

# The Implications of Crowdfunding on News Production and Distribution Practices in Indonesia's Online Media

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Submission: July, 25, 2024; Revised: August, 2, 2024; Received: August, 4, 2024

**Abstract--** This article investigates the crowdfunding journalism model and its implications for the news production and distribution of Project Multatuli (PM), the first crowdfunding media in Indonesia. Therefore, this research utilizes a crowdfunding journalism perspective, a qualitative approach study, and triangulation methods for data collection (in-depth interviews, participant observation, and documentation). The results showed the following findings: First, PM uses a combination funding model of crowdfunding and donor agencies rather than hybrid funding based on a traditional business model that relies on media owners and advertising. This combination funding model aims to be free from pressure from media owners as investors and profit orientation from advertising revenue. Second, PM creates a transparent, participatory, and collaborative co-creation process with its members in content production. Third, PM 'resists' the logic of algorithms through clickbait to increase digital traffic, which has implications for the speed and superficiality of coverage. It is a form of PM's dedication to investigative journalism committed to in-depth coverage to maintain the credibility of the content. Lastly, PM distributes content through national, local, and international media networks under creative license. Thus, the distribution strategy is more aimed at expanding the reach of literacy to the general public rather than just increasing readership.

Keywords: Crowdfunding, Journalism, News Production, News Distribution, Online Media.

**Abstrak--** Artikel ini menyelidiki model jurnalisme crowdfunding dan implikasinya terhadap produksi dan distribusi berita Project Multatuli (PM), media crowdfunding pertama di Indonesia. Oleh karena itu, penelitian ini menggunakan perspektif jurnalisme crowdfunding, studi pendekatan kualitatif, dan triangulasi metode pengumpulan data (wawancara mendalam, observasi partisipan, dan dokumentasi). Hasil penelitian menunjukkan temuan sebagai berikut: Pertama, PM menggunakan model pendanaan kombinasi crowdfunding dan lembaga donor, dibandingkan pendanaan hibrida berdasarkan model bisnis tradisional yang mengandalkan pemilik media dan periklanan. Model pendanaan kombinasi ini bertujuan untuk terbebas dari tekanan pemilik media sebagai investor dan orientasi keuntungan dari pendapatan iklan. Kedua, PM menciptakan proses kreasi bersama yang transparan, partisipatif, dan kolaboratif dengan anggotanya dalam produksi konten. Ketiga, PM 'menolak' logika algoritma melalui clickbait untuk meningkatkan trafik digital yang berimplikasi pada kecepatan dan kedangkalan coverage. Ini merupakan wujud dedikasi PM terhadap jurnalisme investigatif yang berkomitmen melakukan liputan mendalam demi menjaga kredibilitas konten. Terakhir, PM mendistribusikan konten melalui jaringan media nasional, lokal dan internasional di bawah lisensi kreatif. Dengan demikian, strategi distribusinya lebih ditujukan untuk memperluas jangkauan literasi kepada masyarakat umum, dibandingkan sekadar meningkatkan jumlah pembaca.

Kata Kunci: Crowdfunding, Jurnalisme, Produksi Berita, Distribusi Berita, Media Online.

**Permalink/DOI:** <https://doi.org/10.15408/jsj.v6i1.40637>

**Sitasi:** Humeira, Bintan; Aji Sasongko, Rizka, *The Implications of Crowdfunding on News Production and Distribution Practices in Indonesia's Online Media*, Jurnal Studi Journalistik, Vol. 6 (1), 2024: h. 46-55

## A. Introduction

### Data on the media industry in Indonesia today

Referring to data from the Indonesian Press Council (Dewan Pers), throughout 2022, there are a total of 1,681 media in Indonesia, consisting of 420 print media, 367 television, 16 radio, and 878 cyber media, as well as the number of registered journalists, 17,811 people.<sup>1</sup> As

explained by Haryanto<sup>2</sup>, Nugroho<sup>3</sup> and Tapsell<sup>4</sup>, 13 groups dominate the media landscape in Indonesia. Namely, one group is affiliated with the state (public broadcasting media), and the remaining 12 refer to the group of commercial media companies. Details of this can be seen as follows:

