



How to feed The Ferret: Understanding subscribers in the search for a sustainable model of investigative journalism

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John Price

University of Sunderland, UK

Abstract

The Ferret was founded in Scotland in 2015 as a co-operative. Drawing funding from a variety of sources – including grants, crowdfunding, training and events – the organisation relies heavily on subscriptions for its core business model. The Ferret is one of a number of recent digital start-ups seeking to explore new ways of funding and sustaining investigative journalism against a backdrop of declining levels of such journalism from the mainstream media. Despite this, to date there has been very little detailed, empirical work into subscription or membership models of funding journalism. This article begins to address this by presenting the results of an online survey of The Ferret's subscribers. The findings are discussed in the context of recent work from international scholars about paying for online news and new business models for public interest journalism. The results suggest that subscribers tend to be middle aged or older, to the left of the political spectrum and motivated mainly by a desire to support the production of investigative journalism – rather than gain exclusive access to its content. The article concludes by arguing that recruiting such people offers a potentially sustainable membership model for investigative journalism platforms, whereby journalism for the benefit of society is funded by the few.

Keywords

Audience studies, business models, investigative journalism, membership, online / digital journalism, start-ups, subscription

Corresponding author:

John Price, Centre for Research in Media and Cultural Studies, Media Centre, St Peter's Campus, University of Sunderland, Sunderland SR6 0DD, UK.

Email: John.price@sunderland.ac.uk

Introduction

The Ferret, launched in 2015, is a non-profit, investigative journalism start-up seeking to ‘nose up the trousers’ of power in Scotland and hold it to account. Registered as a co-operative, The Ferret is run by a board of journalists and subscribers, and funded from a variety of sources including subscriptions, crowdfunding, grants, training and events. It was created in response to what its founders felt were three critical issues: an economic crisis in the mainstream media caused by the collapse of its core business model; a subsequent democratic crisis caused, in part, by cutbacks in investigative journalism; and an ethical crisis resulting from declining levels of public trust in journalism (Price, 2017).

The Ferret is an ongoing experiment by a group of investigative journalists who want to find a sustainable model of doing public interest journalism. They are not alone in this as there has been significant growth in the number of investigative and other non-profit digital journalism start-ups (Carvajal et al., 2012), largely in the United States (Knight Foundation, 2015; Schaffer, 2010, 2013) but also across Europe (Bruno and Kleis Nielsen, 2012), Australia (Simons, 2013) and beyond.

The Ferret has a main website, a range of social media, and a community forum for its members. Its core team consists of five freelance, investigative journalists whose specialisms include human rights, politics and environmental issues. It has conducted crowd-funded, audience selected investigations on fracking, asylum and housing, while other commonly reported issues on its website include the arms trade, education, health, surveillance, private finance initiatives and crime. Most investigations are document based, reflecting the fact that The Ferret grew out of a Freedom of Information club. The organisation pays a rate of £110 per day for writing and other editorial services. The vast bulk of Ferret investigations are conducted by its core team, but it solicits and publishes content by others.

From its launch, The Ferret has steadily grown its number of subscribers to nearly 700 and sees continued growth of this as the core of its business model (Price, 2017). It operates a mixed subscription model with members paying either £3 a month, an annual rate of £30, or becoming a Gold Ferret by contributing £100. People visiting its website can view three free articles before being asked to subscribe to gain further access. It also has a community site where subscribers can access private discussions, and contribute and have access to information about the organisation of the Co-op. The Ferret has a monthly income of nearly £2000 from subscriptions and estimates it needs to double this to make the co-op financially sustainable. Despite the importance of subscriptions to The Ferret, its organisers have been very open about their lack of knowledge about who their subscribers are, or their motivations for backing the organisation. Rob Edwards, Chair of The Ferret, said, ‘I’m very conscious that we haven’t done any systematic analysis of how to attract subscribers or how best to market to them, what rate to charge, or who are the people most likely to subscribe to us’ (Price, 2017).

Schaffer and Polgreen (2012) have identified a similar tendency among many digital journalism start-ups who often have superficially good engagement with their audience but lack a deeper, genuine understanding of who this audience is, or how their long-term support may be secured. This is surprising given that such an understanding is ‘critical to the future survival of these news start-ups’ (Schaffer, 2013: 557). There is also a lack of

detailed academic and empirical research into the nature and motivations of audiences subscribing to journalism start-ups. There has been some general overview of potential business models used by journalism start-ups (Kaye and Quinn, 2010) and research exploring the motivations behind donors' contributions to crowdfunded journalism (Jian and Shin, 2015) and its impacts on the nature of that journalism (Aitamurto, 2011; Hunter, 2015). However, until now, there has been very little research specifically done about membership and subscription models for funding journalism. This, again, is surprising given the economic crisis facing mainstream media organisations and the fact that new journalism platforms increasingly seem to be looking at membership and subscription as a potentially viable funding model (Birnbauer, 2012). As Wahl-Jorgensen et al. (2016) have observed, a better understanding of these issues will help 'lead the way to identifying sustainable models for the future of journalism' (p. 812).

