired the work of nonprofit news organizations in 2020, according to publisher estimates.
- **Revenue grew for most outlets. Individual giving and foundation funding increases drove overall revenue growth.** Nearly two-thirds of sites with comparable data saw individual giving grow, and 60% saw grant funding gains. These increases weren't minor. More than half of organizations with individual donation growth saw it increase by more than 50%.
- **Diverse revenue builds a stable base.** More than 70% of INN member news organizations have three or more revenue streams. Only 10% are reliant on a single revenue stream, typically grants. Earned revenue was the only source that dipped in 2020.
- **Staffing held steady, and even expanded by some measures.** Among established, primarily digital publications, total staffing was estimated at 2,700, including nearly 2,000 journalists. This represents a 17% increase in total staffing from the year before. Current staffing figures are higher, as 2020 totals do not include recent startups nor hundreds of staffers at two dozen public media INN members.
- **Staff diversity appears to be growing.** In 2020, over a third of outlets had a staff where people of color made up 40% or more of total personnel, representative of the U.S. population. Across the field people of color were in 31% percent of management positions and 24% of top executive leadership roles, pointing toward needs to focus on retention, promotion and leadership recruitment.
- **The startup pace is accelerating again.** A third of the nonprofit news outlets publishing today did not exist five years ago. Nonprofit outlets have launched at an average pace of a dozen or more a year since 2008; more than 20 launched in 2020. INN's membership grew 27% from 2019 to 2020.

In the report below, we take a detailed look at this remarkable year.

# INTRODUCTION:

## With distinct coverage, nonprofit news advances

Understanding the growth of nonprofit news requires looking closer at some numbers that have held steady for several years: About half of nonprofits take in more than \$500,000 a year and half make less, and the median staff size remains around six full-time equivalents.

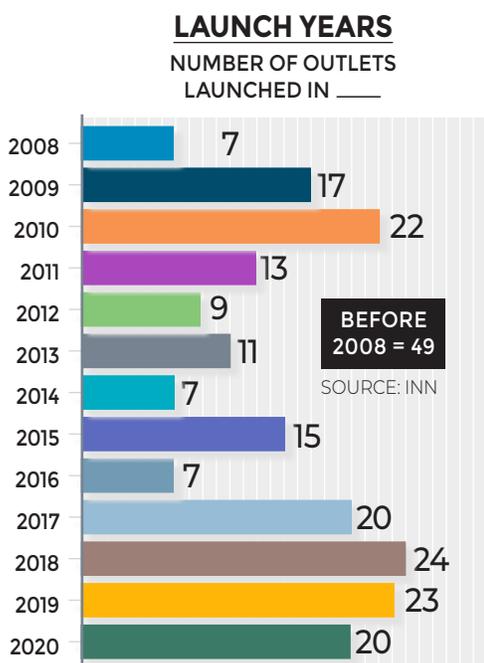
Those medians, though, meld two distinct growth patterns:

Larger outlets are growing larger while deepening their investigative, explanatory and national coverage. Their growth is powered by robust fundraising operations that capture a large share of grant and major gift funding.

In number, the field is growing through small local outlets and other startups. These startups often form to experiment with inclusive coverage models or distribution, or fill gaps left as commercial news media shrinks. About a third of INN's members are less than 5 years old. Startups typically have small staffs and modest budgets, making averages lower across the field.

Nonprofit growth runs counter to continued deep declines in commercial media. Hundreds of newsrooms went through layoffs or furloughs [during the coronavirus pandemic](#). From fall 2018 through 2020, [research by Penelope Muse Abernathy shows](#) that 300 newspapers closed and 6,000 journalists lost their jobs. Although INN knows of a few nonprofit news outlets that had to retrench in 2020, we do not see anywhere near the amount of turbulence as in the commercial news space.

Data on U.S. philanthropic trends for 2020 is not yet available to see how news nonprofits fared compared with broad nonprofit trends, but early indications are their stability through the year compared favorably with many other types of nonprofits. In the larger nonprofit community, organizations that rely on congregated settings to deliver on mission were more impacted by the pandemic than those that could operate remotely, including most news nonprofits. Despite early concerns, individual and foundation giving appeared to remain stable or even increase for certain kinds of nonprofits in 2020. Largely forgivable PPP loans from the federal government also created basic survival bridges for some organizations, and for many others it created the flexible capital necessary to pivot and develop new ways of working.



## PRIMARY MISSION

% OF OUTLETS  
FOCUSING ON \_\_\_\_\_



Numbers may not add up to 100%  
because of rounding

## TOP 20 INN MEMBERS BY STAFF SIZE

Organization	Full-time equivalents
ProPublica	148
WGBH	100
Mother Jones	99
The Salt Lake Tribune	80
Chalkbeat	71
The Texas Tribune	70
The Center for Investigative Reporting	67
WABE	65
KCUR	59
Mongabay	53
WFAE	52
PBS NewsHour	52
The Intercept	52
CalMatters	52
Grist	46
YR Media	43
Science Friday	42
The Marshall Project	41
The GroundTruth Project, home to Report for America	40
Retro Report	39

These figures include salaried employees and significant contractors. Data is based on Index survey data or publicly available information on the outlet's websites.

## Nonprofit coverage puts public interest first

Nonprofit news outlets aim to fill public service needs and focus on deep reporting that takes more time than commercial media can often afford. This in-depth reporting is typically specialized, with 22% of nonprofit outlets producing coverage on a single, dedicated topic and 37% covering several related topics. Nonprofit news generally designs coverage around civic and social impact. Unlike ad-based media pursuing mass numbers, it aims to build loyal targeted audiences or serve audiences that may not be commercially attractive, such as rural or less affluent communities.

