

Community Journalism Building a Sustainable Future

A Toolkit for Publishers



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Foreword

Independent community and hyperlocal news outlets keep citizens informed about what is going on in their communities. They help foster a shared local identity and social cohesion.

Many news outlets began life as passion projects, single issue campaigns and blogs. Others were launched in protest as the decline of local news led to it becoming increasingly less local in its orientation, and in a belief that it could and should be better. The inspired individuals stepped up to provide an alternative source of information through social enterprises, businesses and voluntary services, delivering enormous civic value.

Over the past decade, the sector has grown in its professionalism and quality. It is now recognised as an indispensable part of the wider news ecosystem, covering local council meetings, local planning meetings, schools, elections, hustings, court hearings and holding power to account by reporting what matters.

However, the journalists all face the very same challenge: sustainability.

In an endeavour to support the sector and promote quality journalism, this toolkit provides information on various funding models, infused with examples of business success stories. The toolkit was produced in collaboration with the Centre for Community Journalism (C4CJ), the Independent Community News Network (ICNN) and several of ICNN's member organisations. It was made possible by ESRC IAA DTP NPIF ABC and Cardiff University Impact & Engagement funding.

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ONLINE Advertising

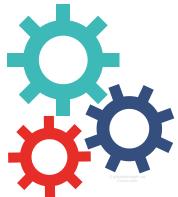
Getting started

Advertising is the most common online revenue stream for community news outlets, and there are two ways to go about it.

Local advertising

You can proactively approach businesses and sell local advertising with an advertising rate card. For this, you can contact these potential advertisers:

- local businesses
- the hospitality industry
- tourism and event organisers
- · cinemas, theatres, museums and galleries
- sports clubs
- garages
- dry cleaners
- universities
- schools
- health centres
- retirement homes
- and many more



Programmatic adverts

Alternatively, there is programmatic advertising offered through the likes of Google AdSense, Amazon Associates and Microsoft Advertising. These use an algorithm based on your location and service in order to show adverts to local customers (Google AdSense).

For Google AdSense, you add one piece of code to your site, and you'll be paid for your monthly visitors. Amazon Associates offers up to 10% in associate commissions from qualifying purchases and programmes, while the Microsoft Advertising Affiliate Program pays commissions on qualified referrals.

Types of advertising

If you want to sell advertising on your site, you should think about the different types keeping in mind your website design, content, unused space and load time (AdSpeed).

Display or banner adverts are boxes or 'banners' on the web page which, when clicked on, link to the advertising client's website or a specific landing page (Bannerflow). They can take on various forms, ranging from text to static images to animations and videos to interactive applications (Bannerflow). Display or banner adverts are obvious advertising, but they have been a popular marketing method (Bannerflow).

Pop-ups are adverts of different shapes and sizes that suddenly appear on the website (Marketing Terms). The viewer can usually close, minimise, maximise and click on them (Marketing Terms). While pop-ups are guaranteed to be seen, some viewers strongly resent them as they pose an inconvenience (Marketing Terms).

Pop-unders open underneath an active browser window and become visible when the viewer closes the window (Business of Apps and Marketing Terms). The adverts are often overlooked, but they can circumvent ad blockers and ad blindness (Business of Apps).

Floating or layer adverts flow or slide over the page using animation (AdSpeed). They can appear with a short delay and then disappear after a set period of time (AdSpeed). Usually, the viewers can actively close them (AdSpeed). While floating or layer adverts attract attention, they may be perceived as unwelcome, just like pop-ups (AdSpeed).

Expanding adverts increase in size when the viewer interacts with them, e.g. via a mouse-over or a mouse click (AdSpeed). When minimised, the adverts take up less space on the website, and you can measure interactions, such as how often viewers expand adverts and for what time period (AdSpeed).

Interstitial or splash adverts appear as a full page before the viewer arrives on the website (AdSpeed). Just like display or banner adverts, they can take on various forms, from text to images to animations and videos to interactive applications (AdSpeed). Interstitial or splash adverts usually appear subject to a frequency cap, e.g. once a day, so that viewers can reopen the website without seeing the advert again (AdSpeed). Interstitial or splash adverts are visible and can be very effective, although some viewers may perceive them as unwelcome (AdSpeed).

Advanced

Ad blockers

Some of your readers may have installed ad blockers. To combat these, it is possible to install anti-ad blocking software on your website. The software disables ad blockers or forces readers to turn them off to view the site.

Alternatively, you could include a note on your site asking readers to disable their ad blockers or ask readers to pay to get rid of adverts to support your journalism (see section on membership schemes).



Programmatic advertising

You can try improving your site's performance in search results (Google). This increases website traffic and pay-per-click advertising revenue from programmatic adverts. For more information, please see: Google's Search Engine Optimization (SEO) Starter Guide.



Dos

- Take into consideration the size of the adverts. You can charge more for larger adverts.
- Explain why people should advertise with you (see also section on launching a print edition).
- Track down advertisers who don't pay on time.
- Actively promote your site to attract more readers.

Useful web resources

- Marketing Terms Online Advertising Glossary
- Google's Search Engine
 Optimization (SEO) Starter
 Guide
- AdSpeed



Business Story

THE LINCOLNITE



Upon graduating from a journalism course at the University of Lincoln in 2010, Daniel Ionescu – together with a fellow graduate – identified a gap in the local news market which led to the launch of the digital news outlet, *The Lincolnite*. The journalists initially relied on freelance work to build their site and audience, until they decided about a year in to take the plunge and work on the business full-time.

Fast forward to a decade later, the news outlet has overtaken its main competitor in the city in terms of popularity, readership and staff. The website also expanded to cover the whole region of Lincolnshire and local business news.

Several factors have led to this success – starting with a good product and a business model centred on display advertising. Ionescu explained: "We had to have a website that was nicer to look at than our competitor's, easier to navigate, with fewer better-quality and locally relevant advertisements ... We had to find stories that were of interest to people."

