

google news initiative

startup lab
north america
report

Google News Initiative

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Intro 1



Across North America, founders are launching local news startups to build new models for media businesses and fill information gaps in their communities. These digital startups are often led by trained journalists who must do impactful reporting, build trust in their communities and strengthen their organizations — all at the same time.

If launching a journalism startup seems daunting, growing it is even more difficult. Although startups often differ in their structure — choosing to operate as for-profit companies, nonprofit organizations or even cooperatives — the goals they need to achieve in order to survive are the same. They must earn revenue, build teams, create organizational processes and plan for the future. In short, building a journalism business is still building a business. And building a business is hard.

In mid-2020, we at the Google News Initiative asked ourselves how we might best support startup journalism founders who have already launched but need support figuring out their next steps. The idea, which quickly took hold, became the [GNI Startups Lab](#), a six-month accelerator program designed to provide a small cohort of local news founders with the tools they need to put their news organizations on the path to sustainability. Since then, we have launched Startups Labs in [Brazil](#), [North America](#), [Spanish-speaking Latin America](#), [Europe](#) and [India](#), with a total of 50 startup news organizations participating.

In a nutshell, the GNI Startups Lab offers news founders a diagnostic audit to discern their financial, journalistic and operational health, and it administers a focused curriculum to help them make quality decisions around people, product and profit. The Lab also provides one-on-one coaching to help these organizations build a revenue-generating experiment and provides funding to help them execute it.

This report shares the processes, learnings, ideas and wins from our inaugural GNI Startups Lab in North America, which has been designed and delivered in partnership with [LION Publishers](#), the region's leading professional journalism association for independent news publishers. These learnings have been used to shape future editions of Startups Labs, both in North America and around the world, and we hope they will be similarly useful to others who seek to help this critical segment of the news industry.

There is no mold for a successful news startup, and on first glance, the 10 organizations in our inaugural North American cohort don't share many similarities. Five are nonprofits, four are for-profits and one is working to become a cooperative. They joined us from all over: a small town in Iowa, a medium-sized city in central Florida and the tech corridors of San Jose.

What these publishers do have in common is a commitment to their audiences. They serve people who have been overlooked — whether it's reporting on solutions to help the unhoused in Santa Cruz, training immigrant journalists in Chicago or recording podcasts for Spanish-speaking residents in North Carolina. They do journalism in the toughest of circumstances — after a tragic mass shooting in Halifax, as wildfires burn in Mendocino County or while reckoning with discoveries of indigenous graves in Canada. We are proud to support these founders on their journeys to build everlasting news organizations and excited to share what they — and we — learned together.



Conor Crowley
Lead, GNI Programs



Ashley Woods Branch
Program Manager, GNI



Ben Monnie
Director, News Global
Partnerships Solutions

Background 2

These startups are part of a growing movement to establish independent digital-native news sources in local communities. The field is experiencing tremendous growth in the United States and Canada, according to an in-depth [report](#) by [Project Oasis](#), published in March 2021 through a partnership with the GNI, LION Publishers, Douglas K. Smith and the UNC-Hussman School of Journalism and Media.

That study identified 704 local startups operating in North America and found that 266 began publishing just in the previous five years – an average of more than 50 new startups launching every year. The earliest [study](#) of the emerging field, in 2010, identified 120 new locals, indicating that the past decade has seen the number of local news sites multiply six times over, the report said.

The “New Locals” operate in a fiercely challenging business environment. Often lean bootstrapped operations with tiny staffs, more than half of all publications surveyed in the study were bringing in less than \$100,000 a year. Only one in 10 outlets reported revenue of more than \$1 million.

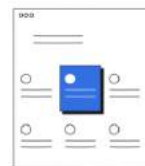
“We’re still figuring out the business model for local news,” said Ashley Woods Branch, a news startup founder working as part of the GNI to support programs for startups. “Journalism founders, who are often first time entrepreneurs, must launch their startups with limited financial resources and no clear blueprint for survival.”

Fortunately, as the field has grown, so has support and training available to publishers. The sharp decline in local news produced by legacy organizations, along with the demonstrated staying power of the early local startup pioneers, has fueled an increase in resources, which were few and far between even a decade ago.

Member organizations such as LION Publishers provide significant support programs for publishers. Among them, LION Publishers has partnered with the Google News Initiative to offer the GNI Startups Lab, which will continue with a new cohort of publishers in 2022.

[The Google News Initiative](#) is Google’s effort to work with the news industry to help journalism thrive in the digital age. The GNI’s efforts focus on three pillars: advancing the practice of quality journalism, strengthening and evolving publisher business models, and building a collaborative global news community.

Keep reading to meet the publishers in the GNI Startups Lab cohort and hear more about the experiments they conducted and what they learned.



Designing the Lab



The GNI Startups Lab launched with a goal of making journalism startups more sustainable.

To do that, we first had to listen.



GNI and LION Publishers brought together a panel of news entrepreneurship experts to discuss what a program designed around business sustainability for media startups might look like. The panel included Corey Ford (co-founder of [Matter Ventures](#) and director of the [Sulzberger Executive Leadership Program](#) at [Columbia University](#)), Yvonne Leow (founder, [Bewilder](#)), Erin Millar (founder, [The Discourse](#)), Wesley Panek (formerly a principal at New Media Ventures) and Anita Zielina (director of strategic initiatives, [Craig Newmark School of Journalism](#) at [City University of New York](#)).

"When we started designing programs for independent news entrepreneurs at LION, we wanted to make sure we understood what had or hadn't worked in the past and that we weren't duplicating any other efforts across the industry," said LION Publishers Deputy Director Anika Anand. "By pulling together a smart group of news entrepreneurship industry experts to learn from and discuss our ideas with, we felt more confident in designing this experiment."

