ABOUT DEMOCRACY FUND

Democracy Fund is an independent and nonpartisan, private foundation that confronts deep-rooted challenges in American democracy while defending against new threats. Since 2014, we have made grants of more than $150 million in support of those working to strengthen our democracy through the pursuit of a vibrant and diverse public square, free and fair elections, effective and accountable government, and a just and inclusive society.

For more, visit www.democracyfund.org

ABOUT KNIGHT FOUNDATION

Knight Foundation is a national foundation with strong local roots. We invest in journalism, in the arts and in the success of cities where brothers John S. and James L. Knight once published newspapers. Our goal is to foster informed and engaged communities, which we believe are essential for a healthy democracy.

For more, visit www.kf.org.

ABOUT THIRD PLATEAU

Third Plateau is a multi-disciplinary social impact strategy firm that partners with bold visionaries in the social sector to drive meaningful, substantial, and sustainable change. Since its founding in 2011, Third Plateau has worked with hundreds of public agencies, nonprofit organizations, foundations, schools, and corporations. We are a company on a bold mission, and that mission is to make positive things happen for our clients, our community, and the world around us.

For more, visit www.thirdplateau.com.

STATEMENT OF INDEPENDENCE

The opinions expressed in this report belong to Third Plateau, and do not represent the positions and opinions of the evaluation funders or the NewsMatch team. Third Plateau strives to meet the highest standards of integrity and quality in its evaluation and research and in the evidence-based recommendations offered by its evaluation team. We value independence, rigor and transparency in our work. However, we also believe in collaborative meaning making and have involved the funders, NewsMatch team, and program stakeholders in the process of interpreting findings. However, the insights and recommendations are ultimately those of the Third Plateau evaluation team.
EXECUTIVE SUMMARY

In its fourth consecutive year, NewsMatch 2019 continued to seek to strengthen the sustainability of the nonprofit news sector by building capacity in nonprofit newsrooms, spreading awareness of the importance of investing in journalism among the general public, and directly and indirectly investing millions of dollars into the field of nonprofit journalism.

Overall, this evaluation concludes that NewsMatch is an invaluable program for the nonprofit news field. The NewsMatch team implemented the 2019 program activities as planned very effectively. Based on the findings of this evaluation, the Third Plateau team concluded that this program is important and it is in good hands.

TOPLINE RESULTS

Through bringing additional funders to the National Match Fund, the NewsMatch program has steadily increased the money coming to nonprofit journalism from national philanthropy over the past four years. The participant pool has grown since the program’s inception, and three and a half times as many organizations participated in 2019 as did in 2016.

The goals for this year’s NewsMatch were to: (1) Dramatically increase giving to journalism right now; (2) Strengthen long term fundraising capacity in newsrooms; and (3) Build awareness about journalism’s impact in our democracy. The evaluation findings provided ample evidence that the 2019 NewsMatch program met Goal 1, with mixed findings and insufficient data to draw clear conclusions on Goal 2 and 3, as summarized in the Key Findings and Conclusions section on page 8 of this report.

Percentage Change in NewsMatch Outputs Over Time

<table>
<thead>
<tr>
<th>Total National Match Fund (in millions)</th>
<th>Total NewsMatch Participants¹</th>
<th>Percentage that Met the Match</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Total Amount Raised from Individual Donors² (in millions)</th>
<th>Total Individual Donors</th>
<th>Total New Donors</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Total Donations</th>
</tr>
</thead>
<tbody>
<tr>
<td>No data 349,788 2016 368,202 2018 548,921 2019</td>
</tr>
</tbody>
</table>


¹ 198 newsrooms participated in NewsMatch 2019, but 3 did not submit post-match reporting. These figures reflect the total number of participants that submitted post-match reporting.

² ’Total amount raised by participants from individual donors’ is the sum of the total amount each individual newsroom participant raised from individuals (individual donations of all sizes) during the NewsMatch campaign time period (November 1st to December 31st).
KEY FINDINGS

This year’s evaluation approached NewsMatch with greater rigor than in previous years, implementing for the first time a theory-based evaluation that deeply explored and tested the design of the program and its intended outcomes.

The following key findings were supportive of the program design and outcomes:

- **Returning NewsMatch organizations secured statistically significantly more donors and donations** in the 2019 campaign than they did in the 2018 campaign.\(^3\)

- **61% of participants experimented or tried new fundraising strategies and tactics** in their end-of-year fundraising, several of which aligned to tactics promoted by the NewsMatch program such as Giving Tuesday/Newsday, local matches, and match multipliers.

- **Participants are using the materials NewsMatch provides.** 87% reported they used the Campaign Toolkit, and 75% used the Promotional Toolkit. 90% found the Campaign Toolkit somewhat or very helpful, and 79% the same of the Promotional Toolkit.

