

Crowdfunding as a source of financing for radio and audio content in Spain

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Abstract

The current crisis in traditional models of funding, the new role being played by audiences and the development of digital networks have transformed the production, distribution and consumption of cultural products including radio and audio content.

Changing the conventional model of risk and investment, crowdfunding involves listeners in the dissemination and funding of different projects. This paper analyses the viability and sustainability of such funding by looking at different projects related to radio content carried out in Spain in recent years.

Keywords

Crowdfunding, radio, innovation, microdonations.

Resum

La crisi dels models tradicionals de finançament, el nou rol de les audiències i el desenvolupament de les xarxes digitals han transformat la producció, la distribució i el consum de productes culturals, inclosos els continguts sonors i radiofònics.

A partir d'un canvi en el model tradicional de risc i d'inversió, el micromecenatge introdueix l'oïdor en la circulació i el finançament de diferents projectes. Així, aquest treball analitza la viabilitat i la sostenibilitat d'aquesta forma de finançament centrant l'atenció en diferents projectes desenvolupats a Espanya al voltant dels continguts radiofònics.

Paraules clau

Micromecenatge, ràdio, innovació, finançament col·lectiu..

1. Conceptualising crowdfunding: hypotheses and objectives

Crowdfunding can be seen as one of the trends that's most extensively transforming the production and distribution of cultural content. Although it cannot be considered as new, as we will see below, the reality is that the crisis in conventional funding methods, drop in revenue for the cultural industry, transformation of audiences and developments in digital formats have made crowdfunding a key formula for starting up and sustaining many projects. This alternative form of funding has grown exponentially since 2009 when the main digital platforms appeared to attract resources, providing a link-up between promoters and donors (Lambert & Schwiembacher 2010).

The concept of crowdfunding isn't hugely complex although some slight distinctions need to be made depending on the type. Authors such as Belleflamme believe that, today, crowdfunding involves an open appeal, essentially on the internet, for financial

resources in the form of a donation or via some kind of reward and/or voting rights. This is funding obtained via financial contributions from a group of people with the aim of starting up a certain project. Generally each participant contributes a small percentage of the total funding required (Belleflamme, Lambert, Schwiembacher 2014).

Recently Spain's Ministry of Finance and Competition (2014) launched a bill to encourage corporate financing that considers as crowdfunding projects as "appeals for funding aimed at a number of individuals or legal persons which expect to obtain a monetary return to their investment and are not investing professionally, carried out by promoters who request funding on their own behalf or when the funding is aimed at a specific project and not to finance third parties" (2014: 44).

This bill, which focuses on the equity version of crowdfunding, and other previous works (Cuesta et al., 2014:3) help to distinguish between four fundamental types of crowdfunding:

- Donation: users make a financial contribution towards the project without any other benefit than its enjoyment in

the case of cultural products or personal satisfaction in the case of social projects.

- Reward: in those cases where the project's financiers receive some kind of product or service in exchange for their financial contribution. This kind of crowdfunding is the most widespread for cultural and communication activities.
- Loan: participants advance the money required through contributions and this is returned once the project becomes a reality and they thereby recover their investment.
- Equity: the audience or clients finance the project and also become its investors with a stake in the share capital.

Reward crowdfunding is used in cultural publication sectors (recording, publishing and film industry) as audiences have systematically behaved as clients and not mere consumers or citizens. This reward model is also the most widely used to finance communication projects such as radio broadcasts and audio content, although in these cases it's more complex to establish a reward. In the area of the media we also find cases of the equity model being applied, in which clients become shareholders. This is the case of *El Español*, the online newspaper project by the journalist Pedro J. Ramírez, which ended its crowdfunding with 5,595 investors contributing 3,606,600 euros (*Elespañol.com* 2015). *El Español* has become one of the equity model campaigns achieving the largest volume of crowdfunding for a journalistic project worldwide.