We learned that, to best help our publishers contend with challenges unique to their locations, audiences and circumstances, our program should augment cohort-based learning with focused 1:1 coaching from experts. We heard, time and again, that a program focused on supporting startups needed to think bigger than helping these publishers create journalistic impact. To help startup founders grow their companies, they needed a crash course in managing operations and planning for the future — how to build a team and prevent burnout, how to manage cash flow and financial reporting, and how to determine which revenue streams or initiatives might best serve their mission and goals.

That's why GNI and LION Publishers chose to build the Lab curriculum around a more holistic definition of sustainability — one that recognizes that true endurance lies at the nexus of operational resilience, journalistic impact and financial health.

4 Eligibility

To be eligible for the Lab, a publication had to be at least six months old, independently owned and operated, earning less than \$500,000 in gross revenue annually and producing original content primarily for digital platforms.

The Lab was especially interested in supporting publishers who are from communities historically underrepresented in traditional media or who are working to elevate underrepresented voices. LION Publishers communicated directly with publishers to answer questions and talk through the application. They also recruited a diverse panel of judges to evaluate the initial applications.

Twenty applicants from the initial pool of nearly 150 applicants were selected as finalists. They participated in an intensive selection process that included several rounds of evaluation with LION Publishers and GNI experts. Each publication was asked to submit detailed financial documentation and audience analytics. They also engaged in a 90-minute interview about running their company with a member of the selection team, an experience which one publisher likened to “professional therapy.”

Each finalist who participated in the process then received a sustainability audit of their business, articulating the publication’s strengths and challenges on its path to sustainability, along with resources and ideas to ponder. The audit provided an in-depth view of the startup news organizations, allowing for a more holistic judging process. Even finalists who were not ultimately selected for the 2021 Lab reported that the audit process helped them better understand the relative strengths and weaknesses of their organizations.

The audit also helped GNI and LION publishers build a truly diverse cohort and collect data that will contribute to future research on sustainability and independent news publishers.

A 360 view of Startups across North America

What we learned about news startups from the 20 participants of the pilot sustainability audit:

- Participating news outlets in North America ranged in age from 12 months to 13 years, with an average age of 4.5 years.
- With few exceptions, the majority of publications have four or fewer full-time employees, with 25% of the news outlets only supplementing a full-time founder’s work with part-time or contract staff.
- The average budget of participating news outlets was \$188,566. The average gross revenue in 2020 was \$232,214.
- Founders self-reporting on sustainability, on a scale of 1-10:

4.4

Business would run without them

7.6

Team reflects the audience they serve

7.25

Employee compensation is equitable

Meet the coaches 57



Lillian Ruiz is co-founder and managing director, portfolio development at the National Trust for Local News (NTLN). Prior to her time with NTLN, she launched Ci-X Strategies, a consultancy specializing in revenue sustainability, operational strategy and business model innovation in the media and tech space. In 2018, she co-founded Civil Media, a blockchain company, and its sister organization, Civil Foundation, leading revenue development, special projects and strategic operations as its founding COO. As a long-time member of New York City's digital media community, she built successful audience development and social revenue teams for digital media startups like InsideHook, Flavorwire and Flavorpill Media and led the award-winning social media team for Girl Scouts of the USA's 100th anniversary year.

“ I think coaching is the most effective way to improve and develop organizations and ecosystem players, simultaneously. We learn so much about how outlets work and persevere that would be impossible to learn at a distance. Coaching is, in some ways, a really selfish proposition. It allows me to fine tune my understanding of what these types of organizations need, while also hopefully providing real value to their work.



Lizzy Hazeltine helps teams solve real problems, grow revenue and deepen their service to their communities. In her consulting, she applies hard-won lessons from B2B software startups (Shoeboxed), digital local media (ExitEvent, Scalawag), early stage venture capital, and product management to build her clients' capacity to create and market valuable products that earn them the long-term support of their customers. Hazeltine currently coordinates the North Carolina Local News Lab Fund, coaches teams in the UNC-Knight Table Stakes program, and supports for- and nonprofit organizations in her hometown of Durham, North Carolina. Hazeltine is a proud alumna of UNC-Chapel Hill's Hussman School of Journalism and Media.

“ Founders need help wading through piles of advice and focusing on what will help them survive and grow. That's the point for me, supporting people as they learn, try things, and start to shape an organization that can pay them and serve their specific communities.



Brian Boyer is an independent consultant who helps mission-driven organizations build great products and run happy teams. He was previously the VP of product and people at Spirited Media and the visuals editor at NPR. Prior to NPR, Brian founded the news applications team at Chicago Tribune and had a fun internship at ProPublica. He started his career in software development and made the switch to journalism as one of the first two programmers to receive a Knight-funded scholarship to study at Medill.

“ Journalism is my second career, and since I got here I've been perennially astonished at the lack of curiosity in newsrooms with regards to managing happy teams. Instead of solving our issues, we often just embrace the chaos and hold it dear. Whether it's micromanagement, crashing on deadlines, or tolerating abusive talent – we love our dysfunctions in the news. So why do I coach? To burn all that down. To help people understand that teamwork is critical to our mission, and that we can do better.