Positioning the business

Not leaving their success to chance, the journalists strategically approached potential advertisers. When *The Lincolnite* was still the smaller player, this meant explaining why businesses should spend money with them. For example, Ionescu noted: "Because we were young, because we were fun, because we were quick, because we were making positive change ... because we have lots of readers, and what's 500,000 compared to [our competitor's] 700,000?".

With increased success and shifting media landscapes, they shifted to focusing more on their established position as a local and regional news outlet. Ionescu would say: "We have proven ourselves in the past decade. You know we are here, and you know we are here to serve you."

The Lincolnite exclusively displays advertising from local businesses where companies pay for weekly time slots on the website rather than page views or clicks. This has the advantage that the overall income is not affected by the number of readers.

Similarly, the business does not sell programmatic advertising, which means that most ad blockers view the advertising on the site as part of the content rather than as adverts, potentially making the business more attractive to advertise with.

The Lincolnite also profits from some sponsored content, job, property and event listings as well as from providing event management services.

Daniel Ionescu's advice on...

getting advertising

"You have to show that you are dedicated and doing it fully, and that [it] is what you live and breathe."

the LINCOLNITE

the business model

"Create hype and secure sponsors for up to a year in advance [before the launch] ... establishing what you want to do, how you want to do it, is almost more important than the reporting you will do afterwards."



Business Story BEDFORD INDEPENDENT

The beginnings of *Bedford Independent* date back to December 2010, when Erica Roffe launched a Facebook group called 'We are Bedford', which has been promoting the town and records more than 30,000 members.

Together with the commercial talent, Julia Course, and fellow journalist, Paul Hutchinson, Roffe took this venture further in 2018, launching an online news publication.

Backed by a large Facebook audience and some investors, the three Bedfordians landed on advertising as the business model. Their secret ingredient to making it work has been content that people want to read, coupled with 'cold calling'.

This means that they would start a conversation with businesses which they had already seen advertise in magazines or other news outlets. They had a simple reason for this: The businesses might be equally keen to take out advertising with *Bedford Independent*.

From then on, it was about building a relationship. Roffe noted: "we're not after a quick one-off hit from an advertiser ... it's much more about working out ways that we can benefit them and creating that sort of symbiotic relationship."

Generating a sustainable income

Bedford Independent offers several different advertising plans: Companies can choose to take out banner advertising or classifieds on a weekly and monthly basis. Alternatively, they can opt for social media marketing or sponsored content as long as it agrees with the publication's editorial standards.

Most recently, *Bedford Independent* also started featuring a Taboola feed at the bottom of each article, displaying programmatic adverts. Although the co-founders are ambivalent about this form of advertising, it provides the news business with a regular monthly income where the outlet gets paid for the number of clicks generated through the website.

Bedford Independent also profits from property and job listings, reader donations, PR training days and event management services combined with advertising. For example, in March 2021, the team put on a virtual awards ceremony where they would celebrate the people in Bedford. This allowed them to network with businesses which would take out advertising and sponsored content. Most importantly, however, *Bedford Independent* could champion the town, which was the main reason why the three Bedfordians set up the publication in the first place.

Erica Roffe and Julia Course's advice on...

convincing businesses to advertise with you "It helps that we have 160,000 readers every month, and it also helps that we can tell them ... how many times your advert has been seen, how many times somebody has clicked through to your website. So, that really does help." – Julia Course following their business model "You've got to have decent content that people want to read." – Julia Course

following their business model

"From the editorial side, we are striving to be the best that we can to give the best platform for Julia to be able to sell on." – Erica Roffe

PAYWALLS

Getting started

Paywalls are an alternative to online advertising. These put a value to exclusive content by restricting free access and encouraging readers to fund journalism (The Conversation and State of Digital Publishing). If you want to try and give it a shot, there are various options available.

Hard paywalls restrict access to a specific section or the entire website. They require payment before any content can be viewed (State of Digital Publishing). If you choose this model, it is important to continuously produce content that the readers find interesting because you are competing with the Internet and vast access to information (State of Digital Publishing). An example of a hard paywall can be on the website of the *Financial Times*.

Freemium paywalls offer a combination of free and premium paid-for contents (State of Digital Publishing). Out of a journalistic duty to inform, breaking news are typically offered without charge (State of Digital Publishing). By contrast, readers need to purchase in-depth exclusives and analyses (State of Digital Publishing). These can be promoted by providing the first paragraph of an article free of charge. Freemium paywalls are, for instance, used by *The Telegraph*.

Soft paywalls give access to some content – more so than freemium paywalls (State of Digital Publishing). Here, the publisher is key in setting access criteria (State of Digital Publishing). For example, readers may be allowed to see a limited number of articles in a specific duration, e.g. in a month (State of Digital Publishing). Once they reach the limit, they need to buy a subscription to continue reading content (State of Digital Publishing). This is also called a metered paywall, which, for instance, is used by Newsquest (PressGazette).

On top of the paywall types, you need to consider **payment plans**: Should readers be able to purchase single articles that they are interested in reading or pay for access to the full content of the site (State of Digital Publishing)?

Advanced

Paywalls have been successful to varying degrees (The Conversation). Brands such as *The Times* and *The Telegraph* have managed to make this model work (Journalism and PressGazette). Almost all ICNN members we interviewed relied on other ways of funding. For this reason, it is unclear whether the model is successful at a local level.



Micropayment

provider:

Axate

Words of advice

- Do your research. Are there sufficient potential subscribers in your area to make this work?
- Consider carefully if you want to adopt a paywall model. There is a chance that your readers may not want to pay for news if they can get it for free elsewhere.
- Engagement with your site can be a good indicator for potential success with paywall subscriptions (State of Digital Publishing).

Useful web resources: State of Digital Publishing The Conversation



Business Story

CORNWALL REPORTS



Courtesy of Graham Smith

"No pop-ups, no click-bait, just quality independent journalism with no adverts on news pages" is the slogan of the paid-for online news outlet, *Cornwall Reports*. It was set up by long-time journalist, Graham Smith, in October 2016 in response to declining journalism standards in the country.