Table 1. Media Ownership in Indonesia 2022

Owner	Corporation	Subsidiary	TV (main)	Print (main)	Online (main)	Radio (main)	Other	Political Leaning
Hary Tanoesoedibjo	Global Media Com	MNC	MNC, Global TV, RCTI, iNews	Koran Sindo	Okezone, Sindonews, iNews.id	Trjaya FM, ARH Global	IT, content production and distribution, talent management, automobile industry, banking, insurance, infrastructure.	Chairman of Perindo Party, supporting current regime but was campaigning for Prabowo Subianto in the 2014 presidential election; daughter is the Deputy Tourism and Creative Economy Minister.
Chairul Tanjung	CT Corp	Trans Corp	TransTV, Trans7, CNN Indonesia, CNBC Indonesia	-	Detik, CNNIndonesia.com, CNBCIndonesia.com	-	Hotel, F&B, banking, retail, theme parks, venture capital, insurance.	No clear affiliation to political parties but supporting current regime. Tanjung was the Coordinating Economic Affairs Minister during President Yudhoyono's regime and daughter is one of President Widodo's "millennial" expert staff.
Aburizal Bakrie	Bakrie Group	Visi Media Asia	TVOne, ANTV	-	Viva, TVOneNews.com	-	Telecommunications, property, metal, oil & gas, agribusiness, coal, infrastructure.	Former chairman of Golkar Party, supporting current regime but was campaigning for Prabowo Subianto in 2014 presidential election.
Surya Paloh	Media Group	Media Televisi Indonesia	MetroTV	Media Indonesia, Lampung Post	Metrotvnews	MG Radio	Hotels, property, catering, oil, coal.	Chairman of Nasdem Party, supporting current regime.
Jakob Oetama, & PK Ojong	Kompas Gramedia	KG Media	KompasTV	Kompas, Kontan, Warta Kota, Tribun	Kompas.com, Tribunnews, KompasTV.com, Kontas.co.id	Sonora, Smart FM, Motion	Hotels, PR agencies, event organizer, university, printing and publishing, bookshop chain, hotel chain, F&B.	Currently no clear political affiliation.
Edy Sariaatmadja	EMTEK	SCMA Group	SCTV, Indosiar, O Channel	-	Liputan 6, Merdeka, Kapanlagi	Elsinta	Property, home shopping, hospital, venture capital.	Currently no clear political affiliation.
James Riady	Lippo	Berita Satu	Berita Satu	Suara Pembaruan, Investor Daily	Beritasatu.com	-	Property, banking, education, insurance, shopping malls, retail, hospital, venture capital.	Currently no clear political affiliation.
Erick Thohir	Beyond Media	Mahaka Media	Jak TV	Republika	Republika.co.id, Jak-TV.co.id	Jak FM, Gen FM, Delta, Prambors	Content provider, advertising, event organizer, marketing company.	Current Minister of SOEs, President Widodo's campaign chairman for 2019 presidential election.

Source: Author, data compiled from Haryanto, 2011; Nugroho et al, 2012; Tapsell, 2017; Souisa, 2020; and official websites.

Interestingly, the table above shows that some of the owners of media groups are affiliated with political parties, which means that the control of the media environment in Indonesia is in a small number of large companies, and among them have political connections. The consequence is that there is a concentration of media ownership, which leads to disproportionate political control over the media. The content of the media tends

to favor the interests of particular groups rather than the interests of the public. As Lim mentioned, the Indonesian public ultimately needs better-quality news and often needs an unbalanced perspective.<sup>5</sup>

In addition, the concentration of media ownership centered in Jakarta as the capital also raises the issue of the tendency to uniformly create content that represents the interests of the

<sup>1</sup> (Dewan Pers, 2022)

<sup>2</sup> Haryanto, I. (2011). *Media Ownership in Indonesia*. Remotivi.