One in four survey respondents, or 64 news outlets, publish in more than one language, and two outlets publish exclusively in another language.

The volume of reporting has grown substantially. Internal INN media monitoring indicates that the volume of stories reported across the INN network roughly doubled from 2017 to 2020. Monitoring of 300 news sites in early 2021 by [Deepnews.ai](https://www.deepnews.ai) found INN member sites producing about 1,000 unique stories a day.

This coverage benefits the wider media landscape as well as consumers. Nonprofit content is generally not paywalled, but provided as a public good. More than 3,800 third-party outlets regularly published or aired the work of nonprofit news organizations in 2020, according to publisher estimates. These include more than 1,800 digital outlets, 1,400 print (mostly newspapers), and nearly 500 broadcasters.

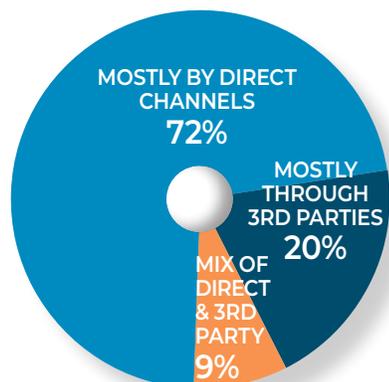
This year, when accurate and trusted information was more essential than ever, [nonprofit outlets experimented with new and creative ways](#) to serve and reach audiences.

- Use of mobile text to provide service information and gather reporting material is being developed in multiple cities and states. Wisconsin Watch, Outlier Media and the Milwaukee Neighborhood News Service started [a text-messaging initiative \(News414\)](#) to send Milwaukee residents critical information including food distribution sites and tenants' rights. The Texas Tribune started a [text line](#) after the state's power grid crisis for readers to get breaking news, power updates, and tips on where to find clean water. Block Club Chicago [created a phone number](#) and email address for people to ask questions about COVID-19.
- Planet Detroit launched an "[Ask Planet Detroit](#)" tool where readers ask health and environment-related questions for the newsroom to investigate.

## AUDIENCE REACH

MEDIAN NEWSLETTER SUBSCRIBERS	7,200
MEDIAN MONTHLY UNIQUE VISITORS	50,000
TOTAL NUMBER OF THIRD-PARTY PUBLISHERS	3,800

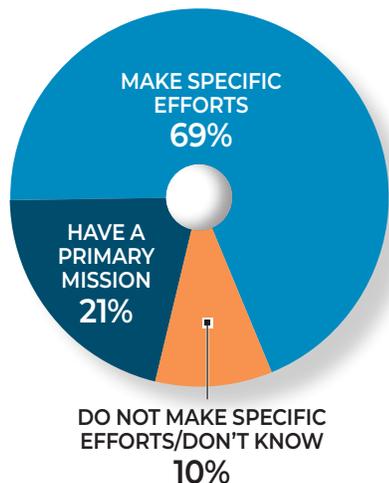
% OF OUTLETS THAT REACH USERS \_\_\_\_\_



Numbers may not add up to 100% because of rounding

## FOCUS ON COMMUNITIES OF COLOR

% OF OUTLETS THAT \_\_\_\_\_ TO COVER COMMUNITIES OF COLOR



- CalMatters created explainers on [unemployment benefits](#) and [coronavirus relief](#).
- Sahan Journal launched a [video series](#) on vaccine availability in four languages.

## AUDIENCE AND ENGAGEMENT

As more people turned to nonprofit news sites, audiences swelled. Web traffic grew 43%, with median monthly unique visitors growing from around 35,000 in 2019 to about 50,000 in 2020. Some news outlets reported dramatic audience growth, with more than 25 outlets doubling their web traffic. Websites are the primary distribution platform for the vast majority (83%) of outlets, followed by print, podcast, and broadcast. Newsletter lists grew by 36%, from a median of 5,300 subscribers in 2019 to about 7,200 in 2020.

News leaders attribute audience growth primarily to demand for information about the pandemic, but many news outlets proactively made changes that built audiences. These included increasing reporting volume, implementing new processes to improve search-engine visibility, partnering to expand collaborations, creating new products to engage distinct pockets within communities, and prioritizing email newsletter signups in page design.

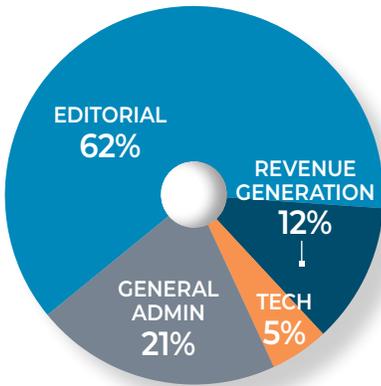
[Montana Free Press](#) (MTFP) typifies the outlets that dramatically grew their audiences in 2020. When the pandemic hit, founder and Editor-in-Chief John Adams started writing a daily COVID-19 newsletter. One month later, MTFP was logging a 15% growth in email list size and a nearly 500% increase in monthly web visitors. Eight months later, that web growth held steady. Its email list also grew exponentially. MTFP doubled its email lists in less than one year, from around 4,000 at the start of the pandemic to more than 8,000 by year-end.