The editor mentioned: "I really wanted to prove that journalism has value. \dots I was heartbroken to see how it was being traduced, and I wanted to reinvent it."

After considering different business models, Smith arrived at a paywall. For *Cornwall Reports*, it has been a very robust model. Since the first and only crowdfunding call to launch the site in 2016, the number of subscribers has grown steadily and increased during the coronavirus pandemic.

Secrets to success

Smith believes that this success was because of the large size and shared identity of Cornwall's community and the unique content on the site. He also credits several marketing tools, such as a free daily two-minute news video and captivating headlines.

The journalist said: "I sometimes feel like I'm standing on a street corner with a pile of newspapers shouting 'read all about it' ... and hope that that's sufficiently interesting for people to say, 'what's he talking about? Oh, it's only 20 pence to find out."



Cornwall Reports offers different payment plans: Readers can pay 20 pence per article or choose between yearly, quarterly, monthly and weekly plans – with cheaper prices for longer-term subscriptions. These have proven effective, as more often than not readers change from pay-as-you-go to yearly subscriptions.

Smith gains some revenue from Google AdSense, although the programmatic adverts are exclusively on nonnews pages. The journalist pointed out: "If you want to know what's on in the local cinema, ... you can click on my Entertainment's page, and it's all there. ... At the top and bottom of those pages, I have Google Ads because they're not news pages."

Graham Smith's advice on...

managing subscriptions

"Just simple things like telling subscribers that the subscriptions were automatically going to renew rather than having to remind subscribers to renew them."

following in his footsteps

"Do your homework. Do your research. Be sure you know your local area [and whether there are sufficient potential subscribers]. Be sure that you know yourself in terms of what your real enthusiasms are because it is astonishingly hard work."



Business

Story

NN JOURNAL



Spurred by a gap in the local news market in Northamptonshire, the journalists, Sarah Ward and Natalie Bloomer, launched *NN Journal* in January 2021. Their publication is a regular newsletter which goes straight to people's email inboxes.

Subscribers paying for the newsletter receive original content every weekday, with the occasional news story on Saturdays. Non-paying subscribers get three free articles, as the full content is restricted by a paywall. Ward and Bloomer chose this newsletter model for its personal touch.

Bloomer noted: "It's a bit more of a connection with us ... It's something from us into their inbox every day".

Courtesy of Natalie Bloomer

To publish *NN Journal*, Ward and Bloomer use a platform called Substack. This gives the journalists a ready-to-use website for the newsletter, which is easy to navigate, and handles all financial transactions.

The business model has worked well for the journalists because the workload has stayed the same, no matter how many subscribers they have. The downside is that Substack and its payment platform Stripe take commissions of the subscriptions.

Ward pointed out: "I suppose the bigger your membership gets ... you're potentially giving them hundreds of pounds each month or more."



Courtesy of Sarah Ward

A rapid success

Since the launch of *NN Journal*, the number of paid subscribers has grown steadily. The journalists found that this is because of the quality and originality of their stories, which people cannot find anywhere else.

Bloomer noted: "we can tell when we've had a particularly strong week in terms of the stories that we've put out because we do see that ... the number of people that are paying is increased."



Ward and Bloomer also actively promote their paid subscription model. For example, they post about their stories on social media and send out a monthly email to their free subscribers on what they missed out.

To supplement the newsletter subscription model, the editors hold journalism workshops on various topics, ranging from interview techniques and fake news to the very basics of news stories. This has helped them to build and strengthen their links with different communities and gain new readers.

Some key advice on...

trying out a newsletter subscriptions model

"The biggest thing is to try and engage with your readers and the local community ... because what we found is we have loyal readers and a loyal audience who appreciate feeling part of what we do. ... So, we're trying to work with local people ... and keep the quality of stories at a high standard." – Natalie Bloomer

LAUNCHING A PRINT EDITION

Getting started

A print edition can be an important source of revenue, and this is how you go about launching one. It is helpful to **secure some initial funding**. Some outlets have done this successfully with grant funding, crowdfunding and sponsorship deals.

You should also think about **sustainability**. There is the option to fund the publication via advertising – selling full-page, half-page, quarter-page or small quarter-page adverts. As an alternative or addition to advertising, you can charge a cover price.





Pagination and print run

The pagination should depend on the amount of advertising and news you have. Generally, the pagination tends to be in multiples of 4, which means 4, 8, 12 and so on. You also cannot have an odd number, as this would leave a blank page in the paper.

When deciding on your print run, consider several factors, such as the number of people living in your community, printing costs, your distribution method and potential revenue gain. You can find examples of income forecasts using different paginations, print runs and number of advertisements here: Make My Newspaper.



Distribution

Your print edition can be delivered or posted to households in the community. As an addition or alternative, you can try to negotiate a deal with local shops to sell it for you or hand it out for free at distribution points. Depending on your distribution method, you will have to calculate some expenses on top of the printing costs, such as delivery, postage or commission deals with shops.

Some distribution points are community and health centres, cafes, libraries, public notice boards, universities, retirement homes, sports clubs, garages, dry cleaners, car parks and many more.

Content and design

What kinds of stories are you going to publish in the print edition, as opposed to the website? For example, you could print feature-based stories and keep breaking news for your online presence.

Design a layout which suits your news-advertising ratio. You can also optimise the design to suit your readers' needs. For instance, if you are serving older demographics, you may wish to use larger font sizes.



How to get advertising

Especially in the beginning, it may be useful to approach local businesses and ask if they want to advertise in your paper to gain some regular sponsors. For this, it might help to be equipped with:

- statistics of your reach (if you already maintain a news website)
- the fact that advertising costs are tax deductible (Make My Newspaper)
- a mock-up of your paper (Make My Newspaper)
- an advertising rate card and discounts for advertising in several issues (Make My Newspaper).

If you convince a business to take out advertising, ask for referrals because it may improve your standing when contacting their connections (Make My Newspaper). You can also try to sell an editorial article about the advertiser or space for the advertiser to write their own article (see section on sponsored content) (Make My Newspaper).