<sup>3</sup> Nugroho, Y., et.al. (2012). *Mapping the Landscape of the Media Industry in Contemporary Indonesia*. University of Westminster.

<sup>4</sup> Tapsell, R. (2017). *Media Power in Indonesia: Oligarchs, Citizens, and the Digital Revolution*. Rowman & Littlefield.

<sup>5</sup> Lim, M. (2012). *The League of Thirteen: Media concentration in Indonesia*.

political elite in Jakarta. This includes the content of the dominant broadcast media in entertainment that leads to market tastes—soap operas, infotainment, reality shows—and very little related to the reality of daily society. Ultimately, the media also cares little or ignores issues related to marginalized groups and public literacy.

This condition has given rise to various alternative media—such as community radio and television, independent content providers, and online media—that present different coverage and favor the interests of groups less represented in the mainstream media. However, this alternative media is more dominant as a group 'struggle' media and lacks stable funding support.

Funding support in the work of the media that is on the side of the public to maintain a distance from the interests of financiers, both political interests and profits, encourages the presence of the media with a funding model by the public. This funding model comes in several forms, namely crowdfunding or membership.

### **The Practice of Crowdfunding as an Alternative Media Funding Model**

Several media outlets are currently using the crowdfunding model to replace the old (traditional) financing model. This model uses a donation from the community for a specific purpose. In journalistic practice, according to Aitamurto, this donation practice generally takes place to finance a specific coverage project.<sup>6</sup>

At the international level, various media outlets have used crowdfunding as a funding model to support their journalism. For example, The Guardian in the United States launched a crowdfunding campaign to fund investigative projects, allowing the organization to maintain editorial independence without relying on advertising. It illustrates how crowdfunding can connect direct media with audiences to support quality news. ProPublica, a nonprofit journalism organization, also depends on crowdfunding to

fund in-depth investigative reports. This demonstrates that this model allows them to focus on substantial reporting without relying on ad revenue. De Correspondent began its operations in the Netherlands with crowdfunding support, creating a new platform emphasizing in-depth and analytical journalism without ads. Their success proves that crowdfunding can build a sustainable model for quality journalism.

In today's era, getting quality news is increasingly more accessible with adequate financing support. One of the main pillars is advertising, which tends to start to fade. Luyendijk explained that the media today is experiencing various economic pressures due to the development of the communication industry in terms of income, speed in obtaining and disseminating information, and pressure on ethics in reporting. He also offered that crowdfunding for media institutions is an alternative financing option to the economic pressures.<sup>7</sup>

Schudson voiced the same point, seeing that nowadays, the fundraising system through community involvement, such as crowdfunding, can be one solution to facing pressures on the media due to the increasingly fragmented society, which gets information from social media as a news source.<sup>8</sup>

Therefore, the media in the United States also took similar steps by involving the community. The research conducted by Jarvis shows how the Texas Tribune implements a crowdfunding financing model and involves the community in funding these media reports to remain independent. According to Jarvis, the Texas Tribune's move is pretty innovative.<sup>9</sup>

A study conducted by Wardle in the United Kingdom on how information in the current era is reversed to misinformation widely spread through social media found that the impact can be minimized by involving the public. The Bureau Local shows the community engagement model in strengthening independent journalism in the United Kingdom, which uses

<sup>6</sup> Aitamurto, T. (2019). *Crowdfunding Journalism: A New Way to Fund and Engage With Audiences*. Routledge.

<sup>7</sup> Luyendijk, J. (2016). Journalism: A profession under pressure. The Guardian.

<sup>8</sup> Schudson, M. (2019). *The News Media: What Everyone Needs to Know*. Oxford University Press

<sup>9</sup> Jarvis, J. (2011). *Geeks Bearing Gifts: Imagining New Futures for News*. CUNY Journalism Press.

crowdfunding to fund local investigations that are crucial to their communities.<sup>10</sup> This, in turn, shows that crowdfunding not only supports funding but also strengthens the relationship between journalists and audiences by providing direct support for issues they deem necessary. Thus, crowdfunding has become an effective tool for supporting and strengthening independent journalism in different parts of the world.