The Curriculum 6

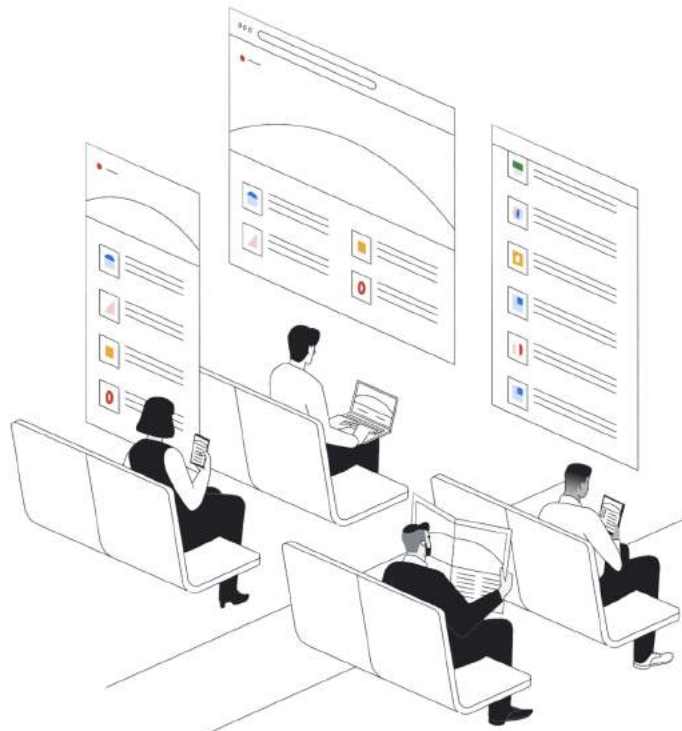
Founders launch news startups to make an impact through journalism and serve their communities. They're often midway into running their startup before realizing they need to learn the basics of operating a business. It's the epitome of "flying the plane while building it in midair." For the founders who participated in the Startups Lab, geographic diversity also made it difficult to access battle-tested advice particular to running and growing a journalism business.

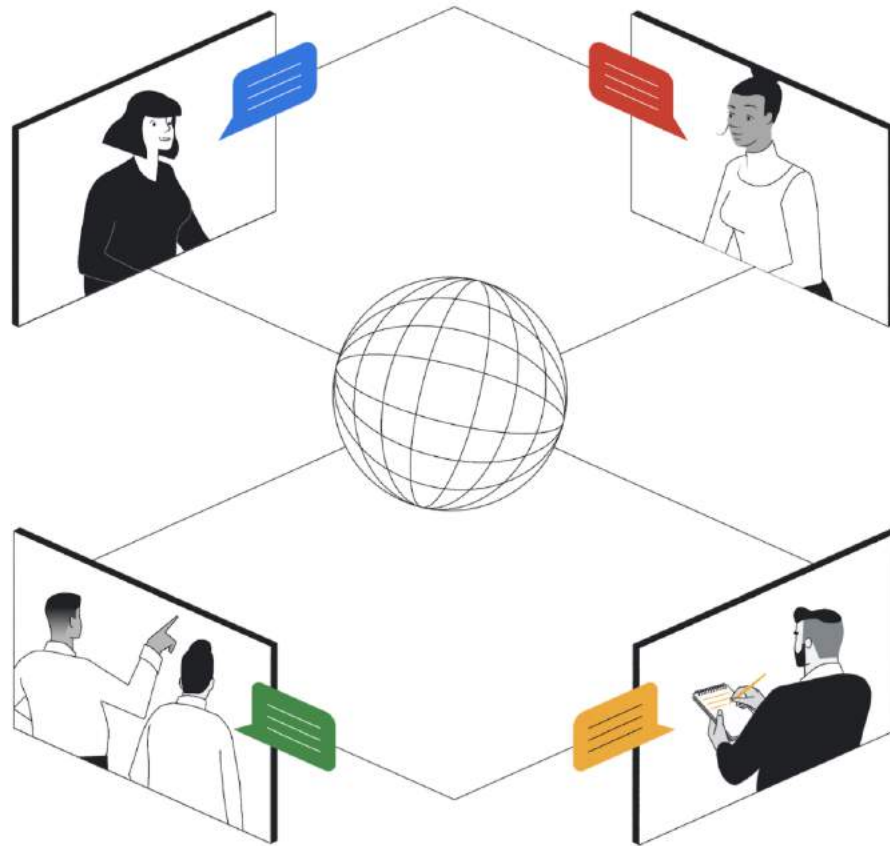
GNI and LION Publishers worked together to build a curriculum to address these and other issues founders face as their businesses scale.

"Every news business is different, and we designed the program to support publications as they conducted experiments in service to their specific sustainability goals," said Lisa Heyamoto, Director of Teaching and Learning for LION Publishers. "That said, we felt it was important to cultivate a shared understanding of financial, journalistic and operational concepts and best practices to lay a foundation for the cohort's work."

GNI and LION Publishers brought in media startups experts from across North America, along with the Lab coaches, to present customized deep-dive seminars on topics like strategic planning, budgeting and operations.

"We tapped our coaches' considerable experience working with independent news businesses to home in on topics that would position the cohort to conduct experiments that were both strategically meaningful and tactically advantageous," Heyamoto said.





Other modules targeted skills founders need to grow their businesses' reach and impact, like serving low-resourced readers, instituting a major donor program and building and optimizing reader funnels. Several modules were responsive, i.e., launched midway through the program to respond to the unique challenges of the cohort. Due to COVID-19, we delivered the curriculum live via Zoom with additional discussion facilitated through Slack.

"The responsive sessions were particularly beneficial because they were designed to meet the cohort's specific needs in real time," Heyamoto explained. "Just as journalism organizations serve their audiences best when they listen to their needs, we wanted to meet these publications where they were to offer the most meaningful support."

Publishers also gave the curriculum high marks.

"We were so busy with editorial and running the organization, I don't think we could have invested in this kind of training had it not been offered in this neat package and with funding," remarked Michelle Kanaar, co-founder of Borderless Magazine. "The training and support we received throughout the Lab has made our work more approachable and sustainable and thus significantly improved our lives."



Vision and strategy

This inspirational module, led by Fraser Nelson (co-founder of the National Trust for Local News), helped founders understand what a strategic plan is and how building a visionary plan can simplify day-to-day decisions for their organizations.



Measuring success

Publishers, along with Startups Lab Coach Brian Boyer, discussed how to set goals and Objectives and Key Results (OKRs) for their organizations and experiments. They also took a step back from metrics to think about what they should measure and how those measurements can impact their journalism organizations.



Conducting experiments

Led by GNI Boot Camp founder Phillip Smith, this module helped publishers understand why experiments are important in the context of a newsroom and how publishers can think iteratively to test and refine their ideas.



Creating a successful revenue strategy

Publishers strategized about how to diversify their revenue streams and assess whether new opportunities are viable and profitable, alongside Ashley Woods Branch of the GNI Startups team.



