# CROWDFUNDING PLATFORMS IN THE POLITICAL ECONOMY OF ALTERNATIVE MEDIA

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#### ABSTRACT

Alternative media appeared in the digital environment, taking advantage of the low distribution costs and the potential for public participation. Increasingly, they use crowdfunding or collective financing platforms as a model for maintaining activities. This article maps how alternative media from Portugal, Spain and Brazil articulate crowdfunding platforms with their financing strategies, on the one hand, and with social media platforms, on the other. The study aims to discuss the possibilities and limitations of the different crowdfunding platforms for these means. The methodological design includes personal interviews, online observation about alternative media and a content analysis about their financing and specifically the digital financing platforms. Alternative media articulate their use of crowdfunding platforms with those of social networks, in a constant work of demonstrating the relevance of the type of journalism they practice and their social contribution in search of public involvement as a funder.

#### **KEYWORDS**

crowdfunding, alternative media, sustainability, political economy

# Plataformas de Financiamento Coletivo na Economia Política dos Média Alternativos

### **Resumo**

Os média alternativos abordam assuntos que não são tratados pelos meios de comunicação tradicionais e dão enfoque a temáticas voltadas à defesa dos direitos humanos. Surgidos no ambiente digital, tiram partido dos baixos custos de distribuição e das potencialidades de participação do público. De forma crescente, os média alternativos utilizam plataformas de crowdfunding ou financiamento coletivo como modelo de manutenção das atividades. Estas plataformas que permitem o patronato não alojam nem publicam conteúdo, mas estão inseridas num ecossistema com outras plataformas que visam obter dados e transformá-los em valor económico. O presente artigo mapeia a forma como média alternativos de Portugal, Espanha e Brasil articulam as plataformas de crowdfunding com as suas estratégias de financiamento, por um lado, e com as plataformas de redes sociais, por outro. O estudo pretende debater as possibilidades e limitações das diferentes plataformas de financiamento coletivo para estes meios. O desenho metodológico inclui entrevistas pessoais, observação online sobre os média alternativos e uma análise de conteúdo sobre o seu financiamento e concretamente as plataformas digitais de financiamento. Os média alternativos articulam o seu uso de plataformas de crowdfunding com as de

redes sociais, num trabalho constante de demonstração da relevância do tipo de jornalismo que praticam e do seu contributo social em busca do envolvimento do público enquanto financiador.

#### PALAVRAS-CHAVE

crowdfunding, média alternativos, sustentabilidade, economia política

# Introduction

The advancement of digital communication, in combination with changes in commercial communication, has caused the collapse of the classic revenue models of main-stream media. This contemporary environment of communication, however, has represented an opportunity for the emergence of alternative digital media, which were thought in the current molds of journalistic production with reduced teams, content suitable for the virtual environment, collaborative and participative production of contents and use of digital technologies for distribution and dissemination. Funding is one of the distinctive aspects of alternative media as non-profit and independent structures: its source of income is mainly the public, through crowdfunding and subscriptions. By definition, crowdfunding consists of financing projects through cash donations on online platforms. The public's involvement in voluntary funding is decisive for the production of information that they believe is essential.

Thus, this article studies the use of crowdfunding platforms as a model for maintaining alternative media activities. Specifically, it intends to map the funding strategies through crowdfunding platforms undertaken by alternative media from Portugal, Spain and Brazil, in its articulation with broader funding strategies, as well as in articulation with other social media platforms. This mapping will allow us to discuss: what are the possibilities and limitations of the different crowdfunding platforms for alternative media. To this end, the methodological design includes interviews, online observation and content analysis on the funding of alternative media and specifically on digital financing platforms. The article, therefore, begins by tracing the background of alternative media in relation to their political economy, then going on to a review of the literature on digital platforms, in particular funding and the relationship with news media.

#### THE POLITICAL ECONOMY OF ALTERNATIVE AND INDEPENDENT MEDIA

Alternative media are crucial in offering democratic communication media to the excluded groups (Atton, 2002). These media have to do with an organization that enables participation and reflexivity. Williams (1980) highlights three aspects of democratic communication that we could consider as the focus for this realignment: decapitalization, deprofessionalization, and deinstitutionalization. Alternative media propose interactivity between the public and producers — in this case, non-professionals — collective production, and interest for everyday life.

With regard to content, alternative media seek to assert themselves as independent vis-à-vis companies as well as vis-à-vis governments. They proclaim themselves as alternatives to commercial media, and even to public media, to get closer to communities. Alternative vehicles can therefore be defined in their structure as "media production that challenge, at least implicitly, actual concentrations of media power, whatever form those concentrations may take in different locations" (Couldry & Curran, 2003, p. 7). Independent media are "media forms that are on a smaller scale, more accessible and participatory, and less constrained by bureaucracy or commercial interests than the mainstream media and often in some way in explicit opposition to them" (Cover et al., 2007, p. 1).