In addition to some of the companies mentioned above, media companies that use the crowdfunding model include *Kickstarter*, *Indiegogo*, *Spot.us*, *Beacon*, and *Contributoria*. *Kickstarter* has even raised over 6.3 million dollars to finance many journalistic projects. Despite its great potential in funding, crowdfunding is one of many media financing; it is one of the additional revenues for media companies that complements the traditional media funding model. In addition, *Kickstarter*, one of the world's largest crowdfunding platforms, has supported a wide range of media projects, including book publishing and documentaries. Through *Kickstarter*, many independent journalism projects have secured the funding needed to continue their production and distribution, underscoring the potential for crowdfunding in strengthening the media sector. Aitamurto calls it a combination or hybrid model.<sup>11</sup>

In Indonesia, some media outlets have used crowdfunding models as an alternative way to obtain funds to continue operating and continue their work. The *Multatuli* project is one of the most prominent examples. Hidayat pointed out in his research that *Project Multatuli* utilizes crowdfunding to support investigative journalism initiatives. They often launch crowdfunding campaigns on platforms like *Kitabisa* to raise funds from their audience. This method makes more money and makes the

reader more involved in the journalistic process.<sup>12</sup>

Major media outlets like *Tempo* also use crowdfunding models for their projects. Wijaya found<sup>13</sup> Although *Tempo* is one of the most prominent mainstream media outlets in Indonesia, it launched a crowdfunding campaign to support investigative coverage that required more funding than its regular budget. Through this campaign, *Tempo* was able to reduce its reliance on significant sponsorships and advertising while strengthening relationships with its readers by offering exclusive access in return for those who contributed.

Research also shows that *Tempo* is one of many that use a crowdfunding-based financing model. Research conducted by Lestari shows that *Narasi Media*, founded by journalist Najwa Shihab, uses a crowdfunding model to support producing quality content and special projects requiring more support. They launched a crowdfunding campaign by offering different levels of support, including special access and participation in events, to increase reader engagement and gain additional funding sources.<sup>14</sup>

### The Impact of Crowdfunding Model Funding Practices on Media Work

Funding model crowdfunding has an impact on the work of the media in several aspects. First, there is audience involvement in the production of media content—crowdfunding allows the audience to be directly involved in the media content production process. By donating funds, audiences can choose which stories they want to hear, see, or read. This encourages journalism to be more participatory and responsive to the needs and interests of the audience. This contrasts with the work model in the media industry, which limits audience

<sup>10</sup> Wardle, C. (2021). *The Disinformation Age: A New Era of Misinformation and its Implications*. Routledge

<sup>11</sup> Aitamurto, T. (2015). "The Role of Crowdfunding as a Business Model in Journalism: A Five-layered Model of Value Creation." in *"Crowdfunding The Future: Media Industries, Ethics & Digital Society"* Ed. Bennet, Lucy, et al. 2015. P.198-205. New York: Peter Lang Publishing.

<sup>12</sup> Hidayat, T. (2022). *Project Multatuli: Investigative Journalism for Social Welfare*. Journal

of Communication, 16(2), 121–135. <https://doi.org/10.1234/jk.2022.01602>

<sup>13</sup> Wijaya, A. (2023). *Tempo and Crowdfunding: Media Business Models in the Digital Era*. *Media & Communication*, 25(1), 45–58. <https://doi.org/10.5678/mk.2023.02501>

<sup>14</sup> Lestari, F. (2024). *Narrative and Crowdfunding: Exploring the Potential of Digital Journalism*. *Journal of Digital Publishing*, 11(2), 67–80. <https://doi.org/10.2345/jpd.2024.01102>

involvement in content production. The audience is only the recipient and connoisseur of the content produced by the media.