Audience development

Publishers and Lab Coach Lizzy Hazeltine explored audience relationship funnels and how teams can use them to test their way to audience growth, loyalty, and consumer revenue.



Analytics

Lab Coach Brian Boyer gave founders a quick primer on the available analytics and measurement tools that they can implement immediately.



Strategic operations

Lab Coach Lillian Ruiz helped publishers understand how their operations and financial processes should support and reflected their organization's mission and values.



Conducting audience research

Publishers, with the help of Kim Fox (VP, Product Strategy, CalMatters) explored the need for audience research and how to build regular testing and surveys into their newsroom workflows.



Reader revenue for low-resource audiences

Publishers aimed to serve the underserved and tell stories that help the economically vulnerable. This session, led by consultant Fiona Morgan, explored common questions and fears about the limitations of reader revenue strategies for serving audiences that struggle economically, and encouraged publishers to think about supporting that work beyond philanthropy.



Tech stack

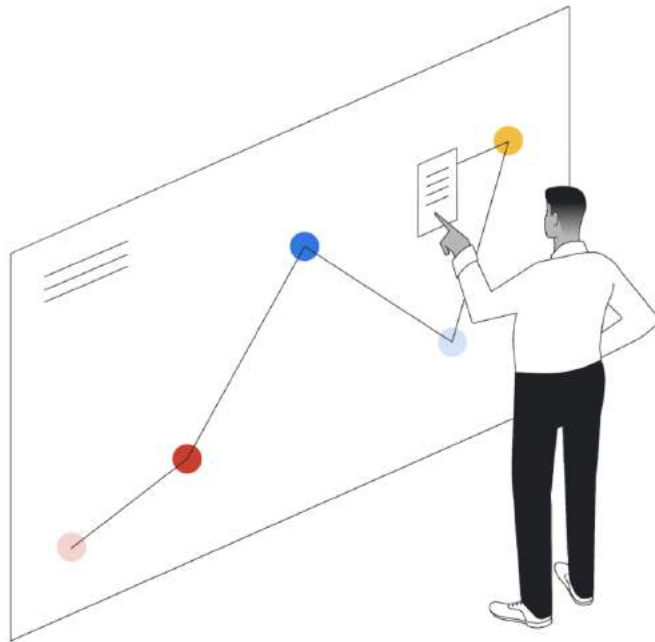
Tyler Fisher (Deputy director, tech at News Catalyst), used this module to help founders learn how to evaluate technology vendors, choose software and tools that work well together, and plan for the future.



Major gifts and development strategy

Tracie Powell, founder of The Pivot Fund, helped founders talk through making financial asks, how to share their stories to potential donors and how to lock in funding for their journalism initiatives.

The Experiments ↘



The Experiment Mindset

The GNI Startups Lab sought to become an incubator where innovative startups could test new ideas to earn revenue, grow audiences and build trust.

Experiments in a newsroom are similar to the experiments scientists run in a laboratory. Publishers come up with an idea, decide how to test their hypothesis, set a goal to measure success and then calculate their progress. The Lab provided funding for publishers to gain knowledge or build infrastructure to generate revenue through experimentation.

GNI Startups Boot Camp founder Phillip Smith led the cohort through a high-powered module course designed to help them develop an “experiment mindset.” Publishers were encouraged to iterate on their ideas and modify or adjust their hypotheses as needed. And, most importantly, the Lab encouraged founders to celebrate the insights and wisdom they gained from their experiments, no matter what the results. This mindset encouraged founders to redefine failures as learning opportunities.



Progress toward sustainability

The 10 publishers in our North America Startups Lab were invited to update their sustainability audits once the Lab ended to chart the progress of their organizations. We found that all made measurable progress toward the goals they identified in their experiments. But building a resilient journalism business is a complex task — and one that can't be illustrated by just one short experiment.

"It's tempting to think that sustainability can be achieved by a single event, like a huge infusion of cash, a new hire or an innovative revenue stream," Heyamoto explained. "But we've seen that the foundation for that path is much more mundane: a series of clear-eyed, informed and strategic choices made over a long period of time, mixed with a few well-timed catalysts along the way."

To that end, the numbers don't tell the whole story of our publishers' growth in the GNI Startups Lab, but they do suggest these organizations are on the right track.

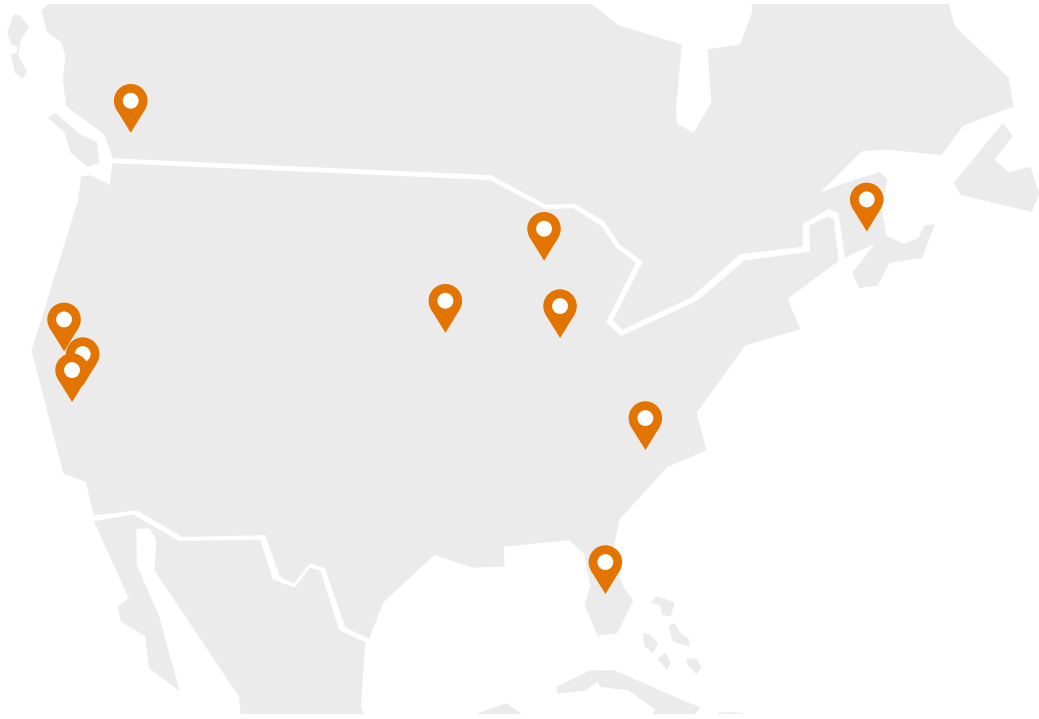
- The average projected 2021 annual budget of participating newsrooms is \$323,100 (71% increase in budget over 2020).
- The average projected 2021 annual revenue is \$343,000 (39% increase).