Since alternative media are often directed at communities, they address topics aimed at defending human rights and issues that are not addressed by mainstream media, such as the agenda of people with disabilities, the homeless, the LGBTQI+ community, minority ethnic groups, and women. The representativeness of subjects and communities which find less space in mainstream media appears as necessary for greater participation and social change. "New media systems do not just deliver content; people must actively use them to do something, i.e., search, share, recommend, link, argue, and so on" (Lievrouw, 2011, pp. 13-14). These media flourished with the expansion of global protest movements over the past decade, from demonstrations against social repression and censorship such as the "Arab Spring" in 2010, to protests in the aftermath of the 2008 economic and financial crisis, such as "Occupy Wall Street" (2011), in the United States; "Los Indignados" (2011), in Spain; "Jornadas de Junho" (2013), in Brazil; and "Geração à Rasca (2011)", in Portugal (Gerbaudo, 2012). Global protest movements responded to government austerity policies, and helped to create new political discourses in the pursuit of social well-being. These actions opened spaces for discussion and political action to propose democratic and social agendas that ended up favoring the emergence of some alternative digital media, such as Mídia NINJA, which emerged during the "Jornadas de Junho", in 2013.

Digital technologies have come to facilitate alternative media models both at the level of production, and at the levels of distribution and publication of content. New technologies are tools for creating networks for the distribution and circulation of content from alternative media, in addition to creating links with a plethora of social sectors (Peschanski, 2007). However, the use of digital technologies contradicts the principles of independence, free culture and combating privatization advocated by alternative media. Social media (Facebook, Twitter, YouTube) were created in the context of industrialized countries, profit-oriented, based on new business models that use user data to sell advertising (Seoane & Hornidge, 2020). In fact, the alternative media distribution model is allied with the free market ideology, based on the theoretical support of the belief in the emancipatory potential of technologies.

Thus, these media face a dilemma at the level of political economy: on the one hand, by choosing the self-management model that makes them more independent from the interests of large corporations; on the other, they "confront the power of the monopolies

and oligopolies of media, as well as the problem of mobilizing resources without State support and publicity" (Fuchs & Sandoval, 2015, p. 173), which often leads them to a shortage of revenue. Therefore, the independence of alternative media at the level of content has implications for their funding, shifting the basis of its financial sustainability to the public or the third sector. As critical political economy notes, the financing of media production (and of other cultural organizations) has tangible consequences for the range of public domain discourses and representations and for the public access to them (Golding & Murdock, 1991) and, in view of this, "for the quality of democratic systems" (Sousa, 2008, p. 5). Noting that there is widespread commodification in society, which the communication sector does not escape, it is pointed out how news companies yield to the interests, if not of individuals, of the market as a whole, producing, above all, "saleable" content. The unequal distribution of material and symbolic resources cannot but be problematic insofar as it has an "impact upon the capacity to determine or influence the contents of the media products and meaning carried by them", Natalie Fenton argues (2007, p. 12).

Alternative digital media have facilitated the access to media production and supported the possibilities of participation, made it possible to open information to various audiences (Sousa, 2008) and allowed the circulation of content more divergent from mercantilist logic, positioned as counter-narratives to what is offered by traditional media. At the same time, the exponential growth of free productions has put heavy pressure on the financing base of traditional media industries, which also invested on the digital network; therefore, changes in the ways in which revenues are obtained do not correspond to any real change in power relations in societies (Sousa, 2008).

It is in this context that alternative media seek to offer investigative journalism with responsibility and quality standards, practising public interest journalism alongside traditional news organizations, increasingly using crowdfunding (Carvajal et al., 2012). They use platforms to request funds to carry out their daily and extraordinary journalistic activities. This shift to crowdfunding was heralded as a way of putting the public in a position of power, as "a producer and an investor in the news" (Hunter, 2015, p. 273). However, Hunter (2015) identifies the several questions this poses: "what sort of control does the audience have in shaping the news? How does the role and identity of the professional journalist change when giving up some control of the news process?" (p. 273).

Carvajal et al. (2012) argue that crowdfunding deepens the connection between producers and audiences: "it is not just a matter of distributing, sharing and linking content; instead, crowdfunding is about giving money to people who are providing a service for the community" (p. 646). From this perspective, crowdfunding is not a donation, but it is also not an investment. The relationship between creators and supporters is a new one and deeply embedded in the economies of social networking sites. Sponsors always receive something in return for the projects they fund; each of them receives rewards in exchange for the money provided (Carvajal et al., 2012).

Individual monthly or annual subscriptions are also modalities used by both traditional and independent or alternative media, for the maintenance of their activities that make it possible for the public to be involved as a funder for the news media. Subscribing to a digital medium means access to all content. Regarding the results of subscriptions, Spagnuolo (2016) considers this a difficult funding model for small projects. Nevertheless, subscriptions decrease or eliminate "reliance on advertising and other forms of revenue generation such as 'native advertising' or sponsored links, and increase content independence" (Spagnuolo, 2016, para. 2).

# CROWDFUNDING PLATFORMS

Funding mechanisms through the public cannot be understood outside a communication landscape increasingly dominated by the platform model. According to Gillespie (2013), the concept of platform was discursively invested by the players behind what were initially known as "social networking sites", notably Facebook and YouTube. These speeches projected the platforms as more than a technological infrastructure, with a computational basis, to position them also as an economic model and a political project, based on the idea that they sustain and foster a culture of participation (Gillespie, 2013).