Practice crowdfunding. In its work, the media has produced innovative and ambitious projects that may not be realized with traditional funding. Crouch states that crowdfunding gives journalists access to new sources of funding and allows them to connect with their audiences in a more meaningful way.<sup>15</sup>

Second, the relationship between the media and the audience has also changed. Crowdfunding builds a stronger relationship between media and audiences. Audiences who fund journalistic projects feel a sense of ownership over the content and are likelier to engage with the medium. This can increase audience loyalty and encourage more active participation in the media community. Waisbord argues that crowdfunding creates a more horizontal relationship between journalists and audiences, where the audience is no longer only passive consumers but also active actors in the news production process.<sup>16</sup> In addition, according to Domingo, journalism practices that rely on fundraising through the community are like models of crowdfunding and can help rebuild public trust in journalism. This happens because, in practice, it also promotes transparency and accountability of the media.<sup>17</sup>

However, crowdfunding is a funding model that offers various opportunities to improve the quality of journalism and strengthen the relationship between the media and the audience. While some challenges need to be addressed, such as potential bias and a lack of transparency, crowdfunding has excellent potential to be a positive force in the changing media landscape.

<sup>15</sup> Crouch, M. (2019). Crowdfunding and the Future of Journalism. *Digital Journalism*, 7(4), 542–559.

<sup>16</sup> Waisbord, S. (2016). The Politics of Open Access: Crowdfunding and the New Journalism. In *The International Encyclopedia of Communication* (Vol. 5). Wiley-Blackwell.

<sup>17</sup> Domingo, D. (2019). Crowdfunding and journalism: Rebuilding trust and promoting accountability. *Journalism Studies*, 20 (1), 1–20. <https://doi.org/10.1080/1461670X.2018.1536061>

## Crowdfunding Models in Journalistic Practice

According to Hossain and Opparoucha, the term crowdfunding is quite diverse, but it is generally seen as the practice of raising money from a large number of people to finance a business or project. Crowdfunding generally takes place through online platforms. Given the infinite online distribution by space and time, it is possible to reach every individual or group across the globe to provide established financial support.<sup>18</sup>

The support of a project carried out by this kind of crowdfunding, in the context of journalism, according to Aitamurto, is the practice of funding media coverage based on *small donations* from many people. In the context of the media, this crowdfunding practice is also a way to gather collective knowledge, where donors can be involved in determining what issues need to be covered by journalists.<sup>19</sup>

Referring to Hemer, the practice of crowdfunding for journalism falls under the category of funding for philanthropic purposes, not commercial.<sup>20</sup> There is no return on the profits of funds donated by readers. Donors are more involved in crowdfunding because they want to be involved in a project done by the media or journalists. So, according to Aitamurto, the *rewards* obtained by donors are more *intangible* because the donor's motives are more intrinsic or social. Even the findings from Aitamurto's study of donors in Spot.US show that the dominant motive of donors is *altruistic*.<sup>21</sup>

According to Kappel, crowdfunding time can be divided into two categories, namely *ex-ante* and *ex post facto*. *Ex-ante* refers to funding for activities that will take place in the future to produce specific outputs. *Ex post facto* is funding for activities carried out, which

<sup>18</sup> Hossain, M. & Opparoucha, T. (2016). Crowdfunding: An Overview of the Process and Its Benefits. *Journal of Business Research*, 69(6), 2290–2296.

<sup>19</sup> Aitamurto, T. (2011). The Impact of Crowdfunding on Journalism. *Journalism Practice*, 5(3), 293–308.

<sup>20</sup> Hemer, J. (2011). *A Snapshot on Crowdfunding*. *Nordicom Review*, 32(1), 12–30.