Useful web resource: Make My Newspaper

Words of advice

Plan your budget carefully and talk to other community news editors who are successful at publishing a print edition.

Digital perks

You can publish a digital paper as an alternative or addition to your print edition. For this, you can use the online platform *issuu*.

Advanced

If you want to generate extra income, you can hand out supplements or leaflets along with your print edition. You can also publish a business directory or listings.

Checklist

Create an advertising rate card with different prices for full-page, half-page, quarter-page or small quarter-page adverts.

Decide on whether you want to charge a cover price.

Work out your pagination and print run.

Secure a good deal with a printing service. As an addition or alternative, you can publish your paper digitally.

Think about content. What kinds of stories are you going to publish in the print edition? What are you going to post on the website?

Choose your distribution method. Do you want to deliver to households and/or use public distribution points? Do you want to sell the paper at local shops, such as newsagents?

If you deliver to households, who is going to drop of the copies?

If you sell the paper via local shops, try to negotiate a good deal.

Approach potential advertisers and explain why they should advertise with you.

Secure funding to launch your first or several issues. Some outlets have done this successfully with grant funding, crowdfunding or sponsorship deals.

Promote your print publication as widely as possible.



Business Story

SOUTH MOLTON NEWS



Courtesy of Paul Henderso

In 2007, Paul Henderson, a former sales and digital media director, noticed that there was a market for a news service in the South Molton & District area. This gave him the idea of launching the monthly news magazine *South Molton News*.

Confident about the business idea, Henderson enquired with multiple print companies how much 3000, 6000 and 8000 copies of a 24-page newspaper would cost, setting the foundation for initial advertising rates. He said: "I thought ... as long as I can cover the cost of my first print bill, I'm going to launch this."

Equipped with a mock-up of his paper, he knocked on doors of local businesses, speaking to around 200 owners. To supplement the advertising income and add value to the publication, the businessman decided to charge a cover price for *South Molton News* – 40 pence at the time.

"I wanted the cover price to cover the print cost of each publication, which meant that the advertising was my gross profit."

A long-term success

To promote and sell the publication, Henderson rents a market stall in the town every month. He also got a number of local shops on board, saying:



"Look, what I want to do is start selling this paper. It's a win-win situation. If you take copies of it and promote it for me, I'll bring it out on sale or return, and then I will give you 25% of the cover price."

Although Henderson said he fell flat on his face on the first few issues, he has since created a sustainable publication that is now financed by a one-pound cover price, profiting exclusively from advertising, sponsored content and a business directory. A few years in, the businessman also launched an adjacent print company for business cards and flyers.

Currently, Henderson serves as the mayor of South Molton and has taken a step back from the editorial side of the publication; but, on the Thursday and Saturday after publication, he is still out there at the marketplace talking to the readers.

Paul Henderson's advice on...

convincing businesses to advertise in your paper "It's not about selling the publication; it's about selling yourself. ... In fact, make that [advertising] completely secondary. Just go in, start chatting to them, find out about their business, find out what they do, what their aims are ... and then tell them about what you're planning to do [and how it will help them]." finding a good print company "You've got to find a printer who will turn your product around ... If you pick a printed product up in a week's time, the news is redundant."



Business

Story

WELLS VOICE

Long-time journalist, Andy Vallis, had lived in Wells for more than two decades and was working in the local news office when his employer closed the office and moved all staff to Yeovil. The thought of having to cover local news at a distance and of the impact of the move on the local papers, which were already in decline, encouraged him to launch the free monthly news magazine, *Wells Voice*.

First published in 2017, the newspaper is a franchise of the *Local Voice Network*. This is a group of independent community news outlets which follow the same business model: print magazines hand-delivered to households and financed by advertising. The publications have an online presence, but the main focus lies in print.



Courtesy of Andy Vallis

wellsvoice

All group members use the same templates, fonts and colour schemes, and adopt a similar style for layouts. They also have access to a joint contract with printers and sell some advertising into each other's publications. This helped when Vallis first set up *Wells Voice*, though it still proved difficult to generate sufficient revenue in the early months.

The journalist said: "I navigated my way through all this and, after about 12 months, I started to think, 'okay, this could work out."

Keys to success

After approaching numerous businesses with a mock-up of the magazine before launch, Vallis ended up with a small core of very local advertisers, some of whom have continued to advertise month after month ever since. What helped him succeed was the quality of the product and his deep roots in the local community.

He said: "I knew the issues. I knew the businesses. I had local contacts. It helped me hit the ground running far more than would otherwise have been the case."

With an increasingly established reputation, the advertising followed. Nowadays, businesses tend to approach *Wells Voice* more often than Vallis goes to them, but every so often he still sends out emails to potential new customers or those who have not advertised for a while. The publication also profits from leaflet deliveries and sponsored content.

Andy Vallis' experience with...

advertising

"I did a lot of cold-calling in person. I sent emails out regularly. I didn't get many blank refusals. ... they usually left the door open to some extent. So, I just would go back to them again and again, and eventually some of them who resisted to start with did begin advertising. It was a case of earning their trust."

SPONSORED Content



Getting started

Several community news outlets sell sponsored or branded content. This is material which resembles editorial content but is paid for by an advertiser with the aim of promoting a company or product (Oxford Languages). For advertisers, it beats display adverts because sponsored content resonates more with audiences and is easier to recall (IPG Media Lab). Readers also tend to view the brand more favourably (Nielsen).

These arguments or this research by Forbes, IPG Media Lab and Syracuse University may be useful when you try to sell sponsored content. Moreover, you can offer different pricing packages – offering to create the content yourself or edit it for publication.

Sponsored content can be posted on your website or included in your print product. Just don't forget to highlight the content as 'sponsored', as it can otherwise damage your publication's editorial integrity and reputation (Relevance).

Useful websites: IPG Media Lab Hubspot Nielsen Relevance

ICNN VOICES

Andy Vallis, *Wells Voice*: "It is guaranteed income because they've committed to doing it every month for the foreseeable future."