Helmond (2015) speaks of *platformization*, which corresponds to "the rise of the platform as the dominant infrastructural and economic model of the social web" (p. 1). This process is supported by a double logic, in which "social media platforms provide a technological framework for others to build on, geared toward connecting to and thriving on other websites, apps and their data", which are, in turn, "central to the economic model of social media platforms" (p. 8). In this logic, the notions of democratization and empowerment of users have served as a strategic rhetoric for technological players, while the economic component has gained a strong prevalence. This "platform society", which penetrates more and more spheres of social life, poses serious problems to issues of representativeness of cultures and world views, and of civic values (van Dijck et al., 2018), since the tech giants impose and shape the infrastructure to their private interests maintained in oligopolistic structures.

Acknowledging the indisputable place of platforms in social life, critics, such as Schor and Attwood-Charles (2017), point out that the former are harmful to public life and to the autonomy of individuals, they commodify social relations previously outside the exchange relationships. Consequently, these authors note that the platform management models would not necessarily have to accumulate capital through unequal exploitation, but could instead work through cooperative models, for example. Others claim for a search of alternatives for the commercial management of platforms or for regulation (Poell, 2020), or even a radical reform in digital infrastructures (Couldry & Mejias, 2019).

Swords (2020) points out that crowdfunding sites, such as Patreon or Subbable, cannot be understood without looking at the ecosystem of digital platforms in which they operate. Crowdfunding websites allow employers and do not "host, publish or distribute

content" (Swords, 2020, p. 530) and, thus, they are "co-constitutive, enabled and constrained by interpenetration with other platforms" (p. 524). To that extent, even though their function may be to support independent and alternative production of cultural and artistic creation, crowdfunding platforms are involved in a system that aims to obtain data and extract economic value from it, notes Swords. This implication is built through the level of technical integration between these types of platforms and those of social networks, for example, facilitating the registration of users from accounts on the latter.

#### **Methods**

This article analyzes the role of crowdfunding platforms in alternative journalism projects, mapping their use within the framework of their funding and sustainability strategies, and in conjunction with other types of social media platforms, as well as the way in which these strategies are communicated to the public. It aims to discuss the possibilities and limitations of different platforms for collective funding for alternative media.

This inquiry is made comparatively between media objects from the Portuguese, Spanish and Brazilian contexts. The geographical proximity between Portugal and Spain, on the one hand, and the historical ties of colonial links between Portugal and Brazil, on the other, justify the relevance of the comparison. The choice of media outlets with different profiles and which have different production and distribution formats enriches the research, as it makes it possible to perceive the funding model of independent media in different economic, political and cultural contexts. So, an additional question of the study is: what patterns and differences are detected between alternative media from different countries.

The media selected for this study are two for each country, namely: Fumaça and Guilhotina.info, from Portugal; Mídia NINJA and Jornalistas Livres, from Brazil; and El Salto Diario and Contexto y Acción, from Spain. Fumaça is a Portuguese independent, calling itself progressive and dissident journalism project, that was created in 2018 by journalists working in traditional media (https://fumaca.pt/). Guilhotina.info is an independent information collective born on September 15, 2013, composed of "anti-capitalist revolutionaries" (https://guilhotina.info/). Mídia NINJA (Independent Narratives, Journalism and Action), founded in 2013, in Brazil, is an alternative medium constituted by a decentralized network of leftist activist communication (https://midianinja.org/). Jornalistas Livres is an alternative Brazilian medium created on March 12, 2015, which constitutes itself as a network of collectives originating from freelance journalism professionals or who were linked to large media corporations (https://www.facebook.com/jornalistaslivres). El Salto is a monthly digital and print magazine published in Spain, founded in 2017 (https://www.elsaltodiario.com). Contexto y Acción (Ctxt) is a general news newspaper founded in January 2015 that seeks to exercise free journalism (https://ctxt.es/).

The study is part of a more comprehensive project on alternative media, in which interviews with producers and non-participant observation were conducted — and the

data collected through these techniques is mobilized in this article. For the specific questions in this article, a content analysis was also carried out on alternative media in relation to their financing and specifically to digital financing platforms. The interviews were directed to those responsible for the media (Raíssa Galvão, from Mídia NINJA, on September 3, 2018; Laura Capriglione, from Jornalistas Livres, on September 1, 2018; Ricardo Ribeiro and Pedro Santos, from Fumaça, on September 4, 2020; and Miguel Mora, from *Ctxt*, on July 30, 2020; and Pedro Nemrod, from Guilhotina.info, on January 30, 2020). The observation refers to the monitoring and research in alternative media's own media (on their websites and Facebook pages) since 2015. Content analysis on the funding of alternative media, in their own outlets or other journalistic media, through search engines, refers to the time period that has elapsed since the foundation of each media organization until August 2020.

The presentation of the analysis of the various types of data was organized to answer the research questions listed above. After a contextualization of the funding strategies, with attention to the use of crowdfunding platforms, we outline the intersection of the resource of funding platforms with other social media platforms, and reconstitute the framework that the media make of their strategies of crowdfunding. Finally, the article analyzes the patterns and differences between media from different countries, and the possibilities and limitations of different platforms for collective funding for alternative media.

## CROWDFUNDING IN FUNDING STRATEGIES

Alternative media are classified as independent by the way they conduct the management and production model of journalistic activities.