This article, therefore, seeks to start to plug this gap by offering new, empirical material on a topic of huge significance to the journalistic community and the societies they serve. It presents the results of an audience survey conducted with the subscribers of *The Ferret* to address the following core questions:

- Who are the people who have subscribed to *The Ferret*?
- What motivated them to subscribe?
- What factors will determine their long-term support for *The Ferret*?
- What wider lessons can be learned from this about sustainable subscription models for similar journalism platforms?

The following section provides some context for these findings with a critical discussion of relevant, previous research. It begins by discussing research into factors affecting an audience's willingness to pay for online journalism, before considering issues relating to the search for sustainable models of funding investigative and public interest journalism.

Online journalism and the search for sustainable business models

Previous research has identified some inherent problems with the idea of news organisations attempting to charge for online content, including a perceived lack of value in online news amongst audiences and an existing online culture of access for free (Goyanes, 2014). Pickard and Williams (2014) have observed, 'Accustomed to free information online, many users will most likely opt for a free, lower-quality alternative when presented with a paywall' (p. 204). Despite these problems, in recent years an increasing number of organisations worldwide have introduced some form of paywall or charge for digital content in an attempt to find a sustainable business model (Kammer et al., 2015). However, although charging for online content has become a significant and important practice, there remains relatively little detailed research into the subject. As Goyanes (2014) says, '... despite the importance of this issue, limited empirical and academic researchers have focused especially and deeply on willingness to pay for online news' (p. 743).

Much research conducted so far on this subject has sought to identify and quantify the factors influencing people's willingness to pay for online news. It has provided mixed

evidence about the influence of age on a person's disposition to pay for online journalism. Chyi and Lee (2013) found that younger people were more likely to be willing to pay for online news and that age was one of the most important factors in this. This, they conclude, creates a dilemma for news organisations as 'while younger people are more likely to pay for online news, they tend to have lower interest in news compared with other age groups' (Chyi and Lee, 2013: 206). Similarly, Goyanes (2014) and Chyi (2005) have produced evidence suggesting younger audiences are more likely to pay for online news content. However, Chiou and Tucker (2013) found younger audiences tend to disappear when charges are introduced. This is backed by the findings of Kammer et al. (2015) who used a survey and focus groups to investigate the attitudes of Danes towards paying for online news. Their results showed that 41 per cent of 18- to 29-year-olds said they would not pay for online news – compared to just 21 per cent of 50- to 59-year-olds. They also found a more general unwillingness to pay for any sort of news among younger people (Kammer et al., 2015: 113).

Another important factor in determining the potential success of charging for online news is the nature of the content itself. For example, there is evidence that readers are more willing to pay for particularly specialised content, unique content (Brandstetter and Schmalhofer, 2014; Herbert and Thurman 2007) or content that readers cannot find elsewhere on a free website (Nel, 2010). In other words, '... content of a unique character (i.e. content of a high quality or about a subject matter that do not exist on competing news outlets) is considered a most important parameter when attracting paying audiences online' (Kammer et al., 2015: 109). Furthermore, as Hamilton observes, such content can be crucial in building support for a brand: 'When you tell important stories that are unique, you develop a brand for quality and a reputation for offering what cannot easily be found elsewhere' (American Press Institute).

There is some evidence that tailoring content to an individual's interests might increase their willingness to pay for it. There might therefore be some economic sense in creating a model that allows audiences to personalise their news. However, Kammer et al. (2015) have produced evidence suggesting this 'Daily Me' model is more likely to be successful among younger subscribers and, as outlined above, these are the people who are generally against the idea of paying for news.

Previous research has suggested the maximum amount people are willing to pay for online news is around \$5 per month (Goyanes, 2014). People on higher incomes are also more likely to be willing to pay for online journalism, suggesting that cost is a factor (Goyanes, 2014). However, there is also evidence that while cost obviously matters, it is often not a decisive factor and, instead, plays a subordinate role to other, more important concerns. Kammer et al. (2015), for example, concluded, 'Audiences who to begin with are positive about the prospects of paying seem not to worry much about the actual price, and audiences negative toward the idea of paying are so regardless of the pricing' (p. 115).