Additional gains:

- Seven participating organizations increased compensation and/or benefits for staff over the course of the program.
- Seven launched new products over the course of the program.
- Nine increased their staff over the course of the program.
- Six hired people to specifically support initiatives started through the program.
- Seven implemented new processes and workflows that increase efficiency.
- Six revised their definition of sustainability to include references to operational resilience.

9

Participating Publications



The GNI Startups Lab cohort was geographically diverse, with coverage areas across the U.S. and Canada.

The 10 participating organizations reflect diverse locales and sizes, although all are small. Among them:

- Eight are based in the United States
- Two are based in Canada
- They range in age from 1 to 7 years, with an average age of 3 years (as of March 2021)
- They employ between one and ~11 people full time, with an average of three full-time employees
- Four are directly focused on underserved communities or news deserts
- Nine have at least one person of color on staff
- Four have majority BIPOC staffs

BORDERLESSMAGAZINE

Borderless Magazine is a nonprofit news outlet that covers immigration and related labor, justice and advocacy issues through the lens of immigrant communities in the Chicago area. Nearly all its coverage is produced by people from African, Latino, Asian, Indigenous, or Middle Eastern communities. Every story they write is published in both English and Spanish. Borderless launched in 2017.

Participants



Michelle Kanaar, co-founder and art director, is a documentary photojournalist who focuses on immigration, labor and education. She is the daughter of immigrants from Colombia and the Netherlands.



Nissa Rhee, co-founder and executive director, is a journalist whose work has appeared in The Christian Science Monitor and Chicago magazine, among others.

Goals

Borderless launched an experiment to attract more immigration activists and organizers as newsletter subscribers to help amplify their message. Borderless reached their goal of 300 new subscribers from this focused community of immigration advocates and influencers. Still, the team saw very small gains in traffic from social media or mentions of Borderless in immigration-related publications, suggesting that this audience might not be as helpful to their growth. The Borderless team and coach Brian Boyer concluded that they might do better shifting their emphasis to search engine optimization and posting their content in Facebook groups focused on immigration. Borderless also conducted a reader survey in preparation for launching their inaugural membership program.

Big win: **“Adding hundreds of newsletter subscribers and having a plan for future experiments to add further subscribers.”**

— Nissa Rhee

Enlace Latino NC's mission is to empower approximately 1 million Latino residents in North Carolina to become more involved in the political and social changes that affect them. Coverage is in Spanish, includes podcasts, and focuses on local politics, government, immigration, and community affairs. The outlet launched in 2018.

Participant



Paola Jaramillo is co-founder and executive director of Enlace Latino NC. A longtime journalist and native Colombian, her work has been recognized with more than 29 national journalism awards by the National Association of Hispanic Publications of the United States (NAHP).



Lupita Ruiz-Tolento is Enlace Latino NC's development director and a bilingual grant writer with experience in development and media impact tracking in U.S. and Latin American independent newsrooms. Her background is in nonprofit work and higher education, specifically in programs serving the Latino community and other underrepresented populations in the Pacific Northwest.

Goals

Enlace sought to increase ad sales and signed up four new advertisers for a total of \$2,500 in revenue. They converted seven readers to donors, raising \$345.

Big win: **“Our biggest win was that by making progress on our advertising efforts, we realized there is a lot of potential for sponsorships. We made four advertising sales during the program, and one of them turned into a sponsorship. The program gave us the language and framing to make this possible.”**

— Paola Jaramillo

The [Halifax Examiner](#) was founded in 2014 as an adversarial news outlet to hold power to account. Their investigative journalism covers topics like Halifax’s City Hall, provincial government and education news for the 1 million residents of Nova Scotia. Most of its revenue comes from subscriptions.

Participant



Tim Bousquet, founder and investigative reporter, previously edited *The Coast*, an alt-weekly in Halifax.

Goals

Increase Halifax Examiner’s paid subscribers to 4,000 by leveraging a funnel model and converting social media followers and newsletter subscribers to paid subscriptions. Halifax also saw the need to simplify their subscription process and build a cleaner tech stack to free up time spent on subscription processing and provide better customer service.

Although they didn’t reach their very ambitious goal, Halifax increased their paid subscribers from 3,352 to 3,735 during the Lab, and they’re using the funnel mindset to brainstorm further opportunities to use the Examiner’s impactful journalism to convert local readers.

Big win: “Recognizing our shortcomings and finding solutions for them.”

— Tim Bousquet

The Indianola Independent Advocate, launched in 2019, covers community affairs in Indianola, Iowa, a town of about 15,000 residents just south of Des Moines. As its name indicates, its mission is to be an independent advocate for the local community.

Participant



Amy Duncan, co-founder and publisher, was previously a vice president for weekly newspapers at the Des Moines Register, where she also worked as an editor.