Regarding content production, activism is a defining characteristic of the left alternative (digital) media. Criticism usually focuses on right-wing policies, whether it be parties, government officials, politicians, members of the legislature or candidates. Mídia NINJA and Jornalistas Livres practice left-wing media activism, a position that generally constitutes a critique of the political measures of right-wing governments and support for human rights, using an emphatic tone and politically positioned content. Mídia NINJA and Jornalistas Livres practice a model of production and distribution of content with a deliberate intention of seeking audiences with leftist ideals or one that does not fit on the sides of polarization. As the interviews with media co-founders demonstrate:

we have always made our position and our editorial line very clear, our posts, all the content produced goes according to this side that we take. This side we say is on the side of the progressive field, of the social movements, including with the parties of the left. (Raíssa Galvão, co-founder of Mídia NINJA)

"Jornalistas Livres is a left-wing medium, but not a partisan one. ( ... ) So this independence from the parties for us is fundamental" (Laura Capriglione, co-founder and producer of Jornalistas Livres).

The Spanish *Ctxt* and *El Salto* and the Portuguese Fumaça are activists, but they practice traditional journalism, producing longer and more in-depth texts. *Ctxt* is left-wing feminist; it is a means of combat, as revealed by Miguel Mora, producer and co-founder: "we are a combative medium in the sense that we are not connected to politicians, we are totally independent". *El Salto* defends ethical funding, internal democracy and journalistic quality. Fumaça is progressive and, therefore, works on addressing political issues on the basis of human rights. Pedro Santos, editor of the latter medium, declares:

we are not so interested in talking about changes in party leaders, about government decisions that are political and tactical decisions. We are more interested in looking at the policies themselves and how they may or may not condition the fulfillment and guarantee of human rights and human dignity.

In turn, Guilhotina.info's denouncing texts indicate its radical and anti-capitalist left position. Concerned with the precepts of traditional journalism, this medium works at its own pace, due to the lack of financial and human resources, which are just voluntary members.

We do not present ourselves as a medium of a certain political orientation, because uniformity goes to a certain point within the group, but we present ourselves as a medium on the left, a medium that stands for workers' rights, that stands for minorities' rights, that stands for women's rights as well. (Pedro Nemrod, producer of Guilhotina.info)

Alternative media typically use crowdfunding platforms to maintain content production and distribution. The formats, the choice of platforms and the maintenance time of crowdfunding campaigns vary between the analyzed media.

The form of sustainability, as the accumulation of several types of funding or just one, can also be different among the media. Table 1 summarizes the type of financing of the alternative media in our study.

Alternative medium	Crowdfunding			C	
	Permanent	For creation	For a specific project/temporary	— Subscription	Advertising
Fumaça (Portugal)	On Patreon		On PPL	Newsletter subscription	
Guilhotina.info (Portugal)				Newsletter subscription	
Mídia NINJA (Brazil)	On Catarse				
Jornalistas Livres (Brazil)		On Catarse			
El Salto (Spain)				On the website	On the website
Contexto y Ac- ción (Spain)		On Verkami	On Goteo	On the website	On the website

Table 1 Types of Collective Financing of Alternative Media (Data Collection in August 2020)

Alternative media usually adopt between three main forms of financing: advertising, subscriptions and crowdfunding campaigns (permanent or temporary). With regard to the use of advertising, only the Spanish *El Salto* and *Ctxt* adopt this type of funding, through which they allow advertisements for companies on the website, arguing that they are private initiatives that do not violate human, social, environmental, and labor rights.

Ctxt receives sponsorships from large companies to conduct training courses on feminism, climate change, among others. The director and co-founder of this medium, Miguel Mora, says that "sponsorship is painful when information is mediated. When we dedicate sponsorship to education, it has no side effects".

As for crowdfunding campaigns, Fumaça, Mídia NINJA, Jornalistas Livres and Ctxt use or have used them, in a permanent or temporary fashion, with the purpose of either establishing the communication medium, maintaining daily activities or funding journalistic coverage and other projects. Fumaça, which belongs to the non-profit association Verdes Memórias (a legal entity made up of members of Divergente), has a fixed campaign of donations by Patreon on three levels (\$3, \$10 or \$25 per month). In March 2019, the "Dá-lhe Gás" (Speed It Up) funding campaign was also created in Patreon, a series of reports with four episodes about an oil company that plans to drill, in Aljubarrota and Bajouca, in search of natural gas¹. In August 2020, more than 600 people had contributed monthly to maintain the activities of Fumaça². The resource model in this medium is intended for donations to pay the salaries of journalists who work full-time in the newsroom — and supporters already pay two of those salaries.

<sup>&</sup>lt;sup>1</sup> See https://fumaca.pt/category/series/da-lhe-gas/

<sup>&</sup>lt;sup>2</sup> See https://fumaca.pt/sobre/#transparencia

In addition, this medium has resorted to crowdfunding for new jobs since March 2020. It launched, for example, on July 9, 2020 and for 1 month, the crowdfunding campaign "Help Us to Investigate" through the Portuguese platform PPL, to finance three investigations: "Mulheres Esquecidas. Um Ar Que Se Lhes deu" ("Forgotten Women. An Air That Was Given to Them"), "Presos e Prisões. Com Que Direito?" ("Prisoners and Prisons. With What right?"), and "Bairros Perdidos" ("Lost Neighborhoods").