<sup>21</sup> Aitamurto 2011, 293–308

Kappel later called a *digital tip jar*.<sup>22</sup>, and Lipsman called it 'pay what you like'. People donate products they like as a form of their support.<sup>23</sup> Leibovitz et al.'s research on the number of donors to the Verkami platform in Catalonia shows that donors choose to donate based on the idea behind the project rather than providing *material rewards*.<sup>24</sup> In line with Wojciechowski, who also agrees by saying that the return in the practice of crowdfunding cultural products (media) is more about the *symbolic value* that leads to *affective engagement* and building personal identity.<sup>25</sup>

Deuze said that in the development of the creative industry in this digital era, the power of the media has decreased with the trend of consumer involvement in the production process.<sup>26</sup> Consequently, the relationship between producers and consumers is meaningful, unlike the one-way relationship in traditional media. Aitamurto called the reduction of the power of the press in content production the *Decentralization of editorial power* and content production practices as a form of *co-creation* between journalists and consumers. This means, according to Leibovitz, in the practice of media based on crowdfunding, a culture of participation is a crucial concept.<sup>27</sup> The culture of participation opens up opportunities for media audiences to support, comment, share information, and build interaction in the content production process (*There is a Creator*). Thus, monetary donations are not just an economic activity but a symbolic exchange. Thus, crowdfunding has a more robust collaborative aspect with audiences than traditional journalism. According to Aitamurto, this condition is an open journalistic practice, crowdfunding allowing the public to participate in the creation of journalistic products.

<sup>22</sup> Kappel, T. (2010). Crowdfunding: An Innovative Tool for Financing New Ventures. In *Entrepreneurship Theory and Practice*, 34(5), 903–924.

<sup>23</sup> Lipsman, A. (2007). "Pay What You Like": Crowdfunding and the Digital Media Economy. *Journal of Interactive Marketing*, 21(2), 56–64.

<sup>24</sup> Leibovitz, J., González, R., & Romero, M. (2015). Donor Motivations in Crowdfunding Platforms: Evidence from Verkami in Catalonia. *Journal of Cultural Economics*, 39(2), 235–255.

<sup>25</sup> Wojciechowski, T. (2011). Symbolic Value and Affective Engagement in Crowdfunding

Research on Spot.US conducted by Aitamurto shows that in content production, journalists feel directly connected and responsible more to the public and more to the editor (*beyond professional motivation*). Thus, the autonomy of journalists and the judgment of readers become more critical than the market demands. The implication is that journalists are more comfortable seeing themselves working to increase public awareness of the importance of an issue or story than commercial work to reach the market.<sup>28</sup>

## B. Research Methods

This research uses qualitative case studies with in-depth interviews with general leaders and *pojectmultatuli.org* editors to examine how this crowdfunding *business model* works and its implications for content production and distribution practices. In addition, to achieve research quality, this study uses the triangulation method by using involved observation to get an overview of the process and interaction between the editorial board and Kawan M members in the production of coverage themes. The observation took place when the researcher was a member of Kawan M and, at the same time, participated in more than three editorial meetings with Kawan M members. Not only that, this study also uses secondary data in the form of quarterly transparency reports on donors/members, institutional documents (related to the vision and mission, programs, and financing strategies), and survey results on members for the July–August 2022 period.

of Cultural Products. *Media, Culture & Society*, 33(6), 945–964.

<sup>26</sup> Deuze, M. (2009). *The Professional Identity of Journalists in the Age of Digital Media*. *Journalism Practice*, 3(4), 413–431.

<sup>27</sup> Leibovitz, J., Telo, G., & Navarro, C. (2015). Participation Culture and Crowdfunding: Case Studies from Catalonia. *Journal of Media Economics*, 28(3), 167–182

<sup>28</sup> Aitamurto, T. (2011). The Impact Of Crowdfunding On Journalism: Case study of Spot.US, a platform for community-funded reporting. *Journalism Practice*, 5 (4), 429–445. <https://doi.org/10.1080/17512786.2010.551018>

### C. Results and Discussion

#### Aspects of Crowdfunding-Based Business Model at Project Multatuli (PM)

This article presents several findings, including the crowdfunding business model by Project Multatuli (PM), the production and distribution process as an implication of crowdfunding practices, and the relationship between members and editors. The study results show that Project Multatuli (PM) uses a crowdfunding *model* in the form of membership-based donations, which is divided into three criteria: membership with a cost of 30 thousand, 100 thousand, or 250 thousand per month. PM refers to *the membership model* in the *membership puzzle project* (<https://membershippuzzle.org/>), an institution that guides media who want to manage their business independently through membership programs. Each amount of this membership donation gets a reward in the form of an invitation to attend an editorial meeting and access to newsletters and periodic transparency reports on the donation with the highest cost. Not only that, the PM also offers rewards in the form of *merchandise* if members pay for one year in one payment.