Montana Free Press sustained its audience growth by increasing content offerings, thanks to grant funding that allowed new hires. The team also improved search engine optimization, strategically placed email sign-up boxes on the site, and invested in paid Facebook lead-generation and Google Ad Grants for search and display ads. Today, Adams says audience retention is the outlet's No. 1 priority for 2021, along with reaching more underserved populations.

Serving audiences that have not been well-served by traditional media is a priority for most news nonprofits. Close to 70% of news organizations reported they made specific efforts to cover

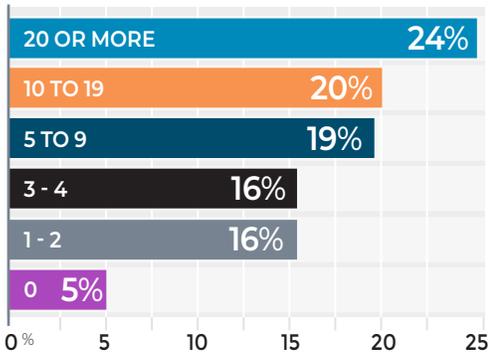
## OPERATING EXPENSES

% OF TOTAL SPENDING ON



## STAFF SIZE

% OF OUTLETS THAT HAVE FULL-TIME EQUIVALENTS OF PAID STAFF AND CONTRACTORS



communities of color in 2020, and an additional 20% of outlets have a primary mission of covering communities of color. Many outlets that serve communities of color are leading the field in terms of experimentation with platforms and products that provide coverage in new ways.

[Enlace Latino NC](#), a Spanish-language outlet that focuses on politics, immigration and community news in North Carolina, exemplifies these efforts. At the beginning of 2020, co-founder and Executive Editor Paola Jaramillo sent emails and Whatsapp messages to Enlace Latino’s audiences to learn what topics mattered most. From their responses and Google Analytics data on high performing stories, Jaramillo and her team crafted a plan to fill specific information needs. The result: two new podcasts – Latinos in the Pandemic and From Sun to Sun, a podcast specifically for North Carolina’s migrant workers. Listenership increased to 5,000 per episode, and up to 10,000 during crucial news moments like the presidential election. Jaramillo, describing her decision to focus the team’s efforts on these platforms, said, “We offer podcasts and WhatsApp because we are trying to reach audiences who don’t have easy access to our website, or who want to listen to the news while they’re doing other things. We try to give more opportunities for our community to get critical information.”

## STAFFING AND CAPACITY

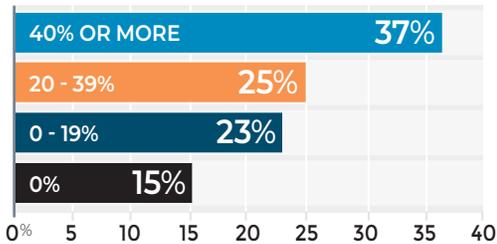
Nonprofit news outlets primarily spend on editorial operations (62% of total expenses) while investing significantly smaller sums in revenue generation and technology. General administration costs make up about a fifth of total expenses. Fieldwide expense breakdowns have more or less stayed the same year to year, and reflect continued underinvestment in revenue generation.

Overall, staff sizes held steady and even grew by some measures. Among established, primarily digital publications, total staffing in 2020 was estimated to include some 2,700 individuals, including nearly 2,000 journalists. This represents a 17% increase in total staffing from the year before. These numbers do not account for staff at startups that launched in 2020, nor the hundreds of staffers across more than 20 public media members of INN. Some outlets maintained staffing levels through donor growth, others bridged the year with PPP loans to save jobs.

The growing share of nonprofit news staff who are salaried, full-time equivalents, rather than contractors, also indicates stability.

## PEOPLE OF COLOR ON STAFF

% OF OUTLETS WHERE PEOPLE OF COLOR MAKE UP A \_\_\_ SHARE OF STAFF AND CONTRACTORS

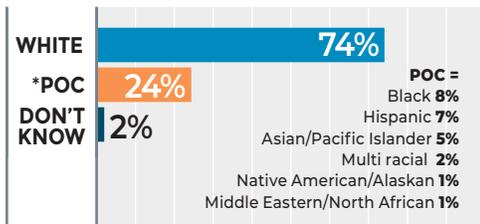


## RACE & ETHNICITY

\* POC = People of color

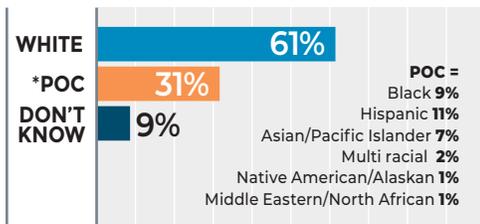
### EXECUTIVES

UP TO 3 TOP EXECUTIVES  
% OF EXECUTIVES WHO ARE \_\_\_



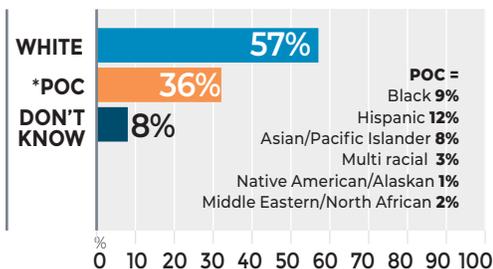
### ADDITIONAL MANAGERS

% OF ADDITIONAL MANAGEMENT WHO ARE \_\_\_



### NON-MANAGEMENT STAFF & CONTRACTORS

% OF NON-MANAGEMENT STAFF AND CONTRACTORS WHO ARE \_\_\_



Numbers may not add up to 100% because of rounding

In 2018, only 70% of employees in 2018 were salaried. In 2020, 85% of employees were salaried.