Goals

One goal was to convert more recipients of the newsletter to subscribers. The team added 18 subscribers by testing three price options on 100 people. The outlet gained another 21 subscribers by contacting 273 users who signed up for a free trial subscription. The Indianola team learned that they need to improve on-site messaging and invest in their tech stack to convert potential subscribers while they're browsing the site. Another goal was to increase followers on Facebook, Instagram and Twitter by hiring a social media person part-time. This effort yielded gains on all three platforms and they plan to keep a dedicated staff person. Most importantly, Duncan says that her time in the Lab taught her to prioritize growing IAA's revenue through subscriptions and building relationships with advertisers.

Big win: “Realizing how much difference a small amount of additional staff time could make on both our coverage and my ability to focus on revenue and promotion efforts. From a KPI (key performance indicator) point of view, our increases in social media were terrific and needed.”

— Amy Duncan



IndigiNews was launched in British Columbia in 2020 with the aim of elevating Indigenous voices and developing a business model for Indigenous news. With a team that is mostly made up of Indigenous people, the outlet focuses on the Okanagan region and Vancouver Island.

Participants



Erin Millar is partnerships and funding lead for IndigiNews as well as the founder and CEO of The Discourse, an online publication that co-founded IndigiNews.



Emilee Gilpin, who is of Métis ancestry, is managing editor of IndigiNews. Both are award-winning journalists in the region.

Goals

IndigiNews sought to increase newsletter subscribers and donors. IndigiNews embarked on this campaign while reporting on a national tragedy that personally impacted every team member. Despite this challenge, the IndigiNews team recognized their unique role reporting on and helping community members come together to process this tragedy. The efforts were successful on both fronts, resulting in nearly three-fold growth in donors and newsletter subscribers. The number of email subscribers increased from 5,298 to 15,099. IndigiNews also grew their total number of donors from 336 to more than 1,000.

Big win: “We are incredibly proud of the work that our team did to uplift strength-based Indigenous stories during an incredibly difficult period. The mass uncovering of Indigenous children’s graves weighed heavily on our team, as well as forest fires impacting our communities and the ongoing impacts of COVID 19. Rather than fueling the trauma-porn driven daily news cycle, our team focused on educating people on decolonizing and trauma-informed practice. We did this through our workshop and through the stories that we published that exemplified this practice.”

— Erin Millar



LkldNow covers Lakeland, Florida, a community of about 115,000 residents. LkldNow focuses on efforts to make Lakeland a more livable community and has a goal of increasing community engagement. They launched in 2015.

Participants



Barry Friedman, LkldNow’s founder, editor and publisher, is a longtime local editor for newspapers in the region and a digital evangelist who created one newspaper’s first website.



Trinity Laurino, is LkldNow’s community engagement director and also guides revenue initiatives. She previously worked with PBS, National Geographic and the BBC.

Goals

LkldNow’s experiments focused on growth — increasing newsletter subscriptions, young professional readers and donations. The team increased newsletter subscriptions by more than 20% from 3,845 to 4,629 during the Lab. The LkldNow team also focused on attracting young professionals and people who recently moved to Lakeland, through guide content and virtual events. They increased this targeted audience from 2,717 to 4,177 monthly readers. LkldNow’s goal of attracting six new donors a month fell short but the team pivoted twice to refine its approach.

Big win: **“In quantitative terms, I’d say adding nearly 500 new newsletter subscribers in one month. In qualitative terms, we have a whole new set of tools to understand our readers and a much better grip on what that data means.”**

— Trinity Laurino

Launched in 2019 as the first nonprofit news organization in San Jose, California, San José Spotlight focuses on political and business reporting. It seeks to educate residents and inspire civic engagement in the city of about 1 million. LION Publishers named the Spotlight their Publisher of the Year for 2020.

Participant



Josh Barousse is the Spotlight's co-founder and executive director. He has previously worked for the Silicon Valley Council of Nonprofits and for various state and city lawmakers.



Ramona Giwargis has covered local politics and government for a decade in San Jose, Merced, Salinas, Eureka and Las Vegas. A San Jose native, Ramona is passionate about investigative and watchdog journalism that exposes wrongdoing and sheds light on injustice. She has won numerous awards for her investigative reporting.

Goals

The Lab experiments focused on increasing readership by investing in in-depth coverage and data visualizations. They also sought to increase newsletter subscribers. The Spotlight nearly doubled (an 89% increase) the number of new readers, reaching 1.5 million by the end of the Lab. It also saw a substantial increase (80%) in newsletter subscriptions, signing up 10,555 news subscribers over the life of the Lab.

Big win: **“Acquiring more newsletter signups by experimenting with optimization on our site and trying new marketing approaches.”**

— Josh Barousse

Launched in 2019, [Santa Cruz Local](#) seeks to provide coverage that responds to questions from the public, with a focus on local government decisions and on solutions journalism that explores ways other communities have responded to common problems. It covers Santa Cruz County, which has a population of about 270,000. Operating as an LLC, Santa Cruz Local relies heavily on reader donations and is launching a membership program.

Participant



Kara Meyberg Guzman is the CEO and co-founder of Santa Cruz Local in Santa Cruz County on the California coast. Prior to Santa Cruz Local, Guzman served as managing editor of the Santa Cruz Sentinel, a local daily newspaper.

Goals

Santa Cruz Local aimed to increase new readers and frequent newsletter readers. Over a two month period, they posted gains on both fronts. They saw an increase of nearly 20% in frequent newsletter readers, ending the program with 4,056. New readers grew by about 30% to an average of 6,585 per month.

Big win: **“We built a sustainable operational system to achieve our goals.”**

— Kara Meyberg Guzman

THE MENDOCINO VOICE

Based in Ukiah, California, [The Mendocino Voice](#) is a co-op organization launched in 2016. It covers Mendocino County in Northern California, a large, mostly rural area with a population of about 85,000. Its mission is to make local news accessible to the entire community while operating under a transparent and democratic co-operative structure.

Participant



Founder and publisher **Kate Maxwell** is a longtime local journalist who has also worked as an archivist and public policy researcher. She is a 2020-21 Knight fellow at Stanford University.