Some recent research suggests the most important factor affecting willingness to pay for online journalism is a person's general view or principles about the value and importance of news. People who have positive attitudes about the media, and its potential role in society, tend to be more open to the idea of paying for online news – because they believe that 'quality costs' (Kammer et al., 2015: 114). Their subsequent decision to pay for online journalism obviously relies on them believing that an online site is capable of

producing the ‘quality’ content that is worthy of their support, but this general outlook appears to trump more specific concerns such as cost:

If the audiences acknowledge that journalism is a costly activity and experience that the fee supports quality journalism (eg investigative journalism, more societally important news, and more correct grammar and spelling) they say they will be more likely to pay. (Kammer et al., 2015: 118)

There is also a suggestion that the people most likely to hold such views about journalism, and its social value, tend to be those of a liberal world and political outlook. This is particularly the case when it comes to investigative journalism or journalism produced with the public interest in mind. The non-profit *Texas Tribune*, for example, found that 42 per cent of its readers were Democrats, compared to just 18 per cent identifying themselves as republicans (Ellis, 2014). Hamilton (2016) argues,

Holding powerful institutions and people accountable, or telling news stories about social justice, can be correlated with a liberal worldview. This means that the set of papers, magazines or online sites with an investigative focus may also be distinguished by a liberal focus.

Hamilton (2016) has also produced evidence from the United States to show that people who tend to financially support investigative journalism also often make political donations, and are most likely to be Democrat supporters.

Hamilton (2016) has done a cost-benefit analysis demonstrating the potential economic value of good investigative journalism. He looked, for example, at stories which had directly led to legislative reform and estimated the value of such improvements in the form of hospital appointments avoided or crimes not committed. His research found that for every dollar invested in an investigative story, there can be more than US\$100 in benefits to society. A cost-benefit analysis of this kind relies on a certain amount of presumption and subjectivity for its calculations and so it would be right to view its precise figures with caution. However, this does not detract from the general thrust of its conclusion – that media organisations are required to invest heavily to produce investigative journalism, but only ever receive a fraction of its economic outcomes. As Hamilton says, ‘These benefits though are spread over people who may never subscribe to the newspaper that did the work, which means the paper cannot reap the full benefits of the change it produces’ (Harris, 2017). Such economic realities make it important for media organisations to be able to attract audiences that see the social and economic value of what they are producing, and are also willing to pay to support it. The added difficulty is that organisations need to be able to attract these paying audiences even though these audiences will neither receive an economic return on their investment or exclusive access to the benefits it may produce. The evidence so far, perhaps surprisingly, is that significant numbers of such people are out there. ‘The set of people willing to make a sizeable contribution to a public affairs non-profit site is tiny relative to the residents in the areas that benefit when investigations change public policies. Yet these donors do exist’ (Hamilton, 2016).

A good example of an organisation that has successfully drawn support from such audiences is De Correspondent, which was launched in The Netherlands in 2013 on the

back of a record breaking crowdfunding campaign. The public service news platform now has 56,000 members who pay US\$63 a year, funding 21 full-time correspondents and 75 freelancers. The platform carries no advertisements and seeks to produce content that is free from the pressures of the 24-hour news cycle, with an ethos of taking a long-term view of issues – or following the climate, rather than the weather. Visitors to its homepage are asked if they want to subscribe, but there is no paywall beyond that, and, while members are able to share an unlimited number of free links, they receive few other obvious exclusive benefits. NiemanLab's Jay Rosen, who is supporting De Correspondent in its launch in the United States, observes,

Members don't pay to be members because they're getting exclusive access to something the rest of the public is denied ... The Correspondent wants its work to spread freely. It also wants you to become a member. It refuses to grant any contradiction between the two. (Rosen, 2017)

For Rosen, the issue of trust is crucial for the success of De Correspondent and others seeking to follow its lead. He argues, 'The production of public interest news cannot be successful without the reproduction of trust in the people who are authoring that news' (Rosen, 2017). De Correspondent's journalists are encouraged to be independent and transparent in their working, and to engage with audiences to develop large personal followings for their content. As Dowling (2016) says, 'Economic autonomy and executive transparency thus drive De Correspondent's business plan as a means of generating both real and symbolic capital' (p. 539).

There is a sense that De Correspondent, and other organisations that are sometimes categorised as producing 'slow journalism', are perhaps in a niche that makes them well placed to take advantage of a context in which ad blockers are on the rise, there is a decline in banner and pop-up ads, and content, at least for some, is becoming more important (Dowling, 2016). There is certainly some evidence from the United States to suggest that non-profit news organisations are increasingly looking to membership or subscription based business models as the core to their long-term sustainability (Birnbauer, 2012). A recent major review of 20 such organisations by the Knight Foundation (2015) found that income from members had doubled. Among its key recommendations was that organisations should move from a donor to a membership model as it 'offers the promise of more sizeable and stable long-term funding from individual supporters and strengthens relationships with their audiences' (Knight Foundation, 2015). Kevin Davis, former head of the Investigative News Network, has said the success of nonprofits will require 'being highly authentic to a subgroup of citizens and then the ability to take an even smaller percentage of them and get them to start paying for it' (Birnbauer, 2012).