## Diversity, equity and inclusion

This report comes a little over one year since George Floyd was murdered by a police officer in Minneapolis, a tragedy that led to a period of reckoning for the country and for the journalism industry. Journalists began speaking up about prejudices they faced in their own, predominantly white newsrooms and racism in coverage, leading many across the INN network to make a deeper commitment to diversity, equity and inclusion.

In 2020, INN established the first DEI baseline study of nonprofit news and published the [Diversity, Equity and Inclusion \(DEI\) in Nonprofit News report](#) based on data from 117 nonprofit newsrooms. We found nonprofit newsrooms are more diverse than traditional media but not yet reflecting the diversity of the nation or local audiences.

We see signs of progress in racial equity and inclusion within the nonprofit news field. In 2020, over a third of outlets (37%) had a staff where people of color made up 40% or more of total personnel, roughly representative of the U.S. population.

There is a continued need for work at the executive level. A little less than a quarter of nonprofit news executives are people of color. Representation is highly variable and many outlets have low or no racial diversity at the top leadership level: One third of outlets have at least one person of color among their top executives, but nearly two-thirds have all white leadership.

In the past few years there has been a rise in POC-led organizations, with recent startups leading the field's advances in diversity. Nearly half of all INN member news outlets led by people of color launched

## 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 7%, and "all other groups," which includes multiracial, Native American/Alaska Native and Hawaiian/Pacific Islander, account for a small percentage.

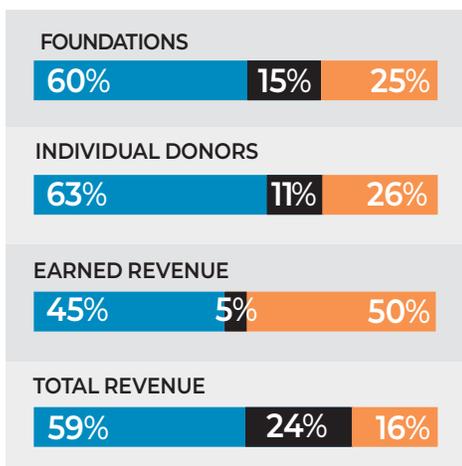
## DIVERSITY NUMBERS ARE NOT ENOUGH.

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.

### REVENUE CHANGES 2019-2020

% OF OUTLETS WHOSE REVENUE \_\_\_\_\_ IN THE LAST YEAR

▲ INCREASED      ■ FLAT\*      ▼ DECREASED



\*Changed by less than 10% plus or minus  
Numbers may not add up to 100% because of rounding

from 2017 through 2020. Among the 770 workers across startups, including leadership and staff, 38% are people of color, vs. 31% for the whole field.

One reason POC-led organizations are growing: support from foundations. About a fifth of the nonprofit news field (21%) has a primary focus of serving communities of color, and these outlets brought in 21% of the field's total grant revenue in 2020. Nearly one-fourth of the field (22%) are news organizations led by people of color, and these outlets take in about the same share of foundation revenue generated by the field as a whole.

The nonprofit news field remains notably more equitable for women than legacy media. More than 75% of outlets have at least one woman in a top-three leadership position. By comparison, a [2019 survey by the News Leaders Association](#) found that women accounted for just 40% of managers across print and digital news organizations.

## REVENUE

Nonprofit news dramatically grew its revenue in 2020. Individual giving and foundation funding increases drove the growth. Nearly two-thirds of outlets with comparable data saw individual giving grow, and 60% saw grant funding gains.

Members attribute individual giving growth to successful calls-to-action to their audiences and donor network, where outlets showcased their unique value during the pandemic and made appeals for financial support. Foundations also issued emergency grants, some giving outlets funds for new coverage and remote-work needs.

Individual giving is where nonprofit outlets shined in 2020. The median revenue from individual giving increased to \$118,000, a 41% gain from the prior year based on the Index respondents with comparable 2019 and 2020 financial data.

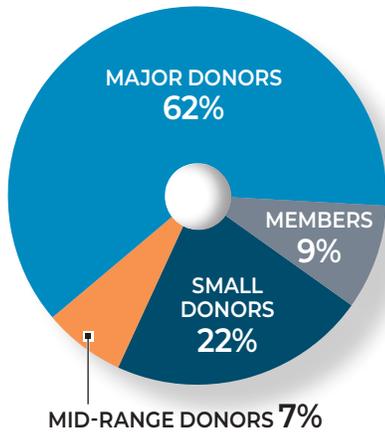
Across the nonprofit news field, a little less than half of funding comes from foundations, more than a third from individual giving, and 14% from earned revenue. PPP loans that were forgiven are included in "Other Charitable," making up a sliver of this otherwise small category.

### Individual giving surges for many

Nearly two-thirds of news nonprofits saw increases in individual giving in 2020, and for about half of those outlets the bump was

## INDIVIDUAL GIVING

% OF TOTAL DONOR REVENUE FROM \_\_\_\_\_



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

### **INN'S CORE GROUP OF INDEPENDENT, MOSTLY DIGITAL-NATIVE PUBLISHERS GENERATED AN ESTIMATED \$300 MILLION-\$350 MILLION IN 2020.**

While this estimate reflects a growing field and increased funding, it is not easily comparable to previous years' Index estimates for two reasons: First, in the past, INN's public media members were included in the totals; last year that put the total field-wide revenue at around \$500 million. This year, INN excluded public media groups from our financial analyses due to barriers with aligning public media accounting with the majority of digital-native outlets. Second, we made a slight modification to this year's survey to filter out non-news related revenue at organizations that have broader missions.

more than 50%. Individual giving includes gifts from major donors, mid-range donors, small-dollar donors and members.