We need to point out that, unlike the models coming from

a tradition of paid consumption for different media (books, records, DVDs, newspapers, magazines), radio is traditionally free, either because it's provided as a public service or financed via advertising. It's also essentially a flowing, ephemeral medium although this has now started to change with the digital era. In principle, its transformation into published products thanks to podcasting and radio on demand favours funding formulas in which listeners can listen to radio products on demand.

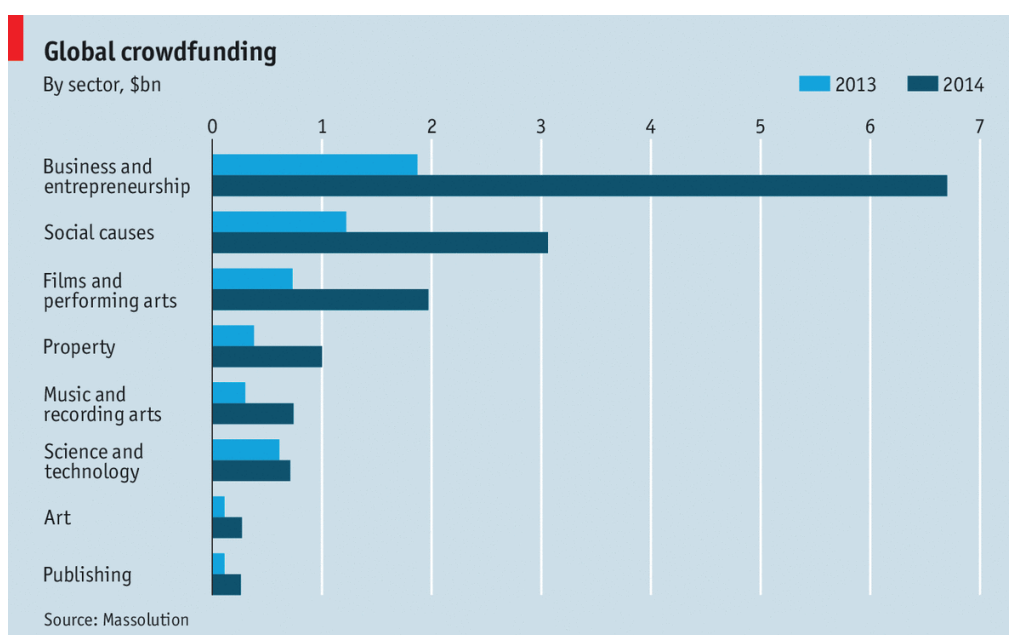
The reality is that crowdfunding has grown significantly over the last few years. According to recent data from *The Economist*, the sector totals around 16.2 billion dollars worldwide with considerable growth in the business sector in general and in the film and music industry in particular (see Figure 1).

According to *The Economist*, the development of favourable legislation and the search for investment niches have helped it develop. Moreover crowdfunding should not be seen merely as a financing formula since it's a powerful promotional tool, helps to test products and adapt them to clients' requirements (in a kind of mass customisation) and develops user-based innovation (Belleflamme, Lambert, Schwiendbacher 2014).

For Bannerman, crowdfunding represents a new model supported by growth in the social economy, exchange networks and a new culture of participation (Bannerman 2013). From our point of view, projects for radio production and distribution and audio creation are starting to resort to this kind of funding for a number of reasons which we will list in the following initial hypotheses:

1. Funding crisis. This crisis is reflected in two ways: firstly in the evident budget cuts in public radio and television

Figure 1. Global crowdfunding by sector (in billion dollars)



Economist.com

Source: *The Economist*, 4 April 2015.

and, secondly, in the crisis in the advertising market which has gone from 641 million euros invested in 2008 to 403 million in 2013 (Infoadex 2014). In addition to these general problems in the market are specific ones such as the case of the PRISA Group, Spain's main radio group whose debt crisis has led it to substantially alter its shareholder structure with the incorporation of banks and vulture funds (*El Confidencial* 2014).