The appeal of such a model is clear as it provides the potential for long-term security in a seemingly unstable environment. The goal for organisations then should be not only to attract a paying audience, but to persuade that audience to make a long-term commitment that can 'create a sustainable base of economic income to maintain business' (Goyanes, 2014: 752). Josh Marshall is founder of US long-form journalism site Talking Points Memo, which now has 11,000 subscribers. As he says,

You really want a strong foothold of your business to be anchored in people who are really committed to you sticking around ... There's something great and special about any publication that people think is valuable enough that they're willing to pay for it. (Bilton, 2016)

Jay Rosen (quoted above) is one of the key figures behind a major new research project seeking to understand the best business models for investigative and public service journalism platforms (<https://membershippuzzle.org/>). One of the key aims of the project is to understand how organisations can attract and sustain a paying membership. The idea behind such an aim is that '... readers, viewers and listeners waking up to the urgency of the moment are ready to support real journalism with real money, but only if the social contract changes' (Rosen, 2017). The challenge now is to better understand what that contract might look like and how it can be maintained. It is in such a spirit that this article presents its findings.

Methodology

This project has used an online survey to tackle its core research questions. This provides an 'efficient way of reaching large number of respondents at relatively low cost' (Bertrand and Hughes, 2004: 69). The survey was constructed using a combination of quantitative and qualitative questions, in line with an approach used by Barker and Mathijs (2012). One of the benefits of this approach is that it permits meanings to be explored from a variety of perspectives, enabling the researcher to pursue issues they have identified as potentially significant, while also allowing respondents to explain how they understand and construct such meanings. For example, at the start of the survey, respondents were asked to explain in their own words why they had subscribed to The Ferret. This was accompanied by a question providing a list of potential reasons for subscribing to The Ferret, derived from previous research findings and issues of interest, with respondents asked to select the ones they felt applied to them. The survey also included some demographic questions about respondents which, again in line with the approach of Barker and Mathijs (2012), were placed towards the end of the survey to encourage people to feel they were answering the earlier questions from a perspective of 'individual interests and expertise, rather than as representatives of categories' (p. 669).

The research has been conducted with the help and co-operation of The Ferret's Board of Directors and with the aim of being useful to the organisation. As Harcup (2016: 682) has described, the co-production of research means 'involving those who might ultimately make use of the research – and even those who might themselves be being studied – in the planning stages of the research'. In this spirit, the author consulted members of The Ferret's Co-operative Board during the drafting of the online survey. Following this consultation, a number of questions were added to the survey including those concerning the political affiliation of subscribers and their other media purchasing habits. One potential downside of this approach was that it resulted in a longer survey (20 questions) than had been desired. There is evidence that longer surveys can reduce response rates (Bertrand and Hughes, 2004). However, it was felt that this drawback was outweighed by the benefits of ensuring The Ferret's Directors were on board with the research and would find its findings relevant and potentially useful. As such, this project has followed

a similar approach to that pursued by Harcup (2016: 683) in that, while not handing over decision-making, it has consulted and worked in partnership 'with a view to obtaining insights that might inform practice and scholarship alike'.

An online link to the survey was created and sent to subscribers via The Ferret's weekly round-up email (between December 2016 and February 2017). By the close of the survey, 110 responses had been received. At the start of the survey period The Ferret had 440 subscribers, giving a response rate of approximately 25 per cent. The response rates of online surveys have generally been declining and often tend to produce rates of less than 50 per cent (Rindfuss et al., 2015). However, there is considerable evidence that such response rates can still produce meaningful and significant results (Groves and Peytcheva, 2008; Keeter et al., 2006). As Davern (2013: 906) has said, '... many studies have demonstrated that achieving a higher response rate for a survey does not result in significantly different estimates than the same survey using a less aggressive protocol and achieving a lower response rate'. Another potential limitation of surveys is that interviewers are unable to probe responses with follow up questions (Bryman, 2012). This limitation is acknowledged and is intended to be addressed in future research via more in-depth interviews with a sample of survey respondents.

The research is effectively a case study of one journalism platform, although it aims to draw significant conclusions on issues of relevance to a much wider range of organisations and concerns. As Flyvberg (2006) has argued, 'The advantage of large samples is breadth, whereas the problem is one of depth. For the case study, the situation is the reverse. Both approaches are necessary for a sound development of social science' (p. 241).

Findings

Who are The Ferret's subscribers?