The majority of individual giving revenue comes from major donors (60%), followed by small-dollar contributors (22%), members (9%) and mid-range donors (7%).

**Major donor contributions** (gifts of \$5,000 or more) are an essential component of nonprofit news funding, making up 62% of revenue from individual giving. During 2020, when dollars from major donors were in greater demand than perhaps ever before, nonprofit news outlets made the case for why they are critical providers and connectors for the country's services and support networks.

Most outlets increased revenue from major donors from 2019 to 2020, and about half of those outlets that increased major donor revenue more than doubled it. The average number of major donors per outlet went from 8 to 10.

Yet, the average contribution per major donor declined (from \$47,000 in 2019 down to \$34,000 in 2020) and the median major donor revenue per outlet also declined by 21%. Fieldwide declines in major giving were largely due to losses experienced by older, national and global outlets. We believe that new, first-time major donors offset some of the losses of gifts from existing major donors that needed to retrench for a year.

Where major gifts increased, publishers attribute factors including board members stepping up to give additional contributions, development teams leveraging wealth screening services to understand the giving capacity of existing donors and subscribers, and first-time contributors coming out of the woodwork.

[Futuro Media](#) was among the many news organizations that grew contributions from major donors. Jared Lilly, former consulting director of development, said communicating Futuro Media's value statement and how it was connected with COVID-19 helped secure ongoing support from major donors. "We are an organization that tells the stories about the inequities that we're seeing with COVID-19, and particularly how the pandemic was affecting communities of color," Lilly said. The Futuro team plans to invest further in major donor growth in 2021 and beyond, stewarding current major donors and growing their Familia Giving Circle (\$1,000+) and grassroots monthly sustainer program.

One area for major donor revenue growth: planned giving opportunities. Only 8% of news organizations reported securing

planned giving commitments in 2020, indicating an opportunity for more training and coaching on how to set up and run planned giving campaigns.

**Small-dollar contributions** of \$1,000 or less grew for the majority of outlets. The average amount of small-dollar donations per outlet jumped from \$78,000 in 2019 to \$115,000 in 2020.

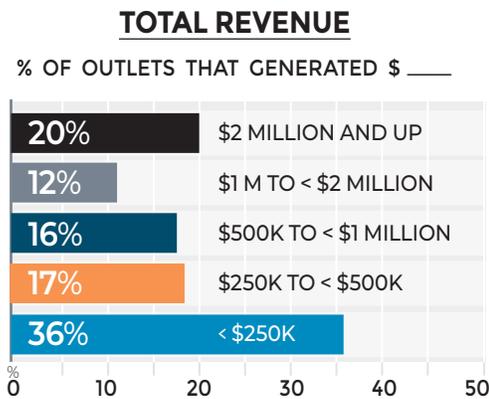
A key factor in growth of small-dollar contributions: Nonprofit news outlets attracted more first-time contributors than ever before. The number of people who gave a nonprofit news outlet a small-dollar contribution jumped by almost 50% from 2019 to 2020, from an average 846 small-dollar donors per outlet in 2019 to over 1,200 in 2020. The average amount of a small-dollar donation held steady at around \$90.

Small-dollar gains varied by outlet. Although more than half of outlets with comparable financial data showed gains, about a quarter experienced a decline and the remaining outlets stayed about the same.

INN Members attribute a few factors to small-dollar revenue increases, including new unique campaigns around COVID that brought in first-time contributions. Other outlets noticed more donors coming in during pre-existing, end-of-year appeals. Index data does not point to the exact levers that bring in small-dollar contributions, but INN's work in the field shows that sending targeted calls-to-action over email and enabling audiences to donate quickly and easily on a homepage and within story pages are highly effective tactics.

Sara Solovitch, executive director and editor of Searchlight New Mexico, says newsletter appeals drove the vast majority of small-dollar contributions to the outlet, particularly during its annual end-of-year giving campaign that coincides with NewsMatch. About 80% of contributions came in during the end of year campaign. The Searchlight team also worked throughout the year to build and cultivate their email lists, both through collecting emails on their website and by collecting emails in the registration process of their webinars. When it was time to make financial requests at the end of the year, their audiences were primed and ready to contribute.

**Membership models** remain a nascent editorial and business orientation for many digital news outlets in the U.S. Only a third of survey respondents reported having a membership program, and of the outlets that do have a program, definitions of "membership" vary widely. About half of membership programs



<b>DOLLARS PER DONOR</b>	<b>AVERAGE DONATIONS IN DOLLARS</b>	<b>TOTAL DONATIONS IN MILLIONS OF DOLLARS</b>
2,052 MAJOR DONORS	\$33,635	\$69 M
6,311 MID-LEVEL DONORS	\$1,262	\$8 M
274,145 SMALL DONORS	\$91	\$25 M
49,668 MEMBERS	\$141	\$7 M
332,176 TOTAL		\$109 M

in our survey sample count small, recurring donations as “membership,” whereas about a fourth label all donors as members. A handful target major donors.