Richard Gurner, *Caerphilly Observer*: "We're very transparent in that we always mark that up as an advert. So, in print, we'd always put 'advertisement' at the top of the story in the centre of the page and ... online, we'll always use the term 'sponsored content' ... That is a rule that we don't break."

Erica Roffe, *Bedford Independent*: "I will go through it beforehand and ensure that it meets with our editorial style. ... We wouldn't accept sponsored content from a brand if it didn't match our values."

Paul Henderson, *South Molton News*: "I make it a condition if people want to write a column in my paper, they cannot make it commercial for their business. ... They have to sign up for a minimum of a six-month term. Otherwise, I won't do it. If they don't get the copy in on time, I still charge them."



MEMBERSHIP Schemes

Getting started

You can create a membership scheme asking your supporters for a regular payment. In exchange, you can offer several rewards.

Rewards for readers:

- the great feeling of supporting local journalism
- named credit in a dedicated section of supporters
- exclusive content and members' updates
- an opportunity to write for the publication
- limited-edition merchandise (see section on merchandise)
- · access to events hosted by your publication
- an ad-free website
- · special offers, competitions and prize draws
- a say on future themes of coverage
- a free copy of your print edition (if you produce a print product) or exclusive priority in the distribution (if you normally deliver a print product)

Rewards for sponsoring businesses:

- free advertising space
- editorial articles
- the chance to feed content





Dos

- Explain why people should support your publication and what benefits they can get out of it.
- Compare the monthly membership price to an everyday experience, such as the price of a coffee, pint or cinema ticket.
- Be creative when naming your membership scheme. You can generate a community feeling.

Payments and donations

There are some payment options available for membership schemes. For example, you can use websites which facilitate the payment for you, such as PayPal, Steady, GoCardless, Patreon, Ko-fi or Donorbox. These tend to take small transaction fees for regular payments. To avoid commissions and increase your income from membership schemes, you can suggest arranging a standing order (e.g. by providing a form with your bank details).

On top of the membership scheme, you can ask for one-off donations in support of your publication (see, for example, *The Guardian*). For one-off donations, you can use companies facilitating payment or offer the option to pay by cheque or bank transfer.



Business Story

CAERPHILLY OBSERVER



Courtesy of Richard Gurner

In 2009, Richard Gurner worked as a print journalist in Brighton and found himself getting increasingly frustrated by the absence of local news in his hometown, Caerphilly. Coupled with a general curiosity to learn more about the digital world, he decided to set up and develop the website, *Caerphilly Observer*.

What started as a hobby in the journalist's spare time turned into a successful and sustainable news organisation serving the Caerphilly population with regular online updates, print editions and digital copies of the paper.

Most of the publication's revenue has come from print advertising but, during the coronavirus pandemic, Gurner has looked more closely into membership schemes. He noted:

"It's a case of 'let's try and come up with different ways to get revenue' and who best to get the revenue from than the end users of our website and our newspaper ... At the end of the day, they're the ones that we do all of this work for."

Gurner and the team behind *Caerphilly Observer* first made a half-hearted attempt at the membership model in October 2019, but they really started pushing for it in May 2020 – gradually attracting more and more supporters.

Gurner believes that the scheme's success lies in the value that the publication brings to the community. Depending on the membership plan, readers also receive different rewards, such as an ad-free website and a fortnightly digital or printed copy of *Caerphilly Observer*.

A hint of technology

To process the payment of the membership fee, *Caerphilly Observer* uses Memberstack, a platform they had landed on after trying out different kinds of software.

Gurner values the platform because it allows *Caerphilly Observer* to hold all card details and billing information rather than third-party providers.

Memberstack also integrates with the card payment facilitator, Stripe, which is what the business uses for advertising payments.

Richard Gurner's advice on...

posting a print edition

"You can sign up for a business account with the Royal Mail and get access to slightly cheaper postage rates. And also, it just means better efficiency. ... We can print directly to the envelopes ... It doesn't sound like a big deal, but it saves a lot of time." Caerphilly Observer

following in his footsteps

"Don't be afraid of getting it wrong. ... Don't be afraid to experiment, and don't be afraid to ask others for help."

setting up and promoting a membership scheme

"You have to concentrate on readers and, if they find value in what you do, they will support you."

CROWDFUNDING

Getting started

With the upcoming of the Internet, just about anyone can fundraise money for creative projects and businesses. Some community journalism outlets have already taken advantage of this, generating several hundreds and thousands of pounds per campaign.

There are various types of crowdfunding, ranging from equity, profit-sharing, peer-to-peer lending to donations and rewards (see European Commission and Business News Daily). In this section, we want to focus on donations and rewards, as the models involve more autonomy for you as a news outlet and fewer financial complications.

Donations

The donations model asks individuals to support the growth of your publication and donate small amounts to your cause. It can be combined with fun crowdfunding activities, such as walking, hiking or cycling for your publication. Indeed, why not ask your readers to join the challenge and raise money for sustainable journalism? You can also set up prize schemes giving rewards to the highest contributions and referrers (Forbes).

Rewards

The donations model can be paired with giving out rewards more generally. This means that you can give backers a product or service in return for their contributions (Business News Daily). For example, you may choose to give them free, cheaper or pre-publication access, exclusive content, shout-outs or a chance to meet the editor.

You can also create incentives for higher contributions by offering different rewards depending on the size of the donation (Business News Daily). As EU-Startups points out on their website, "the idea is that you give backers different choices, the higher they pledge the better the reward". Just don't forget to send out the rewards once your crowdfunding campaign is over (EU-Startups).

Words of warning



Budget carefully. You don't want to spend too much of the crowdfunding on rewards.

Look at the fine print. Some crowdfunding platforms take a commission for facilitating the payments. Consider this when setting your crowdfunding target.

You may have to return your campaign's contributions if you don't reach your crowdfunding target. This depends on the crowdfunding platform. (European Commission)



FOUR STAGES OF CROWDFUNDING

... and how to make them a success

Step 1: preparation



Dedicate plenty of time to the planning, developing and scheduling of your crowdfunding campaign, as this will help to ensure that the fundraising period will run smoothly.