So far The Ferret has been more successful at attracting male subscribers, as 58 per cent of its paying supporters are men. Its audience is also an ageing one, with approximately 25 per cent aged over 65 – and 58 per cent aged over 56. Less than 1 per cent of its paying audience are students, while fewer than 7 per cent are aged under 35. This reinforces previous research suggesting organisations struggle to attract younger audiences to pay for online journalism (Chiou and Tucker, 2013; Kammer et al., 2015) even when that journalism is distinctive and specialised. While The Ferret has had moderate success at attracting a paying audience, it has had very little success at getting students or people under the age of 35 to subscribe. If it wants to address this, results here suggest it could benefit from adding a greater variety of content, and in particular, a greater variety of multimedia content to its output. Previous research has also suggested that offering the option of personalised, tailored content feeds might appeal more to younger audiences (Kammer et al., 2015).

Ferret subscribers tend to be highly educated with 87 per cent educated to at least degree level. In all, 42 per cent of subscribers have a postgraduate qualification, including 10 per cent with Doctorates. The audience is more mixed in terms of household income. Just less than one-third of subscribers have a household income

of under £25,000 – with a similar proportion from a household earning more than £50,000. This means that two-thirds of The Ferret’s subscribers have a household income above the national average for Scotland.

Geographically, The Ferret has managed to reach audiences across Scotland. The region with most Ferret subscribers is, perhaps predictably, Edinburgh and Lothian, which is home to around a quarter of paying members. However, beyond that, the audience is fairly well dispersed across Scotland with all regions except Orkney and Shetland represented in the Co-op. Perhaps more surprisingly, around 12 per cent of The Ferret’s paying audience currently live outside Scotland – including subscribers from England, France and United States.

The Ferret’s audience are regular and committed consumers of media and news. Two-thirds of subscribers regularly read a national newspaper, while more than one-third regularly read a regional newspaper. In all, 74 per cent are frequent readers of online news, while 65 per cent regularly use social media to get journalism. Of those who read a national newspaper, 57 per cent are regular Guardian/Observer readers.

In terms of political leanings, 37 per cent of subscribers define themselves as supporters of Scottish Green Party (which backs communitarian economic policies, political reform and Scottish independence), while 30 per cent support the Scottish National Party (SNP – a social democratic party with Scottish independence as its main aim). Less than 2 per cent are Conservative Party supporters, with 20 per cent of subscribers describing themselves as having no political party affiliation. This puts the make-up of The Ferret’s audience substantially to the ‘left’ of the political spectrum compared to the nation as a whole. As a comparison, in the most recent Scottish Parliamentary election The Green Party received less than 1 per cent of the vote, the SNP 47 per cent, while The Conservatives achieved 22 per cent.

These results are further evidence that audiences willing to pay for investigative journalism tend to be to the left of the political spectrum. It chimes with research from the United States showing that people donating to investigative journalism platforms tend to be politically active Democrat supporters (Hamilton, 2016). The decision facing The Ferret, and similar organisations, is whether to use this knowledge to produce content that further targets potential audiences on the left, or whether it could seek to reach alternative audiences by producing content of a different kind. One of the suggestions from a survey respondent, for example, is that The Ferret could produce investigations into ‘left-leaning’ organisations such as charities and pressure groups.

What motivated people to subscribe?

The survey asked respondents to put in their own words the reasons for them subscribing to The Ferret. The overwhelming majority of responses to this question cite an interest in supporting investigative journalism, and its social and democratic benefits, as a key motivation for subscribing. It is interesting to note that these responses invariably talk about wanting to support investigative journalism rather than gaining exclusive access to it. The following two examples are typical of these responses,

I wanted to support proper investigative journalism.

Because I think investigative journalism is an essential part of any healthy democracy.

Many respondents also link their desire to support The Ferret to a perceived decline in investigative journalism in the mainstream media,

The decline in investigative journalism in the UK and precarious status of some broadsheets means an alternative funding stream is required.

I'm frustrated at the lack of investigative journalism in the mainstream media.

Another strong and common motivation to subscribe to The Ferret has been the desire to see independent journalism – free of commercial and political influence – as set out in the following examples,

The Ferret is not beholden to any media mogul. As such it speaks in the democratic interest of 'the common man'.

I think that it's time we had a truly independent source of investigative journalism in Scotland. Journalism which cannot be bullied by politicians. Our need has never been greater.

There is also a clear sense among respondents that they see the value of The Ferret offering something different from the mainstream media, by covering stories that other media ignore:

I wanted news and information that is not being delivered by the mainstream media.

To get access to news that was not making it into mainstream media.

It was interesting that one respondent questioned the extent to which The Ferret was genuinely achieving this independence in its reporting:

There should be content critical of charities and left-oriented organisations as well as of business and right-wing parties.

Some respondents cite the influence of individual Ferret journalists and their previous work as key factors in their decision to subscribe. For example,

I have followed Rob Edward 's work in environmental journalism and believe that that independent investigative journalism is more important now than ever.