Yet, we do not discount the rapid growth of membership in 2020, especially during a year of crisis. From 2019 to 2020, the average revenue from membership per news outlet more than doubled. The number of members jumped, too, from a median of 355 members per news outlet in 2019 to over 600 one year later. The average financial contribution per member rose from \$100 to \$140. This increase suggests loyalty between member and outlet. When many outlets called on their members for help during a time of financial uncertainty, members responded with financial support.

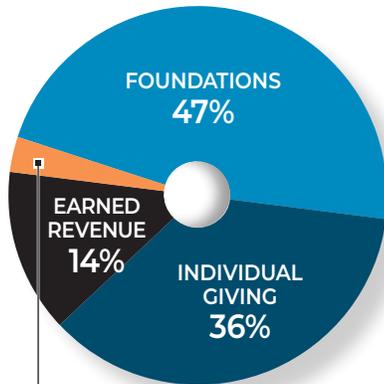
[The Narwhal](#), a Canadian news site that publishes in-depth and investigative journalism about the natural world, is one outlet where monthly membership has taken root. For The Narwhal’s co-founder, Editor-in-Chief and Executive Director Emma Gilchrist, calculating a single member’s lifetime value helped her decide to prioritize membership in 2020 and beyond. After determining that the average three-year value of one member is \$400, an amount significantly higher than the average one-time donor, Gilchrist and The Narwhal team decided to go all-in on membership. By experimenting with varied language for their calls-to-action, making it easy for new members to sign up, and adding membership appeals at the end of articles, The Narwhal increased the number of organic monthly member sign-ups on its website from 30 to close to 200. The team also invests in one-off membership appeals. One distinct campaign that promoted winter hats embellished with The Narwhal’s logo brought in 400 new members. The Narwhal surpassed its 2020 goal of 2,000 members and aims to reach 3,900 members by the end of 2021.

### Earned revenue remains underdeveloped

Unsurprisingly, a number of organizations took a hit in earned revenue categories this past year. For the news outlets reporting both 2019 and 2020 financial data, more news outlets lost than gained revenue in the three major earned revenue categories we track: advertising, sponsorship and events. The decades-long fallout of advertising revenue across the industry [is well documented](#). Among nonprofit news organizations, we know the pandemic made advertising and sponsorship deals more challenging, particularly for outlets that relied on sponsorship dollars for in-person events. Many outlets quickly pivoted, offering virtual events that allowed

## REVENUE STREAMS

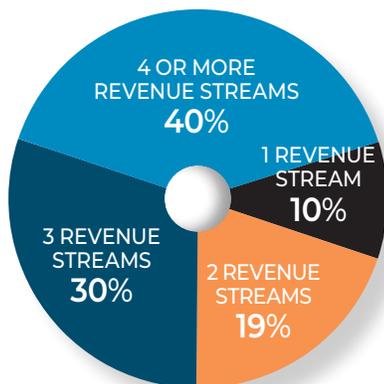
% OF TOTAL REVENUE FROM \_\_\_\_\_



OTHER CHARITABLE 3%

## REVENUE DIVERSITY

% OF OUTLETS THAT HAVE



Numbers may not add up to 100% because of rounding

sponsors and advertising clients to reach even larger audiences. It may take a year or two to discern ongoing trends in earned revenue following the disruptions of the pandemic year.

Earned revenue makes up a scant 14% of the field's total revenue, but there is room for experimentation and growth based on replicable models. In 2019, the [San Antonio Report](#) brought in nearly \$700,000 from more than 200 relationships with businesses, a dramatic growth from its \$128,000 in revenue from businesses six years earlier. In just a few years [Madison365](#), a site that covers communities of color in Wisconsin's state capital, successfully built its advertising and sponsorship offerings into its primary revenue stream, accounting for more than half of the site's overall budget. Where news organizations focus on sponsorship, we see substantial gains, and [INN is working with the Google News Initiative](#) to accelerate nonprofits' capacity for sponsorship development.

By leading with their value-add and mission, cultivating relationships with local and national businesses, and packaging unique advertising and sponsorship opportunities across platforms, nonprofit outlets have the capability to build earned revenue into a larger and more consistent source of revenue in the years ahead.

## Nonprofits sustain healthy revenue portfolios

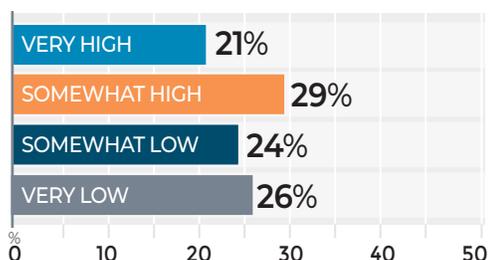
Revenue diversification, or the ability of a news outlet to create and grow revenue from a variety of sources, appears to be increasing. Revenue diversity is considered a marker of stability and sustainability for news organizations. It enables them to weather a drop in any one source, such as the heavy reliance on advertising revenue that left many commercial news outlets vulnerable to market failure.

The strong majority of nonprofit news organizations (71%) have three or more revenue streams. Only 10% of survey respondents indicated relying on a single revenue stream, typically foundation grants.

Statewide outlets lead the field in terms of creating a diverse mix of revenue, with almost an equal share of revenue coming from individuals and foundations, and a growing share of revenue from earned sources. Local news outlets have a lower share of individual giving revenue, but show the most growth in revenue from earned sources. National and global outlets benefit from major donor support more than the rest of the field, with 70% of their individual giving dollars coming from major donors.