A transformation can also be seen, via crowdfunding, in traditional forms of investment and the assumption of risk. Whereas, in the traditional model of capitalist corporate financing, the risks were assumed by entrepreneurs and shareholders, this model shifts the risk to audiences (either as clients, investors or fans).

2. Technological advances and new intermediaries. The development of the internet means that crowdfunding initiatives which would have previously remained on the margins are now becoming more important. This space has also been taken up by new agents attempting to capture part of the capital generated by such projects. Crowdfunding platforms and online payment services are becoming the new intermediaries for such relations, taking advantage of the "long line" of projects being offered. The first crowdfunding platform to appear on the internet was *Kiva* (Flannery, 2006) and, after the appearance of *Indiegogo* in 2008, a large number of platforms were set up to manage and publicise projects looking for such funding. Some have achieved international significance such as *Kickstarter* while there are many other national platforms operating in their respective countries. In Spain *Verkami*, *Lanzanos*, *Goteo* and *Migranodearena* are the most widely used in campaigns related to radio projects.
3. Participatory culture. This emergence of digital networks has significantly developed a participatory culture that means certain audiences get very much involved in developing/altering cultural creations. For a culture to be considered as participatory, Jenkins (2006:7) establishes a framework where the fundamental features are low barriers to entry for creation and citizen commitment, important when creating and sharing creations with others, as well as the members of a community believing their contributions count. This framework encourages audiences to get involved in developing crowdfunding projects in which, in addition to consuming, receiving or accessing a final product, users also want to participate in creating and be more than just mere financiers or fans. Consequently, in many projects co-financers are often provided with participation codes, differentiating these products from those created top-down.
4. Lack of innovation in the sector. The lack of innovation in traditional radio (we're referring here to large networks with a strong presence on the airwaves) has been aggravated by the economic crisis mentioned in the first point. Innovation is lacking both in programming (Martínez

de la Casa 2012) and in aesthetic terms (Xoengas 2013) and online developments are happening at a snail's pace. The precarious situation of radio is also preventing daring policies, both in public and private radio, stopping projects such as *Carne Cruda* (Gallego 2012) which have been undergoing substantial renovation, both aesthetically and also in their use of social media and distribution.

This article presents the findings of a study whose aim was to examine the radio and audio projects which, over the last few years in Spain, have chosen crowdfunding as their source of financing. Among the objectives of our study was to identify the possible differences seen in crowdfunding for radio/audio projects compared with that for other cultural products, to determine the different types of initiatives used by crowdfunding campaigns in the area of radio production, establish the characteristic features these crowdfunding campaigns, especially the key elements that have been decisive in the success or failure of some of them, and to analyse the characteristics of the content generated via this kind of funding.

To carry out the analysis we examined the main Spanish crowdfunding platforms that host cultural projects, searching for initiatives to develop and/or distribute radio and audio content. The platforms forming part of our research were: *Verkami*, *Lanzanos*, *Goteo*, *Mymajorcompany*, *Migranodearena* and *Mola.fm*. Projects were not included in the sample if they used international platforms that do not have their main offices in Spain, as well as when the platforms might have erased their databases before the fieldwork was completed (February to April 2015).

We performed keyword searches on the aforementioned platforms: radio, podcast, audio content, FM and broadcasters. Only the *Verkami* platform has the category "Radio and podcasts" which makes it easier to find such projects.

Among the cases analysed we also included others choosing to be financed totally or partially by crowdfunding but which, nevertheless, have not resorted to this kind of platform to obtain their funds. The most important example is *Carne Cruda*.

In total we analysed forty-five radio projects carried out between 2012 and 2015. Information was gathered for each one on the following variables: aim of funding; amount collected; number of donors; campaign duration; campaign communication elements (description, video, use of social media); project background; type of reward offered; characteristics of the content, service or product to be developed; how content is distributed; identification of the organisation or people promoting the project.

Based on the relations between the different quantitative and qualitative variables studied, a number of critical factors were identified (donor community, communication plan, funding target, crowdfunding methods, campaign costs) that largely determine the viability of crowdfunding campaigns for this kind of radio and audio project.