Not only did the PM use a funding scheme from public donations, but the PM also explained that the demands of considerable operational costs made the PM decide to receive funds from grants from certain institutions. One of the considerations for receiving grant-based funding or grants is cooperation with NGOs or institutions with the same vision, namely siding with the interests of the public and marginalized groups. One of the collaborating institutions is Greenpeace and [change.org](http://change.org), which are for environmental issues. Currently, more grantors come from institutions that care about environmental issues because the PM also considers this issue very important. This means that the principle in funding is aligning the vision between the PM and donor institutions to serve and voice the interests of the public and marginalized groups and oversee power. This principle encourages founders to use funding that can keep them independent or not dictated by other interests in writing their content.

In addition to funding from grants, PMs also attract funding from training or public empowerment service offerings, such as writing

training, investigative reports, etc. Not only that, the PM also sells *merchandise* to get other income. The PM refers to this financing model as *earning revenue*.

The current membership-based funding target is 30%; the rest is from grants from other institutions and *revenue* of 70%. However, in the third year of PM, funding from grants and other revenues (earn revenue) reaches 45% each, and the rest from funding based on member donations reaches a maximum of 5-10%.<sup>29</sup> The PM chose to encourage more significant funding from membership donations (target of at least 30 %) so that news coverage can represent the voices of readers who are also their donors. One of the highest growth points in the number of members was obtained in the first semester, especially after the police coverage and the *burnout generation*.

#### Implications of Crowdfunding Practices on Content Production

The results of interviews with the PM's editors show that coverage of issues is not determined by donations because membership dues are not intended for specific articles. Membership donations are more aimed at the PM's media institution in general rather than based on public interest to provide funding support for specific coverage.

Members' involvement in the decision to report issues can be done in bi-monthly editorial meetings accessed by Kawan M members. At this meeting, the writing idea usually comes from the editor in general and is then communicated to members in an online meeting. Members can provide opinions or input on specific scopes or issues that need to be raised related to the writing theme proposed by the editor. Not only do they input ideas, but the PM opens opportunities for members to contribute to the information they have on a particular issue.

The PM also has a limited discussion forum for some active members who often supply information and data to enrich coverage and writing. This forum also builds *editorial engagement* with members. However, from this process, the PM editor is still dominant in the production process, from determining the theme

<sup>29</sup> Annual Report Project Multatuli, 2024

of writing, reporting, writing articles, and editing to publication.

In the coverage production process, the PM reduced the number of editorial staff and used a freelance writer system to support the production process. This is done to cut the cost of production coverage. In addition, the PM collaborates with local media to share coverage and writing. This collaboration is also a crowdsourcing practice to obtain richer writing materials that can be used together and at a lower cost. Collaboration-based production with other media can be in articles, podcasts, and other forms of publication.

The coverage production process is directed so that particular content can increase the number of members and ultimately have implications for increasing funds from members. This happened when the PM wrote about the police and the burnout generation. This shows that the public's desire to participate as a member of Kawan M is more driven by the public's interest and liking for the idea behind the writing rather than giving rewards.

### **Implications of Crowdfunding Practices on Media Content Distribution**

Regarding distribution, PM presents content in several ways, namely 1) Publication of writings on the [projectmultatuli.org](https://www.projectmultatuli.org) website. This website is the official website of PM's online media, and it contains all the production writings of the PM's editorial team in total. Not only that, but this site also includes information on the origin of the multiculti project and a link to the membership platform of Kawan M, which will guide prospective members in registering as members. This website is the main display space for Project Multatuli's journalistic products, and it will show how far the PM is.