## FOUNDATION SHARE OF REVENUE

% OF OUTLETS DRAWING A \_\_\_\_ SHARE OF REVENUE FROM FOUNDATIONS



### NEWSMATCH YEAR-END CAMPAIGN SHOWS HOW NATIONAL FUNDING CAN TRANSFORM LOCAL NEWS SUPPORT.

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 2020, a nearly \$3.1 million match pool from national funders was leveraged to generate more than \$47 million from individual donors and \$3.1 million in additional match funds from local foundations, businesses, and major donors. This growth in local match dollars is more than double from the year prior.

Many news outlets work to increase revenue from individual giving and earned revenue to decrease reliance on foundation dollars over time, but philanthropy from foundations remains a critical component, making up 47% of the field's overall funding. Foundation funding proved to be a stable backbone of support during this last year of financial turbulence.

### Foundation funding is concentrated in national, older outlets

Foundation funding and major gifts for nonprofit news are highly concentrated in the largest and oldest newsrooms. While funder and civic concern is growing about the decline of local news, grant funding does not reflect the extent of the concern. Local news outlets make up over a third of the field by number, but bring in only 13% of the field's foundation funding.

The outlets that are attracting the most grant dollars are well established, tend to be nationally or globally focused, and have larger overall budgets. More than 70% of all grant funding goes to just the top 20% of the field, a group of outlets with annual revenue of \$2 million or more. Older outlets that launched in 2008 or before make up roughly one-fifth of the field, but bring in more than a third of all grant money.

Major giving is also concentrated disproportionately among older and national outlets. Of all the outlets that reported major gifts, just 9% brought in at least \$1 million from this source in 2020. That 9% — a group dominated by older, nationally focused newsrooms — accounted for nearly three-quarters of all major donor revenue across the field.

Index data doesn't indicate causes for this split in philanthropic and major giving support, but INN has found the larger and older organizations have larger and more experienced fundraising staffs; grant funders and major donors express a sense of security about investing in well-known news brands vs. startups, and many funders are just beginning to expand local news funding through programs such as large-scale collaborations and funding initiatives such as [The American Journalism Project](#) and [NewsMatch](#).

## CONCLUSION

This is a springboard moment. Nonprofit news outlets succeeded in serving their communities with essential information through the crises of 2020. From the impact of their journalism and the growth in community support, we find direction and the momentum to

restore and reinvent news for all Americans, at a much greater scale.

There is great urgency to expand this work.

The decline of commercial media will continue. Our challenge is to move from a crisis footing toward a future ensuring the nonpartisan, nonprofit news needed to govern ourselves in a democracy. If news disappears, so does our way of life.

The INN Index and INN's dozen years of media development in the U.S. point to clear priorities for news leaders and philanthropists.

A key opportunity is underscored by a [Pew Research Center study](#) showing consumers lean on their familiarity with a news brand more than any other factor in deciding what news to trust. Coming off a year when service journalism introduced millions of people to nonprofit news brands and attracted individual donors, the priority for nonprofit news publishers is to keep and expand this support.

The audience challenge for nonprofits is more about depth and loyalty than the total numbers and affluent audiences sought by ad-based news outlets. Given their mission to share coverage with other media, news nonprofits' audience development will require stronger branding and marketing. As nonprofit news outlets replace some legacy brands, they must experiment to understand changing news needs in various communities, and deepen their audience-building skills.

Nonprofit journalism must take a more equitable, inclusive path than legacy media ever has in eliminating racism within our ranks and our coverage. That work advanced in 2020 but not far enough, particularly in leadership diversity. Reflecting their communities in staff and leadership is a standard for accuracy as well as equity. Reaching this standard requires more action on retention and promotion, culture change and ensuring equitable pay and opportunities for leaders of color.

For philanthropists, the Index and NewsMatch suggest possibilities to scale news development. Hundreds or perhaps thousands of additional nonprofit news outlets are needed to replace lost newspaper coverage, reach

underserved communities and innovate in reporting, distribution and technology use. A core challenge is how to expand philanthropic funding to the scale needed, especially for local news.

Following the 2008 financial crisis, philanthropic funding seeded exponential growth in the INN network, enabling a handful of nonprofit news organizations to grow into hundreds whose collective reporting resources now approach the scale of NPR or Reuters.

This same catalytic approach will work going forward. INN sees four ways to create a multiplier effect in institutional philanthropy, all leveraging national seed funding to inspire and expand additional revenue sources for journalism:

- Collective fundraising campaigns such as NewsMatch leverage relatively modest amounts of national funding to catalyze broad new community support for news. NewsMatch 2020 generated nearly as much in local match funds as national, and many times more in individual donations.
- Investing in collaborations lifts the quality of reporting and extends its impact in an exponential way. Leveraged grants for collaborations can improve news coverage in underserved communities.
- Networked initiatives to build the business capacity of news, including INN programs, the American Journalism Project and business accelerators funded by major technology companies, are seeding growth that extends well beyond traditional philanthropy.
- Direct service grants to sustain national nonprofits enable them to serve as a backbone of exceptional reporting and business skill, strengthening the entire news ecosystem, from local to global.

We must move with urgency to restore, reinvent and expand public service journalism, the lifeblood of our communities. From the crises of 2020, we can take momentum to move further and faster in expanding the news that sustains our civic life and promotes the public good.