- **Within an unrepresentative sample of participants, overall financial health between 2013 and 2017 looked to be for the most part, strong, and trending upward.**

A number of findings raised questions about the program design. These included:

- **While organizations secured more donors and donations in the 2019 campaign than they did in the 2018 campaign, returning participants did not raise statistically significantly more dollars.** This pattern holds for overall annual fundraising as well, with increases in donors and donations for returning organizations but no statistically significant change in amount raised.

- **By design, NewsMatch serves a diverse array of nonprofit news organizations ranging from small community-based start-up organizations to national public media outlets. More than any other factor, organization size (categorized according to organizations’ annual budgets) seemed to be associated with different experiences and outputs across participants.** Differences between other subgroups summarized in the Key Findings and Conclusions section on page 11 were insufficiently clear to provide insights into possible group characteristics.

- **The growth of the participant pool has outpaced the evolution and growth of the NewsMatch program and infrastructure,** and the increasing diversity of the types of organizations participating makes it more difficult to offer the same set of services to everyone and have them be useful and effective.

- **Participants are attending webinars and receiving program team support mostly on the topics of NewsMatch itself, reporting requirements, and how to receive the match, with far less engagement from participants with the resources and support that the program is providing on topics related to capacity building to improve overall fundraising capacity and strategy.**

- **In order to implement their NewsMatch 2019 campaigns, 22% of participants reported making changes in how they allocate their staffing/human resources, 11% in how they allocate their budgetary resources, and 31% in how they pursued their overall fundraising strategy.** There is insufficient data to understand the return on investment of these changes, as the total amount raised by individual participants did not increase to a statistically significantly degree and there is currently no data collected on cost per donation or cost per new donor acquired.

- **As part of the evaluation, we interviewed individuals with expertise in nonprofit journalism (hereafter ‘bellwethers’; see Annex and full internal report). The bellwethers we spoke to indicated that with the exception of public media, the general public is not aware of nonprofit news as a field, and they do not see the public or journalists publicizing NewsMatch on social media as much as they do other giving campaigns, such as Giving Days. They perceived the public to still think of news as a service they pay for, not something to donate to.**

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\(^3\) For this report, we use p<.05 as a threshold for identifying statistical significance. Findings that are marked as statistically significant indicate that we are at least 95% confident these results display an underlying difference in the group sampled, rather than a chance sampling deviation.
KEY CONCLUSIONS

NewsMatch is providing crucial funding in a field where most organizations are struggling financially and for whom a sure pathway to achieving financial sustainability has not yet materialized. Overall, the NewsMatch program has very successful in what participants indicated to be the core motivator to participate—the match.

As the growth of the participant pool has continued to outpace the growth of the national match fund, the direct financial return of investment for participants has decreased over time. If this trend continues, based on feedback from participants there is a risk that organizations that do not perceive the program to be worth the time and effort financially may begin to opt out. Given the diversity of the participant pool, it is unclear whether the organizations that determine not to participate will be those NewsMatch most wants to serve. This exposes the program to the risk of not actually supporting those in most need.

While the current NewsMatch program design acknowledges the diversity among participants, it does not sufficiently account for it. The evaluation concludes that because the program materials, support, and messaging are attempting to provide something to everyone, the potential benefit of these activities is diluted across the entire participant pool. Without identifying meaningful ways of segmenting the participant pool into groups with similar experiences, needs, and aspirations, and providing tailored support, materials, and incentives and rewards accordingly, the potential impact of the program is therefore also diluted.

Leading up into the inception of the NewsMatch program in 2016, participant financial health seemed to be improving between 2013 and 2017 for the sample of between 42 and 69 participants per year that filed the full IRS Form 990 electronically (representing between 18% and 30% of all historical NewsMatch participants each year). The analysis of the financial health data from a partial, unrepresentative sample does not provide clear findings about the overall financial health trends for NewsMatch participants over time, nor conclusions on NewsMatch’s potential contribution to financial health outcomes. Additionally, without sufficient data from participants, it is not possible to fully understand what is happening in organizations’ fundraising from individuals over time and the role it may play in organizations’ overall financial health. This motivates our recommendation around deeper data collection from participants over time as the program continues.

RECOMMENDATIONS

Based on our evaluation of NewsMatch 2019, Third Plateau offers the following recommendations to improve the program:

1. Refresh the NewsMatch program design through exploratory research with participants and working with the program team and stakeholders to address key issues with the theory of change surfaced through the evaluation (see priority problems on page 22).

2. Optimize NewsMatch capacity building for applied learning and behavior change.

3. Build a strong information ecosystem to monitor the NewsMatch program and enable continuous reflection and adaptation, as well as an effective annual evaluation.

4. Test the national communications campaign messaging with the public, newsroom audiences, and potential individual donors, not NewsMatch participants.

5. Consider the role NewsMatch plays in the broader nonprofit news ecosystem, both as an entity that provides and draws in funding to the field, as well as one whose program decisions affect a variety of actors across the space.

4 990 data is not yet available beyond 2017.