In turn, Mídia NINJA uses the permanent subscription funding platform Catarse for public donations, which helps to maintain the day-to-day activities and some cultural projects. This medium manages to raise approximately R\$6,000 per month with this channel. Catarse is a platform for fixed donations (R\$10, R\$20, R\$50, R\$100 or R\$500 per month) and works as a subscription to have access to workshops, priority in calls for tenders opened by Mídia NINJA or to have your name published as a funder. On September 7, 2020, 217 people had signed up<sup>4</sup>.

In turn, Jornalistas Livres does not have a campaign for donations from the public or a subscription offer. In 2015, this medium launched a crowdfunding campaign called "Be Free Journalist", in Catarse, which raised R\$132,755 from 1,327 supporters, for its foundation. The crowdfunding campaign lasted 45 days and obtained the largest amount of donations via crowdfunding in Brazilian journalism (Souza, 2017).

Journalists working in this medium are volunteers. The amount collected in the crowdfunding campaign is also used to pay for travel, subsistence and financing of the data package. This fund served, in part, to secure a headquarters for Jornalistas Livres through leasing, but the space was closed in 2018. Therefore, producers today work from their homes.

Guilhotina.info does not use crowdfunding platforms.

As for subscriptions, they are to Fumaça the most efficient way of maintaining production. Subscriptions can be made through the website. To keep donors, Fumaça has created "communities" that discuss topics that will be addressed by the medium, through the Slack application, commercial communication platform developed by Slack

<sup>3</sup> See https://fumaca.pt/crowdfunding/

<sup>&</sup>lt;sup>4</sup> See https://www.catarse.me/midianinja

<sup>&</sup>lt;sup>5</sup> See https://www.verkami.com/projects/10753-ctxt

<sup>&</sup>lt;sup>6</sup> See https://en.goteo.org/project/ctxt

<sup>&</sup>lt;sup>7</sup> See https://www.goteo.org/discover?q=CTXT

<sup>8</sup> See https://www.catarse.me/jornalistaslivre

Technologies that offers chat rooms, private groups and direct messages in internet relay chat (IRC) style, allowing the participation of subscribers in media production. In addition, Fumaça makes use of the transparency of its expenses and revenues to keep funders and other readers informed about the investment path they have made. There is also a newsletter sent to subscribers that also works as a way of getting closer to supporters. In the newsletter there are Fumaça publications and more texts and articles.

Ever since it implemented marketing mechanisms, Fumaça has seen an increase in the number of people who contribute. At the beginning of 2019, this alternative medium had 100 donors and received approximately between €400 and €500 per month; at the end of that year, it already had 400 people as donors and raised around €2,000 per month. In August 2020, they raised €4,500. In August 2020, monthly expenses amounted to €14,000°. The total collected amount in 2020 through Patreon was approximately €1,499 per month, with 408 patrons.

Spanish medium *El Salto* does not use funding platforms nor crowdfunding campaigns, but offers options for subscribing to both paper and digital editions or both. The process of payment and sending data for the subscription is done on its website. The digital edition is worth  $\epsilon$ 3 per month or  $\epsilon$ 36 per year; the paper version is  $\epsilon$ 6 a month and  $\epsilon$ 78 a year; and the two editions cost  $\epsilon$ 10 a month and  $\epsilon$ 120 a year. Through subscriptions, the reader can access the digital and paper versions of *El Salto*, the entire media library, videos and books to download online, as well as participate in sweepstakes. It is possible, on the same site, to support the production of radio, audiovisual and ecological projects with any amount<sup>10</sup>.

El Salto is a project made up of about 200 people and approximately 7,000 members. This communication medium is collectively owned, directed by the journal *Diagonal*. Editorial decisions are made through assemblies. In *El Salto*, 70% funding comes from subscriptions.

The most significant revenues of Ctxt come from subscriptions, which can be made on the website of the media — the most basic costs  $\epsilon$ 60 per month and the most complete  $\epsilon$ 90 per month.

There are nine people working in *Ctxt*'s newsroom, and 120 occasional employees, more or less fixed. The wording of *Contexto y Acción* is reduced, which allows the environment to survive on donations, which cover 60% of expenses.

Guilhotina.info does not use the subscription model to maintain its activities.

Alternative media consider other forms of sustainability than those mentioned above. Fumaça, for example, has partnerships, one of which is with two visual artists who create illustrations that are sold online (www.umacausapordia.com). The amounts collected are intended to support Fumaça's activities. In addition, this medium has received

<sup>9</sup> See https://fumaca.pt/

<sup>&</sup>lt;sup>10</sup> See https://www.elsaltodiario.com/suscribirse/formulario

<sup>11</sup> See https://agora.ctxt.es/suscripciones/

independent journalism grants: two from the Open Society Foundation, one of \$100,000 and the other \$200,000, in 2018 and 2019, respectively, which guaranteed the maintenance of activities until May 2020, according to Ricardo Ribeiro, co-founder of Fumaça. This medium has also received a scholarship from the Calouste Gulbenkian Foundation, in 2018, of €10,000, to carry out an investigation and another from the Rosa de Luxembourg Foundation, in 2019, of €10,000.