— Sue Cross, Executive Director & CEO, INN

# INN Index participants (Thank you!)

100 Days in Appalachia	Center for Collaborative Investigative Journalism	Documented	Indian Country Today
100Reporters	Center for Public Integrity	East Greenwich News	Indigenous Media Freedom Alliance
Adirondack Explorer	Center for Responsive Politics	East Lansing Info (ELi)	inewsources
Advocate Media	Center for Sustainable Journalism	ecoRI News	Injustice Watch
Alabama Initiative For Independent Journalism	Centro de Periodismo Investigativo	EdSource	Inside Climate News
Amjambo Africa	Chalkbeat	El Paso Matters	InvestigateWest
An Arm and a Leg	Charlottesville Tomorrow	El Tímpano	Investigative Post
Anthropocene Magazine	Chicago Reader	Energy News Network	Investigative Reporting Workshop
Applegate Valley Community Newspaper	Cicero Independiente	Enlace Latino NC	Iowa Center for Public Affairs Journalism
Arizona Center for Investigative Reporting	Circle of Blue	Ensia	Ipswich Local News
Arkansas Nonprofit News Network	City Bureau	Eurasianet	Ithaca Voice
Asheville Watchdog	City Limits	Evanston RoundTable	KCUR
Aspen Journalism	Cityside	FairWarning	Kentucky Center for Investigative Reporting
Bay City News Foundation	CivicStory	Flint Beat	Kentucky Center for Public Service Journalism
Bay Journal	Civil Eats	Florida Bulldog	Key Peninsula News
Bay Nature Institute	CoastAlaska	Florida Center for Investigative Reporting	KOSU
Belt Media Collaborative	Coda Media	Food & Environment Reporting Network	KPBS
BenitoLink	Colorado News Collaborative	Food Bank News	KPCW
Better Government Association	Columbia Insight	Foothills Forum	LkldNow
Block Club Chicago	Community Info Coop	Fostering Media Connections	Lower Cape TV
Borderless Magazine	Connecticut Health I-Team	Foundation for Financial Journalism	Madison365
Borderzine	Connecticut Mirror	Futuro Media	Maryland Matters
Boyle Heights Beat	Crosscut	Georgia Health News	Maryland Reporter
Breckenridge Texan	Current	Georgia News Lab	Matter News
Bridge Detroit	Daily Yonder	Grist	Midwest Center for Investigative Reporting
Bridge Michigan	Dallas Free Press	Growing Community Media	Milwaukee Neighborhood News Service
California Health Report	DC Witness	H2O Radio	MinnPost
CalMatters	DCist	Hidden City Philadelphia	Mission Local
Canopy Atlanta	Deep Indigo Collective	High Country News	Mississippi Center for Investigative Reporting
Capital of Texas Media Foundation	Delaware Currents	Highlands Current	Mississippi Free Press
Capitol News Illinois	Delaware Public Media	Honolulu Civil Beat	Mississippi Today
Carolina Public Press	Detour Detroit	Hoptown Chronicle	
	Detroit Public Television's One Detroit	In These Times	
		India Currents	

MLK50: Justice Through Journalism	PRX	The Beacon	The Texas Tribune
Mongabay	Public Broadcasting Atlanta	The Bedford Citizen	The Trace
Montana Free Press	PublicSource	The Center for Investigative Reporting	The Tyler Loop
Montclair Local	Pulitzer Center on Crisis Reporting	The Charlotte News	The UpTake
Mother Jones	Radio Ambulante	THE CITY	The Utah Investigative Journalism Project
Mountain Journal	Religion News Service	The Conversation US	The War Horse
Mountain State Spotlight	Resolve Philly	The Counter	The Water Desk
MuckRock	Retro Report	The Crime Report	Threshold
NancyOnNorwalk	Rochester Beacon	The Current	Tradeoffs
National Parks Traveler	Rocky Mountain PBS	The Current Media	TucsonSentinel
Nevada Public Radio	Sahan Journal	The DC Line	Type Investigations
New Hampshire Center for Public Interest Journalism	Salish Current	The Devil Strip	Underscore
New Haven Independent	San Antonio Heron	The Forward	Virginia Center for Investigative Journalism
New Mexico In Depth	San Antonio Report	The Frisc	Voice of OC
New York Focus	San Francisco Public Press	The Frontier	Voice of San Diego
Next City	San Jose Spotlight	The Fuller Project	Voices of Monterey Bay
NJ Spotlight	Scalawag	The GroundTruth Project	VTDigger
NOISE	Science Friday	The Hechinger Report	Washington Monthly
North Carolina Health News	Science News	The Hummel Report	Wausau Pilot and Review
NOWCastSA	Searchlight New Mexico	The Intercept	WDET
Ohio Center for Investigative Journalism	Shelterforce	The International Consortium of Investigative Journalists	West View Media
Oklahoma Watch	Sierra Nevada Ally	The Land	WFAE
Open Campus	SJV Water	The Lens	WFYI
Open Vallejo	Sludge	The Local Reporter	WGBH
Orb Media	Solitary Watch	The Maine Monitor	WHYY
Outlier Media	South Dakota News Watch	The Marjorie	Wisconsin Center for Investigative Journalism
PassBlue	South Side Weekly	The Markup	WITF
Patagonia Regional Times	Southerly	The Marshall Project	WitnessLA
PBS NewsHour	Spotlight PA	The Narwhal	WJCT
PBS39/WLVT	St. Louis Public Radio	The Nevada Independent	WNIN
Planet Detroit	Street Sense	The Nonprofit Quarterly	WyoFile
PolitiFact	Texas Observer	The Record North Shore	Yale Environment 360
Prism	The 19th*	The Reporters	YES! Media
ProPublica	The 74	The Salt Lake Tribune	YR Media
	The Austin Bulldog		
	The Badger Project		

