

Identifying and understanding the needs of news consumers

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From firewalls to metered access, news organisations have invented many ways to make readers pay for their content online. But the vital question of which readers are more willing to pay than others has been largely neglected – until now.

Over 500 American adults were asked what factors affect their willingness to pay in a study by Manuel Goyanes, from the Universidad Carlos III de Madrid. Before revealing his results in the current issue of Journalism Practice, Goyanes explains just what the paid online news model is up against, stating that "[This] study shows that online users were more likely to pay for those digital products whose main value proposition consists of providing entertainment (music) and solutions (software and apps), but less likely to pay for those providing knowledge (such as an online newspaper)."

Ultimately, Goyanes found that younger and wealthier users were more likely to be willing to pay for online <u>news</u>, as were moderate users of Twitter; heavy Twitter users were more likely to buy into the "culture of free". People who've bought software programmes, online movies, apps or ebooks are also more likely to pay for online news; in other words, users who pay for entertainment on their devices are more likely to pay for information as well.

But for ailing newspapers, identifying and understanding the needs of which users are more likely to pay is only half the problem. What to offer them based on this knowledge is the other, and Goyanes makes a



startling recommendation: "It is now time for online news organisations to develop new partnerships or strategic alliances with entertainment companies with the aim of creating and sharing new (complementary) services based on leisure, culture, entertainment, etc." To survive, "online news organisations need to go a step beyond the classical production of information when implementing paid content strategies."

Goyanes' research shows that younger readers should be foremost in these strategies: "Despite the constant decline of young readers in the traditional newspaper industry, the internet presents a great opportunity for media managers to attract and convince them, since it is the market segment that is more likely to pay for information."

This article is essential reading for anyone involved in either online or traditional news media, as it illustrates the on-going effects of the digital revolution on the creation, distribution and consumption of news.

More information: Manuel Goyanes. "An Empirical Study of Factors that Influence the Willingness to Pay for Online News." *Journalism Practice*, 11 Feb 2014. DOI: 10.1080/17512786.2014.882056

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