Mídia NINJA receives funding from organizations, entities, artists and individuals that help subsidize specific actions that would already be carried out without support, that is, projects with themes of interest to funders. For example, Mídia NINJA produces documentaries, festivals, events, courses, discussion tables, debates, congresses and others with the support of social movements and other collectives, organizations or associations.

However, there is a structure that maintains Mídia NINJA, which is Fora do Eixo, the financial base of the means of communication and which constitutes itself as a network of communication, culture and behavior in the area of cultural production. The organization of Mídia NINJA is composed of collective houses, where producers live in exclusive dedication, through a collective cashier. As in the case of Guilhotina.info, production is carried out by volunteer employees. Thus, another way of maintaining the medium is the collaborative economy, that is, through the exchange of services with social movements, for example. Therefore, the public can collaborate with Mídia NINJA, as volunteers with a specific competence. There is still another way to obtain resources, which is the sale of merchandise with the brand of Mídia NINJA, through a virtual store on the Facebook page.

At *Ctxt* there is a virtual merchandise store, with products such as cups, sweat-shirts, books, ebooks, bags, among others, to give work to journalists who have been excluded from the system. In addition, the media has a small publisher to edit the books of the collaborating authors who help in the maintenance of *Ctxt*. This medium has also received a research grant that helped maintain the activities for 2 years.

In this way, all the alternative media manage to maintain their activities, although some, such as Guilhotina.info and the Jornalistas Livres, depend on the availability and resources of the producers themselves — something which restricts the periodicity of publications of these media. Fumaça has managed to remain self-sustaining, despite having announced, in the first half of 2020, that it would stop activities if it did not receive more donations and the crowdfunding campaigns were not successful<sup>12</sup>. The Mídia NINJA, as it has a diversified series of support, not only from donors, but also from organizations and individuals, guarantees the production work to be carried out. Spaniards *El Salto* and *Ctxt* live off subscriptions and advertising and are able to continue with journalistic activities.

<sup>&</sup>lt;sup>12</sup> See https://fumaca.pt/salvar-os-media-nao-partira-de-quem-tem-poder/

#### IN BETWEEN PLATFORMS

As we have seen, alternative media normally use crowdfunding to finance their activities and to make work sustainable. Crowdfunding through digital platforms is a practical, inexpensive and often successful option for independent media. In addition, the financing model is well suited to the production and distribution culture used by these media, supported by the use of other digital platforms. Another advantage of crowdfunding is the approach to the public by making participation effective, which is one of the pillars of independent journalism.

The platforms used by the media Fumaça, Jornalistas Livres, Mídia NINJA and *Ctxt* are, as reconstituted in the previous section, Catarse, Patreon, PPL, Goteo, and Verkame. The media seem to align the choices of crowdfunding platforms with the national economy, insofar as they use national websites.

Crowdfunding platforms work through campaigns, which alternative media activate on a project basis or on an ongoing basis (contribute to the medium at any time). The media launch requests for funding to carry out investigations/reports or projects (documentaries, courses, conferences, etc.). The media need to create descriptions of the project or activity and a video with testimonials and define the rewards, if any, to compose the campaign.

Regarding the specifics of each platform, in Patreon, patrons have a page on the platform's website where it is possible to contribute with a fixed monthly amount or each time new content is launched. Patrons set a revenue target and can set a collection limit per month.

PPL works in two ways: to promote a solidary cause in which support is transferred at the end of the term, even if the objective is not achieved; or crowdfunding for any other type of project, in which modality the support is returned in case the promoter does not reach the stipulated goal. The same happens with Verkami and Catarse. The latter is focused on creative ideas, where people and companies finance their projects through the union of collaborators. Thus, the platform is a showcase for projects. Goteo, in turn, allows contributions in the form of donations in cash or in the form of collaborative tasks with projects.

The advantages of using crowdfunding platforms for funding are the dissemination of journalistic activities through the platform itself, maintaining a fixed support base through which everyone can donate any amount. The limitations have to do with the fact that they are temporary investments, in the case of projects, and unstable, in the case of continuous funding. In addition, most platforms charge hosting fees for campaigns and in some it is only possible to receive contributions if the goal is reached.

The funding modalities used by Fumaça seem to gradually support the media's objective of creating the first Portuguese journalism project fully funded by people<sup>13</sup>. Fumaça's journalism is accessible to all people, without premiums or paywalls — since its creation, the model has been to open content to the public, regardless of whether people could pay or not. However, the media wants people to pay for journalism.

<sup>&</sup>lt;sup>13</sup> See https://expresso.pt/economia/2019-12-03-A-filantropia-pode-ser-a-solucao-para-os-media--E-so-um-dos-caminhos

I don't want people to have to pay for journalism, but I want to be sustainable through the money that people give us. We tell people that if they can afford it then pay it because it is the only way for us to stay here. (Fumaça co-founder, Ricardo Ribeiro)<sup>14</sup>

This financing model allows Fumaça to do journalism in which the journalists themselves decide what they want to produce, and not the large financing companies through advertising. Fumaça opposes the use of sponsored content and questions the production of journalism made with corporations financing<sup>15</sup>.