Table 1. Crowdfunded radio projects 2012-2015

Title of the radio project	Target (€)	Amount collected (€)	No. of donors
Carne Cruda	40,000	85,137	2,200
La Isla FM 1st Campaign	12,000	14,929	324
La Isla FM 2nd Campaign	12,000	13,042	315
Arcadia Gamers/El Club Vintage	500	7,545	291
Alejandro, la mula y la radio	4,500	4,685	71
Cuac FM	3,800	4,632	160
El extrarradio	2,600	3,995	127
Celda	3,800	3,805	55
Inout radio, la radio lesbica	3,600	3,665	63
10 Festival Radio Almenara	2,500	3,054	92
Radio Bronka	2,500	3,046	77
La barandilla	30,000	3,019	17
El complejo lambda	775	2,725	111
Talleres Radio Enlace	2,500	2,513	42
Más voces	15,000	2,299	36
Punt Org. activisme social a Ràdio Estel	2,055	2,085	48
Retransmisiones del CD Castellón en VoxUji	1,200	2,060	75
Ok Lliga Ona Codinenka	1,800	2,020	37
Radio, prensa y tv con mucha capacidad	2,000	2,000	27
Planeta tenis, la radio del tenis	4,800	1,750	23
12 Festival Radio Almenara	6,000	1,520	44
Nueva Web Los sonidos del planeta azul	2,500	1,410	39
Dedalo	50,000	1,365	29
La Mandrágora	1,800	1,251	27
Construim Radio Revolta	1,190	1,220	59
Onda Palmeras Córdoba	1,000	1,030	20
Democratiza las ondas	5,000	974	29
Bericid Sulfúric	800	960	38
Traemos la transformación social a las ondas FM de Barcelona.	4,000	655	19
Normas de equivocación	350	644	36
Radio Battletoads	220	425	36
Emprende Radio	1,000	350	7
Ayuda al momento inútil a ir a Eurovisión	859	335	24
Radio Siberia	1,000	327	23
Radiocampito.com	1,500	215	11
Ondas de la costa	1,500	160	3
Radio Joven Comunitaria	1,500	130	4
Trufa Serie Radiofónica Infantil	750	120	5
Onda Color	15,000	25	2
Radio Iris 7	999	15	2
Radio para la integración MCI	1,800	10	1
Salva EDM Radio	245	2	2
Academia de las Ondas Formación Radiofónica	645	0	0
100.8 Elite Radio En verdiblanco	0	0	0
Expatriados	10,000	0	0

Note: Radio and sound projects that formed part of the fieldwork. Carried out between January 2012 and April 2015

Source: authors

2. Background and international framework of crowdfunding as a tool for financing radio

On looking at previous financing experiences we discovered that radio has used financial support from audiences since it started out as a mass medium. While the financing formulas that became fundamental (advertising and public funding) started to become established, in many countries the first radio broadcasting projects were sustained by direct donations from their listeners. On many occasions these initiatives were bottom-up thanks to the creation of associations or radio clubs that brought together radio enthusiasts who managed to collect enough money

to maintain the first programmes. In other cases it was the radio broadcasters themselves that looked to complement their advertising revenue with what we can consider to be the earliest examples of crowdfunding. These campaigns, held in the 1920s in American and European countries, shared the three characteristics of this kind of funding: a community particularly interested in the benefits of the project being proposed, financial contributions essentially made by individuals not corporations, and the use of different communication channels to publicise the fundraising campaign. Once advertising started to generate enough revenue this kind of practice started to be abandoned. With hindsight, the truth is that listeners had a marvellous,

novel device that needed content to really come into its own. This situation gradually weakened until reaching the current overabundance of free content that makes it difficult to achieve a critical mass of listeners prepared to pay. Moreover, audiences felt they were a part of the medium as, even during those years, their participation was vital in creating radio broadcasting (Jenkins 2015; McChesney 1990).

