

Tablets may allow 're-set' for media: News Corp.

July 24 2010, by Chris Lefkow



Customers try out Apple's new iPad in a shop in Barcelona on May 28, 2010. Tablet computers such as Apple's iPad may allow the news industry a "re-set" and to start charging for content after years of giving it away for free, a senior News Corp. executive said.

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News Corp. chief digital officer Jon Miller also said it was too early to

make any judgements about the experiment of News Corp.'s The Times with a paid website but charging online readers was "an idea whose time has come."

"A year ago, we were pretty out front with the idea that content has value," Miller told an audience of top technology and media executives at the Fortune Brainstorm Tech conference here.

Now, he said, "it's accepted at a variety of levels. It's more about how it gets done."

News Corp.'s Wall Street Journal already charges a [subscription fee](#) for full access to WSJ.com and News Corp. chairman [Rupert Murdoch](#) has said he eventually plans to charge online readers of all of the titles in his newspaper stable.

"Dual revenue streams are good businesses," Miller said of a combination of subscription fees and online advertising.

Miller said tablet computers such as the iPad offer great opportunities for news organizations to develop paid applications.

"You see apps being consumed that are paid-for apps," he said.

"I think we're seeing a fundamental shift in where content is consumed and it's on to these kinds of devices," he said. "These tablets are heavy media consumption devices, much more than the Web by itself and even smartphones."

He said the [iPad](#) and other tablets being developed offer "very media rich experiences that I think do allow a re-set, perhaps a do-over for the media industry, a chance to get it right."

Consumers need to understand that "there is investment being made in this content," the News Corp. executive said.

Miller declined to give specifics when asked about the number of paid subscribers to Britain's The Times, but said they were "about in line" with what was expected.

"It is early," he said. "It's just a few weeks in."

He pointed to The Wall Street Journal as a newspaper that is successfully charging Web readers and noted that Britain's Financial Times also does so and that The New York Times plans to start charging at the beginning of next year.

"The Wall Street Journal has been in a paid environment for a long time," he said. "There's over a million digital subscribers to The [Wall Street Journal](#) in various forms."

Miller acknowledged that erecting a pay barrier around a newspaper website did result in some loss of readership.

"You lose unique visitors when you do that, unquestionably," he said, but they tend to be those who "dip in and dip out."

"What you do retain are your more core users," he said.

Miller said charging online may not be the way to go for every news outlet.

"I think you do need to have the fortitude to stay the course because you're converting behaviour and the hardest thing to change in the world, one of the hardest things, is consumer behaviour and expectations," he said.

"I don't know that every company can do it," Miller said. "You have to have the will and the wherewithal to do it. [News Corp.](#) has both. It certainly has the financial capability of staying the course."

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