Regarding the model that Fumaça chose to maintain its activities, Ricardo Ribeiro says that crowdfunding is the most ethical way to achieve the monetization of journalistic content:

journalism must have a sustainability model. I don't like the word business, but it must have a sustainability model. That was my dream. It was Fumaça to be sustainable through the people who listen to us and follow us. That would be ethical. <sup>16</sup>

In this sustainability model, however, crowdfunding is not, to Ricardo Ribeiro, a sufficiently efficient way to fund Fumaça: "it is like the grants, at some point it ends. I think the only way to support ourselves is through many small monthly contributions. So that's where we try to go". However, the time when crowdfunding campaign was taking place was also the moment when Fumaça received more contributions, that is, at the same time that they raised money for productions, there were also a number of people who either got to know the communication medium or learned that it was necessary to contribute to maintain it.

The use of the financing platform Catarse by Mídia NINJA intends to obtain financing so that the medium can expand and fund new projects.

Ever since its creation in 2013, Mídia NINJA has been thinking about maintaining itself with the support of the public — public money, but not state money<sup>17</sup>. The foundation project to pay the initial costs, such as the server and the development of the digital platform, was to launch a crowdfunding campaign in Catarse. At the time of the appearance of Mídia NINJA, the journalist Bruno Torturra, founder of the medium who is no longer part of the team, spoke about the financing model of the medium. Torturra believed that the key to the group's sustainability was the support received "on the networks and on the streets"<sup>18</sup>. Following this, the medium devised and implemented

<sup>&</sup>lt;sup>14</sup> See https://fumaca.pt/salvar-os-media-nao-partira-de-quem-tem-poder/

<sup>&</sup>lt;sup>15</sup> See https://www.reporteresemconstrucao.pt/2019/10/06/sustentabilidade-jornalismo/

<sup>&</sup>lt;sup>16</sup> See https://www.reporteresemconstrucao.pt/2019/10/06/sustentabilidade-jornalismo/

<sup>&</sup>lt;sup>17</sup> See http://www.observatoriodaimprensa.com.br/monitor-da-imprensa/\_ed757\_jornalistas\_independentes\_da\_midia\_ninja\_ganham\_atencao/

<sup>&</sup>lt;sup>18</sup> See http://www.observatoriodaimprensa.com.br/monitor-da-imprensa/\_ed757\_jornalistas\_independentes\_da\_midia\_ninja\_ganham\_atencao/

an innovative combination of several financing models, including subscriptions, micropayments for employees, money from foundations and "cowies" (small donations) for specific reports<sup>19</sup>.

In an interview conducted in 2013, Rafael Vilela, a journalist and member of Mídia NINJA, stated: "the idea of Catarse is linked to the trust and legitimacy that you generate. Being a source of information that inspires confidence, being journalistically sustainable, you end up being financially" sustainable<sup>20</sup>. Quality and ethical journalism is a necessary public good, especially in times of proliferation of fake news. Therefore, the public pays to have content that works with the truth, even if the production and distribution of information is done on digital platforms.

The case of Jornalistas Livres is different. This is a digital journalistic initiative founded with resources acquired through crowdfunding in Catarse. Jornalistas Livres started its activities on March 15, 2015 due to the desire that professionals who were freelancers or even linked to large media groups but who wanted to do independent journalism (Souza, 2017).

Another level of articulation that alternative media practice is between the crowd-funding platform(s) and the social media platforms, in order to direct the public to donations. The configuration of the social media pages is organized to publicize crowd-funding and subscription campaigns through data sharing and advertising. For example, Mídia NINJA uses a video from Catarse as a Facebook cover image that directly links to the said platform. The Facebook posts about the request for support for the Mídia NINJA appeal to the media coverage that has already been carried out by the medium, such as a photograph of the Rio de Janeiro Carnival that denounced the lack of investment by the city mayor for the Carnival<sup>21</sup>.

Jornalistas Livres made use of publications to advertise its crowdfunding campaign in 2015. The appeal was for the public to be part of the network<sup>22</sup>. Fumaça, besides using the image of the crowdfunding campaign as a banner on the Facebook page, provides clarifications to the public about the results of financing requests, thanks the donors and makes notices about the deadlines<sup>23</sup>. The posts on Instagram and Twitter are the same as those posted on Facebook.

Spaniards *El Salto* and *Ctxt* use the Facebook cover banner as a fixed advertisement for subscriptions. *El Salto* makes frequent publications asking the public to subscribe to the contents<sup>24</sup> and also price promotions (reduction of values, inclusion of more items

<sup>&</sup>lt;sup>19</sup> See http://www.observatoriodaimprensa.com.br/monitor-da-imprensa/\_ed757\_jornalistas\_independentes\_da\_midia\_ninja\_ganham\_atencao/

<sup>&</sup>lt;sup>20</sup> See http://www.observatoriodaimprensa.com.br/monitor-da-imprensa/\_ed757\_jornalistas\_independentes\_da\_midia\_ninja\_ganham\_atencao/

<sup>&</sup>lt;sup>21</sup> See https://www.facebook.com/MidiaNINJA/posts/1078088615682616

<sup>&</sup>lt;sup>22</sup> See https://www.facebook.com/jornalistaslivres/photos/a.292153227575228/303407789783105

<sup>&</sup>lt;sup>23</sup> See https://www.facebook.com/fumacapt/photos/a.1545407729102532/2358187711157859/

<sup>&</sup>lt;sup>24</sup> See https://www.facebook.com/ElSaltoDiario/posts/10157676881570469

or receipt of extra gifts in the rewards)<sup>25</sup>. On Instagram, this medium maintains the link to subscriptions in the presentation of the page and also broadcasts content about subscriptions on a regular basis, and on Twitter there are also posts about subscriptions.