Listeners therefore found evident rewards in broadcasts that were shared by the whole audience, and companies and clubs used to offer a number of exclusive products that aimed to strengthen the perception of an exchange: sending listeners the station's official magazine, invitations to plays and shows, the chance to attend live recordings of programmes, giving away emblems of the broadcaster, etc. (Fernández Sande 2006: 108-112).

Compared with the private sector, which ended up meeting its funding requirements through advertising, public broadcasters in some European countries (United Kingdom, Italy and France) opted for collective funding by imposing a tax or duty on people with a receiver in their home, while a third kind of funding developed in the United States with a different view of public media, more community-focused and looking for support from audience contributions to take on the big private networks. The first experience of this type was the *Pacifica Foundation* promoted by Lewis Hill in 1946 and its first station, which has ended up with a network of five stations today, *KPFA* from Berkeley (Fernández Sande 2015: 179; Mitchell 2005).

This direct funding from listener contributions implemented in the US by *Pacifica Radio* would be repeated by other public broadcasting networks such as *National Public Radio* (NPR) which currently bases 34% of its revenue on individual donations (NPR 2014) although in this case it also has other sources of funding such as subsidies and institutional donations (Lasar 2000; Mitchell 2005; Gallego 2012).

If we focus on the current international context of collective funding we find a trend that's reflected in cross-border projects: Latin American general radio stations that have won the Gabriel García Márquez Prize for journalistic innovation such as *Radio Ambulante* (Fernández Sande 2015: 184) and the collective programme *Radiotopía* (Gallego & Segovia 2014) have centred their development on podcasting. This last platform is promoted by Roman Mars, creator of the architecture and design podcast 99% *Invisible*, which via its *Kickstarter* crowdfunding campaign in 2012 collected a total of 170,477 dollars provided by 5,661 people. In November 2013, for the coming season and with a new campaign on the same platform, it attracted more than 375,000 dollars from 11,693 listeners (Kickstarter.com 2014).

3. Crowdfunding and setting up radio in Spain: case studies

3.1 Early experiences

The first initiatives for Spanish radio broadcasting projects

hoping to use this alternative source of revenue date back to 2013 with the appearance of crowdfunding platforms and the launch of crowdfunding campaigns on the internet. This is the year when we find the first radio and audio broadcasting projects that attempt to finance themselves via crowdfunding.

The pioneering initiative was the radio programme *Punt Org* by the Catalan Catholic broadcasting network Radio Estel. After receiving a Social Welfare award from Barcelona Council, in February 2012 its director Joan Ortiz i Serra started a crowdfunding campaign on the Verkami platform which reached its target figure of 2,085 euros to produce a programme, via 48 donations. In the next campaign the director claimed the independence of the programme (which had started broadcasting in September 2011) as the main reason for this kind of funding "To remain totally independent, free from any commercial or political interest".

Other projects that appeared in 2012 were: *Los sonidos del planeta azul*, a world music and culture programme that asked for resources to redesign its website but whose campaign didn't achieve its target amount; *La Mandrágora*, a programme broadcast by a community station in Malaga and in September La Pizarra-La Voz del Guadalhorce launched a crowdfunding campaign that also failed to reach its target.

After these pioneering experiences which had mixed results, three more projects emerged in the final months of the same year that did achieve their targets. Among these was Cuac FM, a community broadcaster from A Coruña that had been on air since 1996 and resorted to microdonations to finance its legal costs for an appeal against the FM licences given out by the Galician government which excluded community radio stations. This campaign collected 4,632 euros when the minimum target had been set at 3,800; the video game podcasts of *Arcadia Gamers* and *Club Vintage* which, in September, 2012, collected a total of 7,541 euros in funding (the initial target was 500) donated by a community of 291 sponsors who supported the project to buy technical equipment to be able to continue making both podcasts; and the audio project *El Extrarradio* which amassed almost 4,000 euros in December 2012 with 127 donors. Its communication campaign is particularly interesting, sending out the following message: "we want to take advantage of our positioning in the traditional media to involve our followers in this new, independent project". *El Extrarradio* has continued and has won various awards, including the 2013 Premio Ondas for journalistic innovation.