When getting started, you need to think about your crowdfunding model and the rewards (if you choose to offer rewards), the different online platforms (as well as their rules and legal requirements), a timeline and budget plan, as well as your crowdfunding target and pitch (European Commission).

Dos

- Look at successful and unsuccessful campaigns for inspiration.
- Choose your crowdfunding target wisely. If it is too high, the crowd could hesitate; if it is too low, people may stop donating once the target has been met (EU-Startups).
- Consider any potential expenses (e.g. shipping costs, advertising).
- Think about timing. Longer campaigns are less likely to succeed because they appear less urgent and it is difficult to keep the momentum going (EU-Startups).
- Schedule the publication of campaign posts.

Step 2: pitch

The pitch is a crucial part of your campaign as it convinces potential backers why they should donate to your cause. **Make it short, punchy, personal and clear on the value** (Forbes, European Commission, EU-Startups and Indiegogo).

- Who are you?
- What do you hope to do and why?
- Why should people donate? What do they get out of it?
- How will you spend the money, and what will you do if you raise more than your target?

Ask others for feedback on your pitch.



Step 3: fundraising

Once you have a plan and pitch for your campaign, it's time to launch and get the message out. This involves sharing the crowdfunding call widely and getting as many people involved as possible. You can post on your site(s) and social media, and even contact businesses. Some organisations may donate to causes as part of their corporate social responsibility.



Some advice for this stage:

- Be active and keep the momentum going! (Forbes)
- Create new content regularly.
- Celebrate milestones (Forbes).
- Advertise key content if your budget allows for it (Forbes).
- Get your audience involved. Testimonials and shares create a community feeling and generate contributions. (Forbes)
- Keep encouraging potential backers, even once your target has been met (EU-Startups).
- Post frequent updates, answer questions, keep conversations going! (Indiegogo)

Step 4: post-campaign

No matter how successful your campaign is, you should remember to thank your 'crowd', as it shows gratitude and helps to build connections with those interested in your publication (European Commission).

Don't forget to send out the rewards (if you choose to give out any).

Following on from your campaign...

You can use your crowdfunding success as a powerful marketing tool to pitch your publication to financiers, such as funding bodies, sponsors and investors (European Commission). Indeed, a triumphant campaign shows that there is a market, as many people value and believe in your publication (European Commission).

If you were not successful with your campaign, ask people with experience for advice and, most importantly, try again.



Useful web resources: European Commission Nesta Business News Daily EU-Startups Forbes **Crowdfunding platforms:** GoFundMe Indiegogo Kickstarter Patreon

For potential pitfalls of crowdfunding, please see: European Commission.



Business

Stories

THE PECKHAM PECULIAR THE DULWICH DIVERTER THE LEWISHAM LEDGER

Mark McGinlay and Kate White are the proud publishers of three community newspaper titles in the south London area: *The Peckham Peculiar*, *The Dulwich Diverter* and *The Lewisham Ledger*. New issues of the papers appear every two months and celebrate the diversity of the communities, bringing local heroes close to the readers.

Today, the three titles are financed by advertising, but their beginnings trace back to crowdfunding. In 2014, 2016 and 2018 respectively, McGinlay and White set a 5000-pound target on Kickstarter which they successfully hit and even far surpassed in the case of *The Dulwich Diverter*.



For all three campaigns, the publishers took a rewards-based approach, offering a variety of benefits to donors, such as shout-outs in the publication or on social media, tickets to the launch party or free adverts. These added up with increased donations (from £1 to £1.500), although McGinlay and White always made sure to keep the rewards simple.

McGinlay said: "You have to be careful because then, suddenly, you're hundreds of pounds out of pocket. If it is not the time, it is the money or both."

A good pitch and impressive marketing

Key to McGinlay and White's success with crowdfunding was their communication strategy. Their pitches clearly explained what they were hoping to do and why, targeting potential readers. They also included detailed timelines, readers' comments and visually appealing films and images (e.g. mock-ups of the papers). The publishers also teased the project on social media to build up interest and momentum which they used to their advantage once the crowdfunding campaign started.

McGinlay remarked: "You got to say 'we're going to try and do this local project, follow us, follow us, follow us' and then ... by the time you go ... you've got people who know about you and will retweet and repost and share it on Facebook, and that's how you get the money."



The publishers received coverage on *BBC Breakfast* and *Time Out*, and the crowdfunding platform Kickstarter has contributed to their success with the campaign. McGinlay noted: "With Kickstarter, it is all or nothing, which makes it exciting, nerve-wrecking, but also I think you get more money. ... People get excited, 'Oh my God, this might not happen.""

Mark McGinlay's advice on...

crowdfunding

- "Give yourself enough time."
 "You've got to factor in that not everything is going to go perfect."
- "If you do fail, there's no reason for you not to try again."

pitching

- "Don't overpromise on pledges. I can't reiterate that enough."
- "You've got to really plan what the cost will be."
- "If you ask for too much [money], people will be aware of that."

sources of inspiration

You can find McGinlay and White's Kickstarter pages here: *The Dulwich Diverter*, *The Lewisham Ledger* and *The Peckham Peculiar*.

GRANT FUNDING

Keep an eye out for new calls!

In the past, there have been several organisations offering grants to community journalism publications regardless of format (e.g. digital, print).



Some funding bodies are...

- European Journalism Centre
- **Public Interest News Foundation**
- Google News Initiative
- Facebook Journalism Project
- European Media and Information Fund• Arts Council of Northern Ireland
- The National Lottery Community Fund Arts Council of Ireland
- Nesta

- Joseph Rowntree Reform Trust
- Arts Council England
- Scottish Arts Council
- Arts Council of Wales

Most of the funding bodies offer the option to sign up to email newsletters for funding programme updates. Also follow the organisations on social media, as new grant applications are advertised widely.

Local alternatives

Enquire with the business department of your local council if grant funding may be available. You can also check with your councillors, as they have seed funding available for local projects. Some community journalism outlets have received financial support as a result of a conversation.

What makes a grant application successful?

