Pitching to the Public: Why Journalists Use Crowdfunding

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WHAT IS CROWDFUNDING?

Crowdfunding is the financial counterpart to crowdsourcing. Specific to journalism, it harnesses the power of social networking, allowing journalists to pitch proposed stories directly to the community, where people donate money to fund reporting.

CROWDFUNDING BASICS

The overall concept is the same across the three crowdfunding platforms studied. The sites house the pitch and offer built-in or suggested functions to assist campaign promotion. Sites keep a percentage of funds raised (~5%) and an additional percentage (~4%) is charged by the company processing the online payments. Participant and project requirements vary among the sites. For example, some accept any project; some require project acceptance by an internal review board; and some only award funding if the total fundraising goal is met.

METHODOLOGY

In this study, seven journalists and two photographers with projects listed on Kickstarter.com, Indiegogo.com or Spot.us were purposively selected and interviewed at-length. Interview questions were designed to help discover what motivates journalists and photographers to turn to crowdfunding, how they promote their campaigns, and their overall comfort level with campaign self-promotion.

KICKSTARTER
INDIEGOGO
SPOT.US

KEY FINDINGS

1. In the midst of budget cuts and staff reductions, crowdfunding provides an alternate revenue source for journalists.

2. Respondents reported valuing crowdfunding for its ability to cover issues not commonly seen in mainstream media.

3. Journalists who crowdfund reported appreciating the ability to maintain full creative control over their projects.

4. Respondents reported that crowdfunding is extremely time consuming, and many were uncomfortable with the self-promotion required to successfully fund-raise.
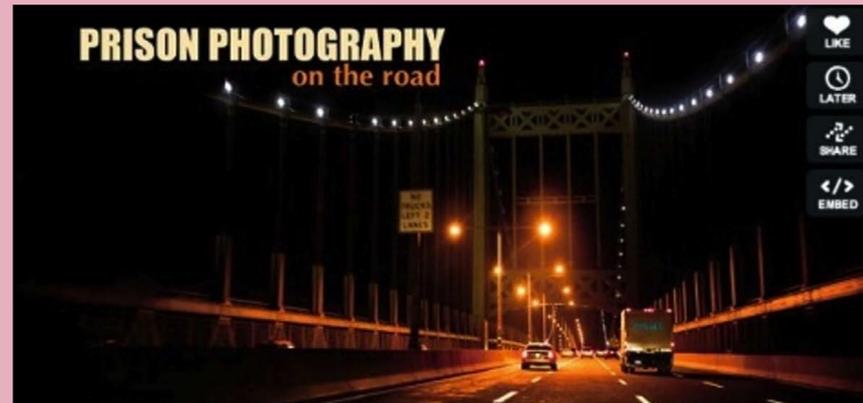
Seattle-based Pete Brook exceeded his funding goal by 47 percent with the help of a detailed promotional plan.

ELEMENTS OF SUCCESS

Of the nine projects, five failed to meet funding goals and four met or exceeded the funding target. The most successful journalists:

- Utilized in-depth promotional programs with clearly defined strategies.

- Regularly networked via Facebook and Twitter, along with targeted (vs. mass-mailed) emails to personal contacts and cause-related groups.

- Provided regular updates via blog posts.

- Secured speaking engagements and interview opportunities with special-interest publications and local civic groups.

CHALLENGES

" The difficulty should be in getting the absolute most complete story, not in getting paid to do it. That's a little crazy to me, frankly. I mean, should I be out there looking for the people I need to be talking to to get the story right, or emailing millions of people?"

– Ruth Bird, Veteran Freelancer

- Many journalists are not yet comfortable with the amount of self-promotion necessary to crowdfund a project.

- Others lack public relations skills that assist with successful campaign promotion.

DISCUSSION

Historically, reporters and PR pros have existed in somewhat of a love-hate relationship. With crowdfunding, reporters must pursue potential donors similar to how PR pros pursue reporters.

As the news business embraces cross-platform and hybrid models, journalism students recognize the need for a broad-based, multi-media skills set. The results of this study suggest that a basic public relations or marketing education has become equally important and should be a required part of a journalist's education.

FUTURE STUDY

Much remains to be seen regarding crowdfunding's full potential as a funding source for journalists. Further study of types of stories best suited to crowdfunding, mainstream media's willingness to use crowdfunded stories and relationships between reporters using crowdfunding and the people funding work are three potential areas of additional investigation.