The projects of *Arcadia Gamers* and *Club Vintage* also represent one of the most successful cases in the study sample, in particular because of the large number of donors they managed to mobilise for their campaign, a figure that only two other radio crowdfunding projects have managed to outdo and both of them from commercial radio.

After analysing all the campaigns that form part of our study, it was observed that, depending on the proposed aim, there is a diverse range of radio and audio projects that have attempted to finance themselves in Spain via crowdfunding. Based on the

data we can classify the projects as follows:

- Initiatives to improve or acquire new technological equipment to be able to continue their radio activity or start future projects.
- Funding for community or local radio.
- Maintaining online radio.
- Producing podcasts and new formats.
- Sustaining audio creation projects.
- Training initiatives.
- Events and related creations.

3.2 Analysis of the critical factors in crowdfunding campaigns

a) Donor community

If we analyse all the radio project campaigns studied that achieved their funding target (excluding the case of *Carne Cruda* which, as we will see, has some special features due to its reach and large community of listeners coming from traditional radio), the figure we obtain for the average community of donors required for a successful campaign is 98. However, the average number of donors for campaigns that did not reach their target is 14. The capacity to mobilise a community of donors is therefore one of the most important keys to success, irrespective of the amount of funding requested. According to the data analysed, the ideal community to achieve the funding target of radio projects via crowdfunding is made up of at least 80 to 100 donors. This means that projects with a track record and therefore a community of listeners have a significant initial advantage to be able to carry out successful crowdfunding campaigns.

b) Communication plan

The other essential aspect to attract sufficient donors and their contributions is to plan and implement good communication. In the study, all the campaigns managing to achieve their financial target also invested a lot of effort in communication: firstly in terms of correctly handling all the information provided on the crowdfunding platform: project description, objectives, rewards, details to contact the promoters directly and deadlines. All the crowdfunding platforms that come under our area of study (Verkami, Lánzanos, Goteo, Mymajorcompany, Migranodearena.org) use a very similar structure to present this information: a progress bar for the campaign showing the percentage of the target achieved at any given time, a video or photograph of the campaign (the presence of an explanatory video is one of the most useful methods to persuade donors and most of the crowdfunding campaigns analysed included this tool); campaign indicators (number of sponsors, deadline); campaign description, which should always be as detailed as possible; and the rewards that will be given for each contribution. Almost all the radio projects in our study included all these elements (which are also established by the platforms' own templates). The only differences found were in the degree of precision and

quality of the information provided.

The other essential aspect in a campaign's communication is to make it go viral using social media and the circles closest to the campaign's followers or, if applicable, its existing community of listeners. Lastly, some actions also use the media to gain visibility as a larger number of hits helps them attract more funding. In the case of radio projects we can find examples such as *Carne Cruda*, *La IslaFM*, *Extrarradio*, and the campaign "Democratise the airwaves" run by various TV and radio communities to obtain resources in order to start a campaign to defend these media against public institutions.

c) Funding target

Out of the forty-five cases analysed, 50% (23) managed to achieve the target they'd set or even exceed it. These results place the success rate for projects on the Spanish platform Verkami (according to information on its own website) at 70%, with 40% for the Kickstarter platform (Acconcia 2014), and international leader of this market.

There are several reasons why a crowdfunding campaign for this kind of project might succeed or fail. In addition to the ability to mobilise a community of donors, among other key elements is the financial sum set as the target, which should be as low as possible to carry out the project. It's important to establish a well-justified target for funding which the community of people interested in the project will find reasonable and feasible, making the campaign more credible. For the cases in this study, the funding target most frequently requested ranged from 0 to 2,000 euros, in a total of 22 of the 41 crowdfunding campaigns that have already finished. Most radio projects looking for financial resources via crowdfunding therefore set quite low funding targets aimed at resolving specific issues rather than developing long-term projects.