The reputations, or social capital, of The Ferret's journalists provide a significant factor in attracting an audience to the site. More than 40 per cent of subscribers cite prior knowledge of these journalists' work as being a reason for them supporting the organisation. However, just 10 per cent of subscribers cite personally knowing The Ferret's journalists as a key motivation, suggesting that personal contacts may have helped launch The Ferret but that it has managed to grow well beyond this base.

The importance of trust in media and doing journalism in an ethical way is explicitly cited by a relatively small number of people, as in the following example:

Because I knew it was founded by independent, trained journalists of integrity and would be honest in its reporting of the subjects that matter.

Similarly, the co-operative nature of The Ferret is not cited by many as being a crucial factor in their decision to subscribe, with some even saying they are unaware of its organisational structure. However, issues of trust, ethics and structure, while not explicitly mentioned in many responses, are perhaps implied and bundled up in many respondents' attraction to the 'independence' of The Ferret, as explained above.

This is evident if we look at the results of the survey's quantitative question about people's motivations for subscribing to The Ferret (see Chart 1). Respondents were provided with a list of potential reasons for subscribing to the Co-op and asked to select which they felt applied to them (they could select as many reasons as they felt appropriate). Nearly all respondents, 96 per cent of them, agree that a desire to see more investigative journalism is a key motivation for them taking up a subscription. The other most commonly selected factors relate to the core, guiding principles on which The Ferret claims to be run – 80 per cent of people cite the ethical nature of The Ferret as being a motivation, while 72 per cent cite The Ferret's independence.

One of The Ferret's means of attracting subscribers has been to provide subscriptions to people attending its conferences and training events. This presents the possibility that a number of its paying audience are only so because of their attendance at one-off events, rather than any more substantive support for The Ferret and its work. However, only 2 per cent of respondents cite such practice as being a core reason for them having a subscription.

How can longer-term support of subscribers be secured?

The good news for The Ferret is that 81 per cent of subscribers say they are likely or very likely to commit their long-term financial support to the organisation. In all, 17 per cent of the respondents are unsure about their continued support, while 3 per cent say they are unlikely to continue to pay for a subscription.

In terms of cost, 25 per cent of respondents feel £2 or less or month would be a fairer price to pay than the current £3. The reasons given are mostly on the grounds of the relative lack of content on The Ferret compared to some other sites. However, a larger group of 37 per cent of subscribers feel the current pricing is fair – while another 37 per cent would be prepared to pay more than that.

For many respondents, their decision to continue to financially support The Ferret is based on their approval of the output and performance of the organisation to date. For example,

If The Ferret keep doing it, I'll keep chipping in.

My support will be about the continued quality of investigative reporting.

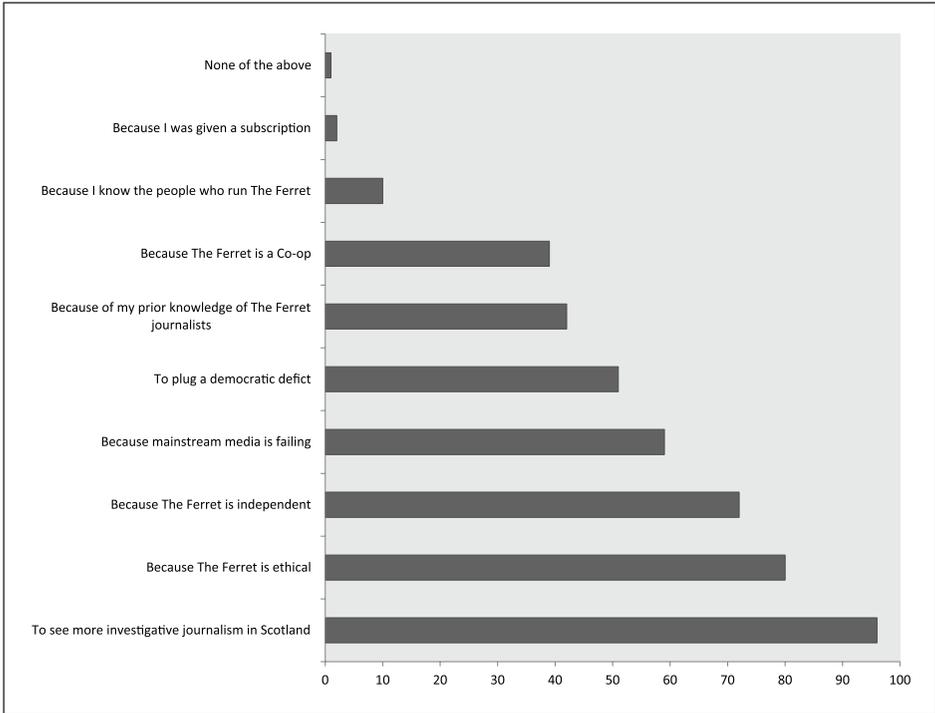


Chart 1. Motivations for subscribing to The Ferret.