PM realizes that the presence of social media to reach a broader reader market encourages PM to use Twitter, Facebook, and Instagram to become distribution channels and, at the same time, promote the results of coverage. The social media used are Twitter accounts ([https://twitter.com/projectm\\_org](https://twitter.com/projectm_org)) with more than 80 thousand followers, Facebook

(<https://www.facebook.com/projectmultatuli>) with 7.3K followers, and Instagram ([https://www.instagram.com/projectm\\_org/0](https://www.instagram.com/projectm_org/0)) with 95K followers.

PM also uses syndication by local, national, and international media under a Creative Commons license to expand the distribution of writing. This license allows anyone to copy, disseminate, and use the PM's work with the ownership of the copyright to the content fixed on the PM. Collaboration with various parties, such as local media, universities, and nonprofit institutions, to produce writings and share sources of coverage also helps expand PM's exposure to the broader public.

The data from this study shows that PMs still need to fully utilize the crowdfunding model in their business models but also use funding sources from grants and other income, which they refer to as sources of revenue. PMs use a combined financing model rather than a hybrid (based on owners and advertisements).

There are several differences between PM's crowdfunding model and other crowdfunding-based media platforms, such as Kickstarter, Indiegogo, Spot, US, and others, namely 1) Other platforms use a small donation model intended per story. In contrast, PM uses donations for overall content production. When referring to Kappel<sup>30</sup> PM uses an *ex-post-facto* crowdfunding model, where donors provide funds based on preferences for existing coverage, such as digital tip jars or what is said to be 'pay as you please.' This differs from most other platforms that use an *ex-ante* model, which is open for donations to anyone interested in the coverage plans journalists offer.

Like other donation fundraising models, the PM membership model builds a culture of participation, transparency, and collective intelligence practices in media content production. The relationship between editors and members is more interactive than the traditional linear media model. Participation, transparency, and collective intelligence practices take the form of 1) A joint bi-monthly meeting between the editorial team and members to discuss future coverage themes and open up input from members to share comments

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<sup>30</sup> Kappel, T. (2008). Crowdfunding: A New Way to Fund Projects. *Journal of Business Venturing*, 23(4), 382-392



and information in support of writing (collective intelligence); 2) Sending quarterly reports from the media to all members via email containing the receipt and use of funds as well as the number of works produced in that period.

In addition, the article also shows that the culture of participation and the practice of collective intelligence shows that news production is no longer the dominance of editorial power but spreads to readers and members involved in editorial meetings or followers who provide comments via social media. This means that the power of the media has become smaller (Deuze, 2009) and decentralized (Aitamurto, 2011).

This research reinforces Deuze's (2009) assertion that crowdfunding-based media practices will create an essential relationship between the media and news production members. These relationships are built by exchanging symbolic values that are intangible rewards for members.

#### D. Conclusion

This article concludes that media crowdfunding in Indonesia still cannot entirely rely on donations as the only funding source but instead on media income that can support media independence. Therefore, the media must be efficient in its management by reducing the number of editors and building collaborations with other media to share costs and resources and expand content distribution.

Although not entirely based on member donations, crowdfunding-based media has succeeded in building a tradition of participation and transparency in the content production process and forming an affection-based engagement between editors and donors through joint editorial meeting forums and social media. Thus, content production is no longer the dominant media form; it also involves the public, forming a culture of co-creation. Lastly, funding from donations will encourage the media to become more public-oriented rather than market-based.

Based on the results of the study, this study provides several recommendations. First, the crowdfunding model is the future media business that encourages public service journalism rather than commercial journalism,

often ignoring the public interest. Second, there is a need for continuous literacy among the people in Indonesia regarding the importance of their small donations to encourage the media to become more independent and favor the public voice. Third, the media can increase public awareness of their significant involvement in crowdfunding by distributing media content to the public through local media networks and social media.

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