It seems to be quite difficult to find any direct relationship between the amount of funding required and the likelihood of achieving the target. 46% of the projects requesting a maximum of 1,000 euros achieved their funding target, a success rate very close to the projects requesting between 1,000 and 2,000 euros, 44% of which also achieved or exceeded the target figure. It's significant that the projects ranging from 2,000 to 3,000 euros seem to be more credible and get more response from their communities as 86% of these campaigns achieved their target.

We've already highlighted the initial experiences emerging in this area in Spain and, in 2013, 2014 and 2015, a clear trend has appeared of audio projects looking for this kind of funding, as observed on the different platforms analysed. We're talking about a very small number of initiatives, especially when compared with the crowdfunding campaigns appearing in other cultural areas such as the recording and publishing industries, but slight growth can be seen.

d) Types of crowdfunding

Regarding the type of crowdfunding, all the experiences

analysed correspond to the reward-based model. For the moment no case of equity crowdfunding has been found for radio projects. Initiatives attempting to secure funding through microdonations try to get the necessary funds for the project based on the interest the community may have in the radio product or service itself and sometimes reinforce this by giving different rewards that may be material in nature. The small rewards or compensation given by radio projects to donors seek to increase the donor's perceived sense of gain. The most frequent kind of reward are mentioning donors in the programme or space, sending them records or DVDs, giving out different kinds of merchandising (mugs, tee shirts, sweatshirts, etc. with something identifying the programme) and access to premium content.

e) Campaign costs

When setting their funding target, promoters of this kind of initiative must also take into account all the costs incurred by the campaign. These are costs of the project *per se*: for designing the campaign and its communication, fees charged by the platforms (which in the case of the most popular platforms for radio projects are as follows: Verkami and Lánzanos 5% of the money collected and Goteo 8%) and costs incurred by the payment system - for example PayPal retains approximately 3.5% of each transaction. They also need to plan for production and shipping costs as a result of processing the rewards offered. We've already mentioned that almost all the radio crowdfunding initiatives analysed by this study have used platforms as their main means of publicising their campaigns. However, an interesting trend appeared in 2014 with some projects that, although they had initially started on platforms, once their community of followers had become established they attempted to avoid costs by choosing direct channels to receive contributions from their donors. This is the case of *La Isla FM* and *Carne Cruda*, experiences which, given their scope, are fundamental to understanding the evolution of this kind of funding applied to radio.

3.3 *La Isla FM* and *Carne Cruda*: two benchmark projects

In September 2012, Loca FM decided to pull its programme, *La Isla*, after six years. Its presenter DJ Tango, after fourteen years as a presenter and disc jockey on dance music radio stations in Spain, decided to start up a new online radio station: *Laisla.FM*, run by its community of listeners. The project was launched early in 2013 via a crowdfunding campaign on the Mymajorcompany.com platform, partly owned by the PRISA Group, which managed to collect almost 15,000 euros provided by 324 people, exceeding the initial target of 12,000 euros to cover the approximate costs of maintaining programmes for one whole season. One year later, in its second crowdfunding campaign, the project demonstrated the loyalty of its community of listeners by collecting over 13,000 euros from 315 donors. On this occasion the crowdfunding platform chosen was Mola.FM.

After two seasons applying the reward-based crowdfunding system via platforms and with an audience loyal to its online station, Tango decided to embark on a new phase by seeking funding via microdonations in an attempt to reduce the costs entailed by the reward-model, both economic and in terms of the work required. He decided to use a subscriber system in which listeners can make their donations in the form of membership fees. In exchange, subscribers receive premium content as well as being able to download programmes and access exclusive sessions by some DJs. Another novelty is that 5% of the money collected is used to finance *La Isla de los Sueños*, an NGO related to the project that carries out different social actions. In total, in the two previous seasons *La IslaFM* managed to collect 28,000 euros, not including the donations received via the new system, for which data are not yet available.

