

# Over 100,000 paid subscribers for NYTimes.com

April 21 2011, by Chris Lefkow

---



The New York Times Co. said it has signed up more than 100,000 paid subscribers for NYTimes.com, three weeks after it began charging for full access to the newspaper's website.

The New York Times Co. released its first figures on Thursday since it began charging for full access to NYTimes.com, saying it has signed up more than 100,000 paid subscribers in three weeks.

While the Times Co. described the early numbers for digital subscribers to the newspaper's website as "encouraging," first quarter results for the media giant were less so, sending shares in the company lower on Wall Street.

The Times Co., which includes the flagship New York Times, Boston

Globe, International Herald Tribune, 15 other dailies and About.com, said net profit plunged 57.6 percent to \$5.4 million on continued print advertising weakness.

Revenue at the Times Co. fell 3.6 percent to \$566.5 million.

Print advertising revenue declined 7.5 percent in the quarter. Digital advertising revenue grew 4.5 percent to \$83.6 million and now accounts for 28 percent of total revenue at the Times Co., up from 25.6 percent a year ago.

The Times Co. said revenue at advice website About.com fell 10.2 percent to \$31.1 million, in part because of a change in Google's search algorithm.

Times Co. shares lost 2.19 percent on Wall Street to close at \$8.92.

"The advertising marketplace faced increased pressure in the first quarter," Times Co. president and chief executive Janet Robinson said, adding that "the challenges for our company and for the larger economy are not yet behind us."

Robinson said the launch of digital subscriptions for NYTimes.com, however, "brings our plan for a new revenue stream to life" and the company is "pleased with the number of subscribers we have acquired to date."

"Initial volume has meaningfully exceeded our expectations," she said. "The initial response is encouraging."

The Times Co. said digital subscribers to NYTimes.com had surpassed 100,000, a figure that does not include print subscribers who receive digital access for free but does include readers who took advantage of a

promotional offer.

The New York Times reported last month that Times Co. executives were hoping to attract 300,000 digital subscribers this year.

Robinson said declines in traffic associated with the move to start charging for full access to NYTimes.com were "within expectations" and the site received around 62 million unique visitors in March.

She also said there had been an "uptick" in home print subscribers since NYTimes.com began charging online readers on March 28.

The Times Co. is offering readers 20 free articles a month at NYTimes.com before they are asked to sign on to a digital subscription plan.

Digital subscription revenue to NYTimes.com was not included in the first quarter results since the newspaper only began charging after the end of the quarter.

Like other US papers, the Times has been struggling with declining print advertising revenue, falling circulation and the migration of readers to free news online.

Media analysts and publishers are divided over whether a paid strategy can work and the experience at The New York Times is being closely watched by other newspapers looking to boost online revenue.

Many US newspaper publishers have been reluctant to erect paywalls around their websites out of fear it will result in a loss of traffic and digital advertising revenue and they will be left out of the online conversation.

During a conference call with financial analysts, Robinson also released figures for downloads of New York Times applications for Apple's iPhone and iPad.

She said there have been 6.5 million downloads of the Times application for the iPhone and 1.8 million downloads of its iPad application.

Robinson also said subscriber growth for the newspaper on electronic readers such as the Kindle, the Nook and Sony Reader was up 40 percent since December.

(c) 2011 AFP

Citation: Over 100,000 paid subscribers for NYTimes.com (2011, April 21) retrieved 26 April 2024 from <https://phys.org/news/2011-04-paid-subscribers-nytimescom.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.