There is no one-size-fits-all answer, as key selection criteria vary by organisation and grant programme. If you are preparing a grant application, you should closely refer to the grant description and requirements of the funding body. In the past, successful applications...

- · provided background on the news outlet and how it has made a difference to the community
- explained the value of the work
- mentioned impacts as a result of the reporting
- described a clear vision for the future of the publication
- established distinct and achievable objectives for the funding
- provided a detailed timeline and budget plan ٠
- used numbers, quotes and audience insights e.g. website • statistics, print runs, comments by readers
- included plenty of examples e.g. stories, (regular) publishing activities, investigative reporting, number of posts, speediness of reporting



- kept the language clear and simple
- were realistic about goals and described them confidently e.g.
 "I will" not: "I would"
- avoided acronyms
- · responded to all questions and sections of the application form
- provided all the required information or documents
- kept to the word count
- were prepared well in advance of the application deadline and submitted on time





Dos

- Ask others for feedback.
- Get in touch with previous grant winners.
- Contact your local community foundation or local community development worker.
- Check with the funding bodies if your project might be worth funding.

Useful web resources:

Resource Centre Joseph Rowntree Reform Trust European Journalism Centre European Journalism Centre Medium Arts Council of Wales

ICNN VOICES

What makes a great funding application?

Diane Law, West Leeds Community Media: "The key point is to be aware of the social value/difference you're making to local communities with your work. It's not enough to just say 'it's journalism."

Kathy Bailes, *The Isle of Thanet News*: "A good funding application needs to be clear, keep the language straightforward and demonstrate how you reach the relevant demographics and how funding would help you continue/improve that process. Show examples of why your work is valuable to your community."

Richard Gurner, *Caerphilly Observer*: "I was just honest, realistic, and I demonstrated the work that we had already done to develop a model where readers fund our service."

Guy Phillips, *bitternepark.info*: "I spent a good deal of time filling it out and just 'told it how it was', including plenty of examples. I think it was particularly useful that I'd already carried out some audience research, which I talked about in the application. I sent it in (on time!) and was quite surprised to be successful given the competition and some of the 'big hitters' selected."

Graham Breeze, *MyTown Media Ltd*: "It is vital to make it clear that you have a solid business case, backed up by all the financial detail you can gather."







MERCHANDISE

Do you want to increase your brand visibility? Selling merchandise might be a good option.



The different models

When it comes to selling merchandise, there are two options available – traditional merchandising and print-ondemand (Kite). Both models have their advantages and disadvantages. In traditional merchandising, you are in charge of the whole process, from buying and printing products, creating designs, managing printing to fulfilling orders (Kite).

By comparison, print-on-demand services take commission, but offer a full service, from printing to shipping (Kite). The financial gain can be higher for traditional merchandising, although there is naturally more risk and work involved.

Branding

The design ultimately needs to grab the customer's attention and convince them to buy your products (Kite). Kite and Bonfire's advice on designing a merchandise line is:

Think about your audience.

Research trending merchandise products and your competition.

Draw on visual assets, e.g. your logo or a striking slogan that resonates with your readers. You can search for 'free slogan makers' online to find some inspiration.

Choose your store platform wisely as it is difficult to change later on.

Promote the new merchandise line on your website and social media using scheduled posts, engaging visuals, varied content and simple links for the user experience.

Ask for shares and pictures, e.g. creating a special hashtag and asking customers to post a photo of themselves with the merchandise.

Repost pictures on social media, if you have permission, and publicly thank the customers.

When you design the images for your merchandise, pay close attention to the backgrounds, as merchandise companies will print coloured and white backgrounds on products. If you prefer having no background, make sure the image background is transparent and the file saved as a PNG (Kite).

Words of warning

If you choose to go with traditional merchandising, think about shipping costs, order fulfilment and returns policies. Websites for traditional merchandising: Everything Branded Merchandise Branding Total Merchandise Totally Branded Websites for print-ondemand: Bonfire Kite Printful Spreadshop Useful web resources: Kite Influencer Marketing Hub Bonfire



SALFORD STAR



Business

Story

Courtesy of Stephen Kingston

From 2006 to May 2021, *Salford Star* was one of the country's longest running community media outlets, covering a range of local issues in the Salford area, from cladding problems to riots to floods. It was initially published in the form of a print magazine, moving fully online in 2009.

The news outlet shut down because of various obstacles; however, one of these was not a lack of revenue from merchandise. Two years ago, *Salford Star* made several thousand pounds within 10 days by selling merchandise at a shop in the police precinct and hosting an auction.

Ever since the publication's launch, merchandise had been a part of the brand's identity. For the co-founder and editor, Stephen Kingston, this had two reasons: "One is that it makes you money."

The second one is that merchandise is a brilliant marketing tool. "At the end of the day, you want people to read what you're writing about", Kingston said.

When *Salford Star* first launched, the founders bought t-shirts at wholesale and created a stellar design, which a friend printed for them at minimum profit. They then rented a market stall where they sold the t-shirts and later all other merchandise.

According to Kingston, they changed the design slightly every so often: "People who were fans of the magazine wanted the latest one, like a football kit. So, some people bought like five t-shirts."

When *Salford Star* moved online, they sold items via the website too, although Kingston warns of hidden costs, such as time, postage, envelopes, even special boxes which prevent mugs from breaking.

In its 15-year history, *Salford Star* sold a variety of t-shirts, hoodies, mugs, even Babygros. The only piece they had left at the end was one very small kids hoodie.

Merchandise marketing

Key to *Salford Star*'s success with merchandise was how they put it on display for people. Aside from the physical and digital store front, they promoted the line via the publication and got celebrities to wear the clothes.

"We made sure that anybody we interviewed or anybody that was famous or infamous had one, so they'd walk around with it and people would say though, 'oh where did you get that from?'"

Salford Star also had community models and regularly shared photographs of their readers wearing t-shirts and hoodies in all kinds of locations, from Australia to Dubai to South Africa, and especially Salford.