I want to see the maintenance of good quality investigative reporting on subjects that are not covered elsewhere.

These findings support previous research from Kammer et al. (2015) suggesting that while cost may be a factor concerning some sections of the audience, it is often not a decisive factor and tends to be less significant than other motivations and interests. In other words, if someone is willing to make the leap to pay for online journalism of this kind, the issue of cost is unlikely to be decisive in enticing or preventing them from making that decision.

Many subscribers frame their desire to continue to back The Ferret in terms of the organisation's core principles and structure:

For me it's about The Ferret's openness, its total independent journalism, its ability to let me have a voice.

My support is about continuing to see transparency around structure, sources, what money has gone where etc.

For these people, a continued and apparent commitment to these values is important in maintaining their backing for The Ferret. This reinforces Rosen's (2017) analysis of the importance of trust in De Correspondent's growth in The Netherlands.

When it comes to those who are more undecided about their continued support, many want to see improvements in the regularity of content:

I think it requires improved consistency and regularity of output, but those ambitions will hopefully be met once subscription income provides its reporters with a reliable and consistent income; it may need to employ an editor in due course.

Others want to see a greater variety of content:

More stories, more variety, more relevance to life in Scotland.

I'd like to see more of it and eventually daily news coverage.

There are also comments suggesting subscribers want to see and hear from a wider variety of journalists on the site:

I think the main challenge appears to be to attract other journalists to write for this platform. Most, albeit very interesting articles, are written by two journalists.

I'd like to see a wider variety of contributors.

As stated earlier, while a core team of 5 freelance journalists produces the bulk of The Ferret's content, it is slowly growing its number of published reporters. As a guide, a recent Ferret transparency report showed that, over a 3-month period, The Ferret's core journalistic team received 83 per cent of its editorial payments, with 17 per cent going to other contributors.

A number of the more critical respondents want to see more hard-hitting, exclusive investigations from The Ferret that might give it a higher profile and influence:

I would definitely keep subscribing to The Ferret if it can find a way to get bigger stories.

So far, none of the stories have had very high impact. There's nothing wrong with writing stories about badger hunting, but it is important to go after big stories. Perhaps The Ferret ought to review how stories are rewarded? High- impact investigations should be rewarded more, somehow?

The view that The Ferret needs to do more to promote itself beyond a small group of subscribers is shared by many respondents:

It needs to promote itself more – needs to be pro-active to get on broadcast media regularly – raise awareness to a larger audience not just the already on-board.

It needs to grow and promote itself to a wider audience.

However, in potential conflict to this, a small minority of respondents complain that some of The Ferret's content feels like it has already been published elsewhere:

I get the impression that many of the articles have been published elsewhere.

Try not to reproduce too many articles that have been printed or published in other places.

Discussion

What emerges strongly from the above findings is that subscribers tend to be motivated mainly by a belief in the value of investigative journalism and the desire to support it. This supports the work of Kammer et al. (2015) that a person's general view about the value of news is often the crucial motivation in their decision about providing financial support for an online media organisation. For the vast majority of subscribers, this desire to support and protect the production of investigative journalism is not linked to any desire to benefit from exclusive access to this content or any social or economic benefits it might create. Most subscribers to *The Ferret* want to support investigative journalism, are happy to continue this support by extending their subscriptions, and want to see the organisation extending the awareness and audience for its content. This is significant given the work of Hamilton (2016) showing that, while investigative journalism can produce economic and social value, this value tends to be dispersed across a much wider social network than its producers and their audience. This is why, particularly in the United States, some non-profit journalism start-ups are looking at the potential of being sustained by a small, core audience of paying members who are willing to back the organisation for its perceived wider, social value, rather than exclusive access or personal return on their investment (Birnbauer, 2012; Hamilton, 2016; Rosen, 2017). The evidence from *The Ferret* survey is that such a model has credibility.

The survey also suggests that such a core audience is more likely to make a long-term commitment to an investigative journalism platform if it can see and trust the way the organisation is structured and goes about its business. The vast majority of subscribers cite independence and ethical practices as being crucial motivating factors in their decision to support *The Ferret*, and their continuation as vital to their ongoing support. It is vital to its growth and success, therefore, that *The Ferret* can demonstrate its sound ethics and independence. Doing so, and being seen to do so, should involve remaining as free as possible from outside influences of ownership and advertisers, being open and inclusive about how the organisation is run, and being transparent about how stories are researched and produced.