Contexto y Acción asks for financial support<sup>26</sup> on Instagram, Facebook and the website. This medium keeps advertising signatures in the stories and on Instagram timeline. On Twitter, the cover of the media is advertising financing through subscriptions and there are also posts on the topic.

Therefore, alternative media operate their campaigns, be it crowdfunding or subscriptions, through the continuous advertising that consists of directing the public to the funding platforms, showing banners or other images also with referrals, and privileging publications with phrases of appeal and arguments regarding the credibility of the type of journalism practiced. The campaigns shed light not only on requests for financial support, but also on journalistic production, becoming yet another tool for dissemination.

#### Conclusions

This article has mapped the ways in which digital platforms — both specific to obtain funding and those of social networks — are used by alternative media to support their journalistic activities. If crowdfunding platforms make it easier to collect revenue directly from the public, social media platforms are essential for hosting, producing and distributing content, since they are media that do not have a regular flow of financial resources. The work of the platforms is, therefore, better understood when viewed as an ecosystem that articulates with each other, commanded by the objectives of each medium.

Seeking to discuss the possibilities and limitations of the use of crowdfunding platforms for alternative media, we can point out in the former group the flexibility and dynamics so that these media adapt resources and objectives by mobilizing the public. In the latter group, however, we include the precariousness of the financing model to depend largely on the availability of the public (in addition to sponsors or prizes), making it, therefore, an uncertain way of obtaining resources. And if the choice is for platforms in the "all or nothing" format (the project only receives if it reaches the stipulated goal), such as the PPL, it becomes even more difficult to be able to maintain regular activities of journalistic production only with funds acquired from crowdfunding campaigns. In addition, crowdfunding campaigns are temporary and the amount collected is limited. To ensure more stable forms of sustainability, most alternative media use the mixed funding model (permanent and/or temporary crowdfunding campaigns, subscriptions and advertising).

For this reason, alternative media are obliged to constantly demonstrate the relevance of the type of journalism they practice and their social, cultural and political

<sup>&</sup>lt;sup>25</sup> See https://www.facebook.com/watch/?v=1988377371462964

<sup>&</sup>lt;sup>26</sup> See https://www.facebook.com/redcontexto/posts/1693584454115180

contribution. These media outlets are continuously working on social networking sites to engage the public, in order to obtain subscribers and support for their funding campaigns. However, the case of Fumaça indicates that the advertising of crowdfunding campaigns indirectly contributes to reinforce subscriptions, through the reinforcement of notoriety.

However, in the face of the financial crisis, due to the loss of advertisers, from mainstream media, from the transfer of paid advertising spaces (print newspapers and television) to unpaid ones (internet sites), alternative media, which have emerged in this model, manage to maintain their activities, even with difficulty, and seem to have mastered the way of obtaining the audiences; and the practices of dissemination and articulation online.

Because alternative media, by adopting political and ideological positions, usually have audiences looking for content with equivalent alignment, it is within these audiences that they can find anyone who is willing to pay to have the information and to maintain alternative media. In other words, it is crucial that they broaden the public spectrum to guarantee their sustainability. In addition, they may be pressured to define their campaign agenda according to themes that, although effectively less visible in the media, have more potential to obtain investment — of attention and properly financial — from the public.

Comparing the alternative media of Brazil, Spain and Portugal, we found that the values collected by Mídia NINJA in Catarse are higher than those of Fumaça, in Patreon, and Spaniards, through subscriptions, due initially to the culture of "crowd media", that is, the search by Mídia NINJA for large audiences; secondly, the number of followers and the most intense investments in dissemination. The differences in the number of followers of the Brazilian, Portuguese and Spanish media are thus related not only to the scale of the respective countries<sup>27</sup>, but also to the investment in marketing and the stage of the alternative media market itself.

We were also able to see a pattern related to the fact that the media seem to be close to platforms developed in their respective countries. This may be due to the fact that these platforms are recognized by the public, to a motivation to help the national economy, or perhaps because such a strategy is more favorable in terms of financial transactions. In fact, there is little transparency on the part of the crowdfunding platforms on the required margins, which may have conflict with the transparency advocated by alternative media — or explain why some choose to use their websites to collect funds. Regarding the differences between the funding methods used in the three countries, Spaniards invest more in subscriptions, carry out only temporary crowdfunding campaigns and use company advertising on their websites. The Portuguese and the Brazilians have fixed (which are the subscriptions) or temporary campaigns, but do not allow advertising. As Miguel Mora, from *Ctxt*, indicated, it is necessary that there is a "subscription culture"

<sup>&</sup>lt;sup>27</sup> Brazil has 212 million inhabitants, while Spain has 45 million and Portugal, approximately 11 million ("Lista de países por população", 2020).

and — we may add — a donation culture among the public, something that the emerging alternative media themselves educate society on.

# **Translation: Ana Jorge**

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