Platforms are vital for launching most projects but, when some of these projects achieve stability and consolidate a large enough number of followers, they try to maintain their funding via donations but not exclusively through platforms, looking for direct communication through their websites.

In Spain, the main radio crowdfunding project is *Carne Cruda*, the programme directed and presented by Javier Gallego. After three seasons on Radio 3 (2009-2012) and a period as a podcast by Cadena SER (January 2013 to July 2014), Gallego, not being able to reach an agreement to continue at the PRISA Group's radio station, decided to use crowdfunding to produce his own programme. This is an exceptional case among all those studied; partly because it doesn't use platforms but decided, right from the start, to go for direct donations via its website, and partly because of the large amount of funding collected. The campaign started on 9 September 2014 with a target of 40,000 euros to produce a weekly two-hour programme for ten months. The programme started was first distributed on the internet on 1 October. In four days the campaign achieved 41,771 euros from 800 donations. By March 2015 it had reached 85,137 euros from a total of 2,200 donations.

The subscription system offered listeners the chance to become the "programme's producers", establishing different fixed fees and an optional annual fee. The PayPal platform provides an annual, renewable subscription service.

The crowdfunding success of *Carne Cruda* can be explained by a series of exceptional circumstances occurring in this case when compared with other similar initiatives studied. *Carne Cruda* already had a solid community of fans from its time on Radio 3 and Cadena SER and had managed to maintain an editorial line and programme style that is highly recognisable by its public. Its capacity to mobilise its listeners had already been demonstrated when it left Radio 3 due to a decision by the management of Radio Nacional, leading to its fans mounting a protest on social media. A communication campaign was also run to attract donations via profiles on social media and taking advantage of synergy with digital media, especially with Eldiario.es, in which Gallego is also involved.

Javier Gallego has explained the reasons why he resorted to

crowdfunding: "After having tried our luck with a public and then a private broadcaster, we've reached the conclusion we should become independent from the large media and powerful groups to continue producing free, critical radio" (CarneCruda.es 2014).

Here we see common ground with other international radio projects that have discovered, in crowdfunding, a haven to be able to create a kind of radio that, due to its formal characteristics or subject matter, has found it increasingly difficult to find a home on commercial or even public radio.

4. Conclusions

The main conclusions lead us to confirm our four initial hypotheses. The crisis in funding and lack of innovation have created two broad areas where crowdfunding is applied: projects in which innovation is a key component and which look for support from their listeners as they are refused funding due to problems of risk or political criticism; and projects with a clear aim to serve society or the community, including those related to community and local radio. This last detail provides us with another element to add to our initial hypotheses, namely the lack of public policy in Spain to encourage the development and sustainability of community media. Moreover, the country's new legislation has laid the foundations for the development of equity crowdfunding where financiers can share in a project's success.

On the other hand, it has also been confirmed that a participatory culture and a variety of technological platforms create the necessary setting for crowdfunding. The most successful projects (such as *Carne Cruda* and *La Isla.FM*) are those that have previously been broadcast on traditional radio and have therefore built up a stable community of listeners, as well as encouraging audience participation via different means. Lastly, the number of technological platforms and new payment channels available makes it easier for listeners and creators of audio to have a direct relationship. These new intermediaries are used as a tool for initial communication and contact but, in many cases, a more direct relationship is established later on, with fewer agent fees.

This study has confirmed the existence of a series of factors we can classify as critical for success in this kind of campaign, especially the amount set as the funding target, the number of donors and the communication strategy.

The main challenge is to ensure this kind of funding remains sustainable. In its first few years crowdfunding has shown itself capable of promoting the start-up of projects but we'll have to monitor developments in how this kind of funding is used to determine whether radio crowdfunding is simply the result of the media funding crisis with the aim of including citizens within the circuit of risk, or whether it has truly become a tool for innovation, counter-power and new audience relations.

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