A minority of *Ferret* subscribers remain unsure about their long-term commitment to the organisation, while a very small minority will not continue their support. Two main concerns emerge from the survey as being significant to these people. First, for some, there is a sense of a lack exclusive benefit or content in return for their subscription. Why should I pay for this stuff if I feel I have seen it for free elsewhere? Such an attitude is one of the main problems facing many journalism platforms seeking to charge for their content (Goyanes, 2014). However, this contrasts with the views of the vast majority of *Ferret* subscribers who perceive a wider social value in the content and want it to be exposed to a bigger audience. *The Ferret* has some decisions to make about how it responds to these different audiences. It could tighten its paywall by reducing the occasions on which it jointly publishes with mainstream

media. This, however, would reduce its income and opportunities to broaden its profile. It could, alternatively, decide to ignore the minority of its audience that want more exclusivity and follow the lead of *De Correspondent* in removing its paywall entirely. A middle-way, and potentially sensible approach, would be to continue publishing in, and working with, mainstream media, while offering subscribers a different kind of exclusivity in return for their cash. This exclusivity might involve contributing to the selection and researching of stories, taking part in strategic decisions about the business, and participating in discussions about the issues covered by stories. Via their membership puzzle research, Rosen (2017) and his colleagues are keen to stress a distinction between subscription and membership business models, with the latter involving more active participation by audiences. To a large extent, *The Ferret* already does this, as subscribers automatically become members of the Co-op and have rights to be involved in its running. Based on survey findings it is important *The Ferret* does all it can to stress and foster the inclusive nature of this arrangement, making subscribers feel as much like members of a club as possible.

A second concern among undecided or disgruntled subscribers, shared by some of the more committed audience members, is a sense that they need to see *The Ferret* doing better. For example, a commonly expressed view in the survey is a desire to see *The Ferret* producing more hard-hitting, investigative journalism stories. Even if many subscribers do not seem too concerned about having exclusive access to content, they do want to feel they are supporting content which is genuinely different and only being produced because of the existence of *The Ferret*. This supports previous findings showing that audiences are more likely to be willing to pay for specialised and/or unique content (Nel, 2010). There is also evidence from France that a major, exclusive scoop helped significantly boost the audience of *Mediapart* (Wagemans et al., 2016) – an investigative journalism start-up with similarities to *The Ferret*. Subscribers would also like to see *The Ferret* increasing its number of journalists, the variety and frequency of its content, and the range of techniques and multimedia tools it uses to tell its stories. In other words, and perhaps not surprisingly, people want to feel they are supporting a healthy and growing enterprise.

Conclusion

There is generally good news here for *The Ferret* and its followers. Most of its subscribers are pleased with its performance so far and happy to continue their paying support. There are, however, some crucial decisions for *The Ferret* to make about its future and potential sustainability. The evidence above suggests that its success so far has been largely based on the support of a relatively small number of people whose main motivation is a perceived wider, social value in the production of investigative journalism. These people are happy to pay to support the production of this content with little motivation for receiving exclusive access or benefits to its results. Largely middle-aged or older, this audience tends to read and purchase liberal, left-wing media, and to support political parties on the left of the political spectrum. The decision for *The Ferret*, and similar others, is whether to seek to expand its subscription base beyond this core support – perhaps by producing alternative types of content – or whether to target its membership growth at people similar to this

existing audience. The evidence from the US (Hamilton, 2016) is strongly that audiences willing to pay to support investigative journalism tend to come from the politically active, liberal, left – suggesting that the latter approach might be best.

Based on the above, a feasible strategy for The Ferret is as follows:

- To maintain the trust of its audience by continuing to demonstrate its credentials for doing independent, transparent, ethical journalism;
- To produce quality investigations not being done by other media – but which it may share with and publish in mainstream media – that have relevance and value to wider society;
- To target a core, paying audience – largely from the liberal, left of the political spectrum – that believes in the wider value of supporting the production of investigative journalism, without receiving exclusive access to its content;
- To give this core audience alternative exclusive rights and benefits – such as contributing to discussions or shaping the nature of the organisation – thus making them feel members of The Ferret ‘club’.

The empirical work in this article is based on one case study. However, its results have been related to a set of wider findings and trends that suggest its conclusions can be likely applied to other contexts. The approach outlined above is particularly relevant to investigative journalism start-ups wherever they may be springing to life. Such an approach offers a potentially achievable and sustainable business model for producing in-depth, public interest journalism. A journalism funded by the few, for the benefit of all.

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Author biography

John Price is a senior lecturer in journalism at the Centre for Research in Media and Cultural Studies, University of Sunderland, UK. He is a former newspaper journalist whose current research interests explore models of sustaining public interest, investigative journalism. His other recent research has addressed issues of racism and discrimination in the sports media.