Stephen Kingston's advice on...

creating a design

- "Look around and see what the fashions are."
- "It has got to be simple. Nothing too clever. Something that people would want to wear."

selling clothes "Don't do too many different types or colours" [because you have to get them in all sizes].

following a traditional merchandise model

- "Don't lay out too much money on it because if you get stuck with it, you have it."
- "Don't do things that are too expensive" [like embroidered hats].



FURTHER REVENUE

Several ICNN members used the skillsets they have gained from publishing their news outlets to generate additional revenue streams.

It is also possible to publish a business directory or listings in order to generate extra income. In addition, you can apply to the BBC Local News Partnerships scheme.

- Creative agency work, e.g. PR, marketing, advertising, content creation, copyediting and social media management
- Freelancing for regional and national media (or selling local news stories)
- Research services
- Printing services
- Website design, building and hosting
- Developing and providing training courses
- Lecturing and tutoring

The *BBC* offers two membership schemes. You can apply to become a 'partner' and receive free content through the News Hub, Shared Data Unit and Local Democracy Reporting Service (BBC Local News Partnerships). Alternatively, you can apply to become a 'supplier' every three years, employing one or more of the Local Democracy Reporters with their salaries being paid for by the BBC (BBC Local News Partnerships). The membership criteria and more information on how to apply can be found here.

ICNN VOICES on...

the BBC Local News Partnerships

Daniel Ionescu, *The Lincolnite*: "A year ahead of the bid, you need to make sure that you provide and create clear examples of where you reported in the public interest and made a difference in the local area and, if you have those examples to hand, then you will be in the strongest position to win a contract and become part of the scheme."

publishing a business directory

Paul Henderson, *South Molton News*: "It's affordable for local advertisers and when you consider how many little boxes I've got on there, it's quite a bit of money."

holding journalism workshops

Erica Roffe, *Bedford Independent:* "We did a training day where we worked with local organisations to help them with their PR, to teach them how to write a newsworthy press release. That was really well received."

Natalie Bloomer, *NN Journal*: "Whenever we go to a new group, we have to spend quite a bit of time planning the content of the workshop because we tailor the workshop to who we're working with, but, then, once we've rolled it out a couple of times, it's a case of just going out and doing it."







FOR icon MEMBERS ONLY

ICNN and Ping! supporting sustainable community journalism

ICNN promotes quality journalism by providing support, training, and guidance to independent community news organisations and connecting many such news outlets in the UK and Ireland.

ICNN is the UK's official representative body for the independent community news sector and exists to help address the democratic deficit in news poor communities and help create more jobs at the local level.

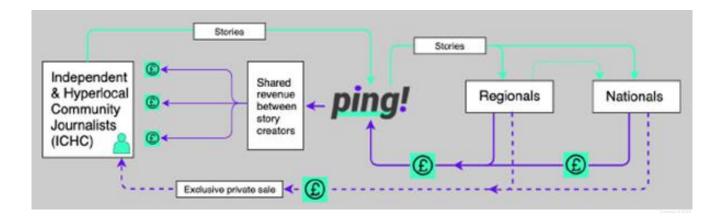
It promotes the interests of its members to governments, third party organisations and charities. Members benefit from networking opportunities, knowledge sharing, access to practical, technical and business expertise. In addition members benefit from free media law guidance, a private Facebook group and discounts from industry partners.

If you'd like to apply to become a member, you can find out what criteria need to be met here. ICNN membership is free of charge.



Ping!'s goal is to become a one-stop platform to help community media operations to become sustainable. The first stage of *Ping!* is to enable community journalists to monetise their original news content and media which may otherwise be 'followed up' or taken by mainstream media organisations without credit or recompense.

Community journalists can add content to the platform via a WordPress plug-in or directly to the *Ping!* platform. National and regional media can then search and purchase this content from within the *Ping!* web portal. This is done through licenses which grant media organisations access to either all stories or just a particular topic or geography. Community journalists receive author credit and an equal share of the revenue gained from the purchased categories and postcodes that they produced content for.



Ping! was developed as part of a collaboration between C4CJ/ICNN at Cardiff University, the Media Innovation Studio at the University of Central Lancashire and Omni Digital, with funding from the Google Digital News Initiative and Nesta. The month-long beta trial in March 2021 was a complete success, and the team is currently working towards going live with the platform. The team is also looking to develop other services that *Ping!* could offer, subject to securing development funding.



One possible avenue is *Ping!*-Bounties, which would allow national and regional news organisations to commission new work from community journalists within the *Ping!* network. For example, if a national news organisation wants a report on care homes that have been affected by coronavirus in a specific town, they can appeal for this story through the platform by location and theme. This would create an additional revenue stream for independent journalists in the town, making their job and the industry more sustainable and resilient.

ICNN is also looking at the possibility of collective ad selling across ICNN titles, using *Ping!* as the host platform. The intention is that *Ping!* would become an independent Community Interest Company (CIC), which would be a not-for-profit organisation and have ICNN publications as members.



If you would like to get involved with *Ping!*, you can contact *Ping!* or ICNN. Also, keep an eye out for any ICNN updates!



Emma Meese, *Director of C4CJ/ICNN*: "Our long-standing aim has been to engage with the industry to ensure all journalists are properly and fairly rewarded for their work. I am delighted that Ping! is offering a solution that benefits all parties."

Omni Digital: "Ping! [is] a centralised location where journalists can upload content via a plugin and a one-stopshop platform for news desks nationwide to easily and quickly access local news stories. It supports the generation of new revenue for hyperlocal journalists throughout the UK, and reduces the amount of content being used without permission."

John Baron, *Ping! Engagement Manager*: "*Ping!* has the potential to become a one-stop platform to help support the financial sustainability of the hyperlocal sector. At its heart is a long-standing aim to ensure all journalists are fairly rewarded for their work. Our goal with this platform is to ensure that it supports the hyperlocal news industry to become more resilient and creates a more balanced news ecology. Beyond ensuring ICNN members are properly rewarded for their journalism, we hope to roll out several additional *Ping!* services, including the ability for national news providers to commission original work from ICNN members and the possibility of collective ad selling among members."