Goals

The Mendocino Voice started with a practical goal: to reduce time spent troubleshooting its server and website (WordPress). They succeeded, cutting that time from 10-20 hours a month to no more than one hour per month. The team also conducted reader surveys to gain a better understanding of their audience as potential co-op members. The surveys, which reached about 300 people, helped the Mendocino Voice focus their coverage priorities while laying the groundwork for membership growth.

Big win: **“We have expanded our coverage for Spanish language speakers as part of our experiments through the program, and also expanded some of our health coverage, which reaches a slightly different audience, and which was one of our top info needs identified by our info needs survey. We also have a renewed focus on our members.”**

— Kara Meyberg Guzman

Wausau Pilot and Review

Wausau Pilot & Review is a nonprofit news organization that focuses on in-depth reporting and analysis aimed at fostering greater civic engagement in Marathon County in north-central Wisconsin. The county has a population of about 150,000.

Participant



Publisher and investigative journalist **Shereen Siewert** founded the news outlet in 2017. She is the former news editor of The City Pages, a news and entertainment weekly in Wausau, and served on the investigative reporting team at Gannett Wisconsin Media in 2012.

Goals

In the Lab, the organization sought to increase ad sales, newsletter subscribers and non-English speaking readers while converting more subscribers to donors. The team more than doubled ad sales to a total of \$12,100 a month and tripled newsletter signups to 20,177. They converted 158 new newsletter recipients to donate a total of \$11,084.

Big win: “We quadrupled the size of our email list and tripled our monthly ad revenue. Huge wins!”

— Shereen Siewert

Case study: Enlace Latino NC

Enlace Latino NC joined the GNI Startups Lab with a big goal — adding new ways to earn revenue beyond grants from foundations. “For a long time, we’ve struggled to answer the following question,” Enlace Latino NC wrote in their sustainability audit questionnaire. “How do we get our audience and our own community to support us financially? Are there specific audience segments to tap into? What is a reasonable ask?”

Enlace Latino NC also shared that they felt hesitant about how to align revenue opportunities with their mission to empower the communities of Latino immigrants in North Carolina.

“Enlace came into the program having pretty firm ideas about what their audience would and would not do. Over the course of our time together, they began to recognize that their deep knowledge of their audience should and could be used to open doors and ideas beyond content,” explained GNI Startups Lab coach Lillian Ruiz.

Through its participation in the GNI Startup Lab, Enlace Latino NC:

- **Ad sales:** Targeting health care and employment sectors, the team signed up four new advertisers, one of which evolved into a sponsorship. Total revenue was \$2,500. Advertising and sponsorship are similar. However, advertising typically is aimed at promoting sales of products or services while goals for sponsorship may more often be name recognition and or goodwill by association with a worthwhile community resource. Enlace learned that sponsorship more closely aligns with their newsroom’s mission and products, like podcasts aimed at sharing immigration news to Spanish-speaking migrant workers.
- **Donor conversions:** The nonprofit organization had limited success with efforts to convert readers to donors. It reported seven donations totalling \$345. In a survey, the Enlace team found moderate interest among readers in donating.

Paola Jaramillo, Enlace’s co-founder and executive director, said having a coach and a program that encouraged an experimentation mindset were key benefits underpinning the publication’s progress toward sustainability.

“The GNI Startups Lab allowed us to discover the business side of running a newsroom,” Jaramillo said. “Specifically, exploring diverse revenue streams. Before, our ideas were just that: ideas. But the program gave us the resources and funding to actually play around with them and make mistakes that we learned from along the way. We will carry this experiment mindset with us on our path towards a more sustainable future for our newsroom.”

Paola Jaramillo, Enlace’s co-founder and executive director, said having a coach and a program that encouraged an experimentation mindset were key benefits underpinning the publication’s progress toward sustainability.

“Enlace Latino NC has a powerful relationship with their audience, and helping them explore where they could go with that was really eye-opening for both parties,” Ruiz said. “By the end, they could really see themselves as an innovative community leader with options to offer their community and those that serve them and were able to develop efforts that will be beneficial to them in the long run.”

What’s next? The Enlace Hispanic NC team plans to develop sponsorship package templates and reach out to potential clients. Based on a reader survey, the team is also developing a narrative for NewsMatch, the foundation-supported year-end fundraising campaign for nonprofit outlets.

Case study: Santa Cruz Local

This two-year-old organization on the California coast sought to raise its profile in the community by attracting new readers and newsletter subscribers.

Its experiments produced growth in both areas:

- **Newsletter subscriptions:** The team goal was to double the number of its most engaged subscribers (four and five star users on MailChimp), from a starting point of 3,420. By the end of the program, that number had grown to 4,056.
- **Search visitors:** The participants aimed to increase the number of new local readers who found the site on search every month by 25%, from 5,000 to 6,250. The site averaged 6,585 new readers in July and August. The team found that evergreen resource pages drive search traffic.

But the Santa Cruz Local team made an interesting pivot. As they sought to explore how their small team could achieve such big goals, they realized they needed a way to quantify — and protect — the mental health and workload of their staff.

So in addition to their external growth goals, Santa Cruz Local developed a set of metrics and workflow to better track staff wellness and resilience and to prevent burnout. These “internal metrics” allowed Santa Cruz Local to diagnose the blocks to their team’s operational resilience and to build processes to better serve their team.

Kara Meyberg Guzman, CEO and co-founder of Santa Cruz Local, said strategic planning and team building blossomed internally alongside growth in readership.

“We are more operationally resilient. We know how to work as a team toward a shared goal. We know how to build staff capacity to allow room for experiments. We know how to share workloads and better identify (and) avoid staff burnout,” Meyburg Guzman said. **“We also now have a bit of a reserve to allow more experiments. We are better able to plan our next steps rather than just focusing on surviving the quarter.”**

“The most impactful stuff I felt like I did with the Santa Cruz team was working to defeat burnout,” said Lab Coach Brian Boyer. “They were already process nerds, and so they quickly embraced new teamwork practices like responsibility matrices, kanban boards, structured meetings and retrospectives.”

