

New study reveals why people pay for news and what it means for future of journalism

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Slightly more than half of all U.S. adults pay for news, with roughly half of those subscribing to a newspaper, according to a study conducted by the Media Insight Project, a collaboration between the American Press Institute and The Associated Press-NORC Center for Public Affairs Research. With this study, the Media Insight Project has undertaken one of the largest efforts to date aimed at understanding who subscribes to news, what motivates them, and how news organizations can engage more deeply to convert consumers to subscribers. This research is critical because the future of journalism will increasingly depend on consumers paying for the news directly, as content distributors like Facebook and Google take up a greater share of digital advertising dollars.

"People are drawn to subscribe to news for three reasons above all the others: the publication excels at coverage of key topics, friends and family subscribe to the publication, and, to a lesser degree, in response to discount promotions on subscription prices," said Tom Rosenstiel, executive director of the American Press Institute. "The findings from our study carry a number of important implications about how publishers should proceed—including that they must pursue a dual strategy of both print and digital for the foreseeable future, and that even as newsrooms contract they must improve coverage in key areas of specialization."

Key findings of the study include:

- 53 percent of adults pay for news (not including cable TV)

bundles).

- 54 percent of payers subscribe to newspapers.
- 52 percent of those who do not subscribe are "news seekers" who actively search for news.
- 26 percent of those who use a source for free would be at least somewhat likely to begin paying for it.
- Coverage of a specific topic is the No. 1 reason why people started subscribing.
- 53 percent of [digital subscribers](#) have never paid for a print version of that outlet.

The report also answers several important questions:

- Do young people pay for news? Thirty-seven percent of young adults age 18 to 34 subscribe to news sources. The two youngest age cohorts who pay (18-34 and 35-49) also behave differently than older subscribers: They are motivated more by a desire to support the news organization's mission. About two-thirds of these young payers use Facebook to get news several times a day (compared with half of older subscribers), and many say that discovering a news source through social media was a key factor in deciding to pay for it.
- What value do people see in news? People are drawn to news in general for two reasons above others: A desire to be informed citizens (newspaper subscribers in particular are highly motivated by this) and because the publication they subscribe to excels at covering certain topics about which those subscribers particularly care.
- Why do people choose to subscribe? While there are a host of reasons, the No. 1 cited (by more than 4 in 10 subscribers) was that the publication they pay for excels at covering certain topics about which they particularly care. More than 4 in 10 also cite the fact that friends and family subscribe to the same product.

More than a third of people say they originally subscribed in response to a discount or promotion. In print, people also are moved heavily to subscribe to get coupons that save them money, something that has untapped implications in digital.

- Who does not pay for their news? Of those who do not pay for news at all, many resemble subscribers in a variety of ways. About half are "news seekers," meaning they actively seek out news rather than primarily bumping into it in a more passive way, though the news that nonpayers are seeking (for now, at least) is often about national politics. Like subscribers, many of these people also get news multiple times a day, use the news in ways similar to subscribers, and are interested in similar topics, including foreign or international news. Nonpayers, though, generally see news as a little less valuable in their lives and think that there is plenty of free content available.
- What are the opportunities for growth? We asked everyone who told us they have a regular free source of news how likely they would be to pay for it. More than a quarter (26 percent) say they would be at least somewhat likely to begin paying for it—and 10 percent are very or extremely likely. These likely payers tend to be news seekers, and they also tend to be people who already pay for a news subscription in addition to the source they follow for free. Nonpayers are also price sensitive: most are willing to pay no more than \$1 a week.
- Who pays for newspapers, in particular? Of those who do pay, 54 percent subscribe to newspapers in print or digitally, which represents 29 percent of Americans overall. Most of them buy a print magazine along with their newspaper and pay for two to four news sources in total, some even more. And while 53 percent are long-time subscribers (5+ years), more than a quarter (27 percent) have purchased their newspaper subscription within the past year. Newspaper subscribers especially value information about specific topics of interest and are more likely

than others to value news that helps them be a better citizen and gives them something to discuss with friends and family. In other words, for newspaper subscribers, news is a form of social flow, and strong social engagement through platforms like Facebook, Twitter, and Instagram—both listening to readers and responding to them—is important.

- Do people pay for print, digital, or both? Subscribers divide largely into two camps—58 percent who view themselves as primarily print consumers and 28 percent who view themselves as primarily digital. Only 4 percent see themselves as blended between both mediums, though a sizable minority of print-oriented subscribers also engage digitally, including on social media. Few print subscribers think it likely they will switch to a digital-only subscription in the future, and more than half of those who prefer digital have never paid for a print version of the same source.

"While print dominates among newspaper subscribers today—fully 75 percent of respondents say they primarily read the paper in print—the future of newspapers depends on winning over more young digital readers while maintaining ties to the existing print readers," said Trevor Tompson, director of The AP-NORC Center. "It is critical to develop dual strategies aimed both at keeping current print readers and attracting new digital users."

These key overall findings have a number of implications for publishers and the future of journalism.

- Specialization and expertise. Even as newsrooms contract, they should focus on identifying and investing in centers of coverage excellence—including around civic issues—or they may provide no compelling reason for people to subscribe. News payers are highly motivated by being a fully informed citizen (particularly

among higher-income people) and by getting expert coverage of a particular subject that matters to them (particularly among higher-educated people).

- Focus on the "news seekers." Publishers must find ways to identify and then engage news seekers who look like subscribers but currently do not pay. Seventy-two percent of these people get news on social media, and about 1 in 3 say they would be at least a little likely to pay for the source they now use for free. In general, these nonpaying news seekers tend to follow news much like subscribers do, and just as often. It is critical to identify them, try to understand them, and then reach out to them at the right moment.
- Leverage the power of coupons in digital. While it has not fully developed online and in mobile, publishers should more robustly pursue a strategy of moving coupons into digital, and particularly mobile formats, as part of their subscription strategies. Print subscribers often cite coupons as one of the benefits they value, but digital audiences are not as well-served. How to reach young subscribers. Younger generations will pay for news—but publishers must understand that these relationships begin through friends' referrals and [social media](#) and are strengthened through frequent engagement and interaction. For younger audiences to be willing to pay, they must bond with your mission and purpose.
- When a reader's lifestyle changes, take advantage. Publishers can target people at certain life stages—moments when they are ripe to become subscribers. Among those 18-34 years old, many say they began paying for a source because they recently became able to afford it—perhaps upon getting a new job or promotion. Among payers age 65 and older, many say they started paying because they suddenly had more time to spend with news—perhaps upon retirement. Smart publishers can target their marketing outreach to people hitting these life stages.
- Much news is underpriced. People who currently pay for a

subscription tend to think it is relatively inexpensive. Most think the price they pay is a very good or fair value. Only 1 in 10 [people](#) think their subscription costs too much for what they get. Digital subscribers in particular are more likely than [print](#) subscribers to feel they are getting a very good value (48 percent vs. 32 percent), suggesting they might be more willing to pay more than they are now.

- News payers demand quality over cheapness. Those who pay for news are attracted to their paid source because it helps them stay informed and covers issues they care about well. Their sources provide news and information they care about in an easily accessible way, and they rate them as highly reliable. And they value the exclusive content they get, more so than other auxiliary benefits like giveaways from the organization. Subscribers are clearly signaling that publishers cannot cost-cut their way to growth—attracting subscribers requires investment in premium [news](#) content and focusing on audience needs.

Provided by University of Chicago

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