What’s next? The organization will seek to further deepen relationships with its current audience by setting goals and tracking recurring revenue from membership and highly engaged readers. It will also refine its publishing process to reflect new learning about search engine optimization.

Case study: Wausau Pilot and Review

Wausau Pilot and Review, based in Central Wisconsin, set out to significantly increase monthly ad sales, sign up new newsletter subscribers and convert subscribers to donors.

The organization made dramatic gains on all fronts:

- **Ad sales:** The site started the program at \$4,500 in revenue a month. When it surpassed its goal and reached \$12,100 a month, it increased the goal to \$14,000. The participants found that an easy-to-understand media kit and clear ad packages resulted in growth and better relationships with advertisers.
- **Newsletter signups:** Starting at 6,800, the participants increased signups to 20,177, with a goal of 25,000 by the end of 2021. Efforts included signups at community events.
- **Donor conversions:** Participants convinced 158 new newsletter recipients to become donors for a total of \$11,084 in revenue. Regular prompts, including registration walls, were a key tool.

Unusual among nonprofits, the Pilot and Review reported no philanthropic funding this year, instead attracting enough locally sold advertising to account for 40% of total revenue with another 10% from programmatic. The other 50% comes from memberships and donations, primarily from small donors.

Siewert's other focus during the GNI Startups Lab was addressing the lack of news produced for and consumed by the large Hmong community in Wausau. With the help of Lab Coach Lizzy Hazeltine, Siewert developed an outreach strategy to help Wausau's journalists to connect with the local Hmong community. Wausau team members staffed in-person booths at Hmong community events and shared surveys in Hmong languages to understand what news these readers need.

“When a news organization wants to grow reach in a community that was previously under-covered, listening for their priorities and needs is a first step toward repairing trust and being useful. Measuring how an organization does in delivering on those needs is the non-negotiable next step.”

Wausau grew monthly non-English speaking readers using the website's article translation tool by 400 to nearly 1,900, primarily in local Hmong communities. They are continuing to refine their strategy to serve more Hmong readers with quality local information.

What's next? Siewert said the organization will continue to experiment with ways of growing readership and donors. At the same time, it must resolve tech issues. “Our biggest need right now is funding to help experiment with our tech stack, from SMS notifications to translation tools and apps, so we reach a more diverse audience,” Siewert said.

The Pilot and Review has also hired a Report for America journalist to focus on those communities of color. “We are shifting to ensure we better serve under-represented communities, particularly the Hmong people and immigrant community here.”

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What we learned

Conclusion

This is a moment of opportunity for local news startups in North America.

Charitable foundations increasingly see supporting independent, trustworthy local journalism as necessary to securing democracy. Investments in digital products and software have made it easier, faster and cheaper to launch a news business.

Journalists have become more entrepreneurial, devoting more effort to audience development and to growing traditional and nontraditional funding sources. At the same time, a growing void of information from traditional local sources has made local readers more willing to support journalism startups in their communities.

The publications in the GNI Startups Lab show tremendous promise. They have already created significant impact in the communities they serve. Yet we know that at least half of all small businesses fail in the first five years, often because of founder burnout, staff turnover or the inability to grow revenue. Indeed, the emerging local landscape is littered with startups that didn't make it. But the more than 700 local news pioneers in North America have demonstrated that, with the right tools and the right expertise, they can forge a path to sustainability.

We built the GNI Startups Lab to address the essential skills journalism founders need to learn in order to navigate their many challenges and grow their organizations. The Lab gave founders the opportunity to step back from the day-to-day tasks of running their business and focus on developing the growth strategies and operational processes to make their organizations more resilient. And we helped founders move past the dichotomy of failure and success and implement an experiment mindset to set goals, test ideas and measure progress.

“One of the most satisfying parts of the Lab came, for me, when participants gave their final presentations — and I heard publishers I've known for a few years now speaking suddenly about iterating, about measuring their organization's success over time, and about how the work they'd put in was paying off through increases in audience, frequency and revenue,” said Chris Krewson, executive director of LION Publishers. “It was a transformative event for these news businesses, and I was so proud of their progress,” Krewson continued. “The Lab helped them transform their businesses — but more than that, it gave them the tools to transform it further.”

Local journalism is still in crisis, and entrepreneurial journalists require more help to meet the need for trustworthy information in our communities. While additional financial support for local news startups would be a great start, writing a check is not enough. The results of the GNI Startups Lab show that adopting a holistic approach to sustainability — across the pillars of finance, operations and people — provides the best chance for long-term success.

Publisher competency scores following the GNI Startups Lab (out of 5)

At the end of the program, participants rated their confidence levels on a scale of 1–5 in specific areas that were covered in Lab training.

Since completing the Lab, I am very confident in my understanding of...

4.2

How to plan, execute and measure experiments

4.1

Finance and budgeting best practices

4.0

Revenue strategies and how to implement them

3.9

Audience development best practices

3.7

Analytics and applying metrics best practices

3.6

Audience research best practices

“ The GNI Startup Lab was a transformative experience. We took away a whole lot to help us reach sustainability through the intensive trainings, guidance from our coach and the funding that allowed us to finally try some experimentation.

Josh Barousse and Ramona Giwargis
Co-founders, San Jose Spotlight

“ The GNI Startups Lab has been instrumental in helping us transition from startup phase to the next level of creating a hyperlocal news organization with the means to serve the Lakeland community for decades to come. The lessons and coaching we received through the program are proving to be invaluable and have refined and transformed our thinking.

Barry Friedman and Trinity Laurino
LkldNow

“ Participating in the GNI Startups Lab was a game-changer for us. We left the program feeling much more confident about our sustainability and learned so much from our colleagues along the way. We are grateful for the opportunity and encourage other publishers to apply.

Shareen Siewert
Founder and publisher, Wausau Pilot and Review

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LION Publishers team

Anika Anand

Ben DeJarnette

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